



# Newsletter

April - May 2003

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## Agriculture 2003: we know where we want it to be, but it's just so hard to budge it!

Be among the first to hear how agriculture and regional NSW will fare in this year's federal budget by joining us — and our Corporate Members of the Month, KPMG and NSW Farmers' Association — for a briefing over breakfast at 7:30am for 8:00am on Wednesday May 14 at the All Seasons Premier Menzies Hotel.

Hear the analysis direct from the Minister for Agriculture, Fisheries and Forestry, the Hon. Warren Truss MP.

In his fifth successive year as Minister, Mr Truss has attended Farm Writers' post-budget breakfast briefings in almost all of those years.

At this year's briefing, we hope to hear about Minister Truss's objectives — and how they will be funded this year.

But with an increasing war bill and the drought putting considerable pressure on the budget, just what can agriculture expect? Will the Government be in a position to rise to the challenges facing agriculture or will this be another year of marking time because funds are directed elsewhere?

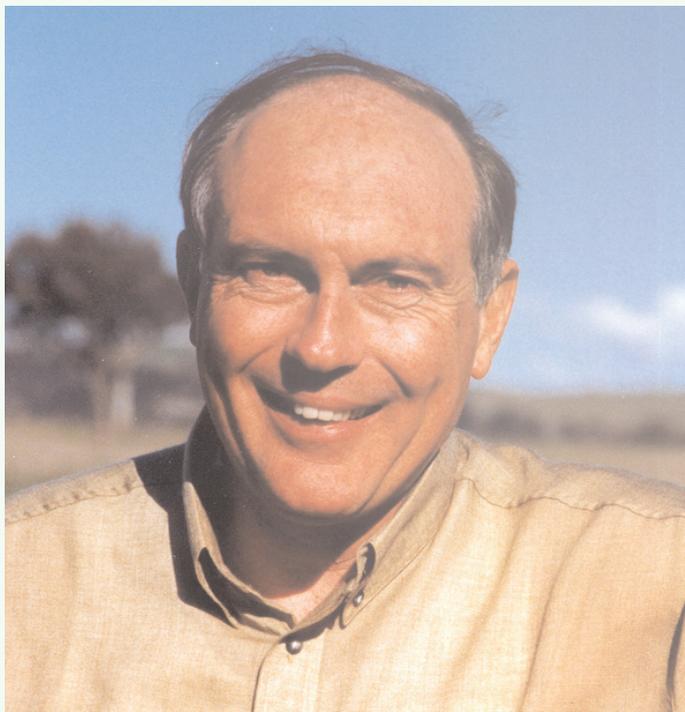
Will this be the year that the Federal Government leads the way on 'stewardship' payments or will farmers continue to bear alone the burden of the community's aspirations for conservation? Or in improving Australia's approach to exceptional climatic events? Many would say, "not likely".

The Treasurer warned in March we should expect the surplus in next month's budget to be wafer-thin. Then earlier this month the Prime Minister indicated that delivering a surplus remained an objective that would put paid to other worthy aims when he announced the family and work package would not be in this year's budget.

The focus for agriculture and regional Australia will clearly be the drought. But with allocations to drought relief rapidly approaching \$1 billion, will anything else be funded? And when the drought breaks? Minister Truss recently hinted at a further round of funding for farmers, especially those in newly declared EC areas, to take advantage of the opportunity the drought provides for pest animal control.

Hear about this and more over breakfast on Wednesday 14 May.

A third generation grain farmer from the Kumbia district, Warren Truss entered Federal Parliament in March 1990, as a National Party member representing the electorate of Wide Bay in south-eastern Queensland. (Continued over page).



**Hear Warren Truss tell us what's REALLY in the budget and the year ahead for agriculture and rural Australia**

**Register early and on-line for Wednesday 14 May's post budget breakfast with Warren Truss**

**Corporate 'Members of the Month': KPMG and NSW Farmers' Association**

**Venue:** The **ALL SEASONS PREMIER MENZIES HOTEL** 14 Carrington Street, Sydney.

**When:** 7:30am (sharp!) for 8:00am: Wednesday, 14 May, 2003

**Cost:** \$50 per head, or voucher

**Register:** On-line before 5:00pm, Monday 12 May at [www.nswfarmwriters.org](http://www.nswfarmwriters.org). Or through Australian Honey Bee Industry Council's Laurel Pickering: [ahbic@honeybee.org.au](mailto:ahbic@honeybee.org.au) Phone: 02 9221 0911 or Fax: 02 9221 0922

**Late cancellations:** Phone Jamie Graham (0418 479 434) or Amy Lawrence (02 8204 3857)

## McLachlan reveals past AWI problems and promises to get things back on track

Our guest speaker for the March meeting, Australian Wool Innovations chairman, Ian McLachlan, lived up to the promise of making an arresting presentation.

Mr McLachlan, who led a successful challenge last year to overthrow the previous board of AWI because of concern about corporate governance, gave an outline of what had been discovered about how the previous board operated.

He said the finance and audit committee had engaged Price Waterhouse Coopers to conduct a review.

They found that, as at December 2002, there were about 50 projects worth about \$20 million on AWI books without formal completed contracts in place.

On many of these projects some level of initial payment had been made in advance despite the lack of a contract.

