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AUSTRALIAN FARM ORGANIZATIONS AND AGRICULTURAL POLICY

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This paper describes the structure and operation of the Australian farm organizations and discusses their role in the formation of public policy. Comparisons are made between their activities and those of similar organizations in other countries. In the later sections of the paper there is some discussion of the process of government consultation with rural pressure groups in Australia and of the question of unification.

The Nature of Australian Farm Organizations

(a) Commodity Orientation

Perhaps the predominant characteristic of Australian farm organizations is the fact that they are, in general, commodity-based rather than representative of farmers as a vocational group. In this they contrast markedly with the National Farmers' Union in Great Britain, the American Farm Bureau Federation in the United States and major farm organizations in other countries. With the exception of the Australian Primary Producers' Union, which is a comparative newcomer, and a few special cases like the non-political Agricultural Bureaux of New South Wales and South Australia, the interests of each of the major farm organizations are restricted to a closely related group of commodities. If wheat is under discussion, one thinks automatically of the Australian Wheat Growers' Federation in the federal sphere or the United Farmers and Woolgrowers' Association in New South Wales—and similarly with other commodities and other states.

Though they are primarily commodity-oriented, it is sometimes more pertinent to regard particular organizations as being representative of regions. The geographical distribution of different types of farms means that particular commodity organizations tend to be strong in particular areas.¹ Thus the Primary Producers' Union, the N.S.W. dairymen's association, has little competition in its claims for farmers' loyalty on the North Coast of that state and the United Farmers and Woolgrowers' Association may be regarded broadly as representing farmers in the N.S.W. wheat belt. To the extent that the organizations do represent particular type-of-farming areas, they do, on occasions, tend to interest themselves in, and to make representations about commodities grown in association with the commodity which is the principal focus of their attention. Thus the Primary Producers' Union has interested itself in potatoes and the N.S.W. Graziers' Association has a committee which formulates policy on wheat. The Australian Woolgrowers' and Graziers' Council on the national plane represents pastoral commodities in the broadest sense covering wool, sheepmeat and beef.

In some instances, a single organization does not have an unrivalled place as spokesman for a particular commodity. The wool industry is the

¹ This does not mean that individual farmers in some areas do not belong to more than one farm organization. However, such overlapping of membership as exists does not destroy the validity of the generalizations made here.

classic example. Here regional or type-of-farming interests tend to loom larger than narrow commodity interests. The Australian Wool and Meat Producers' Federation, predominantly representative of the interests of sheep and wool producers on the mixed sheep-wheat properties characteristic of the Australian wheat belt, has clashed openly with the Australian Woolgrowers' and Graziers' Council in recent years on major matters of policy such as the merits of wool promotion and the necessity for reform in wool marketing procedures. Some would ascribe these factional splits to differences in the scale and economic structure of the farms represented by the two organizations concerned, but these characteristics reflect primarily differences in the type-of-farming areas from which the respective organizations' members are drawn.

It would be interesting to speculate why Australian farm organizations have developed predominantly as commodity organizations rather than as vocation-oriented institutions. Whatever the reasons, Australian agricultural policy has also developed on a commodity-basis so that rural pressure groups, governmental departmental structures and the emergent policies now tend mutually to reinforce retention of the existing set-up. Governments and government officials have well-established patterns of consultation with respect to particular commodity policies.

The Australian Primary Producers' Union, as a broadly structured vocational-type of farm organization, has experienced great difficulty in the two decades of its existence in gaining acceptance by both governments and other farm organizations as being worthy of a voice when particular commodity policy was being formulated. The delay in the establishment of the Victorian Wheat Research Committee because of disagreement about A.P.P.U. representation and the more recent endeavours of the Union to get representation on the newly-constituted Australian Meat Board and the Australian Wool Industry Conference might be cited as examples. The Union's ultimate success in the case of the Conference is perhaps a pointer for the future. At the same time, to achieve this goal it was forced to amend its constitution in such a way as to give its commodity sections greater autonomy and thus sacrifice something of its original unitary character.

(b) State Foundations

Because the division of constitutional power in 1901 left responsibility for agricultural matters with the states, it is not surprising that most of the farm organizations should have developed on a state basis, often quite independently and with different names. Indeed the origins of some of them such as the Graziers' Association of New South Wales antedate Federation.

Many of these state organizations in the earlier years of necessity directed their claims for agricultural reform almost exclusively to State Governments and more particularly to the State Departments of Agriculture. From the appearance of the first signs of Commonwealth Government interest in rural policy in the 1920's (which were prompted in part by the rural organizations themselves), the main focus of organizational pressures has moved more to the Federal level. The expansion of agricultural administration in Canberra after World War II through the medium of the Department of Commerce and Agriculture and subsequently the Departments of Trade and Primary Industry, and more particularly the growth of Federal Government subventions and assis-

tance to the rural industries has naturally been reflected in the activities of the organizations. Even so, apart from the Australian Primary Producers' Union, the organizations have not found it advantageous as yet to shift their administrative offices to the nation's capital. Indeed the strength of most of the federal commodity groups still lies in the autonomous state organizations, the federal representations being conducted primarily through federations of state organizations. These federations also still operate from state capitals; the Australian Wheat Growers' Federation from Adelaide, the Australian Dairy Farmers' Federation from Brisbane, and the Australian Woolgrowers' and Graziers' Council and the Australian Wool and Meat Producers' Federation from Sydney. It can be said in essence that the structure of the Australian farm organizations mirrors the federal structure within which the nation operates.

