

BLUEPRINT FOR
**AUSTRALIAN
AGRICULTURE**
2013-2020



A SUMMARY

THE BLUEPRINT FOR AUSTRALIAN AGRICULTURE SUMMARY

The Blueprint for Australian Agriculture (the Blueprint) is the first sector-wide effort to set out a strong and sustainable future path for Australian agriculture and its supply chain, looking ahead at least to 2020, and towards 2050.

The role of the Blueprint is to identify major issues and priorities shared across the sector, articulate broad strategies to deal with them, suggest pathways for implementation and drive greater coherence and coordination of the agriculture sector's efforts into the future.

The implementation and regular review of the Blueprint will ensure the agricultural sector is prepared for the challenges we are facing now and in the coming decades by mapping out where we want to go and how we can get there. The process of preparing the Blueprint has involved Australia's farmers, agriculture specialists, the agricultural supply chain, and government entities and representatives in several stages, including extensive consultations and surveys over the past year, and roundtable discussions and workshops. The purpose was to identify the issues and challenges we believe are the highest priorities for agriculture, and to work out ways to address them.

The National Farmers' Federation (NFF) has spearheaded the Blueprint effort, however, the Blueprint belongs to the sector as a whole and was prepared with support from Westpac, Woolworths and the Department of Agriculture, Fisheries and Forestry (DAFF).

Assistance was also provided by the Rural Industries Research and Development Corporation (RIRDC), the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES), rural/regional market research company Kaliber, rural communications consultancy Sefton & Associates, futurists/strategists Emergent Futures, farm policy researchers the Australian Farm Institute, rural publishers Fairfax Agricultural Media and the 26 NFF member organisations. Westpac and Woolworths will be continuing their support for the Blueprint during its legacy phase, along with new Blueprint partners Bayer CropScience and Syngenta Australia.

The Blueprint makes sure we are all on the same page and working towards a strong and sustainable future for Australian agriculture. The Blueprint will inform and direct policy development and innovation for the agricultural sector and its supply chain, ensuring a strong and sustainable future. No single organisation will implement it—it is up to the whole sector, which has joined in to create the Blueprint, to carry it out.

The full Blueprint report captures the process of the consultations and discussions, and identifies the heart of the Blueprint itself—the vision, themes, priority issues, background information, goals and broad level strategies. It also identifies issues that need to be on the radar for their potential future impact. This summary highlights key parts of the report only. For more details please refer to the full report available via www.nff.org.au/blueprint.

The consultation process

The Blueprint consultation process has attempted to involve as many of the agriculture sector's stakeholders as possible through forums, meetings, online activities, surveys and consultations. More than 3,700 people attended the forums, sessions and workshops, or completed the online survey, or were interviewed over the phone as part of the information-gathering phase. The initial findings were gathered together in the Blueprint for Australian Agriculture Initial Findings report, which was developed with input from the Blueprint Advisory Group.

THE FUTURE VISION FOR AUSTRALIAN AGRICULTURE

The consultation process asked participants to help build a vision for the future of Australian agriculture. In response to the ideas raised, we have drafted the following vision statement:

AUSTRALIAN AGRICULTURE TO 2020 AND BEYOND

The Australian agriculture sector is a world leader in providing high quality food and fibre for a global population using innovative technologies and sustainable natural resource management. It is productive, profitable, innovative and valued for its environmental, economic and social contribution to Australian life.



THE SEVEN THEMES

One of the challenges in creating a big-picture plan that looks decades into the future is getting the scale of effort right. The Blueprint needs to be broad in its scope to encompass uncertainty and to incorporate the views of its many stakeholders. But going too broad risks trying to 'become everything to everyone' and diffusing the effort. The Blueprint stakeholders have selected seven themes to guide future action. They are:

1 INNOVATION AND RESEARCH, DEVELOPMENT AND EXTENSION

2 COMPETITIVENESS

3 TRADE AND MARKET ACCESS

4 PEOPLE

5 AGRICULTURE IN SOCIETY

6 NATURAL RESOURCES

7 TRANSFORMATIONAL ISSUES

THEME 1: INNOVATION AND RESEARCH, DEVELOPMENT AND EXTENSION

This theme relates to innovation, research, development and extension (RD&E) activities that improve the productivity, quality and profitability of Australian agriculture, and the sustainability of primary production and the natural resource base.

