

Submission to the Senate Select Inquiry on the Effectiveness of the Australian Government's Northern Australia agenda

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Overview

The Department of Agriculture welcomes the opportunity to provide a submission to the Select Committee on the effectiveness of the Australian Government's Northern Australia agenda.

The Department of Agriculture develops and contributes to Australian Government policies, programs and fora, which support and build on the contribution agriculture, forestry and fishing industries make to strong and resilient regions in Northern Australia. This includes working with other government agencies to ensure agricultural issues are considered in broader initiatives and programs.

Strengthening agriculture, forestry and fishing industries will build employment opportunities including by actively engaging Indigenous Australians.

The geography and climate of Northern Australia requires different strategies to further develop land based industries. These challenges, which include managing water resources and providing appropriate community infrastructure, need to be addressed at all levels of government as there are significant advantages to be gained for Northern Australia and for the country as a whole.

Agriculture, forestry and fishing industries are foundational for many regional economies throughout Australia and create further employment through local demand for products and services in related industries such as transport and logistics, manufacturing, engineering and retail. These industries are also providing opportunities for tourism, building more diversified and complex local economies, connecting remote areas to global markets and supporting the provision of community facilities and services such as health and education.

This submission sets out a number of initiatives which focus on Northern Australia and is of direct relevance to the Committee's considerations. It is also noted that many of the Department of Agriculture's broader activities also benefit Northern Australia such as on drought, climate initiatives and assistance measures for farming businesses and industries, alongside biosecurity, the management and use of water resources, facilitating rural research and development and improving market access.

The significance of Northern Australia lies in its proximity to markets in Asia and the Pacific; in it being the first line of defence in Australia's biosecurity protection; and with its significant land mass and the potential for further development of agriculture, forestry and fishing industries.

The northern beef industry, in particular, has benefited from its proximity to Asia and it remains a key industry for the vast rangelands of Northern Australia. Trade initiatives with Asian countries are also key for other established northern agricultural industries and can provide markets for emerging industries which may include development of cotton, rice and grain industries in Northern Australia.

As this submission sets out, Northern Australia is a major part of Australia's biosecurity network. This year celebrates 30 years of the Northern Australia Quarantine Strategy; 30 years of involvement by the Department of Agriculture in protecting Northern Australia from biosecurity risk. The involvement of Aboriginal and Torres Strait Islander staff in biosecurity operations in Northern Australia strengthens these operations, not only bringing economic and social wealth to Northern Australian communities but also being of great benefit nationally, helping to protect Australia's



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crops and livestock from incursions of pests, weeds and diseases and underpinning the reliability of Australia's agricultural exports.

The effective development of Northern Australia's water resources could strengthen further development of agriculture and forest industries and improve regional economies. Research and development projects are assisting to keep northern agriculture, forestry and fishing industries competitive.

Other strategies such as the reduction of regulation in the fishing industry will attract further investment in Northern Australia.

The Department of Agriculture will continue to play an active role in developing the ongoing prosperity of agricultural industries in Northern Australia.



Matters of Interest to the Inquiry

1. Infrastructure and economic development

Assessment of Northern Australia's water resources for further agricultural development is a key way the Australian Government is facilitating investment in infrastructure and economic development in Northern Australia.

1.1. Water Infrastructure

There exists a number of barriers to water resource development in Northern Australia, including climate and topography, as well as a lack of related infrastructure. Opportunities to overcome such barriers also exist, noting that the state and territory governments are primarily responsible for water resource management within their respective jurisdictions.

Climate and topography play a major role in determining opportunities in Northern Australia. Rainfall is some of the most variable and seasonal in the world with most of the year's rain falling in the summer months. In the dry season, zero monthly rainfall totals are common.

In 2015, the Commonwealth Scientific and Industrial Research Organisation (CSIRO), was engaged by the Australian Government to investigate opportunities for water resource development in Northern Australia. CSIRO worked with northern jurisdictions, research partners and communities, including Indigenous communities and interests, to undertake assessments for three priority regions: Fitzroy catchment, Western Australia; Darwin catchments, Northern Territory; and the Mitchell catchment, Queensland.

In 2018, the reports of the assessments noted varying opportunities for agricultural development between the three catchments due to their significantly different characteristics.