(c) *The Federations*

In the case of some of the federations such as the Australian Dairy Farmers' Federation, the sources of state support are clearcut. The relevant state dairymen's organizations (e.g. the Primary Producers' Union of New South Wales) send representatives to the Federation. In another instance, the Australian Woolgrowers' and Graziers' Council, several regional organizations in the same state may have representatives on the federal body (e.g. the Graziers' Association of New South Wales, the Graziers' Association of Riverina and the Pastoralists' Association of West Darling). In still other cases, particular state organizations may be affiliates of two federal commodity federations. For example, the United Farmers and Woolgrowers' Association in N.S.W. and the comparable organizations in other states are constituents of both the Australian Wheat Growers' Federation and the Australian Wool and Meat Producers' Federation.

As a form of organizational structure, the federation has strengths and weaknesses from a political standpoint, but on balance its liabilities would seem to outweigh its advantages. On the debit side is the difficulty of achieving a consensus when constituent bodies have to be consulted and the difficulty of getting such bodies to conform with federation decisions, if disagreements have been great. In extreme cases, the member association may break away from the federation and the federation thereby lose its quality of representativeness. The recent withdrawal of the Australian Woolgrowers' and Graziers' Council from the N.F.U. is an appropriate example.² On the positive side, constituent state organizations can sometimes bring seemingly independent pressure to bear at the state level particularly in cases where, as so often occurs in the Australian context, complementary federal and state legislation is necessary to

² Two major reasons were given by the A.W.G.C. for severing its connections with the N.F.U. One was financial. The President explained that "The Council believes the return by way of service for our membership fee is not commensurate with the cost" (*Sydney Morning Herald*, 30th June, 1965). The second very significant reason was an alleged divergence of economic interest between protected and unprotected primary industries. To quote the A.W.G.C. President again:— "My Council, which is responsible for protecting the interests of the unprotected wool and meat producers, has formed the view that those interests are not sufficiently consistent with producers of commodities which are mainly marketed within Australia (or which enjoy export subsidies) to warrant an undertaking by the Council to be limited in its actions by the requirements of the N.F.U. constitution" (*Muster*, 7th July, 1965.)

achieve a particular commodity policy. The Farmers and Settlers' Association of N.S.W. (a forerunner of the United Farmers and Wool-growers' Association) did this with considerable success when the wheat stabilization scheme was being formulated in the immediate post-war period.

Apart from the federally-oriented federations of commodity organizations two other forms of federation have made their appearance—both representing what might be called horizontal integration. The first is the state federation of diverse commodity groups of which the Primary Producers' Council of N.S.W. (recently renamed the N.S.W. Chamber of the National Farmers' Union) might be cited as an example. Like some of the federations described earlier the strength of these state federations has waxed and waned over the years depending on the personality of the secretary and nature of the common problems currently emerging. Given the predominantly commodity-oriented character of much of the governmental approach to agricultural policy at the state as well as at the federal level, these state federations have not operated in an environment conducive to their growth. They have on occasions lent aid to the weaker commodity groups and have attempted to come to grips with agriculture-wide problems such as drought. However it is significant that, at the present time, only three of these state federations survive, viz. those in New South Wales, South Australia and Tasmania.³

The other form of federation is represented by the National Farmers' Union of Australia—an organization which is essentially a federation of federal commodity federations. As such, it suffers from all the political disadvantages of federations in double measure. As compared with some of its constituent bodies, its secretariat is small and its political influence slight. The member associations have been at pains to ensure that it does not trespass on their traditional territory. In 1955, the retiring President of the Union was prompted to record in his annual report:

“I would like to correct a misconception held by certain people that the N.F.U. is likely to gradually usurp from existing commodity organizations the right to speak on problems directly related to their commodities. This illustrates a complete misunderstanding of the role of the N.F.U., which is to speak essentially on matters of common interest. Commodity organizations are fully protected by the constitution, which provides that if any motion comes before the N.F.U. which is domestic to the industry of a member organization, that organization can insist on the withdrawal of the motion from the N.F.U.'s consideration.”⁴

One of the chief motivations for the existence of the National Farmers' Union in the post-war period has been to provide some basis for Australian representation in the International Federation of Agricultural Producers (IFAP). However, after 1954 support for such affiliation waned, few delegates attended IFAP conferences (the expenses of most of them were met by other bodies) and eventually Australian membership of the organization was severed in 1963. It has subsequently been restored, though it is fair to say Australian support for the IFAP is still

³ Recently, a new consultative council of farm organizations has been formed in Western Australia.

⁴ *The Primary Producer*, 22nd April, 1955.

not enthusiastic. The A.P.P.U. was admitted as an independent member of IFAP in December 1964.

