

National Farmers Federation

National Farmers' Federation

Submission to review of the Australian Government's Drought Response, Resilience and Preparedness Plan

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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 2020-21, the gross value of Australian agriculture was estimated to be \$71 billion and contributed 1.9 per cent to Australia's total Gross Domestic Product (GDP).

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, Fisheries and Forestry ('*DAFF*') to inform the review of the Australian Government's Drought Response, Resilience and Preparedness Plan ('*Drought Plan*') with the aim of developing a new Drought Plan.

The NFF and the Commonwealth Government are strongly aligned in the goal to ensure that farmers and regional 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 makes the following recommendations to improve the Drought Plan's ability to facilitate expectations, understanding, awareness and transparency as to the Australian Government's role throughout the drought cycle.

Firstly, the complexity and substantive detail of the Drought Plan should be targeted at policy and industry stakeholders, acknowledging that farmers and regional communities are most likely to engage with the content of the Plan through external information conduits and program structuring.

The NFF recommends the Plan should include:

- expanded roles and responsibilities of stakeholders and contributors to national drought policy, as defined by the National Drought Agreement (*NDA*'). We refer the Department to the NFF's submission to the NDA Review;
- explicit prioritisation of a national and collaborative approach to drought preparedness, response, and recovery, such as acknowledging the role and objectives of the NDA;
- clear and detailed enunciation of the Government's intentions and resourcing, inclusive of any relevant trigger points, requisite eligibility requirements and timelines for support measures. This should extend to include both what is, and what is not, the role of the Government throughout various elements of the drought cycle;
- a clearer identification of the range of needs of those affected by drought and a description of how the current suite of programs support meeting those identified needs; and
- practical metrics to define and measure success. Defining metrics for success is critical to ensuring Government support achieves real outcomes for Australian farmers and regional communities, and more broadly the Australian economy. Metrics should be applied to the Plan holistically, in addition to individual funding streams and programs. This will also enable independent evaluation of value for money and data-based program adjustments.

Finally, meaningful and consistent engagement, collaboration and feedback with impacted stakeholders and agricultural policy specialists is critical to ensuring the Drought Plan's relevance, agility and profile across the drought cycle. The NFF recommends this be achieved through leveraging the networks of industry associations, and prescribing elevated, formal engagement mechanisms as a component of the Plan's governance and evaluation commitments. 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.

Introduction

The NFF welcomes the opportunity to provide a submission to DAFF's review of the Australian Government's Drought Response, Resilience and Preparedness Plan (*'Drought Plan'*), with the aim of developing a new Drought Plan.

Drought is an inevitable part of Australia's landscape and managing drought is a recurring feature of Australian agriculture. 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, facilitated by supportive government risk management policies.

The NFF and the Commonwealth Government are strongly aligned in the goal to ensure that farmers and farming communities across the country are effectively and efficiently supported in advance of, during and post drought events to minimise future triple bottom line impacts of drought. The NFF acknowledges the Government's strong commitment to facilitate and encourage preparedness to address a range of climate change related risks including drought, and to provide an effective safety net to assist Australian farmers and regional communities.

The NFF has significant interest in ensuring the new Drought Plan adequately informs industry's expectations as to what is, and what is not, the role and responsibility of the Federal Government prior to, during, and in recovery from drought. Additionally, the NFF supports optimising the content of the Drought Plan to best sustain its objectives and achieve outcomes for our industry and regional communities.

We note the current Drought Plan includes content from the National Drought Agreement, namely the NDA objectives, the role of the Australian Government, states and territories, and industry, and components of the shared roles and responsibilities framework. We refer DAFF to recommendations made in the <u>NFF's</u> <u>submission to the National Drought Agreement Review 2022</u> ('*NFF's submission to the NDA Review'*) to inform and improve this content.

The NFF makes the following recommendations to improve the Drought Plan.

