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Bob Katter, Farmers target agricultural economic policy

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FARMERS will unite this week to force an overhaul of agricultural economic policy they claim is threatening to force thousands of families off land many have worked for generations.

Federal independent MP Bob Katter and farming experts will travel from Western Australia to Victoria where farmers are meeting for a series of summits, dubbed "Agriculture in Crisis".

The will be highlighting historically high rural debt levels and the cost of cheap food imports.

The first of the conferences will be in the WA wheatbelt town of Merredin, 250km east of Perth.

Scott Stirrat, who operates a third-generation 5500Ha grain and livestock property with his wife and three children near Merredin said the summit represented an opportunity to make federal and state politicians aware of the challenges farmers were facing, and the need for policy change.

"There's no doubt the terms of trade in agriculture are declining," he said.

"Costs are extremely high. If you look at other industries, they can take their production off-shore when that happens. That's not an option for agriculture."

After the WA summit, Mr Katter and other experts will head east for a meeting on Tuesday evening in Colac in,

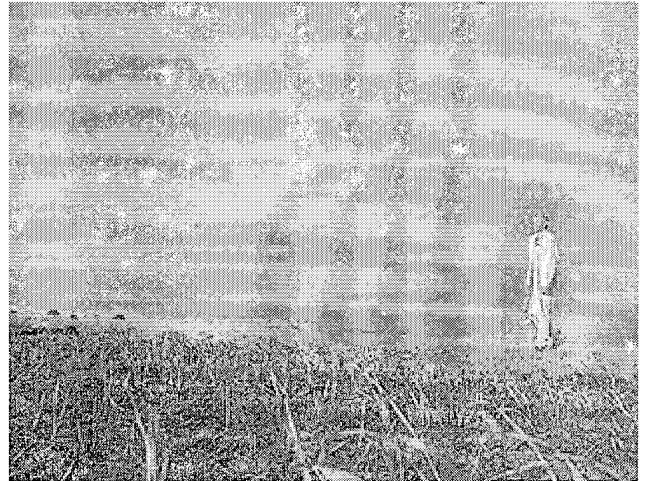
Victoria's southwest dairy heartland, where farmers have been battling low farm-gate prices since deregulation more than a decade ago.

Queensland University of Technology economist Mark McGovern, who will present a paper entitled Repositioning Rural Australia at both conferences, said policy settings across competition, trade, exceptional circumstances and the high dollar had compounded to bring to a head a "real decline" in the rural sector.

He said one example of many "inept policies" was the scrapping of exceptional circumstances grants for farmers without replacing them with effective alternate funding.

"We really cannot expect a farmer to handle half-a-dozen droughts in a row without help," Dr McGovern said.

Fellow Queensland and economist Ben Rees, who will present a paper at both conferences said the predominant "academic and political" view that the debt problems many farmers were facing could be



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fixed at the farm gate level was nonsense.

"For too long, the expectation has been that if Australian farmers cannot compete with cheap labour countries, consumers have a right to cheaper imports," Mr Rees will argue in his paper.

"This policy does not meet the moral test."

Rebel dairy industry advocates Farmer Power, who are hosting the Colac summit, will use the opportunity to seek support for a 50c a litre "Dairy Support Initiative" on liquid milk.

They propose that the proceeds be collected by the federal government and distributed quarterly to active dairy farms.

Spokesman Chris Gleeson, who milks 300 head of cattle on his Koroit property, said the initiative could go some way to helping around 35 farms in the area that were currently under administration or external bank control.