




Speech By
Mark Ryan

MEMBER FOR MORAYFIELD

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SUGAR INDUSTRY (REAL CHOICE IN MARKETING) AMENDMENT BILL

 **Mr RYAN** (Morayfield—ALP) (10.00 pm): I rise to make a short and sweet contribution to the Sugar Industry (Real Choice in Marketing) Amendment Bill 2015.

Mr Crandon: Being frivolous—that is typical.

Mr RYAN: Sweeten up, member for Coomera. We have heard a lot of contributions tonight from members of both sides of the House. I will be opposing the bill before the House. We have heard a lot from both sides of the House about the industry over many decades. What is concerning to me is that many decades of hard work will be unwound by this bill and—in addition, if the bill is passed—by the amendments proposed by the LNP. Only 10 years ago did the state and federal governments work very closely to effect some pretty significant industry reform and invested significant public money in supporting that reform. I note in particular that an amount of \$444 million over five years was invested to support the industry adjustment package and, indeed, support great reform in the sector to ensure efficiencies but also to allow investment in the sector. We heard a very good contribution tonight from the member for Maryborough.

Opposition members: Oh!

Mr RYAN: No, it was. It was a fantastic contribution from the member for Maryborough because he spoke about his home town and the investment that is going on there as a result of the decades of industry reform. The member for Maryborough spoke quite passionately about how that investment has rejuvenated the town of Maryborough. He is very proud of Maryborough and he is very proud of how that investment has created additional opportunities for not only growers, but also other businesses within the Maryborough region. I think it is quite frivolous for members opposite to laugh at the contribution that the member for Maryborough made because that is a real example of how industry reform and deregulation, when it is supported appropriately through industry assistance packages—and well-thought out reform in that space—can deliver good outcomes for regional towns and, in fact, all of Queensland.

Mr Costigan interjected.

Mr RYAN: No, he spoke quite passionately and I think it is quite frivolous for other members to knock that contribution just as it was for other members to knock the contribution of the member for Mackay, who spoke about the importance of—

Mr Costigan: He put us to sleep.

Mr RYAN: Member for Whitsunday—

Madam DEPUTY SPEAKER (Ms Grace): Order! Member for Whitsunday, the member for Morayfield has the call.

Mr RYAN: The member for Mackay, of course, spoke passionately about her home town and also the history that sugar has played in the Mackay region. She again spoke about the importance that the current regulatory framework provides in the Mackay region and, in fact, for many parts of Queensland.

We play a very dangerous game when we start to unwind decades worth of regulatory reform. Certainly the bill before the House will significantly impede that regulatory reform and actually undermine some pretty significant commitments of investment in the industry and the sector more broadly. We heard about the government assistance packages and the investment that they have provided. We also have heard from other speakers on this side of the House about the investment that has been made not only by foreign entities in the industry, but also by local industries investing in expanding the capacity of the mills and in broader community infrastructure and investment as well. That is all at risk as a result of this bill. It is interesting, of course, to hear from those opposite who espouse a virtue of being the party of deregulation and cutting red tape, yet they want to re-regulate and impose more red tape on the industry.

This is a bill which will have a significant impact on the sugar industry. It will undermine significant efforts to reform the industry and create an important regulatory framework and, in addition, undermine a lot of that good investment that is happening in communities right across Queensland.

I would also like to remind those opposite of some of the submissions that were received by the parliamentary committee in respect of this bill. One particular submission I note was from the Australian Industry Group. They noted that after examining the draft bill they had numerous concerns. This should be of concern to all members of the House because one of our fundamental roles as legislators is to make sure that the legislation we pass is not only appropriate, but is in the best interests of Queenslanders and also can withstand legal challenges if those legal challenges are brought. The Ai Group said in respect of this draft bill that it is their understanding that if the bill is enacted it is likely to breach the terms of various fair trade agreements and, in fact, section 51(xxxi) of the Constitution. That should be of concern to us as legislators that we are potentially passing some legislation which may not withstand a constitutional challenge and may, in fact, breach a number of fair trade agreements that our governments have entered into. The Ai Group also said—

- If enacted, the Bill would effectively transfer property rights over about two-thirds of the raw sugar produced by mills to growers who supply cane. It would also introduce compulsory pre-contract arbitration between sugar millers and cane growers.
- It would adversely impact on investments that have been made over recent years on the basis of the deregulated approach to sugar marketing.
- As a consequence it would adversely impact on Australia's reputation as a fair place to do business and it would detract from our ability to attract foreign, and indeed, domestic investment.

That is a contribution from the Ai Group. When the opposition want to knock a contribution from the Ai Group, they are really knocking a leading organisation in Australia which is providing not only a fair assessment on investment in business, but also about how we can attract more investment to Queensland and Australia. So they should probably listen to some of those contributions. They went on—

- This would prove particularly damaging at a time when the country is seeking to lift investment in non-mining sectors as part of the important task of rebalancing the Australian economy.

The concerns expressed by the Ai Group should have caused a second thought for those who support this bill. Those opposite may not always listen to all points of view, but surely they should take into account the view of the Queensland Productivity Commission because the Queensland Productivity Commission's conclusion was—and I ask all members to listen very carefully to this because this is the Queensland Productivity Commission, an independent statutory body.

Opposition members interjected.

Mr Ryan: Just listen very carefully because you will make a fool of yourself in a moment when you vote. It states—

We have considered in detail the extensive submissions made in response to the Consultation RIS, and made some amendments to the analysis. However, the conclusion of this RIS remains unchanged, specifically:

- (a) there was no evidence to support a case for market failure in the Queensland sugar industry that would indicate the need for additional Government intervention; and
- (b) that the benefits of additional regulation, as proposed by the Bill, do not outweigh the costs.

The Decision RIS concludes that retaining the existing regulatory framework—with no additional regulation—will provide the greatest net benefit to Queensland.

I return to the point that I made before: our duty as legislators is to make sure that we pass good legislation in the best interests of Queensland. The Queensland Productivity Commission, an independent statutory body, said—

The Decision RIS concludes that retaining the existing regulatory framework—with no additional regulation—will provide the greatest net benefit to Queensland.

The bill before the House is not good legislation. If passed, it will take the industry backwards. I ask all members to oppose it.