CHAPTER EIGHT

SPEAKING WITH ONE VOICE OR TWO?

INTRODUCTION  On July 19, 1979, the commodity councils of the National Farmers' Federation met in Canberra to elect their executives and their nominees to sit with state farm organisation representatives on the NFF Council. The following day the NFF met for the first time and elected its executive. What those elections showed was that the dream of farmer unity in Australia was, as yet, not fully achieved. Farmers and graziers competed actively for executive places, as they had done earlier for positions on statutory marketing boards and advisory committees. It was as if they could not help themselves, and old habits died hard despite the two groups amalgamating in four states. However, once again the graziers demonstrated a clearer long term vision of how the new national pressure group should operate and were prepared to forego some symbols of power (elected positions) in return for effective power (their former staff in top positions on the NFF secretariat and commodity councils).

The zeal of some leading graziers for a deregulated economy, while disturbing some of their farmer colleagues in the NFF, caused a serious rift in relations with the Hawke Labor Government. This meant that the "one voice" of Australian agriculture was not being heard where it mattered most. The NFF demonstrated in the mid-1980s that pressure groups which turn into ideological crusaders can put their credibility at risk and alienate the people they are supposed to influence on behalf of all their members, some of whom may not share their ideology.

THE FIRST ELECTIONS

The print media saw the NFF elections as a farmer-grazier contest. Reporting on the commodity council elections, the Melbourne Age headlined its story "Small Farmers Take Power in New Body" and quoted the former AWGC executive officer and then NFF deputy director, David Trebeck, saying he was "greatly surprised" at the voting results. He did not want to dwell solely on the immediate
implications of the vote because he "might get too depressed".\textsuperscript{1} \textit{The Canberra Times}, under the headline "Federation Sweeps Council Election", stated that the AWMPF appeared to have made a clean sweep of the top positions on the councils. The next day, the same newspaper reported that Western Australian dairy farmer, Don Eickersley, defeated grazier, Ian McLachlan, in the ballot to become the first NFF president.\textsuperscript{2} The specialised rural weekly, \textit{Stock Journal}, ran the headline "Graziers, Farmers Battle It Out But NFF Is Launched."\textsuperscript{3} \textit{The Bulletin} declared "The Farmers March Left" with its columnist 'Kenneth Graham' (the former NSW Graziers' Association economist, Ken Baxter) reporting that AWMPF officials had privately told him that they had "tied up deals" for the elections to the wool and cattle councils.\textsuperscript{4} This indicated a determination to get their own people elected rather than necessarily the best people.

McLachlan said the AWGC wanted a presidential candidate and asked him to stand, but that his defeat by Eickersley was the "last of the farmer-grazier conflicts".\textsuperscript{5} However, McLachlan's view has been challenged by the fifth NFF president, Graham Blight, who saw farmer-grazers differences over the pace of economic deregulation a cause of concern within the NFF for some years. There will be more about this later in this chapter. Eickersley supports McLachlan's view that the first election was the last fight, stating that he won the ballot because he had the support of the majority of primary producers in NSW, Victoria, South Australia and his home state of Western Australia.\textsuperscript{6} Eickersley won, not just on his popularity but because the farmers, like himself, outnumbered the graziers in positions of power on the state organisations which nominated delegates to the NFF.

\textsuperscript{1}July 20, 1979.
\textsuperscript{2}July 20 and 21, 1979.
\textsuperscript{3}July 26, 1979.
\textsuperscript{4}August 7, 1979.
\textsuperscript{5}Interview, Canberra, February 2, 1994.
\textsuperscript{6}Telephone interview, February 5, 1994.
In NSW it had been common to call members of the Graziers'
Association "grazers" and those of UFWA "farmers", but this was
despite the fact that many graziers grew crops and many farmers
were heavily dependent on woolgrowing for their livelihoods. The
names applied reflected social, educational and property size
differences as well as divergent views on the marketing of primary
products. After the two groups united in 1978 the new
organisation, the Livestock and Grain Producers' Association, may
have brought farmers and graziers under the one roof, but many
acted true to their old labels. This would have been also true in
Victoria, South Australia and Tasmania where farmers and graziers
amalgamated.

In Queensland, the Cattlemen's Union was comprised of graziers
who were adherents of the marketing philosophy of farmers in
their obsession with price controls and government intervention in
their industry. As mentioned in the previous chapter, the Union
saw its prospective allies within the NFF as not the graziers of the
AWGC but the farmers of the AWMPF, who they hoped would join
them within the Cattle Council in a quest for beef stabilisation. The
dairyfarmers, ricegrowers, sugar growers, tobacco farmers and
horticulturalists who joined the NFF in various grades of
membership and with various degrees of voting rights, were
"farmers" and likely to support farmers in leadership ballots. This
would have been especially true for those, like sugar and tobacco
growers, who were in heavily protected industries. With hindsight,
it seems surprising that graziers were caught off guard by the
election victories by the farmers. The numbers were stacked
against them.

The fiercest contest was for the leadership of the Wool Council of
Australia. The two sides had fought over wool marketing for most
of this century with farmers, who demanded a reserve price for
wool, breaking away from the grazier-dominated Australian
Woolgrowers' Council (later the AWGC) in 1939 to form the
AWMPF. The AWGC may have accepted a reserve price plan in the
early 1970s but this did not end the wrangling over wool. It
continued within the Australian Wool Industry Conference, the so-
called "wool parliament" where differences between the AWMPF
and the AWGC were supposed to be settled. By the time the NFF's Wool Council was ready to replace all three bodies as the national wool forum, there was a keen debate going on over whether the Australian Wool Corporation should be granted powers of acquisition. The AWMPF saw acquisition as a logical step beyond, first, the reserve price and then a fixed annual floor price, but their was opposition within the AWGC. It is little wonder that both sides hotly contested the post of Wool Council president hoping that victory would add some muscle to their side of the acquisition debate. Ironically, Australia's annual wool clip is now sold under the free auction system after the floor price was abandoned in 1991.

The Wool Council presidential election was between Dick O'Brien, the former AWMPF president, and Michael Davidson, the former Graziers' Association president. This was a tough battle that drew unwelcome media attention to the NFF when the Minister for Primary Industry, Ian Sinclair, was forced to delay his official opening of the council because the president had not been elected. *The Australian* reported that the birth of the Wool Council "almost aborted yesterday when farmer and grazier factions became deadlocked for three hours when choosing a leader". The newspaper's rural writer, Alan Goodall, reported that O'Brien greeted Sinclair with a Papal analogy saying "the black smoke hasn't gone up yet". The Adelaide-based *Stock Journal* recorded, however, that a delegate came out of the council meeting just before Sinclair arrived and revealed to the waiting media that a deal had been struck and O'Brien would be president. The deal, whereby Davidson withdrew from the presidential contest in return for the vice-presidency and being nominated by O'Brien as his Wool Council representative on the NFF Council, was not officially announced until after Sinclair's opening speech. Sinclair gave the Wool Council a mild ticking off saying, according to Goodall in *The Australian*, that he hoped "the adolescence of farm unity is not as traumatic as its labour pains". He urged the factions to appoint the

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7July 20, 1979. O'Brien presumably meant to say the "white" smoke which signifies the election of a new Pope.

8July 26, 1979.
best people, and not on the basis of what particular farm organisation or state they belong to.

The action of Davidson in conceding the presidency of the council to O'Brien was typical of the grazier side of agipolitics. Just as he, as LGPA president, was happy to give a seat on the Cattle Council to the NSW division of the Cattlemen's Union in the interests of farm unity, so he gave ground on the Wool Council to O'Brien for the same reason. Davidson had a long term view of unity that went beyond the first round of elections. His main concern was that the grazier-style economic and industrial relations agenda continue and, as stated in the previous chapter, the graziers had succeeded in getting enough of their former staff in senior positions on the NFF secretariat to ensure this should happen. The day after Davidson conceded the Wool Council presidency he claimed the remaining part of the graziers "deal" with the farmers when he was elected unopposed as NFF senior vice-president. Significantly for the pursuit of the graziers dry economic agenda, Davidson became chairman of the NFF economics committee which had Trebeck as its executive officer.

The fireworks expected when the Cattle Council held its inaugural meeting did not eventuate, and it was a tame affair compared with the meeting of the Wool Council. Victorian "farmer" Des Crowe, was elected president, with Maurice Binstead of the Cattlemen's Union, senior vice-president. A farmer, John Newman, of the Western Australian Farmers' Federation was elected president of the Sheepmeat Council of Australia, ahead of the graziers' Ralph James, and farmers remained firmly in control of the Australian Wheatgrowers' Federation. Kenneth Graham (Baxter) wrote in The Bulletin of August 7, 1979, that most of the AWGC was putting on a brave face but "there was no doubt that all the major press saw it (the elections) as a victory for the small farmer groups". Baxter declared the outcome bad news for the graziers and likely to put their economic programs at risk. O'Brien, he wrote, had not only earlier that year declared that industrial tariffs that did not directly
disadvantage farmers should be accepted\textsuperscript{9} but had told journalists that if the AWGC won the NFF ballots it would increase the influence of the Liberal Party on the farm lobby to the detriment of the National Party. O'Brien was critical, Baxter claimed, of the AWGC President, Burston, being close to the Liberal Prime Minister, Malcolm Fraser.

As noted in an earlier chapter, it was not only marketing philosophies and social attitudes that separated farmers and graziers, there was also a political element with farmers being strong supporters of the National Party and the graziers split between the Nationals and the Liberal Party. However, it was unusual for a farm leader to openly talk about political divisions within the rural lobby. As if to confirm O'Brien's view, McLachlan entered federal Parliament as the Liberal Member for the South Australian seat of Barker in 1990 while, several years earlier, in 1977, Eckersley had made an unsuccessful bid to enter Parliament as a National Party senator for Western Australia. Max Walsh wrote that the National Party believed that the NFF took its political inspiration from the Liberals and "that Ian McLachlan's father was once Federal President of the Liberal Party feeds this paranoia".\textsuperscript{10}

If O'Brien was talking to journalists in this political vein it seems fair to assume that he and the farmers were basically appealing for votes for NFF and council elections on the grounds that a win for the graziers could weaken the links between farm organisations and the National Party. There is no firm evidence as to how graziers divide their votes between the conservative parties when National

\textsuperscript{9}Baxter was referring to O'Brien's address at the Operation Farmlink seminar in Canberra, March 13, 1979. Farmlink was aimed at improving communications between country and city. Copies of the address were sent to Davidson, McLachlan and John White by Trebeck, who appended a note saying "I would ask you to read this closely". Speech and note at ANU archives, N123/366.

\textsuperscript{10}The Sydney Morning Herald, October 28, 1985. It should be noted that the National Party had virtually ceased operating in McLachlan's home state of South Australia in the 1930s.
and Liberal Party candidates jointly contest rural seats, but the graziers had found their greatest support for free markets, tariff reform and economic deregulation from the Liberal side. As mentioned in an earlier chapter, the NSW Graziers' Association was accused by former National Party leader, John McEwen, of plotting to destroy it. McEwen's successor, Doug Anthony, argued that the NFF was not affiliated with the National Party because its membership was split politically. He said graziers had traditional ties with the Liberal Party, with smaller farmers supporting the National Party. More will be written on the NFF and party politics later in this chapter.

