

Agricultural Competitiveness Green Paper Submission

Date submitted

10/12/2014

Name of Organisation/Individual

Regional Development Australia - Mid North Coast

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

Under 2. Infrastructure

Agree with:

Policy idea 1 - Building new transport infrastructure

Policy idea 2 - Improving existing infrastructure and transport regulation

Policy idea 3 - Enhancing communications

There are 3 existing freight rail return services using the North coast rail line in which is not being utilised by industry on the Mid North Coast which have future potential.

The regional economic development report developed by the RDA identifies the volume of manufactured products on the Mid North Coast that would add value and greater efficiencies if some of this product is moved to rail freight transport to both industry and the rail transport sector.

In my investigations for rail to gain greater efficiencies on the North coast rail line, that governments would need to invest in regional infrastructure raising the height of local regional rail bridges along the north coast line to allow for double stacking of containers doubling the freight capacity delivering efficiencies. This infrastructure provision will drive private investment and create future employment opportunities in regional areas.

The upgrade of all of these bridges would assist local councils renewing old dilapidated infrastructure and working towards a regional goal of delivering better infrastructure to get produce and manufactured products to the rail sidings and, developing a north coast rail line that would double its capacity and become more efficient into the future driving the cost of business down.

Once the proposed rail infrastructure has been upgraded freight can be moved out of major congested city centres to regional hubs further developing logistic centres driving regional employment opportunities and further reduce the cost to business to be globally competitive.

For example with the upgrade of the Pacific highway along the north coast interchanges such as the one being developed at Cow creek / Boggy Creek being the Valla future employment lands north of Nambucca Heads can be developed. The identified employment zone located half way between Sydney and Brisbane is supported by 50 hectare parcel of industrial zoned land, a location where the Pacific Highway and the North coast rail line cross each other connected by a new upgraded highway

interchange. Much of the freight sent to and from Sydney and Brisbane Ports could be moved out of cities to this intermodal and distributed to the broader region by road freight reducing storage costs.

Using the intermodal concept would provide locations for the future development of processing facilities and logistics hubs in regional locations by creating central points of distribution for processed foods and manufactured goods with options of road and rail would create greater efficiencies and drive future private investment in warehousing and processing facilities.

It was identified by the logistics industry via the Australian logistics council at an investment conference held in Melbourne that many of the sea ports on the eastern sea board of Australia will have major growth of inbound imports to Australia over the decade with the growth of logistics on the rise. Warehousing, logistics and distribution centre is an emerging growth industry sector. With food in demand globally central points of processing and distribution will be requires in the future.

The other key piece of infrastructure required to develop the regions is state of the art broad band telecommunications to support the growth of intermodals, the development of food processing facilities and distribution centres in regional locations

Wayne Lowe - Nambucca Shire Council

The Agricultural Competiveness Green Paper is a great attempt to establish the areas of “need” for the sector into the future. The challenge is getting some outcomes quickly and efficiently.

The issues are however, clear and relatively unchanged and we have an opportunity to alter them for the development of regional areas, address productivity issues and develop national infrastructure into the future by delivering on the obvious impediments to business.

The Asian growth markets are real but we are not ready to achieve and realise this potential unless we take direct action on the following areas that have been dealt with by the paper. The time to deal with these issues is now. It is not a financial consideration – it is an imperative if we really want to meet growing world food demands.

Infrastructure.

The Manning/ mid north coast could be the first of a series of freight and food distribution points along the M1 Brisbane to Sydney freight route.

By applying best practise – first and last mile principals of effective distribution from growing to delivering produce we have an opportunity to become far more productive. This regional solution based outcome has the added effect of creating opportunity and reducing the freight /distribution issues for small agricultural producers from regional areas.

The solution also deals with the problem of B double/ bb triple truck movements being straight line delivery (point to point) with smaller distribution regionally and locally. These movements to and from freight hubs can also double as pick up from outlying areas and the producers that re not centrally located.

Integrated freight solutions should be just that ... integrated not separated and meeting the freight company's agendas / time frames. Producers should be a large determinant to the outcome and

timing of freight. We are also meeting super market chain provision of grocery supply not growers or producers.

