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Ag in Crisis meeting highlights need for 'better rural policy'



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Resolutions passed at a crisis meeting attended by more than 1000 people in rural Western Australia this week have demanded the Federal Government abandon drought reforms and restore exceptional circumstances assistance provisions to affected farmers.

The Federal Government is planning to introduce a new national drought policy in July 2013, after reform measures were trialled in WA in recent years.

It says existing approaches to drought are focused on managed crises, and the new approach will instead focus on helping farmers to prepare ahead and manage risk.

At a meeting in October last year in which agricultural ministers from every state agreed to progress a national framework from drought reform, federal agriculture minister Joe Ludwig said the new policy would include farm household support payments, promotion of Farm Management Deposits and taxation measures, a national approach to farm business training, a coordinated, collaborative approach to the provision of social support services; and tools and technologies to inform farmer decision making.

He said the policy will enable farming families suffering hardship to access "Transitional Farm Family Payments", which would provide up to 12 months of income support, and individualised case management to help families in hardship to improve their long-term security.

Support programs would be available at any time, and the new policy would do away with the previous drought or exceptional circumstance systems.

At an "Agriculture in Crisis" meeting in Merredin, WA, this week, said to be the largest meeting of its kind ever to be held in rural WA, more than 1000 attendees passed 12 resolutions aimed at securing the short and long term future of Agriculture in WA and Australia.

All 12 resolutions were"

1) That the recent WA drought pilot program is a failure and this approach is rejected outright by the meeting;

- 2) The state and federal government commit to an Assistance Scheme for agricultural businesses providing:
 - a. Drought assistance;
 - b. First start loans;
 - c. Exceptional circumstance provisions;
 - d. Low interest loans;
 - e. This would be administered by the Rural Business Development Corporation;
 - f. This needs to be in place by 1st of May 2013;
 - g. This Assistance Scheme would take a form similar to the QRAA model;
- 3) The meeting calls on the Council of Australian Governments to convene an inclusive working group (within a month) to develop a new approach to drought and other periods of natural disaster consistent with WTO Agreement on agriculture framework;
- 4) That the federal and state governments increase the number of Rural Financial Counseling and other support services in the state of WA to be proportionately fair and equitable to the other states;
- 5) The state government to provide affordable Risk Mitigation Insurance to give effective cover against natural disasters;
- 6) That interest rates are excessive and incompatible with sustainable production, industry profitability and international competitiveness. The Federal Government to work towards reducing interest rates;
- 7) That the Federal Government commit to the provision of a reconstruction model capable of financial stabilization of rural Australia and reduction of rural debt;
- 8) Australian dollar is un-competitively high. We call on the federal government and the Reserve Bank to put in place methods to compensate Australian industries and reduce the dollar; a. For example - that the central bank shall reduce interest rates to be internationally comparable;
- 9) In the interim the Federal Government instates a floor price of \$300 a tonne for wheat or some other means to ensure sustainable profitability;
- 10) That governments and banks immediately enact a moratorium on forced farm sales until effective action is taken on the resolutions above;
- 11) The meeting supports the Muntadgin Farming Alliance in its efforts to advance these issues and relevant other issues subsequently raised with appropriate industry and government representatives and agencies;
- 12) In the event of financial foreclosure, when carry on finance is unattainable, temporary financial assistance, through relevant agencies, be implemented until assets tests and foreclosure notices are available.

Co-spokesman for the Muntadgin Farming Alliance Jeff Hooper said the resolutions will now be progressed through the appropriate channels to government "knowing they have the support of over 1000 people behind them".

"We couldn't have asked for a better outcome from yesterday's meeting," Mr Hooper said.

"To have over 1000 people from various sectors of the industry, in the same room, agreeing on what needs to happen is a big step forward.

"We can now go to the government with a united voice and some very strong solutions for them to put into place."

The Muntadgin Farming Alliance was set up with the aim of influencing government policy on agriculture. At the initial meeting, 100 members of the Muntadgin community gathered to discuss how best to tackle some of the problems affecting the local region including high farm debt, low community morale and no certainty as to the future of farming in the region.

Call for levy-funded national awareness campaign for agriculture

As crisis summits in Western Australia and Victoria highlight deepening concerns about the viability of rural enterprises, a North Queensland livestock agent says a grower-funded national rural awareness campaign is needed to promote the importance of a healthy agricultural sector to the wider community.

Henry Slaney, who runs independent livestock agency business Slaney & Co in Charters Towers, said the problem of growing rural debt and the lack of profitability was now frequently reported and acknowledged, but few plausible solutions were being put forward.

He believes a major National Awareness Program funded by industry levies is needed to balance public debate about agriculture, and to remind everyday Australians and political leaders about the importance of agriculture to the national economy.

“In the interests of the economic survival of farmers and regional Australia, agriculture must take control over its destiny,” Mr Slaney said.

Mr Slaney believes agriculture can take control of its destiny if farmers in 10 commodity sectors redirect levies from existing budgets to generate \$10 million per commodity sector per year.

That would generate \$10 million per year to fund a national agricultural awareness and education campaign, or \$1000 million (\$1 billion) across a decade.

“This sort of funding will change the future of Australian Agriculture,” he says.

“The competing interests of conservation and animal welfare groups threaten to irreparably distort public opinion, and the political agenda, to a point beyond which agricultural communities cannot operate economically or socially.

“This imbalance, and the resultant political ambivalence, is due principally to a desperate lack of agricultural literacy and empathy within the broader Australian community.”

Mr Slaney believes agriculture is being left behind as it attempts to deal with each issue as it arises and the continual imposts placed on the agricultural sector through government regulation.

In his view a mid to long term educational approach is critical towards changing community awareness and attitudes and ensuring balanced community discussion on agriculture.

“Agricultural Industries will have to fund the fight if they are going to turn public opinion and therefore political policy in Agriculture's favour.”

