

National NRM Regions' Working Group

Submission to the National Food Plan Green Paper 2012

Who we are

The National NRM Regions' Working Group is the national representative body for Australia's 56 regional Natural Resource Management (NRM) bodies. Each of Australia's 56 regional NRM bodies is characterised by:

- partnerships linking Federal, State/Territory and local governments with communities, industries and the private sector to pursue the sustainable development of natural resources;
- extensive links with regional communities, land managers and Indigenous communities;
- strong community engagement processes;
- integrated and community owned regional NRM plans, regularly reviewed and updated to coordinate and prioritise investment and action;
- wide-ranging program delivery mechanisms;
- robust governance and finance systems organisations.

Every regional NRM body is governed by a Board. Boards are appointed by State/Territory Ministers in South Australia, New South Wales, Victoria and the ACT, and elected or appointed by the community in Western Australia, Tasmania, Queensland and the Northern Territory.

Additional functions undertaken by regional NRM organisations, depending upon regional needs and State/Territory requirements, include:

- Water planning (South Australia)
- River Health and floodplain management (Victoria)
- Native vegetation management and consent (New South Wales)
- Environmental targets for statutory growth management plans (Queensland)
- Sponsorship of agribusiness forums
- Improving environmental performance of small businesses
- Protection of cultural heritage and indigenous engagement
- Delivery of NRM employment programs
- Coastal management and development.

We are significant stakeholders in the Australian Government's Caring for our Country Program and play a lead role in the Natural Resource Management component of the Clean Energy Future initiative.

Through investments made by the Australian and State/Territory governments, regional NRM bodies in 2011/12 have delivered the following:

- 200,000 people engaged in practice change
- 16,000 km of waterways and coastlines improved for water quality, riparian habitat and biodiversity by regional communities

- 14 million hectares of land under improved management for healthier food and fibre production

Our interest in a National Food Plan

A sustainable resource base is fundamental to a National Food Plan. Regional NRM bodies plan, coordinate and deliver programs in partnership with farmers and other land managers to support a sustainable resource base. Each regional body prepares a regional NRM Plan (these have different names in the different jurisdictions, for example in NSW they are called Catchment Action Plans and in Victoria Regional Catchment Strategies) that seeks to protect natural assets and cultural systems. The Plans support Food Plan aims by informing land use planning decisions using resilience thinking, guiding investment and providing a coordination mechanism for action plans. Our approach balances, economic, environmental and social outcomes.

The National Food Plan Green Paper

The Food Plan is a welcomed and important initiative that provides a strategic overview for the work of regional NRM bodies. Sustainable production systems are central to achieving sustainable NRM and understanding production trends allows regional NRM plans to anticipate and plan for changes in the use of our natural resources.

We also recognise the importance of increasing the efficiency of the food chain to deliver quality food to consumers – a more efficient system with appropriate signals to farmers will enhance the sustainability of their businesses.

The recognition the Green Paper gives to a sustainable natural resource base (Chapter 7 and reinforced in different sections of the Green paper) is applauded. However, our overall view is that this area could be strengthened. We suggest that this could be achieved by:

- recognition of current efforts by regional NRM bodies in building the capacity of farmers to sustainably manage natural resources. This recognition could be reflected in the composition of the Stakeholder Committee/Australian Food Council proposed in Chapter 3 – the National NRM Regions' Working Group would be pleased to nominate a representative from the regional NRM bodies either of these groups;
- a commitment to furthering our understanding of the demographic changes influencing our farming communities. This will influence the direction of capacity building efforts.

We have provided more detailed comment below in response to some of the consultation questions contained in the Green Paper.

Chapter 1 – A National Food Plan for Australia

1.1 Do you agree with the possible overall approach outlined in this green paper to create a more strategic, better integrated and transparent approach to food policy?

Yes. The food supply chain (figure 2.2) neatly summarises the need for an integrated approach to food policy across a range of sectors. From an NRM perspective our focus is on the

Grow/Harvest/Capture stage and within this we face the challenge of balancing a range of objectives where an integrated approach is fundamental.

We recognise the importance of pursuing both food security and environmental outcomes within an integrated framework. Meeting future food demand will likely occur through increased intensification of agriculture production on current land rather than through opening up more land to production. To support this intensification Australia will need to minimise threats to the resource base (for example water security, pest plant and animal impacts, soil health decline, salinity etc.) as well as protecting biodiversity values from the intensification process. Delivery of services to minimise threats should also be within an integrated framework. A key method employed by regional NRM has been the utilisation of a systems learning approach with producers working with extension agents to understand how they can manage practice change to deliver productivity and sustainability outcomes. This approach contrasts the more traditional extension services offered by State agencies and Farm consulting networks which tend to focus on productivity.

Chapter 3 – Australia’s food policy framework

3.1 Do you agree with the proposed outcome and objectives outlined in this green paper to guide the Australian Government’s development of food-related policy and stakeholder consultation mechanisms?

Yes, we support the outcome that the food system should be sustainable and this requires the protection of natural assets and the ecosystem services they provide. These services include clean air and water as well as biodiversity services. We note objective 4 specifically commits to maintaining and improving the natural resource base.