With the development of appropriately-located water infrastructure and the use of surface and ground water there is potential for both dry and wet-season agricultural development. However, other barriers to investment such as remoteness and high input costs also affect the economic competitiveness of agriculture in Northern Australia. It was also noted in these assessments that ecological impacts beyond the development footprint would warrant attention. In addition, understanding the diversity of stakeholder, investor and developer-views on future water and agricultural development will be crucial in underpinning an ongoing social licence to operate.

Complementing CSIRO's assessments are the ongoing activities of the Northern Australia Hub of the National Environmental Science Program. The Hub undertakes research to help manage opportunities and expectations for the land and water resources of the north. Important insight into catchment-level planning and the social and environmental capabilities of Northern Australia's catchments to be able to support future development is being generated.

Full implementation of the Intergovernmental Agreement on a National Water Initiative (NWI) would better support agricultural investment opportunities in the north. The Productivity Commission's 2017 Inquiry into National Water Reform found several areas where the states and territory could better implement the NWI, including that Western Australia and the Northern Territory establish statutory-based entitlement and planning arrangements that provide for long



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term, tradable water access entitlements. Many actions of the NWI, if fully implemented, would directly support informed investment by the private sector by providing greater certainty around the rights, responsibilities and likely costs for water users.

The Australian Government has committed to renewing the NWI, as recommended by the Productivity Commission. It will work with states and territories to further embed reforms that will enable appropriate growth of water resource development.

The Australian Government is also establishing the National Water Grid Authority, which will deliver on the government's election commitment to invest \$100 million and bring together world-best science and identify opportunities to increase water supply and reliability.

2. Economic and social benefits

Agriculture, forestry and fishing industries are significant in many regional economies. They are the backbone of many smaller towns and support a wide range of business services across regions.

Nationally, the agricultural sector, in 2017–18 had 85,483 farm businesses which employed a total of 225,332 people. These businesses generated \$59 billion gross value of production.

The value of agriculture, forestry and fisheries exports in 2017–18 was \$48.98 billion.

In Northern Australia, agricultural production is valued at over \$5 billion, around 10 per cent of total national agricultural gross value of production.

Beef is a key industry in Northern Australia, with red meat (mainly beef) production worth \$4.6 billion or 28 per cent of the total national value of red meat production. The Northern Australian cattle herd is around 10.8 million cattle, or 43 per cent of the total national herd.

Other key agricultural industries are sugar cane, bananas, mangoes and melons.

Key figures for commodity values

2015–16 \$m	Northern Australia	Rest of Australia	Total Australia	Northern Australia (% of total)
Sugar cane cut for crushing	1049.90	233.33	1283.23	82%
Cattle and calves	4597.01	8460.65	13057.66	35%
Total red meat	4628.53	11792.30	16420.83	28%
Fruit and nuts (excluding grapes) - Total	656.50	3568.08	4224.58	16%
Vegetables for human consumption	373.38	3135.81	3509.19	11%
Goats	8.35	157.17	165.52	5%
Nurseries, cut flowers or cultivated turf	47.12	1238.55	1285.67	4%
Grapes	30.56	1303.37	1333.93	2%
Sheep and lamb	23.17	3174.48	3197.65	1%

Together, the agriculture, forestry and fishing industries in Northern Australia employ around 15,300 people.



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In 2017–18, there were 84,000 hectares of softwood and hardwood forest plantations in Northern Australia. In addition, there were around 14,000 hectares of high value Indian sandalwood plantations.

The gross value of production (GVP) of wildcatch fisheries and aquaculture in the Australian tropics was estimated to be around \$556 million in 2015–16. It is noted that fisheries management boundaries straddle tropical and subtropical waters so that it is difficult to accurately allocate GVP to tropical waters with data to hand.

Some specific examples of initiatives the Australian Government undertakes in Northern Australia are discussed below.

The involvement of Indigenous Australians in biosecurity operations is bringing economic and social benefit to Northern Australian communities and is a key in strengthening Australia's biosecurity protection.

Effective management of northern water resources can also provide economic and social advantages to Northern Australia.

2.1. Indigenous Ranger Biosecurity Program

The Department of Agriculture's Indigenous Ranger Biosecurity Program (IRBP) has improved the economic status of both individuals and communities in Northern Australia.¹

The Department of Agriculture has been formally partnering with Aboriginal and Torres Strait Islander communities on biosecurity protection since the Northern Australia Quarantine Strategy (NAQS) was established in 1989.