Baxter's analysis of the NFF election results proved wrong. The farmers did not "take over" the NFF and impose an "agrarian socialist" philosophy. Nor did farmers dominate the top NFF posts in later years, with Eckersley being followed as president by three graziers, Davidson, McLachlan and John Allwright. The fifth president, Graham Blight, was a rice farmer and formerly a member of UFWA. Blight's successor in 1994 was Don McGauchie, a man with experience on both the former and grazer sides of agipolitics. Those who argue that NFF divisions quickly dispersed can point to the fact that Davidson was unopposed in 1981 when he stood for NFF president with the blessing of Eckersley, and that in 1991 the candidate standing against Graham Blight was a fellow farmer, Peter Lee, of Western Australia.

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11 Interview Canberra, June 2, 1992.
12 Under the NFF constitution, presidents can be elected for three successive one-year terms. However, Eckersley's presidency was cut short after two years when his own organisation, WAFF, withdrew his third year nomination because he had resigned as WAFF president leaving it without a NFF council seat. Davidson revealed that Eckersley asked if he was prepared to take over the job "earlier than anticipated" interview May 12, 1992) which implies that it was assumed that a grazer would be the second NFF president. Davidson said Eckersley's early departure was a "very unfortunate affair" that did no credit to WAFF.
LINGERING ANIMOSITY

It was not surprising that it was Blight, the man who had put to the FAC the argument that the small intensive farmers had a rightful place within the NFF, who raised some queries about the persistent calls by graziers on the NFF for economic deregulation to be speeded up. By doing this he demonstrated that while the divisions between farmers and graziers had receded, some animosity lingered. Blight singled out McLachlan, whose term as NFF president began in 1984, for special attention. The first NFF elections, he said, were not the last of the farmer-grazier battles and:

the crunch came when McLachlan was on track to deregulate everything that moved and that basically was going to split the NFF. We are not saying that the policy was ultimately wrong but McLachlan was driving people too quickly. We actually had one memorable meeting in Melbourne where the intensive farmers and the AWF had to pull the pin and say look we just have to slow this process down a bit because our blokes can't cope with it. It was all right for McLachlan being a rich grazier.13

Blight claimed that after that there was more balance in the debate and he became the unofficial leader of the smaller groups on the NFF. These included sugar, dried fruits, tobacco and eggs, all of which were dependent to some extent on protection policies. These groups may have achieved a greater say in NFF forums but it did not prevent the departure of the tobacco growers. They were heavily protected against imports and this could not be supported by an NFF which argued that tariff walls around secondary industry were being lowered too slowly. Despite any gains that may have been made by the intensive farmers during McLachlan's term as president, the NFF continued to promote lower protection for, and the greater deregulation of, all industries, including primary. In fact, the NFF during the McLachlan presidency earned a reputation

13Interview, Canberra, February 5, 1994.
in the specialised financial media for promoting a dry brand of economics beyond that of the business lobbies. Of McLachlan, the Business Review Weekly said:

He has lifted the power of the rural lobby above the traditional pork barrel issues that continue to dog the National Party, to the stage where the federation is a powerful intellectual force in a national debate. 14

The Australian Financial Review editorialised that the NFF should be congratulated for its apparent determination to end the rural pork barrel. The newspaper gave as an example the NFF's acceptance of the removal of the fuel freight subsidy, realising that it could not call for a lower deficit without accepting cuts in its own area. In the same vein, it argued, the NFF did not oppose plans of the Hawke Labor Government to wind back protection for the dairy industry. To do so would have been hypocritical for a body calling for the economic rationalisation of manufacturing industry. 15 McLachlan was adamant that farmer-grazier rivalry ended once the NFF was established and stressed that Blight gave strong support to his economic agenda while president. 16 Proof of McLachlan's popularity within the NFF was: the fact that the constitution was amended to give him a fourth year as president. Previously the limit had been three successive years. However, most of McLachlan's popularity was due to his reputation as a man prepared to take on the trade unions, especially in the live sheep export dispute, and not because of his dry economic agenda.

During Blight's term as president, deregulation had begun of Australia's most controlled primary industry, sugar. Growers, who for generations had been told how much cane they could harvest and how much their local mill could crush in return for high protection against imports and fixed domestic prices, were being eased into a very different world of declining protection and a

deregulated market. The industrial and financial sectors of the major economies were undergoing great change, with deregulation the name of the game. Farm leaders in Australia saw this as vital to boosting Australia's competitiveness on international markets because it meant lower production and marketing costs. They knew that agriculture had to be a part of the change and it was harder to argue that other countries should wind back farm support unless Australia was giving a strong lead. Whatever Blight's concerns about smaller and protected farmers, he remained a NFF president in the economic reformist tradition, although certainly not as ardent a reformer as McLachlan. Blight declared that the NFF:

was about the big picture items which were the economy, industrial relations, trade, conservation and the issues that run off them. All these things are common to our constituents. They have become more important as the primary industry stabilisation schemes have been wound back. We are seeking a fairer and more balanced economy that will be more competitive. The NFF has been the leader on these issues. There is no question about that.\(^{17}\)

The NFF did not, however, turn its back on all support measures. Its members continued to receive fertiliser subsidies, depreciation allowances, zonal taxation concessions, research funding and a number of other benefits, including financial relief following droughts and floods. The newly born NFF responded to the August 1979 Budget of the Fraser Government with the criticism that wool promotion funding had been cut back by "a staggering $7 million" and apart from "a small token gesture" on depreciation allowances for grain, hay and fodder storage, farmers received nothing from the Budget. In contrast, manufacturers received a massive boost in export incentives of $157 million.\(^{18}\) National Party leader, Doug Anthony, responded angrily, saying he would be disappointed if the NFF's Budget comments indicated that the new organisation was

\(^{17}\)Interview, Canberra, February 15, 1994.

going to so soon develop a "hand out mentality". Suddenly the new "one voice" of Australian agriculture was engaged in a slanging match with the leader of the political party farmers had founded and the party that had long urged farmers to speak with one voice. The immediate response from NFF president Ekersley was that the NFF would not develop a hand out mentality. It only wanted equitable treatment and was not getting it because of the extensive system of tariff and import quota protection for "palpably uncompetitive manufacturing industries". There is little doubt that the fledgling NFF took advantage of the 1979 Budget to demonstrate that it was going to be faithful to its apolitical charter and not be seen as ally of the Nationals. This will be discussed later in this chapter.

TRADE UNIONS AGAIN "PROMOTE" FARM UNITY

In 1978 the newly-formed LGPA of NSW declared that the live sheep export dispute, by uniting farmers in a bitter struggle with meatworkers, had sealed its own unity. The NFF could also argue that industrial disputes helped it put a seal on national unity. The old enemy, the trade unions, while ready "whipping boys" for those primary producers anxious to blame someone else for all their problems, continued to take industrial action that enabled the NFF to rally farmers behind it. The big three industrial disputes of the 1980s, involving woolstore workers, meatworkers and shearsers, boosted the NFF's popularity with farmers and gave it greater opportunities to pursue its aim of deregulating the labour market. In May, 1979, two months before the NFF was established, McLachlan told an Australian Labor Party conference on rural policy why farmers were hostile to trade unionists. He said:

Because his livelihood is export-oriented, the farmer regards as sacrosanct the right to export free and unhindered what he has produced to wherever and whenever he wants........ having produced a commodity, and in some cases having taken four or

five years to do so, the farmer finds it untenable that someone else should interfere with the export of it.21

The NFF, from its very beginning, made it clear that industrial relations would be high on its agenda. *The Land* thought it fitting that the Prime Minister, Malcolm Fraser, "should pick the launching last Friday of the National Farmers' Federation to take a tough stand against unions" because, it said, if anyone had to bear the brunt of industrial unrest, it had been the primary producer.22 The newspaper editorialised that:

Mr Fraser chose his platform wisely: the NFF may still be in its infancy but its newly united voice will speak up for the nation's primary producers with an authority no farmer organisation has had before.

*Primary Industry Newsletter*, an independent weekly, found the composition of the NFF's Industrial Committee the most interesting of all its committees. The secretary was Ted Cole, the former AWGC industrial advocate, and he, according to the newsletter, "picked himself but the chairmanship will raise a few eyebrows..... it having gone to aggressive West Australian farmer leader, Wolf Boetcher".23 The newsletter went on to say that:

The selection of Mr Boetcher, who is renowned for his bluntness and willingness to "have a go" at the trade unions, is likely to be interpreted by the unions as signalling a hard line by the NFF on industrial matters. This reaction is hardly likely to be tempered by the fact that one of Mr Boetcher's fellow committee members Ian McLachlan, "star" of last year's South Australia farmer/trade union live sheep confrontation.

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22 July 26, 1979.
23 August 22, 1979. The editor and proprietor of *Primary Industry Newsletter* was the noted agricultural journalist, Ronald Anderson.
The first NFF president, Don Eckersley, was known as a man who preferred consultation to confrontation. He had previously played a leading role in a farmer-trade union committee chaired by the then ACTU president, and later Prime Minister, Bob Hawke, that aimed to settle disputes involving farm produce as quickly as possible. Eckersley said the NFF wanted a responsible rapport with the trade union movement, and with whatever government was in power, "but in 1984, when McLachlan became NFF president and Boetcker was chairman of the Industrial Committee, they decided to take the unions head on."  

There was an opportunity early in the life of the NFF to take the unions "head on". Just as the live stock export dispute united primary producers in the countdown to the establishment of the NFF, the strike by the Storemen and Packers' Union in early 1980 helped cement that unity. When SPU members in Sydney woolstores refused to move wool destined for export because of a pay dispute, the NFF, its Wool Council and the LGPA sprang into action. The Council urged woolbrokers to close their stores and to stand down SPU members, while the LGPA, at the request of the Council, had volunteers on standby to enter the stores and move the wool. The dispute was settled after 11 weeks of industrial activity, with the LGPA and the NFF claiming that the solidarity of woolgrowers had been vital in achieving a settlement. It was a settlement, however, that included pay rises for SPU members.  

Eckersley, who had spoken glowingly of the efforts of Hawke as ACTU president in helping to solve industrial disputes, especially the 1979 ban on wheat shipments to Chile, was moved by the SPU dispute to argue that there was "a clear obligation for the National Farmers' Federation to take a more active role in the field of industrial relations" with the objective of implementing laws that

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25 See the Livestock and Grain Producer, the official LGPA journal, March 31, 1992.
26 Sydney Interview, January 28, 1992.
will better protect the injured parties. Eckersley said that there was ample evidence throughout the wool dispute of the relentless and damaging pressure tactics applied by the trade union. He condemned industrial action and talked of changing the law, but McLachlan, especially during his presidential term (1984-88), actually sought out disputes in which to involve the NFF in order to bring change to the industrial relations system. The NFF confronted the Australian Meat Industry Employees' Union in the Mudginberri abattoir dispute, and left it near bankrupt, and took on the shearers over their ban on wide combs, and claims this as a major reason why unionists are in the minority in shearing sheds today. McLachlan said of Mudginberri that:

we had looked for three years to get involved in the meat industry and the NFF industrial director, Paul Houlihan, rang me one day and said Mudginberri was that opportunity and as it turned out we won a significant court victory.

