NFF COVID-19 UPDATE

24 April 2020

Good Morning

Welcome to the NFF COVID-19 update, collating recent updates and information relevant to the agrifood supply chain.

For the time being, the NFF will continue to issue these updates on a weekly basis.

We strongly encourage you to forward this brief through your network.

In addition to this regular brief, we are also maintaining pages on FarmHub with information relevant to farm businesses. Follow the links below to view those pages.

FarmHub COVID-19 Resources

Key Information and FAQs Border Control Assistance and Support NFF Workplace Guide

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REGULATORY AGENDA FOR RECOVERY PHASE

The NFF and other peak bodies have been engaged by Treasury to consider regulatory settings which will help the economy as we enter the recovery phase of COVID-19. The advice they are seeking from industry falls broadly into three categories:

- regulations made to deal with the pandemic that should be revisited either to retain as is, strengthen or wind back when the economy moves to a recovery phase;
- live regulatory issues that business are facing that remain unresolved; or,
- new regulatory policy settings that could "turbo charge" economic recovery

The NFF is taking this opportunity to reinforce our regulatory agenda with government, and we welcome feedback from Members and partners on issues you would like considered.

BORDER CLOSURES UPDATE

The WA Premier has indicated that interstate borders will be in place for at least six months. Intrastate borders are expected to remain in place for a longer period. For those applying for an exemption in WA, there are two ways of applying for approval to travel:

- Use the G2G PASS app to apply for approval to travel and receive proof of your exemption prior to travel. Visit the <u>G2G PASS website</u>.
 Or
- Complete the paper-based <u>exemption application form</u> prior to travel and submit to <u>WAEntryRequest@police.wa.gov.au</u> with supporting documentation.

If you apply for approval to travel via the G2G PASS app, a QR code will be generated which can be displayed on a mobile phone and/or through a vehicle window without human contact.

If you apply for an exemption, you must carry your exemption form and proof of its submission when travelling. You may be asked to produce this documentation at a checkpoint or by WA Police patrolling the area.

Further information available here: https://www.wa.gov.au/organisation/department-of-the-premier-and-cabinet/covid-19-coronavirus-advice-travelling-and-around-western-australia

PROPOSED CHANGES TO HORT AWARD

We have approached the AWU seeking support to changes to the Horticulture Award to allow growers more flexibility to manage the impact of coronavirus on their workplaces.

The changes we are proposing are:

- To casual employee's overtime arrangements to facilitate social distancing and relieve some of problems associated with finding staff and engaging transient workers.
- To remove the requirement to pay a shift penalty so growers can work smaller teams in staggered shifts.
- To enable growers to direct employees to take annual leave where there are downturns in work demands and to enable farms to enforce social isolation.
- To allow growers to direct workers to perform alternative duties, to address fluctuations in work needs and address changes in patterns of work.

The last 2 variations would mimic recent changes to the Fair Work Act which currently only apply to employers that are eligible for the "JobKeeper" allowance.

The variations would be in effect for the duration of the pandemic; the Commission has introduced other COVID-19 changes to Awards with effect through to the end of June 2020 and scope to renew as necessary.

ECONOMIC STIMULUS – JOBKEEPER PAYMENT: DROUGHT AND EXPORTS

The Government is making changes to the eligibility criteria for the JobKeeper payment

to make it easier for farm businesses impacted by drought to claim the payment. They have also amended the eligibility criteria to enable those that do not pay GST (eg. exporters) to claim the payment.

For farming businesses and their employees to be eligible for JobKeeper payments, the farm business needs to meet a number of criteria. One criterion requires farm businesses to show a 30% fall in turnover due to COVID-19 impacts where turnover is based on GST. For farm businesses coming out of drought, this criterion can be difficult to meet in light of low turnover in previous drought years.

