Can social media bridge the divide between urban and rural Australia?
Sally Davison
Australian Farm Institute

It was Lenin who said ‘sometimes decades pass and nothing happens, then sometimes weeks pass and decades happen’. Nowhere has this been more true than the Middle East, where waves of insurrection and rebellion have brought successive leaders undone. The wave that started in Tunisia in December 2010 and has spread through the Middle East was mobilised by, among other things, social media.

In the Middle East, social media networks were used to plan and coordinate action, tell the world what was happening and to spread information in places where face-to-face politics can be dangerous. However the characteristics that make these new forms of media successful tools for organised uprisings, also make them ideal for marketing and selling products in a way never seen before.

According to market researchers Nielsen, the most common activity for Australians who are online is to tap into social media to see what others think about products or services; in fact 73% of online Australians do this.1 The opportunity for brands, companies and even the Australian agriculture industry to tap into this trend is enormous.

But what is social media? How does it work? Could the Australian agriculture industry use social media to communicate with consumers? Is this the key to bridging the divide between urban and rural people? This article will attempt to address these questions, while providing some practical examples of where and how social media works.

What is social media?
Social media. It’s a phrase that gets used all the time, but what does that really mean? Breaking the term down to its simplest form, media is an instrument of communication, and the ‘social’ part refers to a type of media that allows you to interact with others. Combine the two, and you have a form of communication that is less a one-way street, and more an information freeway.

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Social media can include anything from a website that asks you to comment on an article, an online forum which gives you a way to communicate with your friends, to a service that tells you what other people ‘like you’ have bought or read. Facebook, Twitter and YouTube are some of the best-known forms of social media.

Traditional forms of media like newspapers or TV provide the information to the reader or viewer, but there’s no way to respond immediately to what’s being said. In social media, anyone can respond. It’s this immediacy and ability to interact with the information that makes social media so important. Today people can use blogs, social networks like Facebook and media like Twitter to evaluate products, share opinions, make purchasing decisions, and recommend information to others. It’s the ability to make recommendations to other people which makes social media so powerful, according to Craig Davis, chief creative officer across Australia and New Zealand for the marketing firm Publicis Mojo.

‘The information is coming from friends and family, not a broadcaster... you have no relationship with. It comes with endorsement’, says Craig. While it may have evolved in an awful hurry, Craig says that social media is not going away anytime soon.

Social media is essential, it’s already influential and is only going to gain more traction. The underlying features of social media that drive people to them are ancient, that desire to stay connected, to self-express, to catch up with people and to get information.

The development of a way to cross-communicate with customers and the wider community has revolutionised not only how companies talk to their customers, but also how companies think about the consumer. ‘You can now get people to actively participate in your product or marketing campaigns’, says Craig Davis.

The traditional business model can get completely inverted. For instance the website ‘We Are Hunted’ tracks what is being said on social media about which songs, and instead of relying on shipping numbers for music charts, ‘We Are Hunted’ creates its own hits chart. Consumers aren’t just vacuum cleaners anymore, they can be commentators, collaborators and in this case they can even critique what they see and hear.

Can social media bridge the divide between urban and rural Australia?

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How does social media work?

An easy way to think about social media is to ask yourself: can I see what other people are saying about this? Generally, the answer will be yes. Users now have the ability to give their own views on news stories or articles, by selecting to ‘comment’. Once a comment is posted on a news article, other people will be able to read it and respond with their own opinion.

However, social media can go yet another step further than just allowing users to provide their thoughts on existing stories. They can even become their own publisher.

News websites are no longer the exclusive domain of news corporations; anyone can broadcast their views and news with social media. A ‘blog’ is a forum where anyone can write articles on any topic at any time, and publish it for others to read. Users can, in turn, comment on what’s being said, and a conversation between the author and the audience can start. Discussing certain issues will have a gravitational pull for people interested in the specific topic, and others who are also interested in the issue will be drawn to the information source (or blog). If an author can...
establish themselves as a good source of information, people may be drawn back to their blog again. By bringing the readers together on a regular basis, regardless of geographical distance from the news source, the site becomes more than a noticeboard. It becomes a forum where communities are developed.

Gavin Heaton is a consultant who develops social media strategies for companies, and says blogs are all about the shared experience.

We all have secrets. By telling them out in the open, this builds relationships. It empowers others to tell their stories, to empathise with yours and in turn to share their own experiences.

When asked what makes a good blog, Gavin says it’s all about storytelling. ‘You need to know what makes a great story and how to tell it. You need to know what appeals.’

This isn’t only true for blogs, it’s also the case for Twitter and Facebook.

