



NSW Farmers – Growing Farming

NSW STATE ELECTION 2011



NSW FARMERS GROWING FARMING

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The NSW Farmers' Association is Australia's largest State Farming Organisation representing the interests of farming families across NSW. Through influencing public policy within NSW, the Association seeks to create conditions that enable farming to flourish which will result in higher productivity of food and fibre, which in turn enables our farmers to provide and contribute to the prosperity of the regions that they live and work within.

The Association is an apolitical, voluntary industry body, which has been representing the majority of commercial farm operations in NSW for over 120 years. Our membership ranges from broadacre, meat, dairy, wool and grain producers, to more specialised producers in the horticulture, egg, pork, oyster and goat industries.

As the world faces up to the spectre of declining food security, the Association, together with eminent bodies such as the Food and Agriculture Organisation of the United Nations, is calling for urgent policy changes that will protect and indeed maximise the long term security of food production. This commitment requires an investment by government in real increases into research and development; in transport and logistics solutions; planning state wide developments to minimise their impact on food production; and to balance the needs of industry and community working with the environment. It further requires policies that encourage the lifelong investment of agriculture.

The Association believes that by developing farming in regional NSW, the Government can grow NSW.

Charlie Armstrong
Charles Armstrong
PRESIDENT

M. Brand
Matt Brand
CEO

Productivity

- Improved investment in research, development and extension to ensure productivity increases required to secure food security
- Establishment of a branded Ministry and agency overseeing agricultural production and food security
- Protect farmers' investments through better recognition of property rights
- Improve biosecurity, pest animal and weed control

Community

- Commit to relocation of government agencies to regional NSW communities
- Reverse rate drain on local governments
- Encourage rural business by coordinating government services, reducing red tape and offering incentives
- Maintain and improve important community services in regional communities, including specialised policing, rural support workers, mental health first aid training and air services
- Teach all children about where food comes from
- Develop a scheme to assist young farmers to get started

Transport & Infrastructure

- Greater funding of rural and regional roads
- Connectivity of heavy transport routes linking the producer to the processor and consumer
- Building the Bells Line Expressway and the Inland Brisbane to Melbourne Rail Link
- Remove overly burdensome RTA regulation relating to the movement of stock and equipment
- Implement the recommendations to the NSW Grain Freight Review
- Support port terminal access for agricultural produce

Planning

- Planning legislation based upon development of strategic plans for development of urban areas, mineral and gas resources, agriculture and other land uses
- Sustainable development of mineral and gas resources using a strategic planning framework that protects productive agricultural lands
- The removal of Part 3 A from planning legislation
- Require socio-economic analysis of all planning instruments, including Local Environment Plans

Environment

- Support for NSW regional communities during the Murray Darling Basin Planning process
- A flexible approach to ensuring strong production, social and environmental values in legislation
- Ensuring a sustainable balance between urban and agricultural water
- Investment in clean technology initiatives, including assisting farmers to decentralise energy generation

Importance of Agriculture & Regional NSW to the NSW Economy

- Agriculture is a fundamental industry to a prosperous NSW.
- Gross Value of Production for NSW Agriculture in 2007-08 was \$8.59 billion, directly and indirectly contributing over \$18.7 billion to the NSW.¹
- Contributing to 13.5 percent of all exports originating within NSW.²
- In NSW, agriculture plays an important role in the State's balance of payments.³ There are 39,236 farms, representing 31% of Australia's farms.⁴
- NSW Agriculture employs 109,300 people, 75% of whom are permanent employees.⁵
- Australian agriculture supports the jobs of over 1.6 million Australians in farming and related industries. Over half of these jobs are located within capital cities.⁶
- Agricultural land accounts for 73% of NSW's land mass.⁷
- During 2006-07, farmers in NSW alone spent almost **\$1 billion** on natural resource management including **\$216 million** undertaking land and soil rehabilitation.⁸



The Importance of Growing Regional NSW

Perhaps the most difficult question facing our government and the people of NSW is where we will accommodate our growing population - an extra 2.25 million people in the next 25 years?

Currently, the majority of population increase is projected to be in the established metropolitan centres, with an additional 1.7 million people in Sydney alone.⁹ It is hard to see how this increase can be accommodated efficiently and sustainably within the Sydney basin.