Houlihan explained to the Inaugural Seminar of the H.R. Nicholls Society in February, 1986, that the NFF's decision to become involved in meat processing stemmed from an inquiry of the Industries Assistance Commission into the industry and from a report prepared for the NFF by consultants, W.D. Scott and Co. That report, said Houlihan, highlighted the extreme inefficiencies in meat processing because of the "enormously powerful position" enjoyed by the AMIEU and by its adherence to the most common piecework method used to pay meatworkers, the unit tally system. The NFF's Industrial Committee, in conjunction with the NFF's Cattle Council and Sheepmeats Council, decided to become involved where ever possible in the meat industry to seek to change the tally system and, according to Houlihan, a task 'other sources of the industry's

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28 Interview, Canberra, February 5, 1994.
at this very moment, at a remote meatworks in
the Northern Territory we have had union pickets
for five weeks acting against a workforce who
wish to work. As well the union is flagrantly
defying the decision of the Full Bench of the
Arbitration Commission. It is defying an
injunction of the Federal Court. It is refusing to
pay fines imposed by that court and has openly
said it will bankrupt the owner. And why?
Because that union doesn't like a decision the
Arbitration Commission made last year. These
actions are fully supported by the ACTU and the
Federal Cabinet seems to be approving them.\textsuperscript{30}

In an emotionally charged speech\textsuperscript{31} to farmers protesting about the
impact of taxes and charges and an lack of government concern
about their welfare, McLachlan whipped up the Mudginberri issue
into a rallying cry against the actions of trade unions and the
Hawke Labor Government which, he alleged, was looking after its
friends in the trade union movement. He urged farmers to:

\begin{quote}
Remember the name of this place in a remote
part of the Territory-it's called Mudginberri.
Mudginberri isn't a name for the ingredients of a
fruit pie. It's a place where anarchy reigns on the
\end{quote}

McLachlan called on the Government to govern for all Australians
and attacked the Minister for Primary Industry, John Kerin, for
refusing to license new meat inspectors when those at Mudginberri
refused to cross the AMIEU picket lines. Kerin did not order meat

\textsuperscript{30}A copy of the speech of July 1, 1985, was provided by McLachlan.
\textsuperscript{31}The speech was witnessed by the author.
inspectors to cross picket lines, arguing that it was not in the interest of the Australian meat industry for the Government to provoke a nationwide strike "because of an isolated buffalo meat factory".\textsuperscript{32} McLachlan, he claimed, had another agenda but "I was more interested in the future of meat". According to Kerin, while all the meat exporters were publicly cheering for McLachlan they were privately saying that the situation should not get out of hand because they had orders to fill.

As mentioned earlier, the Canberra rally was where the NFF started its Fighting Fund. Whatever was collected from the farmers present was later substantially augmented by donations from other primary producers and businesses to easily exceed $10 million, the original target. In July, 1985, a year after the Canberra rally, the NFF announced that it had raised "approximately $11 million-plus" leading the Business Review Weekly to comment that the amount raised showed that the tide was turning and:

industry targets and strategic planning have long been the preserves of the trade union movement: now the farmers have produced their own hit list and shown they have money to back it.\textsuperscript{33}

The journal recorded that when the NFF went out fund raising, it found the most important reason for people donating was its industrial performance. The then NFF Deputy Director, Rick Farley, was reported in the same article saying that businesses had donated money so that the NFF could establish some industrial precedents. The businesses could not do it themselves for fear of union retaliation. So the view from business, Farley said, was "that we'd be in the precedent-setting areas like Mudginberri".

McLachlan told the National Press Club in August, 1986, that the NFF had decided that being a conventional lobby group simply did not work any more and "we decided to help ourselves". Politicians gave nothing but a "sort of glassy-eyed response" when the NFF

\textsuperscript{32} Interview with Kerin, Canberra, April 15, 1992.

\textsuperscript{33} Article by industrial relations writer, Pamela Williams, July 25, 1986.
spoke to them about reforming the industrial relations system. The NFF had to have money, and while it was normally hard to get money out of farmers many cèved into their overdrafts at "quite outrageous interest rates" to contribute. McLachlan added that:

with the money raised, amongst other things, we are going to clear the industrial pipelines for our products going from farm to market wherever they may be in the world.

The first to receive help from the fighting fund was Jay Pendarvis, Mudginberri's owner, and the first union to be targeted was the AMIEU, the farmers' opponent in the live sheep export dispute of 1978. The NFF pledged $2 million from its fighting fund to support Pendarvis in his court battle against the AMIEU. Pendarvis was the first employer to seek damages against a union under Section 45D—the secondary boycott provisions of the Trade Practices Act. The Sydney Morning Herald's industrial editor, Keith Martin, reported that the court case had cost the AMIEU $144,000 in fines, for contempt of the Federal Court order to remove the picket line, and a further $46,000 in sequestration costs. The court, on July 21, 1986, awarded Pendarvis $1,759,444 damages against the union for his loss of income from meat and hides and other costs. Pendarvis said he would repay the $750,000 in legal costs covered by the NFF. Martin quoted Houlihan saying that the NFF was ready to use its fighting fund to back any agriculture-related industry which sought to legally challenge the "lawless use of union power". The NFF was worried about the way the Transport Workers' Union was seeking to enforce its superannuation claims but "we are not planning a blitzkrieg against the trade union movement". The NFF hoped that the very existence of the fighting fund, which was well publicised, would make unionists think twice before taking industrial action.

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34 Address to the National Press Club, Canberra, August 6, 1986. A copy of the speech supplied by McLachlan.
Not long after the Mudginberri dispute, the NFF gave its advice and moral backing to a small Melbourne confectionery firm, Dollar Sweets, which used section 45C to have picket lines removed and was awarded a $150,000 settlement against the offending trade union. The NFF backed the labour hire agency, Troubleshooters Available, against building industry unions in a case that produced another settlement in favour of an employer and a ruling that workers supplied by Troubleshooters were contractors, not employees, and therefore able to operate outside industrial awards. In July, 1992, The Age, Melbourne, ran a feature article on the appearance of non-union shearsers in western Queensland stating that "on the side of the rebel shearsers are the United Graziers' Association and, with chequebook in hand, the National Farmers' Federation". The shearsers were contracted, The Age reported, "by an outfit" called Troubleshooters Available, a Queensland franchise of the Troubleshooters group that fought and beat unionists at the Seymour (Victoria) meatworks, only to see the plant closed. The NFF support for Troubleshooters had the clear aim of breaking down industrial awards and replacing them with individual agreements between workers and employers. As the NFF's annual report for 1989-90 explained:

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NFF supported the company, Troubleshooters Available, in its precedent setting arrangements for contract labour rather than award employees.39
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Before the fighting fund was established, the NFF had a long tussle with shearsers and their union the Australian Workers Union, over the introduction of wide combs into shearing sheds. Houlihan explained to the H.R. Nicholls Society in August, 1988, that the development of vast tracts of new country in Western Australia in

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37See Australian Financial Review of February 2, 1994, where rural writer, Cathy Bolt, recalls the involvement of the NFF with Dollar Sweets and in other industrial relations disputes.

38July 25, 1992. the article was written by senior journalist, Kevin Childs.

the late 1950s and early 1960s for woolgrowing led to a shortage of shearers in the state. Shearers who arrived from New Zealand to fill the void brought with them the so-called wide comb, wider than the two-and-half-inch comb, registered as a rule by the AWU. It was an offence under the Pastoral Industry Award, and under AWU rules, to use a wide comb.\textsuperscript{40} The wide comb, designed for the coarser-wooled British breed sheep which predominate in New Zealand, was gradually adopted for the finer-wooled Australian merinos. The wider comb, with more teeth, brought a dramatic improvement in the daily tally of shearers. Shearers could earn more money per day and graziers could have their shearing time reduced. Houlihan said that by 1981 "the union really was whipping itself into something of a frenzy about this issue". Black bans on the movement of sheep, the refusal of shearers to work with certain people and the refusal of wool classers to work in certain sheds were industrial tactics designed, he said, to pressure graziers into opposing the use of wide combs.

Houlihan conceded that the AWU had some justification for its actions because using wide combs was an offence under the award for both shearers who used them and the graziers who permitted their use. However, the graziers, despite their previous support for the two-and-half-inch comb, had now swung behind the wide comb and the Livestock and Grain Producers' Association of NSW (now the NSW Farmers' Association) sought to have the prohibition on wide combs removed from the award.

In November, 1982, Justice McKenzie of the Arbitration Commission ruled in favour of wide combs and the AWU, after an unsuccessful appeal, began a 10 week national strike in the following year. This was despite the fact that it was shearers, not graziers, who had introduced the wide combs into Australia, and that they could earn more money using them under the established piecework system. \textit{The Australian Financial Review} wrote some years later that

\textsuperscript{40}A Brief History of the Wide Comb Dispute in the Pastoral Industry Award, address by Paul Houlihan to the H.R. Nicholls Society, Lorne, Victoria, August 5-7, 1988. Published by the society in the Lorne conference proceedings entitled \textit{In Search of the Magic Pudding}. 
McLachlan "virtually by default, was mapping a New Right industrial agenda in the bush" and, when the strike began, he urged woolgrowers to fight the AWU.41 Houlihan, in his Nicholls Society speech, outlined McLachlan's actics:

We (the NFF and woolgrowers) were faced with the only decision that we could make which was, of course, to shear as many sheep as possible while the strike was in force. We also decided that we would wage a constant publicity war designed to convince as many shearers as possible that we were getting the sheep shorn. We asked graziers throughout Australia to put shorn sheep in the front paddocks so that any passing shearer could see that sheep were being shorn.

We put in place a series of regional coordinators throughout Australia whose task was to find shearers prepared to shear and to match them up with the sheep that most needed shearing. Within a week we were able to say publicly with a reasonable degree of truth that all the sheep that had to be shorn were getting shorn and increasingly that statement was able to be made with more and more truth as the strike dragged on week after week.

Eventually the strike was settled when the AWU accepted a face-saving formula of an investigation by McKenzie into any possible health risks to shearers in using wide combs and the establishment of a committee to look at innovations for the wool industry. There is no doubt that the NFF and McLachlan were the winners in the wide combs dispute and the AWU did itself great damage in the eyes of shearers and other rural workers when its leadership doggedly persisted with a dispute that most of its shearer members had no heart for. McLachlan boasted to a farm rally that:

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We made unionism non-compulsory in the shearing industry for the first time since 1890 after the wide combs dispute.\textsuperscript{42}

The significance of the reference to 1890 was obvious. In that year the Pastoralists' Unions were formed to combat the closed shop demands of the Amalgamated Shearers' Union. The ASU, up against wealthy pastoralists supported by colonial governments, suffered a heavy defeat in the wake of industrial unrest in the early 1890s but, early in the next century, shearers made a comeback as members of the AWU and shearing sheds again became union strongholds. One hundred years later, the power of the shearers' union was broken again. It is worth noting that, in 1891, the *Australasian Pastoralists' Review* wrote that pastoralists in the various colonies had formed a united front to secure "the rights of those labourers who prefer to make their own contracts with their employers, without being subjected to the continual interference and dictation of the ring of unionists leaders".\textsuperscript{43} The language may have changed in a hundred years but the aim of woolgrowers to have non-union shearing sheds remained constant, even if they sometimes implied that they were trying to free the shearer from the yoke of trade union tyranny and not necessarily seeking advantages for themselves. Like McLachlan at Dubbo, Houlihan was guilty of a little gloating, telling the H.R. Nicholls Society that the AWU Federal Secretary, Frank Mitchell, had conceded that the union had lost 60 per cent of its pastoral members within a year of the dispute and, "in our experience, has lost a great deal more since then". He said:

Pastoral workers who went into the dispute believing what the union was telling them came out determined not to listen to the union again. We take from this dispute a disbelief in that standard argument one hears from the Industrial Relations Club; "there are no winners in Industrial

\textsuperscript{42}Address to a Dubbo (NSW) farmers' rally, March 25, 1986. Copy of speech provided by McLachlan.