Twitter allows people to send and read posts called tweets, which are limited to 140 characters. Users can subscribe to other people’s tweets, called ‘following’, and by doing this they can see all the tweets produced by this person. These messages are usually public, but they can be sent ‘directly’ or privately to other people. In this way, Twitter can work like an email, except that it’s limited to 140 characters.

A conversation can be started and tracked on Twitter, with people marking the topic of their conversation with a # symbol, called a hashtag. This means that a search for a specific topic or hashtag will show everything that’s been said on this particular issue by anyone. In this way, conversations can be started with anybody who has an interest in a particular issue.

Facebook is a website where people can create a personal profile, and welcome their acquaintances into their network by adding them as ‘friends’.

Messages can be exchanged between friends, and common interest groups can be created or joined. Facebook can also be used for marketing or communication activities by companies. By creating a page within Facebook for a company or product, others can see what it’s about and decide if they ‘like’ it. By clicking on the ‘like’ button for a page, the person’s friends can see what they’ve clicked on and decide if they too like the product. A message created this way can spread quickly through users, and that’s what’s critical for marketing companies.

But it’s a fine line between inviting comments, asking people to ‘like’ your product, or telling a story, and outright marketing your product. ‘Marketing is the last thing you do. If people like your story, those you engage with will do your marketing for you: by passing on the story’, says Gavin Heaton.

Of course social media isn’t limited only to storytelling by written word. It also encompasses videos through YouTube. This is a website where anyone can post a video on absolutely any topic. Viewers can select if they ‘like’ the video or they can share it with their friends. The more times a video is viewed, the more likely it will be highlighted on the YouTube site.

By registering as a YouTube user and creating a profile, the site also has the ability to recommend videos, based on those the user has already seen, and what other people have liked.

This ability to get recommendations from social media sites makes the experience of using the technology seem personalised, and makes the user feel like a product comes with endorsement. It’s this feature that can help marketers, because as Craig Davis says people can actively participate in a campaign by recommending your service to others.

Who uses social media well?

It’s one thing to know what social media is, but how can it be used to get an idea out? A good example of using a mix of mediums to spread a message is that of ‘the Perfect Gift for a Man’.

In mid-2009, The Inspire Foundation launched a campaign to raise awareness of the issue of suicide by young men in Australia. The campaign started with a hashtag topic on Twitter. This means people writing on Twitter put #Manweek in their posts, and that way everyone on Twitter who was interested in this topic could follow the conversation.

In addition, a number of Australian bloggers including Gavin Heaton supported the campaign by sharing their thoughts, challenges and
experiences with their blog readers. This grew and grew, with readers adding their own stories to the mix, and a month after they started blogging on the topic other men were still adding their thoughts. Eventually a book was published as the result, combining all the stories that had been told. Gavin says, ‘just when you think no-one’s listening, all it takes is one other person to find your story and add their own. Then you start the conversation.’

Craig Davis says a good example of a campaign that has successfully used more than one form of social media to sell its story is Old Spice deodorant. A commercial advertising the product only aired in the United States, but by making the commercial available through YouTube, anyone around the world could see the ad.

At the time of writing, the advertisement had recorded more than 31 million views on YouTube, and its success was coupled to a Twitter campaign where viewers could post their questions to the company. Responding to these questions with other videos and advertisements posted on YouTube, the popularity and interest in the campaign kept growing. ‘This is a good combination of mainstream media, responded to in social media channels. Social media needs to be a part of any solution’, says Craig.

An example that’s a little closer to home for farmers and agribusiness is that of an advocacy group established on social media, to address suicide and mental health issues in rural areas. Alison Fairleigh established a fortnightly discussion forum on Twitter called Rural Mental Health Australia to raise awareness of the issue, and engage with other people in rural communities. The way it works is anyone can comment on Twitter, raise an issue, ask for help and by using the hashtag #RuralMH anyone can see the discussion and respond if they choose to. Alison says:

Through engagement, we hope to reduce the stigma of mental health issues in Australia and connect individuals with resources to overcome adversity. Through communication and engagement we can ensure that all Australians have the help they require, when they need it.

The response has been overwhelming. We have been gaining approximately 100 followers each week and in our first Twitter chat, held 6th April, we had a new message in the discussion by participants every four seconds and it was actually the second highest trending topic in Australia on Twitter shortly after the commencement of the chat.

When asked if the Rural Mental Health Australia initiative would have been possible without social media, Alison says absolutely not.

Social media enables us to reach people in rural and remote areas of Australia and engage with them in real time. Wherever there is internet, we can reach people with our message.

What other ways could the agriculture industry use social media?

For the agriculture industry, the purpose of using social media may not be to sell a specific product or service. It could be a much broader concept, such as simply telling people what a day on the farm consists of.

