

SUBMISSION NO. 9
Horticultural Code and
Farm Gate to Plate

From: Louise McManus
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To: Committee, ARFF (REPS)
Subject: Submission to the Inquiry into the Constitutional Corporations(Farm Gate to Plate) Bill 2011

The Australian Food and Grocery Council has recently reported the results of a survey conducted by a consultant, who found that 130,000 food processing jobs could be lost by 2020 unless the government takes urgent action to support primary industry. The council identified the market monopoly exercised by Coles and Woolworths as a major obstacle for food growers in obtaining a fair price for their produce. But as many submissions have pointed out, requiring supermarkets to display the farmer's cost of production will be an arbitrary exercise that is unlikely to address the problem.

I understand the desperation of the bill's architects given the stubborn refusal of the present government to face the facts in this regard. It is politically expedient to prop up the profits of Coles and Woolies at any cost, because the army of retirees and imminent retirees depend on their shares for their future wellbeing. Such cynicism is gravely irresponsible however, as it impacts on our food security and thus on our national sovereignty. Rather than tinkering with consumer information legislation the government should be taking effective steps to support food growers. A portion of our-trillion-dollar-plus superannuation fund holdings, or else of the Future Fund, should be redirected to farmers in the form of low interest loans guaranteed by the government. The government should also establish a fair minimum price for all fresh produce, to be set after consultation with supermarkets and growers. However, given the failure of this policy in preserving our dairy industry in the past a major overhaul of procedure will be necessary.

In addition the price of irrigation water should be reregulated to ensure farmers are not unduly disadvantaged by drought, and provide price stability which is vitally important to agriculture. We also need to oppose fanatical free-market pressure from the WTO; instead of acquiescing as in the recent case of apple imports from New Zealand, we should take a stand to protect our hard-won quality levels which are the envy of the world.

The above measures will be the only sensible way to address the threat to our primary producers from free-market fanatics, global warming and lack of fair competition in the food sector. If they are adopted the government may be sure supermarket share prices will be unaffected, as Coles' and Woolies' non-discretionary items will naturally support their profitability.

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