

SA-BEST – Agriculture

Our priorities are to:

- Implement a five-year farm income protection (multi-peril) policy rebate, similar to that being considered in NSW. We also support a stamp duty exemption on multi-peril policies and will work with our Federal colleagues to provide 150% tax deduction for farm multi-peril crop insurance.
- Review the proposed Farm to Farm vehicle inspection regime to find a solution that is practical and cost-effective for farmers, without compromising road safety.
- Investigate options to strengthen legislative protections for agricultural land to reduce land use conflict.
- Investigate a 'New to Farming' loan scheme, based on existing models in the United States and Canada, to encourage new entrants who have not previously owned a farm or agribusiness and who can demonstrate a viable business case.
- Explore funding and regulatory options to encourage alternate uses of agricultural waste products.
- Continue the current '90-Day Change Project – Improving Road Transport for the Agriculture Industry', as a key reform initiative working towards reducing transport costs for farmers.

As part of our broader policy supporting Regions, SA-BEST also supports:

- Establishing a Royalties for Regions fund to leverage investment into new, catalytic infrastructure to help grow our regions and activate local economies
- Establishing a Regional Entrepreneurs Programme to encourage new businesses to start-up in regional areas.
- Increasing the Departmental budget for rural road maintenance and, in consultation with local authorities, reinstating speed limits on country roads.

- A substantial commitment to regional telecommunications funding to leverage Federal and private investment into mobile phone and internet blackspots and improve the reliability of mobile phone signal for rural communities during emergencies.
- Reviewing the NRM funding and delivery model to return the focus to local, on ground action.
- We recognise that many issues relating to agriculture require cooperation between State and Federal Governments. We commit to working with our Federal SA-BEST colleagues to extend the Seasonal Workers Incentives Scheme.

We need to support the agricultural sector in this state to grow exports and grow their contribution to our economy.

Background

Agribusiness has been identified as one of five “super growth” sectors of the next 20 years.

With global population growth of 60 million per year increasing food demand and Asia’s growing middle classes set to boost their protein intake, South Australia is ideally positioned to build on its existing reputation for produce excellence and benefit from this growth.

Each Australian farmer produces enough food to feed 600 people, 150 at home and 450 overseas.

According to Primary Producers SA, agriculture contributes 25% of South Australia’s economy, with one in five jobs associated with the food industry. Food, wine and fibre exports have increased by more than 50% over the last decade.

Despite the significant opportunity before us, farming in South Australia, particularly dryland agriculture is at a cross-road. The increase in farm size, improvements in machinery, technology, crop genetics and farming systems over the past few decades has significantly increased productivity. However, shifts in growing season rainfall, more droughts and the globalisation of agricultural markets is increasing business risk for South Australian farmers. Locally, farmers are also facing additional pressures with rising costs and red-tape, land-use conflict and workforce shortages.

With the broad move away from traditional Government funded drought and exceptional circumstances supports, transition mechanisms must be put in place to minimise and manage the growing risks. Encouraging greater uptake of multi-peril or farm income protection insurance is gaining momentum in several jurisdictions as a mechanism to support farmers to become more resilient and better prepared for natural disasters, and to reduce reliance on government drought assistance.

Many farmers have voiced concern over difficulties to access a heavy vehicle inspection station or officer and costs associated with the proposed annual roadworthiness inspection, versus the frequency of use. We need to ensure a fair and cost-effective inspection regime for infrequently used heavy farm vehicles, without compromising road safety.

Advances in agricultural technology and produce marketing means access to good telecommunications is critical to the efficiency, productivity and safety of farms. Whilst there are over 830 sites in South Australia identified in the national Mobile Blackspots database, only \$2 million has been allocated at a state level towards this task. This is woefully inadequate.

Farmers are the custodians of 65% of the state's remaining native vegetation and many of our water catchments. Unfortunately, the current approach to managing our natural resources is failing - plagued by inefficiency and bureaucracy, with too much focus on planning and administration. We need a much stronger focus on on-ground and extension support.

Less than five percent of South Australia's landmass is suitable for dryland agriculture to grow crops such as wheat, barley, canola, chickpeas and lentils and a further three percent for high rainfall grazing. We must protect it from competing land uses.

Transport is a major cost for farmers. The current '90-Day Change Project – Improving Road Transport for the Agriculture Industry' is making good progress in reducing the costs of first-mile access from farm gate to the supply chain in an efficient manner.

Despite ongoing concerns about a lack of jobs in South Australia, the agricultural sector continually struggles to attract and retain enough workers. From seasonal fruit picking, abattoir and greenhouse workers, through to broadacre farmhands, machinery operators and technicians. The ongoing struggle to attract and retain employees in agriculture is exacerbated by a rapidly ageing workforce. We need to consider a range of incentives to encourage a new generation into the agricultural industry.

There has been a significant reduction in funding for agricultural research and development over the past decade. Further advances in agricultural productivity - in the face of more droughts and changing rainfall patterns - cannot be made without advances in agri-technology, biosecurity, plant breeding, carbon management and soil microbiology. We need much stronger State commitment to R&D in order to leverage Commonwealth and private sector investment and support new advances in productivity and sustainability.

Our agriculture sector has exciting and significant opportunities in the emerging bioenergy industry, with potential to create more jobs and diversify our economy. By-products like straw, forestry and other organic waste can be used to produce electricity, heat, fuel and other products.

We need to recognise the value of the agricultural sector to our economy, our communities and our State.

Steps need to be taken to ensure that the South Australian agricultural industry is sustainable and better positioned to take advantage of the big and growing export markets that will support our local economy.