Making Queensland's Agricultural Sector #1

State Election Policy Platform 2020

QFF

QUEENSLAND FARMERS' FEDERATION

The united voice of intensive agriculture

CANEGROWERS · COTTON AUSTRALIA · growcom · Nursery & Garden Industry Queensland · QDO Queensland Dairyfarmers' Organisation · Queensland Chicken Growers' Association · Australian Cane Farmers · Turf Queensland · QCMC · BRIA · Fairbairn Irrigation Network · Mallawa Irrigation · PVWater · Theodore Water · Eton Irrigation · LWUF · pork Queensland

The Queensland Farmers' Federation (QFF) is the united voice of intensive and irrigated agriculture in Queensland. It is a federation that represents the interests of 21 peak state and national agriculture industry organisations across the food, fibre and foliage sectors which, in turn, collectively represent approximately 14,000 farmers across the state.

QFF engages in a broad range of economic, social, environmental and regional issues of strategic importance to the productivity, sustainability and growth of the agricultural sector. QFF's mission is to secure a strong and sustainable future for Queensland farmers by representing the common interests of our member organisations.

Over the next four years, QFF aims to make Queensland the number one Agricultural production state and agritourism destination in Australia, while ensuring every farmer has access to a Green Market Mechanism and guaranteeing fresh food (and nutrient) security for all Queenslanders.

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Importance of Agriculture to Queensland

Approximately
24,200
farm businesses across Qld

Directly employing
60,608
Queenslanders

434,100 jobs
in Queensland

18%
of total number of jobs in Qld

Total supply chain of the food and agribusiness sector, including both forward and backward links from the agriculture and food sector

Approximately
88.4% **OF THE STATE IS USED FOR AGRICULTURAL PRODUCTION**

As the major owner/occupier of the land, agriculture plays the major and critical role in managing the state's natural resources.

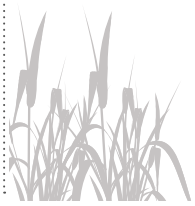
$19.87 BILLION
Agriculture and food production

20%
greater
Than the average for the past 5 years

EXPORT OPPORTUNITIES
BEING HEAVILY EXPORT ORIENTATED

the sector is important to maintaining the state's balance of payments

Queensland agricultural merchandise exports contributed
$9.65 BILLION
to the state's economy (for 2019/2020)



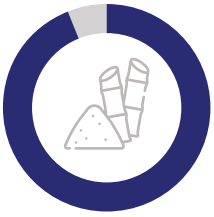
Sugar exports were worth
$1.4 BILLION

Unique ability to deliver food security, environmental sustainability and economic opportunity

Government investment in agriculture delivers high economic, environmental and social returns for relatively low risk.

Agriculture is the only sectoral investment that can simultaneously deliver food security, environmental sustainability and economic opportunity

Queensland is a leader in agriculture. It accounts for:

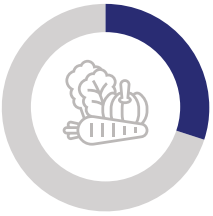


94%
of Australia's sugar cane

47%
of Australia's beef cattle herd

34%
of Australia's cotton

33%
of Australia's grains



30%
of Australia's vegetables

As at August 2020, Queensland had 255 Emissions Reduction Fund projects (over 30% of those across Australia), of which 168 applied to agriculture or vegetation management methodologies

1. Make Queensland the place to invest

Queensland's agricultural sector has some of the highest input costs in the world. The sector also does not receive protections or subsidies as in other countries. While this has led Queensland's farmers to be some of the most efficient and productive in the world, in order to remain internationally competitive in our agricultural exports and maintain the affordability and access to fresh food for all Queenslanders, these costs must be addressed. Excessive costs and a lack of long-term price certainty in critical inputs, such as water and electricity, is eroding investment and investment confidence in Queensland.

Electricity

- Set the prices for Queensland networks at efficient levels. The Queensland Government must direct Energy Queensland to optimise network assets and set prices at efficient levels, at least 40 per cent below existing levels.
- Write down the Regulatory Asset Base, particularly for the Ergon Network.
- Remove hidden taxes. The Queensland Government must not subject its government owned natural monopolies to competitive neutrality payments.
- Provide a comprehensive reform program for electricity network tariffs and enabling metering. The economic deployment of advanced metering will be necessary to achieve the full benefits of network tariff reform for customers.
- Provide opportunities for micro-grids and peer to peer trading.
- Set a retail price cap of 16c/kWh (8c for N and 8c for R).
- Deliver an equitable suite of tariffs for agriculture that reflect seasonality.
- Improve the visibility of retail opportunities in regional Queensland. The security of tariff equalisation via the community service obligation for regional Queensland customers needs to be maintained via the Queensland Competition Authority and regulated networks where clear visibility of payments is legislated.
- Provide funding and support for smart metering, data use and data security.
- Remove the solar bonus scheme from electricity bills and fund it through consolidated revenue.