The anticipated changes to freight issues as mentioned in the report and the expenditure required to meet these issues will be well and truly returned in productivity to community and will reduce traffic issues and cost to small producers making for a more competitive producer. This is a real barrier to the mid north coast becoming a food bowl for Sydney and international markets.

Communications

The vast size of our land and the associated large cost to providing infrastructure is well known to all, however, communication and effective telecommunications within regional NSW and the wider country do not dissipate over time and the issue continues to be a major impediment and barrier to producers and growers throughout region. In some cases regional distribution networks would alleviate the pressure on telecommunications with a known and dependable distribution via “spoke and wheel” freight solutions.

It is the practice of most developed economies worldwide and is even more imperative for Australia given its land mass and long distances required for freight management.

Community and needs based solutions are what’s required – not a top down delivery by political expediency. The associations and groups that agitate for industry would and should be consulted – particularly the Australian Trucking Association and other peak industry bodies so that industry generally is brought into the solution not just existing large scale operators who currently have the governments “ear”.

Further proposals in attached document

Steve Atkins - Economic Development Officer Taree/Manning

3. Working with States and Territories

Policy idea 4 - State government deregulation

Agree with a. removing excessive native vegetation laws

Policy idea 5 - Protecting the resource base

Agree with a. limiting the adverse impacts of mining on the agriculture sector, including by providing a royalty stream for land holders affected by mining, ensuring that access to freehold land is granted with the agreement of the landowner and ensuring that no long-term damage is done to aquifers so as to change the agricultural capacity of the district as a result of extraction activities;

Agree with d. quarantining prime agricultural land from mining - specifically on the Great Divide and to the east of the Great Divide due to the extensive river systems, high water tables and agricultural capacities.

Policy idea 6 - Strengthening farm businesses. Example story:

Following is our experience to date with plans for the facility here at the farm, and related experiences with the overbearing licensing and compliance issues we face as a small producer.

We produce pasture raised pork and direct market it either through our weekly stall in Sydney or through restaurants and cafes in the Hastings and in Sydney or online. This ensures we receive a maximum return on what we produce. We market all our goods this way.

We transport our animals to the abattoir at Frederickton, they are processed and shipped to our butcher in Wauchope who then packages them for us. We then transport them back to the farm for sale. To do this we are required to license three items and are charged for each – our cool room at the farm, our mobile trailer cool room, and for smaller deliveries, our car fridge. One of the organic licensing bodies has a small producer section based on turnover and has a fee structure to suit. A single all-encompassing Food Authority license with basic fee structure would be less of a hurdle to new producers.

To retail any food items at our market stall in Sydney, we are required to pay an annual fee to the Council, and should they choose to inspect us, we are then charged an additional inspection fee. This inspection occurs during our limited trading hours interrupting trade. They wonder why they are not greeted with open arms. When we choose to do another market in another Council area, the same fees will apply. For each market and food festival we attend, we are required to also advise the NSW Food Authority.

We also raise laying hens for egg production. At one of our Food Authority egg audits, our carton label was given approval as it met all requirements – nutritional panel, farm address and contact details, Product of Australia, etc. Approximately 6 weeks later, an inspector from the newly formed Federal Department of Weights and Measures gave us a written warning for the very same label as it did not state that the box contained 12 eggs on the front of the label – it did so on the rear, and we use standard egg cartons. When it was suggested that the Federal body might like to liaise with the State authority that interacts with producers I was told that they would be unable to do that.

Discussions regarding an on farm boning and curing facility and associated farm shop have met with resistance from the local planning authority. The initial response from the front desk at the Council was 'No', the gent then being rather surprised to learn that we were already running our farm shop each Sunday. The problem is our land is zoned Rural 1A and we are proposing a commercial activity (I thought farming was a commercial activity, but there you go. We are certainly viewed as a commercial entity by the Tax Office). In collaboration with the Economic Development department, we have now progressed to a 'Yes' with the limitations of a 60 sq. metre footprint and maximum of 2 full time employees – hardly a strong case for making a return on our investment. We will challenge these restrictions given existing operators within the Hastings exceed these limitations (Ricardo's and Lorne Valley Mac Farm); further afield, in NSW Bundarra Berkshires, and in Victoria Jonai Farm have recently installed facilities similar to those we have planned.

