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Dear Mr Mahar

Thank you for taking the time to write to Labor outlining the National Farmers' Federation's (NFF's) Federal Election Priorities for 2022.

As you will be aware, the Labor Leader, Anthony Albanese MP addressed the NFF National Conference – Sustaining the Nation, in early April. The points below expand on the points made by the Leader then. Labor's Shadow Minister for Agriculture, Julie Collins MP, also outlined Labor's priorities at the NFF National Press Club on 19 April.

A Better Future for Australian agriculture

With farm gate income expected to top \$85 billion this financial year, the NFF's goal of \$100 billion by 2030 is within reach. But while there are great opportunities, there are also threats.

Drought, bushfires and floods have taken their toll on our country, and, while most industries are impacted, few have been more impacted than agriculture. Our local and international goods supply chains have been, and remain, disrupted by the global pandemic. International trade tensions, and geopolitics, are real headwinds that are felt acutely by many farmers.

Minimising the impact of these events on agriculture, and seizing new opportunities as they arise, is vital for Australia's economic growth, and in ensuring that the benefits of growth are shared broadly by Australians.

If elected, Labor will inherit a fiscal framework and budget position as a starting point for implementing our policy agenda.

Across the coming weeks, Labor will be making announcements relevant to the NFF's Big Idea areas outlined below. What follows are policies announced as at the date of this response. The regularly updated link to our policies is here.

Should Labor form government, we will work constructively with the NFF as we have done in the past, to further develop policy around the areas raised in your correspondence.

Big Idea 1: Plan for Smarter Regional Growth

Regional development architecture

Labor believes it is time for a revitalisation of the Regional Development Australia (RDA) structure and purpose.

Labor wants to see a much stronger partnership with local government in this regard. We need a more coherent and logical architecture for how federal government works in the regions.

In this context, the NFF's current regional precinct proposal is timely, and well-considered.

While Labor would seek to invest in all regions across Australia, we will consider the proposed approach from the NFF, along with other stakeholders, as we reinvigorate and rejuvenate the regional development structures that we will inherit, should we form government.

Right now, Northern Australia needs stable leadership and investment from our Federal Government. The Northern Australia Infrastructure Facility (NAIF) has become a revolving door of CEOs that just isn't delivering what was promised. Of the \$5 billion allocated to the Facility in 2016, only a small percentage has been released to projects across Queensland, the Northern Territory and Western Australia. Indeed, more employees continue to work in Sydney than across all the entire north, despite the NAIF offices being based in Cairns.

Under the Liberals and Nationals, the NAIF has failed Northern Australia.

Supply chains

Labor is committed to <u>Making More Things Here</u> and to a <u>Strategic Fleet</u>, which are both highly relevant to international supply chains in that they promote greater domestic self-sufficiency.

Labor's <u>National Reconstruction Fund</u> will provide loans, equity and guarantees to businesses in traditional and existing and emerging industries wanting to modernise and expand.

At your National Conference, Labor Leader Anthony Albanese announced that a Labor government will reserve \$500 million of the Fund for the agriculture sector to encourage investment in value adding for both domestic and export markets. The Fund will help diversify the sector and open up new possibilities for trade.

An Albanese Labor Government will provide ongoing support for regional infrastructure investment, and programs such as Roads to Recovery and the Heavy Vehicle Safety & Productivity Program.

Global reputation

Our trade relationships have been affected by global political positioning as China seeks to aggressively assert its power.

There is no justification for the trade restrictions China has placed on our exports – for instance the prohibitive tariffs on barley and wine.

Australia should never compromise on its values and China must stop this coercion.

This development reminds us of the need to seek out more trading partners. Indonesia and India are clearly important priorities, as are Vietnam, Malaysia, Japan, Singapore, and South Korea.

Labor knows that achieving genuine trade diversification will require a long-term, whole-of-government commitment and a plan. For several years, the Government largely ignored the 2018 Varghese report – which it commissioned – that outlines a blueprint for how Australia can boost its trade with India.

While Labor welcomes the recently announced trade deal with India, it remains a partial deal driven by an election timetable, and we must do better.

