

# **RICHMOND RIVER BEEF PRODUCERS** **ASSOCIATION**

c/o 416 Collins Valley Rd., KYOGLE  
NSW 2474  
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This submission is from the Richmond River Beef Producers Association which represents small beef producers in the Northern Rivers District of NSW.

Our comments relate to those areas of the "Issues Paper" which are of greatest significance to our members.

## 1. Ensuring Food Security

Australia is a net exporter of food, producing more than enough to satisfy the local market. However producers are threatened by insufficient returns for their product & competition from overseas imports which are not subject to the same regulations & costs of production that we have in Australia.

Consumers generally will prefer Australian products if they are correctly labeled but we do not have a suitable labeling system at present.

More water storage is required in Australia to conserve the water which, particularly in the north, presently flows out to sea. This requires more dams & irrigation infrastructure.

## 2. Improving Farm Gate Returns

Farmers in the beef industry do not receive a fair return for their product. Present beef returns are below the cost of production. We compete with countries where governments subsidise production, & overhead costs are lower. Most beef producers are going backwards & without off farm income could not survive.

A "level playing field" requires similar overhead costs & government support which our overseas competitors enjoy.

If new farmers are to be encouraged to enter the industry then they must be able to receive a fair return on their investment & labour.

## 3. Access to Finance

It is almost impossible for newcomers to obtain suitable finance to enter the industry. Banks require evidence of profitability & there are no profits to be made in the beef industry at present.

## 4. Competitiveness

While two retailers control 80% of the market & five meat processors control most of the beef market it is impossible for farmers to receive a fair return. There

needs to be more competition beyond the farm gate. The ACCC has so far proven to be a "lame duck" as far as handling the lack of competition in the retail market.

Also Australian producers receive little support from government compared with our overseas competitors.

#### 5. Contribution to Rural Communities

Most rural communities owe their existence to agriculture. Unless agriculture thrives these communities will wither & die. Local governments have a decreasing rate base & more financial responsibilities forced upon them by State & Federal Governments.

These communities require substantial assistance from State & Federal Governments to address the backlog in infrastructure maintenance & provide improved transport facilities.

#### 6. Inputs to the Supply Chain

Farmers currently apply their skills to manage inputs as efficiently as possible but are continually confronted by unrealistic demands from governments who impose increasing restrictions in the forms of red & green tape. Governments need to let farmers get on with their business & remove all these restrictive laws, particularly those related to land zonings & vegetation preservation.

In NSW we have a fourth level of government called Local Land Services which taxes rural landowners to provide services enjoyed by the whole community (including cities). These services are provided in other states from general revenue. Beef producers are taxed further to finance Meat & Livestock Australia whose total efforts to date have reduced the income of producers & increased the returns to the processors, retailers & supermarkets.

#### 7. Reducing Regulations

We are continually besieged by unnecessary & overlapping regulations imposed by all levels of government. Regulations affecting farmers need to be immediately slashed by 50% & a working party set up to carefully reduce the remainder to those which serve a useful purpose ie about 10% of those currently in practice.

#### Additional Comments

Please find attached this organisation's submission to the Senate Enquiry on the Beef Industry as many of the issues raised there are relevant to this White Paper.

Yours sincerely,

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Chairman,  
Richmond River Beef Producers Association

