



# 2020 Report Card



National  
Farmers  
Federation

Leading  
Australian  
Agriculture

**The 2030 Roadmap seeks to transform agriculture into Australia's next \$100 billion industry. The Roadmap was ambitious in 2018 and it remains ambitious now. But the NFF isn't alone in its drive to achieve this goal. The ambition of the 2030 Roadmap has captured the hearts and minds of Australia's farm sector and political leaders, driving the strategic and collaborative approach required to succeed.**

2020 has been a year like no other. From devastating bushfires to a global pandemic, this year has presented more challenges than opportunities for Australian agriculture. The summer bushfires wrought devastation on hundreds of farms, resulting in the death of more than 100,000 head of livestock. Our resilience in the face of the bushfires, the pandemic and trade uncertainty has been a testament to the sophistication of our farm sector. Government and industry leaders have collaborated at a deeper level than ever before to manage dozens of fast-moving issues and minimise the impact on Australian farmers.

Despite its challenges, 2020 has brought tailwinds too. Improved seasonal conditions in many drought-affected areas and a low Australian dollar have played in our favour. Good rainfall in many parts of the country has driven a significant boost in winter crop planting, which will offset weakness in major commodity prices to keep the value of farm output steady at around \$61 billion.

COVID-19 has presented unexpected headwinds that have challenged the agriculture sector—reducing our already scant access to labour and testing our international supply chains as state and national borders snapped shut. These challenges and necessary responses characterise most of the government and industry actions this year.

But taken alone, this year and our actions don't outline our pathway to 2030 and beyond. 2020 is a step in the pathway to our 2030 goal. While not a significant leap forward, we hope it marks a turning point in seasonal conditions while demonstrating the resilience of the fundamentals which will continue to drive our growth.

This Report Card captures our sector's progress in 2020. It celebrates our successes and highlights areas which require greater focus from industry and policymakers. Most importantly, it gauges whether we're on track to meet the aspirations of our 2030 Roadmap.

Consolidating a full year's highlights and activities is an impossible task. Instead, we've attempted to draw out the actions which we believe will have the most tangible impact on our path to 2030. By presenting this Report Card, we intend to maintain focus on the issues that are critical to our industry's long-term success.

We look forward to continuing to lead a conversation about these issues as we enter the final decade of our 2030 Roadmap.



**Fiona Simson**  
President, National Farmers' Federation

**ABOUT OUR COVER.** Christina Kelman and her mum Rita operate an organic vegetable operation in the Sydney Basin. Christina was one of six farmers featured in the #BackOnTrack campaign in September and October, designed to highlight the role the farm sector will play in the nation's COVID-19 recovery. The campaign was part of the NFF's *Telling Our Story* project and speaks to the Roadmap Goal 1.1 for agriculture as Australia's most trusted industry by 2030.



