



Australian Meat Industry Council

SUBMISSION

Hon. Grace Grace MP

Minister for Education and Minister for Industrial Relations, Queensland.

Hon. Shannon Fentiman PM

Minister for Employment, Training & Skills

on

Christmas Eve Part Public Holiday in Queensland

September 2019

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Australian Meat Industry Council

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AMIC

The Australian Meat Industry Council (AMIC) is the Peak Industry body representing some 2,000 post-farm red meat industry enterprises. AMIC members include firms processing for domestic and export consumption, smallgoods manufacturers, boning rooms, wholesalers and distributors through to independent retail butchers. AMIC has consulted extensively with the red meat sector in Queensland to gather evidence to support the difficulties the red meat industry will experience if the proposed Christmas Eve Public Holiday between 6 pm and midnight is implemented.

The Australian meat supply chain makes a substantial contribution to the national economy each year by accounting for over \$16.2 billion in the Gross Domestic Product (GDP), or 1.5% of total GDP and \$8.7 billion in Australian household income.

The meat industry chain of enterprises underpins more than 1.6% of total FTE (full-time equivalent) employed positions in Australia and about 15% of employment in agriculture, around 134,000 FTE jobs*. Through full-time and part-time employment, as well as local plant purchasing of supplies and services, red meat processing is vital to many regional areas across Australia.

The Australian meat industry is international, with around 70% of beef exported and 60% of lamb and mutton exported. It is estimated that 70% of smallgoods sold in Australia is manufactured from imported pig meat from a range of overseas countries, primarily Denmark, Canada and the USA.

- The Queensland Government under Premier Anastacia Palaszczuk has proposed the gazetting of an extra public holiday on Christmas Eve from 6 pm.until midnight.
- The Australian Meat Industry Council, AMIC, believes this will place a further unnecessary burden on the Queensland Red Meat Industry. An industry already suffering from the drought.

PURPOSE OF THIS SUBMISSION

AMIC is opposed to the introduction of an extra public holiday on Christmas Eve. AMIC has a number of concerns for businesses in the Australian Red Meat Industry if the proposed Christmas Eve part public holiday is gazetted.

Many of the AMIC's members are family owned and operated. They are small businesses who are unable to offset the additional costs of the public holiday if they choose to trade or continue to manufacture after 6pm on Christmas Eve.

Currently the eastern states of Australia are suffering the hardship of another drought. To add a further financial impost to an already suffering industry is untimely and an unfair financial burden on the businesses of Queensland.

One of the effects of the drought is for primary producers to “destock” which has resulted in meat processing plants in the eastern states facing greater costs in sourcing and transporting suitable stock to their plants for processing. This additional cost is passed on to the manufacturing and retail arms of the meat industry and subsequently, the consumer.

The extra cost of a public holiday penalty rates will, at least in part, be passed onto the consumer through a pricing increase in of smallgoods and fresh meat for the Christmas period.

It must be noted that at this time of year families frequently overspend and the introduction of the public holiday penalty rates will place a greater financial burden on families due the the extra costs being added to the cost of products.

The introduction of the public holiday will mean:

- an increase in financial pressure for small business;
- a decrease in profit of small independent businesses;
- early closure of businesses on Christmas Eve in Queensland will mean
 - staff who would have worked on Christmas had their employer remained open, will now suffer a reduction in remuneration,
 - an added frustration to already stressed consumers as they will have six less shopping hours to get their last minute Christmas shopping done,
 - financial loss for retail businesses operating in shopping centres where a rental contractual obligation requires they remain open past 6pm on Christmas Eve. (Will the current Queensland Government assist retail members with this cost?)
- In addition to the increasing cost of meat due to public holiday penalty rates, there will also be an increase in associated costs such as the delivery of products to retail shops from wholesalers and manufacturers. This will therefore result in additional cost to the consumer.

RECOMMENDATIONS

The Australian Meat Industry Council is not opposed to the idea of families being together on Christmas Eve. However, it is opposed to another gazetted public holiday that;

- a) places addition financial burden on employers,
- b) increases the cost of products and services to consumers due to increased public holiday penalty rates.

Rarely does an issue have a single solution and therefore AMIC recommend the Queensland Government convene a working committee consisting of government, employer and employee representatives to review the effects of this proposed public holiday. Further, we also recommend that exemptions should apply.

*Australian Meat Processor Corporate Report – Evaluating the Socio-economic benefit of the red meat industry in regional Australia

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