



13 April 2022

The Hon. Mr Scott Morrison MP
Prime Minister of Australia
Parliament House
CANBERRA ACT 2600
By Email Only: enquiry@cchq.org.au

cc: Hon. Barnaby Joyce MP, Deputy Prime Minister of Australia: barnaby.joyce.mp@aph.gov.au
cc: Hon. David Littleproud MP, Minister for Agriculture: David.Littleproud.MP@aph.gov.au

Dear Prime Minister,

TFGA's Call to Action – Just Act

The Tasmanian Farmers and Graziers Association (TFGA) would like to highlight our nine key Federal Election Priorities for funding that will provide long-term value for money and strategic support for Tasmanian agriculture.

TFGA has over 2,000 members and is the leading representative body for Tasmanian primary producers, working to advance the development of Tasmania's primary industries. TFGA is committed to ensuring that the agriculture sector in Tasmania is profitable and sustainable. We are also committed to promoting the vital contribution that the agriculture and horticulture sectors make to the environmental, social and economic fabric of the Tasmanian community.

The TFGA Board seeks your support and comment regarding funding these areas, and looks forward to leading other key Tasmania stakeholders and working with you to implement these key priorities.

We are providing other political parties the same opportunity and then we will collate the answers to give our members an understanding of each party's views on agriculture, prior to the election.

TFGA looks forward to your response prior to 9th May 2022.

Yours faithfully,

Ian Sauer
TFGA President

Marcus McShane
Interim Chief Executive Officer

TFGA is a State affiliate organisation of the National Farmers Federation (NFF). We participate and support NFF activities and policy development. TFGA endorse the NFF's 2022 Election platform "Time To Thrive".

The NFF's *Time to Thrive – Stronger Regions for all Australians* platform makes the case for five key actions:

- 1) \$4.1 billion for the establishment of 20 Regional Development Precincts.
 - 2) A \$2 billion fund to reward land managers who improve the health of their landscape.
 - 3) A \$5 billion Rural Telecommunications Fund to improve connectivity for remote Australians.
 - 4) The fast-tracking of discussions to lock in 10 Ag Visa partner countries.
 - 5) Reform to competition law to protect farmers from unfair practices.
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TFGA has nine Federal Election Platform Priorities, some augment with the NFF and some are more State specific. These are as follows:

1. Irrigation Tranche III: Inter-connectivity, Enhancement and New Irrigation Schemes

The continuation of the third tranche (6 schemes over 5 years) of Tasmanian irrigation schemes is vital infrastructure for the state's agricultural sector. TFGA believes the state's irrigation schemes continue to be one of the key drivers of sustainable growth in our export and domestic agricultural produce markets and this will extend the opportunities into new areas of the state.

The public-private partnership model for irrigation infrastructure development adopted by Tasmania, ensures that government support is prudently directed to assisting with capital costs for schemes designed to last 100 years. The model ensures that risks associated with each scheme are shared with farmers and that an appropriate due diligence process is followed prior to scheme construction being approved. A recent letter to the Deputy Prime Minister detailing funding requirements is attached (Appendix A)

Will your party, if elected, provide the \$670 million funding over 5 years that is required for the third tranche of irrigation projects in Tasmania?

2. Labour force

The Tasmanian Agriculture Industry is experiencing widespread worker shortages. This is directly affecting the ability of some businesses to operate effectively and viably. The onset of the Covid-19 pandemic has heightened this challenge, reducing access to interstate and overseas workers. The NFF have detailed three main areas in relation to workforce:

1. Training and attracting Australian workers.
2. Keeping workers safe.
3. Improve pathways for international workers.

TFGA endorse these three key areas and the funding commitment required. However, we also recognise that with unemployment rates heading towards 3.5%, no amount of training is going to help if the workers are simply not there. This is why we put a strategic importance on *Point 3. Improve pathways for International workers*. The introduction of the Australian Agriculture Visa (Ag Visa) and the signing up of Vietnam to the program is a good start but more needs to be done quickly.

Will your party fast-track discussions to lock in 10 Ag Visa partner countries within the next six months?

3. Sustainable Agricultural Recognition Systems

TFGA are asking for \$2.5 million over four years for a Tasmanian Pilot Program to develop, test and implement a Sustainable Agriculture Recognition Systems (SARS).

There is an increased interest in socially responsible investing with the Environmental-Social-Governance (ESG) issues potentially reshaping and reinventing business models. This is placing pressure on Australian agriculture to demonstrate sustainability in the market value chain and to society more broadly.

This project will be delivered with input from the private sector and a specialist steering committee.