\textsuperscript{43}March 16, 1891. As mentioned in an earlier chapter the journal was the unofficial voice of the pastoralists.
Like the AMIEU during the 1978 livesheep export dispute, and later at Mudginberri, the AWU, by its dogged adherence to outmoded industrial relations practices, boosted the reputation of the NFF, not only among farmers, but also within the community generally as a tough and smar: lobby group. Liz Tickner wrote in the West Australian that, following the live sheep dispute, McLachlan put "more runs on the board" with his handling of the wide combs dispute. The NFF's involvement with live sheep, wide combs and Mudginberri gave McLachlan a lot of public recognition, she wrote, and gained for the NFF its reputation as a powerful lobby group. Houlihan said that clearly the most important result of the wide comb dispute was the prominence it gave to McLachlan thereby ensuring that he was elected president of the NFF.

The NFF, with McLachlan first as chairman of the Industrial Committee and Wool Council und, from 1984, as NFF President, was pursuing an industrial relations agenda that gained solid farmer support and, on this issue at least, the NFF was speaking with "one voice" on behalf of Australian farmers. While Mudginberri was the last of the headline-making battles with trade unions, industrial relations continued to be high on the NFF agenda. Blight claimed that the NFF led the employers to a win in the 1989 National Wage Case that saw a wage increase linked solely to productivity gains. He described it as a major philosophical victory, achieved because the NFF "cemented" the employers together. The NFF Annual Report for 1993 records a wide range of issues tackled by the NFF throughout that year. They ranged from the pursuit of an "incapacity to pay" case under the Pastoral Industry Award, to

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44 The term "industrial relations cub" is used by critics of the arbitration system to describe an allegedly cosy relationship between the Industrial Relations Commission, trade unions and certain employer groups more interested in a quiet life than real reform of the industrial relations system.
45 July 8, 1989.
exempt woolgrowers from paying a 2.5 per cent wage rise awarded to shearers, to taking a leading role in opposing the Industrial Relations Reform Bill, 1993. According to the NFF, the Bill fell "significantly short of genuine labour market reform". Blight stressed the significance of industrial relations to the NFF saying:

If you go back among the real heavies and firefighters in the NF you will find that they have done their apprenticeship on the Industrial Committee.  

THE NFF AND THE NEW RIGHT

The NFF could claim two significant victories in the 1980s—the rapid decline in AWU influence in shearing sheds after the wide combs dispute and some improvements in working practices in abattoirs after it financially crippled the AMIEU in the wake of Mudginberri. However, the aggressive NFF attacks on trade unions, McLachlan and Houlihan's gloating over their victories before the right wing industrial relations forum, the H.R. Nicholls Society, and anti-Government demonstrations were major factors in a breakdown in farmer-Federal Government relations during McLachlan's term as NFF president. The demonstrations, organised by the NFF and its state affiliates, demanded the removal of existing taxes and charges on farm inputs and called on the Government to abandon its proposed new capital gains tax. Further, the Government was told it should reduce its expenditure and borrowings to ease pressure on the exchange rate, cut tariffs at a faster rate and deregulate the labour market. These were the solutions to declining incomes for a rural sector becoming less competitive because of taxes and charges.

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\(^{48}\) *Ibid.*

\(^{49}\) These details were taken from a full page advertisement in *The Canberra Times* of July 29, 1985. It was authorised by John White, chief executive of the NSW Livestock and Grain Producers' Association for the Australian Farmers' Fighting Fund.
At the mass rally in Canberra on July 1, 1985, a crowd of farmers, estimated by the NFF at 40,000, interrupted an address by the Prime Minister, Bob Hawke, with "jeers and hoots of derision".\(^{50}\) This was despite Hawke's uncertainly to include measures in the coming August Budget to ease the impact of costs upon farmers. He keep his word to the extent of restoring full rebates on farm fuel excises, removing tariffs on wheat headers and, against the advise of the IAC, leaving fertiliser subsidies in place for another year. The *Australian Financial Review* wrote that "the Federal Government has clearly taken farm militancy seriously in constructing its farm package for the Budget".\(^{51}\) However, the NFF was not appeased. McLachlan said it was not enough and Australian farmers had been "shortchanged".\(^{52}\) There appeared to be little the Hawke Government could do to please McLachlan. It got no thanks for its rural support programs, its policy of making commodity marketing boards more commercially oriented, dairy industry restructuring or for its efforts in setting up the Cairns Group of nations fighting to free up world trade in farm products. The so-called apolitical NFF was seen by many in the Labor Party as negating its own charter. John Kerin, the Minister for Primary Industry at the time, maintains a great deal of respect for the NFF but recalled that:

McLachlan pushed the NFF ideologically to the right but while the officials maintained a professional attitude, McLachlan was in the business of forming wider coalitions and really pushed them quite profoundly to the right.\(^{53}\)

The "right" Kerin was referring to was the H.R. Nicholls Society whose founding members included the former head of the Commonwealth Treasury and Queensland National Party Senator, John Stone, and Charles Copeman, the Managing Director of Peko-Wallsend. Copeman became something of a hero to many employers in the mid-1980s by taking on unionists at the Robe River iron ore

\(^{50}\) *The Canberra Times*, July 2, 1985.

\(^{51}\) August 21, 1985.

\(^{52}\) *The Canberra Times*, August 21, 1985.

\(^{53}\) Interview, Canberra, April 15, 1992.
mine in Western Australia and ending many years of inefficient work practices. The society was named after Henry Richard Nicholls, the editor of the Hobart *Mercury*, who early this century successfully defended a contempt charge laid against him before the High Court by the Arbitration Commission. To many on the Labor side of politics, the H.R. Nicholls Society was a rallying point for those out to destroy trade unionism and the arbitration system. The term "new right" was applied to the society and its members, consisting predominantly of senior officials of mining companies and employer groups, conservative politicians, academics and lawyers, including Peter Costello, who became prominent as the employer's advocate in the Dollar Sweets case. In 1989, Costello entered federal politics as a Liberal MHR. The society's conferences featured attacks on trade unions, the Arbitration Commission and employer groups that went along with its rulings. The derisive term "the industrial relations club" covered the three groups. It is little wonder that the Labor Government began to look askance at the NFF when, on top of its anti-Government demonstrations, it appeared to be in league with the H.R. Nicholls Society.

In May, 1986, Prime Minister Hawke described the society members as "political lunatics and economic troglodytes", while the Minister for Administrative Services, Mick Young, said it was a key part of "the new right". The society rejected the notion that it was a cabal trying to impose a hard right agenda on Australia. John Stone said the society had been wrongly painted as a sinister group with enormous financial resources and an agenda to "grind in the faces of the poor". He stressed that the foremost objective was to stimulate a thorough going debate on the future of the industrial

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relations system.\textsuperscript{56} There is no evidence to show that the society was anything other than a body out to publicise its views on industrial relations, but its high profile membership ensured that it attracted a lot of attention. NFF officials, in retrospect, have played down the significance of the H.R. Nicholls Society in the operations of the NFF and the breakdown of good relations with the Hawke Government. Its first executive director, John Whitelaw, said the involvement with the society was just part of the NFF's "economic rationalist" philosophy. To him, McLachlan, Houlihan and deputy director, David Trebeck, were involved as individuals and "I was quite conscious that they were'. It was a forum, he said, where farmers could make themselves heard and you could not stop individuals being members.\textsuperscript{57} Whitelaw's successor, Andrew Robb, described the society as just a "talk shop" but a reflection of the times because the Government was not tackling structural issues, such as labour market reform, and the NFF was determined to take it on.\textsuperscript{58} Robb's replacement, Rick Farley, saw the society as a "joke". It was just a place to hear papers presented, he claimed, but the media portrayed it as a secret club.\textsuperscript{59}

The media's interest in the society was fading by the end of the 1980s as it became obvious that it was little more than an industrial relations forum. Significant reforms to the industrial relations system, including the spread of workplace bargaining and a decline in the importance of national awards, robbed the society of much of its earlier relevance. Since the mid-1980s there have been no "Mudgimberris" or other major farmer-union style confrontations for the NFF to stir a society audience. Nevertheless, the NFF's selection of the society as a platform for its views on the evils of trade unions was a factor in its strained relations with the Labor Government, which had historical connections with the trade union movement, and a Prime Minister (Hawke) who had been president of the ACTU.

\textsuperscript{56} "Closing Remarks" by Stone, Chapter 14 of In Search of the Magic Pudding, the proceedings of the Lorne conference, August 5-7, 1988.

\textsuperscript{57} Interview, Canberra, January 7, 1994.

\textsuperscript{58} Interview, Canberra, January 24, 1994.

\textsuperscript{59} Interview, Canberra, February 9, 1994.
The deterioration in NFF-Federal Government relations was highlighted by the extraordinary events of December 9, 1986, when Hawke and his Treasurer, Paul Keating, walked out of a scheduled one hour meeting with McLachlan and Robb after only 10 minutes. McLachlan had breached "protocol" by briefing journalists on the way into the old Parliament House and, according to the then Minister for Primary Industry, John Kerin, "Hawke took great umbrage and it was just an awful bloody meeting".\(^60\) The meeting was about farm costs and economic issues and the NFF, Robb explained, decided to put more pressure on the Government by briefing journalists before the late afternoon meeting so that NFF criticisms could make the early evening radio and television bulletins.\(^61\) Robb said Hawke was informed about the press briefing and lost his cool and both he and Keating "gave us an earful of invective" as they left the room. However, there was a bit of give-and-take with McLachlan saying sarcastically to the departing Hawke and Keating "well done chaps" and Keating responding "you arrogant bastard".\(^62\) Looking back to that period, a later NFF president, Graham Blight, argued that "Ian pushed his own barrow a bit too hard" and now the NFF had a golden rule of no media comments before a meeting with the Government.\(^63\) The *Australian Financial Review* reported that:

> Mr Hawke's actions reflect the exasperation of the Federal Government with the recent activities of the NFF, which, it believes, is increasingly acting as more of a political opposition group than a reasonable proponent of rural concerns. Mr Hawke's anger yesterday was also directly aimed at the organisation's president who has become something of a champion of New Right issues around the country.\(^64\)

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\(^{60}\) Interview, Canberra, April 15, 1992.

\(^{61}\) Interview, Canberra, January 2-, 1994.

\(^{62}\) Robb, *op. cit.*

\(^{63}\) Interview, Canberra, February 2-, 1994.

\(^{64}\) December 10, 1986.
The aborted meeting had no impact on McLachlan's style of operations. Several days later he was reported as still smarting at the Prime Minister's snub and "declaring that if the Government doesn't change its policies, we have no option but to go after them". The same newspaper article said the snub followed one to the NFF the week before when Hawke refused to present the National Farmer Achievement Award to Jay Pendarvis, the Mudginberri abattoir owner who was supported by the NFF in his fight with meatworkers. Robb, according to the newspaper, said an anti-Government campaign at the 1987 federal elections would be "a last resort" but, even then, the NFF would not campaign specifically against Labor but against its economic policies. For the 1987 elections the NFF adopted a "marginal seats" campaign that involved questioning candidates from all political parties on issues and then publishing the results. However, the NFF did not directly endorse those candidates who gave the "correct" answers. Gruen and Grattan state that the NFF not only judged its election strategy a mistake and a waste of fighting fund money but:

The NFF had been caught in a classic pressure group dilemma: how far to go. In late 1986, the NFF Council decided then that it would endorse candidates. But in May, 1987, the Council backed off the endorsement idea, confining the campaign to raising the policy issues. Andrew Robb, NFF executive director at the time and later director of the Liberal Party, said in retrospect that the episode "convinced me more than ever that as a lobby group, if you're going to get involved at election time, you're got to go all out and endorse someone".

