



# SENATOR THE HON RICHARD COLBECK

Senator for Tasmania

Shadow Parliamentary Secretary for Fisheries and Forestry

Shadow Parliamentary Secretary for Innovation, Industry and Science

## D R A F T H A N S A R D

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### Minister has no answers for King Island

Island left with all image but no business

#### Questions from Senator Colbeck to Agriculture Minister Joe Ludwig about the JBS Swift Abattoir closure in Question Time this afternoon:

**Senator COLBECK** (Tasmania) (14:44): My question is to the Minister for Agriculture, Fisheries and Forestry, Senator Ludwig. I note the announcement this afternoon that JBS Swift will close its abattoir on King Island with a loss of 100 jobs, citing high operating costs in terms of utilities and domestic and export freight costs as key reasons. Why has the government continued to ignore warnings from the food processing sector, including the beef industry, regarding government imposed costs from regressive taxes such as the carbon tax which have increased costs for both energy and shipping, the stated reasons for the closure? Now that we are seeing the impacts of this regressive tax, what action will you take to support agriculture and prevent more closures?

**Senator LUDWIG** (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (14:45): I thank Senator Colbeck for his question. Again I do not accept the premise of the question where he makes a link to the carbon price. When you look at the circumstances of the closure of any meatworks, the first thing I can say is that I always feel for the workers who have been involved and have lost their jobs as a consequence.

*Senator Brandis interjecting—*

**Senator LUDWIG:** That is a very unhelpful interjection, frankly. One of the issues always is that there is a range of complex circumstances that usually lead to the closure, and in this instance I had an opportunity of reading the press release put out by JBS Swift and that did go to a range of complex circumstances which they were faced with. My recollection is that the press release did not mention the carbon price. Those opposite have sought to misinform the Senate. What it demonstrates is a range of complex circumstances, including an increase in the Australian dollar and a range of other matters which have led to the closure. For any government, whether the Tasmanian government or the federal government, there is a range of available assistance for those employees who have lost their employment.

I turn back to the issue of the carbon price. Those opposite continue to blame the carbon price for everything they possibly can. They said the sky would fall in. Well, the sky has not fallen in. They said it would be a python squeeze. *(Time expired)*

**Senator COLBECK:** Mr President, I ask a supplementary question. Minister, given that this is the second Tasmanian agricultural business in two weeks to demonstrate the validity of warnings from industry regarding government imposed costs, both citing energy prices and shipping costs, at what stage will you start to take notice of the warnings and take some action to support the industry that you represent in this place?

**Senator LUDWIG** (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (14:48): I thank Senator Colbeck for raising this issue, because this government has taken the opportunity of meeting with the meat industry. Only last week I was at both Beef City Toowoomba and Nolan Meats in Gympie. This is a Gillard Labor government that listens to the industry rather than stay in Tasmania. We are committed to supporting jobs through the transition to a low carbon economy.

**Senator Brandis:** I do not think the Nolan brothers are big supporters of the Labor Party.

**Senator LUDWIG:** You do not want hear to this, Senator Brandis, because you would rather continue to run scare campaigns. Many processors have already begun investigating opportunities to become more energy efficient. (*Time expired*)

**Senator COLBECK:** I have a further supplementary question, Mr President. Minister, how much more damage will you preside over to Australia's agriculture and cattle industry? Following on from the live cattle debacle we are now seeing the effects of the government's regressive cost impositions. What is left for the people of King Island, with the best-known clean, quality brand image in the country, who are left now with a brand image but no business? What is the minister intending to do?

**Senator LUDWIG** (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (14:50): Senator Colbeck certainly mixed that question. In terms of live animal exports, what the opposition never did when they were in government was make sure that we have a future for this industry by putting in place a regulatory scheme that ensured animal welfare was taken into account. We now know that Mr Cobb agrees with ESCAF. Mr Cobb has also said that a coalition government supports a regulatory framework that ensures animal welfare is put at the heart of this. That is what you have stated too. What we have ensured is that the industry does have a future. Many meat processors also have an opportunity to partake of the \$200 million Clean Technology Food and Foundries Investment Program to help processors to equip them and help them invest for the future to reduce emissions. (*Time expired*)