



Speech by

**Mr JIM PEARCE**

**MEMBER FOR FITZROY**

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Hansard 30 July 2002

### **ANIMAL AND PLANT HEALTH LEGISLATION AMENDMENT BILL**

**Mr PEARCE** (Fitzroy—ALP) (6.15 p.m.): The bill before the House amends key provisions of several acts—the Agricultural Standards Act 1994, the Exotic Diseases in Animals Act 1981, the Fisheries Act 1994, the Plant Protection Act 1989 and the Stock Act. The focus of this bill is to give priority to enhancing Queensland's legislative capacity to prepare for and respond to potentially devastating exotic terrestrial and aquatic animal diseases and the exotic environmental pest the red imported fire ant—exotic pests and diseases which have the potential to shut down Queensland's major export industries. It is important for Queensland to have in place legislative powers that allow government agencies to move quickly and effectively with industry to reduce the economic impact on those export industries, such as beef and fish.

On this occasion I will not spend much time discussing what are important issues for government and for Queensland industries, in particular producers in my electorate. I will spend a couple of minutes discussing a couple of other issues important to me. As an elected representative of the Queensland parliament I represent a large rural constituency. Because I remain close to the people who work and live on the land and because I was raised on the land, I have a good understanding of what rural life is all about. I am the first to admit that I am certainly no expert in that area, but I have lived the way of the man on the land so I have a feel for the issues that impact on the families of rural producers.

Most members in this place would recognise that Queensland is a unique Australian state because it is not dominated by its capital city. Rural Queensland and the provincial cities which serve it are home to almost 50 per cent of the state's population. Rural Queensland and its regional cities are the engine room for the state's economy. This is where our booming export markets deliver jobs and wealth that we all share in. There is no argument that Queensland's prosperity has been built on its primary industry and resource sectors. Because of its importance, there is an obligation on the government and the rural sector to pursue well-defined policies aimed at promoting sustainable development of our state's resources over a longer term. To do that we must have in place the legislation that is necessary to drive those policies.

The importance of the Queensland livestock industry cannot be underestimated. The *Agricultural Commodities* publication of the Australian Bureau of Statistics shows the importance of the beef industry. It states—

At 30 June 2000 there were some 24.4 million meat cattle and calves in Australia which was 5% (1.1 million head) more than the previous year. There were significant increases reported in herd sizes in Queensland and Western Australia but these were offset by falls in New South Wales and Tasmania.

The number of establishments reporting meat cattle increased by 1% to 76,700 at 30 June 2000. This was mainly due to increased numbers of establishments with meat cattle in Queensland and New South Wales.

So beef cattle to Australia—and to Queensland—is very important. As a member representing a rural electorate with a very big beef cattle base—I think it is two million head in the central Queensland area—it is important that we recognise the contribution that the beef industry makes not only to Queensland but also to Australia and the number of jobs that go with that industry.

I must say that I was rocked by the announcement yesterday that Consolidated Meat Group's Lakes Creek meatworks in Rockhampton would close, throwing about 700 people out of work. The announcement came after some seven months of negotiations, lockouts, strikes and picket lines. Unlike many people, I did not really believe that CMG would stoop so low as to shut down permanently the second largest meatworks in the country simply because senior management could not get its own way.

I cannot understand how the editorial in today's Rockhampton *Bulletin* could blame the union—the workers. I want to refer to the *Bulletin*, because I think it is important that it is included in *Hansard*. This editorial is written by the editor, John Schalch, who is a very reasonable man. Usually he writes a balanced editorial in his paper, but I think this time he has missed the mark. He states in his editorial—

...the union must now wear much of the blame for CMG's decision to close.

In an industry which has undergone massive upheaval internally to meet the demands of a changing global market, this same union has already led its members to closures of abattoirs in Townsville and Kilcoy, putting the egos of union's head office before its members' needs.

The editorial goes on to state—

The union's bloody-mindedness to try and force CMG to its knees has now cost its members their jobs and any workplace leverage on which to build better conditions for the future.

I find that very, very disheartening. I think it is a cop-out to blame the workers. The editorial has failed to get the balance right. It has failed to explain the reasons behind the claim by Hughes, the general manager, that the plant had accumulated significant losses since the company acquired it. The editor has failed to tell the reasons why there was such a large loss at the meatworks.

I have to tell this House that over the past month management has been ruthless in its dealings with the union. Its actions in locking the gates and shutting down the operation only confirm that closure was its real agenda. It confirms that senior management wanted to implement at any cost work procedure changes that were unreasonable and unsustainable. Anything less than changes to rates of pay and hours of work to the advantage of CMG would mean failure to the executive chairmen, Ray O'Dell and John Hughes. This left them with nowhere to go but to close down the plant. Workers, their families and the Rockhampton community now have to live with the consequences of an industrial relations hardline attitude of a ruthless, hardnosed personality like John Hughes and the incompetence of a chief executive who sent a pie factory broke in 1998.

