

## Submission: Competitiveness of the Australian Agriculture Sector

Just a brief submission to encourage you to please include the forestry sector in the enquiry.

With the sale of public plantation assets to the private sector in Vic, Qld, Tas and SA, together with the development of the hardwood plantation MIS schemes over the past 15 years, the vast majority of wood now grown and sold in Australia is by private owners. Forestry is now officially a business and not a community service or regional employment program. It is a legitimate agricultural, rural business.

The great ideological and commercial abyss that exists between agriculture and forestry must be bridged. The two must become one. Tree growing must become as natural to farmers as fencing and sheep grazing.

The future of the forest industry in Australia now depends upon private land owners and private investment and not with public native forests. To not include forestry in this study is to condemn the forest industry to even greater commercial failure, and lost commercial opportunity.

The forest industry is in desperate need of commercial reform in order to become competitive and profitable. The forest industry needs a much greater commercial and market focus. Greater transparency in forestry markets is needed to a) demonstrate to rural landowners and investors that the forest industry is open and keen for business, and b) price, supply and demand signals are regularly broadcast to the rural community via market reports to build interest in forest investment. These are qualities now shown by the very successful New Zealand forest industry. They need to become standard practice here in Australia.

As an example late last year in Tasmania two blackwood sawlogs sold at public tender for \$7,500 and \$9,600!! No doubt these were exceptional logs, but did this story reach the local newspaper, radio or television media? No it didn't. This rare, small example of open, competitive market processes at work in the forest industry past by without any interest or comment apart from my own website.

Could Tasmania become the base for a sizable, high-value blackwood industry based on a farm-forestry growers cooperative? Could this industry supply both domestic and export markets? Absolutely! Blackwood is Australia's premier timber species with a 100+ year market heritage and profile. But forestry is politics NOT business, so most farmers want nothing to do with it. And the forest industry is not accustomed to engaging with the farming community. Any evidence of straight forward transparent business dealings in the forest industry that might attract the attention of farmers is complexly absent.

Most farmers would relish the opportunity of diversifying their business and broadening their income base. Unfortunately many farmers do not have this luxury. But in many parts of Australia commercial tree growing is an unrealised opportunity. I think diversity of income must be a major part of the future competitiveness for Australian farmers. Helping farmers avoid the boom-bust cycle of single-commodity income must be a high priority.

To not include forestry in the enquiry is to deliberately ignore a major commercial opportunity. The forest industry in New Zealand is a major part of the rural and national economies. It is 100% privately owned and operated. Why can't Australian farmers follow their Kiwi peers and enjoy the benefits of vibrant, profitable booming forest industry? Please stop killing the forest industry with politics, and recognise it as a legitimate and necessary part of the agricultural economy of Australia.

Sincerely,

Dr. Gordon Bradbury

<http://blackwoodgrowers.com.au/>

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