

Australian Women in Agriculture

Submission to the White Paper on Agricultural Competitiveness | Green Paper

Background

Australian Women in Agriculture (AWiA) was established in 1992, in response to a demand by rural women to enable advocacy and to promote their advancement. It has a broad national membership, is managed by a Board of Directors, and is an incorporated body under the ASIC framework. AWiA has an international profile and in recognising the important role women play in global and subsistence/small-scale farming is connected to other national women's representatives in countries such as Papua New Guinea, New Zealand, USA, India and South Africa.

It is specifically charged to:

- Uniting and raising the profile of women in agriculture;
- Addressing rural and agricultural inequities;
- Working to ensure the survival of agriculture for future generations;
- Securing local, regional and international recognition;
- Achieving the status of a political and economic force.

AWiA core values are:

- Caring for people, the environment, rural families and communities;
- Ensuring the viability of future agricultural production;
- Respecting the culture, beliefs and philosophies of other people;
- Communicating to enable women to share their experience and develop effective networks;
- Providing leadership to facilitate change in the community.

Preparation of this response

This response has built upon the broad consultation undertaken for AWiA's submission to the Issues Paper, which captured insights and feedback through social media, through focused discussions and through community forums. AWiA has continued this broad consultative process to inform our submission to the Green Paper. Once again, there has been a great deal of interest expressed, and AWiA is confident that its membership and indeed all Australian women, will continue this active interest throughout the remainder of the White Paper process and beyond.

This submission responds to the key categories for policy ideas providing context, or explanation, and in some cases pointing out that whilst some cases are well recognised, it does not feature in the Green Paper.

Overview

The greatest resource in the agriculture sector is people. The human capacity to keep increasing production and efficiencies, to weather droughts, fires and floods, to cope with isolation and hardship and to care for land is at the foundation of farming.

Although the Green Paper in outlining the 10 policy principles seeks to keep families as the cornerstone of farming (no. 2) and support strong and vibrant communities (no. 8) there is little to demonstrate how this will be achieved in the policy ideas.

There is no sense of what a farm family is, no acknowledgement of the contribution of both men and women and what it takes for families to provide future farming career options to a next generation. Policy principle no. 2 suggests that the way to keep families as the cornerstone of farming is by providing career pathways based on financial stability, training and succession options. This is such a grossly inadequate statement and position.

What is required is investment in human capital, in providing people wherever they live in Australia with adequate infrastructure and services that meet the requirements of both women and men, young people and ageing farmers, indigenous people and migrant farming people. This is the pathway to strong and vibrant communities and ensuring the prosperity of agriculture and a next generation of farmers.

The principle of keeping families as the cornerstone of farming should be reflected in the composition of all agricultural advisory bodies, with the balanced representation of men and women and younger people

There is a diversity in agriculture in terms of gender, culturally and linguistically (CALD), indigenous and non-indigenous, age and experience, that is not recognised in the Green Paper. The opportunity to recognise, acknowledge and capitalise on this strength of diversity within agriculture is an opportunity missed in the Green Paper.

The Green Paper focuses strongly on financial, business and infrastructure capital but pays inadequate attention to both human and environmental capital.

Agricultural productivity is likely to be diminished by decreased rainfall and soil water availability, and by increased biodiversity loss due to climate change. The risk posed to agricultural productivity and profitability from climate change should not be underestimated, nor should it be 'siloe'd' to the Environment portfolio. Agricultural businesses and regional communities will need well planned strategies to deal with the increasing threat of drought, flooding, bush fires and heat waves as well as interdisciplinary approaches to mitigating and adapting to climate change.

Infrastructure

Policy idea 3. Enhancing communications

At the AWiA Annual Conference in August 2014, high-standard and reliable telecommunications infrastructure and services were identified as the highest priority for primary producers and agribusiness. Access to high-speed broadband and good mobile phone coverage is vital to promote innovation and information transfer, to support sophisticated marketing systems and to improve productivity, safety and sustainability by saving travel, time and resources. Increasing the connectedness of people in agriculture will

enable them to have the knowledge, technology, access to information and infrastructure required to build their capacity to increase productivity, sustain their environment and strengthen their communities.

The Government infrastructure initiatives cited in the Green Paper are welcome however effective consultation and implementation, as well as thorough evaluation of these proposed projects will be crucial. The communications components will need to ensure satisfactory coverage for mobile phone networks and internet services and to be equitably distributed across all Australian farming businesses.

Competition and regulation

Policy idea 9. Improved regulation

AWiA members, as consumers and as producers, have constantly expressed dissatisfaction with the limitations of the current 'Country of origin food labelling'.

AWiA recommends robust debate and definite actions to follow on from the October 2014 release of The House of Representatives Agriculture and Industry's country of origin food labelling report. It supports the recommendation to 'introduce labelling rules that move towards stipulating the level of local and imported ingredients in food products.

