

# **Queensland Election 2009**

## **State Policy Priorities A Rural Industries Perspective**

Brisbane  
March 2009

## Introduction

Queensland Farmers' Federation (QFF) is the peak rural industry organisation in Queensland, uniting 13 of the State's peak rural industry organisations, who collectively represent more than 13,000 primary producers across the State. QFF is a federation of the major intensive rural commodity organisations working on behalf of all primary producers and rural communities in an industry valued at \$13 billion, and employing over 79,000 people across the State.

Through QFF, rural industry resources are pooled to ensure powerful representation and effective strategy development on important industry issues.

QFF provides direction, leadership and representation on issues of common interest to the rural sector in Queensland. Our goal is to secure a sustainable and profitable future for our members, as a core and dynamic element of the economy.

*Queensland Election 2009 – A Rural Industries Perspective* outlines key election priorities for QFF across the State.

QFF Member bodies include:

Australian Prawn Farmers Association

CANEGROWERS

Cotton Australia

Growcom

Nursery & Garden Industry Queensland

Qld Chicken Growers Association

Qld Dairyfarmers' Organisation

Associate Members:

Flower Association of Queensland Inc.

Queensland Chicken Meat Council

Pork Queensland Inc.

Burdekin Irrigators' Association

Central Downs Irrigators' Association

Pioneer Valley Water Cooperative

Fitzroy Food & Fibre Association

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## Overview of agriculture in Queensland

QFF and its member bodies represent the major intensive commodities in Queensland. Intensive agriculture makes a significant contribution to the regional, state and national economies, forecast to provide 58 % per cent of agricultural production in Queensland this year. In the five years to 2005/6, the value of intensive industries in Queensland rose by more than \$1 billion (24%) per cent) despite the impact of drought, illustrating the resilient nature of the sector after seven years of exceptional drought. The value of Queensland's leading agricultural industries in 2007/08 were:<sup>1</sup>

- Cattle: \$3440m
- Lifestyle horticulture \$605m
- Sugar \$750m
- Fruit \$1075m
- Vegetables \$780m
- Forestry \$185m
- Grains \$970m
- Cotton \$110m
- Trawl fishing \$116m
- Poultry \$300m
- Pigs \$220m
- Dairy \$255m
- Eggs \$110m
- Aquaculture \$80m
- Other crops \$520m
- TOTAL \$14416m

Agriculture continues to be a major employer in Queensland. In 2000, prior to the drought taking hold, agriculture accounted for 106,500 employees or 6.3% per cent of the Queensland workforce, employing more workers than the tourism and hospitality, mining, transport, communications or financial services industries. As the drought has taken hold, farmers have been forced to downsize, with 27% per cent of jobs disappearing between 2000 and 2005.<sup>2</sup>

The shift towards more intensive farming has been noted by the Productivity Commission, both as a structural shift to enterprises using more intensive production systems (poultry, cotton, grapes nurseries) and the adoption of more intensive production techniques in increased use of supplementary feed, chemicals and irrigation.<sup>3</sup> The report also notes that while agricultural output has increased in absolute terms, it has declined in relative terms to just 4% per cent of total national output, employing around 375,000 people nationally and accounting for over 22% per cent of Australia's exports.

The contribution of agriculture to the economy is much larger than the 'official' statistics imply, particularly in regional areas. Research by Econtech suggests that adding in the value of all activities that occur to farm outputs post farm gate and the value of economic activities

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<sup>1</sup> DPI&F Prospects September 2008

<sup>2</sup> ABS Labour Force cat. No. 6291.0

<sup>3</sup> Productivity Commission Trends in Australian Agriculture June 2005 p. 42

## Queensland State Election Priorities 2009

supporting farm production gives a better indication of Australia's 'farm dependent economy'. On this analysis, the farming/farm dependent component of the economy rises from 3.2% per cent of GDP to 12.1% per cent of GDP. In employment terms, while the agricultural sector employed 407,000 in 1998/99, this figure rose to 1.6 million (or 17% per cent of the labour force) when the farm output sector is included.<sup>4</sup>

Even this may understate the contribution of agriculture. Agricultural landscapes play an important role in tourism and providing 'breathing space' for urban development. It is difficult to imagine North Queensland without the green cane fields, or the green hills of Maleny not dotted by dairy cows. In Europe, the contribution of agriculture to tourism is recognised, with farmers now often paid to maintain rural landscapes such as hedgerows under schemes like Britain's Countryside Stewardship program<sup>5</sup> The linkages of scenic amenity values and rural landscapes is recognised in the SEQ Regional Plan<sup>6</sup>, with work now proceeding under the auspices of the Office of Urban Management on developing policy covering ecosystem services.

However, it is worth noting that the achievements in terms of increased value of production have occurred in an environment of long term decline in the terms of trade for producers. ABARE's terms of trade index (index of prices received for outputs compared with prices paid for inputs) has declined by a third since 1990.<sup>7</sup> Indeed, farmers have only been able to maintain their incomes by controlling costs and increasing productivity and efficiency. This has been made more difficult in recent years by a rapid acceleration in costs at a time of, in many cases, stagnant or reducing prices.

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<sup>4</sup> Econtech "Australia's Farm Dependent Economy" Australian Farm Institute March 2005

<sup>5</sup> Cain Z and Lovejoy S "Overview of Agr-Environmental Programs in the European Union and the United States" Farm Policy Journal Vol. 2 No 3 Aug 2005 p. 35-6

<sup>6</sup> SEQ Regional Plan pp36-41

<sup>7</sup> ABARE Australian Commodities Sep 2005 p.289

## Executive Summary

### 1. Addressing food security

Food security is emerging as a major global challenge. Queensland as a major food producer has an important role to play in meeting the challenge of global food security. However, some state policies actively impede food production, such as reduction in rural R&D, planning approvals for farms, water restrictions and environmental regulations.

QFF believes that the Queensland Government needs to adopt a high level strategic whole of government policy objective of promoting the production of food and maximising opportunities for value adding along the food chain. A food policy should have clear identified growth objectives and provide an integrated policy framework across production, processing, marketing and research. Most importantly, the Food Policy should provide a benchmark against which other policy proposals are measured, expanding current Rural Impact Statement to include Food Security Impact Statements as well.

To drive a whole of Government Food Policy, a powerful new Office of Food Policy should be established to implement the food policy and provide high level strategic advice. It would be located within a restructured Department of Food and Agriculture, which would have a stronger emphasis on research on productivity and innovation to increase production, building up the skills of the farming and manufacturing sector, and an ongoing review and reporting role on regulations that impact on food production with stronger funding to match.

### 2. Biosecurity Queensland

The establishment of a single State agency to combat biosecurity threats in Queensland was a major 2006 election commitment by the Beattie Labour Government in 2006. The much delayed State Biosecurity Strategy is now being finalised, along with the Federal Beale Quarantine Review. These documents provide a base on which Queensland can move forward to update Biosecurity Queensland and develop a world class organisation with the capacity to anticipate, plan for and deal with the multiple threats that Queensland faces.

