

House of Assembly

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AGRICULTURE SECTOR

Mr VENNING (Schubert) (17:08): Further to the question asked during question time today—I thought the answer was a disgrace—and my speech during the grievance debate, South Australia has experienced the loss of 5,400 jobs in the agriculture, forestry and fishing sectors in the three months to August, according to the latest ABS statistics. That really is a disgrace. The industry that is supposed to fill the void left by the BHP Olympic Dam project and the end of the proclaimed mining boom has lost more than 58 jobs per day over the three months to August—more than 58 jobs per day. I find that extremely hard to understand, and I did question this figure, very much so. However, when you look at the three sectors that is, indeed, the fact. On 28 August on the ABC the Treasurer said:

I'm just saying that farming is one of the areas , agriculture's one of our sector s of our economy that at the moment is doing very, very well and is driving fantastic export growth for our state.

Well, if 58 jobs per day is an example of agriculture doing very well, I shudder to think how many jobs would be lost if the industry was performing poorly. It is an absolute disgrace. When asked about the contribution and support that the Weatherill government had provided to the agriculture sector in the same interview the Treasurer responded, 'I think we have put a substantial investment into agriculture.' When I heard this I could not believe it. The agriculture budget has been slashed repeatedly, every year, year after year, ever since Labor came into government in 2002. Where is the substantial investment the Treasurer is referring to?

The 2012-13 budget included: \$24 million cut from agriculture; 98 jobs to go, in addition to the 400 jobs already slashed from Primary Industries in recent years; fees, fines and penalties increased by close to \$1 million; total operating expenditure to Primary Industries and Regions decreased by \$50 million; reduced biosecurity expansion to the tune of \$8.7 million, with the winding up of the branched broomrape eradication program contributing \$4.8 million; SARDI—a Labor initiative I would remind the house; the Hon. Lynn Arnold was the first minister for agriculture when that was brought in—is to lose \$1 million in research and development activity expenses. Where exactly is the investment, Treasurer?

These cuts were on top of announcements in previous budgets to sell off the forests in the South-East, cut \$80 million from PIRSA, and increase fees and charges imposed on the fishing, wine, mining and farming sectors. The latest ABS statistics are extremely worrying, even more so when the Premier and the minister have, as part of their vision for our future, included our clean, green food bowl, particularly when you consider that the opening speech of this parliament by the Governor mentioned exactly that. I would hate to see what cuts and job losses the sector would have experienced if it was not a priority. In an interview on ABC following the opening of parliament in February, the Premier said:

When we talk about the clean, green food bowl...you need to realise that by 2050 the world's...food needs will double...this is a massive opportunity for us.

Premier, I agree, but what have you done about it? Overseas exports in the 12 months to July show that many commodities have decreased: wool and sheepskins down by more than 15 per cent; wine exports down by 5.3 per cent; wheat exports decreased by 5.3 per cent; and meat down on the previous year by 3.1 per cent. The Weatherill government must do more to support agriculture. If job losses and decreasing exports continue the impact to our economy will be huge.

Recently, an official of the Bill & Melinda Gates Foundation—and this was sent to me by you, Mr Deputy Speaker; I think you sent me this little newsletter and I got this out of there—the Deputy Director of Research and Development in the agricultural development program at the foundation, Rob Horsch, said that in the last 30 years the rate at which agriculture innovation had been accelerating had stalled. He went on to say:

I'm not going to try and prove cause and effect here, but it's a strong enough correlation and there's an internal logic that suggests it's probably all related—less investment, less progress, less productivity gains.

I could not agree more. What agriculture needs is real support—funding for research and development, funding to provide advisory services for farmers, and adequate staffing levels. This is an industry that contributes \$6 billion annually to our state's economy. Mining contributes \$4 billion annually and receives more support from the Weatherill government. I am asking the government to really consider turning this around in its remaining budgets.

They should also realise that we are in serious need of a very good rain, because all of South Australia above the line of Clare to Kadina is in serious need of rain. If we do not get rain in two to three weeks, on the first hot days it will be devastating to the state's economy. The crops look good, but a close look tells you that the tips are dry and the ground is dry. We have not had a decent rain in six weeks. It is different for the South-East because they are being swamped.

I want to now very briefly raise another matter, and that is the very concerning situation of our farmers' political representative body, the South Australian Farmers Federation. It is very sad. These opinions are mine and mine only, and you, sir, have made comments about this over time. You might chuckle and say, 'Well, I told you so.' It is very sad to see our key farmers group on its knees after years of great service. I have made speeches about this in the house before, and I have been quite critical, as you have commented. I want to retract that and try my hardest to be constructive and positive, but I have to be a realist as well.

Our former colleague the Hon. Rob Kerin was employed by the SAFF executive to put up a report on the way forward. I went to a meeting two weeks ago, where he tabled that report. The member for Flinders was also there. The meeting agreed to write a totally new constitution for SAFF, and the name SAFF would then disappear. I am not in favour of this for several reasons. First, SAFF has worked very well in the past, particularly 10, 15, 20 years ago, but we need to realise what went wrong so we can fix it.

Back in the eighties and nineties, SAFF worked extremely well with various commodity groups under the central SAFF umbrella executive. Along came this issue called single desk, as we know. Even after a poll of the growers, which was not fully indicative, roughly 70 to 75 per cent did not agree to a change from their current system of orderly marketing. The grains section thought better of it and decided that it would then deregulate. It decided that it

would give the grains industry what it needed, not what it wanted. There is quite a difference when you think about it. That was the key thing that went wrong.

From then on there was a dispute within the grains section, so eventually the grains section was sacked, and I think the Hon. Peter Treloar was on it. It got the sack. It was a sad day, because this was an elected body. It was replaced with a selected body from the executive. It was the single biggest mistake. That was the start of the demise and the membership went into freefall. From then on we saw the disputes building up. I was very concerned that the selected group had two or three—in my judgement—troublemakers in relation to the people who wanted to get rid of single desk and fully deregulate. The fact that they sacked them all and put on the three or four who were there was concerning.

I note, sir, that you are releasing a committee report on grain tomorrow. It will be interesting to see where this comes into it. There is no sense in being negative. I strongly believe that we should not throw the SAFF constitution out. I would go through it very carefully and change it to allow the levy-paying commodity groups to operate. If you throw the whole thing out, it would take two or three years to get some consensus, for the growers to agree to anything, such is the feeling out there. Take what you have and change it; do not start again.

Also, we need totally new faces. We have to encourage new people to come in, particularly younger people. Before I sit down, I want to apologise to the people I have whacked in this place in relation to SAFF, one in particular is Carol Vincent, and also various office bearers over the years, because they did a sterling job. I only hope that we can see some end to this, but we need to exhibit some caution. Do not throw the baby out with the bathwater. Leave SAFF there, but just change it.