A significant expansion of the program occurred in 2015–16 under the Developing Northern Australia and Agricultural Competitiveness White papers. This saw the program expand from 40 groups to 68 groups, with an investment of over \$12.8 million from 2015–16 to 2018–19. In July 2018, the program was given ongoing status, with an additional investment of \$24.8 million over four years from 2018–19.

In addition to helping to improve Australia's biosecurity preparedness, the IRBP has created additional employment opportunities in Aboriginal and Torres Strait Islander communities through expanding the scope, volume and remuneration of biosecurity work undertaken by Indigenous biosecurity rangers across Northern Australia. Work undertaken includes: participating in animal and plant surveys, insect trapping/surveillance, plant host mapping, collection and destruction of biosecurity risk material and biosecurity awareness for remote communities.

Ranger jobs are fundamentally aligned with Aboriginal and Torres Strait Islander cultural values and duties to look after Country. We understand that Ranger jobs are highly sought after and provide standing in the community, an incentive to stay at school and income for a range of family members in some remote communities.

The 'Capability Building' element of the program also provides opportunities for additional education and business opportunities. This includes pest and disease emergency management

¹ Indigenous Rangers Biosecurity Initiative—Evaluation, IAP, February 2019.



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training, to prepare Rangers and their communities for potential incursions, as well as formal certifications in Conservation and Land Management (Certificate II, III and IV), coxswain and business administration.

The Department of Agriculture has worked with local government, communities and state government to jointly develop the Torres Strait/Northern Peninsula Area Biosecurity Strategy. This is a unique strategy—it recognises the need to include Torres Strait and Northern Peninsula Area communities in decisions about biosecurity and embraces a biosecurity approach that values cultural considerations.

Moreover, the Department of Agriculture invested over \$3 million to improve telecommunication capacity in Torres Strait and the Northern Peninsula Area to facilitate local data collection, online reporting and coordination of biosecurity activities.

Coordinated through the Torres Strait Regional Authority and in partnership with Telstra, this project has delivered significant telecommunication network upgrades in the region as well as mobile voice and data coverage for Indigenous residents and communities. It has increased network bandwidth capacity for service providers in the Torres Strait region particularly in areas such as health, education and economic development.

2.2. Water initiative opportunities

There are opportunities for Indigenous stakeholders to engage in economic development in Northern Australia through water initiatives. Meaningful access to water would be an important vehicle to enhance employment opportunities. The expanded functions of the Indigenous Land and Sea Corporation (ILSC) to include water and the establishment of the Aboriginal and Torres Strait Islander Land and Sea Future Fund in 2019 will serve to assist Aboriginal persons and Torres Strait Islanders to acquire and manage land, water and water-related rights so as to attain economic, environmental, social or cultural benefits.

Opportunities for agricultural development, including produce processing, exist in Northern Australia. Managing the water resources of Northern Australia's catchments within their ecological constraints and in light of increasingly variable and extreme climatic conditions; making regional centres attractive propositions to live and work in, by providing appropriate community infrastructure; and, a commitment to actively engage Indigenous interests and aspirations will support the successful and sustainable development of Northern Australia.

3. Existing and emerging industries

The Department of Agriculture implements Australian Government policies and strategies to create new and maintain existing export market opportunities. It delivers regulatory activities to protect the environment, community and industry from the impacts of invasive pests and diseases which helps to maintain the competitiveness of Australian agriculture and access to export markets. It further assists development in Northern Australia through making fisheries regulation simpler and lower in cost and through research and development projects in agricultural industries.

3.1. Importance of Northern Australia for our export markets

Exports are vital to the viability and sustainability of Australia's agricultural industries and regional economies.



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Seventy percent of Australia's agricultural production is exported. Taken together, agriculture, forestry and fisheries contributed \$48.98 billion in export earnings in 2017–18. Agricultural trade is critical to support further growth, and in turn drive productivity, innovation and competitiveness in Australian agriculture.

The Australian Government is actively supporting the agriculture sector including sectors in Northern Australia to open, maintain and improve market access opportunities into overseas markets, through free trade agreements, and technical market access negotiations.