It is the Association's belief that regional NSW has a strong role to play in the growing of NSW, with the aid of government to create and maintain genuinely attractive conditions in regional centres. In doing this, government must keep in the forefront of consideration the fact that agriculture is the backbone of the regional NSW economy.

Growing regional NSW requires:

- removing policy barriers to development and investment in agriculture
- providing adequate infrastructure and services, ensuring communities remain great places to live, raise families and work
- providing incentives for new forms of industry that are complementary to agriculture
- providing resource security and business confidence through robust, triple bottom line strategic planning processes

To support the prosperity of rural and regional NSW the policy positions outlined need to be adopted by the party forming government at the 2011 NSW State Election.

"Investment in research and development must be promoted to help Australian agriculture meet the future food demands of the world."

– John Hamparsum, Breeza

GROWING AGRICULTURAL PRODUCTIVITY & ENSURING FOOD SECURITY

The United Nations project that the world will reach "Peak Humanity"¹⁰ in 2050 with an estimated population of "9.2 billion".¹¹ It is estimated that the world's food production will need to double over this period to meet the projected food demand.¹² Presently Australia is a key contributor to ensuring the world's food supply, with the average Australian farmer growing enough food to feed 600 people every year, 150 of these are Australians with the remaining 450 overseas.¹³

However, whilst Australians have traditionally "enjoyed cheap, safe and high quality food for many decades" the Prime Minister's Science, Engineering and Innovation Council (PMSEIC) has warned that this situation will encounter challenges in the future without immediate action.

Research and Development

This comes at a time in which the Government's real investment in research and development into agricultural productivity has been reduced, resulting in a "substantive decline in underlying productivity growth in the Australian agricultural sector". In response, the PMSEIC has identified the "urgent need for greater investment by government" in agricultural research and development, seeking a return to aggregate investment to at least the peak levels of the 1970s.¹⁴

To show leadership in turning around declining productivity in the agricultural sector, the NSW Government needs to reinstate an agriculture specific agency with a renewed focus on research and extension. A stand-alone agency would provide an identifiable contact point for stakeholders and assist in delivering information and driving practice change.

Property Rights

Alongside investment in research, development and extension, the key challenge to increasing the amount of food grown in NSW is ensuring that arable land is maintained in agricultural production.¹⁵ Crucial to achieving this outcome is Government policy with regard to land use and its effect on the willingness to invest in agriculture.

The Association believes that policy which protects the investment in purchasing agricultural lands would be assisted by better recognition of farmers' property rights, with particular emphasis upon a requirement for government to pay just terms compensation where the actions of government mean that agriculture can no longer viably be undertaken on the land. This is an issue which as recently as February 2010 saw over 4,000 farmers, mostly from NSW, rally at Parliament House in Canberra to show their support.

Biosecurity

Protecting our food production through biosecurity measures is also crucial. This involves prevention of multi-billion dollar exotic diseases, through to managing endemic pests, weeds and disease. Investing in agriculture is not only important for our future - supporting farming is vital in supporting our rural economy.

CALL TO ACTION

NSW needs a commitment from Government to implement an action plan to increase and protect productivity to ensure the food security of NSW.

This must include:

- Increasing investment in NSW Government funded rural productivity research and development to \$120 million per annum, will maintain, in real terms, additional funding for land, water and energy research
- The establishment of a branded Ministry and Agency overseeing agricultural production and food security
- A plan to restore agricultural extension services in NSW to enable practical on-farm adoption of research and development, which will lead to increased food productivity
- Better protection of farmers' property rights, including a legislative requirement to pay 'just terms' compensation to protect investment in agricultural lands
- The reinvigoration of the management of biosecurity in NSW through:
 - Committing to finalising the Intergovernmental Agreement on National Biosecurity
 - Reviewing and consolidating biosecurity regulation
 - Committing to a whole of Government approach to biosecurity, including the development of enhanced surveillance and reporting, led by biosecurity performance indicators for all field staff
 - The funding of on-site verification for the National Livestock Identification System – Sheep and Goats (\$2 million per annum)
 - Ongoing support of the NSW Cattle Tick Management Programme
 - Appropriate powers for Government agencies to control biosecurity pest sources, such as neglected orchards
- Establishment of a nil-tenure approach to the coordination of weed and pest animal control



5 ***"Population, employment and land use drive rural areas. Farming families help build these communities with towns and villages providing essential services and a hub."***

– Sue Haslingden, Bombala

GROWING THE PRODUCTIVITY OF REGIONAL NSW

For regional NSW to more fully contribute to a growing NSW, a Government priority must be to sustainably diversify the economic base upon which the different regions rely upon. In this way, the actions of Government in encouraging or discouraging growth in the communities are of importance in realising a productive NSW.

