



PPSA Policy Document 2018 State Election

South Australia remains reliant on the productivity and contribution of the Primary Production sector, and those who add value to that produce.

We want all Parties and candidates to understand the contributions that primary producers make to the State's economy, and the extent to which your decisions affect our competitiveness, and hence the level exports, the employment of South Australians and the SA economy.

South Australia's percentage of national exports has fallen from 5.6% to less than 4% in the last 10 years. While total S.A. merchandise exports have risen from \$9 billion to \$11 billion in that time, a rise of around 20%; food and wine exports have risen over 50% to an estimated \$5.22 billion and represent 45% of total merchandise exports. The growth in food and wine sector exports is equal to total growth in SA merchandise exports.

This is the sector that primes the SA economy and drives economic activity for other sectors. Agriculture is 25% of the economy and 1 in 5 South Australians are employed in food and wine industries.

The contribution of Agriculture, Viticulture and Horticulture to the SA economy deserves greater acknowledgement. Our primary industries are large exporters and therefore compete constantly not just with the other States, but with the rest of the world.

Any future Government needs to ensure they help, rather than hinder the most sustainable industry in SA's history. The costs of doing business are the biggest concern for nearly all primary producers. We need help to keep these costs as low as practicable, and ensure we are not hit with extra costs. Extra cost imposts reduce our contribution to the economy and reduce jobs in the sector and in the State.

1. NRM

PPSA accepts that there must be management and governance of natural resource assets and risks – and investment in NRM. A system which engages, empowers and is accountable to local communities and regions is preferable to a system based on centralised decision-making in Adelaide. The NRM system needs to return to its original intent to allow regional and subregional engagement and decision-making.

NRM Boards need to be able to manage their budgets and staff without unnecessary State Government interference. This should include the ability to engage their own staff or contractors. This may help to address turnover of NRM staff, which is a real challenge to good engagement and outcomes.

NRM Boards should consider a nimble organisational design with a small core staff, contracting additional work to the most appropriate organisations and people – including resourcing industry/producer groups for engagement, communications and project delivery.

Less time should be spent on glossy documents and PR and more on practical actions and outcomes.

There should be very strong involvement of NRM Boards and industry groups (regional input) in the development of statewide policy.

NRM levy charges need to be minimised/contained at a reasonable and sustainable level, including through appropriate investment from the SA Government and Australian Government.

Investment is expected in sustainable land management and production practices (e.g. soil management and appropriate capital investments) – particularly via producer groups and networks – and animal and plant control (including the management of wild dogs and feral animals).

Levies raised in a region should be spent on the core, essential activities in a region, with state and federal funding used to supplement and support regions with smaller levy bases in particular – ensuring that SA provides a cost-competitive and sustainable environment for primary producers.

Water planning and management

We need to refocus investment into better science and better engagement on the science underpinning water policy. Work is also needed on licensing, permitting, allocation and transfer processes. Water policy should be developed with strong industry/local community engagement, increasing the use of local knowledge. There should be transparency and a clear line of sight between water levies and water planning and management expenditure in each region.

South Australia should comply with it's national obligation for annual independent review of water management planning and costs.

DEWNR, NRM Boards and PPSA and our industry networks need to work in partnership to significantly improve the science and IT and communication systems, to achieve more dynamic (timely and responsive) and efficient systems, enabling good policy decisions and good business decisions.

More work is required in close collaboration with producers in the Virginia region (addressing water table and flood mitigation issues), Mt Lofty Ranges, South East (to ensure appropriate drainage infrastructure investment and monitoring of groundwater systems) and with River Murray water users (including further discussions on prioritisation of different uses in times of scarcity for River Murray water).

The socio-economic information base for water policy decisions must be strengthened – e.g. regarding “cost sharing”, the operation of water markets and compliance costs being incurred.

Provisions that quickly elevate license or allocation queries to ERD Court processes need to be reviewed as a matter of urgency.

Conflicts of interest in advocating for SA Water versus other water users need to be avoided in the governance of water resources. This arises with the Minister for Water and the River Murray also being the Minister responsible for SA Water.

Producers reliant on potable SA Water supplies should be supported to shift to alternative supplies where their viability is been threatened by the costs of mains water.

PPSA urge that NRM Boards be more empowered and have control of both staff and budgets, and want a greater emphasis on “on ground” projects

2. Electricity

Both reliability and pricing of electricity are an imperative to agricultural production and development in South Australia.

Many of our businesses are major users, particularly irrigators and intensive farming including animals and horticulture. High prices are impacting on viability and investment decisions.

Reliability is a major issue for many businesses as seen with the impacts on dairy seen in the last year. We would welcome any moves to increase reliability.

Many rural areas also are experiencing regular “blackouts” due to aged and poorly maintained infrastructure (e.g. Western Eyre Peninsula).

PPSA also urge the inclusion of biofuels in our future energy mix.

PPSA would welcome all sustainable actions to reduce energy prices and increased reliability.

