



Speech by

Mr TIM MULHERIN

MEMBER FOR MACKAY

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PRIMARY INDUSTRY BODIES REFORM BILL

Mr MULHERIN (Mackay—ALP) (11.22 a.m.): If that was qualified support from the member for Crows Nest, I would hate to see what his opposition would be like! This is one of the Bills that the coalition has dogged over the years when it has been in Government. It put it in the back paddock, and it has taken the current Primary Industries Minister to clear it up.

I wish to speak briefly on the Primary Industries Bodies Reform Bill and, in particular, the effect that this legislation will have on the assets of local canegrowers. In most areas Canegrowers have substantial assets. In Mackay, they have a number of properties. Under an amendment to be moved, the assets of local Canegrowers will be retained by local growers for the benefit of local growers.

In Mackay, this will be a great relief to the growers who built a magnificent building in Wood Street in the 1970s. At the time, the decision by the local executive, under the visionary leadership of Jack Elliott, was quite a controversial one, because the executive imposed a special levy over a three-year period to build that magnificent building. At that time sugar prices were very low, as they are now. I do not think that the growers were opposed to the idea as such, just the timing of it. The building cost \$1.4m back then, and they were concerned about the burden that this was going to be on the district growers. Fortunately, Mr Elliott was able to persuade all the growers to proceed with the building.

The building was opened on 14 August 1976 by that other great sugar industry leader, Sir Joseph McAvoy. The building, which is now 23 years old, is valued at over \$7.5m and is fully tenanted. Recently, the growers refurbished parts of the building to allow for a more efficient operation of their administration in Mackay. It probably has one of the best conference facilities in Mackay. In December last year, Peter Beattie's Cabinet visited Mackay and took over the Canegrowers building for a couple of days. I place on record the generosity of the Canegrowers for allowing the Beattie Government to hold such an important meeting in Mackay.

The new non-statutory Canegrowers organisation, which will need to be established under this Bill, will be required to hold the assets of local mill suppliers committees and district executives in trust for the benefit of all local growers. This will ensure that where local growers have contributed to these assets over many years, the assets will continue to be used for their benefit.

The Primary Industries Bodies Reform Bill will transform Canegrowers from a statutory authority with compulsory levies into a private entity with compulsory membership for at least three years. The assets of the existing Queensland Cane Growers Council will be transferred to a new private company as part of the process. Government members have made representations to the Minister on this matter, including myself. The concerns that have been raised with us by local growers were to the effect that they may lose control of their assets. Currently, the assets of those local bodies are held in trust by Canegrowers in Brisbane on behalf of the local growers. That will not change under this Bill. However, local growers will actually have greater control over those assets than they do at the moment.

Under this reform Bill, a vote of 75% of growers can remove Canegrowers as the trustee of the assets, transfer the assets to another incorporated body, or even vote to distribute the assets in equal shares to each local individual grower. So that gives canegrowers a number of options. This Bill will empower local growers like never before. The Government is committed to encouraging grassroots control of the new Canegrowers body.

As was the case with the recently passed Sugar Industry Act, the emphasis of this amendment is on empowering local decision making. That piece of legislation promotes flexibility by allowing local areas to reach negotiated agreements on a range of matters, such as expansion and cane quality programs, which were previously dictated by Government. It is also correct to say—as industry has—that the Sugar Industry Bill meant that future negotiations between canegrowers and sugar mill owners will be commercial and the industry will have a stronger focus on meeting the needs of customers. It is correct to say—as industry has—that local management would maximise profitability for all sections of the sugar industry.

I congratulate the Minister on tackling this long, drawn-out saga. As I said earlier, the former Government put it into the back paddock. However, I wish to quote from the Minister's second-reading speech and to address the concerns that some of the growers in my electorate have about the abolition of the compulsory levy system. No doubt the member for Mirani, as a former chairman of the ACFA, which does not support compulsory levies, would be in favour of this legislation. But as the Minister said—

"At the outset ... a major, but not the only, impetus for the Government's examination of the statutory producer representative bodies arises from legal advice which suggests that recent High Court decisions may raise some legal question marks about the compulsory levies that fund these bodies."

I believe that this Bill will address those constitutional issues, and I congratulate the Minister and his department on the way in which they have handled this and negotiated and consulted with the industry through very difficult waters.