## Pillar 1. Customers and the Value Chain

ASPIRATION	2030 METRIC	2020 OUTCOMES
<p><b>1.1</b> The agricultural value chain has deep engagement with its customers, based on trust and transparency.</p>	<p>Agriculture is ranked Australia's most trusted industry.</p>	<ul style="list-style-type: none"> <li>• <b>NFF reached over 15 million Australians with its broad public campaigns to enhance community awareness of Australian agriculture and its contribution to food security and economic recovery during the COVID-19 pandemic.</b></li> <li>• The Australian Government funds the <i>Kids to Farms Program</i> to provide opportunities for school children to learn about agricultural production, sustainability practices and land stewardship.</li> <li>• Rural RDC <i>Community Trust in Rural Industries</i> program delivers valuable insights to inform cross-industry responses to community concerns.</li> <li>• Department of Agriculture, Water and the Environment developed the <i>National Traceability Framework</i> which delivers system enhancements, whilst reducing regulatory burden. (ACTION 1.1.3)</li> </ul>
<p><b>1.2</b> Our value chain provides a competitive connection to global markets and delivers clear market signals to guide paddock-to-plate investment.</p>	<p>Australia's freight cost per tonne-kilometre is competitive with major agricultural exporting nations.</p>	<ul style="list-style-type: none"> <li>• <b>Agriculture was able to maintain interstate access and transport to ensure food security during COVID-19 border closures.</b></li> <li>• Introduction of the <i>International Freight Assistance Mechanism</i> to ensure Australian exporters can maintain freight during COVID related travel reductions.</li> <li>• The Australian Government competition inquiry into perishable agricultural goods to provide greater fairness with food supply chains.</li> <li>• National Freight and Supply Chain Strategy receives commitment from the Australian Government via National Action Plan contribution (ACTIONS 1.2.2 - 3)</li> <li>• New National Class 1 Agricultural Vehicle Exemption Notice reduces red tape for farmers. (ACTION 1.2.3)</li> <li>• Heavy Vehicle National Law review to inform shift to risk-based regulation. (ACTION 1.2.3)</li> </ul>
<p><b>1.3</b> Australia has world-leading market access, and the capacity to maximise the economic benefits.</p>	<p>A 50% reduction in agriculture exports experiencing non-tariff barriers each year. An average tariff faced by agricultural exports of 5%.</p>	<ul style="list-style-type: none"> <li>• <b>Significant tensions with major trading partners increased uncertainty and created new barriers to trade for Australian produce.</b></li> <li>• The <i>Regional Comprehensive Economic Partnership Agreement</i> signed with provisions made for the eventual inclusion of India.</li> <li>• The <i>Indonesia-Australia Comprehensive Economic Partnership Agreement</i> entered into force on 5 July 2020.</li> <li>• The Australian Government commenced Free Trade Agreement negotiations with the UK.</li> <li>• The Australian Government ended plans to introduce a <i>Biosecurity Imports Levy</i>, with no plan for alternative arrangements to fund system improvements.</li> <li>• The Australian Government announces the <i>Busting Congestion for Agricultural Exporters Package</i>.</li> <li>• Announcement of a new Comprehensive Strategic Partnership with India. Details yet to be determined.</li> </ul>

\*2020 Progress: Indicative progress against expectations for this 12-month reporting period. **1-3:** Below expectation. **4-7:** As expected. **8-10:** Above expectations