Gavin Heaton’s advice is to:

Show the complexity, the care and the passion you have for the products you make. These are the stories that resonate. It’s a perfect way of reducing the geographical barrier, giving other people knowledge about what you do while also telling them the back story to what you make.

An alternative is for the industry to discuss an issue or challenge, drawing on a range of views and providing information from different sectors of the industry. How? AgChatOZ is a good example of this.

AgChatOZ is a hashtag topic used in Twitter conversations, but by establishing a set time each week for people to post tweets on agricultural topics, it brings a wide cross-section of people together. Danica Leys is one of the three people who set up AgChatOZ.

I had participated in an AgChat on Twitter that was established in the United States, and I thought it was a great idea. So I sent out a tweet asking if anyone else was interested in doing this for Australia. The response has been great, it’s been going for about nine months and each night we have up to 50 people involved in the chats.

Each week a new topic or challenge is selected for people to discuss, with topics contributed by anyone who is interested in being part of the chat.
Once the topic is selected, some questions are posted on the AgChatOZ Facebook page for people to consider. Then every Tuesday night at 8 pm (AEST) anyone on Twitter can put forward their ideas or questions on the topic, or point other people toward websites or articles that they may find interesting.

Danica says that this type of discussion couldn’t happen without social media, even though agriculture and Twitter may not seem the most likely combination.

Sometimes agriculture is seen as being old-fashioned, but AgChatOZ is the direct opposite of that. It’s one of the only weekly chats on Twitter, and it brings together a range of people who are very geographically spread out.

Recently AgChatOZ has come under criticism for potentially harbouring hidden agendas on the topic of genetically modified crops. One of the founders of AgChatOZ is CropLife Australia communications and campaigns officer, Tom Whitty, along with Blands lawyer, Danica Leys, and web designer, Sam Livingstone. The concern raised was that the forum isn’t neutral, and that some followers may have felt intimidated in the discussions. Danica Leys says AgChatOZ is totally independent.

This goes to the heart of social media. You can’t own a hashtag, anyone can use it, and you can’t control what people say. That’s the whole idea, to encourage others to get involved and see what goes on and have their say.

Danica also points out that because a Twitter discussion occurs in real time, it would be hard to respond immediately and maintain a false persona.

That issue of trust is something that Gavin Heaton emphasises heavily. Trust between people, online communities and companies. When asked if disingenuous people can be easily found out in social media, Gavin says that it’s like a play: you can only keep up the act for so long. And a good example of social media use gone wrong?

When a large media company started its Twitter account, followers were asked: what has your experience been of our product? Obviously not all the responses were positive. But instead of trying to fix the problems raised, people were directed to an area of their website where there was little interaction with the company. The problem was there was no-one responsible, no-one to help with the problem. If you can’t fix an issue, say so. Because the true story will always come out in social media.

The last word

The Australian Farm Institute connected with each of the contributors to this article via social media, which in itself is evidence of the ability to connect and communicate using these new technologies. There are already some good examples of people in the agriculture industry using Twitter, Facebook and YouTube to communicate with a broad audience and raise the profile of social issues in rural communities. Social media can be a key element in bridging the divide between rural and urban Australia, by allowing real-time discussions that have no geographical boundary. It’s just a matter of getting connected, getting involved and seeing how it works.

AFI has an ongoing Ag Forum blog, available through the Institute’s website www.farminstitute.org.au

AFI is also on Twitter, @Austfarminstitu

Endnote

Statistics – at the heart of good agricultural policies

AFI will release its latest research report, *A Comparative Study of Agricultural Statistics Systems in Australia, the US and Europe*, in winter 2011. The word ‘statistic’ might not be something many people regard as exciting or interesting, but statistics are critical to the development of sound policy and informed decision-making. The research that will be released is not about complicated formulas or endless discussions about margin of errors. It is about the importance of accurate statistics in making decisions about water allocations in the Murray-Darling Basin, and the critical role that statistics play in estimating national greenhouse emissions. In each case, decisions which have a major national economic impact are being made based solely on available statistics, which highlights how important it is to ensure those statistics are accurate.

Statistics is the science of collection, analysis, interpretation and communication of data. The term also designates the mathematical methods (mainly probability) used to estimate a reality, given the impossibility of collecting absolutely all the required information.

Governments operate statistical systems (data collection/data entry/analysis and data communication), which aim to collect information that enables an accurate assessment to be made of changes occurring in the economy or the environment, in cases where it is not possible to compile all the relevant information. Getting the statistics right can be very important.

For example, in the recent heated debate about future water allocation in the Murray-Darling Basin, a noted weakness in the discussion was the lack of accurate statistics on water use, irrigation production and regional economies that would have enabled an accurate assessment of the potential impacts of proposed water cuts to be made and communicated to those involved. The result was that decisions were proposed with little information available about potential impacts, and communities not surprisingly became quite alarmed about the potential impacts.