Targeted Government spending in regional areas, by way of relocating Government Agencies, has the capacity to encourage development of the regions. Analysis has shown the relocation of 200 jobs to Maitland, with the Division of Mineral Resources from Industry and Investment NSW, has had an annual impact of \$15 million per annum, and supports an additional 130 jobs in the local community.¹⁶

Further, by locating relevant Government Agencies in relevant regions, synergies dependent upon location may be unlocked in the delivery of Government policy. This may be seen in the location of the main agricultural offices of Industry and Investment NSW being located in Orange NSW.

CALL TO ACTION

NSW needs a commitment from Government to enhance regional NSW through direct investment and the creation of a business environment that encourages the development of industry and jobs. Such a commitment must include:

- Head Office relocation of at least four major Government Departments, to regional NSW. Government Agencies with key responsibility for delivering policy outcomes to rural areas, including the Roads and Traffic Authority and the Department of Environment, should be investigated for feasibility of relocation to regional NSW
- The commencement of a one-stop shop Government Agency to provide business development support and services to minimise the research time and costs for potential investors in regional NSW
- Reverse the rate drain on Local Governments caused by the exemption provided to the managers of Crown land such as National Parks to enable sustainable provision of local infrastructure
- Systematically reduce Government red tape, particularly the replacement of the fire services levy with a Government levy on rateable land
- Targeted incentives to encourage start-up business and business relocations to regional NSW including:
 - Reduced stamp duty costs for the purchase of rural business premises, including agriculture
 - Reduced payroll taxes for regional based employers
 - Accelerated depreciation on farm business assets that improve productivity or environmental outcomes

GROWING VIBRANT REGIONAL COMMUNITIES

Regional communities form the essential threads that knit rural and regional NSW together in a patchwork of camaraderie, emotion, history and relationships. The Association is proud of the regional communities of NSW. It is in these communities that farming families are raised and where children learn important life lessons that will enable them to develop into adults full of character. It is where community spirit can be seen in the good times with the local sporting teams, or in the trying times of drought, floods and other natural disasters.

However, many rural and regional communities persist with pressures caused by the difficulty of accessing essential services such as doctors or dentists, or to receive basic services from Government, such as policing. Isolation from skilled professionals and community support has had drastic consequences, including the rise of mental health issues during times of economic and weather stress.

These pressures encountered in many regional towns, has led to an exit of young people in their communities. For example, over the period between 1976 and 2006 in the central west town of Warren, the proportion of population aged 40 and under, reduced by on average 50%.¹⁷ This is exacerbated by the fact that agriculture has "Australia's oldest workforce with a median age of 48".¹⁸ The Prime Minister's Science, Engineering and Innovation Council has highlighted the need for a broad inclusion of agriculture in the school curriculum as part of the solution. Access to appropriate finance for young farmers such as provided in Queensland and Victoria must also be part of a plan to encourage young farmers into the agriculture industry.



CALL TO ACTION

NSW needs the implementation of policies that will bring equity of Government services to rural and regional NSW; continue to provide resilience and community spirit to encourage young people to enter into the agriculture industry and reside in rural towns to ensure continued vibrancy in rural and regional communities, which must include:

- A long term commitment to preserving Rural Support Workers (formerly Drought Support Workers) within communities (\$1 million per annum)
- Funding to continue the provision of mental health first aid courses for public and private professionals in rural and regional centres
- The maintenance of the Rural Crime Investigation Unit and a commitment to ongoing dialogue with the agricultural industry through the Pastoral and Agricultural Working Group
- Measures to ensure access to affordable air services to Sydney to ensure access to specialist services through:
 - Ring fencing of terminal access to regional airlines
 - Funding of regional airport upgrades
 - Guaranteeing all current air services to regional communities
- The inclusion of "Sustainable Food and Fibre Production" as a mandatory cross-curriculum component for all students in primary and secondary school. For this to be effective it must be supported by:
 - The funding of a position within the Department of Education and Training to oversee the integration of "Sustainable Food and Fibre Production" into the NSW curriculum (\$150,000 per annum)
 - The continuation of the successful LandLearn project delivered by Industry and Investment NSW, to provide education resources necessary for educators in the class room
- The development of a Young Farmer Finance Scheme