In short, farmers are met with obstructions at every level when they attempt to sell their wares directly, and yet people throw their arms up in the air and give up when the food retail duopoly announces a new marketing ploy that drives another nail in the coffin of the small family farm. Some States in the US are now winding back many of these inhibiting laws – we aren't holding our breath for a similar outcome here.

Lastly, another part of what we do is run regular on farm events, allowing our community to connect with where their food comes from, who grows it and how it is grown. In addition to the regular Sundays at Near River, we hold Meals in the Fields each March and Breakfast in the Beds each October. For these last two events a 6 by 12 m marquee is hired at some cost, and we are now considering building a basic suitable structure as the cost would be recouped in a little over two years, or sooner with more use. We believe our curing room and a small commercial kitchen attached to this space would be of benefit. Our hesitation is the planning restrictions the local council will enforce. Interestingly, these two key events are wholeheartedly supported by Tourism NSW, and match research from various Federal and State bodies that agri-tourism and regional food experiences are a key driver to national and international tourism.

Thankfully we are tenacious and have scant regard for authority – if we were to let these actions inhibit us we would not be where we are today. We can't help wondering though what it would be like if all levels of Government worked together for the people that they supposedly work for. Too often we find ourselves either working against the authority or telling them how to do it.

“We should do away with the absolutely specious notion that everybody has to earn a living. It is a fact today that one in ten thousand of us can make a technological breakthrough capable of supporting all the rest. The youth of today are absolutely right in recognizing this nonsense of earning a living. We keep inventing jobs because of this false idea that everybody has to be employed at some kind of drudgery because; according to Malthusian Darwinian theory he must justify his right to exist. So we have inspectors of inspectors and people making instruments for inspectors to inspect inspectors. The true business of people should be to go back to school and think about whatever it was they were thinking about before somebody came along and told them they had to earn a living.— Andrew Hearne “Near River Produce” Wauchope.

3. Working with States and Territories

Policy idea 6 - Strengthening farm businesses (cont)

Cooperative models have:

- A strong role in the development of major Australian agricultural industries,
- An ability to provide countervailing power to smaller farm businesses in competitive global and domestic markets,
- A commitment to providing a full range of member services such as business and agricultural advisory services, education and training and other ancillary services such as bulk purchasing and infrastructure development,
- An ability to adapt and prosper in the face of market deregulation and globalisation, and
- A beneficial impact on sustainability and diversity in regional communities.

As per the submission to the Agricultural Competitiveness Taskforce on the recent legislative changes to co-operatives legislation, the Co-operatives National Law. The Business Council of Co-operatives and Mutuals (BCCM) identifies the positive effects that the new law will have by

removing anti-competitive regulations and facilitating access to financial markets through the implementation of laws for the issue of new financial securities by co-operatives.

The four recommendations around Cooperatives that RDA also support are:

1 That there should be funding for more focussed research on the value of co-operatives in the agricultural sector both at a national level and as contributors to regional economic prosperity.

2 That government at all levels should promote diversity of enterprise models in agriculture by raising awareness of the co-operative model of doing business.

3 That educators and professional organisations recognise the potential of the co-operative as a means of doing business and enriching regional communities by focussing more research and more professional education on co-operative regulation, management and finance.

4 That consideration is given to addressing instances of double regulatory requirements for co-operatives in respect of fundraising through security issues.

See full report attached.

4. Competition and Regulation

Agree with all of Policy area 7 - Improving market competition (see details further on in regards to point c. Facilitate greater use of cooperative structures of which we agree)

Agree with all of Policy area 8 - Strengthening competition laws

Agree with all of Policy idea 13 - Improving the transparency of foreign investment and furthermore there needs to be debate on the levels of foreign ownership of our farms and processing facilities, shipping ports etc.

Agree with Policy Idea 14 - Strengthening agricultural education

Further under Competition and Regulation one stakeholder who represents a very large farmer's Cooperative states:

Review of Part Four Agricultural Competitiveness Green Paper: Competition and Regulation

Part Four of the Green Paper identifies a three overarching policy ideas; together with potential ways regulation (or deregulation) can assist in rectifying issues identified by stakeholders in consultation.

