




Speech By
Robbie Katter

MEMBER FOR TRAEGER

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MOTION

Dairy Industry, Milk Prices

 **Mr KATTER** (Traeger—KAP) (12.45 pm): I rise to make a contribution to the debate of the motion. This motion asks a fundamental question of the House: finally, do we want to take some action, if only moderate, to try to save the dairy industry? That is a pretty fair question to ask people, regardless of their economic ideologies. It is fair to say that the industry is on its knees. There were 1,500 dairy farms when deregulation occurred in 2000. Now we are down to 340. The 340 that are left are not high-fiving themselves and counting their riches. It is a struggling industry.

I object to a lot of conversation in the House that says, 'Stop talking down the industry.' That does not stop us from painting it how it is, giving the facts and addressing the situation when there is a problem. There certainly is a problem here. I spoke to a dairy farmer last week and said, 'I heard the prices have come back. Are they any good?' He said that it was 60 cents with deregulation and asked whether we are patting ourselves on the back now with good prices at 59 cents some 29 years later. Think of all the costs that have increased in 20 years. Fifty-nine cents is nothing to be too excited about.

Earlier the member for Hill explained quite well the 10-cent-a-litre price rises. There were politicians saying in the media that we had done a wonderful job and that farmers were saved. Then I found out that only two cents is going back to the farmers. These things are not working. In terms of the market approach, it is market failure in this case. We will face a time in the future when we in this state may not access fresh milk. From 2006-07, the level of production in Queensland went from 537 million litres a year to 400 million litres. Some 138 million litres a year is a big amount. That trend is not increasing and there is no reason to think it will. More to the point, 20 years ago Queensland was the third biggest milk producer and now we are the smallest.

We need to get serious about action and not attend these rallies if we are prepared to say, 'No, we are not willing to do anything material to help you.' I was at the rally that the member for Hill referred to. I followed the member for Hill through this process, because when the fair milk price bill was first debated in parliament I thought everyone would agree. Why wouldn't they? Everyone was talking about helping dairy farmers. The bill was voted down. There was all this conversation about it being an immature response, about how we would handle this like adults and fix it. Nothing was done after that bill again came back in the House. Everyone who was back at rallies saying 'we support you' voted against the bill again.

I note that the member for Burdekin was there saying that he would fix this. We had to sit through that and through the ridicule when our bill returned to the House. It was voted down. We are now proposing a motion that supports that intent. People need to face those ideologies that are killing industry and recognise the price paid. We need to ask the questions: do we value having fresh milk and do we value having farmers? A lot of those farms have been converted in use. A lot of economists say it is good that they find alternative uses for that land. Unfortunately for us, the Queensland government and taxpayers, when beef production is put back on a dairy it does not have the same economic benefit. A farmer can make a lot more out of that parcel of land than if it is converted for beef cattle production.

There has been a loss to the taxpayer. There is a fundamental loss to our industry base. The rest of the world seems to value these sorts of things and protects these industries. The approach of saying, 'Let the market handle all this,' when clearly it is not handling it, is suspiciously closely aligned with an action of doing nothing. Perhaps we are acting under false pretences if we take a do-nothing approach with industries like the dairy industry and then celebrate when the large supermarket chains say, 'We have given a 10-cent-a-litre price increase to farmers.' Like everyone else, I was fooled that that was of benefit to farmers. It is not. There are solutions to this. The motion captures quite well a step in the right direction. I commend the member for Hill and I appeal to the House to support this motion.