3.2 The Australian Government is seeking feedback on a number of alternatives to improve leadership and stakeholder engagement on food policy issues. These alternatives are set out in Section 3.4.1. Do you have a preference for a particular alternative or a specific suggestion for another mechanism that would provide better leadership, coordination and stakeholder engagement on food policy issues in Australia?

The mechanisms proposed recognise that on-going management of the food system is important and that this requires the coordinated effort of a range of government portfolios. Our preference is for a high level Ministerial commitment with stakeholder input. We note that the stakeholder committee and food council options consider representation from businesses, health community and consumer sectors. We believe that the natural resource management sector, which is closely involved in the issue of sustainable agriculture productions systems, would also add value to these options.

Chapter 4 – Australia’s food security

4.1 Do you agree with the analysis that, broadly speaking, Australia is food secure? If not, why not? Please be specific and provide evidence to justify your position. What additional data could the government draw on to measure Australia’s food security?

Yes. But to maintain this security requires vigilance and responding to emerging threats. We know that water security, salinity, acidity, low levels of soil nutrients and carbon, pest plants and animals, urban and mining/extractive industry encroachment on prime agriculture land and competition from outside the food sector (biofuels, plantations etc.) for use of agriculture land all pose threats to Australia's food production base and therefore long-term food security. The Food Plan could consider the development of a risk management framework that identifies mitigation options and planned responses for all high risk/high impact threats.

The proposed 'State of the Food System' report should monitor these threats over time to inform government policy and investment strategies.

4.2 The Australian Government is seeking feedback on the option of working with state and territory governments and the food industry to develop strategies to mitigate risks and maintain continuity of the food supply in a major emergency. Section 4.5 of Chapter 4 outlines some options. Do you support these options? Do you have specific suggestions for other options or strategies?

We recognise the risk to food supply from major emergencies. NRM regional bodies have played a role in assisting communities recover from natural disasters for example bushfire and flood recovery and surviving through drought periods. These experiences reinforce the need for all levels of government to respond to the major emergencies in a coordinated way.

In relation to strategies to protect food production areas, steps could include:

- statutory land use planning strategies (this would involve working closely with local government);
- incentives (both financial and advisory services) for change and innovation; and
- access to natural assets including land/soil and water.

Chapter 6 – A competitive and productive food industry

6.1 This green paper sets out the government's proposed approach for supporting productivity growth and global competitiveness in the food industry, which includes: a market-based policy approach; ongoing reforms to improve biosecurity and help industry adapt to climate change and drought; fostering and investing in innovation; building human capability and a skilled workforce; better regulation along the supply chain; effective competition laws; and broader infrastructure investments and regulatory reforms. Are there gaps or deficiencies in this proposed approach?

The government's approach is comprehensive. However it will be important to continue to monitor and test the effectiveness of the approaches to minimise the adverse impacts of misalignment of programs. For example the government's Clean Energy Future Land Sector package recognises the potential for carbon sequestration plantings to be at odds with water and biodiversity objectives and is supporting regional NRM bodies to develop regional plans to minimise the potential for perverse outcomes. In relation to the government's approach we see opportunities to strengthen several of those elements:

- Integration across R&D and extension. An integrated regional delivery approach to extension would enhance adoption of new practices and help inform the research agenda. This would

require greater alignment of industry and Cooperative Research Centre R&D projects with regional extension efforts;

- Recognising that building human capacity requires a broad based approach to supporting regional communities in order to retain skills and knowledge in those communities;
- Developing integrated policy responses to issues, for example alignment of weeds management with drought assistance approaches or, as is happening in response to the Clean Energy Future initiative, aligning sequestration efforts with water and biodiversity goals.

6.2 The government is seeking to increase the value of Australia's food exports from across the supply chain, including the value-added component.

a) Do you think that a target of doubling the value of our food exports by 2030 is achievable? If not, what target would be?

b) How could this be achieved in a market-driven economy like Australia? What would government and business need to do?

c) What would be the costs and benefits of these actions?

Regional NRM bodies recognise the important economic benefits to our farmers from increasing the value of Australia's food exports. But this needs to be achieved in a way that ensures the long-term sustainability of the resource base. While efforts to improve productivity are increasingly recognising the sustainability dimension of production systems it will essential that we establish processes that continually assess whether this can be done without harming the resource base. A key aspect of natural resource management is that change, whether it has a positive or negative impact on the resource base, takes time and the consequences of actions can take several years or even decades before they become apparent.

6.4 One option to increase agricultural productivity to help the sector meet future export growth opportunities and challenges, such as increasing productivity growth in a changing climate, is to increase rural R&D investments over a number of years. This would be in addition to continually seeking better ways to increase the overall benefits of this investment.

a) Is this the best way to help the agricultural sector meet the challenges and opportunities of the coming decades? Why/why not?

b) What would be the costs and benefits of this approach?

c) How could any additional investment be targeted to achieve the greatest overall benefit to Australia?

