



Submission by the South Australian Farmers Federation (SAFF)

in response to

**The Government of South Australia
Department of the Premier and Cabinet**

South Australia's Strategic Plan 2010 Community Consultation

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SA Farmers Federation

The South Australian Farmers Federation (SAFF) is South Australia's peak agricultural organisation representing farmers across South Australia. As an agri-political group, SAFF's aim is to assist South Australian farmers and their rural communities achieve sustainable profitability by providing representation, leadership and services to members. By lobbying governments, SAFF has been able to achieve changes in legislation that promotes farming interests and the rural communities where they live and work. The SAFF works to generate greater understanding and awareness of farming's role, contribution and value to the South Australian economy. It also works to ensure that our farming communities continue to play a key role in the development and sustainability of our state as well as their own livelihoods.

Farming in SA

South Australia's agricultural farming sector is now worth over \$5.0 billion annually. It includes the production of beef, sheep, lamb and chicken meat, chicken eggs and crops such as barley, oats and wheat. There are currently almost 12,000 farming families and 33,000 people employed in farm jobs in South Australia.

The agri-food industry currently contributes \$12.4 billion to the state's economy each year and accounts for 146,000 South Australian jobs. The majority of South Australian food industry businesses are small to medium operators.

Agriculture provides over half of South Australia's export income. Local farmers and producers play an integral role in feeding our increasing population.

South Australia's reputation as a clean and green food producer is of utmost importance to this State. Not only for the reputation of our producers but for the benefit of our consumers. Equally of importance, is the ability of South Australia's producers to safely and sustainably provide food to meet the demands of the State's increasing population.

How SAFF views the South Australian Strategic Plan

The South Australian Farmers Federation makes the following comments and suggestions in relation to South Australian Strategic Plan:

- 1. Lack of reference to agriculture in the current Plan**
- 2. Implications of the 2010 State Budget to current and future targets**

1. Lack of reference to agriculture in the current Plan

SAFF would like to highlight that there is no focus on agriculture in the Strategic Plan despite the importance of agriculture to South Australia, as highlighted in our introduction. Targets around agriculture need to be included in the updated Plan to reinforce that the State Government values this important industry.

As stated in The 30 Year Plan for Greater Adelaide, 'mining and agriculture remain strong fundamentals of the South Australian and Greater Adelaide economies'. Target T1.18 aims at increasing the value of mineral production, yet there is no target to increase the value of agricultural production. SAFF recommends a target be developed to increase the value of agricultural production for exports.

To increase the value of agricultural production for exports, there needs to be a target that supports and values the preservation of rural land for agricultural industries. With the development of The 30 Year Plan for Greater Adelaide, the loss of farming land to mining and residential purposes has become an increasingly important issue for South Australia. Securing the quality and quantity of South Australia's agricultural production is critical in meeting the challenges of our growing population. A target of this nature will help South Australia to reach other current targets. If we plan to increase our population (T1.22) we will need locally grown food to feed these people. If our food is grown locally, it will decrease food miles and help to achieve a reduced ecological footprint (T3.7). Local food production will also help to maintain employment and services and hence residents in regional South Australia (T5.9). SAFF recommends a target be developed that supports local food production and protects highly productive farming land within the State.

A vibrant and healthy agricultural industry needs to be supported and encouraged by State Government. Agriculture and farming communities influence and impact the achievability of many targets within the Plan, such as:

T1.1 Economic Growth:

Exceed the national economic growth rate by 2014.

- The agricultural industry supports South Australia's economic growth rate. The agriculture farming sector is worth over \$5.0 billion annually. The State Government must continue to support and provide funding for the agricultural industry to increase productivity and remain internationally competitive into the future in the face of many challenges, such as cheaper imports of food and fibre, changes to technology, climate change, water restrictions, etc.

T1.14 Total exports:

Treble the value of South Australia's export income to \$25 billion by 2014.

- The value of agricultural exports from South Australia in 2006-07 was \$678 million, constituting 7.5% of all exports from South Australia. The South Australian Centre for Economic Studies states that in 08/09 agriculture, fishing and forestry contributed more to the Gross State Product than mining. The State Government must continue to support and provide funding for the agricultural industry to increase productivity and remain internationally competitive into the future in the face of many challenges, such as cheaper imports of food and fibre, changes to technology, climate change, water restrictions, etc.

