



Speech by

Hon. Tim Mulherin

MEMBER FOR MACKAY

Hansard Thursday, 15 March 2007

MINISTERIAL STATEMENT

Primary Industries

Hon. TS MULHERIN (Mackay—ALP) (Minister for Primary Industries and Fisheries) (10.06 am): Today I can inform the House that the gross value of production of Queensland's primary industries and fisheries is forecast at \$10.62 billion for 2006-07—an increase on previous forecasts for the year and just three per cent lower than 2005-06. With the debilitating effect drought has had on our primary producers, it was always anticipated that the gross value of production in 2006-07 would be down on last year. While this is still the case, the forecast gross value of production of Queensland's primary industry commodities is greater than was originally expected.

Forecasts for commodities such as grain sorghum, maize, barley, peanuts, sunflower seed, cotton and milk have been revised down for the year, largely because of the effects of the drought on production. Prospects have improved, however, for Queensland's beef, banana and sugarcane industries, with upward revisions on the initial forecasts for the year.

The gross value of production of Queensland's beef industry is now forecast at \$3.525 billion. While this is lower than 2005-06, it is higher than expected as slaughter numbers coupled with higher prices resulted in a more optimistic forecast.

Higher than expected prices and continuing strong demand for bananas following the industry's recovery after Cyclone Larry have pushed the forecast gross value of production to \$400 million for the year—11 per cent higher than originally forecast and 33 per cent higher than 2005-06. The gross value of production of Queensland's 2006 sugarcane crop is estimated at \$1.095 billion. This is 19 per cent higher than the initial forecast of \$920 million, mainly because of better prices being received by growers.

Gross value of production of grain sorghum in 2006-07 is expected to fall to \$215 million—10 per cent lower than the initial forecast for the year. A smaller planting than initially anticipated and reduced yield because of the drought is expected to result in a fall in production to 805,000 tonnes. While prices are higher, because of demand for feed grain, this is not expected to compensate for the lower production. I table the *Prospects update* for March 2007 for the benefit of members.

Tabled paper: Document by the Department of Primary Industries and Fisheries, dated March 2007, titled 'Prospects Update'.