



28 April 2017

The Secretariat
Foreign Affairs, Defence and Trade Committee
Department of the Senate
PO Box 6100
Parliament House
Canberra ACT 2600

By email fadt.sen@aph.gov.au

Dear Committee Secretary

Re: Senate Inquiry into the impact of Defence training activities and facilities on rural and regional communities

The National Farmers' Federation (NFF) thanks you for the opportunity to make comment on the impact of Defence training activities and facilities on rural and regional communities.

The NFF is the peak national body representing farmers and, more broadly, agriculture across Australia. The NFF's membership comprises of all Australia's major agricultural commodities. Operating under a federated structure, individual farmers join their respective state farm organisation and/or national commodity council. These organisations collectively form the NFF.

The NFF, together with our member AgForce Queensland, were vocal opponents to recent plans for agricultural land to be compulsorily acquired in order to facilitate the expansion of the military training areas in Queensland.

We take this opportunity to thank the Deputy Prime Minister, the Hon Barnaby Joyce MP, the Minister for Defence Sen the Hon. Marise Payne and Member for Capricornia Ms Michelle Landry MP. The Government eventually demonstrated its responsiveness to community concerns, when it received strong landholder feedback that compulsory acquisition of farmland for the expansion of the Shoalwater Bay and Townsville Training Areas as part of the Australia-Singapore Training Initiative was not acceptable. The Government's announcement on 7 February 2017, following the completion of the master planning process, that land would only be purchased from willing sellers to meet expansion requirements was welcomed by the agriculture sector.

It is disappointing however, that this response came only after significant political pressure was applied to the Government by NFF, AgForce Queensland, and concerned local groups. NFF led a national campaign #defendourfarms that received widespread national and

international media attention. The campaign generated over 1400 emails to the Minister for Defence and material related to the campaign remains the most visited content on the 'Australian Farmers' online community.

There are significant opportunities for lessons to be learned by Defence and the Government from the Townsville and Shoalwater Bay expansion planning and consultation. The way in which the Federal Government and Department of Defence engaged in the handling of this process can be at best described as shambolic.

Landholders first received letters in in November 2016 informing them of the intention of Defence to consider the expansion and further development of Defence training areas, which included 'footprint maps' of the proposed expansion zones. At this time, messaging from members of the Government were to spruik the benefits of the expansion to the local economy.

Following the initial backlash from landholders to compulsory acquisition, the Government then delivered very mixed messages to affected landholders and community members about whether a final decision has been made to resume land in the two identified regions, or if other options were still being considered. The message from members of the Government was that "Cabinet hasn't yet considered this issue" while the message from Defence officials was that no other options were being considered and that Master Planning was only being considered within the footprint of the maps released.

Community confusion was compounded by the announcement that socio-economic impact study was to be commissioned, for consideration by the Cabinet later in the year. Given the promulgation of the perception that a decision had already been made and no other options were being considered, the community was rightly questioning the need for an impact assessment.

Mixed messages unnecessarily exacerbated an already stressful and confusing situation and did nothing to allay landholder concerns or build confidence in the expansion and development objectives that the Commonwealth and Defence wished to pursue. They were left over the December/January holiday period in the very stressful situation of not entirely knowing what was happening, when it was happening and why it was happening to them. That the Federal Government allowed this situation to continue to drag out was unacceptable.

The situation highlights the importance of sound engagement and communication with affected communities. It is not just "what is done" but how things are done that is crucial to success engagement. While we appreciate that in the context of defence there often security implications, but the starting point in this process was to provide the least information possible, rather than providing the most information possible.

- What decisions have already been made?
- What decisions are still to be made, when will these decision be made and by whom?
- What other options were or are still being considered?
- What criteria will form the basis of decisions, and what information is being relied upon?

It is widely accepted in the professional field of community engagement that the most important foundations are to clearly describe what the objective is, what is and isn't

negotiable, and what the process for decision making is, and transparency of available information. A final foundation is to ensure that you have an understanding of what is important for those that might be affected by your decisions and how concerns might be addressed. In NFF's view, none of these foundations of effective consultation and engagement were by the Government or Defence officials responsible for acquisition process.