With increased trade and people movements and climate change, Queensland's threat profile is getting worse and there is a need for substantial increase in the core resourcing of the States' biosecurity and quarantine services. BQ needs a standing emergency response capacity that does not result in other core services being impaired with threats emerge. The golden rule of biosecurity issues remains that the most cost effective means of control is prevention. QFF calls for:

- \$5 million increase per year to establish and Emergency Response capacity as a permanent standing function within BQ separate from core ongoing activities.
- \$1.5 million per years to develop improved strategic policy, analysis and information management capacity within BQ to better analyse and plan for risk management;
- \$5 million increase in annual funding for Plant Biosecurity to bring it up to the same level as Animal Biosecurity. The new funding would be for core capacity building priorities necessary to reduce the risk of future biosecurity threats.

### 3. Backing good farming practices

Maintaining profitable and sustainable agricultural industries while protecting Queensland's natural environment is a key objective for QFF and its member bodies. QFF has long argued that better sustainability outcomes are achieved through innovative, voluntary on-farm measures than by rigid, imposed regulation.

#### 3.1 A strategic approach to sustainable agriculture

QFF believes it is essential to develop a shared understanding on the strategic directions for sustainable and profitable agriculture in Queensland to guide the delivery of key programs.

QFF calls for a long-term policy commitment to establish a cooperative approach to sustainable agriculture that places emphasis on self-management rather than regulation.

### **3.2 Support for industry development programs**

In 2005, QFF and the Premier signed a Memorandum of Understanding to jointly work together to facilitate the development of industry Farm Management Systems programs over a five year period. QFF is calling for a recommitment to the principles of the MOU with:

- \$19 million over three years for a SmartFarms Program to promote best management practices through industry-run Farm Management Systems programs..
- \$10 million for a spatial imagery acquisition program to support property planning
- The \$175m set aside by the State Government to support its regulatory approach to Reef Plan to instead be allocated to supporting onfarm practice change, monitoring and R&D as outlined in the Federal Government's Reef Rescue Plan.
- Increased funding to environmental stewardship programs.

## **4. Climate Change and Agriculture**

No industry is as reliant on climate as agriculture, and no industry faces greater challenges in responding to climate change as agriculture. The current review of the State Climate Change policy has acknowledged the failure of the 2006 policy to adequately address the challenges faced by agriculture, and clearly this needs to be addressed. QFF welcomes this acknowledgement, but calls for concrete programs, actions and policies to address it.

### **4.1 Climate change & agriculture program:**

QFF proposes a State Climate Change and Agriculture Program:

- \$6 million over four years to QCCE to conduct vulnerability assessments of Queensland primary industries;
- \$20 million over four years for a Climate Change and Rural Water Use Program targeted at adoption of best practice to address specific identified risks and adaptation to climate change;
- \$12 million over four years to DPI&F for strategic new research on identifying best practices for climate change adaptation and mitigation for primary industries.
- \$20 million over four years for a Climate Change and Agriculture Partnerships Programs investing in industry capability and capacity building to implement mitigation and adaptation strategies.

### **4.2 On-farm energy efficiency**

Energy is a major farm input (10-20% of costs), highly susceptible to cost increases (particularly under the CPRS) and adding to their carbon footprint. QFF proposes a Rural Enterprises Energy Efficiency Program (\$8 million over four years) to help rural business assess, benchmark and improve energy efficiency of farm equipment and processes.

### **4.3 Mitigation and soils and nutrient management**

Soils, soil moisture, nutrient management and carbon are all key elements of the future agenda for climate change adaptation and mitigation. QFF proposes a soils and nutrient management program involving investment in industry led Farm Management Systems programs and research on soil carbon sequestration and soil health.

### **4.4 Drought policy:**

The Queensland Government is participating in the current National Drought Policy review. QFF seeks a firm commitment that Queensland will follow the review with funding appropriate state-based climate preparedness programs in 2009-10. QFF calls for:

## **Queensland State Election Priorities 2009**

- An industry/government panel to develop the full range of skills and services required to deal with climate variability, change and extremes;
- Funding to build Farm Management Systems (FMS) modules for preparedness, self reliance and risk management capabilities;
- A wider range of State professional services including Farm, Financial, Family and Community and emergency services to help proactively manage climate extremes;
- Climate data collection expanded to include assessments of influences on all major agriculture activities and inputs to help identify “climate stresses” as they emerge.

### **4.5 Natural disaster recovery arrangements**

QFF identifies that the nexus between regional employment and climate extremes may be critical for balanced regional development. QFF seeks a continuing commitment from the Queensland Government that these arrangements remain in place and where appropriate operate for regional climate extremes that put at risk the “critical mass” of industry participants, including crucial farm and regional industry infrastructure.

## **5. Water Resource Management and Pricing**

### **5.1 National Water Initiative**

QFF calls on the State Government to work with industry to urgently review the State implementation plan for the National Water Initiative which has been in limbo for the past three years.

### **5.2 Water Resource Charges**

QFF opposed the State Government’s previous attempt to introduce a Statewide water resource management charge arguing that the charge would recover costs outside the ambit of NWI cost recovery including all costs associated with the conduct of water planning which benefits the wider community QFF calls on the Government to recommit not to introduce a water resource charge in the absence of a nationally consistent approach to charges and the completion of a full and independent assessment of the efficient costs of Government water management activities as a basis for setting the water resource charge.

### **5.3 Water Prices for SunWater Schemes**

Renegotiation of Sunwater price paths beyond 2011 will begin soon, but little has been achieved in implementing efficiency measures at a scheme level and further reform of way schemes are managed to avoid large increases in the longer term. The introduction of the Carbon Pollution Reduction Scheme will increase electricity prices and, as electricity is a major component of Sunwater’s costs, will also increase water prices. QFF calls for:

- Scheme management committees to have a greater involvement in day-to-day scheme management, particularly supply efficiency and provided with regular feedback on SunWater’s performance;
- Reviews of customer service standards, the level of regulation and costs faced by SunWater, and the viability of schemes unable to meet lower bound efficient costs;
- No rate of return or spillway upgrade charges in the next price path.
- Compensation for the impact the CPRS on electricity prices in water costs.

### **5.4 Water Planning and Management**

Substantial progress has been made statewide with water resource planning for surface water but groundwater planning in a number of areas is dealing with problems of salt water intrusion and over allocation of the resource which raises difficult adjustment problems for irrigators. QFF calls for significant improvements to the water planning process including Consolidation of the two stage water resource planning process to secure significant time and cost savings in the conduct for the review of water resource plans, and the extension of water planning to

groundwater to provide for adjustment assistance where water entitlements are adversely affected by plan requirements

### **5.5 Murray Darling water reform process**

QFF has developed a constructive working relationship with the State and Federal Governments on Murray Darling reform issues, and is keen to work with both governments to implement programs to reduce the use of water in the Basin to environmentally sustainable levels of take while ensuring the least amount of disruption to irrigation communities. QFF calls on the State and Federal Governments to:

- Treat Qld irrigators fairly and equitably and ensure their water rights will be protected in the preparation and implementation of the Basin Plan;
- Engage local communities in all stages of development of the Basin Plan;
- Apply any costs and charges consistently across the Basin and address the principles and objectives for regulated charges in the Commonwealth Water Act 2007.

### **5.6 Water and climate change**

Managing reduced water availability will be the biggest climate change adaptation needed for most intensive agricultural enterprises in Queensland. This requires better understanding of the nature of likely changes to water availability, and also access to tools for improving water use efficiency through a Climate Change and Rural Water policy and program.