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TRANSPORT & INFRASTRUCTURE

The standard of infrastructure in NSW has been allowed to degrade over a period of time and considerable investment is now required to bring it up to a suitable standard. Since the 1970s national investment in transport infrastructure has declined from approximately 7 per cent to about 3.6 per cent of GDP. Symbolic of this decline is the crumbling grain branch network where grain trains are witnessed travelling at speeds as low as 10 km/hr on open flat countryside due to poorly maintained tracks.

Capacity constraints in transport infrastructure has been identified as a key weakness to developing Australia's food security, and the potential of regional NSW will continue to remain unfulfilled without an effective transport network. This is particularly important for the agriculture sector in which supply chain costs amount to approximately 20 per cent of farm gate returns.²¹

Crucial to unlocking this potential is a network of rail infrastructure, strategically integrated with roads that have a higher mass limit carrying capacity. Such integration requires a revisiting of the funding of rural roads with greater input required from State Government as a means of alleviating the massive backlog that exists with local road funding by Local Councils.

This is further compounded by a lack of a client focused service from the Roads and Transport Authority, whose inflexibility of administration denies NSW transport operators access to productivity gains that are being achieved in other States. Indeed, due to freight being an origin to destination task, strict NSW regulations are often the lowest common denominator in the freight supply chain. This is important considering that approximately 80% of national freight movements pass through NSW.

CALL TO ACTION

NSW needs a transport solution which will unlock the potential of regional NSW through:

- Increased NSW Government funding to be made available to Rural and Regional Roads, both directly and through Local Councils
- Upgrades of more roads to Higher Mass Limit (HML) status and better interconnectivity of existing HML routes
- A commitment to building the Bells Line of Road Expressway
- The removal of numerous, overly burdensome RTA limitations relating to agricultural activities, such as the movement of stock and equipment
- The separation of the policy-making and enforcement functions from the operations and maintenance of the RTA
- The commitment of the State Government to bring forward the start date of the Inland Brisbane to Melbourne Rail Link
- The implementation of the recommendations of the NSW Grain Freight Review, with prioritisation given to particular routes that carry or have the potential to carry the most grain
- Reviewing legislation to ensure access to agricultural produce at all ports and the support of the Newcastle Agriterminal

"A future NSW Government should commit to cutting the ridiculous level of red tape and petty regulation in transport."

– Susannah Pearce, Moree

PLANNING FOR FOOD SECURITY & REGIONAL GROWTH

Productive agricultural land and water are finite national and State resources that must be conserved and managed for the longer term. Identified using triple bottom line sustainability principles, these resources are uniquely suitable, and capable of sustainable agricultural use; and important for agricultural activities of state or regional significance.

Currently, land available in Australia for growing food accounts for just over 9 per cent of all land available for agriculture globally. Importantly to the question of ensuring global food security, Australia accounts for approximately 3.5 per cent of all arable land, that is, land able to grow crops.²²

Enhancing NSW's capacity to plan future land use in order to maintain and indeed increase agricultural productivity available for food production, is one of the major challenges to ensuring food security. This comes at a time in which the best arable land is under threat from development of the mineral and gas industries, with over 70 per cent of the NSW land mass being subject to a mining or gas licence or application. Many productive areas in the Sydney Basin are being swallowed up by urban development.

A better land use planning framework will provide the confidence and certainty required for businesses and communities to invest in regional infrastructure and development into the future.

"It is vital that our Governments ensure our country's future food production. In any planning and decision making the impact on food producers needs to be considered."

