



Speech By  
**Robbie Katter**


**MEMBER FOR MOUNT ISA**

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**PRIVATE MEMBER'S STATEMENT**

**Agriculture Industry**

 **Mr KATTER** (Mount Isa—KAP) (2.53 pm): With reference to the issues being faced by the dairy industry, I would like to draw the attention of the House to the difficulties that so many other agricultural pursuits are facing at the moment. It seems to be the propensity of policymakers to have a 'hands off' approach and let the market do its job—'You should not touch any of this stuff too much'—but we are again seeing failures in the system. I think that, irrespective of milk, everyone accepts there is a supermarket duopoly in the retail sector which is delivering poor outcomes to people. If we talk about the agricultural sector for a moment, for a market to perform properly and deliver benefits to everyone it needs certain conditions and not the market imbalance that exists here.

In the dairy industry there are processes between retailers and individual farmers—and it happens in the cane industry too—who have few options. All the balance resides with the larger operator, and that is what we are seeing in the dairy industry. The same thing happens in the beef industry, where you only have a few limited options. As those larger companies expand within the meat processing industry you have fewer doors to knock on to sell to, and the individual producer has to deal with these large, often multinational corporations which have enormous marketing power. You will forever have farmers subsidising consumers, and the market will be dictated by the imbalance between these operators. That is the issue they are facing in the dairy industry.

There needs to be some sort of intervention; not just politely asking retailers to give producers a cut. They are big, chunky, muscly corporations that will flex their muscles to maximise their profitability from any pursuit, and the producer will always be at the bottom end of that. Until we address that imbalance in the dairy, sugar and beef industries they are going to keep coming back for help. The situation will not be resolved until you have mechanisms in place to address the imbalance in the marketing structure. They are imperfect markets, so the market is not operating as it should and it is not delivering to anyone. The consumers might think it is good to have cheap produce for a while, but if you do not have a sustainable industry to back it up we can look forward to having no fresh milk in the distant future.