

By Agriplacements managing director Ray Johnson

✘ Farm and agribusiness representation in Australia is very fragmented relative to other industry sectors. There are significant current and historical reasons for this fragmentation, including Australia's vast geography, diverse agricultural production and particularly during times of challenge and crises, the tendency to fracture rather than consolidate.

I have been involved in a large number of farmer meetings over the years, in particular during my time as CEO of the largest agri-political group in Australia, the New South Wales Farmers Association (NSWFA), and have held numerous discussions with farmer and individual commodity representation groups and agribusiness CEOs.

Better communication

There is one subject where there is little argument or division and which in fact draws immediate and emphatic agreement. That is the notion that the farm and agribusiness sector needs to communicate more effectively with Australians.

In my opinion it is almost mandatory that this occurs if the farm and agribusiness sector is to reassert its significance to Australian society.

For the last 40 years the percentage of Australians living in capital cities has risen to two-thirds (65%) of the population from about 36% at the time of Federation (1901). Additionally 85-90% of people in Australia live within 50 kilometres of the coast. Within regional Australia there have been significant population shifts with a sharp exodus of population from the smaller rural towns to regional 'sponge' cities, which soak up population from surrounding areas, and to the coast.

One of the significant ramifications of these changes has been a dramatic reduction in the understanding of the farm and agribusiness industry sector by the vast majority of Australian people. Most have little to no idea of agricultural production and the supply and service chain, and of the importance of agriculture to their well-being, food security and the Australian economy.

Profile loss

The farmgate production sector is worth AUD\$40 billion (US\$40.79 billion) per annum and is 3-4% of our GDP. The agribusiness sector is worth an additional AUD\$170 billion. Together farm and agribusiness employ nearly 500,000 people. By comparison the mining sector is worth over AUD\$200 billion and employs approximately 150,000 people across

Australia.

The outcome of the farm and agribusiness sector diminishing in the consciousness of urban Australia is that their political influence has been severely diminished, at a time when other sectors such as mining and environment lobby groups have risen sharply. Politicians pay scant attention to rural issues because they know there are minimal electoral ramifications, as evidenced by the Federal Government decision in 2011 to ban live cattle exports to Indonesia.

Key issues

There are four “hot” areas of debate at present in rural Australia at present. These are (1) the Murray Darling Basin Authority Plan to reduce irrigation water entitlements to farmers, (2) mining rights over agricultural land including the possible harmful effects on the water table of coal-seam gas mining, (3) the ongoing issues for farmers with State Government native vegetation laws, and (4) the power of supermarkets to damage particular farm production sectors, such as the dairy industry.

In all cases the agricultural sector has no credible and consistent message to convince Australians of its relevance and perspective. Counterwise, their "adversaries" in these debates, the mining industry, environmental groups and the supermarkets, all have good marketing campaigns and communicate very effectively with the Australian population. For example, the Minerals Council of Australia (MCA) has been running an excellent series of TV advertisements over the last few months called *This is Our Story*. These advertisements showcase various people who work for the mining industry, their backgrounds, families and commitment to their community, including the role of mining in generating income and employment in their area. The MCA is one of the most effective industry lobby groups in Australia, and its CEO, Mitch Hooke, is informed, articulate and very persuasive.

Time to unite

It is necessary to pose the question, why does a major and important industry sector such as farm and agribusiness have virtually no marketing or communication programs? I think the answer lies in the fragmentation of the farm agri-political groups. To compound the issue, the majority of agribusiness companies are post-farm gate manufacturers, suppliers and service companies, and are themselves poorly organised collectively and relatively uninterested in agripolitics.

Across Australia there are myriad farm and commodity representation groups. There is a

national farm representative organisation, the National Farmers Federation (NFF), and there are over nine state-based organisations, with some states actually having two groups (Queensland and Western Australia). NSW Farmers Association has expenses of about AUD\$10 million per annum against membership income of just AUD\$2.2 million (Annual Report 2010-11), and can only sustain this imbalance due to additional income from their significant investment holdings. Given the cost of running the other eight farmer representation bodies and the individual commodity group organisations, a total of AUD\$30-40 million per annum could be estimated overall.

Each year Australian farmers effectively spend AUD\$30-40 million on agri-political representation that addresses many focused agricultural issues. However they are slowly but surely losing the battle to influence the imagination and respect of urban Australians, our policy makers and politicians.

The outcome is disconnection from the vast majority of the Australian population, ever declining political influence, lack of interest among young people to make agriculture a career, which in turn continues to push up the average age of Australian farmers past 57 years of age, and a declining interest in agriculture. This is occurring at a time when global population growth makes food producers ever more important and when food security is a critical global issue. Surely the fragmented and disparate representation of the agricultural sector at a time of critical global uncertainty is the biggest conundrum of Australian agriculture, and one that must be urgently addressed.

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