

The roles and tasks of farmer unions in Norway. (Draft)

By Eli Reistad, Vice President of the Norwegian Farmers' Union

Dear ladies and gentlemen,

Norwegian farmers are proud of Norwegian agriculture. We, farmers in Norway are running the world's northern most agriculture. We provide tasty and varied food of high quality. We contribute to viable and strong local communities all over Norway. We maintain a beautiful country, cultural landscapes and cultural heritage. We provide innovation and new enterprises. We make Norway grow.

The roles and tasks of Farmers' unions are closely linked to the various roles and the importance of Norwegian agriculture.

You might perhaps come to the conclusion that agriculture is not very important, in a country with only 3% arable land, 3,6% of employment in agriculture and the agriculture constitutes less than 1% of GNP. But the importance of Norwegian agriculture goes far beyond these purely economical figures. And this is recognized by the population/public society in our country. More than 80% support that agriculture should be maintained at today's level. Food security and safety, viable rural areas, landscapes, cultural heritage and other environmental issues are reasons given for this support.

In a country like Norway, we would not have markets for or production of hardly any products without an agricultural policy based on, in particular, import tariffs but also relatively high subsidies and other measures. This is due to climatic conditions, topography and a high cost level in general. The need for an active agricultural policy safeguarding a viable agriculture in all parts of the country is the recognised by a broad majority in the Parliament. This "political agriculture" is also the basis for our work in the NFU.

The Norwegian Farmers' Union (NFU) is a major player when it comes to agricultural policy design.

As in many countries, Norway has a number of organisations taking care of various groups of farmers, producers, special interest groups and a varied scope of productions. This is increasing, rather than diminishing, and it is sometimes said that when more than two farmers meet, they will set up a new organisation.

However, there are two interest organisations for farmers in Norway, The Norwegian Farmers' Union with just over 60 000 members, and The Norwegian Farmers' and Smallholders' Union (NFSU), with approximately 8000 members. Despite the substantial difference in membership and working capacity, both organisations are recognized as parties on behalf of the agricultural sector in the annual negotiations with the government for The Agricultural Agreement (subsidies, target prices, etc).

The NFU is thereby recognized as a major player in the political decision-structure, primarily in all questions in the agricultural sector, but also in environmental matters, resource management, rural development, politics in general and economy. The political framework for the negotiations is set up in parliamentary documents, describing the overall principles in agricultural policies. These principles are subject to debate in the Parliament at intervals, usually after committee work and hearings.

The NFU has, as already mentioned, a formal role in the annual negotiations. And I would like to underline the difference between having the formal role as a negotiating party and a lobbyist organisation. These negotiations cover both the level of subsidies, distribution of subsidy level fixed by farm structures, geography and district, and also setting target prices for most products.

The NFU (and NFSU) have a role of policy design, whereas the agricultural co-ops have a role in implementing the policy and the annual agreement. To ensure the separate roles and their function, there is a close contact and cooperation between the two systems. The main co-ops also have a clear role in market regulation, which was formally established in a bill approved 70 years ago. This is one of the cornerstones of Norway's agricultural policy.

In addition to the formal role in the negotiations, the NFU also has great interest in and also influence in many other aspects. Recently this has been most crucial in forming Norwegian positions to the ongoing Doha-round in WTO. Other examples are policy-making towards several ministries, lobbying in connection with the National Budget, and a close contact with political parties, individual MPs, and other decision-makers. Such a role, and as well as being taken seriously in any serious discussion, shows clearly that the NFU is recognised as a representative body for Norwegian farmers.

I can give you an illustration of how we work. The WTO march – “Farmers for Future”. During the summer of 2005 we, Norwegian farmers, walked all the way – on foot - from Stjørdal, a small city north of Trondheim all the way to Geneva, conveying the message that every country should have the right to produce food for its own consumption.

The march went over the mountain of Dovre, down the valley of Gudbrandsdalen and further on to Oslo. After the ferryboat landed in Kiel in Germany, the march continued through Germany and then through Switzerland to Geneva. 2300 km, 42 days, on foot, on roller blades and even paddling in a canoe along parts of the lake Mjøsa. En-route we stopped for local arrangements and invited politicians and other influential people to speak, to support us and to reflect on the importance of agriculture in their region. Good colleagues helped us through Germany. Being joined by Swiss farmers throughout Switzerland, and also by South Korean and Japanese farmers towards Geneva gave a fantastic feeling of solidarity among farmers.

What did we gain? We managed to bring WTO-issues and the role of agriculture in focus both in local and central medias in Norway. Norwegian politicians **had** to discuss WTO, even during their summer holidays. We clearly demonstrated to all the strength and ability to organise in the farming sector. The march was both a support to and a pull (demand?) to Norwegian negotiators. Both Norwegian farmers and farmers in other countries as well, realised that we did not stand alone. But it was not only the ability to organise that was impressive. Our WTO-work has knowledge as a clear basis. A well-informed farm community and very well informed level of elected farm leaders. Knowledge is crucial in political work.

