




Speech by

Andrew Cripps

MEMBER FOR HINCHINBROOK

Hansard Tuesday, 6 September 2011

MOTION: CARBON TAX

 **Mr CRIPPS** (Hinchinbrook—LNP) (6.21 pm): I rise to support the motion moved by the Leader of the Opposition against the Gillard Labor government's proposed carbon tax. As the shadow minister for agriculture, I want to talk about the serious impact that Labor's carbon tax will have on a very important part of Queensland's economy—our vital agricultural sector.

I want to highlight the impact the carbon tax will have on agriculture because the Bligh government has its head in the sand on this issue. I asked the Minister for Agriculture during the recent budget estimates what strategies the Bligh government would put in place to overcome the increased cost of farm inputs and the loss of market share against imported products that Queensland's farmers would suffer as a result of Labor's carbon tax. While the Minister for Agriculture admitted the carbon tax would have an impact on agriculture in Queensland, he advised Labor would rely on yet to be delivered productivity gains from yet to be undertaken R&D projects to maintain the competitiveness of the Queensland agricultural sector burdened with the carbon tax.

R&D productivity gains should be delivering increased profitability and sustainability to Queensland's farmers, not attempting to compensate for bad public policies forced on agriculture by the Gillard government. The Bligh government, and in particular the Minister for Agriculture, need to stand up for Queensland agriculture on the issue of the carbon tax and not roll over for their Labor mates in Canberra.

There was a lot chest beating from the Premier and the Treasurer in the House this morning about private investment in infrastructure projects indicating a return of confidence in the Queensland economy. As usual, the Premier and the Treasurer have cherry picked reports about the economy to suit themselves and have reinforced the problem of the two-speed economy.

Only yesterday Rabobank released several farmer confidence surveys taken last month for primary producers across Australia. What did those reports say about the confidence of farmers in Queensland? The results of the survey indicate that farmer confidence has now dropped to its lowest levels in nine years. It found that 52 per cent of the Queensland farmers surveyed expected the agricultural economy to worsen over the next 12 months—significantly more than the 23 per cent with that view surveyed during the previous quarter. Why did farmers express those concerns? Some of them nominated the high Australian dollar. Some of them nominated the extreme weather conditions experienced earlier this year and the impact they had on returns. However, more than half of them—54 per cent of them, in fact—cited concerns with government intervention and policies as the major factor undermining their confidence in the agricultural economy. They nominated specifically the ridiculous ban on live cattle exports and Labor's carbon tax as having a dampening effect on confidence. Queensland farmers said increases in electricity costs, driven up by the carbon tax, will add to already high fuel and fertiliser prices.

As a proud North Queenslander, I know North Queensland is a powerhouse of agriculture in this state. It is such a strong contributor that Rabobank chose to undertake an additional survey of North Queensland farmers. North Queensland farmers have even less confidence in the Queensland agricultural economy than farmers in other areas of the state. Indeed, 55 per cent of North Queensland primary

producers expect the agricultural economy to worsen over the next 12 months, up from 28 per cent in the previous quarter.

Once again, the significant decline in confidence in this survey was driven by concerns around government interventions and policies—namely, and understandably amongst Queensland farmers, Labor's stupid ban on live cattle exports, but also the carbon tax, which they say will have significant implications for the agricultural sector in this state. So not all the sectors of the economy are brimming with confidence despite what the Premier and the Treasurer said this morning. Farmers are specifically nominating Labor policies such as the carbon tax as the reason. The Bligh government is ignoring the concerns of Queensland farmers about increased irrigation and refrigeration costs and the increased cost of farm inputs and transport as a result of the carbon tax.

While direct emissions from agriculture will not attract Labor's carbon tax, all the inputs that go into agriculture will. Imported agricultural products will have the advantage of not having the carbon tax built into their production costs. Labor plans to slug agriculture with the carbon tax through the back door rather than the front door. The agriculture minister and the Bligh government have no credible plan to support Queensland farmers against carbon tax and this government should be condemned for abandoning one of Queensland's most important industries.

Tonight the LNP is giving the agriculture minister and all state Labor MPs an opportunity to support our farmers, reject the carbon tax and do the right thing by Queensland.