



Speech by
Ray Hopper

MEMBER FOR DARLING DOWNS

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PRIMARY INDUSTRIES LEGISLATION AMENDMENT BILL

Mr HOPPER (Darling Downs—NPA) (3.05 pm): This bill covers many issues. The shadow minister got across it very well. However, I would like to touch on the impacts of the drought that we are currently facing and to tie a few things in with this bill.

The report that came out today from the Department of Primary Industries and Fisheries states that wheat production is down 24 per cent; barley production is down 44 per cent; cotton is down 37 per cent; international price movements and the drought's impact on cattle quality are expected to reduce the GVP of cattle and calf disposals to \$3.175 billion, 14 per cent below 2005-06 levels; a lower pool price and a smaller crop are expected to reduce the GVP of sugarcane to \$920 million, eight per cent below 2005-06 levels; and cattle in feedlots have increased in Queensland by approximately 50,000 head—they have been forced into feedlots because of the drought. We need to be very aware of the impact that the drought will have, and I will touch on that later.

Japan had around 20 cases of mad cow disease, and we all learned a hard lesson in gaining and retaining markets. Domestically beef imports are carefully scrutinised to exclude any possibility of bringing in contaminated products. US-sourced beef, which traditionally dominated, was first banned in 2003 and only re-admitted after the introduction of strict US protocols. However, the discovery of banned backbone material in a shipment of US beef in Japan early in 2006 caused another suspension.

Even with the US once again allowed to sell beef in Japan it is not expected to quickly regain its previous market share. Surveys reveal that Japanese customers have become distrustful of US beef and once that market is hurt it is very, very hard to regain. I will touch a bit on our NLIS and what is happening in that area in a moment. Of 1,741 people polled by a Japanese newspaper, 45 per cent would not eat US beef, 43 per cent would need to think about it and only 10 per cent had no reservations. So 90 per cent of the people have been removed from the market. That is the impact of a food disease contamination scare in our Japanese markets. The poll revealed that 90 per cent of the population wanted mandatory country-of-origin labelling of meat products even in restaurants. Not surprisingly, as at the middle of 2006 only one of 20 of the Japanese food marketers surveyed was planning to use US beef again. This example underlines the importance of developing and maintaining an image of absolute reliability if the Australian beef industry is to retain its increased share in key Asian markets.

Over the last 12 months or so we have seen the introduction of NLIS, the National Livestock Identification Scheme. It has had its hiccups. We have had to do all our cattle with it. There is pain involved.

An honourable member: For the cow!

Mr HOPPER: For both the cattle and us, you reckon. There have been some adverse reactions to this. If by chance we did have a disease outbreak—and I am sure the minister is aware of this—we could then identify the disease area. We can trace a cow right back to birth. That is the whole idea of this program. It is simply brilliant.

When I have sold cattle, sometimes one or two ear tags are lost in the truck, and this program has worked very well. I notice that a farmer was prosecuted the other day at Warra for shifting eight head of

cattle that did not have ear tags or a bolus in their stomach, which is the NLIS identification. So we have to come down hard and make sure that this is implemented and policed well. Our industry must continue to have this protection mechanism, and we on this side of the House absolutely support the use of NLIS.

I want to get back to the other areas of the bill and the DPI cutbacks that our shadow minister spoke about earlier today. We have to be aware of what is happening there, including the dismantling of the drought services. The drought is having a massive impact—it is beyond belief. I do not know how long I will have my cattle before I truck the lot into town and sell them. If we do not get rain this weekend, we will be destocking our property. We will probably sell 100 breeders, or whatever number we have, simply because we cannot access hay. The only hay we can access now is baled sorghum stubble, and a lot of that sorghum stubble is from last year's crop. Cotton seed costs over \$400 a tonne, and grain has now gone to more than \$350 a tonne. It is just impossible to buy feed for cattle.

Before the property boom, a lot of farmers had debts that they may have been able to service. With the drought and the property boom, their debt-to-equity ratio has now gone through the roof. They have gone to the bank and said, 'I am 30 per cent equitable,' and then they have been able to borrow more and more money. They have borrowed money on the value of their property with the property boom, simply because a lot of them are fourth and fifth generation farmers who do not want to lose their property. There is a lot of pride involved.

Mr Mulherin: This is the issue about interest rates. What they were borrowing back in the early eighties and early nineties—

Mr HOPPER: So we are going to talk about interest rates? Let me talk about interest rates. I bought my first farm on an interest rate 21½ per cent under Keating. That is what I paid under Keating.

Madam DEPUTY SPEAKER (Ms Jones): Order! Please stay relevant to the bill.

Mr HOPPER: Let us get back to the bill. We simply need more drought assistance from the Queensland government. Look at what Victoria did only last week with water charges. If farmers want to buy water but the state cannot supply that water because of the drought, they are going to abolish the first \$5,000 of those payments. If those payments are higher than \$5,000, they will be allowed to repay those payments, interest free, at the end of the drought. We have to start seriously implementing measures like that through the DNR and the DPI to help these people who are in crisis.