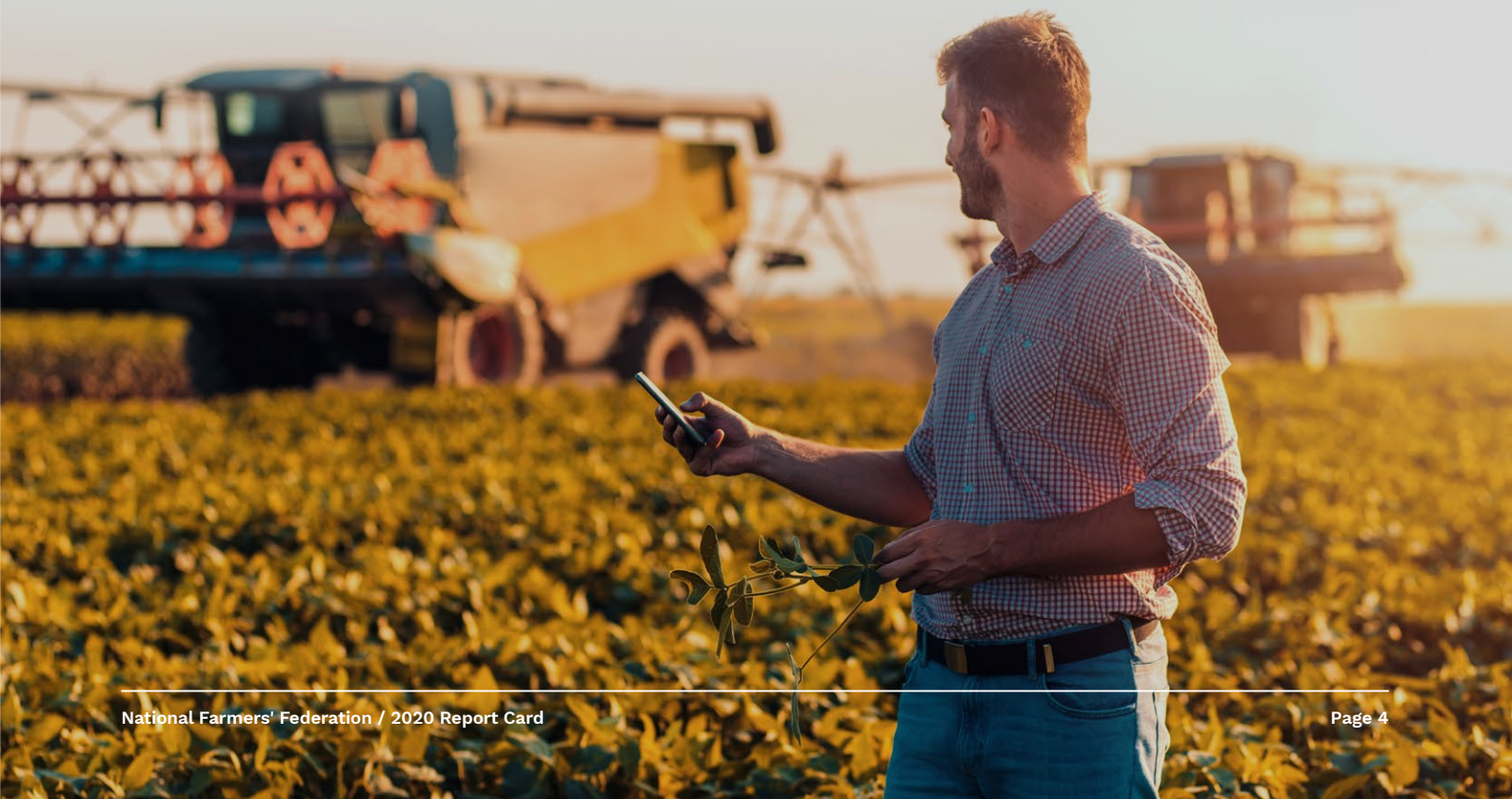
## Pillar 2. Growing Sustainably

ASPIRATION	2030 METRIC	2020 OUTCOMES
<p><b>2.1</b> Farmers continue to embrace sustainable farming methods as part of a coordinated national framework that drives productivity and profitability, while recognising and rewarding environmental stewardship.</p>	<p>The net benefit for ecosystem services is equal to 5% of farm revenue.</p>	<ul style="list-style-type: none"> <li>• <b>Individual commodities continue to progress sustainability frameworks. Commencing development of an Australian Agriculture Sustainability Framework to harmonise and assess new and existing sustainability and environmental services schemes (2.1.1).</b></li> <li>• Phase 1 of the <i>Australian Farm Biodiversity Certification Scheme</i> released, providing clear insight into opportunities for farm businesses.</li> </ul>
<p><b>2.2</b> Australian agriculture has cemented a competitive advantage and productivity gains by embracing a carbon neutral approach.</p>	<p>Australian agriculture is trending towards carbon neutrality by 2030.</p>	<ul style="list-style-type: none"> <li>• <b>Industry supports an economy wide net-zero by 2050 target (provided certain caveats are met).</b></li> <li>• Soil carbon identified as a priority low emissions technology in the Australian Government's <i>Technology Investment Roadmap</i>.</li> <li>• Climate Change Research Strategy for Primary Industries (CCRSPI) collaboration progressing methods for a consistent baseline methodology and cross sector baseline. (ACTION 2.2.2)</li> <li>• Agricultural Innovation Australia Ltd to invest in a multi-year, cross-commodity climate initiative.</li> </ul>
<p><b>2.3</b> Smart water policy has improved the health of our waterways, made our farms more productive, and made our regional communities more resilient.</p>	<p>A 20% increase in water use efficiency for irrigated agriculture by 2030.</p>	<ul style="list-style-type: none"> <li>• <b>Delivery of the <i>Independent assessment of social and economic conditions in the Basin and the Interim ACCC Water Market reports</i>.</b></li> <li>• Industry continues to call for sensible implementation of the Murray Darling Basin Plan, particularly the adoption of Productivity Commission recommendations. (ACTION 2.3.1 - 2)</li> <li>• The Australian Government contributed an extra \$2 billion to the <i>National Water Infrastructure Development Fund</i>.</li> </ul>
<p><b>2.4</b> We have stemmed the loss of productive farmland, improved the health of our landscapes, and brokered lasting co-existence arrangements with other landholders.</p>	<p>Maintain Australia's total farmed area at 2018 levels.</p>	<ul style="list-style-type: none"> <li>• <b>The NFF will develop and test an Agriculture Sustainability Framework to harmonise new and existing sustainability and natural capital verification schemes.</b></li> </ul>
<p><b>2.5</b> Australia has halved food waste, and significantly reduced the number of Australians facing food insecurity - thanks in part to a proactive partnership with the agricultural value chain.</p>	<p>Halve food waste by 2030.</p>	<ul style="list-style-type: none"> <li>• <b>The Australian Government commits \$4 million for seed funding to establish a governance entity to combat food waste.</b></li> <li>• Future Food Systems Cooperative Research Centre established</li> <li>• FIAL have established a National Food Waste Strategy and commenced a Feasibility Study to test if halving food waste is possible and what actions will increase the likelihood of achieving this target.</li> </ul>



