

26 October 2023

New President's Address | NFF National Conference David Jochinke

Good morning. I'd like to begin by acknowledging the Ngunnawal people, the traditional custodians of the land on which we gather today. And can I just thank Serena Williams for that fantastic welcome to country we heard earlier. The NFF has made it clear that we want to forge stronger links with first nations communities given the many shared challenges we face as rural landholders, as farmers and as rural, regional and remote Australians, and I look forward to continuing that important work as I take on the role of NFF President.

I'd also like to acknowledge and welcome all of you to this year's NFF National Conference. The next two days are an opportunity to have important conversations about the future of our industry. And I acknowledge that so many of you have travelled immense distances to be here and take part in this discussion. I know that Canberra is not the easiest meeting point for those who've travelled from all over Australia, but we think it's critical – now more than ever – to bring farmers to where the decisions are being made here in the nation's capital.

I'd like to acknowledge Minister for Agriculture, Fisheries and Forestry, the Hon Murray Watt. I'm looking forward to establishing a productive working relationship with you and your ministerial colleagues, characterised by honesty, frankness, and a shared desire to achieve good things for our sector.

Becoming the NFF President

I'm incredibly humbled to be standing here having been elected as the President of the National Farmers' Federation.

I want to thank the NFF members for granting me this privilege, and trusting me to represent their interests.

I recognise the big shoes I have to fill, and want to pay tribute to Fiona Simson for her service to the NFF and our sector in her 6.5 years in the role.



Fiona has redefined this role with her trademark passion and charm, her ability to bring people along with her, and to speak persuasively about complex issues to farmers and non-farmers alike.

She leaves the role having put the NFF on a far stronger footing to serve its members and farmers across Australia. I passionately believe that a strong NFF is critical to a strong farm sector, and I thank Fiona – along with Tony and his team – for the work they've done to grow and strengthen the organisation over recent years.

The outlook for Australian farming

There has possibly never been a more important moment for NFF to be fighting fit, and to provide strong and inclusive leadership on behalf of its members and the farm sector.

Right now, we're staring down the next dry spell, and for many farmers the next drought has very much arrived. We're seeing farmers who restocked only a few short years ago – having paid record prices at the time – now unable to offload sheep for cents in the dollar... in some cases even offering them up for free.

We enter this next dry period with very different business fundamentals. Farm debt continues to surpass record levels. The interest on that debt is 3-4 times what it was only 2 years ago. And input costs have soared on everything from fuel to electricity, fertiliser, to chemicals and machinery.

That all means that when crops fail, we're taking a larger financial hit. It means we need to be more prepared than ever before. And we're going to need a more effective partnership between industry, Government, banks and support services than ever before.

If what we're seeing is the start of a serious downturn, I'm confident that farmers and their communities will see this through the same way we saw off the last drought and the ones before it. We'll do that by having each other's back, putting our hand up when we need help, and making the smart and difficult decisions early for the sustainability of our businesses.

We're losing the war on hunger

What concerns me though as I take on this role, is not just the deteriorating climate and market conditions, but the declining policy environment we face



as farmers. We can't control the weather. We can't control commodity prices. But Governments <u>are</u> responsible for the decisions they make, and the way they impact our industry's future.

Right now, we're facing an avalanche of bad ideas, that if seen through will see farmers walk off the land, and indeed see entire industries closed for no good reason.

These policies will see farmers grow less tomorrow than they do today. That's a remarkable agenda for a government to have in the current environment.

Yes, of course, we know that Australia is one of the most food secure nations on earth. But that doesn't mean we can take the work of our farm sector for granted.

We are starting to see the cracks in our food system. Starting with COVID we saw bare supermarket shelves for the first time in many people's lives. And we've seen that repeated since with weather extremes and supply chain failures. Even just in the past week with industrial action in the dairy sector.

And we know the pressures of food insecurity and affordability are already biting Australian households. Foodbank's Hunger Report released just this week found 3.7 million households are facing food insecurity right now. That's a 10% increase in just one year, and it's now more than the number of households in Sydney and Melbourne combined.

Poll after poll shows that cost of living pressures, and grocery prices in particular, are the most pressing political concern for Australians.

And that's the situation in a prosperous advanced economy like Australia. Zoom out to the global level and the crisis in our food system is more grave.

This year 345 million people will face food insecurity. That number has more than doubled since 2020. The statistics show we are losing the war on hunger, both here and overseas.

That's the situation in the here and now. But as farmers, we make our living by looking ahead, with a multi-season and multi-generational outlook.





The long-term outlook is challenging. We're facing a future of greater climate volatility where we'll need to pull every lever available to us just to maintain current levels of productivity.

And we'll be servicing a far greater population than we are today. By the middle of this century, we'll have another 2 billion people on the planet to feed and clothe. 10 million of those will live right here in Australia.