In NFF's view, the Government significantly under-estimated the deeply personal and social impacts of the process. It was apparent that those with carriage of the process had little preparation to understand that issues that might be important to the community and how these concerns might be addressed. Respect for the predicament of the landholders was lacking particularly in the early stages. Form letters that insisted landholders organise to meet with Defence on Defence's terms should have been personal phone calls and offers to meet with landholders on their terms. Little to no support services or information was made available to landholders to assist them understand their situation. This meant that groups, such as AgForce, stepped in to host information days about legal and taxation issues and to share the experiences of landholders in past acquisition processes. It was not until late January that counselling services were proactively promoted to affected people. A well planned rollout, designed by community engagement specialists who understood the local audiences would have considered all these components and incorporated them into the consultation process.

While the NFF recognises the power of the Federal Government to enforce the compulsory acquisition of property, we believe that in this instance the initial handling and intent with which the process advanced represented an abuse of that power. The manner in which the information and consultation processes were initiated and executed in the early stages of this procedure were ill-thought-out, disordered and reflect a system that grants powers but does not state the manner in which these powers may be used.

There are few checks or balances associated with the processes surrounding the power of acquisition which may be used, with little accountability enforceable or consideration of the human toll associated with property transaction. It is recommended that the failings of the approach taken in this situation are acknowledged and that the necessary steps are taken to ensure that this does not occur again.

The NFF acknowledges the significant value of Defence presence to local communities and the investment that comes with Defence activities contribute to improving infrastructure in rural and regional areas. The NFF looks forward to the forthcoming release of both the KPMG Socio-Economic Impact Assessment of the Australia-Singapore Training Initiative and the effects this may have on the surrounding communities and the Queensland economy as a whole, and the agriculture sector impact analysis that was commissioned by AgForce Queensland with the support of the Queensland Government. The master planning phase of the initiative produced a viable option that struck a balance between Defence's capability needs, national considerations and the requirement to pursue the are expansion while still delivering significant economic benefits for central and north Queensland.

It is important that any expansion of the training areas through the acquisition of agricultural land does not have a negative socio-economic impact. Agriculture and farming are the backbone of rural and regional communities and this, as well as the importance of the industry to the Australian economy should not and must not be compromised. If the acquisition of farming land is to occur within designated expansion areas it is important that

lost productivity and its flow-on effects on the supply chain and for local businesses and local communities are properly understood and managed. In small and rural and regional communities, the loss of farming families are keenly felt both socially and economically. Any expansion of Defence operations must not come at the expense of those who sit outside a line on a map.

As part of recognising the value of agriculture to rural and regional communities it must be acknowledged the value of the agricultural land resource which underpins this. Australia's farm sector is on track for best-ever results with agricultural production forecast to tally a record \$63.8 billion in 2016–2017. There are great opportunities for Australian agriculture to significantly grow and contribute to the Australian economy however this potential cannot be realised without the sustainable management of the resource and consideration of those who farm it.

The NFF believes that farmers should have a reasonable right to say yes or no to activities that happen on their land, and that farming land should be preserved for farming. The manner in which the processes around possible expansion of Defence training areas have highlighted that there is a current failure to adequately recognise the long term importance of agriculture and agricultural land, and to capture the priority it deserves in land use planning. A longer term approach to land use planning by State Governments is required that recognises the need to prioritise farming land for agriculture to ensure that land use conflicts, such as that which have occurred in relation to this matter have a structured process by which to be resolved.

NFF seeks that the Committee recommend that the Department of Defence be required to fully examine the potential of its existing property portfolio to meet any growing training needs, and demonstrate to the Government of the day that further acquisition of land may be required.

NFF seeks that the Committee recommends that the Department of Defence develop a “template” approach that can be used to guide future planning activities where the potential for acquisition has been identified in a region where there is an interface with agricultural land. NFF recommends that this template be developed in consultation with NFF and the agriculture sector more broadly.

We would be more than happy to discuss any of comments in further detail if you require. In the first instance, please contact Manager of NRM Policy Ms Jack Knowles

Yours sincerely

TONY MAHAR
Chief Executive Officer