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SUBMISSION TO AGRICULTURE WHITE PAPER 17/4/2014

Liverpool Plains Land Management Inc. welcomes the opportunity to contribute briefly to the development of the Agricultural Competitiveness White Paper.

LPLM congratulates the Australian Government on this important initiative and strongly believes that the key to Australian agriculture's future is based on increasing our farmer's capacity to develop systems that build resilience and regenerate our landscapes. With this aim, natural ecosystem processes (soil building, and nutrient, water and energy cycling) can be regenerated with low cost inputs, production of nutrient dense food is increased, and resilience is built within our farming families and communities.

The Australian Government's aim to see Australia's agricultural productivity doubled by 2050 is an ambitious one, and one that will require significant attention to the long-term regeneration of Australia's farmland to meet this productivity goal in an era of climate change.

The yields of farm commodities achieved and the costs of production associated with achieving those yields are dependent on the way a farmer manages and cares for the farm resources to best effect. These aspects are of particular importance in view of the fact that, according to ABARES, the increase in productivity of Australia's farmland has stalled over recent years. At the farm level, productivity increases are based on improved condition of soil, water and vegetation, as well as from the adoption of new technology and knowledge, and increasing the rate of adoption of currently available technologies and knowledge.

What are the drivers and constraints to farmers adopting alternative business structures, innovations or practices that will assist them in improving farm-gate returns?

Many farmers are motivated (like most businesses) to maximise short term profitability at the cost of the long term fertility of their landscape. Maintaining and increasing soil fertility for the long term is an essential practice to assist in improving farm-gate returns, but this should not require additional costly inputs. Currently there are no incentives to build fertility into the farming/grazing landscape. To address this issue there needs to be capacity to pay for fertility gains in the landscape. These are easily measured in terms of Soil Carbon. Payment for the increases in Soil Carbon will provide incentives for farmers to focus on the long term fertility of their land and forgo those practices that suffer from rising costs and poorer quality outputs.

What tools, skills and advice do farmers need to effectively adapt and respond to the risks they face?

1. ACCREDITED TRAINING: Holistic Management Training is available through NSW TAFE. This course provides farmers with tools and skills that can reduce input costs and instruct farmers in practices that will empower them to adapt and respond to risk.
2. SKILLS & ADVICE: Farmers can access skills and advice through the Outcomes Australia - Soils for Life Program. The Objective of this program is to facilitate positive and sustained change in how farmers manage the Australian landscape to ensure a thriving natural environment, with corresponding benefits in soil fertility, drought proofing and increased production in livestock and cropping. See www.soilsforlife.org

What alternative actions or measures by governments, farmers or others would result in improved financial performance at the farm gate?

1. Development of internationally valid carbon credits that are tradeable globally.
2. Implementation of low cost strategies to increase soil health that provide increased production with nutrient dense food outputs.

What approaches could be used to encourage improved drought preparedness?

1. Rewards for landscape rehydration and increased soil carbon.
2. Training in the appropriate forms of management for either grazing, dairy or grain growing. These actions will assist in delaying the impacts of drought. Correctly applied there should be no need to pay for drought subsidies.

During drought, what measures are most effective in ensuring long term resilience?

Encourage farmers to undertake the forms of training outlined in the previous points as a pre-requisite for any drought subsidies. This strategy will drive change towards drought preparedness in a low cost manner.