I truly believe that we can meet this surging demand, even in the face of climate change. We'll do that in the same way we've always managed to keep pace with population growth: by investing in new scientific breakthroughs that allow us to grow more with less.

But we can't tackle these challenges with one arm tied behind our back. The work to meet this demand has to start now. And that starts by ensuring that Governments have food and fibre production as a core strategic priority, rather than letting it languish as the poor cousin of other more fashionable agendas.

The deteriorating policy environment

Unfortunately, as I assess where things stand as I take on this role, it's clear that food and fibre production, and squaring up to these future challenges is not a central priority for the current Federal Government.

What we're seeing instead is a rapid decline in the policy environment for farmers. In some cases, this is through a lack of awareness or understanding of our sector. In other cases, we're seeing the Government actively pursue a niche ideological agenda at the expense of farmers, and against our clear advice.

Let me illustrate with a few examples...

Water Buybacks

Right now, laws are before parliament that would fundamentally rewrite the Murray Darling Basin Plan. The proposal would tear up a deal that was agreed to by environmental experts and communities.

The Basin Plan was always a careful balance between what the environment needed and what communities could withstand.





That original plan guaranteed sufficient water for the environment, while taking communities to the very precipice of their socio-economic limits. Through painstaking consultation, limits and protections were included to ensure communities were never pushed all the way over that precipice.

On the basis of those protections, both major political parties, the NFF, state governments, the environment movement and countless experts backed the deal.

Now, without consultation, without bipartisan support, and without the support of all Basin states, the Federal Government wants to tear up that deal – and with it, the fragile consensus that has survived against the odds for over a decade.

They want to remove every last protection that would limit community impacts - unlocking buybacks at a scale never anticipated or allowable under the original plan. They want to buy back water that their own Labor Water Minister at the time said categorically would never be bought.

Communities were told there would be a price, and they agreed to pay it for the greater good. They <u>did</u> pay it for the greater good. They endured the pain of buybacks thinking they'd do their part and be done.

This trust has been broken, our trust has been broken. To turn around now and up the price after we backed the plan in good faith is reprehensible. The Minister's actions will wind back the clock on trust between farmers, environment groups and government by a generation.

And it's the motives here that are most galling. This is not about the health of the river, it's about politics.

If it was about the health of the river, the Minister would have taken the time to assess the alternative proposals she herself asked for – which could more than complete the plan without buying back a single drop. More time needs to be provided to complete the plan so we don't have these harmful outcomes.

If it was about the health of the river, we'd be seriously exploring smarter ways to achieve better environmental outcomes by directly investing in the health of these ecosystems. Things like fish breeding programs, carp eradication, bank restoration... the list goes on.



These proven pathways, developed by experts and people with first- hand knowledge of the river, are being ignored in favour of an easy political win.

Rather than working with local knowledge-holders, they're trying to bulldoze through with a plan that will shut down farms, destroy jobs and increase the price of food.

And make no mistake, the 100% buybacks approach enabled by this rewrite will cost us all dearly. 1,500 jobs in small basin communities. Not just in farming, but in food processing, transport, and local trades.

\$855 million will be <u>wiped</u> from farm production. Not just this year or next year, but every single year from here to eternity. Because once that water is taken, it doesn't come back. Once you shut down an irrigation farm, it doesn't come back. That's 1% of our industry value gone, and never coming back.

It seems unlikely that the Minister's mind is for changing. Our fate now rests in the Senate, with senators Pocock, Lambie, Tyrell, Van, Thorpe, Babet, Hanson and Roberts.

Our message to these senators is simple: you hold the hose on this one, and you need to ask the right questions.

Questions like:

- Why has the Minister, by her own admission, not assessed the alternatives to buybacks?
- Why have communities not been consulted once on these changes?
- If buybacks are only one of the measures the Government will pursue, why does this bill allow for 100% buybacks?
- Why has there been no regulatory impact assessment?
- And why won't you say what support will be given to communities?

In the absence of these answers, the only sensible way to vote is 'no' – which will force the Government back to the table to restore consensus around the plan.

Access to Farmland



The next example is our fight on several fronts to protect Australia's farmland.

Despite being a big country, Australia has a comparatively small amount of highly productive farmland.

Over the past 30 years, Australia has lost over 15% of its farmland. It's been slowly whittled away – often for understandable reasons like expanding the environmental estate, or housing a growing population. Rarely is this land sacrificed with any strategic forethought or discussion about its value in meeting our future food and fibre needs.

This loss of farmland isn't abating. Our most precious and productive food bowls are under sustained pressure - from energy developments, urban sprawl and regulations that prevent primary production.

Over the next 30 years, we can't afford to lose another 15% if we're to feed a growing population here and abroad in a changing climate.

That's why we're looking closely at the climate and energy transition, and the impact this will have on our farmland.