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Water

- Develop a regulatory mechanism to facilitate future access to reserves and unused allocations in existing Water Plans which have set strategic targets for future planning projects.
- Facilitate temporary water trading.
- Commit to affordable bulk and distribution water prices for SunWater and Seqwater schemes and the provision of funding for QFF to ensure irrigated agriculture can meaningfully respond to the pending pricing investigations.
- Commit to dam safety being recognised and regulated in perpetuity as a public benefit with the cost to be borne by government.

  Continue lower bound water prices, including zero rate of return and only pay economically prudent and efficient costs of operation, maintenance, and refurbishment.
- Immediately reduce above lower bound water prices to lower bound water prices.
- Examine strategic challenges facing existing bulk and supply schemes, including greater protection of irrigation infrastructure and scheme modernisation. Government has made significant investments in several schemes where future viability is being eroded by pricing and non-agricultural land development within these catchments.
- Utilise a whole of government approach for the development and implementation of policy on the reuse of water from sewage treatment plants as a sustainable option for agricultural water.
- Develop a water drought policy that facilitates a long-term strategy incorporating climate change and climate adaptation incentives to continue productivity when drought conditions are enacted by the state while reducing the economic impact on the agricultural sector.
- Implement policy that integrates the complex groundwater and soil relationship on farmland and the associated infrastructure required to maintain a healthy water and soil environment.
- Commit to investigating a direct electricity pass through on willing irrigation schemes.

Managing other costs

- An immediate and universal enforcement of the rating systems guideline by local governments. Local government rate increases continue to undermine the profitability of agricultural businesses and the disparity between Queensland's farmland values and the associated local government rates is becoming more significant.
- Abolish stamp duty on agricultural insurance. The Victorian, New South Wales and the South Australian governments have all abolished this inefficient tax.
- Funding to support the capitalisation of an insurance discretionary mutual fund, which would ensure affordable insurance and mitigate the economic risks to the state from future climatic events.

2. Smart regulation to realise opportunities

Queensland's agricultural sector is heavily regulated. Good governance and regulation builds community trust as well as certainty for investment. Therefore, effective regulation that achieves good outcomes but does not result in administrative burden for farmers and regional businesses is required. Policy must be based on scientific evidence with politics removed from the decision-making process and regulatory function, while regulation must be supported by appropriate enforcement and periodic review of its effectiveness.

Reef

- Repeal the 2019 Reef Regulations which place an additional administrative burden on Queensland farmers and do not ensure improved environmental outcomes.
- Continue to support voluntary industry-led farm management system or best management practice (BMP) programs to verify environmental sustainability and benchmark progress towards targets within the Reef 2050 Plan.
- Revise the Paddock to Reef program to ensure alignment with industry best practice and enable the inclusion of BMP practice data.
- Recognise that the current level of government investment is not sufficient to meet the ambitious water quality targets. Adopt a long-term, strategic funding model commensurate with water quality targets or bring targets into line with current funding levels to help manage community expectation.
- Commit to addressing all impacts on the Reef (i.e. climate, all land management activities) to help reduce the inequity felt by farmers who are often the only group targeted to 'fix' the Reef.
- Commit to more on-stream, real-time water sampling technologies in estuaries and rivers; and above, within and below farming zones, to demonstrate any accumulation of pollutants. The data should be live and public. This will also assist with and reduce the dependence on modelling.

Right to farm

- Amend the Environmental Protection Regulation 2019 to reset environmental criteria relating to agricultural activities in agricultural areas. For example, criteria expressed in the Environmental Protection (Noise) Policy 2019 and section 440T of the Environmental Protection Act 1994 were primarily created to provide guidance on pumps located in urban areas (particularly swimming pool pumps and spa blowers) which are now being applied to irrigation pumps in agricultural communities.
- Commit to supporting QFF in the development of a 'Good Neighbour' initiative to manage the growing number of issues arising from urban encroachment in agricultural communities and regions.