International conditions, first and foremost the WTO-agreement on agriculture (World Trade Organisation), represents important framework conditions for Norwegian agriculture. Therefore, Norges Bondelag takes active part in international co-operation between farmers' organisations. The union is a member of IFAP - International Federation of Agricultural Producers. We have very close cooperation with farm organisations in other G10 countries (Switzerland, Japan, South Korea and Island) as well as farm organisations in other net food importing countries.

Another important example of the link between knowledge and decision making processes is the annual negotiations. Prior to these negotiations, the organisations prepares well. Study circles and hearings in all the 600 local branches and at county level means that as many as 3000 local board members, and many more farmers are directly involved in having their say about prioritising subsidies, price-levels, etc. The county leaders together with the co-ops coordinate their separate positions in a meeting prior to the negotiations, giving their advice to the negotiators. This ensures that the organisation can stand firm in the negotiations, sure of being backed by the members. An important result is also that there are amply educated farmers with substantial insight in policies, regulations and schemes at all levels. They can thereby act as very competent representatives for fellow farmers at all levels. Our experience is also that recruitment of officials to leading positions in the organisation is made easier through offering education and training.

Also for the government these processes and structures are important. Knowledge and involvement in the policy design process result, first of all better results but also in a broader support among those concerned. On the other side – and maybe a downside for us- the formal role of the farmers' unions in the annual negotiations have the result that the farmers' unions are limited in criticising a policy jointly designed.

The importance of these processes concerning agricultural policies is self-evident. But this insight also gives farmers an advantage in many other aspects, and may well be one reason why farmers tend to be over-represented in local government, boards and committees, and thus ensuring influence in many aspects vital to farmers.

The NFU works to improve the conditions for Norwegian farming and to advocate the importance of farming in a modern society. The NFU has no formal ties to any political party. It is the leading organisation for agricultural business and politics, and delivers a wide range of service to members. With its 60 000 members, 600 local branches, 18 county departments, close political contacts and highly qualified employees; the NFU is a strong and respected organisation.

Norges Bondelag gives the highest priority to improve the economic situation of farmers. The average income per man-year in agriculture in Norway is around ½ of an average industrial workers income. In this respect, the annual agricultural negotiations between the Government and the two farmers unions' are most important.

The NFU is the main farmers' union in Norway. The objective is to unite all who are, or feel attached to agriculture and work for common interests. The NFU was established in 1896 and has approximately 60 000 members, of which approximately 32 000 are producers/farm owners. The remaining are family members and others who support the union. There are approximately 25 per cent female members. On the basis of approximately 50 000 active farm holdings in Norway, and 32 000 producers as members, the partition rate is 64%. However, based on land size and production scale, the actual portion of the Norwegian agricultural sector organised by the NFU is far greater. Membership is increasing, with a growth rate of approximately 1200 annually over the last three years.

The members are organised in 600 local branches at municipal level, which are affiliated with 18 county departments, but all are direct members of the NFU. The organisations income is largely based on membership fees, which are calculated on the basis of elements related to the size of cultivated area and production. The membership fee is tax deductible.

Local branches of the NFU function as local interest groups and constitute the main meeting ground for colleagues in the local farming sector. It's a responsibility to engage and influence local authorities, especially in matters concerning land management and business development. The local annual meeting is open to all members and gives each member the right and possibility to influence the policies and workings of the national organisation, through raising local issues, submitting petitions and election of local leaders and delegates to county meetings.

The county departments (18) have the responsibility to engage and influence authorities at county level. This is partly carried out through formal representation in committees concerning regional business development. The county departments are also active toward politicians, both MP's and representatives for county based governments and party organisations. The county's job is, in addition, to follow up and assist the local branches. Each county department holds an annual assembly, which elects county leaders and delegates to the annual national assembly of the NFU.

There is an agreed development towards more decentralised decision-making in Norway in general. Local decision-making is in many ways in our interest, since local knowledge an insight is paramount. At the same time this proposes a challenge for an interest organisation with limited resources. To cope with this, it's vital to build a strong competence and also new skills both at county level and on municipal level. Being a member organisation, and not

professionally staffed at municipal level, this requires a big effort from the elected leaders locally. Many times they have to match the municipal bureaucracy in their spare time in order to maintain farmer's interests.

In this speech I have mainly focused on what could be said to be the traditional political focus of the farmers' union. I would like to underline the importance of our work in other areas:

Such as:

- Innovation and new enterprises among farmers, including motivation for developing the farm based on the resources on the farm, including human resources.
- Developing research policies for the sector, land and resource management.
- Service and computer programs to farmers and local accountancy firms. The NFU is regarded as one of (or perhaps THE) most competent in matters of farm taxation and other related questions.
- Individual advantages for members, such as insurance schemes, discount cards, farmers weekly, training and adult education.

In concluding it's tempting to contradict our famous playwright Henrik Ibsen. In one of his plays he states, "he who stands alone stands strong..." Our experience is the opposite. In the past, as in the future I believe it will be our policy that a strong organisation is crucial in ensuring the farmers incomes, creating attractive jobs and develop a strong business in agriculture. This is probably more important in Norway than many other places, being a country with a sparse population, small farms, tough climatic conditions and a rough countryside. By standing together we can achieve more, have a better life and give more back to the society.

Read more:

www.bondelaget.no

www.farmersforfuture.com