



PARLIAMENT OF AUSTRALIA
HOUSE OF REPRESENTATIVES

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MEDIA RELEASE

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Commonwealth Must Act To Allow Poultry Producers Collective Bargaining Power

The Independent Member for New England, Tony Windsor, has called on the Commonwealth Government to rectify the problems caused by recent Commonwealth demands to weaken the price determination process for NSW poultry producers.

The Commonwealth Treasurer approved National Competition Council (NCC) recommendations to weaken the position of the NSW Poultry Meat Industry Committee late last year. The impact on producers could be likened to a hammer blow and Mr Windsor is seeking to limit this blow at a Commonwealth level.

Mr Windsor said, "The Minister for Small Business, Joe Hockey, needs to come through on his claims that he has a special empathy for small business by delivering an effective means of collective bargaining for poultry producers and other small business faced with the bargaining might of large processors."

"As anyone with Joe Hockey's extensive small business experience would be aware, hundreds of producers dealing on an individual basis with just one or two corporate purchasers provides a very poor bargaining platform."

"The Poultry Meat Industry Committee in NSW has provided an effective bargaining platform that has evened up the playing fields for our poultry producers. The National Competition Council recommendations that this bargaining platform be severely restricted were accepted by Treasurer Peter Costello towards the end of last year."

"I feel this ridiculous position needs to be reversed quickly through amendments to the Trade Practises Act. The problem for the local Poultry Industry has been caused by the Commonwealth and it needs to be rectified by the Commonwealth. Joe Hockey needs to wake up and introduce these amendments immediately."

"Competition policy in Australia is increasingly being used as a means for the financially powerful to seek removal of public policy that protects those with less assets and financial might from the excesses that can accompany market strength."

"The poultry industry is important to our region and these producers need a measure of financial security to allow them to earn a reasonable return on their assets. Poultry producers use grain and employ many people and we need to protect their viability. The need for a return on capital is shared by both the small producers and large purchasers; sensible public policy will be able to produce outcomes for both ends of the market with little change in price to end consumers."

"The push for collective bargaining will gain momentum and the Government will look better if it acts quickly rather than being forced into change by the anger of small business as the impact of the latest Treasury approved competition policy measures are felt," concluded Mr Windsor.

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