## **6. Farm business and economics**

Too often, Governments have imposed costs on the rural sector without proper consideration of the cumulative economic impact those costs have. For farmers trying to improve the profitability of their businesses, key issues are about containing costs, improving market access and terms of trade, and improving productivity through continuous innovation.

QFF calls for:

- A joint government-industry Rural Regulation Review Taskforce to comprehensively document the extent of paperwork faced by primary producers and to report back to Government on how to improve the business and regulatory environment for farmers.
- The immediate removal of stamp duty on the GST-component of fees and charges, and on rural business insurance policies including crop insurance.
- An innovative, Government-supported crop insurance program for natural disasters that would meet policy objectives for improved risk management in the rural sector.
- Policies to reduce farm fuel costs.
- More rigorous enforcement of Country of Origin labelling.
- Increase State DPI&F funding by at least \$23 million a year back to the 2002/03 level with the additional funds prioritised for R&D and extension activities.
- A clear commitment to supporting viable rural industries in the regional planning (including SEQ and FNQ plans) including:
  - i. a long term commitment to maintaining rural water availability
  - ii. provision of compensation to non-viable farms denied development rights due to 'green belt' restrictions;
  - iii. appropriate consideration given to the operating needs of rural industries in the region (e.g. chicken industry);
  - iv. recognition of 'prior use' provisions deeming new residential buyers in established rural areas to have due notice of agricultural activities.
  - v. Best practice approval processes for development of rural enterprises including environmentally relevant activities in agricultural areas;
  - vi. Protection of 'iconic' high value agricultural land from mining operations

## **7. Labour issues**

Agriculture is a major employer, employing over 80,000 workers across Queensland, most in rural and regional areas. With a tightening labour market, rural industries have been finding it more difficult to find new staff and to retain experienced existing staff. QFF calls for

- An industry-government approach to identify industry training needs on a regional basis to ensure that outcomes-focused training is provided in both formal and on-the-job environments, and develop regional skill development programs,
- \$1 million a year for promotion of careers in agriculture
- The reform process for the agricultural colleges to involve close industry involvement, with a commitment to upgrade the colleges to provide training on the latest technology, equipment and best management practices in industry.
- Developing incentives for good workplace health and safety practices to allow employers to self regulate and develop workplace health and safety practices that best fit the individual circumstances of their business.
- Continue to consult closely with rural industry on the removal of rural industry exemptions from the WH&S Act (e.g. on prescribed occupations) to develop appropriate conditions and codes for the application of the Act to rural industry, as has occurred in the electrical safety code;
- Increase funding to farm safety awareness programs by at least 20% (e.g. FarmSafe) to improve training and awareness of WH&S issues across the rural sector corresponding with the removal of the exemptions

## **8 Government Support for Rural and Regional Communities**

Adequate infrastructure in transport, communications, health, education and housing is essential in order to allow existing rural enterprises to operate effectively and to attract new business and residents to rural and remote areas.

## **Issues requiring Government action**

### **1. Addressing food security**

Food security is emerging as a major global challenge. The Prime Minister has recently acknowledged that global food security in face of climate change needs to be in the forefront of thinking about security, environmental and social challenges moving forward. Queensland agriculture faces a huge task of adapting to climate change, with ABARE research forecasting substantial costs to productivity as the climate warms and dries. Global food shortages – driven by supply constraints such as climate change, availability of arable land and water and biofuels policy and by demand boosters such as rising population and the rising Asian middle class – have pushed up the price of many basic commodities in recent years, notably grains, rice, oilseeds and dairy. The long term prognosis is also for rises in other products such as beef, cotton and sugar.

Queensland as a major food producer that exports around 80% of its food produce, has an important role to play in meeting the challenge of global food security. As prices rise and Asian consumers demand more varied diets, there will be substantial economic opportunities for Queensland. We also need to play our part in meeting the United National Millennium Goals of reducing poverty and hunger throughout the world.

State policies have not been particularly supportive of food production in recent years. Some of the impediments to food production in Queensland include:

- Continuing reductions in agricultural R&D conducted by DPI&F,
- a water planning regime that has encouraged trading of water from rural uses to urban, mining, industrial and environmental uses,
- a planning regime that has not adequately protected the right to farm on good agricultural land;
- slow development approval of new or more intensive farms that impair the capacity to in turn expand food processing capacity (e.g. poultry and dairy industries);
- tax preferred investments in forestry resulting in land being lost to food production;
- an approach to regulation of environmental and economic policy that that has added costs and other constraints on food production in pursuit of other public policy objectives (e.g. vegetation clearing controls, Reef water quality, wild rivers);
- a Carbon Pollution Scheme potentially increasing the cost of food production by 6% for crops and 18% for livestock.

All of these policies may serve valid and legitimate public policy objectives. Yet all have an impact on the productivity and profitability of farming and food production in an uncoordinated, unplanned and unanalysed way.

A recent paper prepared for the DPI&F Fresh Approach identified that analysis using GIS software suggests that 31 million hectares of the States could be investigated for further agricultural development, dwarfing the current intensive production area of 1.3 million hectares and indicating considerable scope for further intensification of production.<sup>8</sup>

#### **1.1. Queensland food policy**

QFF believes that the Queensland Government needs to adopt an overall Statewide whole of government policy objective of promoting the production of food and maximising opportunities for value adding along the food chain. Such a whole of Government commitment with a strong

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<sup>8</sup> DPI&F “Economic Forces shaping DPI&F’s Service Delivery & Investment” DPI&F website July 2008

## **Queensland State Election Priorities 2009**

mandate would then require other public policy proposals to be considered against the objective of what impact they would have on food production. Such a policy might also start exploring opportunities for expanding food production (such as in the Burdekin or northern parts of the State) as well as increased value adding from food production. A food policy should (like the South Australian Food Plan) have clear identified growth objectives and provide an integrated policy framework across production, processing, marketing and research to achieve that objective. The policy should aim to:

- Provide clear headline targets for the industry;
- Recognise key inhibitors to growth and the need to overcome them;
- Develop a sectoral partnership with key stakeholders from the Queensland food industry;
- Adopt an 'industry cluster' approach to identify key problem areas and appropriate actions to remove constraints to development, innovation and productivity and improve linkages between enterprises (farm and non0farm), suppliers, related industries, service providers and key institutions;
- Expand access to domestic, interstate and international markets with competitive, high quality high value products;
- Enhance the sustainability and profitability of food industries and address key challenges to achieving this (e.g. climate change);
- Be supported by specific strategies and plans towards commercial outcomes.

Most importantly, the Food Policy should provide a benchmark against which other policies are measured. The Premier's Department already provides Rural Impact Statements on key policy objectives. This should be expanded to provide for Food Security Impact Statements as well. There should also be public reporting of the impact of proposed policies which adversely impact on food security into the future.

### **1.2. A new Department of Food and Agriculture**

To drive a whole of Government Food Policy, a powerful new Office of Food Policy is needed. It is proposed that this be located within the Department of Primary Industries, which would be renamed the Department of Food and Agriculture. The Office of Food Policy would have a strong remit to implement the food policy and provide high level strategic advice to Cabinet on policies which hinder or help the objectives of the food policy.

