




Speech By  
**Hon. Shannon Fentiman**

**MEMBER FOR WATERFORD**

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Record of Proceedings, 2 December 2015

**SUGAR INDUSTRY (REAL CHOICE IN MARKETING) AMENDMENT BILL**

 **Hon. SM FENTIMAN** (Waterford—ALP) (Minister for Communities, Women and Youth, Minister for Child Safety and Minister for Multicultural Affairs) (9.57 pm): I rise to oppose the Sugar Industry (Real Choice in Marketing) Amendment Bill 2015 and the amendments to be moved by the LNP. As members would be aware, a 1992 review of the Queensland sugar industry noted that its growth and performance were being impeded by what was considered one of the most restrictive regulatory regimes in Australia. This bill is a step backwards in the deregulation journey the sugar industry has been on over many years.

Sugar is of course a significant contributor to Queensland's economy, including in my own region of Logan and Beenleigh. A strong, viable, sustainable sugar industry is important for the secure employment for tens of thousands of Queenslanders. The only privately owned mill—the Rocky Point Sugar Mill—is in Woongoolba, which is close to my own electorate of Waterford. It has been a family owned mill for generations, owned by the Heck family, and Bill Heck is an active participant in the Beenleigh Yatala Chamber of Commerce, which I participate in and support. I saw Bill at a Chamber of Commerce breakfast just last Friday, and he discussed with me the risks to the industry should this bill be passed.

I can understand the motivations behind this bill. We know that farmers everywhere are struggling. I know that members of Katter's Australian Party who have brought this bill before the House care deeply about the success of Queensland's primary industries and about the farmers who have worked hard to create this success. I am certain that the intentions behind this bill stem from a desire to help the sugar industry, but it carries with it a great risk that it will not only hinder the sugar industry's future growth but risk damaging Queensland's reputation as a free economy and as a desirable destination for international investment

The Palaszczuk government firmly believes this matter should be resolved by commercial agreement, not require the intervention of the state to move backwards decades in terms of regulatory frameworks. The best people to develop and negotiate future marketing arrangements that benefit the entire Queensland sugar industry are the people who work in the industry and who rely on it operating efficiently and profitably.

A number of recent agreements have shown that commercially agreed outcomes can be achieved between millers and growers without government intervention. It is not clear from the information provided that consultation has occurred with all sectors of the industry. As the AMWU pointed out in their submission to the Agriculture and Environment Committee's consideration of this bill, adequate consideration of the potential impacts across all sectors of the industry has not occurred. It is important that we consider the potential impacts carefully. No-one benefits from an industry that is unproductive, unprofitable and unsustainable. The sugar industry is currently internationally competitive and the Queensland economy cannot afford that being put at risk.

In recent years billions of dollars of investment have flowed into the industry primarily from international companies. The regulatory impact statement undertaken by the Queensland Productivity Commission on the bill concluded that there is no evidence of a market failure. In fact, there was no evidence or economic analysis that supports that this bill is the best way to take the industry forward into the future. It is difficult to see how the benefits outweigh the risks. It is concerning to think that after decades of regulatory reform in this area we would interfere with that overnight without having completely analysed the potential impacts on all sectors including mill workers.