As in so many cases, the nature of organization leadership at a particular point in time has been a determining factor in the organization's effectiveness. The executive of the N.F.U. meets at roughly quarterly intervals. Two conferences a year are held and at these significant issues of rural policy are discussed. The organization as such is a party at the conferences of representative business groups which the Prime Minister has called at regular intervals to discuss national economic policy, though representatives of the A.P.P.U., the Australian Woolgrowers' and Graziers' Council and the Australian Wool and Meat Producers' Federation also attend.

At times the Union has issued statements on rural policy which have attracted public attention such as the one issued at the time of initiation of the agricultural expansion programme in 1952. Sir John Crawford, the Secretary of the Department of Commerce and Agriculture at the time (i.e. three years after the N.F.U.'s formation) spoke approvingly and optimistically of the work that the N.F.U. was doing,⁵ but it would seem that it has grown little in strength or influence since that time. In such areas as national wage and tariff policy where the united voice of the rural interests needs to be heard, it is primarily the stronger constituent organizations and more particularly the Australian Woolgrowers' and Graziers' Council which in the past have borne the brunt of the burden, though their spokesmen have on occasions claimed to be putting forward N.F.U. policy.

Discussions have been held in recent years in an attempt to effect some kind of union between the National Farmers' Union and the Australian Primary Producers' Union. Though progress has been reported, the proposed Australian Farmers' Federation has not yet come to fruition. On the basis of their respective organizational structures it is difficult to see an effective basis of true union between the two associations. However, the Australian Farmers' Federation, which, to all intents and purposes, would represent the existing commodity federations making up the present N.F.U. together with the A.P.P.U., may provide the basis for a much needed general farm organization in the Australian scene, more concerned with problems confronting the rural industry as a whole and less preoccupied with commodity issues. At the same time, the possibility of the establishment of the Federation was one of the reasons motivating the A.W.G.C. to withdraw from the N.F.U.

It is sometimes argued that a general farm organization is something of a pipe-dream in the context of the Australian rural industries, given the diversity of commodity organizations already in existence and their jealous resistance to any incursions on what they take to be their historical preserves. Though traditions are hard to break, it must be recognized that in other countries, with rural industries perhaps more diverse than those of Australia, vocationally-based general farm organizations have operated successfully and effectively and particular commodity groups within such organizations have benefited from the collective support of the entire organization.

An effort to bridge the gulf between the commodity organizations and

⁵ Crawford, J. G., *Australian Agricultural Policy* (Joseph Fisher Lecture), (Adelaide: Hassell Press, 1952), pp. 6 and 49.

the A.P.P.U. and thus produce a more general farm organization is also evident in some of the states. In 1966 the South Australian Wheat and Wool Growers' Association merged with the South Australian Division of the A.P.P.U. to form an organization known as the United Farmers and Graziers of South Australia. Similar moves are afoot in Victoria. In N.S.W. there is little enthusiasm for such proposals, the Secretary of the United Farmers and Woolgrowers' Association in that state being recently motivated to reiterate the theme that general farm organizations should not encroach on the territory of the established commodity organizations.⁶

The Role of Farm Organizations

(a) Government-Industry Liaison

It is now generally acknowledged in most modern democratic societies that pressure groups have a legitimate role in the shaping of public policy and indeed some civil servants would regard them as an indispensable aid to smooth administration. As Westerway has put it:

"Governments and pressure groups in societies like ours, societies with a high level of Governmental control, are in a relation of interdependence. The Governments need the groups for advice and information as well as to win consent of the governed. The groups need advance information and the chance to take the initiative in moulding the Governments' decisions."⁷

With the increased intervention of Governments in rural industries in recent decades, Australian farm organizations have been drawn more and more into the administrative process. For one thing, the producer representation on the Commonwealth commodity marketing boards is usually drawn from nominees of the relevant commodity organizations.⁸ Given the size of operations and the financial power of some of these Boards, e.g. the Wheat, Wool and Meat Boards, representatives on these boards are sometimes in a position to exert more pressure on narrow commodity questions than the industry organizations from which they are drawn.

Representatives of the farm organizations have been involved also in international negotiations in respect to the commodities in which they are interested. The intimacy of the relationship between the Government and the producer groups is colourfully revealed in the following quotation from a speech by Mr. McEwen:

". . . . What I did as Minister in charge of the negotiations was not merely to consult this body and every other organized body in Australia but actually to take to Brussels and to London with me representatives of the organized growers or producers. If they couldn't sit at

⁶ *Country Life*, 18th January, 1966.

⁷ *Sydney Morning Herald*, 15th September, 1964. Pendleton Herring expressed the same thought 30 years ago when he said: "The greater the degree of detailed and technical control the government seeks to exert over industrial and commercial concerns, the greater must be their degree of consent and active participation in the very process of regulation if regulation is to be effective or successful". (E. Pendleton Herring, *Public Administration and the Public Interest* (New York: McGraw Hill Book Co., 1936), p. 192.)

