

Rinehart urges ag investment empathy for Australia's sake

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Hancock Prospecting executive chairman and enthusiastic agricultural sector investor, Gina Rinehart is patron of AgDay.

Australia is indeed a lucky country says Gina Rinehart, but it will be an increasingly unlucky place to live if we don't actively invest in wisely using its abundant land, water and sunshine.

The mining magnate, turned big-scale beef industry investor, has used this week's national Agriculture and Related Industries Day (AgDay) as an opportunity to blast the "entitlement malaise" she fears is overwhelming Australian society.

While 1.6 million farm sector producers and service providers generated one in every seven export dollars for the national balance sheet, she said almost 2m Australians were employed in federal, state and local government jobs servicing a political system under relentless pressure to spend more taxes and government borrowings.

"We seem to have lost the basic understanding to realise we need to create a good environment for investment and to enable export industries to be cost competitive internationally," said the Hancock Prospecting executive chairman.

"The media and others, at times without any regard to our existing government debt, pressure politicians to spend more taxpayers' money, and unfortunately politicians often succumb and our record debt gets worse.

"We cannot tax our way to prosperity. Governments need to be more financially responsible.

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- Gina Rinehart, AgDay patron

"Governments need to spend less instead of being induced to spend more by self interest groups who often show no interest in contributing economically themselves."

Mrs Rinehart, whose Hancock Agriculture holdings now span 22 cattle stations and aggregations, including her majority stake in the iconic S. Kidman and Company business, was this week made AgDay patron for the next five years.

Celebrated contribution

She was speaking at a sold-out gala dinner celebrating agriculture's contribution to the nation, held at the Australian War Memorial in Canberra.

Mrs Rinehart was the driving force behind the AgDay initiative, originally garnering support from the Pastoralists and Graziers Association of Western Australia, and later the National Farmers Federation, Prime Minister Malcolm Turnbull and then Deputy PM, and fierce campaigner for the farm sector, Barnaby Joyce.

"I wanted to promote the importance of agriculture and its related industries for a better understanding of these industries, so vital to Australia and our future," she said.

While much was said about the hard work and expertise of our farmers, and the value of Australia's fresh air and clean environment to consumers in nearby crowded Asia, Mrs Rinehart hoped AgDay fostered greater understanding of agriculture's critical need for investment and the need for agribusinesses to be cost competitive globally.

"Given most of the markets for our agriculture are actually overseas we must compete globally," she said.

"To underpin our cost competitiveness and ensure Australian agriculture's sustainability, we need to lower all forms of government cost burden, be they red tape, compliance, taxes, or ever increasing license costs."

Red tape cost the national economy \$176 billion in reduced productivity every year, or 11pc of our gross domestic product, according to Institute of Public Affairs calculations.

"Is it any wonder investment in Australia today is at the lowest level it's been since the Whitlam Government?" she asked.

Mrs Rinehart said Sidney Kidman's 100-station cattle empire started with just five shillings and a one-eyed horse, but would never have grown, despite all his hard work a century ago, if it had encountered today's entitlement attitudes, red tape and compliance burdens.

Hypocritical cafe critics

She noted it was ironic some of the best educated, well-serviced and most articulate Australians living inner city lives today were often those who needed to learn much more about where their lifestyle staples came from – the food, wine, clothing, leather boots and cafe chairs taken for granted by many.

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She suggested their cafe discussions frequently opposed resources industries, much of the agriculture and fishing sectors, water usage, and even eggs.

"The table they sit at is made from woodchips from South Australian pine forest glued together with animal by-products from Victoria, the clothing they wear is made from wool, or cotton grown with access to water licenses... the smoked salmon they eat is farmed in Tasmania..."

"These products are part of our everyday lives yet some in our community actively campaign against what they and their children actually need to live."

Her wide-ranging speech touched on her own Hancock family's pioneering pastoral roots in North West Australia in the 1880s, her father Lang Hancock's mining industry breakthroughs and bad luck, and Mrs Rinehart's own challenge since 1992 to rebuild the financially stressed family company, which is now one of Australia's biggest taxpayers, and investors.

She applauded the success of AgDay, celebrated from Perth to Tasmania, Wagga Wagga, Kingaroy and Alice Springs.

“What a fantastic start.”

“I’m so pleased we now have a day to celebrate agriculture’s importance and recognise its incredible stories and histories.”