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**farm  
policy**

AGRICULTURAL DECISION MAKING

FARMING, POLITICS AND PLANNING

# Agricultural Decision Making

FARMING, POLITICS AND PLANNING

Proceedings of a national conference  
held at the Subiaco City Hall,  
Perth, Western Australia  
July 19th and 20th, 1973

Editor B. R. MARTIN

# Opening address

SIR BASIL E. EMBRY

IT is a great privilege for me to be asked to open this Conference to discuss Agricultural Decision Making.

Such a conference in my judgement is long overdue because our industry has got itself into considerable trouble either through making wrong decisions or perhaps more often through making no decisions.

Broadly speaking this I believe to be the fundamental and underlying cause of the sickness which has beset certain segments of rural industry over the last few years.

Yes I believe wrong decision or lack of decisive action is the basic cause of the many difficulties with which the Industry has had to contend recently. Therefore the Merredin Zone of the Farmers' Union deserves our congratulations and thanks for making such a wise and correct diagnosis of the disease from which our industry has been suffering and in putting forward the idea that his conference on agricultural decision making at this high level should take place and also in helping to plan it.

The University of Western Australia has of course played a tremendously important part in planning this conference and will continue to carry the burden for its successful conduct over the next two days and therefore deserve our grateful thanks and we are indeed fortunate to have the assistance of some very eminent and outstanding authorities who will address this Conference. They include the Minister for Primary Industry, Senator Wriedt, the Minister for Primary Industry in the last Government, Mr. Sinclair, Mr. Robert Whan, well known to most of us, Mr. Ronald Anderson, that well known writer

and critic on agricultural matters, our own Minister for Agriculture, Mr. Evans, who during his time in office has demonstrated his thorough grasp of our agricultural problems . . . , our old friend Dr. Schapper.

Well you have all the names on your programme so I hope those who I have not specifically mentioned by name will forgive me. But I can assure them and those I have mentioned how grateful we are to them for finding time in a busy life to be with us and contributing to this Conference.

I welcome you all and extend our gratitude. We are also grateful to our State Government for their generous financial grant and which indeed made possible this Conference.

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## FARMER ORGANISATIONS

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Those who initiated this conference are particularly keen to know more about the interaction between economic factors and political considerations in decision making for Agricultural policy and that we should examine in depth the effectiveness of farmers and their organisations as political pressure groups.

It was with this idea in mind that the speakers have been specially selected for their expertise in the field of either politics or economics.

If this conference is to bear fruit we must be prepared to pull no punches and say exactly what we think. Of course, there will be differences of opinion but it would be a dull affair if there were not. So long as opinion originates from complete knowledge of the subject and not

just loose speculation or emotion that is the important thing.

Ladies and Gentlemen you will hear many words of wisdom but you are not bound to agree with all the experts tell you, just because they are experts, but we should not dismiss what they have to tell us too lightly. It is the complete problem we have to examine and examine in depth.

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## USE OF EXPERTS

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I have had the good fortune to work fairly closely with scientists and experts in various fields over many years. I venture to suggest that when there is a difference of opinion between the expert and the practical user, or what I term the sharp end, it nearly always springs from lack of a proper appreciation of the scientific advantage of an idea by the user or ignorance by the expert about what goes on at the sharp end. Frank discussion at conferences such as this one can help to bridge the gap between theory and practice. When the gap is properly bridged it is possible to make a decision and the right one. When it is not bridged indecision or wrong decision follows. I do think it is important that neither the expert nor the representatives of the sharp end should express authoritative opinion in some important issue without complete, right across the board, knowledge of the subject. Remember opinion perhaps too emphatically expressed is a powerful weapon and should be used with discretion. After all opinion crucified Christ, to quote a Russian proverb.

I am now going to drop my guard intentionally and express an opinion on farmers and farmer organisations. I think it is important not to be reticent on the subject and I won't be.

I have not been a farmer all my life, only for the last sixteen years. Of course, some will straight away say, "well you're

not a farmer", because I have heard farmers say, "no man is a farmer until the second or third generation." My reply would be: "message received—perhaps that is part of the trouble with the Industry today." Too often one is inclined to look on the rural industry as a single entity; a nice compact organisation subject to standard rules and ideas and operated by a recognised type of person, whom we call a farmer.

Whereas in reality rural industry is no more than a conglomeration of many different interests, the only single denominator being their production originates from the soil.

There is little similarity or affinity for example between the sugar grower in Queensland and the whole milk producer in the South West of this State. Their only common interest is they both seek a living from the land.

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## PIONEERS

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A figure of slightly less than eight per cent of the Australian population live on farms; and it would, I suppose, be reasonable to assume that there would be approximately two hundred thousand to a quarter of a million Australian farmers who, with their families, would number about a million. It would not be correct to suggest that rural industry is represented by a group of two hundred thousand to a quarter of a million farmers. Rural industry is made up of a quarter of a million farmers and the common characteristic which stands out above all others is that they are great individualists. The average Australian farmer possesses tremendous initiative, determination, stubbornness and he cannot be easily persuaded to change his ideas engrained in him from youth.

If one studies the history of the development of Australia one is bound to be moved by the courage and resolution of

the early pioneers, particularly their wives. Those same qualities have been passed on to many farmers today either by heritage or tradition. Another fine quality of the farmer is he is ever willing to help his neighbour who may be in trouble through illness or misfortune.

The ranks of the farming world possess men of high educational standards, great ability, imagination and knowledge of the outside world.