⁸ In one State, Queensland, the Primary Producers' Organization and Marketing Act, as well as providing for the constitution of state marketing boards, provides for statutory membership of certain farm organizations, e.g. the Queensland Cane Growers' Council.

the table they were in the room outside where I or my officials could nick out and have a word with them. This is a pretty good relationship between government and primary industry . . ."⁹

Farm organizations have been drawn directly into other phases of agricultural administration. In the field of price support, for instance, the Australian Dairy Farmers' Federation has been represented on such bodies as the now defunct Dairy Industry Investigation Committee and the Secretary of the Australian Wheat Growers' Federation sits on the Wheat Index Committee that reviews the guaranteed price of wheat before it is announced each December. The commodity organizations are also represented on various committees responsible for the distribution of research levies on farmers, the farmer representation being stronger on the state than the federal committees where, in the case of wheat, both exist.

The close nexus between agricultural administrators and the appropriate commodity organizations cannot be adequately appreciated simply by reference to formal representation on committees, boards, and delegations. Much informal consultation takes place between ministers, civil servants and representatives of farm organizations when particular policy proposals are under discussion and it is not always the farm organization which initiates such discussions. What is apparently disquietening to ministers and civil servants is the fact that sometimes there is more than one voice purporting to speak for an industry and some reconciliation of points of view becomes necessary. This is a matter to which I shall return later.

Though the development of a high degree of rapport between the administrator and the administered may be interpreted as a now customary concomitant of administration in a welfare state and especially in clientele departments like Agriculture or Primary Industry, there is reason to believe that the development of such close liaison in agricultural administration since the Liberal-Country Party coalition came to power in 1949 owes something to traditional Country Party philosophy. Except for a short period, the federal agricultural portfolio has been held continuously by a member of the Country Party. Obvious efforts were made in the early 'fifties to restore and develop channels of communication between industry groups and the Government, which had withered somewhat under the Labor Party's administration, and take more heed of the expressed wishes of farmers' representatives. There are several manifestations of the major tenet of the Country Party platform to which I refer, but its general implication is that those who are responsible for producing a particular primary product are the people most knowledgeable concerning it and should have the final voice in its disposition.¹⁰ A recent exposition of Country Party policy in this matter was given by the Leader of the Party, Mr. McEwen, in Parliament in November 1965, when he said:

"My attitude is that neither the Australian Country Party or its parliamentary members should decide what is the correct policy for a prim-

⁹ Address to the Annual Conference, Australian Primary Producers' Union, by the Rt. Hon. John McEwen, Canberra, October 21, 1964, p. 4.

¹⁰ Interestingly, attempts have been made to reconcile this tenet of Country Party philosophy with the economic liberalism espoused by the Liberal Party. See address by C. F. Adermann to the Annual Conference of the National Farmers' Union of Australia, Canberra, 27th October, 1960, pp. 1-2.

ary industry. It has always been the policy of my Party that those who produce, own and sell a product are the best judges of the way in which their own property should be treated. It is the function of my Party to see that the will of those who produce and own the product is carried into legislative and administrative effect

What the Cabinet stands for is what my Party stands for—the affording to primary industry of the opportunity to decide what policy it wants in respect of the marketing and disposal of its own product. This is the policy which I have always stood for, which my Party stands for and which the Government of which I am a member stands for.”¹¹

This principle is applied in particular to the operations of the marketing boards. Superficially there would appear to be very little wrong with this approach in the case of the boards, subject to some oversight where government-guaranteed finance is employed in the board's operations. However, even in such cases, it would appear on deeper reflection to be intolerable that any Government should abdicate its responsibilities to particular groups in the community when their decisions might add to Treasury commitments (say in respect of price guarantees) or run counter to or jeopardize other aspects of the Government's policy, be it internal monetary and fiscal policy or external trade and foreign policy. The controversial question of the Wheat Board's sales to Mainland China might be cited in the latter regard.

However, this philosophy implying the right of particular primary industry groups to be especially listened to and heeded in the formulation of policy is not confined to marketing board operations. Particular farm commodity groups have developed positions of privilege *vis-a-vis* the Government comparable to the position enjoyed by the Returned Servicemen's League in respect of repatriation matters.¹²

To illustrate my point, let me quote a few examples. There have been occasions in the past when farm organizations have been better informed about emerging agricultural policy than the State Departments of Agriculture, even in cases where the latter departments have a vital interest in such policy. This has occurred despite a conscious attempt by the Department of Primary Industry to keep State Departments fully informed about domestic and overseas developments that are relevant to their administration.

In the federal sphere by tradition commodity policy proposals are thoroughly discussed with representative commodity groups before they go to Cabinet whereas the first the general public hears of these proposals is when the policy has largely been crystallized as a result of two-way negotiation and the Minister enunciates it in his second reading speech in the House of Representatives. Requests for information on the proposed policy before this time by non-members of the privileged group are met with polite refusal. The revision of the wheat stabilization scheme in 1963 followed such a pattern. Under this regime, the public is uninformed and ill-prepared to register any protests and there is no opportunity for informed and considered criticism by other affected parties. It

¹¹ Commonwealth of Australia, Parliamentary Debates, 25th Parliament, 1st Session, House of Representatives, 23rd November, 1965, pp. 3044-5.