1. How would you use the Australian Government Drought Plan?

The Drought Plan is utilised by Australian farmers, the agricultural industry and regional communities to the extent that it sufficiently defines the role and expectations of the Australian Government throughout the drought cycle.

Farmers are most likely to engage with the Drought Plan content through information conduits such as industry bodies, government agencies, local governments, or broader community discussion. Naturally, farmers in drought affected communities will have an increased awareness of the Drought Plan's content pertaining to federal government support measures. With this context, the complexity and substantive detail of the Drought Plan should be primarily targeted at policy and industry stakeholders.

The NFF utilise the Drought Plan to understand the Government's thinking and approach, to facilitate and inform industry's expectations and understanding of the support measures available to farmers and supporting communities throughout the drought cycle and will continue to work with the Government to ensure effective drought support outcomes.

2. What are the key things you want to see in the Plan?

The NFF is supportive of the Government's commitment to facilitate and encourage preparedness to address a range of climate risks including drought.

The Intergovernmental Panel on Climate Change (2022) supports that climate change, including increases in the frequency and intensity of extremes, has reduced food and water security.¹ As Australia's weather and climate continues to change in response to a warming global climate, droughts are forecast to become more frequent, severe, and longer lasting in many regions.² The NFF strongly supports the Government's commitment to maintain an effective safety net to assist farmers and regional communities, recognising that preparedness alone is not always enough.

Key aspects of the current Drought Plan include immediate action for those in drought, support for wider communities affected by drought, long-term resilience and preparedness measures, and governance, evaluation and review provisions.

The NFF considers it essential that the new Drought Plan include the following aspects as a component of, or in addition to, the above sections:

• expanded roles and responsibilities of stakeholders and contributors to national drought policy, as defined by the National Drought Agreement ('NDA'). We refer DAFF to the NFF's submission to the NDA Review;

¹ IPCC, Summary for Policymakers (2022).

² CSIRO, State of the Climate 2020 (2020).

- explicit prioritisation of a national and collaborative approach to drought preparedness, response, and recovery, such as acknowledging the role and objectives of the NDA;
- clear and detailed enunciation of the Government's intentions and resourcing, inclusive of any relevant trigger points, requisite eligibility criteria and timelines for support measures, to increase transparency and clarity. This should extend to include both what is, and what is not, the role of the Government throughout various elements of the drought cycle;
- a clearer identification of the range of needs of those affected by drought and a description of how the current suite of programs support meeting those identified needs;
- practical performance metrics to define objectives, define success and inform monitoring and evaluation processes; and
- elevated, formal mechanisms to ensure consistent and timely industry engagement as a component of the Plan's governance and evaluation commitments.

3. How can the Plan best be made easy for a range of audiences to understand?

The best time to discuss, debate and prepare for drought is in good seasons. The Government must encourage proactive discussion and drought preparedness while farm businesses have the want, time and means to implement drought resilience practices. The NFF welcomes the Government's focus on preparedness.

The Government must focus on effective communication with producers and regional communities through trusted, regular channels to ensure meaningful engagement with these audiences.

Industry associations are best placed to support government communications to producers and regional communities. Producers regularly interact with industry associations as part of their everyday activities and take up information that is distributed through their communication networks. This model should be used for communications campaigns that support awareness and action to increase drought preparedness.

The development of FarmHub is a key example. The NFF worked with the Department of Agriculture and Water Resources in 2018 to develop and implement FarmHub, a one-stop-shop for assistance and support available for producers during the drought. As an industry developed and branded tool, FarmHub saw a significant increase in awareness of available programs and subsequent uptake. This uptake was due to FarmHub's position as an industry-led project, trusted by producers to provide accurate and timely information.

Government should support a similar, industry-led approach to increasing awareness of the Drought Plan. The Australian Government should partner with the NFF and other industry bodies to improve understanding of the plan and awareness of policies that support on-the-ground preparedness, in-drought relief, and recovery. Proactive engagement with producers is essential to drive early uptake of practices and operational decisions that increase drought preparedness.

