




Speech By
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MEMBER FOR GREENSLOPES

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SUGAR INDUSTRY (ARBITRATION FOR MILL OWNERS AND SUGAR MARKETING ENTITIES) AMENDMENT BILL

 **Mr KELLY** (Greenslopes—ALP) (9.11 pm): I rise to speak against the Sugar Industry (Arbitration for Mill Owners and Sugar Marketing Entities) Amendment Bill 2017. Yesterday the member for Clayfield moved that this bill be declared urgent, yet there was no justification in the Leader of the Opposition's speech to indicate why the Agriculture and Environment Committee should not examine the bill and why the bill had to be pushed through during this sitting week. I note that the LNP outlined in the bill's explanatory notes that it has consulted with stakeholders, but consultation on a bill of this nature should be public, with submissions from stakeholders publicly available, and the Agriculture and Environment Committee should have the opportunity to hear evidence from stakeholders. As the chair of that committee, I am somewhat disappointed. We have a pretty good crew on the Agriculture and Environment Committee, with the members for Condamine, Gregory, Mount Isa, Ipswich West and Mackay working together well.

I will take the title of Johnny-come-lately. I assume that is directed at someone like me. The reality is: just as I did in relation to the milk bill, just as I did in relation to the Land and Other Legislation Amendment Bill, and just as I will do with many other bills on this committee and any other committee, I will work my way through the bill, listen to the arguments from both sides and listen to the stakeholders. I will not get that opportunity in relation to this bill, and that is disappointing. Most importantly, stakeholders have lost the opportunity to have their say.

I was not on the Agriculture and Environment Committee in 2015 when the committee examined the previous amendment to the Sugar Industry Act 1999, but I do note the first recommendation of the committee. The report states—

The committee recommends that the completion of the regulatory impact assessment ... be required before the House considers the passage of the Bill in its present form.

It is disappointing that the opposition has decided not to conduct a regulatory impact assessment of this bill before the second reading debate, considering that the last regulatory impact statement stated—

- (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 also note that in 2015 the Agriculture and Environment Committee was asked to consider the bill urgent, though the committee noted at the time—

The committee sees no reason to rush the next stage. In fact, the normal three month delay before the commencement of the second reading debate will allow time for DAF to complete the regulatory impact assessment of the Bill, as recommended by the committee, so Parliament can make an informed decision about the Bill's merits.

I do not see any reason this bill should not go through the same process to allow this House to make an informed decision about the bill's merits, yet the opposition seems intent on pushing through legislation without adequate consultation and assessment. I question why the LNP demands that this bill be passed with minimal scrutiny. I can only speculate that this is an opportunity for the Leader of the Opposition to shore up his National Party backbench with a sugar hit at the expense of his own free market views. Some stakeholders have been vocal, and I note that the Australian Sugar Milling Council stated on 16 February—

All mills opposed the 2015 legislation that the LNP supported. It was flawed from the start, mills were not consulted and identified from day one the many failings of the political interference. Despite this, with that legislation in place all mills have done everything possible to progress commercial arrangements with growers and marketers ahead of the 2017 season

Even with the milling council, which is made up of grower owned mills as well as multinationals, saying that it opposed the 2015 legislation, here we are again to add more legislation to sugar. Again I ask those opposite to let this proposed legislation receive proper scrutiny. This House is making a decision on sugar legislation without all of the facts on the table. I refer to the Productivity Commission report.

The federal Productivity Commission conducted an inquiry into agriculture. I understand that this government requested that the report be released before this debate, but the federal government is yet to table it. The draft report does comment on the amendments made to the Sugar Industry Act by the LNP. The report recommends—

The Queensland Government should repeal the amendments made by the Sugar Industry (Real Choice in Marketing) Amendment Act 2015.

Further to that, the draft report notes—

Reregulating the Queensland sugar industry will limit the competitive forces driving innovation and productivity growth in sugarcane farming. It is also likely to constrain innovation in marketing and continue to limit the premiums available to sugarcane growers.

The Commission's view is that costs of the Sugar Industry (Real Choice in Marketing) Amendment Act outweigh the benefits. Repealing the Act could enable consolidation and productivity gains which would enhance the international competitiveness of the sugar industry.

Again, it strikes me that the opposition is rushing to get this legislation through the House against all evidence that has been presented on this matter to date. In my maiden speech I reflected that I believe a functioning democracy is a key to building a better community. While travelling overseas I realised that democracies only ever work when citizens have and take up the opportunity to participate, so it is disappointing that the opposition refuses to allow the citizens of Queensland to participate fully on this important matter. It is unacceptable that the urgency of this bill has not been justified. It is unsatisfactory that the opposition has not given all stakeholders the opportunity to comment on this proposed legislation. As the committee chair I am certainly very disappointed that the usual committee process has been circumvented for political expediency. I oppose this bill.