The policy ideas seek to address the following issues:

- (1) Imbalance of market power (and negotiating power) between producers – processors – supermarket retailers
- (2) Limited farmer options in relation to point of sale;
- (3) High production costs v stagnant farm gate returns;

(4) Lack of transparency and certainty in price (which in turn affects farmer's decision making capacity)

The extent to which the policy ideas are likely to achieve the identified issues (with specific application to GM in agriculture) are discussed below.

A. POLICY IDEA SEVEN (improving market conditions) comprises of three strategies:

(a) Introduce options to increase price transparency throughout the domestic supply chain

I support this policy idea. It will help address imbalances in market power by enabling farmers to have access to critical information necessary to enhance bargaining powers, as well as provide information to assist farmers to make better business planning decisions.

Ideally, establish price and market monitoring observatories that can be used as reference to farmers in negotiations with processors/wholesalers etc. Establish public awareness raising campaigns in relation to the same.

I would further suggest, in relation to GM, price and market monitoring observatories that disclosure actual cost of GM production compared to other farming options (e.g.

traditional/organic/humane) – include parameters such as patent licence costs, herbicide costs, soil nutrient costs. From an economic perspective, it will enable farmers to make a fact-based decision.

Such decision-making would of course be better enhanced if comparison were made regarding farmgate returns for each method of production (e.g. traditional, GM, organic, biodynamic etc.).

Consideration should also be given to whether written contracts should be mandatory – it is my understanding that typically farmers work on a 'gentleman's agreement' (oral contract). This can be very disadvantageous to weaker parties. On the other hand, I note increased costs associated with introduction of this requirement, as well as issues inherent in use of standard form contracts (which I suspect would become the trend if this was adopted). However, I note that the government is currently determining if unfair contract provisions of the Australian Consumer Law should be extended to small business, which, if enacted, could provide some relief to small businesses.

(b) Introduce new marketing mechanisms, which might restore the balance of power to the producer. I support this policy idea, as it is most likely to address all identified issues.

I would suggest promotion and development of decentralised methods of primary produce distribution including methods such as farmer cooperatives, producer groups, direct marketing,

farmers markets, community supported agriculture initiatives, and localised distribution/processing hubs and suitable distribution networks. As a solicitor specialising in direct marketing techniques, I have considered direct marketing to be a marketing avenue worth seriously investigating by the farming industry (especially organic/biodynamic).

In order for such mechanisms to be effective, suitable awareness raising/training programs would be required. Specific research and development grants, and promotion of methods to increase adoption of sustainable growing systems should be encouraged. Support from local councils and public education campaigns would also help with the successful introduction of new marketing mechanisms. Such approach would be strengthened by the simultaneous introduction of levies on use of GM technologies.

(c) Facilitate greater cooperative structures

I support this policy idea, as it will likely help address all identified Issues. Promoting greater use of cooperative structures would provide greater bargaining power to farmers.

However, there are a number of social impediments to promoting greater use of cooperative structures. I consider that encouraging primary producers to join cooperatives would require a structured and multifaceted educational campaign utilising a variety of information/communication methods. From a social perspective, reliance on one or two methods of information/communication (e.g internet/TV campaigns) may be insufficient. Farmers may be technology avoidant (common in aging populations) or be situated in remote areas and not have access to Internet. Time constraints arising by virtue of the intensity of farming may also prove an impediment to joining/establishing cooperatives, as well as educational level of primary producers. Increased resources to suitable bodies to enable creation of multifaceted educational campaigns (including adoption of grass-roots approach), mentoring and grants to assist with establishment of cooperatives would be advantageous to achieve this policy idea.

Further Commentary on Improving Market Conditions

Strategies need to be developed and adopted to address the aging agricultural population and to develop pathways to attract the younger generation to the agricultural industry. As identified in the Agricultural Competitiveness Issues Paper¹ (“Issues Paper”), this will require innovative and attractive remuneration strategies, coupled with training initiatives. The issue of an aging population

and training initiatives is covered in chapter 7 of the Green paper. I have not had opportunity to review Chapter 7.