¹² See "The R.S.L.", *Current Affairs Bulletin*, Vol. 35, No. 12 (April 26, 1965), p. 187.

is easy to see in these circumstances how the public interest may be sacrificed to the advantage of sectional interests, particularly in the matter of subsidies.

The position of privilege extends to other aspects of agricultural administration. Several reports of vital interest to ordinary citizens are accessible to and indeed have been widely disseminated among farmer organizations, but are confidential so far as the public at large is concerned. I might cite one instance.¹³ The appraisal of the procedures used in assessing the cost of producing wheat which Sir John Crawford prepared in 1956 at the Prime Minister's direction was distributed freely to wheatgrower organizations, but was not available to the public. This was not a matter which was exclusively of interest to wheatgrowers. The taxpayer is entitled to have access to an expert appraisal of the basis on which the price of wheat and subsidy payments are determined.

I would not deny the right of, and indeed necessity for the Government to consult with the directly-affected parties when administrative policies touching on their interests are being formulated. But I also feel that the broader public interest should be protected. I would submit that this principle is in jeopardy when secrecy and special privilege of the kind I have described are tolerated and even encouraged. To say in defence that it is a firm tenet of the Country Party platform is irrelevant.

(b) Other Pressure Group Activities

Though the advice of Australian farm organizations on commodity problems is currently actively sought by administrators, the performance of the organizations on broader issues of public policy is most disappointing. In this regard a comparison of the resolutions of the annual conference of an Australian farm organization with those of one of the bigger overseas organizations like the American Farm Bureau Federation is very revealing. The annual resolutions of some Australian organizations still contain an assortment of items of a parochial nature equivalent to a resolution from Snake Gully branch calling for a better telephone service. The bigger, more influential organizations such as the Australian Woolgrowers' and Graziers' Council rise above their commodity interests to comment on broader issues of national economic policy such as wage and tariff policy. But they rarely, it seems to me, follow the pattern of their overseas counterparts and take the view that the Government should be informed what a significant economic group in the community thinks about such matters as monetary and fiscal policy, national development and international affairs, except in so far as the Government invites some of them in for consultation.

Reference has already been made to the yeoman service rendered to the Australian rural industries by the Australian Woolgrowers' and Graziers' Council in undertaking to represent the rural viewpoint in national wage and tariff negotiations. The A.P.P.U. in its initial years did aspire to participate also in such activities, but lost interest when its application for registration with the Arbitration Commission was refused. The graziers were thus left to carry on the fight with occasionally nominal

¹³ Other examples would be the report prepared by Personnel Administration Pty. Ltd. purporting to justify increased expenditure on wool promotion and the report prepared by the last Commonwealth Sugar Industry Committee of Enquiry.

support from other organizations.¹⁴ The significance of these activities from the farmers' standpoint may be gauged from an observation of one expert in industrial relations who has claimed that the dispute between employers and employees in the metal trades, which is the focus of the annual basic wage cases, is largely a sham dispute and that the real dispute is between Australian employers and employees on the one hand and the unsheltered primary industries on the other.¹⁵ Be that as it may, the Graziers' Associations have devoted much time and money to participation in national wage cases as well as to cases concerning awards affecting the pastoral industry directly.

In the case of that other extra-legislative institution bearing on Australian economic policy, the Tariff Board, the major representations on behalf of the primary industries over the years have been made by the Australian Woolgrowers' and Graziers' Council in cases where such representation has been relevant. Until 1960 the burden of this work was carried by the economist of the Council, who up to that date was also the tariff officer for the N.F.U. Since that date the A.W.G.C. and the N.F.U. have worked more independently, but both organizations are members of, and have worked in close collaboration with, the Australian Tariff Council (formerly the Joint Committee for Tariff Revision). Some direct influence may also be brought to bear by virtue of the fact that it is government policy to include some representatives of primary industry among the membership of the Tariff Board. However, one cannot help feeling that, apart from the A.W.G.C., Australian farm organizations, until recently at any rate, have lacked vigilance in safeguarding their interests in the matter of the protection of secondary industry.

The limited range of interest and activities of the Australian farm organizations as compared with their overseas counterparts is probably to be explained in part by their commodity-oriented bases, by restricted finances, the insularity of outlook of farmer members and, until the last decade at least, their employment of ill-equipped executive staff has also contributed to this situation. On the financial side, there is evidence of an attitude of parsimony towards any activity which does not promise direct benefits in the form of increased returns to the industry. The attitude of some organizations towards participation in the IFAP might be cited in this regard. Added to this is the fact that few Australian farm organizations have the benefit of sources of finance apart from membership subscriptions. Comparable organizations overseas often have big farm supply, insurance, or marketing co-operatives associated with them and this adds to their financial strength and stability. The United Farmers and Woolgrowers' Association is perhaps the best example of an Australian farm organization which has been able to draw some finance from an associated co-operative, the Farmers and Graziers Co-op. Co. Ltd. But, generally, the comparative weakness of farm co-operatives in this

¹⁴ Formal representation at basic wage hearings is not necessarily confined to organizations registered with the Court. The failure of the N.F.U. to appear in 1961 despite a challenge by the Prime Minister was explained in terms of lack of funds. See Presidential Address to the 1961 Annual Conference of the National Farmers' Union, p. 2.

