



Newsletter

April 2008

Farm Writers' Association of NSW Inc
GPO Box 1108 Sydney NSW 2001
Website: www.nswfarmwriters.org

Can grain get any better than this ?

With Australian Crop Forecasters predicting price signals will lead to a 27 million tonne record wheat crop, weather permitting, all eyes are turning to price estimates up to and beyond the 2008-09 harvest.

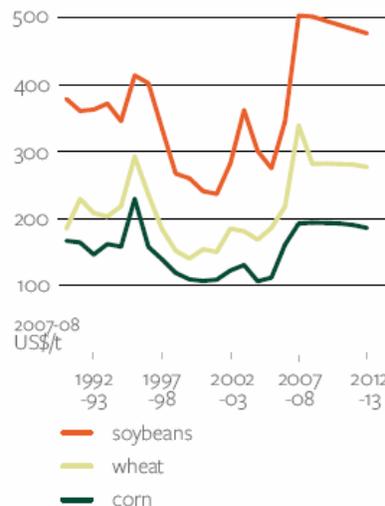
ProFarmer's managing director Richard Koch has made a career out of analysing global grain markets and helping growers and agribusinesses manage and profit from price shifts.

With the 2008-09 winter crop about to go in the ground, Richard will be the guest speaker at the April Farm Writers' lunch.

Richard will attempt to answer some big questions:

- Are the days of cheap grain over?
- Will grain growers be agriculture's 'nouveau riche'?
- What is the impact of high grain prices on Australian agriculture?
- How long will the high prices last and what will that mean for farm profitability?
- Will high prices be 'cancelled out' by rollicking input prices?
- What does this mean for our livestock industries?
- How will wheat export market deregulation change the landscape?

world grain and oilseed prices



Source: ABARE Australian Commodities, March 2008

ProFarmer has over 2,000 individual grower subscribers throughout Australia, corporate relationships with over 300 Australian agribusinesses, on-the-ground presence in every major grain-growing region of Australia, and a formal international network through ProFarmer Canada and US ProFarmer.

Richard has over 10 years' experience as an agricultural commodity analyst. He is a licensed futures adviser, runs risk management training and edits the ProFarmer newsletter.



Profarmer's Richard Koch

Join our corporate members of the month GHD Hassall to hear Richard Koch's thoughts on the commodity market outlook on **Thursday, April 24.**

To get your book of 6 (\$360) or 12 (\$720) vouchers contact Richard.Hincks@rabobank.com

To book your place for lunch go to our website: www.nswfarmwriters.org/BOOKINGS.htm

Register early and online for the Thursday, April 24 lunch. Please note the booking deadline of **5pm Friday April 18.** The seminar is on a **Thursday** with Anzac Day being commemorated on Friday April 25.

- Venue:** The Menzies Hotel, 14 Carrington St, Sydney
- When:** **Thursday, April 24 2008 at 12.00 pm for 12.30 pm**
- Cost:** \$60 per head, or voucher, for members. \$70 per head for all non-members
- Register:** **BEFORE 5:00pm on Friday April 18 2008**
online: www.nswfarmwriters.org, email: bookings@nswfarmwriters.org

Reminder: If bookings are not cancelled by the deadline, the person making the booking will be invoiced. We will do our best to accommodate late bookings and cancellations – please phone Stuart Hutton (02) 9338 2626

Food vs Fuel – Where is agriculture’s future?

The Farm Writers’ March meeting saw a panel tackling the issue of biofuels and their effect on the economy as well as the environment.

Moderated by ABC’s Michael Condon, Rob Gordon, Executive Director of Renewable Fuels Australia; Jim Cudmore, Vice President of the Australian Lot Feeders Association; and Ingrid Richardson, Senior Analyst with Rabobank, the panel debated the food versus fuel impact of biofuels.

Rob Gordon believes biofuels are a viable alternative energy, with demonstrated success in Brazil and the US. He cited increased demand for high protein foods and adverse weather events as being mainly responsible for high grain prices in Australia, claiming that the current biofuels industry was too small to have a noticeable impact on grain demand.

Ingrid Richardson agreed that drought and increased consumption demand were contributing factors, but that a totally new form of demand – quoting 25 per cent of the US corn crop going into biofuels in 2007 – must have an impact on global prices, with a large flow-on impact on Australian grain prices.

Jim Cudmore explained that pro-biofuel government policies in Australia and globally were distorting the world grain market. He said there was a fundamental problem converting feed into fuel when the world is already suffering food shortages.

While all agreed drought and growth in food demand had contributed to high grain prices, both Ingrid and Jim stood firm in their belief that biofuels were a major contributing factor.

Interestingly, Ingrid cited studies in the US indicating there may be little or no net environmental benefits from using biofuels, and that if 100 per cent of the grain produced in the world was converted to biofuel, this would only meet 40 per cent of the world’s energy needs.

Rob strongly disagreed with Ingrid’s view, and argued there is a major use for biofuels in reducing greenhouse gas emissions, and that feedlots should look at incorporating biofuel plants into their sites to utilise grain by-products.

While conceding biofuel by-products have some use in the feedlot industry, Jim stood firm that we should not be turning grain into fuel, especially with global human food shortages emerging as a real issue. He said taking food out of the supply chain was unsustainable.

Jim argued the biofuels industry should not be subsidised and instead left to stand, or fall, on its own economic merits. Rob countered by pointing to the amount of support the petroleum industry accesses in the form of government assistance.

Ingrid said the only case for pro-biofuel subsidies were on rural development grounds, because the energy security and environmental arguments did not stack up.

Australian Star Prize for Rural Photography- Represent Australia !

Photographers, get your entry for the NSW leg of the Australian Star Prize for Rural Photography in by **Monday 21 April**.

Australian winners are selected from State finalists and go on to represent Australia in the 2008 International Federation of Agricultural Journalists Star Prize for Agricultural Photography. Details at www.nswfarmwriters.org

2008 Star Prize for Rural Writing Closes April 30

Farm Writers’ members have the opportunity to be off to Europe as Australia’s entrant in the 2008 Star Prize for rural writing contest run by the International Federation of Agriculture Journalists (IFAJ).

The Association will provide the NSW finalist financial assistance to the value of \$5,000 to attend the IFAJ Congress by covering their registration including accommodation, meals and transport within Austria and Slovenia and contributing towards the cost of the airfare.

Judges are looking for the best piece of writing on a subject of broad agricultural interest published during 2007. The article considered the best in the state and territory will be entered as the NSW & ACT finalist in a national contest to find Australia’s entry for the international Star Prize.

The 2008 Star Prize will be presented at the IFAJ World Congress to be held in Austria/Slovenia during September. Australia’s entry will be selected from five state finalists.

Last year’s NSW winner was Armidale based journalist Matthew Cawood who attended the 2007 Congress in Japan.

John Deere sponsors the award both internationally and in Australia. The national prize is \$1,000 and a certificate presented in the winner’s home state (in addition to the \$5,000 NSW prize).

Entries for the 2008 award close on April 30. Details at www.nswfarmwriters.org

If you could listen to Farm Writers online...

We had zero response to our suggestion last month that Farm Writers’ presentations be made available online as an audio file. We will stick to written copies of speeches on the website.

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