The impacts of renewable energy projects and transmission infrastructure are already being felt. Overzealous energy companies have divided farms and divided communities without genuine early engagement and a clear strategy for projects to benefit the community, and we're really only in the early days of our farms playing host to Australia's new wiring.

We've said consistently, that while land access laws are set at the state level, the Federal Government with its *Rewiring the Nation* policy and 10,000kms of transmission infrastructure that will follow, has an obligation to ensure farmers are treated fairly.

We cannot continue with the situation where a huge power imbalance puts all the control in the hands of transmission companies, and farmers aren't able to have their say on design decisions that could make or break their farming operations.

If farmers are voiceless in the energy transition, we'll get rock bottom outcomes for agricultural productivity.





Same goes for the climate transition. Our farms are the 'net' in the Government's net zero plan. Offsets from farmland are once again forecast to represent the lion's share of Australia's climate action.

But we need to ensure this is done responsibly, with projects led by farmers who are given the skills and support needed to participate in carbon markets in a way that complements their food and fibre production.

This is not about opposing the climate and energy transition. We remain committed to a low emissions future, and we know farmers have a role to play. But it's about managing this responsibly in a way that balances the need to act on climate change, with the need to feed and clothe our population.

But the imposts on Australia's farmland aren't just physical. You don't need to build a power line or fence land off for carbon offsets to take it out of production. We're equally worried about the regulatory imposts.

Right now, the Government is progressing significant reforms to Australia's environment laws. Done well, this could maintain environmental outcomes while delivering clearer and simpler rules for landholders.

Done poorly, it could effectively prohibit sustainable food and fibre production on vast swathes of Australia's farmland.

We need government to acknowledge that the worst instincts of the environment movement – to lock up land and deprive it of active management – are out of touch with reality.

Those of us who work and care for the land know that it's not static. Our landscapes have been actively managed for thousands of years, and now have the added complexity of introduced and invasive species.

There is a real risk that if the Government takes the wrong advice, we'll end up with a situation where farmers are unable to control the march of invasive species into farmland for fear of prosecution under Federal Environment laws – further eroding our access to productive farmland.

That's not to mention the implementation of Federal cultural heritage reform or the Agriculture and Land Sectoral Climate Plan – all of which need to be executed with farm productivity in mind.





We need to tread carefully to ensure we don't lose another 15% of our farmland in the coming 30 years.

Access to workers

So we're losing access to water, we're losing access to land, but we're also losing access to workers.

Australia continues to face a chronic shortage of workers across the food supply chain.

This crisis in our workforce is reducing the amount of food we grow and process here in Australia, with farmers choosing not to plant crops, and processors unable to keep up with demand.

Recent data from AusVeg found that workforce challenges had 1 in 3 vegetable growers considering leaving the industry.

Like every advanced economy, we rely heavily on visiting workers to meet these gaps. We always have, and we likely always will.

The NFF fought long and hard through half a decade of delays and broken promises to finally achieve a dedicated Agriculture Visa under the last government. This was a huge milestone, not just in providing a pathway to bring willing workers to Australia, but in providing a pathway with in-built protections to keep them safe and ensure they had a great experience.

Anyone who has followed this will know how disappointed we were when the current government decided it would scrap that visa. But we were promised, in their words 'something better'.

What we've had instead has been a slashing of visa pathways for people to live and work in regional Australia. From union-driven changes to lock farmers out of the Pacific Scheme, to changes to skilled migration and student visa working hours. We've now entered our last 12 months where British backpackers can extend their visas through specified work in regional jobs, and the very real threat that regional work as part of the working holidaymaker scheme will be cut altogether in response to the Migration Review.





At the same time, we're pushing back on complex new workplace laws currently before Parliament – making it harder for small family businesses to put on staff.

We know that access to workers is one of the key handbrakes on our growth. In our recent survey, 9 in 10 farmers said they'd put on at least one more worker if hiring conditions were improved.

It's also responsible for bottlenecks in our supply chain. The throttling of processing capacity due to worker availability is just one of the factors fuelling a startling drop in livestock prices.

The question is how do we fill these jobs and create new jobs as we grow our industry to meet current and future demand?

The answer is we need purpose-built solutions to address the farm workforce crisis, and provide farmers with the help they need to put food on the shelves.

Access to markets

Without access to fair markets we simply can't make a fair return.

Australia has one of the most tightly consolidated food supply chains on the planet – dominated by only a handful of supermarkets, processors and input companies.

This pits small family-run farms against some of Australia's largest corporate giants.

Farmers receive a fraction of what consumers pay at the checkout, and who pockets that money in the middle is hidden from view. We recently asked 1,600 farmers across Australia what was keeping them awake at night and this shone through as their number one frustration.