We have heard statements that one in four farmers in New South Wales are committing suicide. This is devastating. These people are in dire straits. We hear people say, 'Let us have supply and demand. Let us clean the farmers out. If they go broke, they go broke.' What are we going to eat? Are we going to import all of our food? That is what this amounts to.

In the dairy industry at the moment, I believe we could put a 10c a litre price rise on milk for the consumer. How could that work under a deregulated market? Well, when the manufacturers pass the milk on to the shops or the supermarkets, there could be a charge involved on the sale of that milk where they have to pass that 10c a litre on. It could be on white milk sold, which would average about 3c or 4c across-the-board for farmers for every litre of milk they produce. That 3c or 4c a litre would pay for the cost of cotton seed and grain that they are now faced with.

The bill also talks about vets. My daughter is at uni at the moment studying to become a vet. The wages paid to vets in Queensland are about \$20,000 below what vets in other states get. Queensland vets get about \$20,000 less than New South Wales vets. Vets do enormous amounts of study. When doctors do their training, they ask their patients what is wrong with them, but a vet cannot talk to an animal. They also have to study every sort of animal, from fish right through. It is an immense course and it is very hard on them.

You may think that is funny, Madam Deputy Speaker, but I think this is very, very important. This is to do with the bill; this is to do with vets and the training of vets. Our rural vets at the moment are coming out of university, but there are no big animal vets in western Queensland whatsoever. My daughter is going to be a big animal vet, simply because there is a lack of supply there. Most vets do their training and they come to Brisbane and work on cats and dogs and have an easy life down here.

Let me tell members what is happening with rural vets in the drought. When they are called out to do a job—it might be to stitch a horse or to calve a cow—they are often not being paid. Some of those vets have \$400,000 and \$500,000 on their books, but they are not willing to call that in and use legal action to get that money because they know those farmers simply cannot pay. These vets are hoping that this drought breaks or that the farmers get some assistance so that they can get paid.

The bill talks about the care of animals. Over the last 10 years, our farming and rural industries—the dairy industry, the beef industry, the pork industry—have become accredited and have been given different quality assurance measures. They have cleaned their industry up beyond doubt. In the *Country Life* today, there is a story about an Australian record of one bull being sold for \$300,000. That shows what these

people are doing with their animals, with the breeding, the care they take and the immense pride they have in what they do.

There is a summary in here about costs. It says that buying the *Country Life* to read for the sale preview costs \$3.20; filling up the car to attend the sale, \$70; lunch for four men at the sale, \$60; buying Lancefield Burton Manso, \$300,000; the honour of breaking the Australian all-beef auction record for a bull—priceless. No price can be put on it. What a great article. Here are some young Australians who have got their stud together. They know what they are doing and they are willing to pay \$300,000 for that bull.

Do members think people in the beef industry would not care for their animals? It is an absolute. We lock up our medicines and those things now and we police that side of it. We write it all down in a book. We know exactly what we have given what cattle. We can tie that in on the computer with NLIS now. So farming has become a very elite enterprise. When it is done properly, it is extremely good.

The other thing I want to mention is the fact that all police will now have the power to become stock inspectors. That has its good side and its bad side. I recently moved cattle from a block in Toowoomba out to a block at Bell. To shift those 80-odd head of cattle, we had to take them through the dip in Toowoomba and a stock inspector had to come and check each one of those cattle for ticks. They are put in a crush before they are dipped, and we call it scratching cattle. The tick line has been established for over 100 years, and we are now charging our farmers to use a stock inspector. This was a free service under us, and it was a free service under this government for a while, until the last minister recently removed that free service. There are now massive charges for farmers. If a farmer lives on each side of that tick line, is he going to pay \$300 or \$400 to have his cattle scratched or is he going to shift them at midnight? This is going to move the tick line further west. It is very important that we never take the emphasis off our stock inspectors.

At the last election under our shadow minister, Mike Horan, we said that we would put 50 new stockies on if we won government. I think the minister has to seriously look at that. So the police have the powers of a stock inspector; they become instant stock inspectors. How are we going to train our city based policemen in the livestock industry? Years ago under the old permit system, we had a stock inspector in every country town. I could go into the DPI office in Jandowae, my local town, and he would tell me everything. He knew the movement of stock. He knew exactly what was going on in his district. All that has gone now. We have centralised our stock inspectors to our major centres and cut their numbers way back. Now we will put an impost on the police force and say that they have to do the job of stock inspectors. I ask the minister to explain in his summing up exactly how this will work.

In conclusion, I ask the minister to take on board what I have said about the drought and the Queensland government's position towards funding for drought assistance. I ask the minister to be solid in cabinet, to be a strong voice and to push the point for assistance and get some help for our farmers.