ISSUES

- Stagnant research and development (R&D) funding has affected productivity growth across the sector
- Extension is crucial in applying R&D outcomes
- Improved coordination could improve efficiency.

GOALS

- Increase investment in R&D
- Improve access to new technologies
- Improve uptake of best practice.

HEADLINE STRATEGIES

- Develop business case for public and private sector investment in agriculture R&D
- Undertake policy and tax review to encourage private investment
- Increase coordination and communication on new technology and policy development
- Reinvigorate extension through building on successful private models.

WHAT WOULD SUCCESS LOOK LIKE?

Food and fibre RD&E is enjoying increased levels of real government and private investment and an increase in the share of the total RD&E spend. Due to a strong focus on the adoption of research outcomes the sector is embracing proven biotechnologies.



THEME 2:

COMPETITIVENESS

This theme relates to the competitiveness of Australian agriculture and covers domestic issues such as infrastructure, capital, regulatory costs, branding and some trade-related factors (such as the volatility of commodity prices and terms of trade, and the value of the Australian dollar).

ISSUES

- Australian agriculture is well placed to service growing markets
- Australia needs to re-establish agricultural growth to remain competitive against other nations
- Other nations are also racing to improve their competitive advantage
- Australia needs to improve its competitive strengths and build competitiveness in higher-value industries
- There are concerns around the competitiveness of Australia's domestic food markets
- Ongoing investment—public and private—is required to gain access to markets and remain competitive
- Foreign investment is needed, but transparency could be improved
- Infrastructure is ageing, damaged and inadequate
- Agriculture has unique characteristics that need to be considered in transport planning
- There is a risk of fuel and energy costs rising because of policy changes
- Unnecessary administration and 'red tape' increases costs and reduces competitiveness
- The level of the Australian dollar is a major factor in competitiveness, but it is hard to influence
- Global commodity prices are high and volatile.

GOALS

- Improve and upgrade critical infrastructure
- Facilitate better access to capital
- Reduce the cost of 'red tape' and compliance
- Improve the balance and profitability of the supply chain
- Build 'Brand Australia'
- Improve tools for coping with volatility of commodity prices/terms of trade
- Improve tools for coping with a high Australian dollar.

HEADLINE STRATEGIES

- Establish an Agriculture Infrastructure Taskforce
- Develop innovative solutions for investment, connecting capital markets with agriculture and new farm ownership structures
- Build a focus on agriculture within the national interest for foreign investment
- Develop a 'red-tape register' and ensure agriculture is part of regional impact statements
- Promote competition in the supply chain
- Develop a farmers 'Terms of Trade' index.

WHAT WOULD SUCCESS LOOK LIKE?

Australian agriculture has a reliable supply chain and access to critical infrastructure. Access to advanced telecommunications is driving adoption of new technologies and practices. Along with improved availability of capital (foreign and domestic) and shifts in ownership models, the sector has become more highly competitive in global markets.

THEME 3:

TRADE AND MARKET ACCESS

This relates to how Australia can improve its access to high-value global markets through securing new markets, maintaining existing markets and addressing impediments to trade.

ISSUES

- Asia presents the strongest market opportunities for Australian agriculture
- Agriculture is still highly protected in many OECD countries
- Free trade agreements have been the preferred way to increase global market access
- Australia has not yet achieved free trade agreements with many important markets, such as China and India
- Australia could explore innovative ways to increase market access beyond free trade agreements.

GOALS

- Reduce the impacts of trade-distorting policies
- Improve access to key global markets.

HEADLINE STRATEGIES

- Develop trade deal 'scorecard' to highlight benefits and shortcomings
- Improve cross-sector coordination
- Increase representation and advocacy for Australian agriculture in key markets.

