Inquiry into the impact of climate change on Queensland agricultural production

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24 August 2023

Ms Telford
Committee Secretary
State Development and Regional Industries Committee
Parliament House
George Street
BRISBANE QLD 4000

By Email: sdric@parliament.qld.gov.au

Dear Ms Telford

AgForce is a peak organisation representing Queensland's cane, cattle, grain and sheep, wool & goat producers. The cane, beef, broadacre cropping and sheep, wool & goat industries in Queensland generated around \$10.4 billion in on-farm value of production in 2021-22. AgForce's purpose is to advance sustainable agribusiness and strives to ensure the long-term growth, viability, competitiveness and profitability of these industries. Over 6,500 farmers, individuals and businesses provide support to AgForce through membership. Our members own and manage around 55 million hectares, or a third of the state's land area. Queensland producers provide high-quality food and fibre to Australian and overseas consumers, contribute significantly to the social fabric of regional, rural and remote communities, as well as deliver stewardship of the state's natural environment.

AgForce welcomes the opportunity to make this submission to the inquiry into the impact and risks of the climate variability on Queensland agricultural production and assist to identify opportunities for government to create and support resilience, adaptation and mitigation measures of the agricultural sector in the future.

We are generally supportive of the Queensland Government initiatives to address climate related impacts on agriculture and of the Drought and Climate Adaption programs designed to address this climate variability.

AgForce would like to highlight the following key policy positions, referenced to support our submission:

- 1. AgForce Climate Change Position
- 2. AgForce Agricultural Business Cycle.
- 3. AgForce Low Emissions Road Map
- 4. AgForce Land Use Protections
- 5. AgCarE Natural Capital Pricing Tool

INTRODUCTION

AgForce recognises that building effective and resilient climate policy is a complex and a long-term endeavour. It requires tailored and practical support reflecting unique circumstances and the diverse needs and aspirations of different farmers, their communities and agricultural industries.

Our farmers manage 51% of Australia's land mass, they are known worldwide for technological advances in agriculture and as climate risk managers and have a history of continuous adaptation to climate variability, minimising the triple bottom line impacts of the climate.

For this reason, farmers are in the best position to manage the land sustainably and protect the environment; we seek to enabling and rewarding farmers for providing and adopting climate related ecosystem services – through sustainability programs such as AgCarE¹, a natural capital pricing tool.

Further, we believe the AgForce Agricultural Business Cycle (ABC)² encapsulates the necessary thinking and approach to progress climate variability management and impact minimisation.

AgForce supports policies that focus on tangible measures that improve agricultural practices including those leading to industry targets of reduced emissions and natural capital values.

Further, we welcome investment that provides the sector with an improved ability to innovate and adapt to the financial, social and environmental challenges the climatic cycle presents. *In line with our climate change policy*³ (which includes supporting NFF's positioning on Climate Change).

AGFORCE'S CLIMATE CHANGE POSITION

AgForce's approach to climate variability policy is per our position⁴ (which includes supporting NFF's positioning on Climate).

Climate Change Risk, Drought, Disaster Management and Biosecurtiy

• Triple Bottom Line

AgForce is supportive of continuous improvement and evolution over time towards the effective management of climate variability risks and the minimisation of the triple bottom line impacts of future climate variability on farmers and graziers and their supporting communities.

Agricultural Business Cycle (ABC)⁵

The AgForce Agricultural Business Cycle specifically targets strategic measures and programs at each phase of the drought cycle: pre-event, in-event and post-event and the triggers essential to success, rather than a focus solely in the preparedness phase, to deliver better holistic strategies.

The risk mitigation process of the ABC (mitigation in the first instance), followed by preparedness, response and recovery is dependent on state of the landscape and open to continuous improvement. This contributes toward more productive farming businesses, better prepared communities and accompanied by more resilient landscapes.

• Drought and Disaster

Our farmers have had a lot of experience in managing climate variability (droughts, floods, etc) over time and with internationally low levels of public support eg, Australian farmers are not subsidised.

