



National
Farmers
Federation

National Farmers' Federation

Submission to the National Drought Agreement Review

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NFF Member Organisations





The National Farmers' Federation (NFF) is the voice of Australian farmers.

The NFF was established in 1979 as the national peak body representing farmers and more broadly, agriculture across Australia. The NFF's membership comprises all of Australia's major agricultural commodities across the breadth and the length of the supply chain.

Operating under a federated structure, individual farmers join their respective state farm organisation and/or national commodity council. These organisations form the NFF.

The NFF represents Australian agriculture on national and foreign policy issues including workplace relations, trade and natural resource management. Our members complement this work through the delivery of direct 'grass roots' member services as well as state-based policy and commodity-specific interests.

Statistics on Australian Agriculture

Australian agriculture makes an important contribution to Australia's social, economic and environmental fabric.

Social >

There are approximately 85,000 farm businesses in Australia, 99 per cent of which are wholly Australian owned and operated.

Economic >

In 2018-19, the agricultural sector, at farm-gate, contributed 1.9 per cent to Australia's total Gross Domestic Product (GDP). The gross value of Australian farm production in 2018-19 is estimated to have reached \$62.2 billion.

Workplace >

The agriculture, forestry and fishing sector employs approximately 318,600 people, including full time (239,100) and part time employees (79,500).

Seasonal conditions affect the sector's capacity to employ. Permanent employment is the main form of employment in the sector, but more than 26 per cent of the employed workforce is casual.

Environmental >

Australian farmers are environmental stewards, owning, managing and caring for 51 per cent of Australia's land mass. Farmers are at the frontline of delivering environmental outcomes on behalf of the Australian community, with 7.4 million hectares of agricultural land set aside by Australian farmers purely for conservation/protection purposes.

In 1989, the National Farmers' Federation together with the Australian Conservation Foundation was pivotal in ensuring that the emerging Landcare movement became a national programme with bipartisan support.

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Executive Summary

The National Farmers' Federation (NFF) welcomes the opportunity to provide a submission to the Department of Agriculture, Water and the Environment (the Department) on the National Drought Agreement Review.

The NFF, the Commonwealth Government and state and territory governments are strongly aligned in the goal to ensure that farmers and farming communities across the country are efficiently and effectively supported in advance, during and post drought events to minimise their triple bottom line impacts.

The National Drought Agreement (NDA) has been a step change in how governments work together to best support Australian farmers during the drought cycle. The next iteration of the NDA has the opportunity to improve mechanisms that will facilitate a truly national approach to drought and ensure that reporting and monitoring is focussed on outcomes for farmers not policy and funding inputs.

Notably, the NFF broadly agrees with the recommendations made in the National Drought Agreement Technical Assessment Report (the Technical Report).

The NFF makes the following recommendations to improve the NDA:

1. Establish cooperation mechanisms to ensure a truly national, complementarity approach to drought policy - The current NDA agreement does not provide a truly national approach to drought policy, instead seeks agreement on drought policies by state and federal governments. The next iteration of the NDA should prescribe agreed cooperation mechanisms, inclusive of local government and non-government stakeholders, which foster shared responsibility and accountability to achieve tangible national drought policy outcomes. The NFF suggests, as an example, that this may be achieved through the establishment of a high-level, multi-stakeholder advisory group and a commitment to future National Drought Forums.
2. Acknowledge the roles and responsibilities of local governments and non-government stakeholders - The NFF seeks that the NDA be amended to acknowledge the key roles and responsibilities of local governments and non-government stakeholders, including industry bodies and associations, farm businesses, local governments, regional communities and charity organisations. The explicit inclusion of such parties would embed the shared responsibility framework being developed by the Department and further encourage cohesion and cooperation in the context of drought policy.
3. Address gaps in monitoring and reporting – The NFF seeks that NDA monitoring and reporting requirements should focus on assessing how input measures (e.g., investment allocated) can be replaced by outcome measures that assess the effectiveness and quality of state and federal government measures in assisting minimise future triple bottom line impacts of drought, including for primary producers. This requires a more independent assessment of drought measures and activities under the NDA.

Introduction

The NFF welcomes the opportunity to provide a submission to the Department of Agriculture, Water and the Environment (the Department) on the National Drought Agreement Review.

Drought resilience, preparedness, and risk management is essential to achieving the sector's ambitious target for a \$100 billion industry by 2030.

Pillar 5 of the NFF 2030 roadmap, on capital and risk management, sets out the industry aspirations and the metrics for success for resilience and preparedness. A key element of this pillar is the development of innovative tools to reduce risk, supported by government risk management policies.

The NFF, the Commonwealth Government and state and territory governments are strongly aligned in the goal to ensure that farmers and farming communities across the country are efficiently and effectively supported in advance, during and post drought events to minimise future triple bottom line impacts of drought.

The NFF acknowledges the important role of the NDA to facilitate the coordination and consistency of drought policy and activity between the Commonwealth, state and territory governments. With this context, the NFF has considerable interest in optimising the content and the structure of the NDA to best support its objectives and achieve outcomes for our industry and our supporting communities.

The NFF broadly agrees with the recommendations made in the Technical Report and has elaborated on recommendations of priority which would substantially improve and strengthen the NDA to better achieve the intended outcomes for Australian farmers and farming communities.