¹⁵ Kingsley Laffer (personal communication). See also Kingsley Laffer, "Wages Policy" in Davies, A. and Serle, G. (ed.), *Policies for Progress* (Melbourne: Cheshire, 1954), pp. 88-9 and Whitehead, D. and Cockburn, M. "Shares of National Income: Some Neglected Implications", *Journal of Industrial Relations*, Vol. 5, No. 2 (October 1963), pp. 135-6.

country is a political liability. The marketing boards are not an effective substitute in this connection.

The greater strength of the secretariats of the overseas farm organizations as compared with the Australian is plainly evident. Compare for instance the secretariat of the National Farmers' Union of Australia with that of its United Kingdom namesake or the American Farm Bureau Federation.¹⁶ It is true that in the past decade some of the Australian organizations have seen that to do an effective job they must have a well-staffed and well-trained secretariat and they have shown a willingness to pay the salaries necessary to achieve this goal. Others are still trying to do, on a makeshift basis, a job which clearly requires the use of trained personnel.

The recent recruitment of a research officer for the Australian Wheat Growers' Federation, financed by the research levy rather than from membership subscriptions, is representative of an attitude which is hindering some Australian farm organizations from doing the task they could be doing to their advantage. It seems to me that research work necessary for a pressure group to do its particular job should be paid from members' subscriptions, not by tapping research funds intended to enhance the productivity of that industry. It is fantastic that an industry of the size and importance of the Australian wheat industry should attempt to conduct its pressure group activities through the employment solely of a part-time secretary, however competent that man may be. If an industry such as the wheat industry employed more trained staff, it could meet public criticism of its privileged position by reasoned argument instead of by personal abuse, the usual form of reply currently employed.

Farmers need to realize that it is historically inevitable that their industry should represent a declining sector in the economy and that this has organizational consequences. Despite last-ditch stands in the form of claims by the Country Party for the over-representation of rural electorates in the legislature, Australian farmers must accept the fact that in future they will have to rely on weight of argument rather than weight of numbers in achieving their economic and political goals.¹⁷ Strengthening the secretariats of farm organizations both financially and in some cases intellectually is a necessary first step. If farm organizations were better advised it is conceivable that we might see a more constructive adaptive attitude to change than has characterized the approach of farm organizations to some recent policy issues. There are grounds for believing that the conservative stance adopted by some organizations to closer settlement policy, to the reconstruction of dairy farms (as recommended by the Dairy Industry Committee of Enquiry) and to amendment of the wheat stabilization scheme, has often run counter to the industry's long-run interests.

(c) *Relationships between Farm Organizations and Political Parties*

It might be argued that many farmers seek to achieve their more

¹⁶ In early 1966, the headquarters establishment of the National Farmers' Union in London numbered 190. Of these positions 36 were secretarial, 59 clerical and the remaining 95 were broadly classed as professional. The American Farm Bureau Federation on the other hand had a staff of 53 professional employees and 33 clerical and secretarial workers.

¹⁷ See Campbell, K. O., "Agricultural Adjustment in a Changing Economy", *Journal of the Australian Institute of Agricultural Science*, Vol. 30, No. 3 (September, 1964), pp. 162-3.

general goals through partisan political activity rather than through the medium of their farm organizations. It is true that in Australia there is an agrarian party, the Country Party, and this situation may go some way towards promoting a dichotomy in farmers' political activities.

Geoffrey Sawer has claimed that "the Country Party has an organic relationship with farmer organizations".¹⁸ Though the sources of political and financial support for Australian political parties are shrouded in secrecy, I do not believe the ties between the political parties and the farm organizations are as close as Sawer's statement implies if by "organic" he means formal ties. His statement may have been truer of earlier days (i.e. before 1945) when for example the N.S.W. Farmers and Settlers' Association and the Graziers' Association of New South Wales had formal connections with the Country Party¹⁹ and the Wheatgrowers' Union in the same State had ties with the State Labor Party. Indeed, in the case of the Farmers and Settlers' Association, the affiliation was written into the Association's constitution, and this was originally an obstacle to amalgamation of the Association with the Wheatgrowers' Union. After appropriate constitutional changes were made, the United Farmers and Woolgrowers' Association was eventually formed.

But even if there are no significant formal ties, leaders in some of the farm organizations are also prominent in Country Party activities. This is particularly true of the Australian Woolgrowers' and Graziers' Council and its constituent organizations. There are many who believe that the various Graziers' Associations are substantial contributors to Country Party election campaign funds. It is also reported that in certain electorates the Liberal Party receives financial support from the same sources and that organizations like the United Farmers and Woolgrowers' Association continue to make donations to the Country Party. These statements are not easy to verify, but, given the overlapping interests of the personalities involved, they seem quite plausible. In short, I believe it is duplication of members and interests that gives rise to the apparently close nexus between the Country Party and the farm organizations rather than any "organic relationship".