For example, as a close neighbour, Indonesia continues to be one of Australia's most strategically important trading partners, and agriculture is central to this relationship. Northern Australia plays an important role in this relationship with much of Australia's live cattle exports to Indonesia, sourced from and exported out of the North. This trade is further supported through the Indonesia-Australia Partnership on Food Security in the Red Meat and Cattle Sector and the recently signed Indonesia-Australia Comprehensive Economic Partnership Agreement.

Similarly, the Australian Government is supporting Japan's Global Food Value Chain strategy, which aims to boost agricultural and aquaculture production through industry led joint ventures in overseas countries, including Australia. Northern Australia has been identified as a key region for collaboration between Australia and Japan, with significant potential for agriculture and aquaculture investments. Japan is Australia's second largest market for agricultural, fisheries and forestry products, with exports worth \$6 billion in 2018.

3.2. Pests and diseases

The Australian Government has contributed more than \$30.5 million in the past four years to national pest and disease eradication programs in Northern Australia. Currently, there are eight nationally cost shared eradication response programs underway to protect northern agricultural industries, communities and the environment.

Between 2015 and 2019, the Australian Government provided funding to support affected industries and states and territories respond to significant biosecurity incidents. Under the Stronger Biosecurity and Quarantine Initiative and Immediate Assistance Funds, more than \$23.5 million has been invested in projects that strengthen Australia's biosecurity preparedness and rapid response capacity to exotic pest and disease incursions as part of the *Agricultural Competitiveness White Paper*.

With support from local jurisdictions, the community and ongoing funding from the Australian Government, pests and diseases are being managed and eradicated to preserve the livelihood of Australians living in the north.

Northern Australia is a growing hub for expanded agricultural exports including horticulture. Pests and diseases pose significant risk to agricultural expansion in Northern Australia, particularly around intensive agriculture.²

² Andrew Ash, Trish Gleeson, Hao Cui, Murray Hall, Edwina Heyhoe, Andrew Higgins, Garry Hopwood, Neil MacLeod, Dean Paini, Hom Pant, Perry Poulton, Di Prestwidge, Tony Webster, Peter Wilson (2014) Northern Australia: Food and Fibre Supply Chains Study Project Report. CSIRO & ABARES, Australia.



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Importers of Australian agricultural produce impose stringent import requirements to avoid transmission of pests and diseases. Australia maintains an active surveillance program to demonstrate the absence of biosecurity threats—a vital pre-requisite to access overseas markets.

With more than 10,000 kilometres of coastline, including many inlets and islands, Northern Australia is vast, remote and vulnerable to exotic pest, weed and disease arrivals. The growing movement of investment, equipment, people and goods into, out of and through Northern Australia increases the threat of movement of unwanted animal, plant and aquatic pests and diseases.

Northern Australia is the 'frontline' buffer against exotic pests and diseases which have adversely affected other countries' agricultural productivity. In Australia, the proximity of Torres Strait Islands to Papua New Guinea, and the proximity of the northern coastline to wind and ocean-borne pests and diseases from Indonesia and Timor Leste, necessitate a comprehensive and multi-faceted surveillance program to safeguard the north and through it the whole country.

3.3. Investment to improve biosecurity risk mitigation in Northern Australia

Under the Agricultural Competitiveness White Paper and Developing Northern Australia White Papers, the Department of Agriculture delivered a four year, \$60 million investment through a large number of biosecurity-related initiatives focused on Northern Australia. This investment targeted the following areas:

- improved animal health, plant health and aquatic surveillance
- modern diagnostics, supported by modern equipment, methods and building capability in diagnosticians of priority pests and diseases from around Australia
- better data, including moving from manual to digital systems — even in remote areas
- community engagement, sharing information and engaging actively with industry and communities on biosecurity issues
- Indigenous Rangers, recognising the skills and knowledge of Aboriginal and Torres Strait Islander Rangers to undertake a wide range of biosecurity work across Northern Australia, especially in remote areas.

Over the duration of the Agricultural Competitiveness White Paper and the Developing Northern Australia White Papers, strategic advice on investment and support for a collaborative approach to biosecurity in the north was provided by the Northern Australia Biosecurity Framework Reference Group. This group comprised of senior representatives from the Australian, Western Australia, Northern Territory and Queensland governments, as well as Plant Health Australia and Animal Health Australia.

