




Speech by  
**Jon Krause**

**MEMBER FOR BEAUDESERT**

Hansard Thursday, 12 July 2012

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## DAIRY FARMING

 **Mr KRAUSE** (Beaudesert—LNP) (5.56 pm): I rise in this debate to bring the attention of the House to the plight of dairy farmers in my electorate of Beaudesert and, in particular, the fact that this week the Queensland Dairy Organisation reported that supermarket giant Woolworths is pressuring suppliers for cost cuts in the supply of milk in the order of 10 per cent. This is on top of the already increased cost pressures that dairy farmers all over the country, but particularly in my electorate, are suffering as a result of the carbon tax, which will send the cost of refrigerants, fuel and fertilisers soaring. That comes on top of years of increasing water and power prices.

The retailers' squeeze on milk supplies and milk processes is going to result in an unsustainable future for many of our dairy farmers here in Queensland. However, it is not just in Queensland that we need to be concerned about the dairy industry. I can foresee a time when Australians will only drink UHT milk imported from overseas. In this economy, the trajectory that we are on is sending all of our primary producers out of business. We need to be able to look ahead and see the future that we want for our country. I am the father of a young boy. I do not want him to drink only UHT milk. It is not the same thing. As someone who grew up on a dairy farm, I can attest to that. Never in my life have I had a broken bone.

In my electorate there are dairy farmers who have been dairying the land ever since settlement, which in some cases means over 150 years. There are families such as the Dennis and Cahill families. At the moment, three generations of the Thiess family are working their farm. There are families such as the McInnes family, the Rodericks, the Eveans family, the Jervis family, the Ludwigs, the Brooks family, the Drynans and the list goes on. If we do not do something, none of those dairy families will be left in Queensland and, eventually, there will be no dairy farmers left in Australia because retailers will always find the cheapest input to sell to consumers. That is their job. They will find a cheaper input to import from overseas because that is their job. They are in the business of making money. It is the government's job to lay out a policy that will give us a sustainable industry for primary producers here in this country and, in particular, for dairy farmers because they have a perishable product that cannot be sold anywhere else. It cannot be exported fresh. It cannot even be trucked across Australia fresh, because it perishes. If ever there was a case for intervention in a market, the dairy industry is it. Australia is a high-cost country. If we do not give some intervention or protection to some of our high-cost industries, none of them will be left in the future and we will import everything that requires labour input.