## Pillar 3. Unlocking Innovation

ASPIRATION	2030 METRIC	2020 OUTCOMES
<p><b>3.1</b> Public and private R&amp;D efforts work seamlessly to translate world-class research into tools and services which give Australian agriculture a competitive edge.</p>	<p>Australia becomes a Top 20 nation for innovation efficiency.</p>	<ul style="list-style-type: none"> <li>• <b>Establishment of <i>Agricultural Innovation Australia</i> to drive a new cross-industry approach to agricultural research, development and innovation.</b></li> <li>• Commitment of \$86 million for eight Adoption and Innovation Hubs funded under the Future Drought Fund.</li> <li>• Review of Australia's national agricultural and veterinary chemical regulatory system progressed, significant reforms flagged.</li> <li>• Genetically modified crop moratorium lifted in South Australia, improving science-based regulation.</li> </ul>
<p><b>3.2</b> The agricultural value chain is highly digitised, with the benefits of new technology shared fairly among participants.</p>	<p>Every Australian farm has access to infrastructure and skills to connect to the Internet of Things.</p>	<ul style="list-style-type: none"> <li>• <b><i>Regional Tech Hub</i> established to assist farmers and other regional users with connectivity issues.</b></li> <li>• The NFF releases the <i>Farm Data Code</i> – setting standards for the use and management of farm data. (ACTION 3.2.4).</li> <li>• The Australian Government commits to creating a digital strategy for Australian agriculture.</li> <li>• Additional funding allocated to <i>Regional Connectivity Program</i> and <i>Mobile Black Spot Program Round 5A</i> designed to support improved coverage outcomes.</li> </ul>
<p><b>3.3</b> The agricultural value chain has reduced its reliance on fossil fuels, in favour of biofuels and renewable sources of electricity that are affordable and reliable.</p>	<p>Australia's farm energy sources are 50% renewable by 2030.</p>	<ul style="list-style-type: none"> <li>• <b>Hydrogen identified as a priority technology under the Australian Government's <i>Technology Investment Roadmap</i>, offering a potential renewable liquid fuel.</b></li> <li>• The Australian Renewable Energy Agency is developing a Bioenergy Roadmap to inform future investments and policy decisions to support Australia's bioenergy sector.</li> </ul>