3.4. Improved animal health, plant health and aquatic surveillance

The Agricultural Competitiveness White Paper has delivered a number of benefits to Northern Australia in relation to plant and animal health surveillance:

- Improved collaboration on biosecurity in Northern Australia.
- Increased risk-based plant and animal health surveillance and preparedness activities in Northern Australia.
- Increased evidence of freedom from pests and diseases in Northern Australia.



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- Improved stakeholder communication in biosecurity surveillance activities in Northern Australia.
- Increased support for maintaining Australia's disease-free status and access to premium markets.

A significant outcome of white paper investment is the improved ability of northern animal and plant industries to detect and report on exotic pests and diseases of national significance. A key example of initiatives supporting this capability is the Significant Disease Investigation Network, whereby private veterinarians provide surveillance of national priority livestock diseases. This is achieved through the collection of significant disease events data throughout the supply chain.

A further important outcome for plant and animal health surveillance has been developing industry capability to collect biosecurity surveillance data. This includes the development of field protocols and Surveillance Field Guides for the citrus and mango industries, in relation to high priority pests and diseases. The Australian Mango Industry Association has piloted structured surveillance in mango packing sheds and orchards to generate data supporting freedom from priority pests. This data has already yielded benefits to northern producers and industries, being incorporated into negotiations supporting interstate trade and off-shore or export market access.

There has been a significant improvement in stakeholder engagement and communication in relation to animal and plant health surveillance. This includes through priority pest and diseases identification guides and other communication materials as well as the development of culturally appropriate communication products for northern communities.

A key example of improved biosecurity outcomes through increased engagement is the Northern Territory non-English speaking vegetable growing community. Under the white paper, the Australian Government has established links with growers, improved access for biosecurity officers to conduct surveillance as well as increased the knowledge and biosecurity capability of this community. This has dramatically improved our biosecurity early detection capability in this high-risk peri-urban environment.

Investment under the white paper has also delivered increased aquatic biosecurity capability to Northern Australia. There has been significant analysis of high-priority aquatic disease and marine pest threats as well as the development of a surveillance plan for aquatic diseases.

The Northern Australia Quarantine Strategy has developed an ongoing capability in this area and has partnered with Indigenous ranger groups to provide aquatic disease and marine pest surveillance. Examples of benefits already being delivered include the early detection of exotic Asian Green Mussels on Mornington Island, which was a direct outcome of Indigenous ranger aquatic surveillance activities.

3.5. Modern diagnostics

Investment in diagnostic capability has filled significant gaps in Australia's ability to identify exotic pests and diseases. This has improved the efficiency and effectiveness of the management of biosecurity risks, with a long-term legacy of enhanced national diagnostic expertise.

Improved diagnostic capability includes the development of a large amount of biosecurity reference materials, critical to identifying pests and diseases. Biosecurity scientists have also received vital training in the identification of pests and diseases of significance to Northern Australia.



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New technologies and laboratory tests have also been developed to enhance biosecurity diagnostic outcomes. An example is a rapid test for bluetongue virus (BTV), which cuts the result time, from weeks or months, to just a few hours. This significantly benefits industry by improving our ability to identify exotic strains of BTV faster and better monitor the distribution of endemic BTV in Northern Australia, which is important for market access.

Another key outcome under modern diagnostics is Australian and Northern Territory government investment in an \$8 million biosecurity hub. This facility will house the latest technology in molecular diagnostics (a technique to quickly diagnose pests and diseases) delivering rapid and timely biosecurity identifications within Northern Australia.

3.6. Better data

Modernised electronic solutions were delivered for the collection, analysis and reporting of biosecurity inspection data across Torres Strait and efficient lodgement and issuing of permits for the movement of goods subject to biosecurity regulations. The adopted systems have improved the integrity of data supporting risk-based intervention strategies.

Improved baseline risk data pertaining to high risk movements of small vessels (>7m) has been secured through innovative (underwater) monitoring technologies to guide risk-based intervention strategies.

The Department of Agriculture made substantial improvements to the quality of historical animal and plant health surveillance data for improved data sharing with stakeholders and in support of trade negotiations based on area freedom considerations.

Collaborative research between Australian and state government biosecurity agencies has contributed to increased understanding of the distribution and movement patterns of threat species into Northern Australia, within the region and from the region to Southern Australia.