Establish mechanisms for cooperation

In its current form, the NDA does not prescribe mechanisms for cooperation, rather only provides that parties to the agreement will cooperate, facilitate consistency, and ensure the complementarity of drought preparedness, response and recovery.

How Australian governments align and cooperate to navigate and influence a complex policy area is critical to ensuring the success of the agreement's intended outcomes for farmers.

The NFF seeks that the NDA be strengthened by prescribing agreed mechanism(s) that support intergovernmental cooperation and implementation, in alignment with finding 1 of the Technical Report.

While the NDA stipulates arrangements for annual reporting to the Agriculture Senior Officials Committee (AGSOCL) and the Agriculture Ministers' Forum (AGMIN), drought policy is not nationally complementary in practice or process.

This is essential to achieving several of the NDA's current objectives, including the sharing of common sources of data and information across jurisdictions to strengthen policy and business decision making. It is also essential for promoting a culture of continuous improvement, including continuously improving approaches to collaboration, to provision of programs (while ensuring a degree of reliability and predictability), and to reporting of impact reduction outcomes.

The difficulties of cross-jurisdictional cohesion were brought to light through each states' independent response to the COVID-19 pandemic. The review and amendment of the NDA provides a unique opportunity to address such challenges through prescribing agreed mechanisms which foster shared responsibility, accountability, and enable tangible cross-jurisdictional outcomes.

Further, it is critical that local governments and non-government stakeholders play a key role in any agreed cooperation mechanisms, as important contributors to national drought policy through their on-ground action and as the ultimate beneficiaries of the NDA's objectives.

The NFF suggests, as an example, that this may be achieved through the establishment of a high-level advisory group, who meet at least annually, to provide a consistent forum for timely feedback and discussion, enabling collaboration at different levels and program stages, shared expectations, and complementary program and investment planning.

The group should include a representative of:

- The Commonwealth Government;
- Each State and Territory Government;
- The Australian Local Government Association;
- The National Farmers' Federation;
- Each State Farming Organisation; and
- National Rural Community Organisation(s) and Charities.

While the NFF acknowledges the existence of departmental working groups bringing government and non-government stakeholders together on drought, we believe they should be elevated to a ministerial level.

Additionally, the NFF is strongly supportive of a commitment to an annual or biennial National Drought Forum as a component of the NDA. A National Drought Forum provides an opportunity to bring together the wide set of stakeholders involved in drought policy and affected by drought to sense-check responses, suggest new approaches, and provide another channel for meaningful insights to continually improve national drought policy.

The 2021 Forum was a meaningful industry engagement exercise and provided key stakeholders with a valuable opportunity to engage with national drought policy initiatives. In any future forum, the NFF would seek greater opportunity for strategic, targeted discussion and data sharing, with aim to capture stakeholder feedback and review NDA-led progress and programs. We would further seek that the Forum be developed with significant input from industry stakeholders and state and local governments.

Acknowledge roles and responsibilities of local governments and non-government stakeholders

The NFF seeks that the NDA to be amended to clearly acknowledge the key roles and responsibilities of local governments and non-government stakeholders, in alignment with the NDA objective outlined in section 7b.

We suggest that the explicit inclusion and acknowledgment of such parties would embed the shared responsibility framework being developed by the Department and further encourage cohesion and cooperation in the context of drought policy. This is not to say that local governments and non-government stakeholders should be signatories to the agreement, but rather be recognised in the NDA as important contributors and beneficiaries with shared responsibility in the achievement of national drought policy outcomes. It is particularly critical to this point that the roles and responsibilities of farmers, landholders and farm businesses in drought preparedness, response and recovery actions are recognised by the NDA. Further, acknowledgement of shared responsibility should also seek to further define and delineate between the responsibilities of different levels of government.

The NFF's National Drought Policy Position provides explicit roles and responsibilities for government and non-government stakeholders, and we have been supporting the Department's work in creating a balanced, shared responsibility framework for the drought cycle.

Additionally, the NDA should explicitly recognise the intersectionality of drought policy. Drought policy cannot be considered in isolation from broader policies that impact on the ability of farmers and rural communities to build profitable and sustainable farming businesses and, in turn, resilient rural communities and a strong agriculture sector. These include climate change, water, natural resource management, taxation, animal welfare, regional development policies, and improving outcomes for Aboriginal and Torres Strait Islander people.

Address gaps in monitoring and reporting

The NFF is supportive of the current NDA provisions pertaining to monitoring and reporting. The NFF acknowledges the thorough Annual Reporting process undertaken by the Department to track governments' drought-related investment and delivery activities against their roles and responsibilities under the NDA broadly. We suggest improvements to this process must focus on assessing how input measures (e.g., investment allocated) can be replaced by outcome measures that assess the effectiveness and quality of state and federal government measures, namely to minimise future triple bottom line impacts of drought for primary producers.

A focus on outcomes and effectiveness will require a more independent assessment of drought measures and activities under the NDA. As previously noted, the establishment of a high-level advisory group which includes representation from industry, rural and regional communities, federal, state and territory, and local governments, would provide a valuable mechanism to facilitate monitoring and reporting of the NDA, including assessments on effectiveness and improving outcomes.

Should you have any questions please contact Charlotte Wundersitz, Policy Officer (Trade and Economics) on 02 6269 5666 or via e-mail: cwundersitz@nff.org.au.

Yours sincerely



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