Increased awareness of our global environmental crisis and increased consumer demand, for sustainably produced foods, I would suggest education pathways and remuneration strategies enabling youth to enter the organic/biodynamic production systems should be developed and implemented. Increase in alternative production methods such as organic agriculture and biodynamic systems would help address imbalances in power, develop competitiveness between types of agriculture production, increase farmer options in relation to point of sale, and potentially increase farm gate returns due to premiums paid for such produce.

The Green Paper states “[t]he Government believes that farmers should have the choice to adopt the approaches that best suit their business needs, including through the use of GM technologies”.ii The Green Paper specifically promotes GM as a means to increase yield, lower input costs, and improve environmental outcomes.

iii GM of course also trends towards monoculture farming methods and as discussed below, monopolisation of the supply chain. Commentary on research and development is also directed towards genetics.

4 Despite its statement that “[t]he Government believes that farmers should have the choice to adopt the approaches that best suit their business needs ...” sustainable growing systems such as organic/biodynamic systems go virtually unmentioned in either the Issues Paper or the Green Paper.

This is a glaring oversight given the potential such production methods hold to address identified issues. Similarly unrecognised in the Green Paper is the extent to which costs associated with the current regulatory environment governing organic and biodynamic certification hinders the development of the industry. Such oversight is mentionable due to the emphasis put on deregulation of agrichemicals and use of GM technology, as is the absence of commentary on research and development in alternative growing systems.

Notably, the United Nations has recently supported a shift away from monoculture towards greater varieties of crops, reduced use of fertilisers and other inputs, greater support for small-scale farmers, and more locally focused production and consumption of food,iv positions unrecognised or reflected in either the Issues or the Green Paper.

C. POLICY IDEA 8 (Strengthening Competition Laws) offers four strategies:

(a) Revisions to the CCA

In order to comment on Policy Idea 8, I have referred to the Competition Policy Review September 2014.

Suggested revisions to the CCA include:

(i) Amendments to section 46 CCA (in relation to market power)

“The Competition Policy Review considers that the section should be reframed to prohibit a corporation that has a substantial degree of power in a market from engaging in conduct if the proposed conduct has the purpose, or would have or be likely to have the effect, of substantially lessening competition in that or any other market” (page 44).

As currently drafted, section 46 CCA states

(1) A corporation that has a substantial degree of power in a market shall not take advantage of that power in that or any other market for the purpose of:

(a) eliminating or substantially damaging a competitor of the corporation or of a body corporate that is related to the corporation in that or any other market;

(b) preventing the entry of a person into that or any other market; or

(c) deterring or preventing a person from engaging in competitive conduct in that or any other market.

The suggested amendments may well make it easier to prove misuse of market power, especially by removing the requirement that a corporation ‘take advantage’ of their market power – a requirement which has led to a number of cases failing. If a corporation could have been seen to engage in the same conduct despite their market position, the courts refused to find a contravention of s46 even if the purpose has been established.

5 The policy idea also poses the introduction of certain defenses, with the onus on the Corporation engaging in the alleged conduct. Placing onus on those companies most likely to afford legal costs in defense is a positive inclusion.

While there are some positive aspects of the proposed amendments, my support will ultimately come down to the actual drafting of the revisions. This being said, if worded as above, I would support the amendments.

This said, I consider the proposed amendments carry limited potential to be utilised by affected primary producers, the reasons for which I discuss in detail below.

(ii) Increase penalties for breach of the CCA

High financial penalties for breach of applicable laws are most effective against small medium businesses that are unable to factor in potential costs of enforcement actions. In my experience, large multinationals are less phased with the threat of financial penalties, and are known to have a contingency funds established to pay fines incurred in breach of relevant laws.

Therefore, for the penalties to be effective, it will be important to determine the amount the penalty should be for it to actually act as a disincentive in relation to large multinational companies. The maximum penalty is currently up to \$10 million for corporations, with the highest penalty being awarded in 2006 against Safeway, being about \$8.9 million.

General comments in relation to proposed amendments of CCA

As noted above, the proposed amendments to the misuse of market power provisions and increased penalties would in theory would go some way in addressing imbalances within the agribusiness market (and particularly because of the placement of the onus on the Corporation engaging in the alleged conduct). This said, the effectiveness of the amended provisions to increase competition in agribusiness (and especially between GM and non-GM producers, suppliers and manufacturers) in practice dubious at best.