3.7. Community engagement

In addition to opportunities for expanding and supporting new investment, Northern Australia is a gateway to southern industries. The vastness of the region has required a multijurisdictional approach (made possible through the Northern Australia Biosecurity Framework Reference Group) to:

- increase understanding of the importance of biosecurity in Northern Australia in target audiences
- increase awareness of the biosecurity initiatives among target audiences in Northern Australia
- encourage involvement of relevant target audiences in specific initiatives (behavioural), and
- achieve synergies by facilitating more coordinated messages and communication efforts across governments, industry and communities in Northern Australia.

Videos,³ networking forums, and a range of products, including a new brand 'Biosecurity—It's everyone's business' were used to tap into existing pride that Northern Australia is different and has

³ Videos to improve awareness of biosecurity featuring high-profile biosecurity champions Catriona Rowntree, Matt Moran, Maggie Beer, Costa (Georgiadis) the Garden Gnome, dirtgirl and scrapboy as well as industry champions in the cattle, aquaculture and horticulture industries.



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its own unique attributes and needs. The products also included a new way to report weeds and pests in the north online⁴ and a virtual reality tool for biosecurity awareness specifically designed to increase awareness of biosecurity, engaging communities in practical actions and showcasing biosecurity careers.

3.8. Northern Australia Biosecurity Strategy

The initiatives under the Agricultural Competitiveness White Paper have strengthened biosecurity in Northern Australia. With funding and activities associated with this ceasing on 30 June 2019, protecting Northern Australia's unique environments and growing agricultural industries will rely on continued strategic investment to further target evolving biosecurity risks.

To facilitate ongoing improvement to biosecurity in Northern Australia, the Department of Agriculture is developing a Northern Australia Biosecurity Strategy, in partnership with other northern jurisdictions. The strategy will review improvements to biosecurity risk management delivered under the white paper initiatives and guide future priorities and activities to mitigate biosecurity risk in Northern Australia into the future. This will include biosecurity risk created through the developing Northern Australia agenda.

The strategy will incorporate and leverage achievements, outcomes and knowledge gained across northern Australia through the Agricultural Competitiveness White Paper. This includes improved industry collection of surveillance data, disease investigation networks, enhanced aquatic biosecurity and increased Indigenous ranger capability, among others.

The strategy will also re-examine the key risks experienced in Northern Australia, and the potential implications these risks have for the integrity of the national biosecurity system. It will identify any additional activities that are required to manage biosecurity risks specific to Northern Australia, build biosecurity partnerships and collaborations, and increase biosecurity capability in Northern Australia.

3.9. Management of fisheries and aquaculture resources in Northern Australia

Removing duplication of regulatory regimes and harmonising regulatory systems is reducing costs and barriers to fishing businesses.

Under the *Simpler Fisheries Regulation*, the Australian Government in collaboration with Queensland, Western Australia and Northern Territory is working toward greater harmonisation of fisheries regulation and sharing of services across jurisdictions will provide reduction in red tape and more efficient service delivery.

Seven fisheries that are currently jointly managed are being transitioned into a single management jurisdiction. Negotiations between the Australian Government and relevant jurisdictions are ongoing and staged implementation has commenced.

The Department of the Environment and Energy will extend the maximum duration of Commonwealth environmental approvals for fisheries assessed as having a low ecological risk from five to ten years. About half of Australia's fisheries are regarded as low risk. The extension of export approvals for low risk fishers will reduce red tape by decreasing the number of environmental

⁴ www.agriculture.gov.au/biosecurity/australia/northern-biosecurity/report-a-pest



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assessments required, including both time and cost for both fishers and government, and increase certainty for fishers who will have longer licences. The extension of export approvals will also provide incentives for stronger environmental practices and more sustainable fishing practices for industry overall in the Northern Australia.

The Department of Agriculture, in consultation with state and Northern Territory governments, is investigating options for developing a framework for managing aquaculture in Commonwealth waters. It is likely the preferred approach will be to allow the state and Northern Territory governments to regulate aquaculture in Commonwealth waters adjacent to each jurisdiction, however, the Commonwealth would retain the power to make regulations if required.

The devolving of aquaculture in Commonwealth waters to the relevant state or territory will reduce cost to government and tax payers by streamlining to a single 'One-Stop Shop', providing greater certainty for investors and encourage growth in offshore aquaculture.

