

Mr P Corish  
Chair  
Agriculture and Food Policy Reference Group  
GPO Box 858 CANBERRA ACT 2601  
Fax 02 62722060

Dear Mr Corish

As owner/operators of a 3000 capacity beef feedlot and 3000hectare cropping and beef breeding property in eastern wheatbelt Western Australia, we read with interest the comprehensive and informative document Ensuring a profitable and sustainable agriculture and food sector in Australia, May 2005, "Issues for Consideration".

Specific answers to some of the questions presented, will follow, but our overall response to the question in regard to the role of government in our business and industry is as follows.

In our relatively isolated and marginal rainfall area, our small business is able to generate around \$5million turnover through our mixed broadacre and intensive enterprises. As proprietors we aspire to the following;

- being quality assured – both NFAS and Cattle Care
- adding value to a grain commodity through the feedlot – about 6000 tonnes annually – grown both on our farm and by other local producers
- supplying both domestic and export beef and grain markets – 7000 head grainfed cattle and 2000 tonnes ASW wheat.
- employing 5 fulltime people directly on property – all aged under 50 yrs.
- contracting/engaging a further 5 employees in service industries around the local district, and probably the equivalent of a further 5 in regional transport and supply agribusinesses.
- encouraging on and off farm training and contribute to agri-industry issues
- spending substantial funds each year on landcare- revegetation, earthworks, with the aim of being profitable and productive in balance with environmental sustainability
- drought-proofing our property by harvesting and storing surface water that would otherwise be wasted as runoff into salt lakes
- contributing leadership, volunteer time, and donated funds to the local community and local government

Whilst our business is one of the leading farm ventures in the district, we are by no means exceptional, with a number of other farming enterprises from our region contributing just as much to the local, regional and national economy. It is estimated our district economy generates around \$45million in agriculture and \$8million in tourism annually – with a population of around 1000.

In summary, we believe agriculture is viable in regions like ours, and that there are sufficient educated and enterprising landholders and producers to ensure that industries keep abreast of changing technology, products, and markets, and that,

with some incentives, they will take long-term responsibility for environmental sustainability in balance with productivity.

Government's role in this should be;

- to have good national economic policy
- to proactively negotiate global trade initiatives
- to provide small business with user-friendly business and taxation management processes
- to develop flexible immigration processes for skilled and unskilled potential employees
- to greatly improve road and rail freight infrastructure
- to ensure (by either private or govt) that telecommunications networks/infrastructure are upgraded to meet the increasingly advanced technological needs of rural communications.

We strongly advocate that rural communities, such as ours, can be made sustainable long-term, with stable and/or growing populations, providing that Government ensures reasonable standard and locally available health, education, policing and other essential services that encourage people to choose to live in such rural areas. It is when people feel that access to quality services is compromised, that they migrate coastwards and to metropolitan areas. Work availability can be assured by local enterprise and industry, but without services and community public facilities, and equitable transport and communications infrastructure, people, and especially those with families, will not stay long in the employment and business opportunities

Government should continue to provide programs like Dotars Regional Partnerships and the previously successful RTC and Rural Communities Programs, and FACS Local Solutions for Local Problems and Stronger Families and Communities Programs, ensuring that government cash is available to match in-kind contributions from local communities for local projects. (it is very concerning to see the increasing trend in the Regional Partnership Program for cash only matching community's cash – often communities are very willing and able to contribute in-kind but do not have community resources to raise significant cash towards new facilities).

Government should support also local government in their goals to provide increasingly broad social services and physical infrastructure to their communities, with increased road funding grants – encouraging safe and sealed roads so that the majority of rural families can be assured all weather access to services, and that most rural producers can be assured of all weather access to suppliers and markets. Telephones, internet (at 64k+), and roads are the key needs of efficient business operations in rural areas.

Some specifics answered;

Bilateral trading agreements – a particular impediment to Western Australian feedlot beef industry being able to supply the current and increasing Korean/Asian demand

for beef, is lack of capacity to provide consistent supply in the quantities required. This is due to need for additional export standard processing plants in Western Australia – the lotfeeders can feed the cattle but they cannot get them processed. This has been exacerbated by the reduction in live export and PETA threats etc. An opportunity exists for government to support several medium abattoir businesses with infrastructure low interest loans or similar start up support.

Domestic Markets – quality assurance accreditation should be mandatory with price incentives for those suppliers of consistent quality produce. Perhaps Government could provide annual training subsidy/ incentives ie FarmBiz for farmers to ensure ongoing auditing and upgrading of their record keeping skills. Etc.

MSA (Meats Standards Australia) and processors need to seriously address anomalies and inconsistencies in grading (especially from plant to plant, and particularly in relation to human error/human judgement factors in meat quality analysis). The system still needs further work to gain producer credibility and widespread customer recognition.

Supply Chains – absolutely support the comment that integrated supply chains have competitive advantage, and hope that preferred supplier relationships can ensure producer, processor and retailers share in a fair price for all arrangement. We express some concern, however, that large retail chains may be subsidizing their beef through other aspects of their business, as we consistently see these companies pay a higher price for weaners at markets for custom grainfeeding in their own feedlots, than we could possibly afford to buy and then grain-feed and on-sell at a profit privately.(It appears to be an unlevel playing field).

Education skills and labour supply – unskilled and skilled immigrants have potential for excellent employment and small business prospects in rural areas – it would help greatly if the age limit (upper age 47,we believe, for British skilled workers) could be more flexible, as people up to the age of 60plus can contribute effectively for upwards of 15 years to employment and trades. (Our town has tried several times to sponsor a British plumber who is very keen to live and work in our rural town, but as his age is now 57 he is ineligible). Government could have program for communities to sponsor groups (mini communities) of same culture to relocate to rural towns with employment potential – often these people settle better with a few of same culture, but there must be some assimilation incentives too.

Infrastructure; Dual carriage sealed roads are essential for B-double trucks carting our cattle – unfortunately we currently have two and three large trucks, heavily laden with our quality stock, risking safety on single land winding bitumen in order to get our stock to processors. Similarly those trucks carting grain from off-road bins to rail head bulk bins seriously compromise the safety of all the rural residents, tourists and road users in general, who dare to use the roads at the same time as these big loaded trucks. Our young employees and family members are at risk every day when they travel on many of the roads in our district –not up to standard needed for cars and trucks of today.

Railway lines across south eastern wheatbelt Western Australia really should be upgraded to be the main load carrying network for rural commodities, especially grain and fertiliser, not stock. They are inadequate at present.

Telecommunication infrastructure is not meeting small business needs – we require at least five phone lines into our property and these can not be provided. There has been a 60 day plus wait for one way satellite installation.

CDMA mobile phone coverage must be reliably available across the whole region, including all the way along highways (not so on the Brookton Highway), and for equitable and efficient small business communications, and employee safety all over our property. Government's biggest positive impact on agri-business would be achieved by investing in the last two infrastructure issues,

Hoping the above matters can be considered. Best wishes with your recommendations to Government.