When read together with the Issues Paper, it is apparent that the Agricultural Green Paper and the Competition Review operates from the assumption that use of GM technology is necessary for the promotion of competition in agribusiness, and indeed that using GM technology promotes greater competition.

Agricultural biotechnologies, such as genetically modified crops, have the potential to transform agricultural productivity by delivering increased yields and lowering input costs. They can also improve environmental outcomes by reducing the need for inputs such as herbicides and water. Looking to the future, GM crops could better equip cropping systems to withstand drought, frost and other climate challenges. Biotechnology may also enable agricultural systems to be adapted to produce pharmaceuticals and products with industrial

applications, potentially expanding the markets in which farmers can operate.v

Given the above assumptions, the Competition Review discusses regulatory restrictions on growing GM crops in South Australia and Tasmania and notes that they can adversely influence competition. The Review advocates removing regulatory restrictions in relation to using GM technology in agriculture, based on claims that existing Federal Regulations and Food Standards Australia New Zealand (FSANZ) are sufficient.

6 I consider the underlying assumption that GM technology will promote competition to be fundamentally flawed. Reflecting on a 2008 World Bank Report, the World Farmers Organisation stated:

In 2004 the four largest agrochemical and seed companies reached 60% for agrochemicals and 33% for seeds. In 2004 one company had 91% of the worldwide transgenic soybean area. Generally it is considered that at a market concentration of the top 4 companies of more than 40%, the competitiveness begins to decline, leading to higher spreads between what consumers pay and what producers receive for their produce. As an example, coffee is produced by around 25 million farmers and farm workers and consumed by around 500 million consumers, yet the four biggest international traders have 40% of the market and the four biggest roasters have 45% of the markets (World Bank 2008). vi

Australia permits two broadacre GM crops to be grown for human consumption, namely GM canola and GM Cotton (seeds made by four different GM producers). A number of GM food products are also approved human/animal consumption in Australia under FSANZ codes, including canola, corn, cotton, lucerne, potatoes, rice, soybean, sugarbeat, as well as a number of processing aids.

Vii Ownership of GM seed stock for GM canola in Australia is concentrated in the hands of three companies - Monsanto, Aventis CropScience, and Pioneer-Hi Breed. Five companies produce Australia's GM cotton - Monsanto, Aventis CropScience, Syngenta, Dow AgroSciences, and Bayer CropScience.viii In 2007, GM cotton accounted for 90% of Australian cotton cropix.

If the 2008 World Bank Report is correct, competitiveness within Australia's GM cotton

industry is already well past the a point of decline due to market concentration into the hands of a limited number of mostly transnational corporations. In 2012, all of the GM canola grown in Australia was produced by Monsanto – which represented 10% of the Australian canola crop.x

There have been a number of consolidations of transnational GM/agribusiness companies that are likely to adversely impact on competitiveness in the agricultural supply change. “As agglomerates of vertical activities related to agricultural production, they encompass seeds and chemicals, processing, packaging and trading activities, and for more than one commodity” (UNCTAD, 2009: 152xi). Consolidations include consolidations between Monsanto/Cargill, ConAgra and Novartis/ ADM (Archer Daniels Midland). “As agglomerates of vertical activities related to agricultural production, they encompass seeds and chemicals, processing, packaging and trading activities, and for more than one commodity” (UNCTAD, 2009: 152xii). Monsanto, Cargill, ConAgra, and Novartis (Syngenta) are all producers of GM seedstock and agricultural chemicals.xiii

Such amalgamations will tip the balance of power further into the hands of multinationals which is likely to pass down to their Australian subsidiaries or sister companies. Proposed revisions to s 46 CCA are unlikely to be capable of being used to prevent this type of monopolisation.

Revisions of s 46 are also unlikely to prevent cases where a multinational GM agribusiness company engag

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

Re: Part Four Agricultural Competitiveness Green Paper (comments from stakeholder in the region who represents a farmer's cooperative)

My response to the RDA request for feedback in relation to Part Four Agricultural Competitiveness

Green Paper: Competition and Regulation, follows. As requested I have directed commentary

towards the use of genetic modification (GM) in agriculture. As will be apparent from the review, I consider that the use of GM in agriculture is fundamentally anti-competitive and that use of such technology is likely to lead to a monopoly over agricultural processes (and indeed, already is). Thus, while I indicate support for amendments to the Competition and Consumer Act (section 46

amendments and penalties) I do not consider that such initiatives will ultimately satisfy the identified objectives. Still, it is better for the amendments to be enacted than not.