The Australian Fisheries Management Authority (AFMA) transition to shared licensing and compliance service across jurisdictions is another key deliverable under the *Simpler Fisheries Regulation* initiative. AFMA is working with the northern jurisdictions to investigate options to share services in relation to vessel monitoring systems, compliance services and licensing services. Transitioning of northern fisheries management to a shared licensing and compliance service is intended to reduce red tape by standardising services to minimise the costs to industry.

3.10. Meat processing facilities

The Department of Agriculture works with the meat export sector to develop and support sustainable meat exports to meet the needs of our global trading partners.

Northern Australia continues to be a difficult trading environment for abattoirs, despite the dominance of the beef industry in the agricultural productivity of the region. There are only three operating abattoirs north of the Tropic of Capricorn in Mackay, Townsville and Broome. In 2014, an abattoir was constructed near Darwin and was the first major investment in beef processing in the Northern Territory in 50 years, but unfortunately, this facility closed in 2018. While the Darwin plant has been closed for 12 months, a refurbished abattoir is about to open in nearby Batchelor and there are plans underway to construct a further two abattoirs in the Isaac and Hughenden shires of Queensland.

3.11. Regional Forestry Hubs

In February 2019, Prime Minister Morrison and the then Assistant Minister for Agriculture and Water Resources, Senator the Hon. Richard Colbeck, committed to the roll out of Regional Forestry Hubs, driving investment and jobs growth for generations to come.

Northern Queensland was identified as one of the Hubs that is to be progressed in 2020 with \$1 million of financial support being provided over three years.

The development of a Regional Forestry Hub in Northern Australia will support strategic planning for future forestry industries needs in the region while supporting a greater understanding of the resources currently available.



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3.12. Cotton in Northern Australia

Growing cotton in Northern Australia has been enabled by the development of genetically modified cotton resistant to insects.

Commercial and research trials of both dryland and irrigated cotton have recently been grown in the Ord Valley, Western Australia; northern Queensland, and the Northern Territory.

For cotton growing to be fully viable in Northern Australia, gins to process the cotton will need to be built there.

A by-product of cotton production, cottonseed, can be used to feed cattle, or can be processed into cottonseed oil.

3.13. Rural research and development

Investment in rural research and development (R&D) by the Australian Government assists established agricultural industries in Northern Australia to remain competitive and helps foster emerging industries. Australia's 15 Rural Research and Development Corporations (RDCs) are the main way the Australian Government and primary producers co-invest in research and development (R&D) for industry and community benefits. There are currently 15 RDCs; five Commonwealth statutory bodies and 10 industry-owned companies. Total investment in rural R&D in 2017–18 was nearly \$840 million.

R&D investment covers the range of agricultural products—livestock, crops, fruit, vegetables, seafood and forest products. Some specific R&D investment activities in Northern Australia is presented below.

Sugar

The Australian Government invests more than \$6 million each year in sugar research in addition to industry funds of about \$24 million through the industry owned company, Sugar Research Australia. In 2015–16 the Australian sugar cane crop was worth \$1.28 billion. Of this, \$1.05 billion was from sugar cane produced in Northern Australia. Twenty sugar mills in Queensland produce 95 per cent of Australia's raw sugar and about 85 per cent of Queensland's sugar production is exported.

Beef

The value of red meat production in Northern Australia is \$4.6 billion, or 28 per cent of the national value of red meat production.

A number of the rural research and development corporations within the agriculture portfolio are investing in research and development activities with a focus on Northern Australia. For example, Meat and Livestock Australia has several initiatives underway, including its \$8 million Northern Australian Climate Program (NACP). The NACP is a partnership with state governments and the University of Southern Queensland and seeks to improve the capacity of the red meat industry to manage drought and climate risk across Northern Australia.

Rice

The Australian Government is providing \$4 million over four years for investment in research and development (R&D) to assist the development of the rice industry in northern Australia. R&D that is



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tailored to Northern Australian growing conditions is needed to help establish a productive and profitable northern rice industry. This program is being administered by AgriFutures Australia and finishes on 30 June 2020.

Northern Grains

In Australia, grains are typically grown throughout southern and eastern regions in a crescent shape known as the Australian grain belt.

