




Speech By  
**Robbie Katter**

**MEMBER FOR MOUNT ISA**

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**MATTERS OF PUBLIC INTEREST**

**Gulf of Carpentaria, Fires**

 **Mr KATTER** (Mount Isa—KAP) (11.50 am): I rise today to raise awareness of the damage and loss suffered as a result of the gulf fires from late November through to December last year. While the terrible losses from the flooding have captured much of the attention in the media, similar levels of damage have been done in the gulf. However, all seems to be forgotten. The people who have had their enormous grazing holdings destroyed are now in despair as their hope for any further government assistance is fading.

Here are some facts. The fires burnt primarily through the shires of Croydon and Etheridge in the eastern gulf region, taking out approximately 5.65 million hectares of trees and shrubs that make up the feed for the vast cattle herd that exists in this region. Fires are commonplace in this country but rarely ever of this heat intensity or size. Fires were, up until recent decades, a more common control practice, but improved sustainable practice has moved away from fire control on a regular basis which in many cases increases the intensity of inevitable fires.

Approximately 216 properties were affected in the Etheridge Shire alone, with 11 having over 90 per cent of their place burnt out and a further 49 properties having 50 per cent of their place burnt out. It is not just the trees and shrubs that are destroyed but also the bores, fences, sheds and in some cases homesteads and livestock. These 216 properties cover an average area of 90,000 hectares or 240,000 acres. So that gives members an understanding of the size of the area that has been damaged and destroyed and size of the area that they need to recover and rebuild. Over these sorts of areas, the scale of feeding and repairs is very onerous and often beyond the capacity of the often meagre workforce helping to keep these places going.

It is no stretch of the imagination at all to put an average value of these businesses at or above \$5 million on a walk-in walk-out basis. So if we take 49 properties that now have 50 per cent of their place wiped out, the losses do not take long to add up. If you multiply that by the 216 properties affected, there is a big problem up there. This will put the brakes on the cattle industry in this region where there is no alternative industry—no mining or otherwise. The townspeople are very scared of this prospect and are very aware of the threat that this event presents to the prosperity of their area.

At this point let us stop and take stock of the northern beef cattle grazing industry in Queensland. I table a report compiled by Resource Consulting Services for Meat and Livestock Australia outlining the condition of the industry in 2009.

*Tabled paper:* Meat and Livestock Australia document regarding Northern beef situation analysis 2009, final report details [\[2159\]](#).

I might add that most people would acknowledge that the condition of the industry has deteriorated since then, as that was prior to the devastating live cattle export decision that was made.

Here are some facts about the northern beef cattle industry. Land values have increased 250 per cent from 1999 to 2008 which has encouraged higher debt levels. Beef prices increased until 2004, then levelled and have since declined. Debt levels have more than doubled on a per large stock unit basis. Vegetation management plans have been rolled out. There have been rising cost structures. Expense ratios have been over 100 per cent in six of the last seven years. I will say that again: expense ratios have been over 100 per cent in six of the last seven years. So in six of the last seven years those people have not made a profit, and that should worry everyone here who has an interest in that region. And, like I said, conditions have deteriorated since that date. If substantial action is not taken to somehow hold this area upright, there could be a significant regional economic fallout.

Let's put this rebuilding effort into a workable example. Many people say, 'Let them build up their own stock numbers.' If they sold a beast in the market now, they would get \$300 or \$400 for it, but they often need to go outside the region to buy their breeder stock. A lot of them are looking at spending \$700 to buy a replacement cow to breed which they will hold on their place for six to 12 months and then if they sell they will only get back \$300 or \$400. So if they restock now, they will make a \$400 per beast loss straight up.

In terms of rebuilding, there have been asset rundowns. Like I said, houses, buildings, fences and stock have been destroyed, which is a huge barrier for them in terms of rebuilding. The government quite generously offered a \$100,000 contribution to the Bendigo Bank fighting fund, but this falls hopelessly short of anything that would make a significant difference to many of these big operators up there who are definitely in trouble. The community contributed over \$300,000 to the same fund. I might add that the Tasmania bushfire victims received \$200,000 from their government. I plead for this government to engage with either me or the Etheridge Shire on some of the options going forward in terms of supplementing these people's income over the next few years as they rebuild and assisting the rebuilding of their assets such as fences, tanks—

*(Time expired)*