

THE LAMB BOARD

The W.A. Lamb Board has done nothing for the image of farmers as sagacious sons of the soil quietly and efficiently socialising losses and capitalising gains at the expense of consumers and taxpayers. Far from getting the best of all worlds farmers have reduced their own incomes.

At the end of the 1960s, faced with drought and dreadful prices, farmers became irascible and irrational. Looking about for someone to blame they turned their anger on the middlemen - the agents, railways, carters, abattoirs, slaughtermen, wholesaler/exporters and retail butchers. There was only one whose job they felt they could do better themselves. He was the wholesale butcher and exporter. His job was financial and organisational. They talked the government into establishing a statutory authority to acquire compulsorily all lambs destined for slaughter - the Lamb Board.

The board should have been questioned, even from the start, on two grounds. The first was one of principle. Farmers who would not have had their own businesses nationalised should not have demanded the nationalisation of wholesale butchers. The second was pragmatic. It never was explained how a monopoly wholesaler and exporter was to be more cost competitive than the competing companies which had purchased lambs in the past.

While it was generally presumed that the board would act in the growers' interest, no thought was given to the discipline which would ensure that it did not instead pursue its own interests, or how other legitimate interests were to be reconciled with growers' claims. Both the record and the theory of monopolies should have sounded a warning.

That the Lamb Board prefers its own interest to that of farmers was evidenced by its refusal to hand over copies of its own public documents - annual reports, newsletters and price schedules - to facilitate research for a submission to a current inquiry into its performance.

In spite of the churlish refusal to co-operate, the submission was able to compare the prices at which lamb was purchased from W.A. growers with South Australian and Victorian prices over 19 years. Pre Lamb Board and during the first six years of the board, lamb prices were similar in all three States;- they went up together and down together.

Lamb prices always were more variable in W.A. and remained so under the board in spite of a period from 1973 to 1976 when the board smoothed out some of the traditional differences between spring and autumn prices, adding to the spring glut and the autumn shortage.

From 1980 to 1983 growers' prices declined much more rapidly in W.A. than in the other two States.

A similar comparison of retail lamb prices shows that until 1980 retail prices in all States remained fairly close with Adelaide and Perth a little above Melbourne and Sydney. From 1980 Perth retail prices became remarkably dearer - as much as a dollar per kilo dearer for prime cuts.

Since 1980 the Board has managed to adjust prices to prejudice both grower and consumer, which is a remarkable feat. W.A. lamb consumption is half what it was in pre Lamb Board days and Eastern States growers find it profitable, notwithstanding the freight, to supply the W.A. market.