Increased investment in R&D is part of the solution to meeting challenges and opportunities in the future however the missing link is the translation of R&D results into action at a business level. One observer noted that the amount spent on promulgating the findings from R&D investment (\$12 billion) is approximately \$250 million¹.

This reinforces the view of regional NRM bodies that while R&D investment is important uptake of R&D by farmers is patchy due to a range of barriers, both real and perceived. Extension and technical support for landholder, at the local level, is needed to work through how to implement improved practices and address some of the opportunity costs and perceived barriers in doing so.

¹ Julian Cribb, The Australian 2008

Across Australia there has been a shift away from industry extension programs run by state government agencies resulting in a severe shortage of technical expertise in regional Australia. ABARE² found that “the importance of public extension has also declined, from 24 per cent of total public agricultural R&D and extension in 1952–53 to around 19 per cent in 2006–07..... this decline reflects the withdrawal of state and territory governments from providing extension services and has been accompanied by increasing private sector involvement”.

While this has partly been offset by an increase in private extension providers and consultants (focussing on improving productivity), and by Landcare and other farmer based organisations, a significant gap remains between R&D and its adaptation and uptake by producers through effective extension programs and regional technical expertise.

A second factor in improving the benefits from research investment is securing greater input from regional landholders in the development and delivery of R&D programs, including the identification of obstacles to improving productivity. Increased participation and involvement of landholders in the process will improve landholder uptake of new or innovative practices. Funding for on-farm trials, supported by an extension program, is an important method of engaging landholders to undertake sustainable practices. Consistent with their capacity to establish partnerships with organisations and landholders, regional NRM Bodies are well placed to assist in delivering or facilitating these types of programs.

Chapter 7 – A strong natural resource base

7.1 Pressure to increase food production in coming years, in response to increased demand from a growing global population, could place additional stress on Australia’s natural resource base. What further initiatives could the government consider to encourage sustainable farming and fishing practices that balance economic, social and environmental benefits?

Integrated Regional Planning

The Australian Government has already provided a commitment to maintain its investment in sustainable natural resource management through its flagship program Caring for our Country. This provides a strong foundation for building the regional NRM infrastructure now in place. But we stress again the importance of an integrated approach and note the renewed importance of regional alignment of programs now that Caring for our Country has been divided into two streams.

Regional NRM Bodies have been instrumental in delivering successful outcomes and the key to this success has been landholder engagement in those programs. Regionally based programs to improve soil and water quality conducted in partnership between landholders and regional bodies are very effective and should be strongly encouraged.

We recognise that there are risks with competition creating downward pressure on prices leading to tighter margins for producers. Reducing inputs and increased production can help with short term survival but over time this could harm the resource base. Local/regional assistance with the

² Sheng, Y, Gray, EM, Mullen, JD and Davidson, A 2011, Public investment in agricultural R&D and extension: an analysis of the static and dynamic effects on Australian broadacre productivity, Australian Bureau of Agricultural and Resource Economics and Sciences, Canberra, September.

transition to improved practices will be vital to avoid a bad outcome for rural communities and regional productivity.

A detailed understanding of the natural resource base and the relationship between government's biodiversity and production objectives as they apply at a regional scale could identify potential areas of increased stress and potential areas where agriculture development should proceed. Regional NRM bodies, with their regional NRM planning expertise are well placed to assist. The Government has recognised this potential in its Land Sector package of the Clean Energy Future initiative where support is provided to enhance regional plans.

Pest Plan and Animal Management

The Food Plan should give emphasis to the importance of effective programs to prevent the introduction and to manage the impact of exotic pests and diseases. A national approach to biosecurity which promotes planning, education, incentives and regulation as key mechanisms is needed.

7.2 Australian society places high expectations on the environmental and social responsibility of Australia's food industry, although this is not always reflected in purchasing behaviour. What is preventing markets from encouraging (via price signals) the food industry's responsible management of the production base?

We note that as a general rule, clean and green production systems produce healthy food. There is the potential to use price signals to support sustainable farming practices – that is consumers willing to pay a premium for food produced in a sustainable manner with minimum environmental impacts. But we also recognise that these approaches are very challenging, the meat industry, for example, has had difficulty in introducing such a stream because producers recognise public indifference to this approach. This is partly due to: the diversity of Quality Assurance schemes leading to confusion for both the consumer and the farmer – improved alignment to certification systems is essential; and a perception that there is a resistance to provenance branding further along the food chain.

7.3 This green paper outlines a number of initiatives aimed at reducing food waste across the food supply chain in Australia. What specific further waste management measures could the government consider that would meet the multiple objectives of increasing food security, providing healthier diets, improving environmental performance and addressing climate effects?

Food waste in the home is often greater than waste in any other part of the food chain but beyond the provision of better data, there are no mechanisms outlined in the paper that focus specifically on this issue. Halving household food waste would be equivalent to raising the productivity of food production by 10-20% while simultaneously reducing its overall environmental footprint. Changing consumer behaviour is challenging but a first step would be using a proportion of the funds allocated to R&D on productivity of food production to studies targeted at better understanding household buying and food use practices, and using that knowledge to implement innovative programs to reduce household food waste.