



from the

PRESIDENT'S DESK



THE ADVANTAGE OF COMPETITION

WHENEVER people engage in debate about the market, there is frequently an almost immediate division based on the left-right political spectrum, rather than a detailed conversation about what the market should look like and what role government should have in the marketplace.

This division comes mostly from those who have self-interest in preserving a position of power, and by those who are deliberately misinformed by them. This is no truer than in agriculture where every issue from wool production to wheat marketing becomes part of an agri-political debate between conservative and progressive farming groups.

The PGA represents progressive farmers, and is a staunch advocate for competition and fairness in all markets that affect the prices farmers receive for the grain, livestock and fibre they produce and the prices they pay for their production inputs.

In pursuit of this mission we continue to oppose statutory marketing bodies and compulsory levies, support new market entrants, fight against monopolies, work to legislate private property rights, and insist on the enforcement of anti competition laws.

Notwithstanding this, farmers continue to be gouged and short changed by anti-competitive behaviour and excessive government regulations which continues to be supported by the members of conservative farm organisations.

The members of these organisations continue to be seduced by the collective position that in agriculture "We're all in it together". Often supported by monopolies and government bureaucrats, the "agriculture industry as a whole" position ignores the fundamental fact that a united industry is in a conflict-of-interest position to farmers.

Policy makers, farmers, commodity groups and State farming organisations need to realise that industry is not allied. Defenders of industry alliances cite misleading, touchy-feely benefits, but any benefits are overwhelmed by the overall result that farmers no longer protect their interests. Corporations then lead and industry structure becomes what it is - a steamroller destroying independent agriculture.

We're not all in this together, we're competing. Farmers want to buy inputs like fuel and fertiliser low and sell their commodities high. Input agribusinesses want to sell their products high, while processors want to buy input commodities low. Competition is good.

However when agribusinesses and government succeed in getting farmers to voluntarily stop competing with them in marketplace activities, they have brilliantly stymied the natural opposition.

Those who are opposed to competition and suggest a collective whole of industry approach need to ask themselves ... "Who do we wish to benefit - farmers, corporations or government bureaucracy?"

Rob Gillam

THE PGA REPRESENTS THE INTERESTS OF FARMERS AND PASTORALISTS FROM ALL AGRICULTURAL AREAS OF WA, FROM ESPERANCE TO THE KIMBERLEY. PGA MEMBERS ARE MAJOR PRODUCERS OF AGRICULTURAL EXPORT COMMODITIES - INCLUDING GRAIN, BEEF, SHEEP AND WOOL - AND BELIEVE IN FREE TRADE, OPEN MARKETS, PROPERTY RIGHTS AND PRIVATE ENTERPRISE.

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