## Pillar 4. Capable People, Vibrant Communities

ASPIRATION	2030 METRIC	2020 OUTCOMES
<p><b>4.1</b> There is a clear career pathway to attract workers and develop their skills, with tailored streams for new entrants through to seasoned professionals.</p>	<p>Double the number of tertiary and vocational agriculture graduates by 2030.</p>	<ul style="list-style-type: none"> <li>• <b>Enrolments in agriculture related studies rose by 10.8%, the largest growth experienced by any subject area.</b></li> <li>• The Australian Government's Job Ready Graduates package provides an additional \$400 million in support for regional students and regional universities, including reducing student co-contributions for agriculture related degrees by almost 60%.</li> <li>• The Australian Government will cover 50% of the wage of any new apprentice or trainees (up to \$7,000 per quarter) to 30 September 2021.</li> <li>• The NFF and Skills Impact Australia collaborating to deliver a comprehensive overview of vocational training for the agriculture sector.</li> <li>• The NFF developed a national, cross commodity leadership forum to support emerging leaders in Australian agriculture. (ACTION 4.1.4).</li> </ul>
<p><b>4.2</b> We have robust and sustainable mechanisms to access labour from Australia and around the world.</p>	<p>Increase the available work force by 25%.</p>	<ul style="list-style-type: none"> <li>• <b>COVID-19 restrictions on national and international travel and borders closures place significant pressure on access to agricultural labour and highlight the problem with relying on transient (migrant) labour.</b></li> <li>• The Australian Government commences an industry driven review of the national Industrial Relations framework, with the objective of increasing workforce participation and stamping out exploitation. (ACTION 4.2.2 AND 4.2.4)</li> <li>• The Australian Government offers to reimburse Australians \$6,000 of the cost of relocating to regional areas to experience farm work.</li> <li>• Industry continues to advocate for practical adjustments to agriculture visa programs to provide new opportunities for migration that supports the agriculture sector and regional communities. (ACTION 4.2.3)</li> <li>• <i>Fair Farms</i> initiative adopted by all supermarkets. (ACTION 4.2.4)</li> <li>• A victory for industry in its war on government and regulatory overreach, the Fair Work Ombudsman loses her appeal to the High Court in the Marland Mushrooms case.</li> <li>• The <i>National Agricultural Workforce Strategy</i> is under development by the Australian Government.</li> </ul>
<p><b>4.3</b> A career in Australian agriculture is an accessible aspiration for all.</p>	<p>Achieve gender parity in the agricultural workforce and double the number of women in management roles.</p>	<ul style="list-style-type: none"> <li>• <b>The Department of Agriculture, Water and the Environment achieved an important milestone, with the number of women on agriculture-, fisheries- and forestry-related government boards rising to 50 per cent for the first time.</b></li> <li>• The successful NFF <i>Diversity in Agriculture Leadership Program</i> has now entered in to its third year and boasts an alumnus of 20 skilled, passionate women with a vision for agriculture's future Graduates of the Program have gone on to assume leadership positions on Government and private sector boards. (ACTION 4.3.2)</li> </ul>

ASPIRATION	2030 METRIC	2020 OUTCOMES
<p><b>4.4</b> We live in strong regional communities that are home to: world class education and health facilities; culture and entertainment; and a diverse economy.</p> <p>2020 PROGRESS* &gt;</p>	<p>A mean score of 5 for every Physical Capital sub-measure in the Regional Wellbeing Survey.</p> <p>4</p>	<ul style="list-style-type: none"> <li>• <b>National data from 2020 Regional Wellbeing Survey pending.</b></li> <li>• The Australian Government expanded the office of the National Rural Health Commissioner to include focus on allied health, nursing and Indigenous health.</li> <li>• New Australian Government funding allocated to enhance capacity of regional universities and establish a Regional Education Commissioner.</li> </ul>
<p><b>4.5</b> Australian farms have embraced a culture of safety, dramatically reducing workplace injuries and eliminating on-farm fatalities. A coordinated and mental health of industry effort has improved the physical and mental health of industry participants.</p> <p>2020 PROGRESS* &gt;</p>	<p>Zero farm fatalities. Close the gap between the psychological wellbeing of farmers and the broader community.</p> <p>7</p>	<ul style="list-style-type: none"> <li>• <b>The Department of Agriculture, Water and the Environment provided a National Farm Safety Education Fund grant to revitalise FarmSafe.</b></li> <li>• The Australian Government introduced a new safety standard for quad bikes to improve information for purchasers and reduce injuries and deaths.</li> <li>• Farm injuries and fatalities static year-on-year.</li> </ul>