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### EFFECTIVENESS

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These men understand the machinery of Government and keep abreast of economic trends and technological change. On the other hand our ranks also include many, who through no fault of their own, have an educational standard no higher than the Primary level. Who perhaps are unable to grasp the full significance of the tremendous technological and other changes taking place, with gathering momentum, today. Men who do not understand the machinery of Government—how and why things are done and why they are not. Men who do not appreciate that, individually, little will be achieved and it is only by close co-operation with others that the voice of rural industry will be heard. In other words, men of limited horizon. We also have men in our ranks, far too many, who selfishly belong to no farming organisation, refusing to contribute their share but only too willing to accept any advantages which may accrue or be won by farming organisations. Many farmers lack self discipline and cannot be relied on to demonstrate their loyalty to any organisation when the chips are down if the issue involved should in any way affect their pockets. These are perhaps hard words but I believe they should be said if we are to put right those things which are wrong.

So I turn to farmers' organisations. Straight away I make the sweeping statement that in my judgement they are not

effective enough and this view is I think shared by those who initiated this conference. Firstly lack of unity within the industry is I believe having a catastrophic influence on agricultural decision making. There are today, including the splinter and breakaway groups, over a thousand organisations representing the affairs of rural industry in Australia. How can any Government, industrial or commercial undertaking take us seriously. Over a thousand pulling in every direction, quarrelling with each other, arguing over small and other trivial matters, while failing to realise that if we acted as a unified body, speaking with a single voice, it would be in the best interests of the industry.

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### UNITY

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Issues between certain of our organisations have only arisen because we have failed to come to grips with the basic problems of our industry. I give as an example the differences of opinion over the advantages and disadvantages of statutory marketing under the control of Commodity Boards as compared with free enterprise. This issue would never have arisen if our organisations had come to grips with marketing problems. I am not suggesting that the thousand organisations and splinter groups should merge into one huge organisation, but I do believe it would be possible to unify into one representative body in each State and then come together as a Federal Agricultural Council to deal with the broad problems of the industry. It is lack of self discipline and of a sense of responsibility which gives birth to splinter groups and quarrelling between the principle organisations. We should try to put it right.

Secondly I believe our organisations, or at least the one I am closely associated with, tends to be democratic by adhering to a policy that every member should share in decision making. This means it is almost impossible to implement correct

action at the right time. Furthermore rigid and inflexible interpretation of every facet of the constitution assumes greater importance when achieving the objectives of the organisation and at times hinders sensible and efficient management. Also referring to the same organisation because of its constitution it may not deal in marketing yet, weakness in our marketing is the underlying factor in our agricultural problems today.

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## LEADERSHIP

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Thirdly I believe we should give serious thought to the standard of our leadership in rural industry. I am the first to pay tribute to those who over the years have given their services to the industry willingly and without thought of reward, but times have changed today and we have moved into a highly professional era. I would suggest that some of our leaders are not of high enough ability, because they lack experience in public affairs and training in other fields, and do not therefore fully understand today's problems in rural industry. These demand a thorough knowledge of administration, organisation, political knowhow, the basic principles of economics, marketing, international relationship and the working methods of Government. Of course, there are farmers who possess all those qualities, but so often they won't come forward to serve because they feel frustrated by the methods and philosophy of the existing organisations. Also there is always the question of having the time to give. There is another factor which has, I believe, reflected adversely on the performance of farm organisations and stopped younger and able men coming forward. It is that some leaders have remained in office too long, and I suggest organisations would be well advised to give thought to this suggestion. I have come to the conclusion that if farming organisations are to be fully effective, consideration should be

given to organising them on business lines and employing highly qualified professionals to run them.

Today in agricultural decision making Government is receiving the advice of agricultural economists and other experts. I believe our farming organisations have got to match them in knowledge and ability or we will not get our ideas across. Without in any way wishing to criticise or disparage the economists and experts I would like to refer back to my earlier remarks when I stressed the importance of bridging the gap between theory and practice.

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## MARKETING

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Before concluding I would like to make a few remarks on marketing. Not long ago some of our economists were saying half a million bales of wool should be thrown into the sea. Others were saying eighty to ninety thousand farmers should leave the land because of over-production. The trouble, in my judgement, has never been over-production but the failure in the field of marketing. The Australian farmer over the years has been a great producer of food, but never had to worry about marketing. Now we have to worry about it; and it is a highly professional business requiring expertise of a high order. Through lack of aggression, imagination, marketing knowhow and a well thought out marketing strategy, we have been losing ground.

In consequence the farmer, like a drowning man clinging to a straw, has turned to the idea of statutory boards to control marketing. I believe this bureaucratic interference in the marketing of our produce will be a lethal blow to the development of our markets, and gradually we will be forced from the ring of international markets.

Statutory marketing boards eliminate competition and create a monopoly, which to me is detestable. So once you eliminate

competition the edge of marketing is blunted. Furthermore if you allow Government interference with marketing (which they have a perfect right to do if we call on Government to underwrite our sales and guarantee prices) we must expect the Government to nominate board representatives and, in the end, control production and our farming activities. There is also the danger that our marketing policy will be open to political manipulation to the detriment of the farmer. I

am the first to admit that we have had too many middle men in our marketing chain sharing off the farmer's profit. We have got to overcome that weakness.

It could be done by co-operative marketing which attains all the advantages of free enterprise and eliminates the disadvantages from which we have suffered. With co-operative marketing you have the best of both worlds.

It now gives me much pleasure to declare open this conference.