The people of Rockhampton need to know that in two years Simplot's Four'N Twenty pie factory in Melbourne went from losing \$200,000 a day in sales because of a dispute over the conditions of an enterprise agreement—the same argument that we were having at Rockhampton—to a \$14 million operating profit under a new management team that respected its work force, a new management team that was prepared to work with the workers and put in place working conditions and pay rates that were acceptable to those people who were at that particular plant.

O'Dell and Hughes wanted employees to accept reduced rates of pay and to make up lost wages for ordinary hours by working extra time on shift, working overtime and working extra days per week, per fortnight and/or Saturdays. Despite their unreserved desire to work, employees could not go back under conditions that were less rewarding than those enjoyed under the previous agreement. Not only would this disadvantage the existing work force; it would also set new standards or a precedent for other meatworks. A lot of people do not understand that. This is not just about the Rockhampton CMG meatworks; it is about the meat industry in Queensland. Hughes and O'Dell set out to radically change a production environment that was noted for its efficiency and its skill level, for its teamwork and cooperation. The actions of CMG were not about increasing output; they were about not having working conditions determined by an agreement. They were about CMG having employees working under the company's conditions—conditions that were less than those that the workers had previously.

What has happened is a shameful act of betrayal of workers, families, the community and cattle producers. There has been a misrepresentation of the facts, threats, standover tactics and sabotage on the floor of the plant. The sabotage that I am talking about is when the boss of the plant walks into a kill chain and ups the pace from a speed where the work force can manage, work alongside one another and do their job safely, to a pace where the workers are almost running on the spot to get the work done. It is impossible to get people to work any faster than they can. They put in the maximum effort.

**Mr Shine:** And dangerous.

**Mr PEARCE:** And dangerous. Not only are we devastated by the news of the closure; we are also angered and disgusted by the manner in which CMG has gone about destroying the lives of workers and their families. Hughes and O'Dell wanted flexibility, but it had to be at the disadvantage of the work force. Since the beginning of the year, Hughes and O'Dell have been responsible for the destruction of the goodwill between management and its working force. We have seen a relationship meltdown caused by the arrogance and incompetence of senior managers who lack commonsense

and, most importantly, people management skills. Managers such as Hughes and O'Dell cannot comprehend—they do not understand—that workers want the right to a decent living wage, that workers want proper housing and all the necessities of life such as access to education and health care for their families.

Bosses will say that profits come first—and how often do we hear that? Of course workers will not accept less than what they had before. Of course they will organise and fight against it. Hughes and O'Dell can take credit for their attempts to set a new low level of wages and conditions for meatworkers—a level that no worker should be forced to accept. Nobody in this House understands the plight of those workers more than the member for Rockhampton, the honourable minister, because the meatworks is in his electorate. I know that with his tenacity, the minister will be working behind the scenes to see what he can do to get that place open at some time in the future. It is not going to be an easy task, but we know that Robert Schwarten will be in there doing it for us.

We should never forget that it is the anti-worker industrial relations laws of the Howard government that allow big business and the multinationals to impose their demands on the work force. While Hughes in his arrogance talks about new realities, the reality is that Rockhampton has lost over 700 jobs. What has happened in Rockhampton is a clear case of selfish mismanagement at senior level. We have witnessed a systematic lockout of workers and ineffective negotiation and consultation.

In Townsville, management, unions and the work force were able to put in place an agreement that delivered sustainable production levels, acceptable wages and conditions, and a stable economic base for the city. The difference between management in Townsville and management in Rockhampton is ability, commonsense and the will to get a satisfactory outcome. The hardline, softening-up approach of Hughes has failed, which means that he is a failure. His stance exhibits what can only be described as a culture of denial. This has enabled him to deny that it has been his behaviour, his poor management practices and his inability to manage people that has led to the closure of the Lakes Creek meatworks. This culture of denial is an aspect of management and is not the culture of the work force.

Men and women from Rockhampton and its districts no longer have a place to work because of the failings of a management team that just could not manage. This is a very unacceptable situation for the people of Rockhampton. I know a lot of meatworkers. They live in my electorate, just as many of them live in the electorate of Rockhampton and the electorate of Keppel.

Meatworkers are people, like most of us, who just want to go to work, do their job and make a living so that they can provide quality of life for their families. This act of closing down the Packer-owned meatworks is despicable and one that we should all reject. We have to do what we can, as a government, to help these workers out. It is disappointing that this has happened. I know that the minister will do whatever he can to work in with the government and I know that the member for Rockhampton will do whatever he can to work with government ministers to try and turn this situation around. It will not be easy, but at least those ministers are doing what they can to look after workers in Queensland.

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