



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES
MATTERS OF PUBLIC IMPORTANCE

Live Animal Exports

SPEECH

Thursday, 16 June 2011

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

Date Thursday, 16 June 2011
Page 6394
Questioner
Speaker Perrett, Graham, MP

Source House
Proof No
Responder
Question No.

Mr PERRETT (Moreton) (16:21): I am not a cattle producer. I do have some cattle in my electorate, member for Wide Bay, and I have some familiarity with the cattle industry. My grandfather was a butcher, my father was a butcher, my uncle was a butcher and my brothers were butchers. In fact, my brother-in-law still trades in meat. So I do have some connection with the meat industry. In fact, my first job was in a butcher's shop. My mum used to own a butcher's shop, and I even worked in abattoirs when I was going through teachers' college. I have a little bit of a connection with the meat industry but there are not a lot of cattle in my electorate, I will admit that—apart from one school's herd. Nevertheless, I do know a little bit about it; it involves ships going overseas with live cattle in them. My understanding is that you have vets on the ship, obviously sailors, and I think there are people who focus on making sure that they clean up after the cattle—all the bovine faeces. It is only appropriate I have a bit of respect for those people, coming on after the member for Wide Bay. This is an amazing MPI from the member for Wide Bay, who took 18 months to bring in a scheme for the national identification of animals and then comes out today and says, 'We can do it overnight, instantaneously, in 24 hours.' For the benefit of those people listening and the copious number of people in the gallery, I will give you a little bit of history. I take you back to 1997 and a statement by the federal Minister for Primary Industries and Energy, John Anderson. He was talking about the initiation of the Meat and Livestock Association. He issued this press release in Brisbane. Mr Deputy Speaker Scott, you may even have been there with him. I know you have a lot of cattle producers in your electorate. It is appropriate that it was released in Queensland where 42 per cent of meat processing takes place. In fact, it is one of the strongest manufacturing sectors in Queensland. This was his statement:

The new structural arrangements for the red meat industry, which come into effect on 1 July 1998, are a watershed for the industry. They deliver a more efficient structure, increased responsibilities and, of most importance, give ownership and control of the industry back to everyone involved in meat production in Australia.

These arrangements are my most significant and important reforms ever undertaken by government. They signal a new direction of cooperation between government and industry.

Very clearly, right from the word go, the Howard government minister said that the Meat and Livestock Association will have control. And they do it by putting a compulsory levy on cattle sales and the slaughter of beasts. So whatever the sales and whatever the slaughters, money goes to the MLA. People pay a levy and then they can choose to become a member of the MLA. It sounds a bit like a bargaining fee to me, but being union thugs, we have retreated from such behaviour! The union movement never went for that. We do not believe in bargaining fees—rather, some people in the union movement do, but most union members say that you must volunteer to be in the union. In fact, yesterday I heard the member for Wannon proudly saying that he had never joined a union. He did not say that he had refused pay rises negotiated by the Community and Public Sector Union or anything like that.

Mr Sidebottom: They did not want him anyway.

Mr PERRETT: No. Anyway, that is the way the scheme works. It is basically a bargaining fee. You have to pay the fee but you can choose to be a member after you pay the fee. So what is the MLA do. I should say upfront that there are a lot of very smart people in the MLA. Some of the research they do is very commendable, particularly some of the work measuring methane coming from sheep and cattle. They have done some wonderful things. It says on their web page:

MLA has the unique responsibility of providing marketing and research and development services to over 47,000 cattle, sheep and goat producer members and the broader red meat industry to help them meet community and consumer expectations.

MLA is committed to fostering world leadership for the Australian red meat and livestock industry by creating opportunities—

and the like. The MLA is charged with that job. That is why it was set up. A levy is paid every time an animal is slaughtered, every time an animal is sold and the MLA has that responsibility. I would suggest that any reasonable person would agree that the MLA has dropped the ball on this occasion. I know there are a lot of good people in there working hard but we are the government and we have to cop flak. We accept that the buck stops with us. We are responsible but I would suggest the MLA is culpable here for really dropping the ball in terms of what was going on in Indonesia. The MLA is the peak body representing the meat and livestock industry. It gets a government subsidy for research and lots of things but as stated in the *Australian* today:

... the meat and livestock industry, which gets a government subsidy for research and development, planned to spend \$3.4 million on improving animal welfare in 2010-11 compared with \$23 million on marketing beef exports, out of total expected earnings of \$173m.

The reality is the MLA was charged with a certain job and it dropped the ball.

Ms O'Neill: They changed the job to suit the—

Mr PERRETT: They did. With my limited understanding of the meat industry—my family has a history in the meat industry—I do know this: the more sweat you put into doing something with meat, the more you can charge when you sell it. Rather than sell a quarter of a beast, if you turn it into sausages and roasts, all those sorts of things, you make more. Basically, you value add with labour input—a simple fact. There are lots of pressures on our meat processing sector. The high Australian dollar obviously is one. We have had droughts, we have had floods in the north in the member for Leichardt's electorate and we have had supply issues but the live export of meat has been growing. For sheep it has been pretty stable, but there are the same pressures.

In 2005, 573,000 head were exported; in 2009, 949,000 were exported; it is expected to go to a million head this year. Despite those pressures, the industry has been growing and the sad thing is we miss out on the value adding. As a Queenslander I know we have had abattoirs closed down in Killarney and in Pittsworth, mainly in rural and regional areas. I think the member Kennedy was talking about the Innisfail abattoir. We have had Northern Territory abattoirs closed and an abattoir in Cairns closed.

Mrs Griggs: Yes, let's talk about the Northern Territory.

Mr PERRETT: I am sure the member opposite, when she returns to her seat, would support jobs for workers. Once you close down an abattoir it is almost impossible to come back. I have seen it in my home town. My brother managed a sheep processing place in St George and when it closed down that was it. You would know that, Deputy Speaker Scott. When they close down, the jobs go and that is bad for the local industry.

In the last 35 years, more than 150 meat processing facilities have closed down. That is a loss of about 40,000 jobs. When we process meat, we add about 20 per cent more to the meat and the jobs that go with processing are extra as well. Obviously there are extra costs in terms of occupational health and safety and inspectors, all the things that go with our world standards, which I suggest are some of the highest in the world.

Those opposite are exercising short-term politics. Minister Mr McGauran had banned live sheep exports before the credits for 60 *M inutes* had come up. (*Time expired*)