¹ Home · AgCarE Online

²

³ AgForce Climate Change Policy · AgForce · Advancing Rural Queensland (agforceqld.org.au)

 $^{^4}$ AgForce Climate Change Policy \cdot AgForce \cdot Advancing Rural Queensland (agforceqld.org.au)

⁵ agforce-agricultural-business-cycle.pdf (agforceqld.org.au)

However, the increased frequency of extreme events and the ability to fully recover (financially, socially and environmentally) before the next one arrives, is a key concern going forward. That is why investment across the climatic cycle utilising the ABC approach and a tailored farm strategy with triggers funded by the Future Drought Fund and other programs, are important and not just during catastrophic/extreme events.

Biosecurity

Land managers are at the forefront of the fight against new and existing incursions of biosecurity hazards. Farmers have little assistance when it comes to access of product, resources or solutions to biosecurity risks ie, feral pigs, wild dogs, fire ants or rat infestations. A well-resourced and effective biosecurity system is fundamental to the success of agricultural industry. A government funding programs to support farmers to ensure biosecurity issues are resolved before they become a costly to the state.

Energy Source Transitions

Our farmers want to be part of the renewable energy solution, but we have concerns, not just about land access and rights protection or missed opportunities, such as hydrogen or biodiesel, as a locally produced or refined fuel source for farm machinery and vehicles, being developed. But more like the initial thoughts about CSG when it was in development, which have largely become a pipe to higher paying export markets.

Another risk, should government take narrow views on climate variability policies solutions rather than looking at it holistically and objectively eg, how could renewable energy initiatives integrate effectively into the Queensland agricultural sector given the government's strong focus on becoming a renewable energy source exporter, with the state manufacturing 50% of renewable energy by 2030 and 70% by 2032.

An opportunity exists to take farmers on the renewable energy journey, to be part of the story, creating regional circular economies; plants and refineries, with farmers being supplies, producers and the firm market user of the future of renewable energy of the state.

NATURAL CAPITAL, CARBON MARKETS, LOW EMISSIONS PATHWAYS AND DATA

AgForce recognises that environmental change and variability pose significant challenges to Australian farmers and creates opportunity for innovation in farming practices and systems.

AgForce advocates that agriculture must be recognised for its efforts to date to adapt to climate variability through innovation and we seek to enable and reward farmers as sustainable land managers, protectors of the environment and adopters of climate related ecosystem methods that enhance agricultural production.

We seek to enabling agricultural producers to improve their access to natural capital markets, including carbon, environmental offset and biodiversity credits, through confidence building, in reliable carbon and biodiversity policies and markets; and through reliable and accessible information, training systems including sustainability programs such as AgCarE, and low(er) risk transition steps and reduced reliance on regulating away opportunities such as in vegetation management.

Carbon Markets

Carbon markets provide significant potential for agricultural properties as a complementary source of income if the policy and market settings are conducive to sustainable and complementary coexistence of primary production and emissions abatement activities. Fair policy settings are essential so agriculture is not the source of low-cost abatement for other sectors to our detriment, this could include environmental protection or lessen impact, such as in water planning, electricity, fuels with associated opportunity costs to agriculture.

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AgCarE provides landowners with an assessment of the property carbon position and thereby eligibility for current and emerging carbon methodologies and projects.

• Low Emissions Pathways

Queensland government has partnered with AgForce in the co-design of the low emissions road map, which seeks to support the agricultural sector deliver on policy responses to ensure there is alignment to industry goals and outcomes, including maintaining (or ideally increasing) productivity and profitability, while reducing 2005 GHG (Greenhouse gas) emissions 70% by 2032 and 80% by 2035 and zero net emissions by 2050⁶. AgForce sees AgCarE being part of the story, whereby landowners receive an assessment of the contributions their property and activities that can result in reducing (or possibly adding to) emissions. Sustainable vegetation management programs, including management of regrowth and harvesting of native forest, have demonstrated increased rates of sequestration of carbon and other GHG s when compared to unmanaged vegetation.

Vegetation Management/Forestry Requirements

Farmers are in the best position to manage the land sustainably and protect the environment. Farmers already spend significant amounts of business income on such activities.

Assistance and targeted programs designed from the bottom-up (such as AgCarE) and modelled on Agricultural Business Cycle framework, (adopted version used by the Future Drought Fund), would better equip farmers to meet the future challenges of climate variability. On-property trees, including unregulated non-remnant areas and native hardwood and softwood timber as well as regulated remnant vegetation can be managed proactively to maximise sequestration of GHG emissions.

