



Speech by

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MEMBER FOR CAIRNS

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FARMERS

Ms BOYLE (Cairns—ALP) (12 p.m.): All honourable members of this House already know how very hard it is for farmers in our fair country to make a good living. There are many reasons why the farming life is difficult, and not least of these are climatic variations and natural disasters. Farmers in far-north Queensland can certainly attest to that with the damaging cyclones and heavy rains that have been part of this year's wet season.

Another of the difficulties faced by farmers is the necessary but nonetheless difficult business of competing on world markets. Quite rightly, Governments have for some 10 years been encouraging growers to look at export markets and to look at value adding their produce. They have said to farmers that innovation and quality will be rewarded with contracts for overseas supply. Of course, the situation is nowhere as easy as it might sound. Competing on world markets with much of our produce is not easy given the high-quality lifestyle led by Australians and the reasonable levels of wages that are required in this country.

In contrast, some of the competitors on world markets play not at all on the fabled level playing field. Cheaper labour and other factors may give them the advantage over our farmers. Governments of all persuasions have further contributed to headaches for farmers by the variety of and changes to regulations and standards instituted undoubtedly for very good reasons by Governments but nonetheless making the business of producing wonderful foods such as tropical fruits on profitable farms much easier said than done. A sad example of this has been brought to my attention in this last week. Several of our mango growers on the tablelands adjacent to Cairns have been seriously short-changed.

My information from these growers is that they are not alone, that this is a problem that has occurred year by year and for which it seems they have little redress. What apparently happens is that a fruit and vegetable wholesaler from a major city such as Brisbane, Sydney or Melbourne will send an agent to buy, in this case, mangoes. A negotiated deal is made and a purchase order is signed on the spot in which the unit costs for the trays of mangoes in various quality categories is duly signed. The grower fulfils his end of the bargain and sends the contracted fruit to, in this particular case, Brisbane. Some 10 days later the fruit, having been left to ripen in a storage area, is examined at the request of the fruit and vegetable wholesaler by an inspector who determines that the fruit is not of the quality that was required by the original purchase order.

Instead of paying the amount contracted for the fruit, the fruit wholesaler then reassesses the fruit's value in light of the apparent deterioration and defects and sends the grower a cheque. This is the first that the grower knows of the fruit not having, at least by report, met the required standards. He has little choice but to accept the cheque, which is approximately 25% of what had been promised to him on the original purchase order. The impact is more serious for a farmer of a seasonal fruit such as mangoes. The financial vulnerability that the grower faces is severe. No wonder the grower is outraged. He does not believe that his fruit were not of the required quality. He believes, in fact, that he has been duded by the big companies in the big city and that he has not been fairly treated.

What choice has he for action? He can go to a solicitor and take the position that the purchase order constitutes a contract in law and that he is therefore entitled to the full amount as specified on the purchase order. However, the legal pursuit of a large fruit and vegetable wholesaler with connections to the big three, that is, Woolies, Coles and Franklins, by one small grower from the tablelands is well

beyond his means, both in terms of money and time. Money to finance legal expertise and action are clearly on the side of the big companies. The best that the grower can do is bank the cheque and express his frustration to industry organisations and Government.

This is a matter of trade between a grower and a buyer and not a matter in which Government can intervene, at least at an individual contract level. However, the circumstances so far as the Government's interest in such matters is concerned are complex. Presently in Queensland we operate under the Farm Produce Marketing Act 1964. This Act, however, will no longer apply as of 30 June. There is talk that we will then develop a voluntary code of behaviour. The chances of a voluntary code of behaviour being clearly and satisfactorily developed by those representing individual growers, as well as the fruit wholesalers who look after the needs of the big three and all agents and inspectors in between, is rather dim. If voluntary indeed, what is to stop those one or two firms, or agents, or inspectors, or even growers for that matter, who do not adhere to the code of conduct? Nothing, if it is voluntary.

A further problem occurs because much of this trade crosses State borders. Our beautiful mangoes from far-north Queensland sell well in Melbourne, Perth, Sydney, Canberra and elsewhere too. The mention of Sydney reminds me of another inequity for growers in far-north Queensland and elsewhere in Queensland. Mangoes bought from far-north Queensland by a Sydney wholesaler, for example, and sent overseas are registered by the Australian Bureau of Statistics as exports from Sydney. While this might not be comfortable for those of us who like parochially, one might say, to recognise proudly where fruit comes from in our fair State, the impact is in fact much more serious.

An accidental false economic picture is derived by the ABS which attributes the exports as having derived from Sydney and therefore reflecting on the economy based around Sydney. This is problematic in an area such as far-north Queensland where we put together in the early 1990s a regional economic development strategy in regard to which all industry sectors in the region were consulted. The strategies we determined to focus on were those of increasing exports, increasing diversification of industry and import replacement. We have seen various devices, private as well as Government funded organisations and Government departments working to achieve those changes to our regional economy.

More than five years later, however, we do not have any help. Rather, we have hindrances from the Federal Government in determining what is happening in our regional economy—whether or not we are in fact increasing exports, whether we have achieved some measure of increased diversification. The Australian Bureau of Statistics and the Federal Treasury therefore stand in need of correction of their activity in this way if they are serious about regional economic development and assisting us with a true and fair picture of how the changes are occurring in our regional economies at such times.

I return to the story of the mango growers who have been, it would seem, unfairly treated in far-north Queensland. It may be that on this particular matter there is little that a Government can do other than ask some questions and obtain some more detailed information about what has happened in the particular instance. The grower feels, however, and I join with him in his sentiments, that bureaucrats in Brisbane will have friendly working relationships with the industry in Brisbane and when there is a dispute about the reliability of information are much more likely to come down on the side of the big and the powerful and believe that any error made, any failure, was more likely to have been a failure on the part of the grower some thousands of kilometres away in far-north Queensland.

While it may be a Government's best intentions to manage the balance to ensure that the little bloke gets as fairly treated as the large company, through the bureaucracy and the centralisation of senior decision makers in Government, I doubt that the little bloke really does get a fair go much of the time. I think it unlikely that in this particular instance there will be any remedy, though I am pleased to say that the Department of Primary Industries is assisting with investigations. It is possible, however, that we in Queensland could find a remedy for the future to minimise the likelihood of the recurrence of this problem.

One staff member of the Department of Primary Industries said that he believes this situation is unusual. I hope he is correct. Nonetheless, I call on all honourable members on both sides of the House to collect and collate any examples of incidents similar to the one I have outlined. By collecting other examples, if indeed there are others, we may be better able to review what changes could be made to the system to make sure the little grower gets his or her fair payment and to make sure that growers of those beautiful mangoes and other wonderful produce that comes from far-north Queensland and, of course, from other parts of Queensland really do get a fair go in the end.