T2.7 Psychological wellbeing:

Equal or lower than the Australian average for psychological distress by 2014.

- The ongoing drought has caused much stress and anxiety to many rural families and communities. There is a need to continue and expand dedicated rural services to rural communities, eg. Rural Community Counselling and specialised Centrelink services.

T3.1 Lose no species:

Lose no known native species as a result of human impacts.

- As private landholders manage over 70% of South Australia's land, it is important that landholders are financially supported and acknowledged for natural resource management activities they undertake on their properties. The Government can assist the level of on-farm natural resource management activities by implementing Environmental Stewardship Programs. This will become increasingly important as more farming land is used for mining enterprises and residential development.

T3.3 Soil Protection:

By 2014, achieve a 20% increase in South Australia's agricultural cropping land that is adequately protected from erosion.

- The success of this target is in the hands of the State's farmers, therefore it is of the utmost importance that Natural Resources Management Boards and Department of Environment and Natural Resources have funding and project staff to assist landholders in managing the wind and water erosion risk of their land

T3.9 Sustainable water supply:

South Australia's water resources are managed within sustainable limits by 2018.

- Landholders must be consulted on the process of water resource planning. However it is the onus on State Government to ensure water allocation plans are developed in a timely manner. Water planning should be based on science with significant resources allocated to collect information to enable the development of a credible water allocation plan. Only then will landholders be fully supportive of the process. SAFF supports the recommendation to change the title of the target to 'sustainable water use'.

T4.6 Commercialisation of research:

Increase gross revenues received by South Australian-based research institutions from licences, options, royalty agreements, assignments, licensed technology and patents by 2010.

- Organisations like SARDI are able to provide greater funding to research to keep agriculture competitive on the international scale, if they are able to receive increased gross revenue from commercial ventures.

T4.9 Public expenditure:

By 2010, public expenditure on research and development, as a proportion of GSP, to match or exceed average investment compared to other Australian states.

- Public expenditure on R&D needs to strengthen for agriculture to increase productivity and remain internationally competitive.

T4.10 Australian Government resources:

Secure Australian Government research and development resources to 10% above South Australia's per capita share by 2010 and increase this share to 25% by 2014, for both public and private spheres.

- Federal Government expenditure on R&D needs to strengthen for agriculture to increase productivity and remain internationally competitive.

T4.11 Business expenditure:

Increase business expenditure on research and development to 1.5% of GSP in 2010 and increase to 1.9% by 2014.

- Business expenditure on R&D needs to strengthen for agriculture to increase productivity and remain internationally competitive.

T5.9 Regional population levels:

Maintain regional South Australia's share of the state's population (18%).

- Regional population numbers are directly related to the viability and success of local agricultural industries. When events such as drought and water restrictions effects farming families, it has a flow-on effect to the local community and township. Landholders must receive financial support to stay on farm and continue farming or 'business as usual' under the restricted conditions, as once families move out of regional towns, its hard to attract new people.

T6.5 Economic disadvantage:

Reduce the percentage of South Australians receiving government benefits (excluding age pensions) as their major income source to below the Australian average by 2014.

- This target has been a challenge to meet when many farming families received Exceptional Circumstances Relief Payments from Centrelink.

2. Implications of the 2010 State Budget on current and future targets

SAFF is concerned about the achievability of some of the targets given the cuts that occurred in the 2010 State Budget.

Rationalisation of resources in PIRSA, reduction of the level of support to SARDI, and removal of government funding to Rural Solutions SA is of concern to SAFF. These cuts may result in less 'hands on' help by field officers, less technical support and less spending and participation of the State in cutting-edge agricultural research. This will affect SA Strategic Plan targets around economic prosperity, regional population growth, the environment and biodiversity and investment in science and research and innovation. The states agricultural

industry needs all the support it can receive to be able to increase productivity and remain internationally competitive into the future.

Targets around the environment may be a challenge to meet in the future, with the budget indicating massive cuts to the State NRM Program. If NRM Boards have to increase the link between their program of activities and NRM levy, programs that assist good land and water management practices may be at risk, if there are other programs that are deemed to be more important or urgent.