

29-7-08

SENATE INQUIRY INTO AUSTRALIA FOOD
PRODUCTION AND MANAGED INVESTMENT SCHEMES.

Dear Senators,

Firstly, I would like to introduce myself. My name is Robert James Bennett. My wife Maura and myself are presently growing sugar cane and grazing cattle in the Whitsunday area of Central Qld. I would like to mention that members of my family have been involved in farming and rural enterprise for the best part of 100 years.

To answer any questions Senators may have on availability of agricultural land," there is NO shortage of agricultural land for growing sugar cane or other crops in North Queensland ". The only shortage is farmers silly enough to keep supplying cheap sugar cane at third world prices to the sugar mills while paying high Australian input costs and wages. If rural producers were paid a proper viable price for their crops neighboring farmers would be able to buy their properties at a competitive price.

However, most farmers are debt ridden and disillusioned and would be very happy to see Managed Investment Farming being able to help them leave the industry with some dignity. The Managed Investment Schemes tax concessions could also cover horticulture and sugar cane. This would enable North Qld to produce a mixed variety of alternative crops at competitive prices and would help solve any food shortage problems now, or at sometime in the future. It would also give the sugar industry the same advantage as plantation timber with regard to taxation concessions.

Having said that, the reason for this submission is to comment on the recent debate concerning, "Tax concessions for Managed Investment Scheme Companies". First of all I must convey my disgust at the Coalition Policies which were imposed on rural producers while they held power prior to their well-deserved defeat by Labor at the last election.

It would appear that surviving Coalition Senators have learnt nothing from their defeat and are continuing their unrelenting onslaught against rural producers and small business even in opposition. In particular the attitude of Senator Boswell. Does he think all farmers are stupid? The article written in the recent Canegrowers magazine is a typical example of his attitude to grass roots farmers and to Managed Investment Schemes buying agricultural land. Why did he not allow Managed Investment Schemes tax concessions to include sugar cane while the Coalition was in power?

Coalition policy while in power has reduced rural industry to the point of bankruptcy and many farmers have lost confidence or are being pressured by banks to sell out.

Coalition policies included,,

- Deregulation abolishing quotas and peaks, which crippled most of our rural industries.
- Introduction of Level Playing Field Policies and abolition of import embargoes and tariffs, which protected against subsidized imports.
- National Competition policy, very destructive to rural sector resulting in abolishing single desk export. And outlawing the right of farmers to collectively bargain for a viable price for their produce.

- Free Trade Policy, which left sugar industry out.
- Hilderbrand Report, Inquiry into the sugar industry, which included the get big or get out policy.
- Abolishing peak and assignments and quotas, which kept growers viable. This action stripped many hundreds of thousands of dollars from cane farmers overnight and gave them nothing in return.

It's astounding that Coalition Senators have now capitulated to pressure from vested interests. Eg. Commercial Organizations, Millers Council, Australian Sugar Milling Alliance and now oppose the incentives offered to Managed Investment Companies who are underpinning land values in rural areas. These Investment Companies are preventing rural financial collapse by buying up many of the debt-ridden farms facing financial ruin. Instead of opposing Tax concessions for Managed Investment Companies industry Leaders should be pressing for the same deal for sugar cane growing and horticulture.

Under the pretense of helping small towns. Coalition policy now seems to be focused to ensure debt-ridden farmers, who they sacrificed on the altar of national competition policy and deregulation do not receive a fair price for their properties, This would allow them to pay off their debt and retire with some dignity. The value in their farms is all that many have left.

This is particularly disturbing because as part of the Sugar Industry Rescue package. The Australian Sugar Milling Council and Canegrowers Organization committed in writing to a "Statement of Intent" to undertake comprehensive reform and Restructure that was referred to in their submission to the Federal Government for assistance. The terms of the "Statement of Intent" included diversification at grower level and serious exploration of new opportunities for the use of current cane growing land, because of current and ongoing losses incurred by farmers growing sugarcane.

It would now appear that vested interested parties who signed this agreement are now trying to use the Senate to hobble other emerging industries in their areas in an attempt to re-regulate the growing sector of the sugar industry. Many of the Senators may have little knowledge, if any, of the many millions of dollars that was channeled to Sugar Mills and growers to follow this process of commitment.

This latest effort by the so-called " Sugar Industry Leaders" to monopolize our land is the last straw as alternative viable crops are urgently needed in many areas. Some farmers are already diversifying into other emerging industries.

This attempted manipulation of the Senate is the latest outrage in the "Grow sugar cane at any price Campaign."

Senators, your urgent co-operation and intervention is required to prevent this type of injustice from occurring and to oppose the carpet-bagger mentality of vested interested parties. Who seek to have exclusive use of our freehold land to supply sugar cane to their mills and to feed the failing sugar industry.

In closing I would like to suggest that National Party Senators in particular who fail to mend their ways, could expect to lengthen their stay on the opposition benches. An increasing number of Rural Producers who have been impoverished largely as a result of many years of coalition policies are now not fooled by their smoke and mirrors approach to the Managed Investment Scheme V Sugar Mills debate.

Yours Faithfully,

R. J. Bennett