3. Maintain, build new and build back better

More people than ever depend on the critical infrastructure systems that provide essential energy, water, transport and communications services. When this infrastructure fails, the consequences can be catastrophic. When considering resilience, we need to do so in a holistic (system of systems) collaborative and inclusive manner. For example, much of climate change impacts will be felt through water – too much, too little or too polluted. Water is a key connector and enabler and one we need to get right to build a resilient future. As well as climate change, we need to consider the needs of additional populations including to our regions. We are looking for meaningful infrastructure solutions to enable diversification of farm income and build regional resilience so we are designing and adapting for a future under deep uncertainty.

Resilience

- Commit to a strategic review of existing irrigation infrastructure and develop a plan for scheme maintenance and modernisation with irrigators to ensure utilisation and affordability of these assets going forward.
- Commit $25 million to finalise the business cases and support the construction of smart water infrastructure projects identified by QFF.
- Provide collaborative leadership to realise equitable, reliable and affordable telecommunications services for farmers and people living in rural and regional Queensland.
- Commit to strategic, long term investment in road and rail upgrades to lower freight costs for farm businesses.
- Commit to amending the Queensland Development Code to accommodate modern agricultural practice and scale attributable to farm buildings used for both intensive and free-range livestock production.

  Commit to the development of a Planning Code for agritourism to facilitate tourism activities on farm.
- Commit to supporting QFF's Agritourism Roadmap and Development Program.

4. Manage risk and protect

Clear planning outcomes are essential for business confidence and investment. In some areas of Queensland, there has been a substantial loss of prime agricultural land. This has resulted in the erosion of agri-processing viability, particularly processing which has been enabled through foreign investment. Queensland relies on foreign investment, but sovereign risk is rising because of adverse planning decisions.

Moreover, Energy and water are inextricably connected in agricultural systems. Climate change is influencing the water-energy nexus and efforts to increase efficiency in both energy and water end-uses can increase Queensland's agricultural sector's resilience. Climate change is continuing to affect water availability and put new stresses on energy systems (particularly in constrained areas). However, the degree of future impacts is uncertain, particularly given changing climate patterns, and increasing frequency and the duration of drought conditions coupled with extreme weather events. While there are a range of technological solutions to improve efficiencies and, ultimately productivity, further government and policy support is needed, and this support needs to be coordinated to avoid unintended consequences which have arisen from previous government programs. Efficiency in energy and water end-uses can reduce the sector's exposure to acute and chronic stressors, including high utility bills, which together with climate change, are negatively impacting agricultural productivity. Queensland's intensive agricultural sector stands to gain significantly from an energy-water productivity agenda which acknowledges climate change.

Participation in carbon markets and other green programs can provide farmers with additional revenue streams, diversifying their businesses, and building resilience through the certainty of long-term contracts.

Risk management and climate variability

- Commit $500,000 over three years to develop a farmer-owned data repository of farm level production data. This process would also provide an important extension function to educate agricultural industries on insurance and the use of insurance as a risk management tool, which is critical to improve farmer buy-in and assist market penetration.
- Commit to supporting the development of QFF's Queensland Agricultural Planning Productivity Tool (QAPPT).
- Invest in the installation of weather stations across the prime agricultural areas of Queensland.
- Commit to providing funding to implement the climate change recommendations from the review of the sector.
- Develop a readymade industry recovery project that could deploy industry officers immediately after a natural disaster to quicken recovery.
- Commit to funding the Queensland Drought Program Reform implementation program including the administration of low interest concessional loans for primary producers to develop drought management plans and implement drought mitigation.
- Work with QFF to co-develop strategies and programs to attract funding and investment on farm through different financial instruments including grants, green bonds, philanthropy capital and venture capital; for developing and disseminating efficient and sustainable agricultural practices, tools and technologies

Managing carbon and land

- Develop carbon methodologies for intensive agricultural industries.
- Address barriers to participation in carbon markets by small and medium sized farms such as the high administrative costs, including ongoing monitoring and reporting, and periodic auditing.
- Conduct a review of the Queensland Government's sustainable land management policy
- Commit to working with QFF and its members to broaden the scope of the Land Restoration Fund and include regenerative agriculture.
- Support QFF to develop an Agroecology Roadmap for Queensland.
- Address the barriers to adoption for low emission practices.
- Commit to a minor amendment to the Planning Regulation 2017 to permit on-farm composting. This request was a recommendation in the QFF report, 'Planning and Regulatory Approaches to On-Farm Composting in Queensland'.
- Support QFF's proposal for a 'Growing Organics' program
- Remove duplicate and unnecessary regulation of agricultural and agri-processing anaerobic digestion (AD) facilities to facilitate growth in bioenergy opportunities.

