

# Industry directions?

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The title of this discussion has a rather ominous ring to it as far as I am concerned. It suggests a need to make some sort of futuristic predictions about the directions the cotton industry will take over the next decade or two.

Unfortunately, history is littered with the bones of predictions gone wrong. People make predictions about the dire consequences of increased population growth, energy shortages or greenhouse effects, and about which horse will win the last race at Doomben on Saturday. At least half of the predictions turn out to be wrong, but that doesn't seem to stop people sticking their necks out. It does suggest, however, that a bit of caution is needed.

Perhaps the hardest predictions to make are those that involve the behaviour of groups of people, such as the direction of the economy or, in this case, the direction of the cotton industry. There are too many variables involved, and the best place to start is to look at the direction the industry has taken over the past thirty years.

## Production

The easiest way to make a prediction about the future is to extrapolate from the past. Australian cotton production has increased by about 350% over the past ten years. If the trend continues, we will be producing about 4.6 million bales by the year 2000.

This is unlikely to happen. Water constraints should limit the increase in irrigated cotton area to about 750000 acres in ten years, from the maximum of about 580000 acres at the moment. By then, the average yield should be three bales an acre, giving production of about 2.25 million bales.

## Industry structure and organisations

The cotton industry is perhaps unique in Australia in that, while it has grown enormously over the past twenty years, it has retained a fairly simple structure.

This may have been due to any number of reasons such as;

- The number of growers is still relatively small, even today, making communications and decision making fairly easy.
- The grower representatives (ie. the processors) have done a good job in looking after the interests of the growers.
- Most growers are too busy to spend time on "political" matters.
- Until recently, there have been no industry organisations with any real power or money to spend.
- Before the chemical/environmental debate really started to hot up, there were few major issues worth worrying about.

There are only two real grower organisations, the ACGRA and the Cotton

Foundation. Although the Foundation was established as a low profile public relations and lobbying organisation, it has now developed, almost by default, as the peak body representing cotton growers.

Representation on both of these bodies is through the processors, and representatives are appointed, not elected directly by growers. This was a fairly simple matter when there were only three processors, but the field has now expanded to seven, with another one likely in the next year or so. This has complicated matters, and there could be a case made for a more democratic system of representation, especially as the stakes have risen in terms of the importance of some of the issues and the amount of grower levy money involved.

A trend seems to be emerging for the formation of more local cotton grower organisations. In many cases, these have been in response to environmental criticism, and the local organisations have acted as a focal point for discussion with the community.

If support for local grassroots organisations increases however, it is possible that the focus of attention could widen to other industry issues. It is not hard to imagine strong grower organisations demanding more of a say in the way the industry is run. This could amount to direct representation on industry bodies, or at least, better lines of communication to such bodies.

Of course, the next step could be the formation of a grower based umbrella organisation for the industry. It would need a groundswell of interest which is certainly not there at the moment, and enough people willing to invest the time and effort to make it work.

However, it is a possibility in the next ten years or so, and it worthwhile looking at some of the advantages and disadvantages of such an organisation.

#### **Advantages**

- More democratic.
- Possibly better communication of grower wishes.
- Growers become more involved in issues.
- New faces in industry organisations.

#### **Disadvantages**

- Decision making process will probably slow down.
- Powerful positions created which may encourage self seeking political types.
- Petty issues may waste a disproportionate amount of time.
- Some very talented people may be lost from the system.

On the whole, it doesn't make a good case for any major changes. The best criteria for judging the present processor based system should be how well it works, and not how democratic it is. As the old saying goes, "if its not broken, don't fix it."

However, there should be a mechanism by which interested people can nominate for positions on the industry research and promotion organisations.

Maybe the best way to do this is for processor groups to elect their representatives to industry organisations, rather than have them appointed.