The Government is introducing a new 'alternative test' to measure turnover where the comparison period is considered unrepresentative of normal operating periods. ATO examples include when a farm business has been subject to severe drought from 2018 to 2019 or a new business. The details of what the new 'alternative test' will be are still under development. We will provide updated information as soon as they come to hand.

The Government has also amended the 'basic test' to measure turnover to enable those farm businesses that export to international markets and do not pay GST to be eligible for the payment where they meet the other criteria. The calculation of turnover for those businesses that do not pay GST a will be as if they do pay GST.

Details are available on the ATO website here.

SUPERMARKET DELIVERY UPDATE

Woolworths and Coles have announced that they have re-opened their online Delivery and Pick up services for all customers. While there are still some restrictions on some product lines, both retailers have said they will do their best provide suitable substitutes.

AVAILABILITY OF FARM INPUTS

This week Rabobank published an update on local supply and demand for agricultural chemicals and urea. The research reinforces what we know about strong local demand driven by seasonal conditions, and a supply chain under pressure due to pre-existing issues and COVID-19-related disruptions to production and logistics in China.

Overall, the research indicated adequate supply of inputs for cropping operations would be available in most instances, and in cases where there were supply shortages, satisfactory alternatives or workaround strategies could be adopted. The full update is available here.

MEDIA AND COMMUNICATIONS

Key Messages

The NFF encourages stakeholders to align where possible with the cross-industry messaging below.

- Australia is one of the most food secure countries in the world, exporting 75% of what we produce.
- The impact of COVID-19 on Australian agriculture is an evolving situation, but it's largely business as usual for farmers and the food supply chain.
- Panic buying by consumers is not necessary, and it's not helpful. There is plenty of food to go around. We just need to shop sensibly.
- The NFF is in ongoing contact with all levels of government, and helping to coordinate the flow of information to and from industry.
- It is critical that all levels of Government recognise agriculture as an essential service, and not restrict the flow of inputs or raw products through the supply chain.

COMMODITY BRIEFS

RDCs and industry associations are releasing tailored information on COVID19 developments relevant to specific commodities. Links to these are below. Please let us know of others that can be added.

- WoolProducers Australia
- Dairy Australia
- Red Meat Advisory Council
- Wool Industry Shearing Operations: Protocols in response to COVID19 Operations Document
- GrainGrowers Limited

KEY CONTACTS AND CONSULTATION FORUMS

NFF is participating in the COVID19 forums listed below. Please forward any questions you would like us to raise in these forums to the following staff:

- Overall coordination: Tony Mahar (tmahar@nff.org.au)
- Labour and workplace issues: Ben Rogers (<u>brogers@nff.org.au</u>)
- Border Controls: Warwick Ragg (wragg@nff.org.au)
- Stimulus packages and trade: Pru Gordon (pgordon@nff.org.au)
- Farm inputs: Adrienne Ryan (<u>aryan@nff.org.au</u>)
- FarmHub: Heidi Reid (hereid@nff.org.au)
- Communications and media: Laureta Wallace (<u>lwallace@nff.org.au</u>) or Charlie Thomas (<u>cthomas@nff.org.au</u>)

Forum	Convener	Time/day
NFF/DAWE Coronavirus Teleconference	NFF	Wednesdays, 3.30 - 4.00 pm
NFF Partner Briefing	NFF	Wednesdays, 4.30 – 5.00 pm
Member Communications Group	NFF	Thursdays, 4 - 5pm
NFF Member CEOs Meeting	NFF	Tuesdays, time TBC
Food and Grocery Sector Group	Department of Agriculture, Water and the Environment	Mondays 10.30-11.30am
The Agriculture Ministers' Forum (AGMIN)	Council of Australian Governments	Last held Tuesday, 14 April
Labour Forum	Attorney General's Department	
Coronavirus – Industry Consultation	Department of Foreign Affairs and Trade	Wednesdays, 2.00 - 3.00pm
Coronavirus – Industry Consultation	Department of Agriculture, Water and the Environment	Next TBC