Finance, business structures and taxation

Debts levels in Australian agribusiness continue to rise. Some key influencing factors are; rising on and off-farm costs, drought, low farm gate returns and global competition. The increase in the level of farm debt across Australia since the 1990s has caused concerns about the sustainability and ongoing viability of Australian farming. Farm business debt more than doubled in real terms in the decade to 2009 (ABARES, 2014b).

Over and above some excellent strategies already outlined in the Agricultural Competitiveness Green Paper, we can further support our Australian farmers by introducing key measures that can:

- Increase farm gate returns. Australian farm gate returns have eroded from 85% in the 1900's to only 10% in the 2000's.
- Create equal playing fields for our farmers by limiting and/or increasing tariffs on competing imports.
- Deliver proactive (not reactive) drought support measures by; broadening FMD and taxation structures, that will expand access to FMDs to help manage the volatility of farm based income; and, supporting farmers to access timely business advice (through telecommunications, business management training programs and subsidised professional agribusiness advice).
- Encourage family succession through 'succession superannuation' programs aimed at facilitating entry of younger Australian farmers into the industry without the unsustainable burden of debt.

- Introduce uniform valuation methods in farm enterprises. One of the primary barriers to attracting investment along the agricultural supply chain is the lack of valuation methods for investors to assess and measure an industry with inherent and well-documented volatilities (ANZ, 2014).
- Educate farmers on potential alternative models of financing agribusiness. Australian farm businesses are predominantly owner-operated with debt financing. Internationally, a much greater range of different models are employed.
- Deliver incentives for subsidised energy and fuels. This has the potential to reduce significant financial and environmental cost burdens to farmers.
- That consideration as to the critical and valuable contribution of off-farm activities that enable people to remain in place, such as community organisations, sporting and other activities be accorded their value in the White Paper.

Foreign investment

Policy idea 13. Improving the transparency of foreign investment

Current discussion in the Agriculture sector about Foreign Investment in Agriculture, particularly of land ownership is ill informed and emotive due to the lack of accurate and transparent national data and reporting.

Maintaining farm families as the corner stone of farming is widely perceived to be under threat due to foreign investment and that perception is creating uncertainty and concern.

AWiA supports Policy idea 13 as only an accurate and transparent Register and reporting will address the current divergent and ill informed opinions and debate and provide a pathway to an appropriate policy position.

AWiA recommends the speedy implementation of the government's election commitment to lower the threshold for Foreign Investment Review Board scrutiny from \$248 million to \$15 million.

AWiA recommends a register of foreign ownership for agricultural land and a threshold of \$15 million.

Education, skills and training, and labour

Policy idea 14. Strengthening agricultural education

Current Vocational Training (TAFE) model and proposed federal government university fee deregulation discourage career changers and non-school leavers into the industry.

Currently a person who has qualifications in another industry cannot study agriculture at TAFE, other than paying full fees.

This discourages adult learning and life-long learning, which is needed as agriculture rapidly adopts changing technology and farming methodologies. Many of the students who choose to study agriculture, relocate for study, adding another burden to costs of course.

Deregulation of Higher Education, may in fact make study unattainable for many, particularly when you consider the attrition rates from regional and rural Australian Year 12 students to University are well below that of their urban peers.

Numerous sources of research into rural education have identified that socio-cultural factors, in particular socio-economic status impact on student outcomes (access to and participation in education) along with financial constraints, distance and availability of public transport also impact on student access to and participation in education.

These barriers affect student attendance, engagement and performance, with the consequence that rural students are considerably less likely to complete school and go on to further education.

The proposed changes to the university sector and the current TAFE system, exacerbate the above issues to a threshold where attendance at any tertiary institution, whether that be local, regional or urban based is impossible. This in turn creates an “education and knowledge deficit” between urban and regional and rural populations.

A lack of alternative education models in rural areas can lead to people disengaging from school and ongoing marginalisation from education.

For example, the 2014 Victorian Auditor General’s Report ‘Access to Education for Rural Students’¹ identified that,

- Rural populations in Victoria suffer from a disproportionate level of disadvantage. Students from rural Victoria represent about 30 per cent of the total school student population, but far fewer go on to attend university or study at a Certificate IV level or above.
- People in rural areas are likely to have less access to health and social services and may have to travel considerable distances to reach services and educational institutions. Research also indicates that educational aspirations and outcomes are lower in rural areas.
- The proportion of 15–24 year olds with a Certificate IV qualification or higher is much lower and far fewer students go on to attend university.