Government and industry should work collaboratively as part of the development and implementation of the Drought Plan. This collaboration, including shared communications activities, will drive awareness of drought support measures as a fundamental component of increasing drought preparedness. Through a long-term communications and engagement program, government and industry can link their networks to ensure a broader reach and more effective communications spending.

Supporting an industry-led approach to drought communications will see positive outcomes for producers, regional communities, and government, as they will be better placed to respond when the impact of drought starts to hit. This engagement will support the effective use of government support measures and increase the uptake of on-farm practices which foster preparedness, relief and recovery efforts. This will see greater resilience and agility during and beyond times of drought.

4. How should the Plan recognise key players' contributions to helping farmers and communities prepare for, manage through, and recover from drought?

The <u>NFF's National Drought Policy Position</u> provides explicit recognition of the contribution of government and non-government stakeholders to helping farmers and communities prepare for, manage through, and recover from drought.

The NFF recommends the Drought Plan be informed by the current review of the NDA and similarly acknowledge the roles and responsibilities of local governments and non-government stakeholders. We again refer the Government to the NFF's submission to the NDA Review. We additionally note the Drought Plan Review Discussion Paper's ('*Discussion Paper's*') valuable identification of additional contributors supporting farmers and communities throughout the drought cycle, including for example the role of banking and professional service sectors, charities, local community organisations and other not-for-profits. Effective alignment of effort across these groups is essential.

As noted in the Discussion Paper, the Drought Plan should recognise the intersectionality of drought policy, particularly given the Plan's focus on building the resilience and preparedness of farming communities in light of climate change. Connected policy areas include climate change, water, natural resource management, taxation, animal welfare, regional development policies, and improving outcomes for Aboriginal and Torres Strait Islander people.

Recognition of key players' contributions to drought support and the intersectionality of drought policy is undoubtedly important. However, the drought policy ecosystem is already complex and saturated, as evidenced by the original need for national cooperation facilitated by the NDA. Duplication of the NDA or

Shared Responsibility Framework without purpose, or additional or differential value, should be minimised.

5. Are you comfortable with the Plan including high-level descriptions of key support streams and weblinks for those seeking further information, rather than detailed descriptions of individual programs?

The NFF strongly advises that the new Drought Plan should include detailed descriptions of key support streams and individual programs.

The primary purpose and key relevance of the Drought Plan document is to articulate the Government's drought support commitments. The addition of this detail is what differentiates the Drought Plan from being a reiteration of the NDA.

Section 2 describes the NFF's recommendations as to the broad elements for inclusion in the new Drought Plan. Section 7 defines specific policy details which the NFF suggests would assist to clearly explain the Government's new Drought Plan and increase transparency for farmers and regional communities.

6. Are there other practical ways the government can ensure the Plan stays relevant over time and across the drought cycle?

Meaningful and consistent engagement, collaboration and feedback is critical to ensuring the Drought Plan's relevance and agility across the drought cycle.

As referenced in the NFF's submission to the NDA Review, we suggest 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. This commitment should be reinforced through the new Drought Plan.

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 both NDA and Drought Plan led progress and programs. We would further seek that the Forum be developed with significant input from industry stakeholders and state and local governments.

7. How would you like the Plan to clearly explain the government's drought policy? What policy details do you want to see in the Plan?

The NFF strongly supports the Government's Drought Policy Position as provided in the Discussion Paper. We welcome further explanation of the logical foundation of the Government's drought-related decision-making to foster additional clarity and transparency.

However, the primary concern of the NFF is that the new Drought Plan provides sufficient detail of funding streams and programs. More substantive detail would assist to better explain the parameters and prerequisites of the Government's drought funding and program commitments. Detail is essential to ensuring transparency, accountability, and industry's confidence in support measures broadly.

We note the current Drought Plan includes the following program details:

- summary of program purpose and objective(s);
- total expenditure or allocated resourcing figure;
- retrospective updates to resourcing; and
- year of implementation and, in some cases, approximate program timelines.