The new Department would also be restructured to support the Food Policy, with a stronger emphasis on research on productivity and innovation to increase production, building up the skills of the farming and manufacturing sector, and an ongoing review and reporting role on regulations that impact on food production. Funding for research should be restored to the level of 2002/3 to allow a more strategic investment in productivity, innovation and sustainability. All proceeds from sale of DPI&F properties as part of the Fresh Approach should be invested in upgrading DPI&F facilities, and publicly accounted for as having done so.

The Office of Food Policy would also have a strong mandate from the Government to intervene and address issues that impact on food production.

## 2. Biosecurity Queensland

The establishment of a single State agency to combat biosecurity threats in Queensland was a major election commitment by the Beattie Labour Government in 2006. Three years later, little has changed, with some industries reporting a reduction in the capacity of BQ to undertake the primary tasks of market access and state surveillance. In the last year, the much delayed Biosecurity Strategy for Queensland has been finally developed, along with the Beale Quarantine Review at the Federal level. These documents provide a base on which Queensland can move forward to update Biosecurity Queensland and develop a world class organisation with the capacity to anticipate, plan for and deal with the multiple threats that Queensland faces.

The real life experience of the last few years shows that Queensland faces more biosecurity threats than other states. The equine influenza issue highlights three things. First, it highlights what the cost can be of what happens when biosecurity threats get out of control. Second, it shows that BQ does not have the resources at its disposal to adequately deal with major threats. Third, it shows that BQ does not have the capacity or resources to continue progressing on core agency functions when dealing with a major threat. It has been intolerable that BQ has dropped the ball on some core issues relating to plant health security because resources have had to be redeployed to the equine response. Plant inspections for interstate export certification have been delayed due to reprioritisation of staff, placing Queensland exporters at a disadvantage. Progress on developing industry self assurance programs has been virtually non-existent due to lack of priority and staffing. BQ and DPI&F more generally continues to give inadequate attention to the need to facilitate interstate trade in horticulture and nursery products, a market worth over \$400 million a year.

While BQ's resources and capacity have been shown to be inadequate to meet current needs, the threat profile moving forward is considerably worse. Trade movements are expected to increase markedly, with the Port of Brisbane reporting container movement increases of around 14% a year projected to increase. The IPCC report on climate change also highlighted that Queensland is particularly vulnerable to increased biosecurity risks as climate changes.

There needs to be a substantial increase in the core resourcing of the States' biosecurity and quarantine services to increase its response capacity and its monitoring and awareness raising activities. Resourcing of the response to biosecurity emergencies at a State level needs to come out of State emergency contingency funds rather than core agricultural departmental Budgets. QFF noted that in his recent performance audit report on BQ, the Auditor General concluded that:

"Since its establishment in 2007, BQ's capacity has been stretched in dealing with emergency responses to consecutive outbreaks. As a result deficiencies in corporate and governance systems have not been addressed in a timely manner. The better prepared BQ can be, the more likely it will be able to either prevent an outbreak or efficiently respond in a timely manner and eradicate the threat.

"I consider it critical to the protection of Queensland's primary industries and environment that all systems are in place to prevent, detect and respond to biosecurity threats with the aim of eradicating a pest or disease. Having mature systems in place will ultimately reduce the pressure on staff during emergency responses."<sup>9</sup>

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<sup>9</sup> Queensland Audit Office 2008 Report No 5 "Protecting Queensland's Primary Industries and Environment from Pests and Disease: A Performance Management Systems Audit" p. 4

## Queensland State Election Priorities 2009

The failure of the State Government to develop an emergency response funding mechanism has meant that other core capacities are starved of resources to fund emergency responses. Many of these issues were raised in the Auditor General's report, which found that the overwhelming needs of emergency response has curtailed the provision of other aspects of the agency's operations and performance.

Biosecurity represents a sound economic investment because if the State continues to under invest in public awareness raising, community and industry assisted surveillance and building industry capacity, then the risk of major outbreaks (and hence the cost) of future incursions only increases. The golden rule of biosecurity issues remains that the most cost effective means of control is prevention. QFF calls for:

- \$5 million increase in annual funding to establish and Emergency Response capacity as a permanent standing function within BQ separate from the core ongoing activities. This capacity should be designed similar to other State emergency services with a capacity and access to contingency reserve funding to rapidly ramp up activities as required. The increased risk profile faced by Queensland demonstrates that major biosecurity risks are likely to be more common in the future, and are almost an annual occurrence now.
- \$0.5m additional annual funding for three years as the Queensland Governments contribution and implementation of the National Fruit Fly Strategy.
- \$1.5m in new annual funding to develop improved strategic policy, analysis and information management capacity within Biosecurity Queensland to better balance analyse and plan for risk management;
- \$5 million increase in annual funding for Plant Biosecurity to bring it up to the same level as Animal Biosecurity. The new funding would be for:
  - Core capacity building priorities necessary to reduce the risk of future biosecurity risks, including supporting the development and recognition of industry biosecurity plans and systems; Early Warning Surveillance; Public Awareness; Community Assisted Surveillance;
  - Work with industry to develop training and on-farm support tools that support a greater participation in pest & disease surveillance by growers and build on-farm capacity building to address biosecurity risks.
  - Additional resources to specifically prioritise interstate trade and Interstate Certification Assurance (ICA) delivery, including increased availability of Plant Health Inspectors, drafting and coordinating ICA development for plant pests, linking of ICA's to FMS programs, auditor training and industry program auditing.
  - Link interstate biosecurity protocols to the Farm Management System programs (e.g. BioSecure HACCP), including promoting acceptance of industry programs as the equivalent for meeting specific state pest protocols.
  - Develop the electronic plant health system and drive it through to acceptance at a national level.
  - Strategic level research to identify and meet future needs including risk analysis and epidemiology; and diagnostic systems;
  - Biosecurity web based information accessible by industry covering the national up to date interstate quarantine information relevant to plant health.

### 3. Backing good farming practices

Maintaining profitable and sustainable agricultural industries while protecting Queensland's outstanding natural assets and environments is a goal shared by QFF and its member bodies along with the Queensland community. QFF has established itself as a leader in facilitating the delivery of successful farm management programs and the partnerships needed to support sustainable development in the agriculture sector. QFF has long argued that better sustainability outcomes are achieved through innovative, voluntary on-farm measures than by rigid, imposed regulation. Strong Government backing for industry based efforts is crucial to the promotion of sustainable farming practices in Queensland.

