

# **INQUIRY INTO FOOD PRODUCTION IN AUSTRALIA**

**It is a matter of National Security for a Country to produce it's own food. No country should be dependent on another for it's food source. As with most other nations, Australian farmers should have preferential access to the domestic market as a necessary part of being able to gain a fair price for their product.**

While it may seem feasible that a country should import food which can be adequately supplied by itself the following facts should be considered:

Australia has a clean, green image when it comes to supplying food on the home market while imported foods have no such standards. Third world countries have been a dumping ground for unwanted chemicals, most of which have been banned in Australia. Therefore the food consumers in Australia are ingesting may not be top quality or produced with a clean, green image. Even bodily wastes are used for fertilizer.

The produce imported may be treated with additional chemicals and may be radiated. Radiating food changes it's molecular structure.

Contrary to Government beliefs Australia consumes 85% of it's own produce. The only commodities this does not apply to are Sugar, Grain and Wool. Where approximately 75% is exported.

At the present time farmers are facing an uphill battle to maintain their farms because of input costs. Costs are being absorbed by farmers' who are using their off-farm incomes to subsidize food for Australian consumers.

Because of the inequities farmers are leaving the land. Farm suicides, family breakups and divorces are rife from the stress of farmers having their livelihoods destroyed. Where is the next generation of farmers going to come from if the profitability of Australian farms continues its relentless decline?

The younger generation watching their families struggling for an existence don't want the same life for themselves. Who can blame them? This has been devastating for farming families.

Not only are farmers faced with all rising costs they are also faced with rising interest rates. If a farmer has \$500,000.00 debt and the interest rate goes up 1% then that increases his debt by \$5,000.00.

Farmers also have to provide money up front to plant their crop and they do not see any return on that crop until it is harvested and marketed.

Within the sugar industry farmers wait for just on 2 years to see a return of their input costs and to make a profit if there is one.

There have been excessive rains in the Herbert Region(North Queensland) and I have seen farmers put in all their cash to maintain their farms. While the local Council was able to have government assistance there was nothing for farmers and here I refer to the six floods that were experienced in four years(excessive rains in 1997, 1998,1999,2000). In 1988 farms were devastated with orange rust, which hadn't occurred in farming for 100 years. Most farmers lost more than half their crop.

Farmers were placed in a position of having no income and had to resort to living on the dole.

Farmers are the front line when it comes to combating unseasonal conditions, feral pests and introduced weeds, grasses etc. Most of which come out of locked up World Heritage Areas and National Parks. It is a battle farmers have been fighting on their own with no Government Assistance and our own local council can testify to the Hymenacne menace introduced by the DPI as a new grass for feeding cattle. This is now a rampant pest in waterways, drainage areas etc.

I have been involved in the Sugar Industry for 40 years with first hand experience in rising input costs, knowing that not one cost can be passed on to consumers, knowing that successive Government policies have ruined farming families, caused rural suicides, the break up of farming families the disintegration of a once proud industry.

Deregulation saw farmers put on a so- called, " level playing field" where they were on their own. Losing our last remaining protection of a tariff, our peak body giving away our rights to grow cane. (With the stroke of a pen our Cane Production Areas were taken away).

Just like taxi drivers, farmers had to buy a licence to grow cane (CPA's). They paid \$45.00 on average with some paying \$75.00 and others paying less a tonne for this right. Our CPA's were taken from us without a fight from our peak body. This lowered the value of our farms because growing cane was open to everyone. We personally paid \$45.00 per tone for our right to grow a sugar crop. One of our friends paid \$250,000.00 for the right to her crop.

Our farms are now worth only the value of the land. All this was given away without any form of compensation to farmers. This was done in order for our peak body to save our single desk marketing arrangement, which has also been put in jeopardy. Now millers want farmers to sell their own sugar, when under the Sugar Industry Act states that farmers do not own the cane once it is on the line. There is no arbitration when it comes to price, all the risk are the farmers' with the monopoly mill owner placing more and more costs and all the risks back into farmers' laps.

Still today farmers are only paid for their sugar on the corrupt NY 11. We farmers are price takers, not price makers.

Farmers in our district have used up their cash, superannuation funds, borrowed more money from the bank to keep their farms in production, sold their beach house and any outside assest to keep on going. They have not been able to purchase new

equipment, replacing old, some wives pack shelves in Woolworths at night to make ends meet, other farmers with larger farms are not so fortunate as they cannot work off farm.

**Farmers have not been able to reduce their farm debts.**

**Constraints today for farmers who provide food are:-**

- **Deregulation – There is no such thing as a LEVEL PLAYING FIELD**
- **Third world prices with 1<sup>st</sup> world input costs**
- **High interest rates crippling farmers – They just cannot keep borrowing money to keep on going. They can no longer pay off their debts**
- **Farmers being price takers instead of price makers - in other words increasing costs absorbed by farmers who are literally Subsidizing consumers**
- **Being placed on the NY 11 which is a corrupt world market**
- **Farmers working to keep everyone else in a job with little or no income for themselves.**
- **Farmers not being able to replace and in lots of cases not being able to repair implements, not being able to make major purchases e.g. tractors and implements**
- **Families suffering – houses now in a state of disrepair with no money being spent on upkeep, just surviving. Wives no longer being able to stand the strain, having breakdowns and ill health because they do the books and can see the big picture.  
Children watching and sharing the suffering**
- **Next generation of would be farmers are leaving the land**
- **MIS schemes taking over prime agricultural land. There is no income from trees for approx 15/20 years or more. You cannot eat them if you are hungry so there is nothing being put into the economy, or any employment in country towns. These people employ backpackers.**

**The same MIS schemes are capitalizing on farmers' misfortunes and purchasing land for less than its true value. High value agriculture is being replaced with low value agriculture**

- **More paper work and constraints by bureaucrats making rules for farmers. Do they want farmers or do they want someone sitting down at a computer all day and not doing the physical work.**

It seems that all rules and regulations are being made by people who have to justify their existence by making life harder for those that are most productive. It is about time that farmers made policies for farmers or men/women who have had first hand experience of life on the land taking over these roles to ensure that everyone gets a fair go. Wasn't it said that no one would be disadvantaged by deregulation? Isn't good governance about throwing out the bad and capitalizing on what is good and improving on it so that everyone benefits, not just a few.

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