The Drive for Unity

The Australian farm organizations in the past five years have been subjected to considerable pressure from governments to achieve greater unity. In a few instances, this has taken the form of adumbrations about the political liabilities of diverse opinion within individual industries.

The leader of the Country Party and Minister for Trade, Mr. McEwen, for instance has reiterated this theme in season and out of season. For example, addressing the Australian Primary Producers' Union in 1964 he said:

"... It's important that we who work in this field should speak with a unified voice. And I want to say the sooner primary industry in this country can speak with a more unified voice the better for the country, and certainly for Government which has to work with primary industry.

... You've just got to get a greater measure of unity within the ranks of primary industry in Australia if you are to get the best

¹⁸ Sawer, Geoffrey, *Australian Government Today* (Melbourne: Melbourne University Press, 1963), p. 56.

¹⁹ See Graham, B. D., "Graziers in Politics", *Historical Studies, Australia and New Zealand*, Vol. 8, No. 32 (May, 1959), p. 387.

advantage out of organization. And, frankly, there is nothing more tormenting for a Minister, or a government, which wishes to work with primary industry—and *bona fide* I do and my Government wishes to work *bona fide*—there's nothing more tormenting than to have conflicting advice offered to you. That ought to be sorted out before the approach is made to the government, not put on the plate of government as conflicting advice, then divesting yourself of all your authority by virtually saying to government: 'Well, here we've given you the conflicting advice; now you sort it out'. This is weakness; this is not strength."²⁰

This is the voice of a man frustrated by schism between woolgrowing interests over wool promotion and wool marketing. On occasions, Mr. McEwen has become even more blunt. For instance in 1961 he threatened:

"The national implications of woolgrowers failing to agree on promotion are reaching the proportion that growers need not be surprised or offended if they get some aid in reaching agreement".²¹

His colleague, Mr. Adermann, the Minister for Primary Industry, regularly pursues the same theme. In 1963, he explained:

"As a Minister, I have to deal with primary production problems all over the Commonwealth and this experience has reinforced my belief that closely knit primary producers' organizations, like this Council have the best chance of making their voices heard when representing the industry's interests.

It is confusing—and can even be frustrating—for a Minister to be approached by a variety of organizations claiming to represent the same industry but speaking with conflicting voices."²²

In 1965, Mr. Adermann reported to the Australian Agricultural Council:

"Another praiseworthy development in our primary industries in the post-war period has been the increasing willingness of all sections of an industry to come together and to speak with a unified voice. This makes possible closer relationship and co-operation between industries and government."²³

There has been some consolidation of organizations within particular industry groups in recent years, some of which have already been referred to. For instance, in 1960 the Australian Woolgrowers' Council merged with the Graziers' Federal Council to form the Australian Woolgrowers' and Graziers' Council. In New South Wales, the Farmers and Settlers'

²⁰ Address to the Annual Conference, Australian Primary Producers' Union, by the Rt. Hon. John McEwen, Canberra, October 21, 1964, p. 2.

²¹ *The Age*, 25th February, 1961.

²² Address by Mr. C. F. Adermann to the Annual Conference of the Queensland Council of Agriculture, Brisbane, 31st July, 1963, p. 1.

²³ Address by the Chairman, Mr. C. F. Adermann, to the Australian Agricultural Council, 8th-9th February, 1965, p. 4. See also Address by Mr. C. F. Adermann to the Annual Conference of the National Farmers' Union of Australia, Canberra, 26th October, 1960. Senior administrators of the Department of Primary Industry have also joined in these pleas for unity. Even the former Prime Minister, Sir Robert Menzies, has urged that the "views of primary producers as a whole in Australia . . . should be as far as possible, fully concerted ones." (Address to the Annual Conference of the National Farmers' Union, Canberra, 15th November, 1962.)

Association of N.S.W. united with the Wheat and Woolgrowers' Association of N.S.W. to form the United Farmers and Woolgrowers' Association. These moves were under discussion for many years and it is unlikely that Ministerial pleading had anything to do with the outcome. The negotiations for the merging of the A.P.P.U. and the N.F.U. on the other hand may have been assisted by Ministerial encouragement.

The major intra-industry conflicts in recent years have developed in the wool industry, but have not been confined to that industry.²⁴ As pointed out earlier, a divergence of interest has become evident between the organizations representing the smaller woolgrowers, who mix woolgrowing with other farming activities (particularly wheatgrowing), and the older graziers' associations which predominantly represent larger scale specialized wool-producers operating in the pastoral zone or the tableland areas. The schism may be viewed as partly historical, partly geographical, partly ideological and partly in terms of personalities involved in the leadership of the organizations. The smaller producers in general look for some degree of governmental paternalism while the larger producers favour retention of that freedom from government interference that has long characterized the industry.