The aim of the project is three fold:

1. Build the capacity of Tasmanian farmers through education extension and decision support tools, to become carbon market ready;
2. Demonstrate and trade sustainable agriculture (food, fibre & ecosystem services) consistent with state, national and international standards, metrics, and obligations;
3. Develop, test, validate and learn through the establishment of 10 pilot farms, with a focus on:
 - Property management planning systems
 - Agri-environmental metrics
 - Legally and scientifically valid methods
 - Governance systems of integrity
 - Government and market recognition and verification
 - Improved accuracy of environmental measurements at a farm scale
 - Harmonisation of processes to minimise transaction costs

Will your party provide \$2.5 million over four years and work with the TFGA to develop a Sustainable Agriculture Recognition Systems (SARS)?

4. Importance of Biosecurity

The prevention of pest and disease incursions is of vital importance to the viability of all rural industries. Australia's unique biodiversity and relatively disease-free status, along with our reputation as a supplier of fresh, high quality, clean produce must be maintained.

TFGA believes governments, industry and the community all have a role to play in biosecurity issues. Resources must be effectively used to prevent and combat pest and disease incursions and fund and coordinate eradication procedures. Resources also need to be applied to the protection of our borders from the natural spread of pests.

We are pleased that the 42 recommendations from the review undertaken by Dr Wendy Craik, on Australia's biosecurity system, has been supported by Australian, state and territory government ministers.

Will your party, as a matter of priority, work with industry to implement the 42 recommendations from the Craik Review (Priorities for Australia's Biosecurity system June 2017)?

5. Maintaining Land Tax Exemption

Land tax is one of several charges people may be required to pay when they buy property. Unlike stamp duty, which is a one-off charge, land tax is levied every year on properties. Usually, land tax isn't paid on any property that is a principal place of residence, in other words, it's a tax that's more likely to affect investors than owner-occupiers. Land tax is not payable on land that is classified as primary production. TFGA believe this exemption must be maintained.

Does your party support the continuation of a land tax exemption for primary production?

6. National Forest Industries Plan

The sustainability of our forests is of interest to us all, but it is of concern for the timber and forest products industry and those it employs. As a form of land-use, forestry has a very large footprint, occupying over 50% of the Tasmania's land mass.

Tasmania is blessed with a vibrant and diverse food and agricultural sector, which includes farm forestry. Over one million hectares or 33% of Tasmanian reported forest area is in the private forest estate, which includes plantations.

TFGA is supportive of the National Forest Industry Plan which is about growing the size of Australia's plantation estate to provide confidence to our forest industries.

Will your party implement the actions in the National Forestry Industry Plan (September 2021)?

7. Red tape and compliance

We all recognise that regulations are a necessary part of everyday life. However, regulations need to be practical and evidence-based. Good public policy requires ownership by those that it impacts, failure to achieve that goal results in poor policy outcomes.

TFGA believes that governments, at all levels, should be seeking to reduce and eliminate excessive regulation and hence reduce compliance cost burdens on small businesses such as farmers.

Regulatory costs continue to impose significant competitive burdens on farmers with no evidence of any increased return. We are continually told that farmers must operate in a global market – and we do. That means our prices are set by factors well beyond our control; and we have limited capacity to claw back more of the retail dollar to cover increasing on-farm costs.

Will your party commit to reduce and eliminate excessive regulation to support the agriculture sector?

Will your party fund and implement a MyGov style web-portal for farmers (MyAG) to manage their regulatory and quality assurance commitments?

8. Implementation of Technology

Agriculture has an enormous uptake of new technology, we employ tens of thousands of people, we keep many rural communities alive, and we produce the clean, healthy, fresh food that Tasmanian families take for granted, and indeed that families across the country and world enjoy.

Farmers want to access the new technologies reliant on broadband connectivity, including precision agriculture, irrigation automation, remote sensing technology, farm biosecurity and livestock monitoring. However, poor connectivity is reducing agriculture's ability to make greater productivity gains.

TFGA is steadfast in its belief that all our members and regional Tasmanians should have access to, or expect that:

- an equitable, sustainable and affordable mobile network be developed and maintained.
- telecommunication companies are profitable, and as such will provide a high-quality service for all Tasmanians.
- high quality internet and mobile services are provided at a viable and equitable price.
- the mobile network will be expanded to accommodate all Tasmanians where and however possible.

Will your party implement the 2021 Regional Telecommunications Review's 12 recommendations and fund further rounds of the mobile blackspots program?

9. Innovation research gap analysis

Research and innovation happen at multiple levels:

- On-farm research, development and innovation
- State government research (Tasmanian Institute of Agriculture)
- Industry body RD&E organisations (AWI, MLA, Hort Innovations, etc.)
- Federal Government research (CSIRO)

TFGA believes there is significant duplication of work, and requests a gap and overlap analysis done to determine what RD&E is being done (or duplicated)..

Will your party commit to provide TFGA with \$0.5 Million to assess and report on Tasmania's RD&E needs?