Gruen and Grattan noted that at the 1990 elections the NFF did not run a concentrated campaign; it was still licking its wounds from 1987. Its "wounds" not only resulted from the waste of an undisclosed sum of money but because the marginal seats campaign pleased neither side of politics. The National Party, which claims

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65 *Sydney Morning Herald*, December 12, 1986.
66 *Managing Government* by Fred Gruen and Michelle Grattan, Melbourne, 1993. p.63. The Robb quote came from a personal interview with the authors.
farmers as constituents, questioned why the NFF did not campaign all out for its candidates against Labor which, as the party in power was responsible for economic management. The Nationals saw themselves as the "target" of the campaign. To the Hawke Government, the electioneering of the NFF was further evidence of an abandonment of its apolitical charter and another reason to shut it out of consultations. As mentioned earlier, the NFF campaigned at the 1993 election in support of the goods and services tax which was the centrepiece of the Opposition's Fightback package, claiming that a GST had been NFF policy before it was adopted by the Opposition. Before this, the role of the NFF in elections was debated when a paper entitled NFF's Political Options was put before the NFF's Council meeting in Canberra in May, 1992.67 Written by NFF executive director, Rick Farley, it said that lessons from the 1987 elections included the fact that political pressure on candidates was greatly reduced if their responses to questions were not ranked and because party candidates responded on the basis of their party's election platform, "parties must be ranked".

Farley, however, saw a risk in ranking parties because "we would then become a political player as well as a policy player" and this would reduce the credibility of the NFF. Becoming political would mean an amendment of the NFF's constitution requiring a two thirds voting majority. For the NFF, the farmers' "one voice", to try to reverse the trend over many years towards apolitical farm organisations, would have created a lot of heartburn and its reputation would have suffered. No move was made in 1992 to change the constitution, the marginal seats campaign stayed in the dustbin and the NFF campaigned at the 1993 election in support of the GST and Fightback, which promised the end of the fuel excise for farmers and incentives for exporters as compensation for the impact of the GST. The largest NFF affiliate, the NSW Farmers' Association, however, went further and publicly advocated a Coalition victory. In 1987 and 1993, the NFF wasted its time and money, possibly bringing home to those still living in the past that the political clout of farmers had faded with the decline in their own numbers over time to about five per cent of the voting

67 Copy obtained from the NFF
population. In addition, the growth of regional cities at the expense of towns and villages, had ensured that the majority of voters in non-metropolitan electorates were swayed by the same issues as affected urban people rather than matters of prime concern to farmers.

FARMERS GO FENCE MENDING

When McLachlan left the president's chair in 1988 his successor, Tasmanian grazier and poppy grower, John Allwright, made mending fences with the Hawke Government his first priority. He realised that an organisation had problems in claiming to be the national voice of its members when the Federal Government was refusing to listen. Allwright said that in McLachlan's final year:

we probably got a little too far offside with the Government and they retaliated by making us somewhat irrelevant. We could not have an organisation like the NFF representing farmers but unable to communicate with the Government on a rational basis and we had reached that point.\[68\]

While Allwright set himself the task of fence mending the Government was in the same frame of mind. Allwright explained that the morning after he was elected NFF president he had a call from the Prime Minister's office asking if he could meet Bob Hawke the following day. This was not possible but when they did meet, Hawke said "John, my door is always open, and I must say that I always found that to be the case".\[69\] The Government no doubt felt uncomfortable about not being on speaking terms with the farm lobby and the election of Allwright was an opportunity not only to make peace but to demonstrate to farmers that the hardline McLachlan was the cause of their isolation. Under Allwright there was less emphasis on industrial and political confrontation and more on land conservation, the education of farm children, the quality of life in rural areas and breaking down trade barriers. The

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\[68\] Interview with Allwright, Canberra, May 12, 1992.

\[69\] Ibid.
low-key approach of Allwright was compared unfavourably by
some commentators with McLachlan's aggressive style and it was
argued that even if the Government froze out the NFF, McLachlan
had ensured that it had a high national profile and an enthusiastic
rank and file membership. Farmers, predominantly National Party
supporters, had turned up in their thousands to anti-Government
demonstrations and cheered the victories over the AMIEU and the
AWU. Within two years of McLachlan's departure, the *Australian
Financial Review’s* agricultural writer, Cathy Bolt, wrote:

that the NFF enters the 1990s still battling to
prove that there is life after Ian McLachlan. Since
the South Australian millionaire left its helm two
years ago, the public profile of the peak farm
lobby-then at the vanguard of right wing
employer bodies-has shrunk significantly. Of
perhaps more concern, so has its popularity
among farmers.70

Bolt's proof of declining NFF popularity among farmers was a
reader poll conducted by the *Australian Rural Times* which
purported to show that farmer approval for the NFF had dropped
from 74 per cent in 1986-soon after McLachlan led big farmer
protest rallies-to 47 per cent.71 Reader polls are far from a
satisfactory guide to public opinion. with the disgruntled more
likely to make the effort to respond than the satisfied.
Nevertheless, Allwright acknowledged that the NFF profile had
slipped. He conceded in an interview with Bolt that it was difficult
to maintain a high profile in the absence of issues like Mudginberri,
which gripped the media. But, however, noted one important
advantage that Allwright had over McLachlan: the Federal
Government would talk to him.

Whereas the NFF, as a champion of economic rationalism under
McLachlan, was happy to take the fight up to the Government,
under Allwright it set about maintaining good relations with the
Labor Government and forming alliances with other lobby groups in

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70 January 9, 1990.
71 See the *Australian Rural Times* of December 6, 1989.
the hope of gaining more political influence. Allwright, the *Australian Financial Review* reported, sought good relationships with the Australian Conservation Foundation and the Australian Consumers' Association, the former to gain greater Government funding to combat soil degradation and, with the latter, to have Australian food products marketed as cheaply as possible and uncontaminated by chemicals.\textsuperscript{72}

For decades Australian farmers had to live with an image of being a bunch of whingeing rural socialists, uncaring about the environment, but the NFF went some way to changing this in 1989 when it linked up with the ACF to put a joint submission to the Government on land care. To many farmers, the "greenies" were one of the enemy, trying to interfere with how farmers managed their properties, but, as Rick Farley pointed out, having the ACF as an ally enabled the NFF to go to the Government with a solution, rather than just a problem, and it got the millions required for the program.\textsuperscript{73} Allwright's successor, Graham Blight, went further than a united front with a minor enemy, the greens, and sought the cooperation of the real and traditional enemy, the trade union movement. He said:

> If you had a situation where the president of the NFF and the president of the ACTU, the two premier lobby groups in this town (Canberra), walked together to see a Government Minister and said "there is a problem we want to be fixed up" we would get a good hearing. It was not a case of the NFF selling out its principles, it is using your brain. We can raise issues that are important to our people. We have done it with the conservation movement.\textsuperscript{74}

Blight's successor as president, Donald McGauchie, is also a proponent of cooperation with the trade union movement "where

\textsuperscript{72} January 9, 1992.

\textsuperscript{73} *The Canberra Times*, January 14, 1992.

\textsuperscript{74} Interview with Blight, Canberra February 15, 1994.
there is a commonality of views.\textsuperscript{75} During 1994 the NFF adopted a more conciliatory approach to industrial relations. In February it gave up a two year battle with the Australian Workers' Union and agreed to pay an $8 a week pay rise to shearing shed hands and cooks as well as national wage rises going back two years. In October the NFF negotiated a three year deal with the AWU involving pay increases for shearers in return for higher productivity. This ended the annual time-consuming and expensive fight over wages and both sides expressed satisfaction with the outcome. The NFF appears to have abandoned its fight for individual contracts deciding to deal with the AWU directly and in a co-operative spirit in the expectation of less industrial conflict in shearing sheds and improved productivity.\textsuperscript{76}

Both Blight and McGauchie have recognised several facts of life. They are that Labor Governments are not mere aberrations of political life, that trade unions are now more willing partners in industrial reform, that farmers are a declining force in politics and that, as a lobby group on the national scene, they need allies to achieve benefits for their members. In addition, there is a new emphasis on what farmers need, particularly greater access to the social and community services available to other Australians, and the preservation of the land they till.

\textbf{WORKING WITH THE ENEMY}

There were several reasons why the NFF decided to soften its approach to industrial relations. A major one was the expense of submissions and appearances before tribunals on issues concerning the Pastoral Award and other matters involving rural labour. Another was the economic recession of the early 1990s that turned the NFF's attention more to the provision of services to financially-strapped farmers and better facilities for rural communities. Here the farmers and the unionists who lived in the countryside had a lot in common, and the NFF set out to exploit this not only for the good of its own members but in the hope that co-operation on social

\textsuperscript{75}Interview, Canberra, May 17, 1994.

\textsuperscript{76}See The Australian of February 3, 1994 and November 17, 1994.
issues would lead to greater harmony on industrial matters. Graham Blight's farewell address as NFF president featured a call for closer cooperation between farmers and trade unionists. Blight said that, as "traditional adversaries", the NFF and the trade union movement have had much to quarrel about in the past but now he saw major advantages from a co-operative rather than a confrontationist approach. He stressed that co-operation with the ACTU could ensure farm products were not interrupted in moving from farm to domestic market, and envisaged a time when the NFF and the ACTU developed a "joint philosophy on investment in agricultural support industries, especially in the export sector".

What Blight was seeking was funds, raised through the NFF and the ACTU, for investment in food and fibre processing. His plan would require courage and commitment, but was "simply good pragmatic politics". Some years ago, when the British Government legislated for workers in newly privatised industries to have shares allocated to them, some cynics argued that the basic object was to quell industrial unrest. The logic was that workers having a financial stake in a company would think twice about taking action that could harm that company. Using the same argument, the NFF was hoping that unions with money invested in processing plants would resist any industrial action that risked their profitability.

However, Blight's dream of a joint farm-union investment scheme could be a long way off following the failure of the NFF's Farmers' Investment Trust. As an attempt to get farmers financially involved in the handling and processing of their produce, FIT failed to raise funds from more than a few hundred farmers and, by the time the NFF decided to end its involvement, FIT was 90 per cent owned by professional investors. Blight had revealed six months earlier that the NFF had initiated discussions with the AWU to try and work out a long term arrangement over pay and conditions. He said:

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78 See The Australian, May 19, 1994. In the article, rural writer, Tim Stevens, states that there were divisions on the NFF Council over the merits of the FIT, and support for it cost presidential candidate, John Crosby, votes when he lost to Donald McGauchie as Blight's replacement in May, 1994.
Both organisations spent an enormous amount of time and energy fighting each other. We have done it for over 100 years. I wonder which side has won? I guess both sides are poorer and frustrated, so I suppose it's fair to declare a draw. I know that many do not share my view, but just maybe we should try for a win/win situation. After all, those opponents need not always be our enemy for, surely, together, we can do something to improve the outcome for both sides.79

Blight promised to pursue with the ACTU Secretary, Bill Kelty, the understandings reached in Manildra (NSW) because there could be benefits for both sides.80 He said that "you should be reminded that when Mr Kelty and I talk about the future, we talk as Australians for the benefit of all Australians". Continuing this cooperative theme in his farewell address in May the following year, Blight said that the issue of wages and conditions should not stop the NFF working with trade unions on matters of common interest. On the question of services and social equity in rural Australia, they had, he argued, powerful potential allies.81 The NFF was by first half of the 1990s demonstrating that it had moved beyond the McLachlan era of confrontation. Some the change was due to the acknowledgment that the "enemy", the trade union movement, was very close to the Labor Government, a Government that by 1994 had been in power 11 years: that is 11 years of the 15 years the NFF had been in existence.

