

# COUNTRY WOMEN'S ASSOCIATION OF NEW SOUTH WALES



## SUBMISSION

### TO THE AGRICULTURE AND FOOD POLICY REFERENCE GROUP ON ENSURING A PROFITABLE AND SUSTAINABLE AGRICULTURE AND FOOD SECTOR IN AUSTRALIA

TO: The Secretary,  
Agriculture & Food Policy Reference Group,  
GPO Box 858,  
CANBERRA ACT 2600

Email: [secretariat@agfoodgroup.gov.au](mailto:secretariat@agfoodgroup.gov.au)

FROM: Mr. Colin Coakley,  
General Manager,  
Country Women's Association of NSW,  
P.O. Box 15,  
POTTS POINT NSW 1335

[personalassistant@cwaofnsw.org.au](mailto:personalassistant@cwaofnsw.org.au)

No part of our Submission is Confidential.

We agree to our submission being made publicly available.

**15th July, 2005**

**Part A Introduction**

1. Purpose of the paper
2. Future operating environment

**Part B Markets for agriculture and food**

3. International markets – n/a
4. Domestic markets – n/a

**Part C Competitiveness of Australian agriculture and food businesses**

5. Supply chains – n/a
6. Education, skills and labour supply –n/a
7. Research, development, innovation and technology – n/a
8. Infrastructure in the agriculture and food sector – n/a
9. Biosecurity and quarantine – n/a

**Part D Using and managing natural resources**

10. Natural resource management – n/a

**Part E Rural and regional communities**

11. Rural businesses and communities

## **Part E**

### **RURAL AND REGIONAL COMMUNITIES**

#### **Introduction**

The Agriculture and Food Policy Reference Group seeks to make recommendations that will enhance a sustainable and profitable agriculture and food sector. The Country Women's Association of New South Wales appreciates the opportunity to make this submission on behalf of rural and regional communities.

The Association represents members from across the State and has assisted those members and their communities to develop and maintain their social and economic structure. We have also supported those same communities through the gradual decline in population and services.

#### **11. Rural businesses and communities**

##### **Changing nature of farming**

Whilst it is true that many farming enterprises have remained viable through improvements in productivity & technology, these advances are not specific to Australia. Therefore global production, which according to the Australian Bureau of Statistics is growing faster than global demand, will only continue to cause fluctuations in return on investment. Added to this is the increasing amount of government regulation and environmentalism. The grains industry has increased its productivity by over 3% a year (77-78 to 01-02) but unless that productivity can be maintained on the same area, then more clearing will need to be done, something government legislation and public opinion will not allow.

The process of consolidation of farms, whilst improving economies of scale and therefore farm productivity, also drastically reduces the population in any given area, not only because less labour is required but also because single men, rather than families are easier to cater for. Fewer people will equate to lower demand for services, which equals fewer service providers, and so the population decline continues. Australia as a society needs to decide whether they are prepared to let the "family farm" become a thing of the past.

There will need to be a trade-off between smaller farms with a lower input/output ratio but more people and larger farming enterprises whose productivity compared to input costs is greater but who consequently have less employees. The question is asked, "At what point does it become uneconomic to maintain infrastructure in a given region? If based on population size then inland Australia, without industries other than agriculture, will become a socially desolate area with absolutely no services. Who would want to live there?"

### **Implications of change for rural communities**

An impediment to the creation of new industries is often unreliable and inefficient transport infrastructure like black soil roads, impassable after 10mls of rain and poorly maintained rail lines as well as huge distances to freight terminals which will only become worse unless governments equate expenditure on these links to export dollars earned by existing and potential industry. There is very little point in putting in place programs and encouraging new industries if the road to market is blocked.

When rural Australia was first opened up people came first, then the services and infrastructure, then more people and so on. Then, as farm incomes and consequently spending started to decrease, so went the services and infrastructure. Perhaps in removing or counteracting disincentives to conducting or creating new enterprise & investment we should be trying the reverse, i.e. improve Federal and State funding into infrastructure planning in other than urban areas.

One could argue that established industries use the existing links to markets/freight terminals, however these traditional commodities have existing collection/selling centres already in place, albeit difficult to get to. New industries require, in many cases, different handling & storage methods, not to mention markets/end users/manufacturers. Governments need to look at how Graincorp, for example, would handle a harvest of a proposed alternative like wattle seed.

Improving transport corridors and communication i.e. the accessibility of up to date technology and access to basic services, such as education, health etc, should all be considered when creating incentives for new industry. It is often the younger generation who are prepared to try new business, but as expectations regarding our standard of living increase, it is also those same people who are not prepared to live in areas where those services are sub-standard or non-existent.

### **Governments and adjustment to change**

Whilst farmers appreciate the assistance provided to them in times of extreme and unforeseen difficulty, many would prefer to be self-sufficient and avoid the stigma of “the whinging cocky” and other demeaning expressions & opinions which became apparent recently in metropolitan newspapers. Having said that much more is expected of farmers today including the requirement for higher levels of conservation and environmental management – including the production of Property Vegetation Plans, compliance with government legislation like OH & S laws, better record keeping, traceability requirements for stock, to name a few.

Most of these requirements have their place and long-term benefits hopefully will accrue, however they encroach on the business of “getting on with the job”, which to many farmers is not only regarded as their chosen occupation but also represents “who they are”. There are private programs, which encourage the “working on the business instead of working in the business” theory i.e. more risk management, forward planning, pro-active instead of re-active

management skills. These programs are expensive but perhaps instead of long-term support for businesses, which perhaps will eventually be deemed unsustainable, government should be looking at a higher subsidy for these courses, before the crisis stage is reached.

## **Conclusion**

If the agriculture and food sector is to remain viable into the future we need to not only look at the economics of sustainability but also the social implications of achieving that sustainability.

Human beings are, in general, happier when they are able to mix and socialise with their peers, friends and family, whether that be at community gatherings, meeting places, sporting events or a barbeque in the back yard. Most of us have heard, seen, or sometimes experienced the increased incidence of depression and mental health disorders that have occurred as a result of the drought and other pressures placed on farmers, not only as a result of financial difficulties, but also because a lack of funds prohibits social contact to share experiences/break the monotony.

Unless farmers can, through their own means or with assistance and encouragement, increase their productivity and consequently liquid income, they will always be on the edge of what is deemed to be viable. The social fabric of inland Australia and our heritage, will be lost if smaller operations are forced out of the industry and what the definition of "smaller" is. We are already seeing the dire consequences of our increasingly urbanised society and unless government, at all levels, act to bring improved infrastructure and more diversified industries to rural areas, not just regional, it will become a social wilderness.

Farmers who, as a group contribute billions to Gross Domestic Product, whilst surviving in a global market, with few guarantees that income will better cost, utilising the vagaries of the weather and sub-standard infrastructure, deserve more support and respect from those they feed and cloth.