I consider that nothing short of dedicated governmental and social support for initiatives that specially seek to empower primary producers while severely limiting power of trans-nationals is necessary if the identified policy objectives are to be realised. This of course is no small feat, and would require widespread cultural and social change, decentralisation of agricultural systems, increased use of sustainable agricultural practices, diversification (as opposed to monoculture) and sufficient capital. As similar position was supported at the United Nations Conference on Trade and Development, which declared that ‘the world needs a paradigm shift in agricultural development from a ‘green revolution’ to [an] ‘ecological intensification approach’.

Kelly A. Tudhope LLB/BSocSc

Don not agree with Policy idea 9 - Improved regulation in regards to point a. changes to the regulation of agVet chemicals. Stringent research should be undertaken by our own authorities on the use of these chemicals.

General Comment

3. Working with States and Territories

Around Food Processing Regulations (red tape!) Allow for on-farm processing and opportunities to liaise with Food Safety Officers prior to construction!

There is very little mentioned in the Green Paper in regards to food processing and the barriers to value adding food past the farm gate. The ability for individual farmers, cooperatives and clusters of farmers to establish abattoirs, food processing facilities and packaging facilities needs to be looked at, particularly when it comes to dealing with the Food Authority! We need the inspectors to offer advice and meet with individuals prior to them going too far down the process. Farmers need to be encouraged and advised. It is near impossible to speak to the Food Authority let alone get advice prior to investing. At the moment the attitude is “build it and then we will let you know if it complies”! We need on the ground assistance to ensure the red tape requirements are reduced and that these facilities can go ahead with constructive advice. Currently there is a huge black market in backyard kills of poultry because legislation has made it all too hard! Hence why there are only the big players in the poultry industry and it is near impossible for niche smaller farm operators to compete. This is the number one issue preventing farmers having control of their product beyond the farm gate. This is the number one issue on the lack of real returns to farmers and the biggest hindrance in growing our agricultural industries.

The green papers is predicated on a future in which most of the agricultural production will be achieved with increased size of farms, greater capital intensity, greater corporate (or corporate family farms) investment. The MNC is a high cost agricultural producer (because of topography and

small size of farms), and will struggle to compete with other parts of Australia in terms of efficiency and price (e.g. Dorrigo potato industry collapse) so we need a different approach to the one that is the focus on this green paper – one focussed on niche markets, on organic production and on high environmental stewardship principles. None of these aspects receive serious (any) consideration in the green paper.

A few comments

- Lack of extension services and R&D focused on crops of north coast.
- Lack of extension services and R&D focused on organic agriculture. (Partially due to fragmented nature of the organic industry)
- High speed internet to rural and remote parts of the region – speeding up roll out of fibre, increasing coverage of fixed wireless, increasing capacity of satellite systems. Current access to NBN in region very patchy.
- Rapid completion of Pacific Highway (hopefully leading to faster and more competitive road freight services)
- A review of competition in road freight
- Ensure access for smaller agricultural producers in the market place (market power of supermarket duopoly) and for freight services
- Ideas to improve capital access for smaller growers welcomed
- Investigate how air freight services from Port and Coffs can be increased and made cost effective
- Invest in improving the efficiency of water use in the region - much more cost effective than building dams. Our region has under-allocated groundwater resources. Could provide grants to support farmers to invest in bores to rock aquifers (thus reducing dependence on extractions of water from rivers) and on-farm off-river storage dams.
- Create an effective water market in the region.
- Ensure that emissions of carbon are properly accounted for and priced as an externality – will allow land holders in the region to benefit.

In regards to Policy idea 13 - Improving the transparency of foreign investment and furthermore there needs to be debate on the levels of foreign ownership of our farms, processing facilities and shipping ports etc. The Foreign investment policies need to be more rigorous and whilst we welcome foreign investment, 100% ownership is not welcomed by the majority of stakeholders providing comment.