



Speech by

**Mr TIM MULHERIN**

**MEMBER FOR MACKAY**

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Hansard 14 September 1999

**PRIMARY INDUSTRIES LEGISLATION AMENDMENT BILL**

**Mr MULHERIN** (Mackay—ALP) (12.40 p.m.): I rise to speak in support of the Primary Industries Legislation Amendment Bill 1999. The Bill amends a number of Acts. I propose to confine my remarks to changes to three of these Acts, namely, the Chicken Meat Industry Committee Act 1976, the Grain Industry (Restructuring) Act 1991 and the City of Brisbane Market Act 1960.

Both the chicken meat and grain legislation amendments are the result of reviews carried out under the National Competition Policy. The Beattie Government has made it clear that, in looking at the National Competition Policy, it demands the application of a rigorous public benefit test. This public benefit test must take into account social as well as economic practice, and it must consider employment and regional implications. Both of these reviews are examples of this approach. Both of these reviews highlight that the National Competition Policy examination, if conducted with a rigorous public benefit test, need not result in total deregulation or job losses.

In the case of the chicken meat industry, the review concluded that there was still a role for a statutory Chicken Meat Industry Committee to facilitate bargaining, both collective and individual, between growers and processors. This is important. Growers have expressed concern about the bargaining power of the major processors. Therefore, the role of the committee has been retained. The committee can implement content guidelines for contracts and facilitate negotiation. What the committee cannot do is fix prices. The outcome has the support of both growers and processors. The modelling in the public benefit test suggests that the changes recommended by the review could result in slight decreases in the price of chicken meat paid by consumers and in more jobs in the processing sector. The amendments implement the recommendations of the review. There will be a dispute resolution process put in place for use by growers or processors.

I turn now to the grain industry. The amendments in this Bill also reflect the outcome of a review which has been agreed to by industry. In essence, the review focused on the single desk power of Grainco. Grainco is a Corporations Law company. It is still subject to Government control, and it has a Government chair. What the amendments do is recognise that, in recent years, growers have made their own arrangements for sales of most grains. Therefore, the compulsory vesting of most grains is removed. So for domestic wheat, barley and sorghum, vesting will cease.

Provisions relating to export wheat will be rendered inactive pending a national review. The single desk will, however, be retained for export barley for three years. The reason for this is basically found in the Japanese market. The Japanese Food Authority, which purchases our export barley, prefers to deal with the statutory authority, and hence Grainco's single desk arrangements for export barley have been retained. This is a sensible outcome. Because Grainco is a Corporations Law company, it will hold statutory powers for compulsory acquisition, and there is a need for oversight to ensure accountability. This will be provided under the amendments. A supervisory panel of three members will be established to ensure that the powers are properly exercised. The Government will appoint these members. Also, Grainco will remain subject to the Criminal Justice Act 1992. The Minister will move an amendment to this Bill to provide that Grainco will also be subject to the Parliamentary Commissioner Act 1974, that is, that the Ombudsman will have a role. These Acts apply only to Grainco's exercise of its regulatory functions.

In summary, the amendments reflect sound policy which is in the best interests of both the chicken meat and grain industries and in the public benefit of the wider community. The Bill also

provides for the corporatisation of the Brisbane Market Authority. The markets at Rocklea are an important part of Queensland's horticultural industry. The decision to corporatise the Brisbane Market Authority was taken last year to retain the market in public ownership through a Government owned corporation. The new Brisbane Market Corporation will be established under the Corporations Law and the State will own 100% of the shares. The task of the new corporation will be to build a world-class distribution centre for fruit and vegetables. Corporatisation will provide flexibility to the new entity and make it more commercially focused. Under corporatisation, the market will be positioned to better serve the needs of its tenants and the wider community. I support the Bill.

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