

Agricultural Competitiveness Green Paper Submission

Date submitted

12/12/2014

Name of Organisation/Individual

University of Sydney

What are the top policies from the Green Paper that the Government should focus on in the White Paper and why?

What policies from the Green Paper don't you support and why?

General Comment

With reference to policy idea 8 (strengthening competition laws) in the Agricultural Competitiveness Green Paper, the Livestock in Landscapes Group within the Faculty of Agriculture and Environment at the University of Sydney has put a considerable amount of thought and effort into exploring the collective bargaining provisions that are available to all Australian businesses to use provided they can prove that it is for the net public benefit.

A submission was made by the Livestock in Landscapes Group to the Rural Industries R&D Corporation (refer attached document) to carry out a study of the uptake and effectiveness of collective bargaining, and in particular, what if any are the barriers to greater use of collective bargaining arrangements by farmers. Given that there is a significant disparity in the level of market power within the agriculture industry between farmers and the processing, wholesale, distribution and retail sectors, collective bargaining arrangements are one mechanism that farmers could use to increase their own market power, and ability to influence prices. Despite being currently used in the dairy, chicken grower and plant breeder sectors, collective bargaining has not been widely used within other sectors of the agricultural industry. Hence, the aim of the study is to provide a snapshot of the current use of collective bargaining in the agriculture industry as well as any factors which may limit uptake.