

Citizens Electoral Council of Australia



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August 14, 2008

The Secretary
Senate Select Committee on Agricultural and Related Industries
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Senators,

RE: Inquiry into food production in Australia

The Citizens Electoral Council herewith submits two policy documents for consideration by your Committee's Inquiry into food production in Australia:

1. Australia must act now to address global food crisis
2. We must have a national fertilizer industry!

Our national food security is in peril, thanks to 40 years of disastrous globalist policies that have destroyed the great work of the Curtin/Chifley Labor government, and Country Party Trade Minister John McEwen, which established Australia as a leading industrial economy.

The American physical economist Lyndon LaRouche famously forecast those same globalist policies would cause a global economic collapse, which is now underway, and is evident in not just the international banking crisis, but the far more serious international food shortage, which threatens 850 million people with starvation.

Only governments can act to address this crisis, and it is incumbent upon your committee to identify the necessary Australian Commonwealth government action; any retreat to a "free market" approach by your committee will be an abrogation of your committee's responsibility, and only in the interests of the Anglo-Dutch cartels that have destroyed Australia's independent family farms, and with them, our national food security.

In that spirit, the CEC has prepared a policy approach to save our family farms and revive our agricultural industries, and we urge your committee to recommend its adoption.

Yours sincerely,

Craig Isherwood
National Secretary

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Australia must act now to address global food crisis

May 19, 2008 — The world is in the midst of an horrific global food crisis. The U.N. Food and Agriculture Organization (FAO) lists 82 nations as in “food deficit”, 37 of which it classifies as “in crisis”, while 850 million people are in dire need and over two billion suffer daily hunger. U.N. Secretary-General Ban Ki-moon has issued an urgent appeal for aid, warning that, “Without these funds, we risk the specter of famine, malnutrition, and unprecedented social uprising.” Food riots have already broken out in over 40 countries.

Australia can and must play a big role in addressing this crisis. We are amongst the world’s largest exporters of dairy, barley, wheat, beef and lamb, and, up until recently, rice. A few years ago, we produced enough rice to feed almost 40 million people a meal a day for 365 days, and Australian rice was exported to 72 countries. We are the world’s second largest wheat exporter, with 14% of the global export market, and we export about 20% of the global feed barley trade. We are also the world’s second largest exporter of both beef, and lamb and mutton. Our dairy exports make up 12 % of world dairy trade.

Within the next four weeks, almost all broadacre farmers in Australia will make decisions on how much acreage they will sow, and thus how much food will be harvested not long after. Leaving aside intermediate and longer-term measures, we must commit to the following immediately:

1. The Government must move to purchase existing wheat and other food reserves, to provide immediate food aid to the FAO and the World Food Program.
2. The Government must cease all subsidies for biofuel production, and instead send the equivalent quantity of food/grain overseas to countries in distress.
3. The Government must immediately regulate domestically-manufactured fertilizer prices, and subsidise imported fertilizers (relative to world prices), so that farmers pay no more than what they did in January 2006, when the current hyperinflationary spiral really took off.
4. The Government must slash the cost of all petroleum products for the agricultural sector, by suspending the hyperinflated international pricing for domestically-produced oil, and by eliminating the fuel excise.
5. The Government must immediately regulate domestically manufactured agricultural chemicals, especially weedicides and herbicides, and subsidise imported agricultural chemicals, to January 2006 prices. These chemical costs have soared just like the cost of fertilizer and petrol. The hyperinflated costs of these three items, together with the slashing of water allocations in the Murray-Darling Basin, form the immediate chokehold stopping Australian farmers from making a dramatic contribution to the world food crisis.
6. The Government must guarantee a minimum floor price for the resulting harvests.
7. The Government and quasi-governmental agencies must immediately cease all “environmental flows” of water in the Murray-Darling Basin, and cease government purchases of water, which is driving the

cost of it to \$1000 per megalitre or more, this in one of the richest agricultural areas in the entire world, which provides more than 40% of our agricultural production, and over \$20 billion per annum in agricultural exports.

8. The Government must take immediate steps to keep our pig, sheep and dairy industries alive and producing, by imposing a significant tariff on pork imports, by subsidising hay and other feed grain for our diminishing sheep flock, and by reinstating water allocations to farmers in the Murray-Darling Basin.
9. The Government must enact an immediate moratorium on all farm foreclosures, (as provided for in the CEC's Homeowners and Bank Protection Bill). It also must either provide or guarantee low-interest credit to primary producers to finance this year's crop.

There is no excuse for inaction on any of these points. Given that the budget surplus estimate for 2008-09 is \$21.7 billion, the Government has more than adequate funds to implement all of the above. And, if it can create a \$20 billion investment fund largely for the benefit of British mineral cartel giants Rio Tinto and BHP, as it has just done, it can certainly find the resources to feed starving human beings.

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We must have a national fertilizer industry!

Australia must have a policy of National Food Security, both for our own citizens, but also because many tens or even hundreds of millions of human beings rely upon us, as one of the world's largest exporters of food. Central to such food security is the development and maintenance of our national soil fertility, which requires the development of a national fertilizer industry, in concert with associated measures. (See the CEC's May 19, 2008 "Australia Must Act Now to Address Global Food Crisis", available at www.cecaust.com.au under Media Releases.)

1. In the short term, the Federal Government must immediately regulate domestically-manufactured fertilizer prices and subsidise imported fertilizers, so that farmers pay no more than what they did in January 2006, when the current hyperinflationary spiral really took off.
2. For the long term, several other measures are required. Under the auspices of the Federal Agricultural Minister, the Federal Government should immediately:
 - a) create a Fertilizer Control and Development Board (FCDB) to develop a national fertilizer industry, with all necessary powers to ensure the reliable supply of all farm fertilizers.
 - b) nationalise all aspects of fertilizer production which are not wholly Australian-owned and operated, including nationalising all mineral deposits associated with fertilizer manufacturing, such to be administrated by the FCDB.
 - c) enact tariffs and related protective measures to support the development of a national fertilizer industry.
 - d) outlaw or nationalise foreign-owned corporations involved in Australian agriculture (which are invariably arms of Anglo-Dutch cartels), including financial cartels (e.g. the Dutch-owned Rabo Bank), which have consolidated their hold upon Australia over the last two decades or so of ruinous British "free trade" policies.
 - e) establish the required transport infrastructure, with an emphasis on rail; this will provide, inclusively, for the transport of fertilizer raw materials, as well as for the manufacturing and distribution of the final products.
 - f) Establish generous tax concessions for wholly-owned Australian corporations or for Australian citizens investing in the manufacture of fertilizers.

4. Furthermore, the Fertilizer Control and Development Board shall:

- a) contract government to government trade agreements to secure any fertilizer minerals which Australia does not currently have, and, where possible and in concert with other Government agencies, develop such minerals domestically.
- b) assist in the finance or purchase of machine tools, or other capital machinery required by the industry.
- c) establish state-based Soil Science and Agronomic Institutes to increase the fertility of Australia's soils, and to provide scientific soil and other necessary tests as a free service to all farmers.

Finally, our most precious agricultural resource is the individual skilled farmer and his or her family. Given that British free trade policies have destroyed tens of thousands of family farms, we must enact policies to maintain and increase this human resource, something similar to the "Danish Model" of developing high-tech farmers. This involves a five year college-based education, with a further 5 years on-the-job training, following which new farmers are eligible for a farmers re-settlement package of land, along with the equipment required to operate the land; providing the farmer stays and works the property for at least ten years, the title of all property and machinery is transferred to that farmer for 10% of the value of the depreciated machinery and property.