In a similar vein, the release of the Australian September quarter 2010 GDP data in December 2010 provided reassurance to financial markets that, while the economy had slowed, Australia still recorded positive economic growth of 0.2% for the quarter. However, closer examination of the data revealed that the positive GDP growth for the quarter was largely due to a 21% growth in agricultural output – and that this agricultural output was in fact a projection based on some earlier crop forecasts that took no account of the large negative impact of the heavy rain and floods that occurred in late 2010. The real situation was most likely that the Australian economy had actually experienced negative growth for the quarter, and had this been reported it could have had a major impact on financial markets and decisions by the Reserve Bank.

Good statistics are the pathway to informed decisions and robust policies. This is a particular challenge for the agriculture sector, because, as the UN has recently noted, ‘Agricultural statistics is probably the most neglected and taken for granted domain both at the national and international levels.’

The Institute research involved a detailed examination of the capacity of the Australian agricultural statistics system to provide accurate and relevant information about agricultural issues, and beyond agriculture, numerous issues directly related to agriculture such as water availability and quality, land use, biodiversity, greenhouse emissions, food production, food prices, and rural development.

The research compares the Australian agricultural statistics system with those of both the US and Europe. Such comparisons can be deceptive because one of the key features that determines how a statistical system is structured and resourced is the purpose for the collection of the statistics. In the case of both the US and Europe, there is considerable government intervention in the agriculture sector in the form of subsidies and environmental programs. These in turn create a need for specific statistics in order that the management of these programs can be adjusted and the results assessed. This is obviously not the case in Australia, where public-sector expenditure on the agriculture sector is relatively modest.

Notwithstanding that difference, by comparing Australia’s approach with those of other countries, the research highlights areas of relative weakness in the Australian system. For example, with one or two exceptions the data that is available on farmgate prices received by Australian farmers is very poor, and it seems that the Australian Bureau of Statistics is continually removing resources from the collection of this information, rather than making efforts to improve it.

The comparison of the Australian agricultural statistics system with those of both the US and Europe also highlighted some major structural differences. One was the fact that the international agricultural statistics systems have a great deal more transparency when it comes to matters such as the medium and long-term objectives of the agencies involved, and the resources that are available for their activities. It is also apparent that international agricultural statistical systems operate in a more integrated system across government agencies, rather than limiting the responsibility for agricultural statistics collection and compilation to a single, isolated agency.

The comparison also provided an opportunity to examine interesting case studies, such as the use of satellite imagery to reduce the burden of having to extensively interview private businesses, without undermining the overall quality of the data.

The research highlights some areas of weakness in the Australian agricultural statistics system, and concludes that a major change in organisation and responsibilities may be required in order to ensure Australian policymakers continue to have available accurate and timely statistical information to inform decision-making.
To participate or not to participate?
The Carbon Farming Initiative under the microscope

The Carbon Farming Initiative (CFI) has been proposed by the Australian Government as a legislated mechanism that will enable farmers to generate revenue from the sale of greenhouse gas sequestration and mitigation activities. The introduction of a carbon offset market will have significant long-term implications for farm business managers, and will entail both opportunities and risks.

The Australian Farm Institute has carried out two research projects investigating the potential implications of the CFI for farm business managers, with research suggesting there are alternative models that would provide greater environmental benefit and opportunities for landholders.

In many respects, carbon offset production will for some farmers become one extra enterprise option available – bringing with it additional revenue and additional costs, new decisions about how to physically integrate the enterprise into a farm business, and the need for farmers to manage this enterprise in a way that adds to total farm profitability. The research carried out by the Australian Farm Institute examined some of the risks and opportunities presented by the proposed introduction of an offset system.

The first research project considered the potential impact of a national emissions trading scheme (ETS), and the risks and opportunities of alternative models of engagement with Australian livestock industries. Policies to ensure the agriculture sector contributes to the national goal of reducing greenhouse gas emissions can include direct regulation, emission taxes, consumption-based taxes or offsets.

Each policy option was examined under criteria which included environmental outcomes, cost efficiency, equity, flexibility, participation and compliance, and risks and opportunities for livestock producers. Based purely on this evaluation, policies such as environmental services auctions (which involve direct trading between buyers and sellers of environmental services including carbon sequestration) or environmental stewardship payments (which involve government purchases of environmental services including carbon sequestration) provided the best options for livestock producers. These schemes would provide payments for a variety of environmentally beneficial actions in addition to carbon sequestration.