Land Use Competition Issues Related to the Carbon Driven Move to Renewables.

AgForce generally supports the state government published principles for coexistence in the land access code and the guide to land access in Queensland, June 2023⁷. However, we continue to promote our policy position on land use protection principles⁸.

While we recognise that mineral or energy resources are owned by the Crown on behalf of all Queenslanders and access to those resources can be enabled for the benefit of all of society, it must also be recognised that there is only a very limited area of high-quality arable land in the state which must be protected from alienating uses and prioritised for food and fibre production, ensuring food security, for current and future generations in perpetuity.

In addition, we caution against development which has the potential for causing harm where more scientific knowledge will benefit the matter.

We advocate for government policies that limit or remove opportunity cost of renewable energy development over agriculture development; that grows and protects our prime agriculture land and improves production systems to ensure food security into the future.

AGRICULTURAL PRODUCTION

Safety First

The highest protections being applied for the safety and privacy of farmers and agricultural production, in the first instance. Landholders need to be able to manage their landscapes profitably and sustainably, which most do already.

⁶ Queensland Low Emissions Agriculture Roadmap 2022–2032 (daf.qld.gov.au)

⁷ [References: (https://www.resources.qld.gov.au/__data/assets/pdf_file/0018/1442223/guide-to-land-access-in-queensland.pdf).] & [https://www.resources.qld.gov.au/__data/assets/pdf_file/0004/442633/land-access-code-2023.pdf]

⁸ AgForce Land Use Protection Principles · AgForce · Advancing Rural Queensland (agforceqld.org.au)

Land managers need to be supported not persecuted, with adequate available support and recourse.

Ensure prime agricultural land protections and equal access to vital production resources and supply chain inputs, such as water, electricity, fertilisers etc, remain affordable for farmers to maintain viable businesses into the future. In line with AgForce policy position which is intrinsic to our Land Use Protection Principles⁹

Production, Resilience and Climate Variability

- The government has a role in assisting farmers become more self-reliant by ensuring programs
 assist the betterment of land management practices. However, programs should not be a
 social security system or handout.
- Programs developed with scope to assist young people move onto the agricultural land and pass on local knowledge, farming practices and keep families and communities together.
- Loans that consider succession planning bring family members back to farm. Loans similar to our HECS student loans, but for agriculture, tailored loans to allow for longer terms and for the flexibility to reduce compound loans.
- AgForce values investments into programs that improve our climate management and the investment directed primarily toward supporting our farmers as our sustainable land managers to continue to advance solutions, techniques and remain global agricultural leaders.
- While the context of a changing climate is indeed important for addressing climate variability risk, AgForce would not support programs that divert focus from our agricultural sector and the primary goal of minimising the triple bottom line impacts of climate variability.
- Our farmers have been adapting to seasonal and climate variability for generations and Australian farmers have been at the forefront of innovation.
- Benefit of closer engagement with industry, in long term policy positioning, which is funded, and ensures the future of agriculture that promotes the triple bottom line and is not impacted by policy development, political policy change, change(s) of government, competitive NGO or research bodies, that adversely impacts agricultural production systems or future food security of our state in the future.
- Empowering and rewarding producers as sustainable land managers, protectors of the environment and adopting climate related ecosystem method to enhance agricultural production.

AGRICULTURAL FUNDING

The funding of programs with a scope beyond addressing the broader climate variability, should be weighed against any reduction or dilution of on-ground assistance measures that farmers require to effectively deal with climate variabilitys as a critical and recurrent feature of agriculture in our country.

Approaches to Agricultural Funding

- Investment, innovation, development of production systems, in the first instance, according to needs of commodity and each demographic, recognising productivity challenges of varying landscapes.
- Investment, programs and support to grow regional communities that support agriculture areas; to supply chains required for inputs and outputs, often exposed and vulnerable not only to climate variability.
- We promote evidence based, scientific back approach to farm systems productions and do not support programs which are void of a holistic approach to primary production.