### **Communications**

Eighteen months ago, the Cotton Research Council commissioned a report into the information needs of the industry, with special emphasis on computer based services. This was despite an earlier survey which showed that growers considered personal contact with consultants and other growers as the most important sources of information, followed by the written word.

Five years ago, computer based information services looked to have a big future. It was whizz-bang technology, and growers were expected to sit in front of their computer and search through big data bases for the information they want.

Unfortunately, cotton growers, along with 95% of the population, want information handed to them without having to go and search it out. Most rational people try to keep their time in front of a computer screen to a minimum.

Therefore, a direct computer link is out. If more information is needed, the best medium to use is probably the consultants, who have a vested interest in being as well informed as possible.

One possible solution would be an industry information officer to provide a link between researchers and other information sources on the one hand, and consultants and growers on the other. Such a person could produce the information in a usable form and deliver it to the user, or could respond to requests for specific information.

Regular seminars could be held in each cotton growing area to deliver information in the most popular form ie. personally. This could be backed up by a comprehensive library of information stored on computer, but delivered in written form on request.

Funding could be user pays, from industry funds or a combination of both. Either way, it would be a cheaper option than an expensive computer network

### **Environment**

No one involved in the industry needs to be reminded of the stick we have taken over the past few years on chemical use and environmental issues. One thing for certain, the issue won't go away of its own accord, and the pressure will increase in future.

There are two issues involved — public health and environmental damage, and the industry would do well to separate the two as far as possible in the minds of the public. At the moment, the public and media find it hard to distinguish between a fish kill and a cancer scare, lumping chemicals and the cotton industry into the "nasty" category and liable to blame for every ingrown toenail in the district.

The cotton industry has developed a bad image and a lot of public relations work needs to be done to correct it, and that job has started. On the health issue, the image is bad but the reality is that there is no evidence linking cotton spraying to any public health risk in Australia, and this point needs to be hammered home.

On environmental problems, the image is also bad, but in isolated cases,

the reality isn't so crash hot either. Before a better image can be sold, we have to clean up our act to improve the reality, because you cant hide dead fish.

In the future, as the community becomes more environmentally aware, it will be able to distinguish more readily between health and environmental risks. Hopefully, the debate may then bypass the red herrings and concentrate on the sometimes legitimate environmental concerns.

To win the debate and stay in business, the cotton industry has to have a clean act and be able to prove it. The industry may need to find some way to punish environmental transgressors because growers have to realise the actions taken by their neighbour may have a significant impact on whether they will be growing cotton in ten years time, or at least the terms under which they will be doing it.

To prove the industry is clean will take close monitoring of air and water residue levels, and the industry may have to look at the possibility of funding at least part of the cost of this work, although the people doing it would have to be completely independent.

#### **Research and Insect control**

The research effort in the cotton industry is undoubtedly of world class and a major contributor to our status as the most efficient producer in the world. As such, there is not much of a case to be made for major changes in the funding arrangements or the type of work involved.

One area which may demand more funds is in alternative insect control measures. Even though the industry has used a very significant portion of available research funds in this area in the past, the net may have to be cast even wider.

Despite investigating every promising avenue of alternative to chemical control, the strike rate has been pretty dismal. Perhaps the only commercial success has been the partial host plant resistance derived from the okra leaf cotton varieties.

The only other possibilities on the horizon are reformulated or genetically engineered forms of biological control agents and some promise with the mass release of heliothis parasites. Any predictions of an end to our reliance on chemicals contains a lot of wishful thinking.

The considerable success in coping with pyrethroid resistance problems over the past few years points to good prospects of extending the life of presently available chemicals and those still to come on the market.

Growers have shown they are willing to sacrifice some short term gain for a long term advantage, and hopefully, chemical companies have got the message and are prepared to do the same.

In future, new chemicals may come on the market with a ready made strategy designed to minimise the chance of resistance buildup and extend their life. Growers may not be able to use the chemical as often in a season as they would like, but will have a greater chance of the product being available in ten years time.