The second research project developed farm financial models to analyse the potential financial implications of the CFI for Australian beef producers. It essentially involved the creation of farm financial models based on available farm survey data, and the use of those models to test different scenarios.

The assumptions underlying the analysis need to be carefully considered, and the outcomes need to be qualified by stressing that they represent the potential impact of this particular policy measure and associated assumptions when considered in isolation; rather than as part of a dynamic and interrelated economic system. The modelling also involved assumptions about the introduction of future policies in Australia that would impose a mandatory cost on activities that result in greenhouse emissions.

With these qualifications in mind, the results suggested that the introduction of a mandatory carbon price in the economy (irrespective of the mechanism employed to achieve that) will have a negative impact on beef farm profitability, even in the event that no cost will be applied to direct farm emissions. This is because beef enterprises have no means of increasing beef prices in response to an increase in farm costs and higher beef processor costs.

In addition, the research concluded that for participation in the CFI to be financially viable for beef farmers, technology to reduce greenhouse gas emissions will need to be relatively inexpensive. For example, in the case of a technology capable of bringing about at least a 20% reduction in cattle emissions, the threshold cost above which this technology would no longer be viable for adoption appears to be in the region of $10–$15 per head per annum, based on projections of anticipated future carbon prices.

It is vitally important the agriculture industry is informed about the potential implications of climate change policies, to ensure farm business managers can make informed business decisions. The research reports Alternative Greenhouse Emission Policies for the Australian Beef Cattle Industry and The Implications of the Australian Government’s Carbon Farming Initiative for Beef Producers provide some information on the potential implications of carbon policies for farm profitability.

* These research reports will be available on the AFI website in the coming months.
GM crops: challenges and opportunities

The Hon Warren Truss MP
Leader of The Nationals

By 2050 the world’s population will swell to nine billion mouths to feed. Within a decade the regions on Australia’s northern doorsteps will be home to more than half the world’s people. The United Nations Food and Agriculture Organization says that food production must increase by 70% over the next 40 years just to keep pace with population growth. That means more food will need to be produced during the next 40 years than over the entire course of human history.

Meanwhile, resources are finite, with water, fuel, fertiliser and other farm inputs becoming scarce. Available arable land is shrinking as urban sprawl and carbon sink forests are given precedence over farming. At the same time, developing countries are becoming more affluent and demanding a wider choice of diet, leaving many countries simply incapable of feeding themselves. The emergence of new pests and diseases, as well as changing climatic conditions, also constrain food production.

In the 1990s I visited the CIMMYT cereal research centre in Mexico and was told by the centre’s international scientists that they did not believe there were sufficient breakthroughs left in the ‘green revolution’ to feed the growing world population. Unbeknown to them, the gene gun had already been invented and the next quantum leap in agricultural science had begun.

The potential of genetically modified (GM) crops to produce more food at lower cost, consuming less resources, in changing climates and on poorer soils, is enormous. What’s more, this food can be of higher quality and more nutritious than what we enjoy today. It is not, therefore, surprising that the adoption rate of GM crops has been faster than for any new farm technology in memory.

In a sense, GM is not new. Our food supply has been genetically changed for hundreds of years. Farmers have always been cross-breeding herds to make bigger and stronger cattle and splicing crop varieties to create higher yielding, drought resistant crops. Today’s science is simply making those progressions quicker.

If GM science is to achieve its potential, one of its most important tasks is to be more open in sharing its knowledge with the public so that sceptical consumers can be satisfied that GM production is safe for them and for the environment.

Public confidence has been hard to win because GM technology has largely been in the hands of multinational corporations, which have not always enjoyed public trust. The current cutbacks in government funding for agricultural research and development are exacerbating these concerns.

The science has been ahead of public opinion and scientists are often not good at explaining their work to ordinary people. A strong system of government oversight and regulation is, therefore, an essential element of building public confidence. Because consumers insist on it, it is also good for the industry.

Gene technology in Australia is regulated by the Office of the Gene Technology Regulator (OGTR) – one of, if not the, most rigorous gene technology regulatory systems in the world. Its role is to:

- Protect the health and safety of people, and to protect the environment, by identifying risks posed by, or as a result of, gene technology and by managing those risks through regulating certain dealings with GMOs.

The OGTR was intended to create a single national system for the regulation of GM crops. In so far as overseeing human health and safety and environmental impacts, it has been vigorous and thorough.

However, some state governments have acted to override the role of the OGTR by introducing local bans and regulatory arrangements, often citing local market, trade or environmental considerations. These actions are often not based on sound science, creating a lack of commercial certainty for research and development outcomes. Australian research has suffered from a lack of investment and partnerships as a result of bans preventing the commercialisation of OGTR-approved GM crops.