Appendix A

22nd March 2022

The Hon. Barnaby Joyce MP

Deputy Prime Minister

Minister for Infrastructure, Transport and Regional Development

House of Representatives

Parliament House

Canberra ACT 2600

By email only: Barnaby.Joyce.mp@aph.gov.au

Copied to (by email only):

Senator the Hon. Jonathon Duniham MP, Assistant Minister for Industry Development: Senator.Duniham@aph.gov.au

Gavin Pearce MP, Federal Member for Braddon: gavin.pearce.mp@aph.gov.au

Guy Barnett MP, Minister for Primary Industries & Water: guy.barnett@parliament.tas.gov.au

Ben Davidson, Senior Advisor, Minister Barnetts Office: ben.davidson@dpac.tas.gov.au

Dear Deputy Prime Minister,

RE: COMMONWEALTH SUPPORT FOR NEXT TRANCHE OF TASMANIAN IRRIGATION PROJECTS

By way of brief introduction, the Tasmanian Farmers and Graziers Association (**TFGA**) is the peak representative body for Tasmanian farmers, representing their members across a range of commodity groups including meat, dairy, wool, vegetables, grains, forestry and horticulture.

The Tasmanian Government has an ambitious goal to increase the annual value of the Tasmanian agricultural sector to \$10 billion by 2050. It is recognised that to achieve this goal the sector will need to grow at more than double the growth rate experienced over the past 20 years. TFGA considers the further development of irrigation infrastructure throughout Tasmania to be an essential enabler of growth in the agricultural sector for the state.

The Tasmanian Government, through Tasmanian Irrigation (a State-owned company), has been a key catalyst for recent growth in the agricultural sector in Tasmania. Since its establishment in 2008, Tasmanian Irrigation has taken over management of a range of inherited assets, including dams, irrigation schemes and river works and constructed some 15 new irrigation projects. Significantly, Tasmanian Irrigation has advanced the planning and development of a further six projects valued at some \$1.5Bn, that are now shovel ready.

Investment in irrigation has both immediate and long-term economic benefits

As the Australian economy recovers from impacts associated with the COVID-19 pandemic, we appreciate there is much demand for Commonwealth funding to serve as economic stimulus. The development model that has been successfully applied by Tasmanian Irrigation to the irrigation projects it has delivered sees Commonwealth funding matched dollar-for-dollar by contribution of the State Government and irrigators; thereby effectively doubling the value of the economic stimulus represented by the Commonwealth's contribution to the construction of these irrigation schemes.

Importantly it is not only the immediate benefit brought about by the construction of these irrigation schemes that provides economic stimulus; accompanying the construction of new irrigation schemes in the short-term is the development of much on-farm infrastructure by irrigators so as to be able to make use of the irrigation water.

In the medium to longer-term, there is a significant increase in economic activity accompanying the increased productivity that comes from converting farmland to irrigated production and more intensive farming operations.

Investment in irrigation is a physical hedge against climate variability

Australian agriculture has long been exposed to the risk of drought brought about by climate variability. Increasing the acreage of Australian farmland under irrigation provides the agricultural sector with a physical hedge against the risk presented by climate variability. Irrigation schemes developed by Tasmanian Irrigation provide high-surety irrigation water which mitigates the harm of long-term drought. Additionally, the opportunity for economic diversification – undertaking a variety of crop and livestock activities – afforded by increased acreage under irrigation can help farmers reduce their risk exposure to climate variability. As well as providing immediate benefit to the construction sector during construction and the medium and long-term economic benefit to the agricultural sector brought about by investment in irrigation by the Commonwealth Government, increased acreage under irrigation provides a physical hedge against future climate variability.

\$670M additional Commonwealth investment in next tranche of Tasmanian Irrigation projects

The six projects comprising Tasmanian Irrigation’s tranche-three irrigation projects are anticipated to bring:

- a. an additional 3,500 jobs in Tasmania;
- b. an increase in the State’s agricultural output of more than \$1Bn;
- c. an additional on-farm investment of at least \$450m; and
- d. an additional 140,436ML of high-surety irrigation water to Tasmanian agriculture.

Whereas the Don and Northern Midlands Irrigation Schemes are underway, TFGA understands that an additional \$1.3Bn is required to complete the next four projects – the Sassafras-Wesley Vale Augmentation, the Tamar Irrigation Scheme, the South East Integration Project (including Gretna) and the Southern Midlands Irrigation Scheme.

Given the:

- a. co-investment of funds by the State Government and irrigators;
- b. the immediate economic benefit brought about by construction of these irrigation schemes and accompanying on-farm investment;
- c. the medium to long-term economic benefit brought about by increased agricultural production; and
- d. the physical hedge against climate variability represented by these additional four irrigation projects,

TFGA considers the Commonwealth’s investment of \$670M in these projects will bring about much benefit for the Australian agricultural sector.

Accordingly, TFGA provides its full support and encouragement to an investment by the Commonwealth Government in these crucial irrigation developments.

We will contact your office next week to follow-up on this letter.

Yours sincerely,



Ian Sauer
TFGA President



Marcus McShane
TFGA Chief Executive Officer