

Agricultural Competitiveness

1. Expanding agricultural production – The area of land currently under production can be increased, ie. Land locked up under draconian government regulations (Veg. Management), needs to be brought into production to allow maximum use of available productive land. Land that is currently covered by Vegetation Management Acts has been locked up and in most cases causing soil erosion and harbouring a booming population of invasive weeds and feral animals.

Moving further afield, allowing the development of large tracts of productive land in the north as well as access to water from northern rivers(either by dams or flood lifts), alongside better management of drought prone regions.

2. Improving Farm Gate Returns – By far the biggest obstacle we have to improving returns is that we are primarily PRICE TAKERS, and as such we are restricted to only being able to vary our input costs. Farmers and graziers are hamstrung by large companies that seek to grow their bottom line by restricting the price paid for what is supplied, our produce (beef, grain, etc.), and in the process increasing their profits at the expense of the farmer.

The first issue that needs to be addressed is that of Farm Debt, there needs to be access to more financially viable packages, whether it is through a "Rural Bank" or through financial institutions already in place (ie. QRAA), with interest rates being restricted to no more than 1% above the cash rate.

A major hindrance to "Farm Returns" is that of land/soil degradation. With lowered Farm Gate returns there is a requirement to first make restitution to our financiers, see to it that our children are schooled and fed and clothed and then use what, if any funds are left available to maintain our farming/grazing operation. With diesel and labour costs spiralling out of control, it is almost impossible to maintain and develop what available land we have to utilise.

As mentioned above, the spread of "INTRODUCED" species of invasive and noxious weeds are adding an ever increasing cost to the maintenance of large tracts of prime grazing and farming land. These species were introduced into this country by Government departments through ill-informed and self-serving Quarantine officials. Landholders must be funded to control and wipe out these species that are doing endless financial and ecological damage across the landscape. Groups such as Landcare, Fitzroy Basin Association, and the like that garner government funding, have to be directed to supply funds to be spent on the control of weeds by working together with property owners. If this is not one of the immediate steps taken by government, the future of quality farmland is in jeopardy.

By being able to access co-contributions/low interest subsidies or grants, to allow the improvement/development of the available land by means of water infrastructure and improving water use to the land from rainfall (blade ploughing/pasture renovation and contouring) would go a long way to providing an effective drought strategy, as better water-use, water infrastructure and more forage gives you the ability to last longer and often through any dry periods.

For all primary producers whether they maintain a debt level or not, it is all about \$/hectare, whether it be produced or cost of production.

3. Access to Finance – We already have the vehicle for better financial solutions that are currently state based (ie. QRAA). Access to capital for pasture improvements, water infrastructure, financial stability during droughts and drought recovery.

4. Regional Communities – The ever increasing burden of taxation has put pressure on people living in isolated and remote communities and their viability to wait for any agricultural based work. The diminishing farm gate returns don't allow agricultural based businesses the finance to employ the staff required. Competition from mining companies and the exorbitant wages paid cannot be matched by agriculture. Work place health and safety laws have gone from the sublime to the ridiculous, and once competent staff are now replaced by, in most cases seasonal backpackers. A healthy and wealthy agriculture has the ability to employ more staff than any other business, which would also lead to a more robust regional economy.

5. Reducing ineffective regulations & enhancing Agricultural Exports – AQIS is a classic example of placing too much of a cost burden on hard fought exports. A good example of this is the export of live cattle to Cambodia, where they have no import protocol; AQIS would not approve an export permit without one. This is typical abuse of over regulation by a ridiculously powerful government department with no sense of reasonable cost. Over-regulation and testing on exports

Agricultural Competitiveness

have far reduced our competitiveness to supply a superior product to an ever increasing demand. Genetic export demand has increased exponentially, but is hamstrung by our lack of ability to compete due to Government charges. A healthy and cost efficient export market would create more jobs and more FARM GATE income. Semen is produced in the U.S.A. for export at 50 cents/straw, whereas in Australia it is in the range of \$7-\$13/straw due to AQIS based protocol charges.

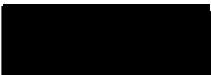
State based policy in regards to trade based restrictions through disproportionate and ill-advised regulations on interstate trade needs to be controlled from a federal perspective. The recent BJD case in Queensland is a case in point. Queensland is a "protected" zone, whereas Western Australia promotes itself as "free". This has placed an unfair trade restriction on livestock from eastern states. BJD is to all intents and purposes a disease of insignificance and has little to no financial effect on the beef industry. West. Australia has advertised itself as a BJD free zone, it has no more freedom of access to export markets than its counterparts in the eastern states, yet it has through bully-boy tactics convinced a controlling agripolitical group, to continue with current BJD zoning. W.A. DAFF has to be accountable for the improper trade restrictions and ill-informed advice to their superiors. This is a disease that provided an opportune platform for state Biosecurity to flex its muscle and seek job security from gullible ministers.

6. Australia has the most efficient farmers in the world, the highest cost of production in the world and some of the lowest returns on production are forcing more and more families to rethink what they have been born into. Large companies managed by overzealous and unknowledgeable boards and CEO's come and go, they rape the land and cut and run when they can no longer sustain an unprofitable bottom line. This is also the case with overseas investment in "Freehold" land, these investors are only concerned with the next five years, whereas Australian families that have an appreciation for the land, look to the next 3-4 generations. By supporting generation families (those that know the land and appreciate it), governments can protect the future of a financially important industry as well as keeping the land itself healthy. The bigger picture is far more important than a one year bottom line.

SUMMARY

1. Release valuable productive land from restrictive state land acts, either through "Land Ballots" or sale/lease. Allow development of land covered by Veg. Management restrictions.
2. Fund/cut red tape of emerging companies to increase competition in secondary agricultural industries (ie. Abattoirs, etc.). Provide access to financially viable agriculture funding, for Farm finance, infrastructure planning and improvements, drought preparedness. Provide funding for the control of introduced weeds through already set up and locally managed organisations.
3. Tax incentives for regional agricultural enterprises. Better funding for infrastructure for regional communities, not just indigenous communities.
4. Provide incentives for emerging agricultural export markets and cut AQIS red tape and charges on agricultural exports. Improve interstate based trading restrictions.
5. Whether it is through tax incentives or access to viable farm finance packages, Australian farming families need to be kept on as custodians and protectors of our precious farmland. Overseas investors are essential for financial providers, but more as partnerships, not as freehold landholders.

Yours sincerely,
Brett McCamley



OKAY TO
PUBLISH

B. A. M. Camley.

B. A. M. Camley

14-6-121