#### 3.1 A strategic approach to sustainable agriculture

QFF believes it is essential to develop a shared understanding on the strategic directions for sustainable and profitable agriculture in Queensland to guide the delivery of key programs including the Memorandum of Understanding to Progress Farm Management Systems, Blueprint for the Bush, Reef Rescue Plan, Caring for Our Country, climate change policy, current water and vegetation reform activities, and biosecurity. More recently it is evident from the National Drought Policy review process that a much wider and more integrated National Agriculture Strategy such as Australia's Farming Future will be developed to guide new programs into the future. QFF calls for

- A long-term policy commitment to establish a cooperative approach to sustainable agriculture that places emphasis on self-management rather than regulation.
- Establishment of a whole of government ministerial taskforce to co-ordinate delivery and deliver the long term funding commitment necessary to make this happen, including the development of a state-wide incentives program:
  - to achieve wide-spread uptake of proven management practices;
  - to transition innovative management practices from the R&D stage to on property adaptation and broader adoption; and
  - develop government and market recognition of property management systems

#### 3.2 Support for industry development programs

In 2005, QFF and the Queensland Premier signed a Memorandum of Understanding to jointly work together to facilitate the development of industry Farm Management Systems programs over a five year period. While the MOU on Farm Management Systems was recognised as a key action in the SmartState Economic Strategy, the State has done little to progress the MOU and, in its actions on the Reef Plan, actively undermined the commitments in it. QFF is calling for a recommitment to the principles of the MOU with:

- \$19 million over three years for a SmartFarms Program to promote best management practices through industry-run programs such as Farm Management Systems.
- \$10 million for a spatial imagery acquisition program to meet whole of government and industry needs for good mapping for property and regional planning purposes.
- The \$175m set aside by the State Government to support its regulatory approach to Reef Plan to instead be allocated to supporting onfarm practice change, monitoring and R&D as outlined in the Federal Government's Reef Rescue Plan.
- Increased funding to environmental stewardship programs and the development of a joint industry/government taskforce to determine how Environmental Stewardship payments will be implemented in Queensland.

## 4. Climate Change and Agriculture

No industry is as reliant on climate as agriculture, and no industry faces greater challenges in responding to climate change as agriculture. Yet, the State CarbonSmart 2050 program and the State Climate Change Adaptation Program provided no new initiatives or funding to help this \$13 billion industry – an industry that employs twice as many workers as the mining industry – face its greatest challenge. The Review of the State Climate Change policy lead by the Office of Climate Change has acknowledged the oversight of the earlier policy in failing to adequately deal with agriculture, and the discussion paper foreshadows the area is likely to receive further policy attention.

QFF welcomes this acknowledgement, but this needs to be backed up with concrete programs, actions and policies. For farmers, climate change represents two major challenges – higher temperatures and probably reduced water availability. There is an urgent need for vulnerability assessments for all Queensland primary industries about the impact of both aspects on industry. This is particularly so for the State's \$1.6 billion horticulture industry, where the viability of whole commodities (e.g. apples, grapes, stone fruit, lettuce) is on a knife edge with rising temperatures. Vulnerability assessments for primary industries need to be a high priority research priority for QCCE and DPI&F.

Climate change adaptation needs to start today. Indeed, the best farmers are already engaging in it. However, what they need is access to advice on how to improve their risk management skills, and what changes they can make to adapt and also make a contribution to reducing greenhouse gas emissions. This will require two things: extension services to give farming businesses advice on key climate change adaptation (e.g. energy efficiency, water use efficiency, use of climate/weather tools, nutrient management, and risk management strategies); second, it will require ongoing research on identifying best practices. This is particularly so in relation to mitigation (particularly on methane). A mixture of industry programs and government services could help to provide information to farming business on the current level of best practices. The government services could build on the audit capacity of its energy efficiency programs within EPA and DME to provide more advice targeted direct to smaller businesses including farming business.

### 4.1 Climate change & agriculture program:

The State Government has now identified dealing with climate change as one of the biggest future challenges for the State, and allocated the \$1 billion proceeds from the Energex sale to a 'Future Fund' to address these changes. Agriculture is arguably the most seriously affected sector of the State economy in terms of climate change effects. Yet there has been little investment by the State in identifying the impacts of climate change for farmers, or in preparing farmers for adaptation or mitigation strategies. Industries are still yet to develop adaptation strategies that are relevant to medium and long term investment decisions. There is a need to encourage this to happen. Such strategies need to be 'owned' by industry, with Government playing a facilitating and support role (particularly in the provision of relevant R&D). Industries strategies also need to be developed with a regional flavour, with industry strategies also interlinking with each other at the regional level. The building blocks for such strategies need to be:

- Better disaggregation of climate science to regional scale AND to 'critical factors' for the success of rural industries. The QFF Climate Change adaptation project made a start on this but it needs to be continued. QCCE needs to give higher priority to such work.
- Broadening the conversation between industry and the science community on what the data means and what the consequences are. The QFF Climate Change project developed an "Expert Panel" process and it offers a successful model that should now continue into the future, with appropriate public funding.

## Queensland State Election Priorities 2009

- Providing facilitators (probably positions funded in industry bodies) to start bringing all this information together, holding industry workshops and developing industry action plans and strategies.
- Identifying industry information needs (such as economic modeling, climate science, practice change needs etc) and ensuring these are met from public science providers if possible. This is part of the partnership between industry and government to get there.
- Holding general educative workshops to involve as much of industry as possible in the process.
- Updating industry Farm Management System/BMP programs to reflect the best available information and tools for climate change adaptation.

To address these needs, QFF proposes a State Climate Change and Agriculture Program:

- \$1.5 million a year (for four years) to QCCE to conduct full vulnerability assessments of Queensland primary industries, particularly those in horticulture or elsewhere that are sensitive to changes in temperature;
- \$20 million over four years for a Climate Change and Rural Water Use Program, building on the achievements of the Rural Water Use Efficiency Program, but targeted at adoption of best practice to address specific identified risks (e.g. rising groundwater in the Burdekin) and adaptation to climate change.
- \$12 million over four years to DPI&F for strategic new research into the quantum challenges of increasing food and fibre output with halved water inputs and on identifying best practices for climate change adaptation and mitigation for Queensland primary industries. DPI&F should be encouraged to partner with rural R&D corporations and Federal programs to leverage this funding to a significantly greater amount. DPI&F should also model the economic impact of the CPRS on rural industries and provide advice on how rural industries could contribute to the mitigation effort at lowest economic cost.
- \$20 million over four years for a Climate Change and Agriculture Partnerships Programs investing in industry capability and capacity building to implement mitigation and adaptation strategies. This initiative will build on foundation projects currently underway with intensive agricultural industries to prepare action and investment plans for each sector.

### 4.2 On-farm energy efficiency

Energy is a major farm input (10-20% of costs) and highly susceptible to cost increases (particularly under the CPRS) as well as adding to the carbon footprint. There is strong interest from farmers in energy efficiency initiatives. QFF recently engaged the National Centre for Engineering in Agriculture to conduct a number of farm energy audits. The Centre concluded that there are substantial energy efficiency savings that could be made, and recommended the roll out of a larger program. QFF is very keen to see a program of extension, performance benchmarking of equipment and on-farm energy audits progress. This could help substantially reduce farm costs as well as contributing to mitigation effort. QFF proposes a Rural Enterprises Energy Efficiency Program (\$2m a year for 4 years) including:

- **Standardised Energy Assessments and Reporting for** assessing direct energy inputs and costs (on farm) for different agricultural commodity groups (NCEA has already initiated this process will be initiated in cotton and sugar). Based on current knowledge from recent initiatives investigating onfarm energy efficiency a generic model will be developed for undertaking operational energy assessments.

**Case Studies Identifying Energy Improvement to address** lack of systematic research of energy use in agriculture. Previous work conducted by the NCEA has

identified that one of the major limitations is the heavy reliance on published data from various sources. Significant work and case studies are therefore required to establish benchmarking energy use data and to compare and evaluate energy use for alternative production systems and their impact on greenhouse gas emissions.