He claimed the audit committee had also found that in one case an unsecured advance payment of about \$500,000 had been made to a single person business.

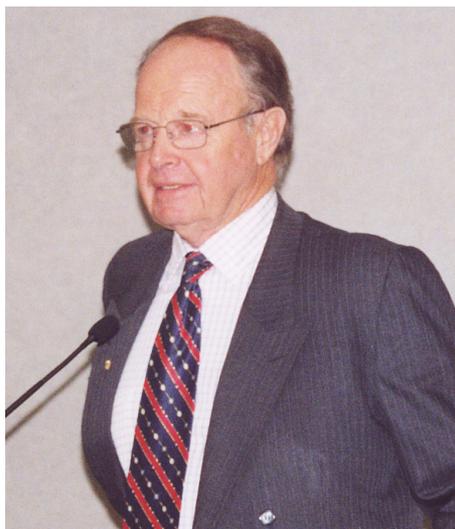
The new board considered this was leaving AWI exposed to many downstream disputes, with some unresolved issues mainly about who would own the intellectual property rights for projects paid for by AWI.

Mr McLachlan made it clear the new board had moved to rectify these problems. For example it now made no advances to researchers before formal contract had been signed.

Previous chairperson, Maree McCaskill, has since vigorously denied any wrong doing by her board.

Mr McLachlan also paid attention to the vote woolgrowers will have late this year on what level of research and promotion levies they should pay in future.

He implied those already making suggestions

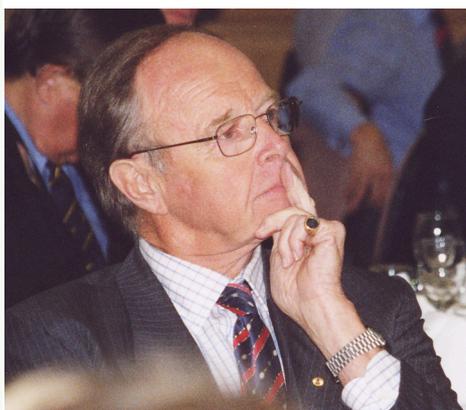


**McLachlan speaks out: "And one of the first things we're going to do is fund research into why some photographers make me see ... sorry ... make my eyes look red!"**

about what the levy should be were a little premature, considering AWI itself was some way off reaching any conclusion.

He outlined an independent process for arriving at a series of recommendations via a poll panel. The proposals would not be subject to AWI approval.

But he warned the current board did not believe its present level of activity could be sustained in the foreseeable future on earnings from commercialisation of the project alone, that is from royalties, dividends and licence fees.



**"I really wonder if I should be telling them all this stuff?"**

## Truss for breakfast.

(Continued from page 1)

Mr Truss was first appointed to the Howard/Fischer Coalition Ministry in October 1997 as the Minister for Customs and Consumer Affairs and the Deputy Leader of the House of Representatives.

Before the 1996 election of the Coalition parties, Mr Truss had served as the Shadow Minister for Consumer Affairs.

In October 1998 Mr Truss was appointed Minister for Community Services, a position he held until the retirement of Deputy Prime Minister Tim Fischer in 1999 when he was promoted to Cabinet and the Agriculture portfolio.

Before entering Parliament, Mr Truss was a councillor on Kingaroy Shire from 1976 to 1990, including seven years as Mayor. Mr Truss has also served as president of the Burnett District Local Government Association and Chairman of the Fraser Coast - South Burnett Regional Tourism Board. He was a member of the State Council of the Queensland Graingrowers Association and served as Deputy Chairman of the Queensland Grain Handling Authority.

Mr Truss is a former State and National President of Rural Youth.

## War talk

Members might be interested in a lunch time meeting of the Economic Society of Australia in Sydney on June 4 where Jeff Schubert of Australian Business Ltd will speak on the economic consequences of the war in Iraq. It's at 12:30pm, on level 24, Governor Macquarie Tower, 1 Farrer Place, Sydney.

## Agriculture Today

Corporate members for March were KPMG and NSW Agriculture. Farm Writers' committee member and publicity person for NSW Agriculture, Ron Aggs, arranged copies of 'Agriculture Today' to be available at the March 28 lunch meeting. This publication, in a newspaper style and printed in conjunction with Rural Press Ltd, gives a readable summary of the latest in NSW Agriculture research.

## Expressions of interest please

Farm Writers' has called for applications from members interested in attending the annual world congress of the International Federation of Agricultural Journalists in Waneningen, The Netherlands (18 - 24 June).

Places are filling fast so you'll have to be quick. Farm Writers' is willing to subsidise the expenses of the chosen delegate by up to \$3500. Members who receive this assistance will have to prepare a written report for the association's website and make a presentation to a monthly committee meeting. Optional tours include one looking at the operations of the European Union in Brussels.

**Applications must be in by noon, 17 April.** Send them to Susan Madden, Secretary, NSW Farm Writers' Association, C/- Hassall and Associates, L4, Phillip St, Sydney, NSW, 2001, or fax on (02) 9241 5684 or email to smadden@hassall.com.au.

## Mark your diaries for 30 May

As well as the traditional post-budget breakfast on Wed 14 May, we will be holding another special luncheon seminar on 30 May. Not sure what or who yet but stay tuned!