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Agricultural Competitiveness Taskforce
Department of the Prime Minister and Cabinet
PO Box 6500
CANBERRA ACT 2600

Dear Sir/Madam

NRMA submission to the Australian Government's Agricultural Competiveness Green Paper

The National Roads and Motorists' Association (NRMA) is Australia's largest mutual organisation representing 2.5 million Members in New South Wales and the Australian Capital Territory. For more than 90 years, NRMA has represented the interests of motorists in relation to road funding, road safety, fairer petrol prices, driver education and other related public policy issues.

This submission addresses Australia's food security and refers to the key role – and vulnerability - of Australia's transport fuels in the production and distribution of agricultural products.

Food security is not possible without energy security. Simply put, no fuel = no food.

The submission draws on a substantial body of work NRMA has commissioned over the past 6 years focusing on transport energy security, affordability and sustainability and references the extensive submission made to the Energy Green Paper earlier this year.

On behalf of our Members, NRMA is committed to working for a sustainable and less volatile transport energy future. We welcome this opportunity to respond to the Government's Agricultural Competiveness Green Paper and would be pleased to provide additional information and assistance as appropriate.

Yours sincerely

Kyle Loades
President

The Food Security / Energy Security Nexus

NRMA provides the following comments in response to the release of the Agricultural Competitiveness Green Paper. These comments are informed by our original submission to the Agricultural Competitiveness White Paper Consultation process, reiterate elements of our submission and emphasise our concern with some aspects of the Green Paper.

The original Terms of Reference had 'ensuring food security' as the first issue for consideration, which NRMA applauded as it placed at the forefront a discussion about the many dimensions of 'food security' and provided the framework to explore these many inputs. The NRMA submission provided a substantial analysis of the centrality of energy security in achieving food security, with particular focus on transport fuels and the food supply chain.

It is disappointing to observe that the Green Paper now has food security as a subset of Policy Idea No. 10 'Accessing international markets'. Indeed, 'food security' is briefly observed to be high for Australia 'due to our income level and trade surplus in food ... [however] pockets of food insecurity for some individuals and communities in Australia remain due to low income or remoteness'.¹

In the NRMA submission, we emphasised that food insecurity could rapidly expand beyond these 'pockets of food insecurity' without access to secure oil supplies, and that Australians, no matter where they lived or whatever their social class, risked becoming 'food insecure' in a relatively short timeframe should a fuel crisis or supply disruption arise. It was further noted that there is a direct correlation between fuel security and food security. The current very high reliance on oil-based transport at all stages of the food supply chain makes food security an energy security subset.

NRMA studies over recent years have consistently observed that supply chains are vulnerable to the impacts of liquid fuel supply interruptions and that there are risks to most aspects of our daily lives because the services and supplies we rely on are dependent on imported fuels. The NRMA submission again stressed the importance of secure, affordable and sustainable energy supplies as the bedrock of our security and economic prosperity as a nation.

These comments about energy security, and transport fuels in particular, appear to have been ignored, or dismissed, during the development of the Agricultural Competitiveness Green Paper.

The Green Paper states that Australia's best contribution to both domestic and international food security will be '... through strong domestic and global economic growth, a strong international trading system and through a profitable and competitive Australian agriculture sector'.²

The NRMA submission stressed that food security cannot be guaranteed through market forces alone. Without a Government commitment to energy security, it is difficult to see how the irrigation, production, transport, storage and distribution systems that underpin our agriculture sector can be assured, not matter how 'efficient, effective and competitive'. Australia's agriculture sector cannot function without access to secure and affordable energy. If the fuel supply cannot be guaranteed, our export income would be threatened, our international reputation damaged, and the viability of our farming communities imperiled.

¹ *Agricultural Competitiveness Green Paper*, Department of Prime Minister and Cabinet, 20 October 2014, https://agriculturalcompetitiveness.dpmc.gov.au/sites/default/files/green_paper.pdf, p. 105

² *Agricultural Competitiveness Green Paper*, Department of Prime Minister and Cabinet, 20 October 2014, https://agriculturalcompetitiveness.dpmc.gov.au/sites/default/files/green_paper.pdf, p. 105



Of significant concern to the NRMA is this paragraph in the Green Paper about energy security:

'The Government will consider Energy Security, which may impact on Australia's food production, in the context of the Energy White Paper. An Energy Green Paper was released on 23 September 2014.'³

This comment is of concern for two reasons.

First, and the most critical of these concerns, is that the **Energy** Green Paper does not address *transport* energy security in any meaningful way, nor does it discuss food security, food production, the food supply chain, or any other aspect of food production or transport fuel vulnerability. It is therefore inappropriate for the **Agricultural Competitiveness** paper to dismiss energy security.

Second, energy security is fundamental for all aspects of the food supply chain as explained in significant detail in NRMA's original submission. For continuous food production, fuel must always be available. Apart from weather, the supply of fuel is one of the most fundamental ingredients to large scale food production.

Food security is not possible without energy security. Simply put, no fuel = no food.

Energy security and therefore food security cannot be assured if both the Energy and Agricultural White Papers remain silent on these issues.

NRMA urges a reconsideration of the energy security / food security nexus as a matter of priority in both the Agricultural Competitiveness and Energy White Papers.

³ *Agricultural Competitiveness Green Paper*, Department of Prime Minister and Cabinet, 20 October 2014, https://agriculturalcompetitiveness.dpmc.gov.au/sites/default/files/green_paper.pdf, p. 109