WHAT WOULD SUCCESS LOOK LIKE?

Australia has established and completed multilateral and bilateral free trade agreements with key growth markets and improved overall access to key global markets. Australian agriculture has also developed other innovative ways to access global markets.



THEME 4:

PEOPLE

This theme relates to the labour shortage in the agricultural workforce, how to build and maintain a flexible and skilled workforce in the short and long term, and how to find alternatives to labour.

ISSUES

- The shortage of labour is affecting a range of industries, and rural areas are hard hit
- There are numerous barriers to labour attraction and retention in rural areas
- Higher levels of pay can attract, but not always retain, staff
- International studies show that increasing women's participation leads to improvements in financial performance and other benefits
- Poor perceptions of agricultural careers are reflected in falling education enrolments
- The trend of fewer students enrolling in tertiary agriculture may be more volatile than predicted
- While education levels have improved, they are still low compared to other industries
- More graduates are needed.

GOALS

- Attract and retain workers of all skill levels into agricultural careers
- Improve skill levels within agriculture
- Ensure agriculture is competitive with other careers
- Find alternatives to labour.

HEADLINE STRATEGIES

- Produce a National Workforce Development Plan for agriculture
- Expand the overseas worker program and identify and foster Australian labour streams
- Move to more flexible labour laws
- Ensure agriculture is embedded in the national school curriculum
- Promote careers in agriculture as being skilled and rewarding.

WHAT WOULD SUCCESS LOOK LIKE?

Australian agriculture accesses a flexible workforce with the right levels of skill to meet the demand for labour. Farmers are best practice employers and careers in agriculture are positively viewed. The sector has adapted to the challenge of a labour shortage through various methods, including improving labour efficiency, new technologies and different approaches to the workforce.

THEME 5:

AGRICULTURE WITHIN SOCIETY

This theme relates to external perceptions of agriculture, and the need for the agriculture sector to build a shared understanding and information exchange with the rest of the community.

ISSUES

- It is useful to understand what drives public perceptions
- Some community movements are trying to reconnect people and agriculture
- There are six areas where public perceptions are having strong impacts: animal welfare, environmental sustainability, biotechnology/genetically modified organisms, social responsibility, health and food safety, and affordability of food.

GOALS

- Build better community understanding of, and trust in, agriculture
- Improve credibility, cooperation and goodwill, including with activist groups
- Develop coordinated and proactive approaches to communication.

HEADLINE STRATEGIES

- Fund and manage a sector-wide forum to address community perceptions
- Improve agriculture sector practices
- Build relationships to improve long-term goodwill
- Critically appraise sector representation.

WHAT WOULD SUCCESS LOOK LIKE?

Australian agriculture has built better understanding and closer links with the rest of society. Public understanding and trust of agriculture is high. The sector speaks with a clear, consistent voice on key issues, using appropriate technologies and mediums to reach audiences.



THEME 6:

NATURAL RESOURCES

This theme relates to the need for sustainable management of Australia's natural resources, the role of farmers as stewards, and the tensions arising from trying to balance environmental, social and economic imperatives.

ISSUES

- The sector is facing constraints in access to natural resources
- Climate variability and change are having increased effects
- Issues around the management of Australia's inland water resources are complex and controversial
- Biosecurity risks are increasing over time
- There is a higher expectation from governments and communities that the agriculture sector will actively care for the environment
- There is potential to expand and promote the environmental stewardship role of the farming sector.

GOALS

- Improve and promote the sector's environmental sustainability
- Improve security of access to natural resources
- Develop appropriate rewards for farmers for environmental stewardship
- Improve preparedness for the impact of climate variability and extreme climatic events
- Manage the risk of domestic diseases and pests.

HEADLINE STRATEGIES

- Develop sustainability indicators for agriculture
- Move agriculture up the priority list for land and water access
- Develop a food and fibre production register, including land use and soils
- Develop improved response mechanisms to extreme events.

WHAT WOULD SUCCESS LOOK LIKE?

Australian agriculture has brought about genuine improvements in the environment, in balance with economic and social needs. The sector is being recognised for its work in environmental care, including through income streams for providing ecosystem services.