– Judi Sheedy, Gunnedah



CALL TO ACTION

NSW needs a new approach to planning to ensure the maintenance of strategic agricultural lands and to ensure sustainable development and decentralisation in regional NSW. Such a new approach must include:

- A focus on strategic planning that will be based upon the development of integrated plans for the development of urban, mineral and gas, agriculture, biodiversity conservation and other major land uses
- The implementation of a framework for sustainable development planning for agriculture and extractive industries by the development of more appropriate regulation that will ensure the development of the minerals and gas industries is not undertaken to the detriment of productive agriculture. This includes:
 - Statewide strategic planning
 - A transparent, balanced exploration and development approval process
 - The protection of aquifers
 - Robust, independent monitoring of extractive industries
 - Compensation for affected landholders
- The abolition of Part 3A of the *Environmental Planning and Assessments Act* and replacing it with a more transparent major projects' approval process that provides genuine opportunity for community input.
- Require all planning instruments, including Local Environment Plans, to be subject to a rigorous socio-economic analysis in their development



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SUSTAINABLE REGIONAL ENVIRONMENTS

According to the United Nations, development, prosperity and the well being of society, including food security, depends on ensuring balance between social, economic and environmental objectives.

Achieving ecologically sustainability development in NSW means ensuring that environmental policy is not driven by a particular ideological perspective but is based on sound science and economics.

The Association believes that excellent biodiversity outcomes can continue to be achieved in regional NSW and on farms without preventing economic development and without blocking other important environmental activities such as weed, erosion, feral animal and wild fire control.

The Association is calling for new thinking regarding environmental and sustainability policy in NSW. This involves revisiting policy in the areas of biodiversity, native vegetation, forestry, and water. It also involves exploring initiatives in the areas of renewable energy, recycling and 'carbon farming'.

Farmers want to see efficient administration, a positive, collaborative approach from the Government staff they deal with, and favourable business conditions for investment in sustainable solutions.

Current biodiversity policy applying to farm land is costly to implement, socially divisive and overall has undone much of the collaborative approach that was established under Landcare. However, there are other ways of achieving sustainability, based on a realistic assessment of where we are now and where we want to be in future.

The Association's vision is about progress to sustainable production: using the best science to grow more with less inputs and lower environmental impacts; recycling nutrients and carbon between farm and city, mosaic landscapes where habitat for biodiversity is integrated with working farms, and without negative impacts on productivity.

CALL TO ACTION

NSW needs to ensure that environmental legislation is based on sound science with equal consideration for social, economic and environmental objectives. It should look to provide incentive to unlock the potential for regional NSW to contribute to positive environmental solutions. This requires:

- A commitment to support NSW's regional communities through the Murray Darling Basin Planning process by requiring:
 - The same implementation schedule of the Murray Darling Basin Plan in NSW as other States
 - A collaborative planning process that engages local expertise through the farm sector
 - A commitment to triple bottom line sustainability principles
 - The recognition of water already provided to the environment by irrigators
 - Better use of engineering works, specific watering strategies and land management practices, including "smart water" initiatives such as the Murrumbidgee River Efficiency Project being undertaken by Water for Rivers
- Changes to native vegetation and biodiversity regulation that result in:
 - A flexible market-driven approach that optimises land use for production and biodiversity conservation, whilst minimising cost to Government and landholders
 - A one stop shop approval for environmentally related consent processes on farm land, through a refocused Catchment Management Authority structure
 - Environmental stewardship payments based on lost production when market-based solutions do not provide sustainable financial outcomes due to mandated environmental services
 - Clarification that 'regrowth' means anything regrown since 1984/90
 - The lifting of environmental covenants applied to farm land as part of the transfer of land from leasehold to freehold

"Government needs to realise that farmers have long term visions and goals for their property, they have conservation and sustainability at the forefront of their minds."

– Dougal Roberts, Tamworth

- The development of a coastal urban water policy with the aim of ensuring a sustainable balance between urban and agricultural water
- The development of a NSW Forestry Strategy based upon sustainable silviculture principles, integrating State forests and private forestry. A focus of the strategy should ensure that commercial plantations complement rather than detract from agricultural land and water use
- Greater investment by Government in farmers as partners in developing and implementing the NSW 'clean technology' sector through:
 - Dedicated research and development funding for nutrient recycling and renewable fertiliser; biochar feasibility pilots with farmers; waste water recovery and use in agriculture; carbon recycling and soil sequestration (\$15 million per annum)
 - The development of an interest free "Green Loans Scheme", to be made available to farming businesses in NSW to fund the installation of solar electricity generating plants (10-30 kW) connected to the grid. The scheme would work on the basis of funding half of the investment up to a maximum of \$50,000

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