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79Speech to NFF Council meeting, Canberra, November 16-17, 1993.
80On July 30, 1993, Kelty and Blight addressed a meeting of farmers at Manildra, organised by the Agricultural Bureau of NSW. Both men agreed that relations between farmers and unionists should be improved and that exports should not be held up by industrial action. NFF and ACTU representatives have had occasional meetings to identify problems but no formal agreement has been signed. This information was supplied by NFF industrial director, James Ferguson. May 23, 1994, in a telephone interview.
CONCLUDING COMMENTS  No federal farm organisation of the post-war period, until the term of the Hawke-Keating began in 1983, had had to deal with a Labor Government for more than a few years. The Whitlam Labor Government lasted only from December, 1972, to November, 1975, and followed 23 years of unbroken government by the Liberal-Country Party coalition. Between the Whitlam and Hawke Labor Governments there was seven straight years of Coalition government. As detailed in an earlier chapter, the election of Labor in 1972 was a catalyst for change in the way Australian farm organisations operated. They suddenly lost the cozy relationship they had developed with Country Party ministers over many years and had to convince a ministry with close ties with the trade union movement of the needs of their members. Political change was also a spur for farm unity. Whereas once a telephone call or a delegation of farm leaders was sometimes sufficient to get a policy in place, dealing with a Labor ministry and its creation, the Industries Assistance Commission, required detailed, well-researched submissions that put a cost burden on organisations that could be eased by amalgamation. Now, after a period in the 1980s when the NFF "took on" trade unions in a confrontationist effort to weaken their power and replace centralised wage fixing systems with individual contracts, the NFF was demonstrating that it was still learning about Labor politics.
PART FOUR: SUMMING UP

CHAPTER NINE

WILL THE NFF SURVIVE?

This study is about the long, difficult quest for a single, united voice for the Australian farming community; a voice so strong that it would be heard in the corridors of the National Parliament as clearly as that of its traditional enemy, the ACTU, and the manufacturers who for so long had enjoyed high levels of protection to the detriment of rural interests.

Trade unions were relatively quick to weld together against conservative governments and employers but farmers and graziers, despite seeing trade unions as examples to follow, were too riddled with divisions to unite. Trade unions had sought their "one big union" just as farmers sought their 'one voice", and were successful in 1927 with the formation of the Australian (originally Australasian) Council of Trade Unions some 50 years before the emergence of the NFF. According to Ross Martin, the "one big union" would have arrived earlier but for two rival movements that surfaced during and after World War One. One was based on the American-inspired Industrial Workers of the World and the other was generated by the ambitions of the AWU to absorb other unions.¹ Unionists may have argued over politics and tactics but they, as wage earners dependent upon their employers for their livelihood, had an overriding common interest. Farmers and graziers had long fought each other over land laws and marketing systems and this, along with disparities in wealth and status, impeded unity.

In earlier chapters, such divisions were discussed in detail, notably the barriers thrown up by the adherence of graziers to the free market system and the demands of farmers for controlled marketing. The battle over how best to sell the annual wool clip went on for decades. It featured two bitterly-fought referendums

and many official reports as farmers, wool marketing authorities and the Country Party all put pressure on the grazier organisations to succumb to a reserve price scheme for wool. When that eventually happened, in the early 1970s, the gate was finally opened for unity, first for NSW, the state with the richest and largest organisations of farmers and graziers, and then for federal unity. However, history shows that there were other obstacles to overcome, and these were largely social and connected with property size, education levels, whether one was an employer of permanent or seasonal labour, and the type of farm enterprise. Until the 1960s graziers had shown a dislike of what farmers called "getting dirt under their finger nails", regarding cropping as a socially inferior occupation to grazing livestock. But a combination of low wool prices and a wheat boom led many to take up the plough. In that decade, the NSW Graziers' Association formed a grains committee and sought membership of the Australian Wheatgrowers' Federation.

As spelt out in Chapter Five, the NSW Graziers' Association, in its 1968 Report of the Unity Study Committee, could not hide its feeling of superiority over farmers who, it said, failed to appreciate intellectual qualities, scorned theorists and, without formal education, had a limited grasp of big issues. The report highlighted the differences between farmers and graziers rather than things they had in common, and could have been read as graziers deciding that unity was beyond reach. Yet, within 10 years, NSW primary producers were united within the Livestock and Grain Producers' Association. The snobbery of some graziers could not, in the end, counter the many factors that made unity so important. These included the harsh economic conditions facing farm organisations with declining membership, and therefore lower annual incomes, but with greater demands upon them to present detailed and well-researched submissions to Government, the Industry Commission (formerly the IAC), other government agencies and various inquiries. It was a symptom of the changing times that in 1987 the LGPA changed its name to the NSW Farmers' Association and that the National Farmers' Federation was so named without public protests from "graziers". In the later parts of this thesis I have felt
free to use the term "farmers" to mean all primary producers. The divisions between the two groups are now far less visible.

The close relationship between farm leaders and Cabinet ministers ended in 1972 with the election of the first Federal Labor Government in 23 years. The shrewder farm leaders and officials knew it was time to change track. Labor Governments, with their close connections with trade unions and predominantly urban constituents, had to be convinced, rather than asked, to accept farm policy proposals. The arrival of the Whitlam Labor Government generally coincided with changes in the way the national economy was managed. Tariffs and subsidies were being phased down and greater emphasis placed on developing a leaner and tougher economy that could compete on international markets with less assistance. Farm organisations needed a stronger voice to become more competitive with the other pressure groups that sought the ear of government. Amalgamation was an answer to the steady decline in the number of farmers, the tendency of many to withdraw from organisations in difficult economic times and the new demands placed upon organisation staff and executives. But, significantly, the new economic trends in Australia found acceptance within the grazier side of agipolitics. The graziers, despite their low numbers relative to the farmers, were dominant in the push for state and federal unity in the 1970s and their policies became those of the NFF.

It is beyond the scope of this thesis to assess the performance of the NFF and its future viability in fine detail but at the time of writing it was labouring under a tight annual budget, frozen at $1.2 million, and a review was being conducted into future funding, organisational arrangements and ways to improve communications with its state affiliates and their grassroots members. The financial problems were exacerbated by the continuing drop in membership of the state affiliates which finance the NFF, and growing demands upon its staff. For most of its first 15 years the NFF claimed to represent 170,000 farmers at the federal level. That figure was well above the total membership of NFF affiliates. Donald McGauchie, elected president in 1994, said that the NFF believed that, through the state affiliates, it represented "in excess of 60 per
cent" of all Australian farmers. At that time the number of commercial farming establishments was estimated at between 120,000 and 122,000 and, assuming that each establishment was managed by one farmer and that "in excess" of 60 per cent meant 65 per cent, we get a rough figure of 78,000 to 79,000. McGauchie claimed that more than 60 per cent membership was a high figure for a voluntary organisation, but gave no evidence for this. In 1989 the Australian Rural Times put the figure for paid farm organisation membership at "about" 55,000, but said that this was based on anecdotal evidence and its own survey.

The June, 1994, NFF Directory said the organisation represented 130,000 farmers through 27 affiliated organisations. Despite the sharp downwards revision, the NFF, once again, appeared to be assuming that all commercial farmers were members of state farm organisations, whereas McGauchie put membership at "over 60 per cent". The NFF may argue, however, that it represents all farmers whether members of state organisations or not. All farmers can benefit when the NFF negotiates a drought relief package with the

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2McGauchie was responding to a question from the author after addressing the National Rural and Resources Press Club, Canberra, June 16, 1944.

3Figures supplied by the Australian Bureau of Agricultural and Resource Economics, June 22, 1994 and based on the annual agricultural census of the Australian Bureau of Statistics. An "establishment", according to the ABS, is a farm with annual production worth $22,500 or more. An establishment may comprise a number of properties under the same ownership, include more than one farmer, have sharefarmers, or be owned by a city-based investor. All this makes estimates of the number of farmers in Australia difficult.

4Comparisons of the membership of voluntary organisations are difficult because of problems concerned with eligibility and degrees of coercion. However, we can make a rough comparison between farmers and trade unionists. The Australian Bureau of Statistics estimates that trade union membership fell by four per cent in the year to June, 1994 to 44 per cent of Australian workers, continuing a recent downwards trend. See Trade Union Statistics, Australia: 30 June, 1944, ABS catalogue No. 6323.0. December 14, 1994.

5November 30, 1989. This newspaper, established by Rural Press in 1989, was closed in 1990.
Government. State farm organisations, no doubt like many other bodies, have a history of fudging figures principally by keeping unfinancial members on their books. The higher the "membership" the more sway an organisation was assumed to have had in amalgamation negotiations and in gaining positions on marketing boards and other authorities. No organisation likes to publicly admit falling numbers for fear that it may accelerate the trend and weaken its influence with government.

While farm membership has fallen, the NFF, despite criticisms in the post-McLachlan era that it had lost much of its old fire, has suffered no major defections. Only egg producers and tobacco growers have left, for reasons explained in the previous chapter. The Queensland Graingrowers' Association, after losing a considerable sum of money in grain futures trading in the 1980s, was forced by financial pressures to give up its full membership of the NFF and is now involved through its affiliation with the Queensland Farmers' Federation. There have been no serious threats from major state organisations, which supply the bulk of NFF finances, to leave. The NFF received a boost in late 1994 when the Australian Citrus Growers' Federation was granted full membership. McGauchie revealed at that time that the NFF was actively seeking to unite other horticultural organisations into a peak council as a pre-requisite for NFF representation.6

A CONSTITUTION THAT WORKS

An earlier chapter noted that when the Australian Woolgrowers and Graziers' Council departed the National Farmers' Union it left a large hole in its budget. The founding fathers of the NFF sought to reduce the threat of defection by drafting its constitution with great care. The first NFF president, Don Eckersley, saw the constitution as vital to the success of the NFF. It was drafted by the farm organisation presidents, who comprised the Federal Amalgamation Committee, and their officials, and then "sold to farmers by the presidents as more than a philosophy of unity but as one that

would work". The FAC had firmly in mind the previous ineffective attempts at farm unity through the National Farmers' Union and the Australian Farmers' Federation. Both were ineffective "one voices" for the farm sector because their constituent parts, the national commodity organisations, remained far more powerful than the NFU and AFF themselves. They were allowed to say little beyond general comments on matters such as farm safety, rural education and costs of production. As the AWGC showed, it was very easy for organisations to walk out and end their financial support. Any member body intending to leave the NFF must give 12 months notice and pay all money owing to the NFF by the date the notice expires. This long term notice is intended to give any disgruntled member considerable time to reconsider, and for others to convince it to change its mind, while also preventing a sudden withdrawal of funding. The fact that funding must be paid up to the expiry date is also seen as a disincentive to leave.

The constitution was designed to end the domination of the rural sector by commodity-based farm organisations. On July 19, 1979, the commodity federations voted themselves out of existence and were replaced by the commodity councils of the NFF. The councils remained responsible for commodity policy but the NFF Council, on which they are all represented, assumed a prominence well beyond that enjoyed by the NFU and the AFF. The NFF Council, according to the constitution, is responsible for determining policies on matters affecting the rural sector as a whole, and on matters affecting more than one commodity, with due regard to the autonomy of commodity councils. The NFF president is the recognised voice of Australian agriculture, while the commodity council presidents generally play a secondary role. It was the reverse in the past when the leaders of the commodity-based organisations were dominant.

