



Speech by

**HOWARD HOBBS**

**MEMBER FOR WARREGO**

---

Hansard 15 May 2003

**SUGAR INDUSTRY AND OTHER LEGISLATION AMENDMENT BILL [No. 2]**

**Mr HOBBS** (Warrego—NPA) (6.04 p.m.): The government really has not had sufficient consultation with the industry in formulating this bill. If members read through the explanatory notes, they would see that the government has stated that it has consulted with a lot of people. There has been a lot of consultation going on with this bill. But the problem is that—and it seems to be a hallmark of this government—although in this particular case a lot of work has been put into formulating the bill, now that it is finally put together there is no consultation over the end product. How on earth does the government expect the community to have confidence that this bill is in the best interests of their industry? We have had various reports of people's views about this process, but it behoves the government to ensure that it consults widely over the final product—this legislation.

In recent years, the sugar industry has been through a lot. This industry is not dissimilar to a lot of other rural industries. It has its good times and it has its rough times. Certainly, for a long time the sugar industry has been experiencing rough times, and that has been for a number of reasons. Certainly, one reason has been the bad seasons, which has resulted in low productivity. In some cases, the c.c.s. has gone down dramatically for various reasons. Another reason has been the low overseas price of sugar.

The government is dealing with an industry that at present is really stressed. It is all very well to say to people in the industry that they have to rationalise. Even the people in the industries that I am involved in know that we have to be smarter—we have to be more efficient, we have to be able to meet the world market, we have to make sure that we can compete. Nobody would deny that. Also, people should not be afraid of change. But by the same token, when the government implements change, it has to make sure that it can take people with it.

Over the years, we have had reforms under the national competition policy. The reforms of the dairy industry are a good example. In the end, the changes that were implemented in that industry may work out well. But the way in which it was done was terrible. For instance, the government picked up \$90 million to implement the reforms, but it did not give one bent razoo back to the industry. If the government is going to undertake restructure to change an industry, then it has to have a system in place to make sure that there is a hospital wagon to pick up the pieces as it goes along. In that sense, there is no real package for that to occur in this bill.

The federal government made it quite clear that it is now very apprehensive about supporting this government's reforms. This government did not even take this legislation to the federal government. I just cannot understand why the government wants to undertake all of that groundwork and then blow it at the last. It is like running a marathon and doing well, then blowing it at the end. This seems to be what has happened. I just do not think that the government has put enough thought into this legislation. A lot more work can be done.

The federal government has been prepared to listen, and I think that is responsible, although I am not entirely sure whether I agree with the memorandum of understanding that was signed, because there was not enough consultation at that particular time. Be that as it may, we have to work our way through it now. I suppose the federal government is starting to wake up to the way in which this government does business.

It is unreasonable to do this sort of thing. I do not believe the government is sincere when trying to reform the industry. We can help these people and we have to make sure we do. As the member for

Maroochydhore said, there are lots of people out there—not just one political group; all sorts of people—involved in the sugar industry. It is not just National Party people involved. It is not really a political issue. The way I see it, it is really a matter of doing what is best for the industry.

I am in the grazing industry. It is not dissimilar to the sugar industry. We have been through some terrible times, particularly in the wool industry. For 13 years we battled it out waiting for the stockpile to go and to get a reasonable price for wool, which we got. Now the price has gone down. That is the nature of the game. We have floods, droughts and so on, but we accept all that. In our industry we are implementing a lot of reforms ourselves. It is not costing the government anything at all. We are getting quite efficient. I do not doubt that some improvements are needed in the cane industry.

**Mr Shine:** Same thing should have happened for sugar.

**Mr HOBBS:** It can, but people have to be taken along to do that. That is the problem we have in this instance and that is disappointing. There is no reason it should not happen. Why would we do away with domestic single desk? It does not logically work. The industry's view is quite strong. They do not see a need for it. Obviously, the single desk component for export sugar is right. The domestic market is important and it can grow. I am sure we can do better domestically. There is much more that the minister could do in his department to help the industry become more productive using the particular breeds and varieties available. All sorts of work can be done.

We lead the world in terms of beef production. We are even better than the Americans. The Australian beef industry produces more beef per beast than the Americans.

**Ms Molloy** interjected.

**Mr HOBBS:** It is very important. I am talking about production in the cane industry. The government is trying to do something similar but it is going about it the wrong way. The beef industry was able to do it in a much more professional way. They were not pushed into it the way the government is trying to do this. The way it is doing it is not necessarily right.

**Ms Molloy:** You can wait until it all falls over and do something.

**Mr HOBBS:** We can. That is right. I can accept that. The timing is important and sometimes people need a push. However, why would the government get to this stage and have not talked to the federal government about the legislation? Can somebody tell us why the government did not consult with the federal minister? One has to ask: is there something wrong? I smell a rat somewhere with this whole issue.

**Mr Shine:** A One Nation conspiracy.

**Mr HOBBS:** It could be, but I am not going to go into that. I am not into conspiracies. I like to see it in black and white—the way it is. That is the only way I think we should look at these things. The sugar industry is an important and huge employer. It is a great industry with a lot of good people in it who are really dedicated.

**Mr Purcell:** Do you support the bill or not?

**Mr HOBBS:** No, I do not support the bill. I thought the member might have realised I did not support the bill.

**Mr Purcell:** I thought you said you cared about them?

**Mr HOBBS:** I absolutely care about all rural industries. We have to do this right. I do not believe the government has done it well. We do not support this bill.