If Australia wants to promote itself as a leader in biotechnology, it will need to deliver a clear path to commercialisation. All growers, be they GM, conventional, organic or a combination of these, must respect neighbouring production systems and ensure they follow best practice guidelines to support coexistence now and into the future.

As public confidence grows, GM technology delivers better products to consumers and farmers become more agitated about being left behind by their international competitors. I have no doubt that existing local GM moratoria will be gradually lifted. There should be no need for overriding federal or state legislation.

The vital role of GM technology in this new era of population growth and global food security concerns – and Australia’s responsibility in the vanguard of meeting global needs – should be front and centre.

Warren Truss is a third generation farmer from the Kumbia District near Kingaroy. He entered Federal Parliament in March 1990 as a National Party Member representing the electorate of Wide Bay. In 2007, Warren was chosen as the Federal Parliamentary Leader of The Nationals. He is also Shadow Minister for Infrastructure and Transport. Warren was a Minister in the Howard Coalition Government for 10 years and was Minister for Agriculture, Fisheries and Forestry, where he served for six years.
Can Australian agriculture manage a genetically modified future?

Senator Christine Milne
Australian Greens Deputy Leader

To ask if Australian agriculture can manage a genetically modified future is much like inquiring if your local council is capable of governing the nation. Agriculture plays only a small, yet vital part in managing GMOs, in which agri-science and farming practices are charged with developing a safe product and usage parameters.

Problems occur when other GMO stakeholders get involved. Beyond agriculture there are the Leviathans of government, multinational food and seed corporations, processors, manufacturers and supermarkets.

This unfortunately forms a case of too many cooks spoiling the genetically modified broth. There is no other reason to tinker with genetics other than to maximise profits, which in the food industry means dollars in pockets for big companies, kudos for governments, cheaper food for processors, and not much else for consumers and producers.

I wonder what management changes will be considered for Kojonup farmer, Steve Marsh who is now facing ruin thanks to genetic canola contaminating 70% of his organic crop? Mr Marsh’s organic certification has now been suspended, and he is suing the neighbouring farmer for allowing Monsanto’s new Roundup Resistant Canola seed to foul his land. The West Australian Liberal Government, Monsanto and the state’s own Pastoralists & Graziers Association are each siding with the respondent farmer, which suggests a grim outcome for Mr Marsh, and a bleak picture of GM management designed solely around those who gain from its use.

If this is what awaits Australian agriculture as more states opt for GM crops, it comes as no surprise that a worldwide voice of dissention, calling for an end to seed monopolisation and big business ownership of our farms is growing by the day.

In answer to the problem of GM seed contamination and Monsanto’s habit of suing small-scale growers for patent infringement, a group of farmers, seed businesses and organic agricultural organisations representing 270,000 members in the United States have recently turned the tables by preemptively suing Monsanto for unfair legal action should any of their seed find its way onto non-GM properties.1

Australian agriculture needs to be at the forefront of heading off incentives and promises currently luring producers to adopt GM technology. Sold as a system offering better food, higher yields and lower costs, the stark reality is one of dependency on annual seed purchasing and massive chemical use to combat the growing problem of herbicide-resistant weeds.

The Greens have long recognised the potential impact of GM farming, and as the states slowly open their farms to this technology it is imperative that all information is considered beyond the spruiking efforts of governments and industry. Farmers want the right to decide using comprehensive information; instead they are placed in a situation that makes it unnecessarily difficult, and often impossible, to seek a future in non-GM and organic practices.

Lack of information and lack of choice are common issues in the GM debate, with government regulation allowing for undisclosed GM ingredients to feature in the food we buy. Agriculture itself is not responsible for changing laws governing the transparency of GM ingredients in our food, but the industry’s scientific arm must be managed to provide complete impartial research of the effects GM produce can have on our health.

People are angry at current labelling laws not simply because of the lack of transparency, but also because as yet there is no confirmed independent scientific evidence stating that GM produce is without significant health risks to consumers.

Greens senator for Western Australia, Rachel Siewert, is currently working hard to bring about a culture of change in government policy-makers. She is calling for the amendment of the Commonwealth Gene Technology Act to ensure the precautionary principle is rigorously applied until the completion of a fair and independent risk analysis encompassing health, economic, social, ethical and farming aspects.

The Greens are the only party to take this commonsense stance. If an independent study finds risk outweighing benefits, then it is right to end the licensing of GM crops in Australia. The logical interim measure therefore is to put in place a moratorium on the release of any GMOs into the Australian environment pending the results of independent analysis.

It is time our governments realise that Australia’s health and rich farming history are not for sale. Seed monopolisation and the shielding of information from consumers and producers is a management practice as artificial as the seeds they are pushing onto Australian farms and families.