In his June, 1994, address to the National Rural and Resources Press Club, McGauchie said the NFF had never changed its agenda arguing that:

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7 Interview with Eckersley, Sydney, January 28, 1992.
the fact that we were regarded as part of the "New Right" in the mid-1980s, yet now are recognised as a mainstream organisation, simply reflects the way the national debate has moved. We haven't.

The NFF has remained true to the policies it began in seeking economic reform and labour market deregulation. McGauchie was correct in stating that these policies, with the passage of some 15 years, had become mainstream. However, the NFF was not termed "New Right" by its 1980s critics just because it pursued its stated objective, but because of the aggressive, confrontationist way it went about it and its close association with the H.R. Nicholls Society. In the late 1980s, when Allwright replaced McLachlan as president, the NFF mended fences with the Hawke Labor Government and again became a "mainstream" lobby group speaking with "one voice" and sticking to its apolitical charter.

Few pressure groups have had such clearly defined economic goals as the NFF or set about achieving them with such vigour. Whereas some of the large secondary industry groups, such as the Business Council of Australia and the Confederation of Australian Industry, were handicapped by a divided business constituency with different goals, the NFF arrived on the scene with its constituency problems largely solved by state amalgamations of farmer and grazier organisations. The NFF's single-mindedness has been unique among industry pressure groups, and it demonstrated this by withdrawing from the CAI in November, 1983, for two major reasons. One was the CAI's support for centralised wage-fixing, as against the NFF's preferred individual contracts, and the second was the CAI's tolerance of existing protection levels.

The *Australian Financial Review* editorialised that the CAI had two major counts against it, "its mindless protectionism and its foolish commitment to centralised wage fixation". However, the CAI represented a variety of manufacturing industries, some of which enjoyed the protection of tariffs, while others found centralised

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8 November 18, 1983.
wage fixing agreeable in that it reduced the time they spent on industrial matters and could bring industrial peace. Protected firms tended to go along with centralised wage fixing because they often had the ability to pass higher wage costs on to consumers. On the other hand, unprotected exporters, like farmers, had to take what international markets were paying and found their production and marketing costs rising because of the inflationary impact of national wage awards.

Australia is a major exporter of farm produce and, in the second half of this century, there was a strong movement by government to wind back on farm support measures, thereby further exposing farmers to market forces. It was not surprising that the NFF, as the national voice of farmers, saw its mission as influencing the factors that were now impinging most on farmer welfare. They were the inflation rate, interest rates, wage rates, levels of protection for secondary industry, the restructuring of transport and waterfront services, freer world trade, financial deregulation and smaller government outlays to take pressure off interest rates and allow for lower taxation.

The NFF had made a complete break from earlier times when the majority of Australian farmers sought government intervention in their industries in the hope that this would shield them from rapacious middlemen and the laws of supply and demand. According to Paul Kelly, the NFF was the first industry lobby in Australia to adopt the free market philosophy and, in doing so, turned its back on the Country Party which farmers had created to look after their interests. The NFF, Kelly said, had rejected the legitimacy of the farmers' own political party. The problem for the modern farm leader was that the Country/National Party was dragging its feet and persisting with protectionist policies that were hurting agriculture. The pressure group had outgrown the party and, although the party leadership constantly called upon farmers to unite and speak with one voice, there was tension between the two sides from virtually the moment the NFF was established. It was the economic philosophy of the graziers, rather than that of the

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more numerous farmers, which dominated in the young NFF and remained strong.

**THE NFF AND THE "FARMERS" PARTY**

The National Party was criticised by the NFF when in government for its adherence to a protectionist philosophy, and then virtually ignored in Opposition as irrelevant to the economic debate. The NFF was running its own agenda and financing it through its fighting fund and the membership fees of its affiliates. There were no more donations to National Party campaigns and less interest by the NFF in what the party had to say. Relations between the two bodies got off to a bad start when the NFF, then only a month old, launched a broadside against the 1979 Budget of the Fraser Government. They never really recovered with the National Party Leader, Doug Anthony, asking why the NFF was not officially linked to his party as many trade unions were linked to the ALP, and bemoaning the fact that the Fighting Fund held money that came from National Party supporters and therefore should be in its coffers.

It is not unfair to say that the National Party was jealous of the success of the NFF, its high profile under McLachlan's leadership and its acclaim by the financial media as the leading pressure group in the quest for a competitive economy. The former National Party federal director, Paul Davey, said the party was annoyed at the coverage the NFF could easily command from the media and there was "some jealousy" over McLachlan's high profile. He conceded that the NFF was a very professional lobby, but National Party politicians believed it did not reflect the needs of farmers.10 In October 1986, *The Australian* reported that the National Party Leader, Ian Sinclair, Deputy Leader, Ralph Hunt and Party Whip, Noel Hicks, had held meetings with the senior management and editors of Rural Press Ltd., publisher of most of Australia's specialised farm journals and a large number of country newspapers. The article, by political correspondent Mike Seccombe, stated that the National Party was trying to "woo the rural press" in

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an effort to "win back the bush" from the NFF. Seccombe wrote of tension between the party and the NFF because the latter had made the running, both in terms of news coverage and fund-raising, with farmers contributing 60 per cent the NFF's fighting fund. The party was finding it harder both to make news and to raise election campaign funds. The article quotes a Rural Press executive, Paul Myers, as stating that there was "absolutely no foundation" for any talk of partisan support for the National Party following the meetings.\(^{11}\)

Rural Press surveys, Seccombe wrote, had found respondents almost equally approving of the NFF and the National Party (72.2 per cent and 71.2 per cent respectively) but 34.5 per cent were "very satisfied" with the performance of the NFF, as against only 10 per cent with the party. Compared with the dynamic NFF, the National Party seemed a tired, outdated organisation slowly drifting into oblivion. In 1992 former National Party leader and still MHR for New England, Ian Sinclair, doubted if the party could regain the seats lost at past elections. He said:

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\text{The trouble is that we have lost our way. There is a fundamental problem in the party at the moment that it seems to be pursuing lost causes. We are not taking enough interest in the family farm, which was almost yesterday's cause. Apart from that, demography is against us.}^{12}\]

Against the power of the trade unions in the live sheep and wool stores disputes, both occurring during the life of the Fraser Government, the National Party seemed impotent in the eyes of farmers, whereas the NFF fought the unions and won. There were even concerns that the NFF could form the basis of a new rural political party. National Party leader, Tim Fischer, was aware of such concerns generated about the NFF, but the Nationals were not worried, he said, because the NFF, under its rules, could not run candidates for parliament.\(^{13}\) The NFF never countenanced the idea

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\(^{11}\) *The Australian*, October 8, 1986.

\(^{12}\) Interview, Canberra, September 10, 1992.

\(^{13}\) Interview, Canberra, October, 1\(^{st}\), 1991.
of setting up a new political party and there would have been little support among the grassroots members of the NFF state affiliates. Graham Blight, the fifth NFF president, claimed that there were many farmers who liked to see strong links between the NFF and the National Party, because they had the same constituency and the same basic philosophies and "we are not about breaking those links". The "links" between the two groups were basically some cross-membership and farmer support at the ballot box, but there was no love lost between the leadership of the National Party and McLachlan and the NFF staff.

Relations between the NFF and the National Party were put under strain from the beginning. Former NFF deputy director, David Trebeck, recalled that the NFF was critical of the Fraser Government over economic issues and the shape of the 1979 Budget and made its views public in a press release on Budget night. This was followed by "that initial stoush" with Anthony that was so important, he said, in the establishment of the NFF, then only a month old. Trebeck added that:

In those early years, it was so important for the NFF to retain its approach to issues because, for the first time, the old divide and rule thing, which had arguably strengthened the National Party, had gone.

The NFF was very political, but non-party political, recalled Andrew Robb, former NFF executive director, and was able to hold this stance. There were times, he said, when the NFF went harder against the National Party to show people that there was no "directional connection between us, and that is why National Party people like Doug Anthony were particularly sensitive". The fourth NFF president, John Allwright, said that, for a long time, the National Party thought they "owned us" but McLachlan finally put that to rest. The Nationals, according to Allwright, went through

15 Interview, Canberra, January 26, 1994.
16 Interview, Canberra, January 26, 1994.
that uneasy situation where they did "not know what the tiger was going to do".\footnote{Interview, Canberra, May 12, 1992.} There was resentment by the National Party that the NFF had, in 1983, sought a good working relationship with the incoming Hawke Labor Government. The NFF president at the time, Michael Davidson, said that some people in the National Party could never accept the growing power of farm organisations as they were reconstructed into single state bodies and then amalgamated into the NFF at the federal level. The party saw this as a threat and "could not accept the apolitical stance that we were developing in the interests of Australian farmers".\footnote{Interview, Canberra, May 12, 1992.}

In essence, farm organisations created the Country/National Party, but then came under its influence as the dispenser of farm support programs, positions on marketing boards, seats in parliament and even knighthoods. Then, in the 1970s, the situation changed dramatically with farm leaders finding the National Party largely irrelevant, even resistant to their economic goals. The National Party saw farmers acting with greater independence from it, raising their own Fighting Fund and fighting their battles alone. When Doug Anthony called on the NFF to affiliate with the conservative parties, as many trade unions were with the Labor Party, he was ignored. Whatever the historical links between farmers and the National Party, they meant little to a pressure group committed to economic reform. In 1986 the National Party attempted to demonstrate to farmers that it, and not the NFF, was devising and promoting policies that would boost their welfare. The party distributed a 16-page document that purported to show that its policies were not only superior but that the NFF had taken up many existing party policies as its own. The document attracted little attention.\footnote{See Nationals & NFF: Policy Comparisons, National Party of Australia, Canberra, July, 1986.} A lot of sentimentality had gone out of farming, it was seen more and more as a business than a way of life and with many of the same problems of business. Most income support measures,
installed by the Nationals who in Coalition Government, had gone by the board. With the new emphasis on interest rates, inflation and the value of the dollar, farm leaders are as likely to make appointments to see treasurers as ministers for primary industry.

**WHAT DO FARMERS THINK OF THEIR "ONE VOICE"?**

The NFF has been accepted by government, the public service and other Canberra-based pressure groups as an effective organisation with a skilled and dedicated staff, but what of farmers? The NFF has no direct farmer membership. Farmers are only associated with the NFF through their membership of affiliated organisations. Farmers know that a portion of their annual subscriptions goes towards financing the NFF, but what, exactly, rank and file farmers think of the NFF is hard to gauge. It was noted in the previous chapter that the NFF accepted that its popularity with farmers fell in the post-McLachlan era when there were no "Mudginberris" to stir the emotions. Like the rank and file of most organisations, few farmers attend branch meetings or annual conferences. Policies are formulated on their behalf by organisation executives and opportunities for ordinary farmers to express a viewpoint, such as in the wool marketing referendums of 1951 and 1965 and the NSW amalgamation ballot of 1977, are rare.