PPSA would welcome any moves to reduce electricity prices and increase reliability.

3. Mining and Gas

PPSA has a Statement of Principles for Mining and Gas. Key to these are:

- The profitability and long-term sustainability of food and fibre production must not be compromised
- South Australia’s reputation for safe, clean, quality food and wine must not be compromised.
- Social, economic and environmental outcomes must not be compromised.
- Water resource quality and quantity should not be compromised
- Community engagement needs to be early, ongoing, transparent and inclusive
- Consideration should be given to compensation provisions for landholders in close proximity to mining and gas operations, who are impacted by the operations.
- Costs for dispute resolution (including legal, valuation and other costs) should be covered by the mining or gas proponent up-front or as they arise.

Land access agreements need to be appropriate, clear and respectful of landowners and their businesses. Any land access agreements should include:

- Appropriate recompense for the full range of costs;
- Clear agreements with landholders regarding the disposal and acquisition of any exploration or extraction licence;
- Mining practices including compliance with drilling legislation and regarding the use of chemicals;
- Biosecurity requirements;
- WH&S requirements;
- Rehabilitation of land;
- Appropriate long-term insurance and bond arrangements;
- Arrangements for normal agricultural operations; and
- Any and all conduct while operating within the landscape.

PPSA feels that many farmers are intimidated by the prospects of having to deal with exploration and mining companies. There is a lack of understanding of what mining means and what their rights are, which leads to fear, stress, and sometimes unnecessary conflict between farmers and the mining industry.

We feel a dedicated resource, funded by the State Government, but situated within PPSA to assist farmers to access information on their rights when faced with a mining company wanting to explore on their property will help lessen the conflict between landowners, explorers and miners. This independent role will provide information and support to farmers faced with exploration or mining land access issues and provide a direct link to DSD and other relevant experts.

The need for a dispute resolution role such as a Mining Industry Commissioner should also be explored to ensure primary producers rights are maintained in the event of a dispute with a mining company.

PPSA also believe that the impacts of mining are not equally felt by all citizens and therefore the benefits of royalties should not be either. We feel that a percentage of the royalty should be returned to the Local area, and an equal percentage returned to the Region in which the mining occurs over the mine life. This should be available for use on projects and infrastructure required by the local community and region beyond what Government would normally fund.

The definitions of Local area and Region would be discussed with regional LGA's and RDA's before decisions are made. An example would be with Iron Road, Local may be Wudinna and the councils directly impacted by the Rail Corridor, and the region be Eyre Peninsula (LGA and RDA boundaries).

PPSA also would suggest that royalty levels somehow reflect land values and therefore the value of alternative land use. This looks after the State's longer term interests of best return on land, and would also help the mining decision better reflect the opportunity costs and value of alternative land use. The life of the mine and rehabilitated value of the land is also of interest in the long term and should be reflected in the royalties and compensation paid.

PPSA want meaningful consultation, more acknowledgement of current land use, proper compensation, better dispute resolution and royalty return for affected communities.

4. R,D&E and Science and Technology

Ensuring farmers have access to the latest science and technology to ensure we remain productive and competitive will be vital to S.A.'s future competitiveness and viability.

Production controls enforced by the government should be based on good science and documented evidence, accompanied by triple bottom line accounting, and be evidence based.

Farmers rely on science and technology, and want access, or lack of, to be based on good consultation and science.

5. PIRSA and SARDI

PPSA want to see a pre-election commitment from all parties to reinvest in PIRSA and SARDI and the retention of PIRSA as a standalone Department with SARDI as a unit of PIRSA.

Reinvestment back into PIRSA and SARDI in line with the importance of these organizations and the value of the primary industries to the State will be vital to growing S.A. productivity and exports.

Further, PPSA would like to see the Government make a high priority of Bio-Security and co-invest in it accordingly. There needs to be a strong recognition of not only public good, but the fact the general public, particularly travelers and importers create the greatest risks. The cost of bio-security has increasingly been put back on those doing the right thing – the growers.

We would also like to see an increase in public education and awareness of the risks of breaching biosecurity and the importance to production, exports and jobs of South Australians.

PPSA would urge that all funds under the “Primary Industries Funding Schemes” are treated consistently – these are grower’s funds and peak grower bodies should have greater control in the spending of their money. This is the already the case with Grains, Grapes and Pork, but not Livestock.

PPSA would also like to see the Pastoral Board transferred to PIRSA with increased resourcing. We feel that this gives a far greater connection between the major industries and the regulatory body. Relationships are important, and we feel this would improve communication and co-operation leading to better management of our pastoral areas.

PPSA want a well-funded PIRSA and SARDI to be retained as a standalone Department.

6. SafeWork SA

PPSA and its member organisations have worked very closely with SafeWork SA in recent years. We feel this partnership is working well and the engagement is resulting in rising awareness of safety issues and cultural improvement.

We wish to see this relationship continue with increased investment in training and awareness development programs for primary producers to continue this cultural change.

PPSA acknowledge the importance of farm safety and will continue to work with Safework towards better outcomes.