Water-energy-climate nexus

- Commit $250,000 over 12 months to properly investigate the 'nexus' issue. This work would examine the water, energy, productivity and climate relationships, and the implications of not addressing this key issue for irrigated and intensive animal agriculture.
- Commit $16 million over three years to an integrated industry program that would address research findings and target energy, water and climate nexus issues along with productivity outcomes. This program would build on the successful QFF Energy Savers Program which has delivered substantial electricity and carbon savings and increased the adoption of energy efficiency and renewable energy technologies on-farm by including water efficiency and climate mitigation technologies.

Protect agricultural land and all its values

- Simplify the planning framework to provide greater protections for prime agricultural land and enable the sector to capitalise on future opportunities.
- Commit to a Code for large-scale industrial solar projects to ensure coexistence.
- Increase funding of the Nature Refuge Program to assist landholders to take the practical action necessary to effectively manage and preserve existing nature refuges on their land; and to encourage other landholders to participate in the scheme.

Biosecurity

- Commit to a provision of investment to fully implement biosecurity reviews and strategies.
- Initiate an annual biosecurity stocktake.
- Commit to matching the agriculture sector's biosecurity investment.
- Build biosecurity capacity to increase diagnostic capacity, close biosecurity knowledge gaps and boost response capability. This includes skilling and succession planning.
- Commit $200,000 over 12 months to develop co-regulatory pilot projects that would empower industry and result in better biosecurity outcomes.

5. Ensure the future of our people and communities

Contextualised workforce development opportunities, tailored to all levels of the workforce, are essential to attract new industry entrants and to facilitate meaningful career progression for those already in the industry. While, a training system that is relevant to industry requirements and support the needs of the new and current workforce is critical, our existing and future agricultural workforce must embrace change and develop new skills to ensure the agriculture sector seizes the opportunities presented.

Overseas workers contribute significantly to the workforce in industries such as horticulture, intensive livestock, broadacre cropping and meat processing industries. Migrant workers often bring skill sets that are beneficial for agribusiness employers, and finding avenues to support their participation in the industry can address workforce challenges for agriculture.

Women's work and expertise are critical in maintaining and developing agricultural businesses and regional communities. Women represent more than one-third of all agriculture employees in Australia and 28 per cent of farmers and farm managers are women. In Queensland, women form over one-third of the agriculture workforce and just over one-third of business owner managers in regional Queensland. It is estimated that women contribute about half of the total value of output attributed to farming communities through their paid and unpaid activities, including 84 per cent of off-farm income, which is vital for the maintenance of the farming enterprise. In addition, women shoulder the major responsibilities of family and household care. While women's roles are vital, their career paths, training needs and aspirations can be different to those of men, an issue that is found across all industries.

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Jobs and Skills

- Support the skills needed now and in the future through industry led training programs that provide relevant and flexible training, and support growth, innovation, and sustainability of the industry. Including a Queensland Agskill program such as that currently in place in New South Wales and a digital skills program that combines accredited and non-accredited components to improve the digital understanding and capability within agri-business and drive the adoption of business-relevant technology that would accelerate the future sustainability and prosperity of all Australian agri-businesses.
- Increase funding for programs to attract the future agriculture workforce through the implementation of the Queensland Agriculture to Schools Engagement Program (QASEP).
- Improve the available agriculture workforce data and research to inform regional industry-wide workforce planning and development activities to ensure the industry has a reliable workforce now and in the future.
- Support the participation of a diverse agricultural workforce. This can be achieved by providing funding to support programs to improve the skills and confidence of various groups including women, young people and migrants.
- Increase the level of an appropriately skilled workforce through the delivery of agriculture work placement programs such as the Agriculture Extension Work Placement Program and the support of a 'Year 13- Gap Year Program' across agriculture.
- Commit to securing a viable future for the Emerald Agricultural College and safeguard that future in consultation with the agriculture sector.
- Commit to fully funding the Certificate IV in Training and Assessment for 50 industry-endorsed experts in this financial year.
- Increase research development and engineering investment to realise productivity gains, ($1 of investment provides $10.15 economic return) and build knowledge across the sector to enable further innovation.
- Support a small business safety rebate for agricultural and regional businesses which can be used towards electrical safety works and a range of other eligible items as per QFF safety and wellbeing proposal.

QUEENSLAND FARMERS' FEDERATION

Level 3, 183 North Quay, Brisbane QLD 4000
PO Box 12009 Brisbane QLD 4003
07 3837 4720

www.qff.org.au