⁹ AgForce Land Use Protection Principles · AgForce · Advancing Rural Queensland (agforceqld.org.au)

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- The minimisation or limiting of any unavoidable impacts on primary producers, supply chains, market access that may affect the future of agricultural productivity and production.
- Continued government support for funding into the Rural Research and Development Corporations (RDC) system.
- More efficient transportation infrastructure and access, supply chain efficiencies and market access and transparency.
- Continuation of Future Drought Fund programs and innovation that is farmer focussed and solutions tailored from the ground up as a defence for farmers to manage climate variability.
- Innovative approaches that reduce on-farm and supply chain emissions and enable adaption to changing conditions ie, producer engaged, diesel fuel transition approaches, with a demand-pull approach, rather than a sole focus on policy push agendas.

Lending

Lending conditions should allow land management practices which encourage the land to rest i.e., rotational grazing, cropping, rather than enabling productivity pressures which may cause environmental deterioration. Longer term loan will provide relief from productivity pressures and stressors on the environment over the short term.

Insurance

While lifting stamp duty on ag-insurance products is a solution to affordability, designing products that suit industry and manage risk through insurance is a single prong solution. It has been problematic in the past and requires policy solutions and development by industry, insurers and government that looks beyond reactive insurance policies for accidental damage by, fire, flood etc, to businesses productivity and more toward policies that insures landscapes and primary production conditions into the long term.

This requires governmental intervention, long term planning and tailored funding pools dedicated to future primary production resilience, beyond the Future Drought Fund, Landcare etc, similar to our Commonwealth's, Future Funds, Disaster Funds etc, Government revenue directed into pooled funds for farmers on the ground solutions and future use ie, farmers paid to adapting and managing landscapes, biosecurity risk; pest and weed management, adopting innovation and transitioning to new ag-technology.

AgCarE¹⁰

AgForce supports that 'the best environmental outcomes are achieved by empowering and incentivising landholders to manage their landscapes.' Enabling landowners to obtain an informed position on the condition of their natural capital assets can lead to positive environmental, economic and social resilient outcomes. AgForce is advocating for investment into AgCarE¹¹, as a natural capital measuring pricing mechanism, from a property level perspective, mitigating cyclic pressures of climate variability, with data that tells a story and supports decision making at the micro and macro-level.

AgCarE assesses environment resilience along with economic, production and social outcomes. AgForce would like to see a clearer adoption of Natural Capital thinking within the overall business management plan on member properties.

Taking a Natural Capital approach enables all stakeholders to be able to measure the current state of natural assets in a pragmatic manner and incentivises landholders to improve their land condition.

¹⁰ Home · AgCarE Online

¹¹ Home · AgCarE Online

The AgCarE program, developed by AgForce members over 5 years with the backing of eminent scientists in Australia, measures natural capital condition at the property in a verified and repeatable manner to identify improvement against a benchmark.

AgCarE operates under the principle of continuous improvement and incorporates systematic review on a staged basis. AgForce encourages natural capital thinking where landowners are able to understand the health of the interdependent relationship between the natural and agricultural systems on rural properties. The AgCarE program can be adopted as a clearer natural resource management tool, which could either complement existing and proposed funding of Regional Natural Resource Management programs and or consolidate them.

AgCarE as a vehicle identifies the natural assets and acknowledges the management actions that support and enhance our natural environment and promotes efficient and productive businesses. Activities aimed at reducing GHGs on agricultural properties can improve sustainability and profitability of the enterprise whilst abating climate risks. The AgCarE program is way to assist farmers manage vegetation, biodiversity and landscapes and broaden their income streams, while mitigating climate variability.

AgCarE encourages the farmer to engage directly in an assessment process, document how they manage land sustainability (which most already do, largely undocumented); documenting the connecting environment resilience with economic outcomes, offering evidence-based data (that can be verified by science) and ultimately leads to better landscapes, biodiversity, access to markets, productivity, resource management and clear funding parameters.

AgForce thanks the Committee for the opportunity to contribute to this inquiry and welcomes an invitation to collaborate on any co-design of tailored solutions, strategies and funding programs that will ensure a strong, resilient and robust agricultural production system, and ensure future food security for generations to follow.

If you	have	any	questions	or	require	further	information	regarding	this	matter,	please	contact
Sam F	orzisi,	AgFo	rce Policy I	Dire	ctor, by	email:			or			

Yours sincerely



Michael Guerin
Chief Executive Officer