




Speech By
Julieanne Gilbert

MEMBER FOR MACKAY

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SUGAR INDUSTRY (REAL CHOICE IN MARKETING) AMENDMENT BILL

 **Mrs GILBERT** (Mackay—ALP) (9.21 pm): I rise to contribute to the debate on the Sugar Industry (Real Choice in Marketing) Amendment Bill 2015. I would like to thank my fellow committee members for their work—the chair, the member for Ipswich; the member for Logan; the deputy chair, the member for Burnett; and the member for Wide Bay. I would also like to thank Rob Hansen and his support staff for the support they provide to our committee.

This bill is a highly emotive issue for both canegrowers and millers. This was very evident at our public hearing. My electorate of Mackay was built on the sugar industry. The industry began as a very hands-on industry, with gangs of workers planting and harvesting the crop. Today it is mechanised with many producers using contractors for their harvesting.

Mills near my electorate have diversified beyond the milling process. Racecourse Mill has diversified with a sugar refinery and a co-gen electricity plant—generating one-third of Mackay's electricity. Plane Creek Mill is leading the production of ethanol. The sugar industry is evolving and modernising and employing over 16,000 workers.

In 2006 the sugar industry took another step towards modernisation with the deregulation of the industry, costing about \$444 million to transition this industry. Last night in the House we voted unanimously to introduce mandated ethanol fuel. This will be a great boost for the industry.

The industry is no longer merely just a sugar industry; it is a cane industry, with potential for a range of bioproducts to be developed from the whole stick of the cane. If the industry is allowed to develop, the future for millers and farmers will be exciting.

The Productivity Commission, in a consultation regulatory impact statement on the Sugar Industry (Real in Choice Marketing) Amendment Bill 2015, stated—

There is evidence that there has been generated improvements, there has been consolidation of farming and milling activities—and significant investment in improving milling. It is also evident that the sector is seeking to add value through the supply chain and through international trading arrangements.

The industry is in danger of stagnating if reregulation is introduced in the form of this bill. A commercial agreement between growers and millers can be reached. There are mills and growers in the industry already with commercial agreements.

MSF Sugar in the Maryborough and Mulgrave area has agreements with growers. When given the choice, 91 per cent of growers voted to stay with the mill instead of going with QSL for the sale of sugar. It was reported in the media that growers and Wilmar in the Burdekin area have reached an agreement.

This bill is ill-timed. Growers and millers need to reach a commercial agreement rather than a legislative solution. The industry is too important for the future of growers, millers and the thousands of Queensland workers in the industry. The bill is getting in the way of each group reaching an agreement. Millers and growers are relying on the vote on this bill to support their particular wishes, which may not be the best outcome for the industry.

The draft conclusion for the consultation regulatory impact statement noted that the potential benefits that may be accrued from the passage of this bill outweighed by the potential costs. I cannot support this bill in its current form.