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The Hon, Barnaby Joyce MP
Minister for Agriculture
PO Box 6022
Parliament House
CANBERRA ACT 2600

Dear Minister

SUBMISSION TO THE AGRICULTURE COMPETITIVENESS GREEN PAPER

The Lockyer valley is responsible for growing some of the highest quality and safe fruit and vegetables in Australia and the world. Our economy is almost solely based on this industry and the future of our community depends on the success of agriculture in not only continuing to supply the domestic market, but expanding our markets into Asia. A strong export culture in our community is an important part of our long term agricultural industry viability and competitiveness both locally and internationally. Without export growth, our region is at risk of being overwhelmed by domestic price competition by the major supermarkets and cheaper overseas imports.

With our region being solely focused on agriculture and industrial activities that support agriculture, it is vital that our growers have access and support for exporting their highest quality products. We stand by our quality and know that if provided with the right tools and opportunities, we can thrive and grow our production to meet the challenges.

Comments on Section 12 - Accessing International Markets

In early 2014, the Lockyer Valley Council established a pilot project that aimed to get some of our growers more focused on exporting produce to Asian markets. Council and our growers recognised that opening up exports markets can lead to better prices for our growers and put the conventional domestic market under pressure to pay growers more. Since establishing this project and leading a delegation of Lockyer Valley growers to Singapore to meet directly with importers, participating growers have been directly exporting to supermarkets and importers in Singapore. This direct link between growers and importers has removed a number of middle men and ensured a better product gets to Singapore at a better price.

Subsequent to this, growers are now looking at other international markets and see the value of exporting can bring to their business.

Council recognised that one of the biggest barriers to our growers exporting is the lack of information about doing business in Asia. Entering a new market requires a good understanding of the market, including risks and opportunities. Understanding the gaps in local culture, business practices, language, consumer requirements and local regulation is not a risk a grower wants to face on their own. Council started this project because it saw these gaps and the gaps in the services and support being offered to growers.

There appears to be a great deal of research and development support, but a lack of support locally in linking growers and buyers together to build long term relationships that are mutual beneficial. Council has the ability to unite the local growers and encouraging them to work together on a common goal. Additionally, the respect and trust shown by Asian importers to local government officials was outstanding and this quickly facilitated a positive relationship between parties. This unique approach opened doors and opportunities to many retailers, importers, and service industry representatives.

We see this interaction as vital to the success of our growers to expand into the export markets. We also feel strongly that this needs to be a coordinated approach led at the local level because it is difficult for State and Federal bodies to do successfully given their broader objectives and stakeholder groups.

Council would act as the mediator with a non-vested interest, freely sharing our knowledge so other growers can also have the information if they too wish to mimic and expand to the export market. Fostering and encouraging shared knowledge locally on export opportunities can pave the way to future prosperity through increased competitiveness.

As such, we would like to recommend that a small pool of funding be offered to willing local Council's such as the Lockyer Valley to deal closely with growers and Asian importers to build direct and lasting relationships. This could be done, for example by allowing Local Governments to be eligible to apply for the 'Export Market Development Grants (EMDG) programme.

Through our successful pilot project, we see this basic connection as the most tangible way in which to support growers exporting directly into Asia.

This work by Council, coupled with the broader national support being considered such as better branding, better training and better research, our growers will be able to export high quality produce easily and profitably.

Comments on Section 11 - Biosecurity

For areas like Lockyer Valley the threats to agricultural production from the establishment and spread of exotic pests and disease that might affect the health of local production, livestock and people is of high concern. Fire ants are an emerging biological concern that has the potential to spread nationally with nests not only found in Queensland but also now in New South Wales. Significant changes need to be made to legislation and in the identification of costs from across all levels of government to address this threat which has already devastated areas of agricultural production in the USA. Lockyer Valley Regional Council has long advocated through our state local government peak body LGAQ to put the case forward to the State and Federal Governments to increase funding and resources available to eradicate fire ants and we will continue to do so as the risk from these pests increases.

Over the past few years there has been a reduction of funding to the eradication program and this is a major concern for our region, considering our agriculture industry alone is worth in excess of \$300 million a year. The State Government forecasts that the cost of failure to eradicate the ants could be as high as \$43 billion over the next 30 years

because of the loss of property, business, and environment and lifestyle values. Given the significance of agriculture not only to the national economy, it's important for the Commonwealth to step up its involvement now while eradication remains achievable and before such a program becomes financially unviable.

Comments on Section 2 - Infrastructure

Some of the barriers that need to be addressed to assist in opening the gateway of high quality food from the Lockyer Valley to Asia are tied to logistics bottlenecks and gaps in our infrastructure capacity. Upgrade of the inland rail from Toowoomba to the Port of Brisbane is required so that beef, vegetables, and many other products such as aquaculture can be efficiently exported. The new Brisbane West Airport may assist in some high valued commodities that can be airfreighted but will not provide a holistic solution.

Sustainable renewed water to the Lockyer Valley will be very important to the growers having the capacity to expand in to international markets, even by naturally having some of the best soils and climate in the world for vegetable production there will be no capacity to expand production without the surety of a water supply. There has been over 10 years of research and study work completed on a renewed water scheme linking the Lockyer Valley with the rest of SEQ water grid which would provide surety of supply of water therefore allowing our local farmers the ability enter in and fulfil long term contracts.

Lockyer Valley Regional Council has recently submitted an application under the National Stronger Regions Fund (NSRF) targeting the delivery of a new "National Food and Innovation Centre". This centre will be a first of its type in Australia and will act as a national facility for innovation in agricultural production and showcase high quality food. The centre will assist local agricultural producers and businesses better promote themselves and their products to a wider state, national and international markets. The centre offers a strong opportunity to build on the core agricultural strengths of the Lockyer Valley in creating a hub of agricultural excellence within an hour of a capital city. Visitors to the centre will be offered the opportunity to experience new, immersive technology that interactively tells the story of "paddock to plate" appealing to local and interstate visitors, students and potential overseas buyers.

Finally one of the critical pieces of infrastructure that will be required to enable logistics coordination and timely communications into international and domestic markets is access to high speed broadband and communications. In a modern agricultural industry the use of new QA, ordering, marketing, and tracking system is essential to be able to compete in and international market.

Yours faithfully

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CHIEF EXECUTIVE OFFICER