We need a shakeup of Australia's competition laws to secure a fairer deal for farmers and consumers. This is one area where we can congratulate the Government for taking a positive first step, with the establishment of a review of competition laws.





To be meaningful, this review needs to result in tougher laws for unfair practices, limits on further consolidation in our supply chains, and more transparency on who is clipping the ticket on people's grocery bill.

But through other policies we're losing access to markets altogether. I'm talking about the astonishing decision to phase out Australia's live sheep trade.

Australia's live export trade is the world's best and most closely regulated. Having embraced wide-ranging reform, it now exceeds science-based welfare targets and is unrecognisable from the industry which made headlines a decade ago.

Shutting down an industry that has gone above and beyond to meet community expectations is fundamentally bad policy and a terrifying precedent. That's why you've seen every NFF member organisation taking a clear stance and labelling this a red line issue for the sector.

The question for farmers - whether they're involved in live export or not - is this: if this government is willing to shut down an industry on the basis of a discredited activist campaign: who's next?

This shocking decision risks soiling Australia's reputation as a trusted food security partner, and further testing our friendships in the Middle East. The Middle East is a region with huge promise for Australia – within and beyond agriculture – as we look to diversify our trade and investment partnerships.

But we've heard these countries speak up on the live sheep ban, and it's clear that we're sleepwalking into another diplomatic setback, just as the 2011 cattle decision was with Indonesia.

Importantly, this will be a devastating blow for animal welfare, as Australia makes way for competitors with no regulation of their welfare practices.

This policy will have us vacate the field.

We'll bring home the vets on our export vessels, and wind up our investment in uplifting welfare practices. The live export of sheep to these countries won't stop, they've made that clear. But the gold standard welfare outcomes for the sheep sent to those countries <u>will</u> change, because they won't be sent from Australia.





This policy has already spooked markets and devastated livelihoods in farming communities across Australia. And we're only just seeing the beginning.

The end result could well be the end of the wool industry in WA, and the exodus of the shearers, transporters, stock agents and their families who make up those farming communities.

Keep Farmers Farming

We cannot stand by and watch a government slowly erode the basic foundations of our farm sector. If we do nothing, the next 3-6 months will see decisions made which will reduce our access to farmland, to water, to workers and to overseas markets.

We need to make ourselves incredibly clear that these are bad ideas that will ultimately drive farmers out of business, harm rural communities and push up the cost of living for everyday Australians.

That's why today we're kicking off the Keep Farmers Farming campaign. Developed and funded in partnership with our member organisations, Keep Farmers Farming has a simple message: if you love Australian grown, help us protect Australian farms.

Policies which push farmers out of business are bad news for Australia's future. That's because when farmers grow less, everyone pays more. So, we're inviting every Australian to take just 30 seconds to help Keep Farmers Farming.

- 1. Visit keepfarmersfarming.org.au
- 2. Sign the open letter to the PM
- 3. Contact your local MP, and
- 4. Donate to the campaign

The more support we have, the more people we can reach. The more people we can reach, the more likely we are to secure meaningful change.

This campaign is also an invitation to the Albanese Government to turn these bad ideas around. We've had fantastic engagement with this government from the Prime Minister down. These are not bad people. The Agriculture Minister Murray Watt is a terrific bloke.





But these are busy people with a busy agenda, and they're allowing bad ideas to fester on their watch because they have other priorities. Well, it's up to us to make farming the priority.

We need to force them to think ahead, and to be smart about how we'll feed and clothe ourselves as our population grows and our climate changes.

I can see a pathway to a productive partnership between the Federal Government and the farm sector, where we can kick some goals on progressing our 2030 Roadmap agenda and bring farmers through the next downturn stronger and ready to hit that \$100 billion. That's what I want, as the President of the NFF. That positive, outcomes-focussed partnership is always what the NFF and its members want.

But that can only happen in an environment where the government isn't actively shutting down billions in farm production.

If that's the path we continue down, we will be forced to make this government wear every misfortune it inflicts on Australia's farmers like a crown of thorns. They will own every farm closure, every school struggling to stay open as families leave town, every extra dollar Australians are forced to hand over for their weekly shop.

From billboards to brekky TV, we will not be afraid to tell our members' stories, and lay the blame squarely at the feet of the Government. From Tangney, to Bennelong, to Higgins – we'll talk to the voters who matter about the real stories of farmers who are harmed by these anti-farming policies, and what they will mean for voters' hip pockets.

We're not asking for this fight. We'd much rather be working on positive ideas to grow the sector. But it's where we've found ourselves, and where I've found myself as I step into this new role.

Sadly, we're in for the fight of our lives in coming months. I just hope for everyone's sake that we can find a path through that doesn't add harmful government policies atop the list of challenges farmers are preparing to face.

We have a remarkable industry with so much opportunity ahead of it. But to seize that opportunity we have to keep farmers farming.





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