## Extract from Hansard

[COUNCIL — Tuesday, 28 June 2011] p5039b-5040a Hon Nigel Hallett

## FOOD SECURITY

## Statement

**HON NIGEL HALLETT (South West)** [9.45 pm]: I would like to bring to the attention of the house a few concerns that have developed over the past few months, and particularly over the past three or four weeks, with the live export of cattle and also with where food security sits in the Australian agenda and in the world agenda as it develops. Firstly, I will touch on the issue of the live export of cattle to Indonesia. I must ask questions of the opponents to this trade. I have listened to some of the debates on the radio and these opponents say that there are alternative markets, but I have yet to see one of these opponents go to Meat and Livestock Australia or the marketers with a concrete market. I think it is amazing that they can claim it, but they have never delivered it. I wonder what they will do with the excess cattle that will now be sitting in the north of our state.

Let us be reminded that we have had a very good season this year, but it is not always the case. Some of these stations will have double the number of cattle going into the off season. I wonder whether the opponents have thought about the environmental damage that will be done to the landscape over the next few months. I wonder what their support is for the many small businesses that have been affected, including transporters, station staff, mustering companies, stockfeed companies and other small businesses such as the local food shops, tyre businesses and fuel companies. I ask the question: what gives the federal government the right to close off the trade of businesses that have met all the necessary compliance requirements of their country? These cattle are not the property of the federal government; they are the property of the grower to the point of sale and then they become the buyer's property, yet we have interfered with the owners of these businesses in another country. Elders is a classic example. It is an iconic Australian agriculture company, but the federal government has jeopardised the profitability of this company, its business in Australia and its long-term viability. The thing that has amazed me is that not one of these opponents has stopped and thought about foot-and-mouth disease. Indonesia will be able to source cattle, if not from Australia, from a country that has foot-and-mouth disease. When we stop and think about it, Indonesia is two hours away. No-one is arguing about how appalling some of the treatment of cattle was that we saw on the Four Corners report, but cattle suffer a hell of a lot worse from foot-and-mouth disease. I saw snippets of it when the United Kingdom experienced it, and it is something I never wish to come to Australia. I call these people economic vandals of agriculture. All they have done is follow a completely misinformed belief.

I go back to where food security is today. We must question where our food will continue to come from. The average age of an Australian farmer is now 57 or 58 years of age. I certainly think a lot of them are questioning whether we want agriculture in this country. According to the Australian Food and Grocery Council, we are now a net importer of food. Despite this state having a relatively low population, a fantastic Mediterranean climate over much of the state, water supplies in the north and a great watering system that was put through the Wheatbelt in the 1960s, a country of this size is now importing food. I find that completely unacceptable and wonder where things will go. Our farmers are noted throughout the world as having delivered some of the best clean, green food in this nation. I wonder whether that is valued or whether it is just taken for granted.

I believe there is a need to maintain a skilled workforce and to ensure that jobs are attractive and that research and development are a high priority if we are to continue as a food producer. I do not accept the claims that the drift of population away from the regions to the city is acceptable. In my opinion, it is not, and it can be reversed if we work to ensure that the regional areas are prosperous.

The year 2050 is often quoted as the year in which we will reach peak humanity, with a world population of some nine billion people. This will create a 70 per cent increase in food and fibre output. The year 2030 is considered to be the deadline for when existing food production levels must increase by 50 per cent. That is not very far away—20 years. Each nation strives for food security, but I question whether many Australians realise the significance of it.

Another area that has a big impact on agriculture is the Economic Regulation Authority headed by Lyndon Rowe. This body does nothing to help the agriculture sector. It is a bureaucracy that does not understand the value of small business, and it is run by people who have never operated their own business and probably would not or could not. I will refer to a letter sent by the Department of Water on the recommendation of the ERA. The ERA noted that the current charges for farmland water supply were well below the actual cost of supply. The network is about 50 years old throughout the Wheatbelt, and it has well and truly been paid for many times over. This body of people has no understanding that the water cost increase will cut production. There are thousands of hectares of productive land on which we do not have the ability to build dams. It is all heavy, strong producing country. The increase in charges that has been suggested would inflict on an average farmer with a 50–50 cropstock ratio a charge of about \$4.50 per sheep. Is it necessary? No.

## Extract from Hansard

[COUNCIL — Tuesday, 28 June 2011] p5039b-5040a Hon Nigel Hallett

The previous Labor government was going to introduce a water licence fee for landholders in the south west of the state, and once again the ERA was attempting to collect some \$250 000-odd in annual water fees from the Warren–Donnelly catchment, based on a cost recovery of \$5.8 million by the Department of Water. The ERA went on and identified a potential cost recovery of approximately \$29 million, with all charges being imposed on self-supply water users—a further nail in the production of food in the area. Fortunately, that has now been shelved.

We must remember that WA farmers produce some of the best quality food in the world. Perth is no different from other cities in the world that are losing productive land to housing as populations grow and expand. We have seen the market gardens in Osborne Park go to Wanneroo, and then to Gingin and Lancelin, and market gardens in areas such as Baldivis go to areas such as Myalup.

Over the past decade, some 500 growers have left the horticultural industry, with some 1 900 remaining. This applies across all sectors of agriculture. The dairy industry is another classic example in which the number of farmers has dropped from more than 400 to 160. We see a farm gate price of some 40c a litre or less. Considering what the consumer pays, even at a discounted price, the gap is huge.

At a recent international grains forum in Perth, the need for increased production was raised. Feeding the world will be the greatest challenge of the century. The world's population will double to 11.4 billion by 2060. To put it into perspective, at today's level of production, former agricultural journalist Julian Cribb suggests we need more continents the size of North America. It appears that the productivity and efficiency of the food chain is influenced by governments, ministers and departments. Regulation covers many areas of transport, the environment, chemicals, fertilisers, water and energy. We have seen food imports to Western Australia rise from approximately \$260 million to \$450 million. We import some 25 per cent of our vegetables, and it has been estimated that a three per cent increase in horticulture in China would be enough to provide for all of Australia's needs. If that is what the Australian population wants, it can be achieved, but I think that as Australians we want to see a healthy strong agriculture sector in Australia. Investment in research and development in the 1960s was about 6.5 per cent and today it is 0.06 per cent. Plant breeders are at a very critically low number—approximately two. We need food production to be a priority.