



Speech by

Hon. HENRY PALASZCZUK

MEMBER FOR INALA

Hansard 3 September 2002

MINISTERIAL STATEMENT

Sugar Industry

Hon. H. PALASZCZUK (Inala—ALP) (Minister for Primary Industries and Rural Communities) (10.21 a.m.), by leave: In the government's first term, major reform of the sugar industry structures was implemented. Thanks to those reforms, industry now owns its marketing company, Queensland Sugar Limited. This has in turn strengthened the operation of the export single desk for raw sugar. Thanks to the government's reforms, industry, growers and millers now have a tangible financial stake in the state's bulk sugar terminals, valued at more than \$380 million. Growers and millers were issued shares in Sugar Terminals Limited. In June, Sugar Terminals Limited announced it had resolved to pay \$14.4 million in dividends and planned to return \$39.6 million in capital to its shareholders, which of course is the sugar industry. The return of capital will be subject to approval at the STL annual general meeting in October.

This government has given industry greater control over its own affairs. The current plight of the sugar industry—with increased overseas production, a depressed commodity price, persistent distortion from overseas trade policies and poor seasonal conditions here—should not be the reason for industry to look backwards. No-one can argue that the current circumstances do not provide for a prosperous sugar industry in the long term. The Hildebrand report, commissioned by the federal government, clearly points to a need for change. My colleague the Minister for State Development and I met with the federal Agriculture Minister, Warren Truss, following the release of the Hildebrand report. Discussions between the Commonwealth and the Queensland government have been continuing.

I need to note the comments from the Prime Minister that his government believes the sugar industry needs a more radical, lasting solution. Obviously, we in the Queensland government are willing to explore the federal government's thinking. Those talks, again, have been ongoing. The objective of governments and industry must be the future prosperity of the sugar sector and of those families, businesses and communities that depend on the sugar industry for their livelihood.