Senator Christine Milne is the Australian Greens Deputy Leader. She has represented farmers and rural communities throughout Tasmania since her election to federal parliament in 2004. She has been a Deputy Chair of the Rural, Regional and Transport Senate Committee and a key player in numerous campaigns, including addressing biosecurity threats, fighting for fair milk prices, improving food labelling laws, calling for a national food security plan, and seeking a review of Australia’s competition policy.

Comments on the topic of genetically modified production in Australian agriculture can be posted on the Ag Forum blog. The Autumn Farm Policy Journal covered this topic in detail, and is available for purchase on the AFI website.

As the debate about carbon policy intensifies, there is a common perception amongst journalists that, as the Australian Government has stated that agricultural emissions will not be included in the carbon pricing scheme, those involved in the agriculture sector have nothing to be concerned about.

This perception was highlighted in an Opinion Piece by Alan Kohler on the ABC’s ‘The Drum’ website on Monday, 11 April 2011. In commenting about the clamor by industry groups to highlight the impact of the tax and maximise the amount of compensation they would receive if a carbon price was implemented, Kohler commented that ‘Agriculture (15 per cent of total emissions) has been totally excluded so farmers don’t have to be pacified …’.

This, of course, implies that the exclusion of farm generated emissions from the scheme means that there will be no impact of a carbon price on agriculture. This perception is contradicted by economic modelling and research that has been carried out by groups such as ABARES, and in research reports released by the Australian Farm Institute. In summary, those research reports have indicated that the indirect impact of a carbon price on farm businesses will mean a reduction of up to 10% in farm economic output per annum after five years, based on the assumptions and carbon prices associated with the CPRS, and without imposing a direct cost on farm emissions.

The projected impact arises almost equally from two sources – one being the increases in farm input costs arising from increased energy costs, and the second being the additional costs faced by meat, dairy and other food processors, which will be transferred back to farmers in the form of lower prices for farm produce.

Increases in farm input costs will occur because the carbon tax will make energy (fuel and electricity) more expensive, and will mean that farm input costs such as fuel, electricity, freight, handling and fertilisers will all increase, as will the embedded transport costs associated with most goods and services provided to farms.

The increased costs experienced by food processors will arise because energy inputs are a major cost for this group, and some of them are also likely to exceed the emission threshold and therefore will be required to pay the carbon tax for their emissions. As Robert Poole of major dairy processor Murray-Goulburn explained to the ABC on 25 April:

A carbon tax in Australia doesn’t influence the world market price. As everyone should know milk prices in Australia are predominantly driven by that. The price in the international market – in the international dairy market including Australia – aren’t going to change because of a carbon tax. Therefore any costs that it imposes we have to wear and that means our farmers have to wear them.

Against this background of higher farm input costs is the reality that most farm commodity prices in Australia are set in international marketplaces, in which Australian farmers are price-takers. Farmers (or their processors and marketers) are not able to demand higher prices just because their costs have increased, hence input cost increases mean lower farm profits. While this is basic ‘bread and butter’ knowledge for farmers, it is obvious that some of the media are yet to grasp this fact.
Carbon the world over

The world’s first personal carbon quotas are being debated in the European Union (EU). The EU has the largest multinational emission trading scheme (ETS) in the world, which has been in operation since 2005. Applying only to EU commissioners and other Brussels officials, the personal carbon quotas being debated could impose a maximum quantity of CO₂ that each individual could emit each year, with quotas able to be traded between individuals. The measures are in draft at the time of writing.

Meanwhile, from 2012 around 4000 airline operators will be included in the EU ETS. Flights landing and taking off in the EU will be covered regardless of the operator’s nationality. A cap will be placed on CO₂ emissions from planes, while allowing trade of credits by airlines. The emission cut outlined for aviation is 34% between 2005 and 2050. In the 15 years between 1990 and 2005, emissions from airlines increased by 81%. It has been estimated that the cost of joining the scheme could be between EURO 1 billion and EURO 1.4 billion in 2012.

As Australia debates a carbon trading mechanism, in New Zealand where an emission trading scheme (NZ ETS) is already in place, carbon units have reached all-time highs, trading above NZ$21 during March. The price of UN Carbon offsets, called Certified Emission Reductions (CERs) have also been climbing, which has made New Zealand Units much more attractive to domestic buyers. With log prices currently very attractive, supply of NZUs from forestry have been muted, meaning that forest owners don’t need to supplement their income through the sale of carbon units (OMFinancial Carbon Report, Friday 1 April).

