

Malcolm Fechner

2 March 2007

The Honourable Peter McGauran

Minister for Agriculture, Forestry and Fisheries

Dear Peter,

Last year I came to Canberra with my family for a holiday, my first in five years. I happen to be a dairy farmer supplying food to the community which the Federal Government governs over with the states and local councils.

I made it my business to come to Parliament House to meet with your advisers with my concerns for Australia's primary producers come farmers, vegetable growers, fruit growers and the general food producers, grain growers.

My concern is what greedy capitalism, economic rationalism, free trade is doing to our rural and regional communities, the families in them, the small business who employ people from these communities, the children who see their parents struggle to supply food to the community so are dissuaded from following in this most essential sector of our country. As I stated, there are many people in some countries who still die from malnutrition.

The central issue is: will this federal government legislate to protect Australian food producers. A right to farm to pass on our legitimate input costs and margin, plus GST so we can continue to provide food with the respect and dignity that the rural and regional food producers deserve.

I would request the Minister communicate with me as this issue has to be addressed.

Example 1 Grain for dairy farm

\$120 GST \$12 Normal year

\$250 GST \$25 Drought year

Compounding tax increase; we are borrowing money to supply milk with higher fodder and tax eating into our equity as stated in letter sent to your department by Barossa Mid North Coop last year.

Example 2 Announced today higher fertiliser cost

Grain growers, dairy farmers, horticulturalists etc

Do they have to keep wearing the higher input costs without the right to pass them on.

Example 3 Government fees and charges

Council rates, fuel, vehicle registration, water levies and all manners of charges have increased over the years. Why can't we pass these charges on?

I acknowledge the drought is not something we can change but we have to be able to work through it so we can retain as many farming families and communities. These are the people who supply food to this country and many other people from other nations. We can make a difference if as a nation more help and protection is given to the people who work hard supplying food.

Give us the right to pass on our legitimate expenses. If not, this nation will experience food shortages in the future. Other nations where food is sourced will realise its value and need it for their own people.

The world dairy supply is short. Last year I warned about a closing UHT plant in Mt Gambier South Australia. Now we are shipping milk across the Nullarbor I hear on radio when South Australia only has 368 dairies left, there were 700 four years ago. This is getting critical. We can't afford any more losses.

Yours sincerely,

Malcolm Fechner

I request a prompt reply please as I have made many phone calls to your advisers. There are members of the farming community giving up farming or intending too. We all need these people to retain their dignity in their chosen occupation.