In August 2019, the Grains Research and Development Corporation (GRDC) announced a co-investment with the Cooperative Research Centre for Developing Northern Australia (CRCNA) to support the development of a Northern Australian broadacre cropping industry.

The first round of projects focus on Far North Queensland, with the model expected to be replicated in the Northern Territory and northern Western Australia.

Northern Australian Forestry

The Cooperative Research Centre for Developing Northern Australia (CRCNA) is collaborating with the Australian Government and other state based organisations on a 'Northern Australia forestry industry situational analysis'.

This study will identify and describe key challenges and opportunities faced by the Northern Australian forestry and forest products industry. It will explore potential policy, investment and other solutions to challenges and assess sector-wide research priorities as well as identify the most strategic research projects for further investment. The completion date for the study is 30 November 2019.

4. Appropriately skilled workforce

Aboriginal and Torres Strait Islander communities are best placed to observe and report on biosecurity threats in their communities. Local knowledge of plants and animals is fundamental to remote community living and when combined with technical training and equipment, the quality of samples and breadth of reporting provides highly valuable data and assurance for our overseas agricultural export status.

In view of this, the Department of Agriculture adopts a 'look locally' focus when considering staffing requirements.

- The Torres Strait and Northern Peninsula area offices are staffed completely by local Aboriginal or Torres Strait Islander people.
- As at May 2019, close to 20 per cent of staff working in the Science and Surveillance Group were Aboriginal or Torres Strait Islander.

The Indigenous Ranger Biosecurity Program facilitated the development and piloting of a dedicated traineeship⁵ program for Aboriginal and Torres Strait Islander biosecurity officers to help build

⁵ The traineeship pilot ran from January 2017 to December 2018



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biosecurity capacity for Cape York and the Torres Strait. Working in close collaboration with the Queensland Government, five trainees commenced the initiative, four finished and three went on to gain employment in biosecurity.

The Department of Agriculture has partnered with the Department of Home Affairs to provide training to Aboriginal and Torres Strait Island staff to assist in biosecurity activities in Torres Strait.

Additionally, the Department of Agriculture has co-operative arrangements with the Torres Strait Regional Authority (TSRA) under which TSRA Rangers (predominantly Aboriginal and Torres Strait Islander staff) provide agreed services to support animal and plant health surveillance in Torres Strait.

While not specific to Northern Australia, the Australian Government is implementing a National Agricultural Workforce Strategy to assess current and expected agriculture industry workforce and skill needs, the effectiveness of existing arrangements at meeting these needs and what further actions might be required.

5. Related Matters of Interest to the Inquiry

5.1. Northern Queensland Flood Recovery

Farm businesses in Northern Australia face a number of climatic challenges specific to the north.

In response to the catastrophic nature of the North and Far North Queensland Monsoon Trough, 25 January–14 February 2019, the Australian Government has funded a range of programs to support the recovery of primary producers in the impacted region.

Specifically for the agriculture sector, the Australian and Queensland governments have funded grants, loans and a beef industry recovery package under the Disaster Recovery Funding Arrangements. The Australian Government also committed \$300 million to a restocking, replanting and on-farm infrastructure grants program, and has established a concessional loans product, administered by the Regional Investment Corporation, to help flood-affected farmers.

The North Queensland Livestock Industry Recovery Agency has been established in the Prime Minister and Cabinet portfolio to provide strategic leadership and coordination for the Australian Government's recovery and reconstruction activities.

5.2. Australian Government initiatives helping farm businesses in Northern Australia

The Australian Government is supporting the agriculture industry's goal of becoming a \$100 billion industry by 2030. Achieving this goal will benefit producers and the industries that support them, while creating jobs along the supply chain, including in Northern Australia.

The Department of Agriculture is developing, implementing and monitoring a range of measures to help ensure that farm businesses and rural communities are able to prepare for, manage and recover from the effects of drought and natural disasters and develop self-reliance and in an increasingly variable climate, assist land managers to adjust to change and sustainably manage natural resources.



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While most of these programs and initiatives are national in coverage, they are of direct benefit to regional Australians and their communities including across Northern Australia. They include the National Drought Agreement, Regional Investment Corporation, Future Drought Fund, Farm Household Allowance, Rural Financial Counselling Service, Farm Management Deposits, the Concessional Loans Schemes, the National Landcare Program and the Agriculture Stewardship Program.