Swine flu not stopping pork exports

Exports of live swine from the United States (US) to China will commence in 2011, pending H1N1 influenza testing. China has been closed to US swine since April 2009 following the discovery of H1N1 in people in the US. H1N1 was labelled ‘swine flu’ and misinformation about the influenza lead consumers to believe they would contract the virus by eating pork. Although China began accepting pork exports from the US on 1 May 2010, live animals were still banned, with the cost of lost exports valued at more than US$30 million.

No more toys

New York City council members have unveiled a bid to ban toys given away in fast-food restaurants. A similar law was approved in San Francisco in 2010 and will come into effect on 1 December 2011. In a statement from one of the councillors, the aim of the bill is to make it harder for the fast food industry ‘to target children with predatory marketing techniques’. According to the US Centre for Disease Control and Prevention, two-thirds of American adults and 15% of children are overweight or obese. However a spokesperson from McDonalds says on average kids in the US eat McDonalds three times a month, meaning on average 87 meals per month are accounted for elsewhere.

Food prices fall

According to the United Nations Food and Agriculture Organization (FAO), food prices in March fell for the first time in eight months. The food price index was down 2.9% in March, led by cuts in oil and sugar prices globally. However, with unrest in the Middle East and the earthquake and tsunami in Japan, the FAO says there will be continuing uncertainty and price volatility over coming months.

Meanwhile the FAO has made a submission to the United Nations Framework Convention on Climate Change, warning that ‘potentially catastrophic’ impacts on food production from slow-onset climate changes could have disastrous impacts on food security from 2050 to 2100. In its submission, the FAO outlines steps governments could consider in climate change negotiations to ensure food production isn’t threatened. In particular, the FAO recommends that food security should be used as an indicator of vulnerability to climate change.

Keep up-to-date with discussion on current issues in Australian and international agriculture policy via the Ag Forum on the Institute website.

Can Productive Agriculture also be Consumer-Friendly?

Conference: Sydney Marriott Hotel, 15 and 16 June 2011

What will be discussed?

• Global developments in meeting consumer requirements: How do international retailers balance consumer and supplier needs?
• The global food challenge: Producing more and producing better!
• Consumers’ expectations and behaviour: What do we know so far?
• Sustainability and agricultural productivity: Myths and reality
• Standards, certification, labelling, marketing: How can the industry bridge the gap?

Go to www.farminstitute.org.au for more information, or to book online. Registrations close 31 May 2011.
In the news

Food was the focus of much media attention with the article ‘More go hungry – UN’ in The Weekly Times (18/03/11) seeking the Institute’s comment on high food prices, shortages and distribution. The Institute Executive Director provided the article ‘There’s a major beef over dietary guidelines’ in The Sydney Morning Herald (23/02/11), discussing new dietary guidelines from the National Health and Medical Research Council and questioning the appropriateness of including ‘the “environmental sustainability” of certain food groups in its criteria.’

The Government’s Carbon Farming Initiative has been the focus of much recent media attention with the Institute supplying comment for: the ABC news article ‘Farmers call for help to reduce emissions’ (2/03/11); The Weekly Times articles ‘Farms’ carbon doubts’ (24/03/11) and ‘Farms in dark over carbon’ (31/03/11); the ABC Rural article ‘Carbon price still causing confusion’ (23/02/11); and ABC Online ‘Farmers call for help to reduce emissions’ (2/03/11).

The Coalition’s Direct Action policy was the subject of the ABC Lateline story ‘Scientists question Coalition’s climate change policy’. The story questioned the policy’s assumptions, ‘They’re banking on it [soil carbon] to deliver 60 per cent of their targets, up to 85 million tonnes in the year 2020.’ Institute staff provided comment, including: ‘There’s no science to indicate that it’s achievable.’

Mick Keogh supplied a letter to the editor of the The Australian Financial Review (4/03/11) titled ‘Rural carbon offsets can be used only once’ correcting an error made in the newspaper’s editorial of 2 March regarding the double counting of agricultural carbon emissions.

Out and about

Recently the Institute’s Executive Director, Mick Keogh, has spoken at:

- NSW Farmers’ Association Western Division Council Conference, Wentworth NSW
- Primary Industries Future Directions Workshop, Orange NSW
- Corporate Agriculture Group, National Farmers’ Federation
- Northern Territory Cattlemen’s Association seminar, Darwin
- GRDC Grower Update, Adelaide
- Royal Agricultural & Horticultural Society of South Australia Conference, Barossa SA
- NSW Farmers’ Association Tumbarumba and Upper Murray Branch Dinner, Tumbarumba NSW
- Australian Institute of Agricultural Science and Technology (AIAST) NSW Division Seminar and Annual Meeting, University of Western Sydney Hawkesbury Campus, NSW
- AgriFest, Stawell Victoria
- Northern Territory Cattlemen’s Association Annual Conference, Katherine NT
- Sustainable Food Summit, Melbourne

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