In an effort to find a formula for effecting compromise on policy differences, the Philp Committee recommended the establishment of a Wool Industry Conference where 25 representatives of each of the rival factions could reach decisions on behalf of the industry under the guidance of an independent Chairman.²⁵ The situation has become more complicated now that the A.P.P.U. has been permitted to appoint five representatives to sit on the Conference. During the course of the controversy about the basis of the franchise at the 1965 referendum on wool marketing, it became evident that there was little hope of any agreement on appropriate procedures for gauging industry opinion. Some argued for the principle of one vote for each producer, others wanted the voting rights distributed according to volume of production.²⁶ On the institutional level, there have been suggestions that the present method of constituting the Wool Industry Conference should be replaced by an electoral college system or a system of election by states, thus reducing the influence of farm organizations in the industry.

Much of what happened can be interpreted as the consequences of a misguided and rather futile compulsion to achieve a unified voice in an industry. Why must there be a consensus in an industry characterized by great political, economic and geographical differences? We do not expect such miracles in the broader political scene. We should not expect them

²⁴ Other examples of intra-industry conflicts would include those in the citrus and barley industries. The defensive stand of the Sydney-based Milk Zone Dairymen's Council against the pressure by butter producers to get a footing in the more lucrative Sydney milk market might also be considered as evidence of an intra-industry conflict.

²⁵ See Commonwealth of Australia, *Report of the Wool Marketing Committee of Enquiry* (Canberra: Government Printer, 1962), pp. 128-31. The Philp Committee also seems to have been carried away by the notion that a single voice in the industry was essential when in para. 674 it spoke of the need for a "commission or board upon whose decisions the Government could confidently rely and which could speak with final authority on all matters affecting the industry". This implies to say the least a somewhat unconventional theory of government.

²⁶ See "Wool and Politics", *Current Affairs Bulletin*, Vol. 36, No. 12 (October 25, 1965), p. 188. In the wool marketing referendum every grower of ten bales of wool or more, or owner of 300 sheep was entitled to one vote.

in a large and diverse industry like the wool industry, but should rather encourage the provision of means for those with common interests to join together to promote those interests.

While it is clear that certain political advantages would accrue to primary producers if they heeded ministerial advice and achieved a monolithic organization or even a unified opinion in a particular industry, I would seriously challenge the thesis that such an arrangement is conducive to the promotion of the public interest. One can appreciate that a minister's frustrations and worries (as well as those of his advisers) might be reduced if an acceptable agreed commodity policy were submitted by a particular industry, but a reduction in the number of sleepless nights of Ministers of the Crown and civil servants is not the ultimate criterion of good government.

I would submit that the interests of the community are best protected under a pluralistic set-up where practising politicians and administrators receive advice (perhaps widely divergent advice at times) from several farm organizations.²⁷ Under such arrangements, the germs of promising suggestions for improvements in policy can be fostered rather than run the risk of being stifled or sacrificed in the interests of unity. The chances that government will retain the upper hand and the position of other groups in the community will not be eroded are infinitely greater where farmer pressure groups are divided than where a monolithic farm bloc exists. This is as true of industry organizations as it is of general farm organizations. It is merely a matter of degree.

Concluding Comments

Though I have drawn attention to what I believe to be a few unhealthy developments in the body politic touching on farm organizations, I am convinced that these organizations have an increasingly important role to play in the Australian scene in the future. Both in their own interests and in the interests of maintaining an efficient adaptive agriculture in the coming years, the majority of Australian farm organizations need to develop a broader, less parochial and more penetrating approach in their attempts to influence the course of public policy. In the past they have interpreted their role in the community altogether too narrowly. I further believe that it would be better for Australian agriculture if general vocationally-based farm organizations were given room to develop instead of being forced, as the A.P.P.U. has been, into the traditional commodity mould. The commodity organizations which have dominated the Australian scene to date, it seems to me, have tended to promote narrowness of outlook.

Two decades have now passed since the Rural Reconstruction Commission presented its final report to the Commonwealth Government. The following extract from Professor Wadham's dissenting comment on Chapter IX of that report suggests that Australian farm organizations change very slowly.

²⁷ McEwen and Adermann are not the first proponents of farm organizational unity. Franklin D. Roosevelt, for one, originally advocated such an approach during the New Deal period in the United States. But some of the distinguished administrators that served in the United States Department of Agriculture during this period have since pointed to the dangerous nature of such a power situation. See Campbell, Christiana, *The Farm Bureau and the New Deal* (Urbana: University of Illinois Press, 1962), pp. 51, 171 and 194.

“The Commission took evidence from a large number of farmers’ organizations. Certain of them were characterized by broad views and a great understanding of the problems of their industries, but these were exceptions rather than the rule. Many of the witnesses concerned lacked breadth of outlook on the real problems, and were often almost solely concerned with demanding a high price for the product, without thought as to the efficiency of the producers or the fact that they have responsibilities as well as rights and that they are part of the national economic structure.”²⁸

²⁸ Commonwealth of Australia, *Commercial Policy in Relation to Agriculture* (Tenth Report of the Rural Reconstruction Commission) (Canberra, 1946), p. 237.