

Monday 7 December 2015

Australian Agriculture, Premium Markets or Productivity

The John Ralph Essay Competition is an annual essay competition organised by the Australian Farm Institute, which is named in recognition of the wonderful contribution made to the Institute by its founding chairman, John Ralph. Each year, the Institute sets a topic for the essay and awards two prizes; one for entries in the Open category, and a second Novice category for entries submitted by authors 25 years of age or under.

The Summer 2015 edition of the *Farm Policy Journal* contains the two winning entries for the 2015 competition, plus a selection of other meritorious entries. The Institute received a total of 60 entries in the competition this year, spread evenly between the Open and Novice categories. The three judges, who had the daunting task of reading all the anonymised entries, found the task of selecting the two winners particularly challenging this year.

The topic of the essay competition this year was: 'Australian agriculture should forget about the pursuit of productivity, and instead focus on premium markets.'

'The winning essay in the Open category was submitted by Tim Byrne. He states that the only way to sustain premium prices over the longer term is to produce goods that are valued by markets, are rare, are difficult to imitate, and which a business has the resources to consistently produce. Byrne argues that few farm businesses meet these requirements, particularly over the longer term.'

'While Australian agricultural products have on occasions enjoyed premium prices in global markets it is very difficult to sustain these premiums in the face of competition from other agricultural exporters or substitute products. Byrne argues that instead the focus should be on productivity, and in particular on developing a new model of agricultural extension in order to foster faster adoption of innovations and hence productivity growth in Australian agriculture,' said Mick Keogh, Executive Director of the Australian Farm Institute.

'The winning entry in the Novice category was submitted by Alexandra Grigg. She argues that the pursuit of productivity has resulted in some of the worst excesses of the United States agriculture sector, where livestock are produced in very large intensive feeding facilities, which have negative impacts on the welfare of the animals, the natural environment and the health of those consuming the food. She contrasts this with Australian pasture-fed cattle, sheep and dairy production systems, which are much more environmentally friendly, resulting in better animal welfare outcomes, and products that are more appealing to wealthy consumers.'

Articles included in the Summer 2015 Journal:

- 'Premiums or Progress: Should Australian Agriculture Abandon its Productivity Focus and Instead Focus on the Bright Lights of Premium Markets?', by Tim Byrne - Winner, John Ralph Essay Competition, Open Category
- 'Premium Profits or Productivity Pitfalls? The Next Step for Australian Agriculture', by Alexandra Grigg - Winner, John Ralph Essay Competition, Novice Category

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MEDIA RELEASE

Monday 7 December 2015

Australian Agriculture, Premium Markets or Productivity (continued)

- 'Australian Agriculture Should Forget About the Pursuit of Productivity, and Instead Focus on Premium Markets', by Lucy Knight - Runner-up, John Ralph Essay Competition, Open Category
- 'Premium Agricultural Products: All Tip and No Iceberg', by Patricia Vagg
- 'Taking Care of Business: Productivity Gains and Premium Markets' by David Thompson

The Summer 2015 quarter *Farm Policy Journal* is available online at the Australian Farm Institute website www.farminstitute.org.au or by phoning (02) 9690 1388.

Ends

The essays' authors are available for interview or comment. Please contact the Institute for details, by phone: (02) 9690 1388 or email: info@farminstitute.org.au