7. Financial Issues

The Emergency Services Levy has become a major cost issue for farmers. The removal of remissions a couple of years ago not only increased many farmers bills by over 10 times, but also gave a message to regional communities that the fact they provided the bulk of their own emergency services was totally ignored and disrespected by Government.

PPSA feel this has resulted in a huge cross subsidisation of metropolitan services by regional communities. PPSA support re-instating remissions and ask all parties to commit to the same position.

PPSA stands firm on opposing the increases in NRM levies resulting from the dual asks of Government for NRM Boards to further fund DEWNR Head Office. (See NRM Section).

PPSA also supports the Bank Mediation Bill which was defeated, despite support from the Banks. Likewise, PPSA supports Stamp duty exemption on multi-peril crop insurances if they become available as a drought management tool.

Restructuring the family farm and relocation of the older generation are major issues for many farming families in transition. We would like to see the following measure adopted to assist:

A Stamp Duty Exemption on plant and equipment transferred in the re-structure. (Consistent with Federal Tax roll-over relief on restructure)

Payroll tax remains a big issue for many of our medium and large employers. We would support any moves to raise the threshold and reduce the rate.

The cost of doing business is a major issue for PPSA and all primary producers. We urge all parties to understand the impacts of increased costs from Government decisions, and the effect on our competitiveness.

8. Telecommunications

Internet and mobile phone access and reliability are big issues for many SA farming businesses. Whilst these issues are primarily Federal, the issue of mobile phone towers has become linked to State Government support, and SA has not kept up with the other States. The South Australian Government has failed to contribute as much as other states to the Federal “competitive process” on funding new mobile phone towers.

Given significant business impacts of lack of mobile access (e.g. selling grain without latest pricing information) we ask that greater financial commitment is made to ensure SA get their share of new towers. This also has safety and emergency service implications. This became particularly evident in the Pinery fires, Eyre Peninsula blackout, and when tourists (and others) are stranded in outback areas.

PPSA urge that the importance of digital and mobile access for farmers viability is understood and mobile blackspot funding is made a priority.

9. Transport

Rural and Regional roads need greater spending to be maintained in conditions which are safe and reflect the vehicles and plant and machinery of 2018 and into the future. Increased signage for things to watch/be aware of on rural roads in agricultural areas – stock on road, heavy machinery movements etc. would add to everyone’s safety. A “Share the Road” campaign should be extended to alert motorists to heavy vehicles, agricultural machinery and possibility of livestock on roads.

PPSA want to see a continuation of the PPSA – PIRSA/DPTI partnership on prioritizing issues which will increase productivity of the agricultural sector and benefit the SA economy. Considerable progress has been achieved through this collaboration and we wish to see it continued. We very much appreciate the work that has been done and acknowledge this has been a benefit to both Primary Producers and the SA economy.

The heavy vehicle network needs to be expanded – this should take in to account safety issues and also the improving technology of newer freight vehicles and combinations.

The work on simplifying regulations and moving from permits to gazetting has also seen good progress and needs to be ongoing.

Modern machinery is bigger, more complex and has improved technology and safety features. Work needs to continue to ensure farmers can move this machinery in an efficient and safe way. This includes night movement and continued work on extending the recently achieved increased flexibility is necessary.

Underpasses for stock movements, particularly dairy cattle, is an area where South Australia has seen little progress. PPSA would like to see policies to ensure discussion with industry as to how we can see progress with underpasses to improve safety on country roads and improvements in efficiency.

PPSA see the continuation of the current successful Transport Project with DPTI and PIRSA as a major election priority.

10. Health and Education

PPSA support a return to greater community involvement in rural health planning and delivery via Regional Health Boards or similar. Funding certainty, access to doctors and specialist services and equity of access to NDIS services are all issues which are vital to rural communities and their future viability.

Access to mental health care needs to be improved in rural and remote areas and needs to be delivered in an appropriate manner, by appropriate providers to ensure the service is utilized.

Drug and alcohol abuse in regional SA is reaching serious proportions and impacting on development within the regions. We seek a Regional resource to be able to call upon to assist an employer with a drug or alcohol issue in their workforce with advice and intervention.

Similarly, funding certainty and reasonable equity to educational opportunity are important issues for these communities. Funding for TAFE and access to training also are important issues, particularly given the costs of having to send staff or children elsewhere for training.

We would ask that Distance education and the Remote and Isolated Children's Exercise (RICE) be reviewed with the intent of providing our remote students with resources more equivalent to the other states and other students their age.

PPSA urge all parties to minimize the disadvantages of those living in rural and remote areas.

Summary

Primary Producers SA urge all parties to be very aware of the importance of food, fibre and wine to the SA economy, employment and communities. The contribution to the SA economy continues to increase annually. We need to be able to compete on world markets to see this growth continue.

The cost of doing business is our major issue. All decisions which affect these costs should be made with the competitive impacts in mind, whether that be negative or opportunities to increase our competitiveness.