This is particularly concerning when *“More than half of Victoria's Indigenous population lives in rural Victoria and one-third of the Indigenous population is under 15 years old.”*

Commonwealth Senate Standing Committee on Rural Affairs and Transport – Inquiry into Rural and Regional Access to Secondary and Tertiary Education Opportunities 2009:

- For rural students, tertiary education typically means moving away from home and incurring considerable financial costs.
- Rural students who have completed year 12 defer the offer of a tertiary education place at a rate two and a half times that of metropolitan students

Victorian Parliament Education and Training Committee – Inquiry into Geographical Differences in the Rate in which Victorian Students Participate in Higher Education 2009:

¹ Waring K, Makin C, Stevens S, Cullen J, Winn R, April 2014, ‘Access to Education for Rural Students’, Victorian Auditor-General’s Report, 2013-14:25, PP No 305, Session 2010-14

- For rural participation in further education is influenced by higher costs to attend university and different ambitions and aspirations.
- Fewer rural school leavers apply for university, fewer are offered places and fewer accept the places they are offered.
- One in three rural school leavers defer their university offer, compared with one in 10 metropolitan school leavers

A prosperous future for the agriculture sector requires highly educated and capable farmers, agricultural scientists and a diversity of other agricultural and agribusiness professionals.

Rural students are currently underperforming at all levels of schooling compared to urban students and are greatly underrepresented at the tertiary level and this disadvantage needs to be addressed.

The proposed federal government University fee deregulation will create yet a further access barrier for rural students. The debt burden on graduates will be a disincentive and be unmanageable by many of the farm families that are deemed to be the cornerstone of agriculture.

Drought

Drought puts greater pressure on farm debt, reduces the ability of farmers to service that debt – the real problem is a lack of profitability due to drought and poor cattle and commodity prices.

Over and above strategies already outlined in the Agricultural Competitiveness Green Paper, we propose other key measures that can further support our Australian farmers battling drought and other severe weather events by:

- Creating significant wage (and trainee) subsidies in drought declared areas that will engage the jobless in a work for the dole type setup whilst supporting the farmers in drought and other extreme conditions.
- Delivering proactive (not reactive) drought support measures by; broadening FMD and taxation structures, that will expand access to FMDs to help manage the volatility of farm based income; and, supporting farmers to access timely business advice (through telecommunications, business management training programs and subsidised professional agribusiness advice).
- Funding farm debt mediation training programs.
- Providing drought assistance loans with lower interest rates and longer time periods to pay out the loan.

Water and natural resource management

AWiA would like to see a strategic quadruple bottom line approach to investing and planning future sustainable agricultural policies and programs in Australia to incorporate the economic, environmental, social and cultural values.

AWiA would also like to see an overarching Australia-wide strategy, which identifies and sets the value base of high quality and highly productive soils across Australia. The asset based approach could ensure that highly productive areas are protected whilst lesser quality soils could be assessed against a multiple land use framework, eg: evidence based regulation which commensurate with the risk of an activity.

Accessing international markets

Policy idea 24. Improving Australia's export and import systems

The Australian agricultural industry continues to diversify its production capacity and output beyond the historical cropping and livestock sectors. Opportunities from new agricultural products and production methods have been transformed by advances in research, technology and communication, enabling access to new export markets beyond the traditional domestic supply chains. AWiA acknowledges and commends the Federal Government's efforts in concluding the China-Australian Free Trade Agreement (ChAFTA) and the signing of the free trade agreements with the Republic of Korea (KATFA) and Japan (JAEPA). This provides significant counter-seasonal supply opportunities for many diversified Australian producers, whom would otherwise depend on the market price given in the domestic supply chains.

As per AWiA's submission to the Issues Paper, we would like to reiterate that whilst these FTA's have opened up new opportunities for the agricultural industries, 'fair trade is not free trade'.

The AWiA Membership is frustrated by the Government's tacit expectations that family farms will consolidate into large corporate enterprises to be able to take advantage of such FTA agreements. AWiA represents and supports farming operations of all sizes, compositions and sectors, and as such recommends that any policy developed needs to consider diversity and not favour the larger, corporate models of farming.

For the smaller producers aiming to leverage the opportunities available in export markets, it is currently limited by the lack of coordinated effort within industry and by the State and national government trade and agricultural departments. There are already a number of Australian producers selling high quality and niche products into our near Asian markets, with most having established these connections individually and with great investment of time and financial resources.

From an international perspective, Australia is seen to produce clean, quality food and values the relationship built with the supply chain. By promoting State-based or regional-based produce into an export market, the message of 'brand Australia' is diluted. AWiA supports collaborative international relations and a marketing effort to create and build upon 'brand Australia' so that producers of varying size can easily and effectively market their produce into lucrative export markets.

AWiA supports the suggestion outlined in the Green Paper that the Government improve its capacity to assist farmers to access international markets through providing more exporter readiness training. This could take the form of study tours and supply chain relationship development through the transparent and effective utilisation of R&D fees and levies paid by sectoral groups.

As also reiterated in the Green Paper, the Australian agricultural industry is able to supply premium, quality produce but also innovative research, education and technologies, which have substantial export potential. Noting that Australia produces only 1 per cent of the total global value of agricultural production, yet, for example, Australian farmers are some of the most effective and resourceful farmers in the world, there is significant opportunity to export our vast skills base and expertise. This two-way learning could form part of high-level RD&E through science organisations such as CSIRO, RIRDC and ACIAR to knowledge transfer as part of holistic international aid and development.