Farmers were been shaken out of their apathy by the confrontations with trade unions described earlier. When times have been hard, such as in 1985, they have turned up to protest demonstrations in their thousands to be aroused by McLachlan and to vent their spleen against the Hawke Labor Government. The combination of hard times and skilled agitators can stir farmers into action, but most of the time farmers have little contact with the organisations and especially the NFF. The *Australian Rural Times* reader surveys purported to show that the popularity of the NFF fell dramatically with the end of McLachlan's presidency, which roughly coincided with a relatively peaceful period on the industrial front. While the survey results must be treated with caution, the general conclusion, as noted earlier, was not disputed by McLachlan's successor, John Allwright.
It appears the the popularity of the NFF, like that of other organisations, heavily depends on high profile leaders and headline-grabbing events and not the rather mundane day-by-day preparation and presentation of submissions to the Industry Commission, the Industrial Relations Commission or government. Many farmers would find it hard to see the benefits generated from their financial contributions to the NFF unless they closely followed the outcome of negotiations and submissions in the pages of the newspapers distributed to them as members of NFF affiliates. However, the lack of applause does not necessarily endanger the NFF's future. The people who comprise the NFF's executive, its council, policy committees and commodity councils are virtually all leading members of NFF's affiliates and committed to the ideal of federal unity. They may also have a vested interest in the NFF continuing unchanged because of the prestige attached to a position on the national farm lobby and the contact it allows with politicians and other people of influence. Farmers with political ambitions could find membership of NFF councils beneficial. Their positions of authority in the state affiliates generally ensures that the NFF is put in the best possible light both at conferences and in their organisational newspapers. Anti-NFF sentiment at conferences could be combated by the combined power of the pro-NFF executives of affiliated bodies.

The situation where the Pastoralists and Graziers' Association of Western Australia made an implied threat to leave the NFF over its support of the Mabo Aboriginal land rights legislation did not over-concern the NFF. PGA members feared their leasehold properties would come under land claim; and opposed Mabo outright, but the NFF, realising that the legislation would be enacted, set about ensuring that there were measures in place to help leaseholders combat any claims. The NFF style of operation is not simply one of blind opposition to proposals that upset its members. If it cannot stop a measure it tries to ameliorate its impact by working closely with the Government. This was how the NFF approached Mabo. It knew the legislation would be introduced, whatever the objections from the non-Aboriginal community, and saw its role as negotiating amendments to protect pastoralists in return for giving its support to the legislation. The amendments were designed to ensure the
renewal of valid pastoral leases and exclude pastoral leases from clauses that convert any statutory reservation of native interest to native title. The Federal Opposition refused to accept any amendments, including those negotiated by the NFF and the Australian Mining Industry Council, preferring to reject the legislation outright. Relations between the NFF and the Coalition came under further strain when Opposition Leader, John Hewson, accused the NFF of selling out farmers over Mabo.²⁰

The NFF approach to Mabo littered its stakes with the Labor Government, but that was only part of the reason for close NFF-Government relations in the 1990s. The NFF's reputation for solid research, that rests more on facts than emotion, has ensured that the Government consults it and seeks its advice on major issues. A prime example was the 1994 drought relief package where the NFF was consulted in its preparation and could proclaim that it got the measures it thought best for drought-affected farmers.²¹ When there was rising concern about the availability of grain as the drought intensified it was the NFF, and not the Government, which called a grains summit. The Minister for Primary Industries, Bob Collins, attended the summit and made a contribution, signifying his confidence in the NFF not to use the summit to try to score points but to work for ways to overcome the grain shortage.²² In March, 1995, NFF president McGauchie, and senior economist with the Australian Bureau of Agricultural and Resource Economics, Ivan Roberts, went to Washington to jointly run an Australian campaign seeking reduction in United States farm export subsidies. Both men addressed Congressional representatives and their staffs. Roberts, in a press release issued by ABARE, spoke of joint efforts being made by the Australian Government, in conjunction with the NFF, to advance the case for cuts in US subsidies.²³

²¹See The Canberra Times, of September 22, 1994, for front page article headed "Farm Chiefs Hail $164 million for Drought". The Australian Financial Review of the same date had a similar headline.
²²Summit held at NFF House, Canberra, October 16, 1994. see The Canberra Times of the following day.
²³March 14, 1995.
The NFF, at times, gives the appearance of a research organisation rather than a rural pressure group, so close is its relationship with government agencies such as ABARE and the Department of Primary Industries and Energy. The publication, *Grains Update*, is a joint DPIE-NFF venture. This is a clear demonstration of the new role of rural pressure groups in Australia in co-operating with government in research on rural matters and mapping future directions for the farm sector. In earlier times it was generally a case of getting as much financial assistance from the Government as possible for specific farm industries with little regard for the impact on agriculture as a whole.

If there is any threat at all to the NFF in its role as the "one voice" for Australian agriculture it could emerge during a long and deep recession in farming, when desperate people seek radical solutions to their problems such as a return to controlled marketing and massive subsidies. When commodity prices slump or wildly fluctuate there are farmers quick to blame deregulation and they call for a return to the regulated markets. *The Land* reported early in 1995 that nearly 200 wheat growers met at Rankin Springs (NSW) and voted overwhelmingly for a return to a regulated domestic wheat market. This was despite being told by a representative of the NSW Grains Board, Don Hubbard, that it was futile to continue fighting for something that was politically unattainable.\(^{24}\) The NFF can expect the occasional outburst of discontent over deregulated markets from those retaining the "farmer" philosophy. It can also expect the "re-regulators" to be supported by *The Land*, which has never forgotten its UFWA and FSA roots, and other journals of the specialised farm press.\(^{25}\) But even if the National Party is swayed by grass roots unrest, the NFF is confident that the Liberal and Labor parties will not turn back the clock.

The last group to split from its parent was the Cattlemen's Union, when beef producers voted in the mid-1970s to leave the United

\(^{24}\) *The Land*, February 9, 1995.

Graziers' Association of Queensland. The Union never achieved the meat marketing reforms it demanded but nevertheless was a foundation member of the NFF and remains a member, despite still yearning for a national beef producers' organisation that will, in its eyes, be more representative of the industry than the Cattle Council. To many farmers, the NFF is seen as an organisation that has raced well ahead of rank and file thinking with its economic rationalist agenda. The NFF is looking for long term benefits to farmers through economic and industrial reforms which lower production costs, the freeing up of international markets and maintaining and improving farm productivity through better land management practices. Some farmers would prefer more immediate benefits in the form of subsidies and other income supports. Some resent the NFF working closely with conservationists, Aborigines and Labor politicians.  

Some NFF critics want it to move out of Canberra raising the old argument that being resident there means an increasing isolation from the real world and losing contact with grass roots farmers. Farley took the opportunity to respond at the May, 1995, NFF annual conference and in doing so put Canberra in perspective as far as the lobbying industry is concerned. He said:

Whatever you think of Canberra, the fact remains that it is the centre of national government and a particular market place. It operates on networks, many of which are personal and built-up over time. If the NFF is not part of the network, with high credibility, our ability to influence government will be reduced. Our networks need to be protected and nourished. So does out credibility.  

The old class antagonism between farmers and graziers may have faded over recent decades but it has not completely disappeared. It can be revived at any time to put a dint in farm unity. The editor of

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26 NFF executive director, Rick Farley, chairs the Rural Committee of the Council for Aboriginal Reconciliation.

27 Executive director's report to the Nation Farmers' Federation Annual Conference, Canberra, May 16-18, 1995.
The Land, Peter Austin, did not let a political blunder by former NFF president, Ian McLachlan, pass by without having a potshot at the "grazers". McLachlan resigned early in 1995 as shadow minister for the environment when his attempt to embarrass the Keating Government over the release of letters from Aboriginal women opposed to the construction of a bridge in South Australia, backfired. Austin wrote in his weekly column that it must have been something to do with McLachlan's "squattocratic" origins, or his private school upbringing that impels "the Ian McLachlans of this world to do such silly things". It was, according to Austin, symptomatic of the born to rule mentality.28

There are farmers, discontented over market deregulation and the NFF's economic philosophy, who could form the basis of a future alternative farm organisation. There chance would come during a severe slump in rural commodity prices. However, history has shown that few breakaway farm organisations survive for long, and those that did, the AWMPF and the Cattlemen's Union, ended up as part of the NFF. Any challengers to the NFF will have a hard row to hoe, up against an organisation that has gained a strong reputation as the "one voice" for farmers. The NFF, however, would not welcome a rebel organisation and, in the future, it is expected to make a greater effort to promote its virtues to grassroots members and, in particular, try and explain the long term benefits of its economic platform.

This thesis has primarily been about the search for and obtainment of a single voice for Australian agriculture. The analysis of the performance of that voice, the NFF, has been limited by space and the confines of the thesis topic. There is, however, an opportunity for another researcher to undertake a full examination of the NFF as a pressure group operating in the National Capital, with emphasis on its success or otherwise on behalf of farmers and its ranking among the other pressure groups. I remain confident that such an examination would place the NFF at the top of Australia's pressure groups. The NFF, unlike many pressure groups that have gone before, has not merely put its hand out for immediate benefits.

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for its members. It has been the leader in the quest for a more efficient and competitive economy, prepared to do the detailed research into areas of reform that will benefit its members over the longer term. In doing so it risks criticism from those who prefer cash in hand.

It seems almost paradoxical that a group once labelled as whingeing "cockies" and seen by others as only interested in dipping its fingers into the public till, emerged in the late 1970s as a leader in the quest for a deregulated economy. Who would have imagined that the "farmers" and "grazers" would work in harmony within organisations that while abandoning the title "grazer" were pursuing a "grazer" agenda? The cockies have not forgotten how to whinge but they now whinge more on the basis of research than emotion and have learned to whinge with "one voice".
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---------, Rural Policies, Chapter 9 of From Whitlam to Fraser, Patience, Allan and Head, Brian, eds., Melbourne, 1979.


Archival deposits:

I received access to a wealth of prime source material at the Noel Butlin Archives Centre at the Australian National University in Canberra. The records of the Pastoralists' Union of NSW and its successors, the Craziers' Association of NSW, the
Livestock and Grain Producers' Association of NSW and the NSW Farmers' Association have been deposited there. The deposits are extensive, dating back to the establishment of the Pastoralists' Union in 1890, including material sent to the above organizations by other farm groups, government ministers and departments. The Australian Woolgrowers and Graziers' Council followed the lead of its major affiliate, the NSW Graziers' Association, in depositing its records with the ANU archives until it ceased to exist in 1979 following the establishment of the National Farmers' Federation. The NFF's records are also held at the ANU archives along with selected material from the Australian Wheatgrowers' Federation, the National Farmers' Union and the Australian Primary Producers' Union.

At the University of New England's Dixson Library I examined minutes of meetings of the executive council and executive committee of the Farmers and Settlers' Association of NSW and annual conference reports. Also available were minutes of the executive councils of the Wheatgrowers' Union and its successor, the Wheat and Woolgrowers' Association. However, the minutes of the three organizations were not complete (there were missing years) and put together in a rather perfunctory fashion. In 1962, the FSA and the WWA united to form the United Farmers and Woolgrowers' Association of NSW. UFWA, as mentioned in Chapter Five, had little interest in the preservation of its records and actually destroyed many files. Fortunately, after UFWA and the Graziers' Association merged to become the LGPA, available minutes of UFWA annual conferences, general council and administrative committee and some other materials were deposited at the ANU archives. Sydney's Mitchell Library holds copies of presidential addresses to UFWA annual conferences, 1962-1966.

Newspapers and journals:


Farm organisation journals: *Muster* (NSW Graziers' Association), *The Cattlemaster* (Cattlemen's Union), *The Livestock and Grain Producers* (Livestock and Grain Producers Association of NSW), *The NSW Farmer* (NSW Farmers' Association), *The United Farmer* (United Farmers and Woolgrowers' Association), *The Australian Farmer* (Australian Farmers' Federation) and the NFF *Bulletin*, NFF annual reports and *Economic Insight* (National Farmers' Federation).

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**Interviews:**

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