



Speech by

WARREN PITT

MEMBER FOR MULGRAVE

Hansard 26 November 1999

PRIMARY INDUSTRY BODIES REFORM BILL

Mr PITT (Mulgrave—ALP) (12.48 p.m.): I rise to support the Primary Industries Bodies Reform Bill 1999. At the outset, I must take issue with a comment by the member for Callide, who asserted that members on this side have no knowledge of primary industry issues. I remind him that one does not have to own his own farm or have worked on the land to genuinely understand the contribution made to our State and our regional communities by primary producers. My grandfather cut cane for most of his life. For three generations, my family has lived and worked in a cane-growing community. The sugar industry has been the lifeblood of that community. My electorate is primarily a cane-growing area. So the provisions of this Bill affect growers in Mulgrave. This district also grows bananas, pawpaws and rare fruits but, in economic terms, cane is far and away the most important of those primary industries. It is the agricultural mainstay of the electorate. Therefore, in my contribution, I intend to concentrate on the ramifications that this Bill has for the sugar industry.

This Bill will put an end to the status of the Canegrowers organisation being a statutory body with compulsory levies. The Bill continues compulsory membership of Canegrowers for three more years. I think it would help the House in its deliberations to consider the origins of the Primary Producers' Organisation and Marketing Act 1926 and the Canegrowers organisation itself. The Primary Producers' Organisation and Marketing Act was introduced by the McCormack Labor Government in 1926. At that time there was what has been called the worker/farmer alliance, which ensured Labor's long-term electoral success in this State. Labor enjoyed strong support amongst small farmers, because of its commitment to fairer treatment for the economically disadvantaged. It was the Ryan Labor Government which introduced the single desk for sugar and which developed the regulatory underpinnings that have served the sugar industry well for so long. The Secretary of Agriculture at that time was William Forgan Smith, who later became a very successful Labor Premier. The key objective of the Act was to facilitate the orderly marketing of Queensland produce to alleviate the low prices being received by farmers in the early twenties. This was to be achieved by a range of commodity boards for different commodities. Each commodity board would market all of the produce and thereby maximise the market power of producers. It was recognised that to make this system work the producers themselves needed to be organised. In his second-reading speech, Forgan Smith stated—

"The farmers as a group prior to the passage of these measures were acting, for the most part, as individuals, and as independent units they could do little to bring about improvements in the process of marketing."

He went on to say—

"It is only through concerted action that farmers can strengthen their position and stabilise their business."

I believe strongly that this statement is as true today as it was then. Given the complexities of production and marketing, individual farmers are powerless. They need to present a united voice. Most farmers I know have their hands full with on-farm activities and have very little time for anything else. They have had to rely on their organisations to provide research, legal advice and advocacy. Canegrowers and the ACFA are vital to their interests.

The doctrine of cooperation was at the centre of these measures, and even now farmers know of the benefit of working together to achieve economies of scale that individually they cannot achieve.

The Canegrowers organisation was created in 1926 to deliver fairer treatment for growers. I believe that in its long history this organisation has achieved significant benefits for its members. I know that these days freedom of association is seen as the way to go and the principle has already been applied to our trade union movement. However, I strongly urge growers in my area to belong to and support an industry association. Currently, there are two such associations—the ACFA and Canegrowers—to which growers can belong. They should belong to an association and they should harness the strength that comes through united action. Collectively they have more strength. Individually they would be at the mercy of big corporate players.

It would be very tempting, given the tough times facing the industry and the poor returns to our growers, not to pay fees to an organisation. Low sugar prices, a crisis in productivity levels and unfair overseas competition have all played havoc with the industry. I can understand why, when times are tough and people have to watch every penny, paying membership fees may seem a luxury to some. It most assuredly is not. In my view, not paying those fees would be a false economy. Now more than ever growers need to stick together to ensure that their interests are protected. They are lucky to have a Primary Industries Minister who listens and cares. The timetable for outcomes for this legislation is a testament to the empathetic approach he has to his portfolio. But this may not always be the case. For all their rhetoric, members opposite cannot be relied upon to support the sugar industry. Where were they when the Howard Government arbitrarily pulled the plug prematurely on tariff protection? The best Governments for the sugar industry have been Labor Governments. They have not become involved in internal agri-politics but have concentrated on the broader issues based on a commitment to equity.

I urge growers to stick with their organisation so as to retain the benefits of collective action. I would say exactly the same thing to people in any other vocation. I applaud the Minister for providing a transitional period in this Bill. I am glad that he did not try to push through these changes too quickly. As usual, he has a good sense for the needs of rural people. The three-year period that he has provided will give the Canegrowers organisation time to adjust and the new structure will give it the flexibility to do so.

I turn to an issue of real concern to growers in my electorate. This matter was raised by the previous speaker, the member for Mulgrave. Growers in my area have come to me expressing their concerns about the assets of their local mill suppliers committee. These have been built up over a long time through levies paid by local growers for local purposes. At present these assets are held in trust by the Canegrowers, Brisbane, for the local mill suppliers committee. I am happy to be able to reassure my growers that not only have their assets been protected; their control over those assets has also been strengthened.

This Minister has heard the message given by the growers. The Minister will be moving amendments to the Bill that will require Canegrowers to hold the mill suppliers committee assets in trust for all growers, not just the members of the committee. The Bill will provide that this trust can be wound up on the vote of 75% of local growers. If a trust is wound up, the assets would be divided up and returned to the growers. This is a better situation than is currently the case. Currently, the trust could be wound up only by a vote of all members of the committee, and the proceeds would be distributed to committee members. The Minister has done the right thing by all local growers. I believe that when the Canegrowers and the other four bodies become non-statutory entities they will be able to carry out the business of providing services to their members in a better way. They will be more flexible and responsive. This is good for both them and their members. The Primary Industry Bodies Reform Bill will have significant and lasting benefits for growers of sugarcane in Queensland. I urge all concerned to embrace these changes as a positive step. I commend the Bill to the House.