- **Benchmarking Energy Use Efficiency and Emissions in a 3 year program** of engagement with partner industries by measuring machinery performance, utilizing web enabled software tools and methodologies.

**Energy Efficiency Industry Training workshops** to assist farmers to identify alternative practices (low energy and cost) or opportunities to fine tune current practices through improved energy use efficiency.

### **4.3 Mitigation and soils and nutrient management**

Soils, soil moisture, nutrient management and carbon are all key elements of the future agenda for climate change adaptation and mitigation. The huge rise in fertiliser prices and looming world shortages of fertiliser has raised the economic need for improved nutrient management practices. Likewise there are water quality issues such as those identified in the Reef Water Quality Protection Plan and the SEQ Health Waterways proposal. Soil health and nutrient management needs to involve immediate first steps to give farmers the tools to start improving their soil and nutrient management practices, aligned with and R&D framework that identifies future adaptation tools to address the challenges of soil carbon sequestration, reducing reliance on nitrous fertiliser and managing soil moisture in a hotter, drier climate.

QFF proposes a soils and nutrient management program involving:

- Investment in industry led Farm Management Systems programs to deliver nutrient management tools, backed up with an expanded R&D effort to establish 'best practice' application guidelines for more commodities in more regions (similar to the work BSES is doing in updating Six Easy Steps for sugar).
- A soil carbon sequestration research initiative (possibly funded from the Clean Coal Fund) to explore opportunities for sequestering carbon in agricultural soils (e.g. biochar). (see above)
- A soil health R&D initiative about building carbon levels in the soil through various management practices, as well as looking at options to reduce reliance on nitrous fertilisers while maintaining productivity.

### **4.4 Drought policy:**

The Queensland Government is participating in the current National Drought Policy review and is a member of the Primary Industries Ministers Forum (PIMF) that will receive the final recommendations from the Productivity Commission in February 2009. It is clear from the first three reports commissioned for the Inquiry into Government Drought Support that considerable change to drought programs is warranted because they don't achieve stated objectives, and "that current approaches to drought and exceptional circumstances are no longer appropriate in a changing climate context" (PIMF). QFF seeks a firm commitment that the Queensland Government will implement the recommended national changes and begin fully funding appropriate state-based climate preparedness programs in 2009-10. To begin to implement a comprehensive Queensland climate preparedness policy, QFF calls for:

- An industry and intergovernmental panel charged with developing and implementing a full range of skills and services required to deal with climate variability, change and extremes;
- Government funding and facilitation of industry-led partnerships that can build appropriate Farm Management Systems (FMS) modules for preparedness, self reliance and risk management capabilities as the lead means for managing climate change and exceptional climate stresses;

## **Queensland State Election Priorities 2009**

- A wider range of State professional services including Farm, Financial, Family and Community and emergency services to help proactively manage climate extremes;
- Climate data collection expanded to include assessments of influences on all major agriculture activities and major inputs so that all stakeholders are informed and can identify “climate stresses” as they emerge. The National Agriculture Monitoring System (NAMS) could be an appropriate tool for further development.

### **4.5 Natural disaster recovery arrangements**

QFF identifies that the nexus between regional employment and climate extremes may be critical for balanced regional development. It remains a reality of Australia’s weather systems that a “safety net” is needed for those climate extremes “which are beyond the ability of even the most prudent farmer to manage”. QFF believes that an ongoing review of recent Natural Disaster Relief and Recovery Arrangements events (NDRRA’s) can provide a guide to what works well in agricultural regions and what does not. QFF seeks a continuing commitment from the Queensland Government that these arrangements remain in place and where appropriate operate for regional climate extremes that put at risk the “critical mass” of industry participants, including crucial farm and regional industry infrastructure.

## 5. Water Resource Management and Pricing

### 5.1 National Water Initiative

Over the past three years the Murray Darling Basin has been the focus for national water policy development and significant commitments of resourcing with the introduction of the Commonwealth Water Act and associated intergovernmental agreements. Apart from the continued roll out of the water resource planning across the state there has been little attention given to the implementation of water reforms important for the development of a sustainable irrigation industry in this state. There is also a significant risk that Qld irrigators will have to implement water reforms suited to southern Murray Darling catchments without the significant Commonwealth resourcing that has been committed in the Murray Darling.

QFF calls on the State Government to work with industry to urgently review the Queensland implementation plan for the National Water Initiative which has been in limbo for the past three years. Poor design and delivery of key components of the NWI will significantly increase the costs of implementation of reforms for Qld farmers and threaten the benefits of the reforms particularly if we do not have a nationally consistent approach to NWI.

### 5.2 Water Resource Charges

QFF opposed the State Government's previous attempt to introduce a Statewide water resource management charge arguing that the charge would recover costs outside the ambit of NWI cost recovery including all costs associated with the conduct of water planning which benefits the wider community. There was also concern that the charge would not recover the efficient costs of implementing water management reforms into the future and as a result would not promote the efficient use of water resources. The need for a nationally consistent approach to charges was a priority. With work by the ACCC on a charges regime for the Murray Darling Basin, QFF is concerned that the State Government may seek to introduce the charge even though a nationally consistent approach still has not been achieved.

QFF calls for:

- The Government to recommit not to introduce a water resource charge in the absence of a nationally consistent approach to charges and the completion of a full and independent assessment of the efficient costs of Government water management activities as a basis for setting the water resource charge.
- An assessment of Government water management activities which:
  - Excludes from the assessment of a water resource charge the costs of water planning which benefit the wider community
  - Excludes all legacy costs of initiating water management reforms in response to changes in community standards
  - Applies the beneficiary pays principles of costs allocation.
  - Takes account of differences in the costs of water management between catchments
  - Provides for independent efficiency assessments on a regular basis to define efficiency objectives and set targets and performance measures for water planning and management activities to monitor and evaluate efficiency gains.

### 5.3 Water Prices for SunWater Schemes

The new price paths for SunWater schemes for the period July 2006 to June 2011 were agreed prior to the last election. Renegotiation of the price paths will need to commence soon but little has been achieved in implementing efficiency measures at a scheme level and further reform

of way schemes are managed to avoid large increases in the longer term. The introduction of the Carbon Pollution Reduction Scheme will increase electricity prices and, as electricity is a major component of Sunwater's costs, will also increase water prices. The State Government is set to re-examine imposing a rate of return on scheme assets and a charge to recover dam spillway upgrades post 2011. QFF is opposed to both proposals. Rural customers need a greater say in scheme investments and innovations over the next five years to take greater responsibility for managing their schemes to function independently beyond 2011.

To achieve this outcome post 2011, QFF calls for:

- Scheme management committees to have a greater involvement in the day-to-day management of their schemes during the next five years, including the development of practical measures to improve supply efficiency and meet customer's needs.
- Customer reporting framework to provide regular feedback on SunWater's performance over the course of the price path.
- A review of customer service standards of concern for schemes and measures to reduce the level of regulation and costs faced by SunWater.
- Reviews of the viability of schemes unable to meet lower bound efficient costs particularly those who face permanent adverse changes in hydrology.
- No rate of return or spillway upgrade charges in the next price path.
- A commitment to provide compensation for the impact of electricity prices on water costs, recognising this as a major cost impost on a trade exposed sector.