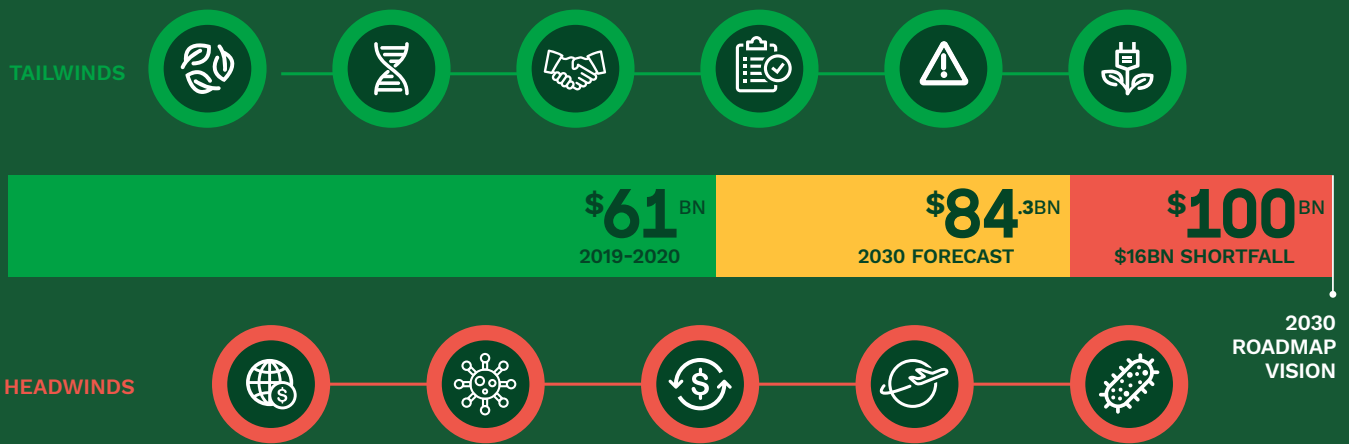
## Pillar 5. Capital and Risk Management

ASPIRATION	2030 METRIC	2020 OUTCOMES
<p><b>5.1</b> Farm businesses have embraced new governance models—helping them better plan for the future, manage risk, and increase profit.</p> <p>2020 PROGRESS* &gt;</p>	<p>90% of family farms have documented business plans, including succession plans.</p> <p>6</p>	<ul style="list-style-type: none"> <li>• <b>The Australian Government announces \$100 million under the Future Drought Fund to boost farm business resilience, including the Farm Business Resilience Program, Drought Resilience Leaders and Networks to Build Drought Resilience.</b></li> <li>• The NFF continues to advocate for financial literacy programs via the National Drought Policy.</li> </ul>
<p><b>5.2</b> Investors are lining up to inject capital into Australia's agricultural businesses, based on demonstrated returns and a supportive policy environment.</p> <p>2020 PROGRESS* &gt;</p>	<p>Year on year increase in equity investment in Australian farm businesses.</p> <p>4</p>	<ul style="list-style-type: none"> <li>• <b>Australian Government changes to FIRB review thresholds provides disincentives for new investment in Australian agriculture.</b></li> <li>• Food and Beverage identified as a national priority in the Australia Government's <i>Modern Manufacturing Strategy</i>.</li> </ul>
<p><b>5.3</b> Innovative tools to reduce the inherent risks of farming are used by every Australian farm business –supported by consistent and well administered government risk management policies.</p> <p>2020 PROGRESS* &gt;</p>	<p>90% of Australia's farmers employing multiple financial tools to manage risk.</p> <p>6</p>	<ul style="list-style-type: none"> <li>• <b>The NFF (in partnership with NSW Government) delivered key research into the viability of insurance and other risk management tools available to farmers.</b></li> <li>• <i>Future Drought Fund</i> projects, including the <i>Drought Resilience Self-Assessment Tool</i> announced with the aim of improving risk management.</li> </ul>

# Where to next?

## Tailwinds

- Agriculture Sustainability Framework will provide a platform to harmonise and assess new and existing sustainability and environmental service schemes.
- Agricultural Innovation Australia to progress much needed climate research.
- European Union-Australia Free Trade Agreement and Australia-UK Free Trade Agreement promises new export opportunities.
- Industry progresses engagement with community and customers.
- Gains made to enhance on-farm safety.
- Significantly better production environment leading to significant production increases across the country.



## Headwinds

- Global market volatility to increase as trade tensions escalate. Increasing competition from developing markets reduces Australia's advantages.
- COVID-19 pandemic will reduce economic success in key premium international markets. Border closures and restrictions on movement affect trade and investment links in the global economy. May lead to a significant upheaval in existing supply chains and markets.
- ABARES price outlooks for several major commodities remain pessimistic for 2021.
- Uncertainty around international travel may lead to ongoing labour shortages for Australian producers.
- Threat of exotic pest and disease incursions continues to escalate, testing border biosecurity systems and putting production and markets at risk.







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