



Speech by

# Hon. PETER BEATTIE

MEMBER FOR BRISBANE CENTRAL

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Hansard 5 September 2000

## MINISTERIAL STATEMENT

### Sugar Industry

**Hon. P. D. BEATTIE** (Brisbane Central—ALP) (Premier) (9.42 a.m.), by leave: The sugar industry is central to the continued economic health of much of Queensland, particularly regional cities and towns in the coastal strip from Cairns to Nambour. That is why my Government moved last month to provide targeted real financial assistance to growers who have been afflicted by low world market prices, diseases, pests and low commercial sugar yields in many regions.

My Government challenged the Federal Government to match us—

**Opposition members:** Oh!

**Mr BEATTIE:**—and today I am pleased to inform honourable members that the Commonwealth has indeed followed the Queensland Government's lead. I know that those opposite normally would support the sugar industry, so they should support the Federal package and the State package. The Federal package announced last week will complement Queensland's \$10m Sugar Assist Program. I am delighted that we led on this issue, as we do on all other issues. The Commonwealth's \$83m package is made up of money from existing programs such as Farmbis and Advancing Australia. It does appear, however, that this package closely resembles the Exceptional Circumstances support that the sugar industry asked for early last year.

Honourable members may recall that the Commonwealth finally rejected the industry's approach just before Christmas 1999. But I do acknowledge the Federal Government's initiative to provide Sugar Assist loans through commercial lenders that will compare very favourably with commercial loans, even with interest rate subsidies. I point out that the State loans are offered at a lower interest rate over a longer period, and there will be no need to go to a commercial lender. The State loans are now available, and application forms can be obtained from local Canegrowers' offices, QRAA offices and Queensland Government Agent Program offices.

Our scheme is only one of a number of Queensland Government initiatives for the sugar industry. The other initiatives include: transferring the State's single desk to an industry owned company; returning ownership of the \$350m bulk sugar terminals to growers and millers; investing \$3.8m in sugar research through the Bureau of Sugar Experiment Stations; and additional programs to address sugar yield and commercial cane sugar decline.

Mr Speaker, there is one area of difference between the Queensland Government and the Federal Government in relation to the sugar industry and, as you gather, we are keen to work with the Commonwealth to ensure the future of this great industry. The Commonwealth is demanding a comprehensive industry-wide restructuring in less than two years but is excluding vital sections of the industry from the consultation process. The Federal Government has asked the Canegrowers organisation to develop the proposals for restructuring, and that is fair enough, except that it is excluding mills, mill workers, harvesters and the wider industry.

My Government believes that all parts of the industry should be consulted on any restructuring. Consulting one group, important as it may be, is not consultation. In the spirit of cooperation, I therefore urge the Commonwealth to utilise an existing industry-wide representative body, the Sugar Industry Development Advisory Council, SIDAC. As honourable members would be aware, my Government

established SIDAC in 1998 to consider issues vital to the industry. SIDAC is therefore the most appropriate and widest representative forum for issues of restructuring to be canvassed. I urge the Commonwealth to take up this option for the good of the sugar industry. We will work with the Commonwealth to ensure that this industry has the future that we all want it to have.

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