#### **5.4 Water Planning and Management**

Substantial progress has been made statewide with water resource planning for surface water but groundwater planning in a number of areas is dealing with problems of salt water intrusion and over allocation of the resource which raises difficult adjustment problems for irrigators. In addition, a number of the major water resource plans are to be reviewed over the coming years which should provide opportunity to adjust the planning process to achieve significant efficiency gains. There will also be opportunities to improve the effectiveness of the water resource planning process allowing irrigators to better manage for climate variability.

QFF calls for:

- Consolidation of the two stage water resource planning process to secure significant time and cost savings in the conduct for the review of water resource plans
- Implementation of benchmarking and performance measures for water resource planning to track progress and measure efficiencies together with budgeting to drive cost visibility over the whole water planning process
- Review of the effectiveness of the water resource planning process across the state to take account of issues arising out of increasing Federal intervention, the adequacy of current monitoring and annual reporting on the performance of plans, improvement in technical input to planning such as hydrology modeling and environmental assessments and refinements to planning that will help address climate change
- The extension of water planning to groundwater to provide for adjustment assistance where water entitlements are adversely affected by plan requirements.
- Implementation of initiatives to better measure the performance of irrigation schemes and to better manage water allocations to improve the way water is converted to allocations and shared to meet the needs of irrigation customers.
- Strategic planning for development of key irrigation areas to address future rural water needs, adaption for climate change, better use of existing infrastructure, water trading and new irrigation projects.

## **5.5 Murray Darling water reform process**

The next Queensland Government will have a major role to play in the development of the first Murray Darling Basin Plan by 2011. QFF has developed a constructive working relationship with the State and Federal Governments on Murray Darling reform issues, and is keen to work closely and constructively with the State Government in the performance of the State's roles under the MDB COAG agreements. In particular QFF calls for:

- State and Federal Governments to work together to plan and implement programs to reduce the use of water in the Queensland Murray Darling catchments to environmentally sustainable levels of take while ensuring the least amount of disruption to irrigation communities.
- State Government to finalise the water resource planning process in the Condamine Balonne to give irrigators in this basin some certainty about their water entitlements with the review of the catchment water resource plans and the implementation of the Basin Plan from 2015
- State and Federal Governments to treat Qld irrigators fairly and equitably and ensure their water rights will be protected in the preparation and implementation of the Basin Plan
- State and Federal Governments to rigorously engage local communities in the preparation, implementation and review of the Basin to ensure they are adequately informed and are able to develop an understanding of the key issues.
- Regulated charges for irrigation schemes and to recover water management costs must be applied consistently across the Basin and address the principles and objectives for regulated charges in the Commonwealth Water Act 2007.

## **5.6 Water and climate change**

Managing reduced water availability will be the single biggest climate change adaptation needed for most intensive agricultural enterprises in Queensland. This requires better understanding of the nature of likely changes to water availability, and also access to tools for improving water use efficiency. The building blocks need to be:

- Increased R&D on the impact of climate change on water availability for rural enterprises in key production zones in Queensland, and identification of management techniques for improved water management.
- Continuation of a program like Rural Water Use Efficiency that continues to expose producers to the options for improved water management, but also builds up risk management skills for increased variability in water availability.
- Improve efficiency of water delivery in Sunwater schemes through improved scheme management and unsupplemented water management controlled by DNR&W to complement onfarm water use efficiency measures.
- A commitment to work with industry to help irrigators assess risks they face and decisions they have to make in planning their future irrigation and improving water use efficiency, including on-farm irrigation systems, better matching of demand and supply of water resources throughout the system and improving the management of irrigation to achieve more sustainable landscape outcomes.

A comprehensive Climate Change and Rural Water policy and program needs to be developed involving DNR&W, QCCE, Sunwater, rural industry and the Federal Government to address these issues.

## 6. Farm business and economics

QFF commodity members are affected by cost structures and market forces which are impacting on the primary production sector as a whole, with farm costs rising 4.2% faster than farm gate prices in 2005/06. Rising costs meant that net farm income fell almost 10% in 2004/5, and by a projected 23% in 2005/6 to \$4.5 billion.<sup>10</sup> Government rates, charges and taxes charged to the rural sector have risen twice as fast as prices over the past eight years.

Too often, Governments have imposed costs on the rural sector without proper consideration of the cumulative economic impact those costs have. For farmers trying to improve the profitability of their businesses, key issues are about containing costs, improving market access and terms of trade, and improving productivity through continuous innovation.

### 6.1 Regulation review:

QFF calls for:

- The establishment of a joint government-industry Rural Regulation Review Taskforce to comprehensively document the extent of paperwork faced by primary producers and to report back to Government on how to improve the business and regulatory environment for farmers.

### 6.2 Risk management, succession planning & crop insurance:

Recent increases in land values have significantly increased the stamp duties and rates payable by farmers on land conveyancing and in leasehold rents. Similarly, the large increase in insurance costs has led to a commensurate increase in stamp duties payable. Stamp duty adds costs in an economically inefficient way to farm businesses engaging in succession planning or loan renegotiation. QFF proposes:

- The immediate removal of stamp duty on the GST-component of fees and charges, and on rural business insurance policies including crop insurance.
- An innovative, Government-supported crop insurance program for natural disasters that would meet policy objectives for improved risk management in the rural sector.

### 6.3 Fuel prices & ethanol:

Fuel costs for the rural sector this year are double what they were eight years ago. RACQ data shows that petrol and diesel regularly sell for more than 10 cents a litre more in many regional centres than in Brisbane. QFF believes the Queensland Government can do more to close the gap between city and country fuel prices. QFF calls for the Queensland Government to:

- Support the development of an ethanol industry that can be viable and sustainable in the longer term without ongoing subsidies, and provide some balanced Government policy intervention to help such an industry become established such as greater promotion of E10 availability and research on more cost-effective production methods.
- Establish a farm-scale biodiesel production trial utilising a range of technologies and fuel feedstocks as part of an accelerated R&D effort on the potential of biodiesel.
- Take active steps to ensure that independent fuel suppliers enjoy adequate port and oil refinery access and facilities.

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<sup>10</sup> ABARE Australian Commodities

#### **6.4 Country of origin labelling:**

QFF calls for increased resources to Queensland Health so it can:

- Actively monitor and enforce the Country of Origin labelling laws for fresh fruit vegetables, nuts and seafood and investigate consumer complaints.
- Implement an awareness campaign for retailers, producers and consumers.
- Introduce on-the-spot fines for misleading Country of Origin labelling.

#### **6.5 Research and Development:**

The Queensland Government has reduced its own contribution to DPI&F and its research program by \$23 million (or 10%) over the last four years. Funding from external grants has fallen around 12% over the same period. Such a large reduction in state investment in primary industries seriously undermines the effectiveness of DPI&F's research effort, and the ability of Queensland rural industries to continue to improve productivity. QFF calls for:

- Increase State DPI&F funding by at least \$23 million back to the 2002/03 level with the additional funds prioritised for R&D and extension activities.
- Industry and the Queensland Government working together to jointly determine DPI&F's research and extension priorities.