The NFF recommends funding streams and programs contained in the new Drought Plan additionally include:

- expanded detail surrounding items listed in section 2;
- clear enunciation of expenditure and resourcing commitments;
- requisite circumstances and trigger points for intervention;
- scope and limitations of assistance measures (e.g. delineation of when and why the Government will not intervene);

- program timeframes;
- prescriptive, practical metrics to both define and measure programs' success (see section 9);
- avenues and timelines for monitoring and evaluation, with the objective to ensure feedback leads to the timely and agile adjustment of programs.

8. How would you like to see the Plan give greater transparency about how and when government will respond across the drought cycle?

The implementation of the NFF's recommendations as to additional and expanded policy detail will give greater transparency as to how, when and the degree to which the Government will respond across the drought cycle.

Refer to recommendations listed in sections 2 and 7.

9. What practical metrics would you like to see the government report on to demonstrate drought policy is achieving its aims, and achieving outcomes for farmers and regional communities?

The NFF strongly supports the inclusion of prescriptive, practical metrics to both define and measure success in the new Drought Plan.

Performance metrics are limited in Australia's drought policy ecosystem. Defining metrics for success is critical to ensuring the Government achieves outcomes for Australian farmers and regional communities. Additionally, defined metrics ensure effective monitoring and reporting against objectives, and enable a robust assessment of whether programs are achieving sufficient value for money. Practical metrics would enable data-based program adjustments to be made in a timely and agile manner, and as such programs may achieve a greater and more effective impact in a shorter timeframe.

The NFF acknowledges the Annual Reporting process undertaken by the Department to track governments' drought-related investment and delivery activities against their roles and responsibilities under the NDA and Drought Plan. However, current reviews and reporting seem to start and stop with investment allocated, rather than strategically and practically assessing effectiveness and success.

As an example, the NFF recently engaged with the review of the Drought Resilience Self-Assessment Tool (DR.SAT), an initiative funded by the Future Drought Fund under the current Drought Plan. The assessment was qualitative and there was no apparent defined metrics for success. This makes it difficult to accurately gauge the impact and effectiveness of the tool, and equally difficult to assess it in terms of value for money against the original funding objectives. Practical metrics may be as simple as the number of farmers or industry members engaged or include farm and advisory network surveys and net promoter scores. For the DR.SAT this may have included, for example, *x* number of farmers and agricultural industry stakeholders have utilised the tool, *x* per cent intend to recommend to others, and *x* per cent intend to continue to rely on the tool as part of their ongoing agronomic advice.

Ideally, metrics would seek to assess the usefulness, effectiveness, and relevance of the program, in addition to the longer-term impact on farm businesses' preparedness, resilience and ability to respond to drought. Naturally, any metric collection methodology should also seek to capture stakeholder recommended improvements for timely analysis and program adjustment purposes.

The NFF recommends that program specific outcome metrics should be collated to assess the effectiveness of the Drought Plan holistically in assisting farmers and regional communities to minimise future, current, or continued triple bottom line impacts of drought. We do appreciate the challenge of developing useful metrics that monitor on-farm outcomes resulting from national programs, however, reiterate the importance of a robust baseline to isolate, compare and improve intervention outcomes. A focus on outcomes and effectiveness will require a more independent assessment of the Drought Plan, measures and activities.

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 Drought Plan, including assessments of effectiveness and improving outcomes. We suggest a subordinate working group may be utilised to discuss technical metrics for support measures, including for example the NFF, NFF member organisations, senior government department officials, and rural and community group representatives.

The NFF thanks the Department for the opportunity to provide feedback to the review of the Australian Government's Drought Plan. Should you have any questions please contact Charlotte Wundersitz, Policy Officer (Trade and Economics) on 02 6269 5666 or via e-mail: <u>cwundersitz@nff.org.au</u>.

Yours sincerely,

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