THEME 7:

TRANSFORMATIONAL ISSUES

This relates to how the Blueprint can incorporate and deal with the uncertainties of the future, and consider high-level and potentially significant changes facing the sector.

ISSUES

- The Blueprint must be flexible to account for future uncertainty
- The Blueprint needs to keep an eye on developing issues that could have major impacts on the Australian agriculture sector in the future
- Some potentially high-impact issues, such as climate change, require action and planning because the risks associated with not taking action are too high
- New technologies (such as robotics) and new approaches to labour (such as some of those used in mining) could lead to alternative labour models
- New technologies around food and fibre production could dramatically open up opportunities for agriculture
- New technologies could transform the way education and training is delivered, leading to improved applications within agriculture
- Developments in data collection technologies mean new opportunities for R&D collaboration and communication.

GOALS

- Ensure food and fibre industries remain a high priority on the national stage
- Sustainably utilise natural resources, including those currently under-developed
- Track issues that are likely to have key future impacts
- Explore and develop alternative labour models
- Explore and develop production technologies for food and fibre.

HEADLINE STRATEGIES

- Establish a joint sector-government food and fibre 'think tank'
- Establish a federal Ministry of Food and Fibre
- Ensure all new policies/legislation are viewed through a food and fibre lens
- Reduce dependence on existing energy, fuel and water sources and expand new sources
- Develop a sector-wide robotics development project.

WHAT WOULD SUCCESS LOOK LIKE?

A flexible and innovative sector that adopts and exploits new technologies and responds swiftly and proactively to changes—expected or unforeseen.

WHERE TO FROM HERE?

The Blueprint for Australian Agriculture sets out a vision for the longer-term future, and some of the steps required to get there. As a sector-led initiative, the Blueprint's main value lies in bringing the players in agriculture together and on to the 'same page' in terms of a desired future for the sector, and coordinating their actions to bring this about.

The next formal steps in the Blueprint process are a series of stakeholder forums coordinated by NFF during 2013 to take the broad strategy ideas from this document, turn them into specific, time-bound actions, assign responsibility for carrying them out, and identify what resources will be needed to do so.

Areas of responsibility

Responsibility for implementing the Blueprint lies at all levels of agriculture, from the highest sector level down to each individual farmer. The decision-making of individual farmers sits at the core of Australia's ability to capture the global opportunity.

To support the vision for agriculture identified in the Blueprint:

- **Agricultural sector bodies** can proactively promote their industries, disseminate knowledge to improve performance, improve coordination and share knowledge.
- **Agribusinesses** can drive investment in their supply chains, build trust with farmers, disseminate knowledge on global best practices and market requirements and invest in the future of the sector.
- **Farmers** can focus on volume growth and optimising for higher margins, by delivering higher-value products and increasing output-driven productivity. As well as improving their own performance, they can build stronger networks to strengthen the agriculture sector's bargaining power.

A CALL TO ACTION

In the face of major challenges and opportunities for the future, the agriculture sector in Australia has a choice—to approach this future in a fragmented way or to make more of the opportunity by forging greater cooperation across the sector. The Blueprint provides a starting point for this discussion and collaboration on the issues that are shared across the sector.

Building on its long tradition of contributing to Australia's social fabric, while remaining modern, innovative and flexible, the sector can be seen by communities and the government as a vital and valued part of Australian life, forming the backbone of true prosperity in Australia's regions.

Success won't be easy. Achieving the long-term goals identified in this Blueprint will require leadership, coordinated effort, and resources.

While NFF is spearheading the effort, this is a sector-wide initiative that will depend on the will and capacity of all involved in agriculture to implement it. From governments to individual farmers, everyone has a role to play.

Let's get on with it.

The Blueprint for Australian Agriculture is an initiative of the NFF, in conjunction with major partners Westpac, Woolworths and the Department of Agriculture, Fisheries and Forestry. The NFF thanks all Blueprint contributors, supporting organisations and legacy phase partners for their continued support.