#### **6.6 Regional planning and agriculture**

QFF is concerned that many regional planning processes are failing to adequately consider or address the specific needs of agricultural businesses and value chains in regions. There has generally been poor consultation with agricultural stakeholders and less than rigorous processes used to identify agricultural issues and define solutions in regional plans. QFF is also concerned about the potential for inconsistent or uncoordinated strategies across regions, and wants to work with State and Local Governments improve regional and rural planning arrangements and processes. QFF calls for:

- \$100,000 per year a full time position based within QFF to improve the capacity of rural industries to engage in regional planning initiatives state-wide and develop well designed strategies that address the needs of the intensive agriculture sector.
- Investment in improving the skill base of the Queensland public service to deliver high quality regional, rural and agricultural planning services to the State.
- A clear commitment to supporting viable rural industries in the regional planning (including SEQ and FNQ plans) including:
  - i. a long term commitment to maintaining rural water availability
  - ii. provision of compensation to non-viable farms denied development rights due to 'green belt' restrictions;
  - iii. appropriate consideration given to the operating needs of rural industries in the region (e.g. chicken industry);
  - iv. recognition of 'prior use' provisions deeming new residential buyers in established rural areas to have due notice of agricultural activities.
  - v. Best practice approval processes for development of rural enterprises including environmentally relevant activities in agricultural areas;
  - vi. Protection of 'iconic' high value agricultural land from mining operations

## 7. Labour issues

Agriculture is a major employer, employing over 80,000 workers across Queensland, most in rural and regional areas. With a tightening labour market, rural industries have been finding it more difficult to find new staff and to retain experienced existing staff.

### 7.1 Addressing rural labour skills shortages

A concerted effort is needed to promote rural careers, particularly in high schools, to ensure adequate university places are available, training is available and relevant to rural needs, and to ensure that harvest workforces are recruited. This is particularly so as the State moves out of drought and as agricultural commodity prices improve. Coming out of the last drought in 1997, employment in agriculture rose by 37,000 workers. The challenge will be where will farm enterprises find the workers they need to fully recover from drought.

QFF calls for:

- A comprehensive joint industry-government approach to identify industry training needs on a regional basis to ensure that outcomes-focused training is provided in both formal and on-the-job environments. A comprehensive strategy to retain and attract skilled workers to rural areas should include a range of financial and tax incentives, such as:
  - increasing travel and accommodation allowances for attending training in other centres;
  - improved recognition of prior learning;
  - increased incentives to rural industries and rural centres to offer more apprenticeships.
- \$2 million a year (for four years) for development of regional skill development programs. Over the last year, DPI&F has been heavily involved in the development of the Bundaberg Horticulture Skill Development Strategy. This has been a huge success, bringing together industry, training providers and government in a highly effective partnership to identify and then meet local training needs. QFF would like to see this process repeated in other regions where the desire exists on the ground to make a similar strategy happen. This could include the Burnett, Lockyer, Mackay, Burdekin or Mareeba, where local groups already exist. Some continuing support for the established group in Bundaberg would also ensure that this important initiative continues.
- \$1 million a year for promotion of careers in agriculture. As agriculture comes out of drought, there will be a need to find new workers. QFF proposes that Government invest in a range of strategic initiatives to promote careers in agriculture, in close partnership with industry, such as funding three additional positions to promote agriculture and agricultural careers in schools.
- The reform process for the agricultural colleges to involve close industry involvement, with a commitment to upgrade the colleges to provide training on the latest technology, equipment and best management practices in industry.

### 7.1 Workplace health and safety:

QFF supports a workplace health and safety system that positively encourages employers to take actions that improve health and safety in their workplace within a reasonable risk management approach. QFF calls on the Queensland Government to:

- Amend the Workplace Health and Safety Act to ensure that the responsibility for workplace health and safety between employers and employees is fairly distributed with employers' responsibility limited to incidents that are foreseeable.
- Increase businesses uptake of enforceable undertakings by reducing the cost associated with the scheme and encouraging business to develop and commence enforceable undertakings which provide broader benefits to the workforce/community;

**Queensland State Election  
Priorities 2009**

- Provide incentives that encourage employers to develop workplace health and safety systems, instead of relying on deterrents alone – for example, through a credit point system. Developing incentives for good workplace health and safety practices will:
  - Allow employers to self regulate and develop workplace health and safety practices that best fit the individual circumstances of their business.
  - Improve the quality of workplace health and safety practices, decreasing the occurrence of incidents.
  - Greatly decrease prescriptive, third party intervention by the State Government.
  - Reduce the level of regulation and red tape that business faces and reduce expenses for the Queensland Government.
- Continue to consult closely with rural industry on the removal of rural industry exemptions from the WH&S Act (e.g. on prescribed occupations) to develop appropriate conditions and codes for the application of the Act to rural industry, as has occurred in the electrical safety code;
- Increase funding to farm safety awareness programs by at least 20% (e.g. FarmSafe) to improve training and awareness of WH&S issues across the rural sector corresponding with the removal of the exemptions

## 8 Government Support for Rural and Regional Communities

Adequate infrastructure in transport, communications, health, education and housing is essential in order to allow existing rural enterprises to operate effectively and to attract new business and residents to rural and remote areas. The role of the private sector in infrastructure provision is acknowledged, however Government will need to continue to play a significant role in infrastructure provision as many projects in rural areas will be economically unattractive to the private sector.

### 8.1 Blueprint for the Bush infrastructure program

The Blueprint for the Bush outlines some \$36 billion of public and private investment already underway or under active consideration in Queensland to sustain and grow rural communities west of the Dividing Range. QFF calls on the Queensland Government to:

- Commit similar funding levels to rural communities east of the Dividing Range to ensure the needs of all rural and regional Queenslanders are met.

### 8.2 Communications & Technology

QFF believes there needs to be a program of continual improvement in rural telecommunications in order to facilitate business development and allow rural enterprises to keep pace with technological advances. With the proposed privatisation of Telstra, there is a very real danger that rural communications infrastructure will lag even further behind that provided in urban areas in the future. QFF calls for:

- The State Government to ensure that before the Federal Government sells Telstra that it guarantees regional customers receive equivalent services to urban customers.
- A State Government initiative to monitor the provision of telecommunications in rural Queensland to ensure that communications benchmarks are met in rural and regional areas, and to raise concerns direct to the Federal Government to meet any deficiencies.
- A Rural and Regional Technology strategy to include communications, health, satellite imagery, precision agriculture, computers on farms.

### 8.3 Transport

The reliability of the road network is crucial to meet the basic needs of rural and regional communities such as education, health and their welfare and social needs. The provision of reliable transport networks at a manageable cost is essential to the movement of rural produce to its key markets in urban Australia. QFF calls on the Queensland Government to:

- Increase road funding to secure all-weather roads in rural and remote areas.
- Continue to oppose increase in national heavy transport road user charges that would ultimately be passed on to primary producers.
- Review impact of transport regulations on agriculture (e.g. licensing of farm vehicles).

### 8.4 Government Service Centres

Many of the problems experienced by rural and regional people in dealing with Government stem from poor communications or lack of access to real people or an understanding of who to talk to in government. QFF calls on the Queensland Government to:

- Establish Government Service Centres in rural towns in all regions to handle help desk for service enquiries across all government departments and agencies or the efficient processing of motor vehicle registrations or licences.