We also recognise recent moves to refocus on follow through on the Varghese report, but Labor remains concerned that it took so long.

Labor will at all times act in the national interest and in accordance with Australia's international obligations in dealing with open trade agreements.

An Albanese Labor Government will continue the advocacy at the WTO over the Chinese tariffs on barley and wine.

Biosecurity is an integral part of the NFF's 2030 growth target for the agriculture sector. Australia's biosecurity system underpins \$64 billion of agricultural exports. Farmers and the agriculture sector continue to raise concerns about imminent biosecurity risks, given the cost of an incursion is estimated to be around \$50 billion, according to your organisation.

Under Scott Morrison, four damning reports have found that Australia's biosecurity system is weak and not fit-for-purpose.

An Albanese Labor Government will take the biosecurity challenges facing farmers, regional communities and the agriculture sector seriously.

Big Idea 2: Partner for a Healthier Environment

Measuring and Rewarding Environmental Performance

We know Australia's environment is in crisis, but the Liberals and Nationals don't have a plan to fix it.

Labor believes good environmental protection policy can co-exist with a thriving farm sector.

Labor has called on the Morrison Government to:

- Introduce strong national environmental protections to address the overall state of decline and the state of increasing threats to the environment
- Support efficiency and effective decision-making under the EPBC Act in the interests of avoiding unnecessary delays to jobs and investment.

Climate Change

Alongside economic benefits, Labor's <u>Powering Australia Plan</u> (referred to later in the context of renewable energy) will reduce Australia's emissions by 43 per cent(on 2005 emissions levels) by 2030 — which will become Australia's target under the Paris Agreement, keeping us on track for net zero by 2050.

Australians deserve a plan to secure our nation's future, to maximise the benefits of new technology, cheaper energy, new job opportunities and cheaper low-emissions vehicles.

Australian business, industry, farmers, state and local governments deserve a government that is in step with them.

Powering Australia is squarely focussed on the economic interests of Australian families and businesses, and it will be achieved with policy that is both realistic and ambitious.

Australian business wants certainty. This plan will deliver what they need to move forward.

Water Policy

Every aspect of Australian life, including our economic life, is dependent on water.

In 2020 and 2021 Infrastructure Australia brought a new emphasis to water security in its priority list in each of those years.

But in 2014, the Liberals and Nationals abolished the National Water Commission, leaving a policy vacuum on water.

At the 2019 election, the Morrison Government promised to establish an independent National Water Grid Authority – but instead they set up a unit within the department – which was neither independent nor statutory.

Labor has been highly critical of the Morrison-Joyce Government's failure to show leadership in relation to the delivery of the Murray Darling Basin Plan.

When a group of National Party senators, and a Nationals MP, mutinied against their own government to try to shred the Murray Darling Basin Plan, Australians took notice. The Nationals can't be trusted on water, and nor can the Morrison-Joyce Government.

It is crucial that the Government explain to Australians how they intend that the Plan's targets will be met, and what will happen if they are not.

More broadly, Labor's <u>Plan to Future-Proof Australia's Water Resources</u> is linked here.

Land Management Partnerships

Labor created national Landcare under Bob Hawke, and we have always supported Landcare.

If elected we will work to strengthen Landcare programs which support environmental restoration and sustainable agriculture, mobilising volunteer effort but also assisting in the creation of employment at local and regional level.

We will continue to support natural resource management and work with regional NRM bodies, Landcare, indigenous organisations and other stakeholders to focus on protecting threatened species, expanding and establishing corridors and reducing threats like weeds and pests.

Big Idea 3: Connect Every Australian

Digital Innovation

An Albanese Labor Government will secure more Australian families and businesses quality, high speed internet by expanding full-fibre NBN access to 1.5 million premises.

Labor's Plan will particularly benefit regional Australia, which has been left behind by the Morrison-Joyce Government, by providing up to 660,000 additional homes and businesses in our regions with access to optical fibre.

Families need reliable, fast connectivity for school and work. Small businesses and entrepreneurs need it to stay competitive. Regional communities need it for all those reasons, and as a matter of safety.

Yet as it stands, Australia is ranked 65th in the world for broadband speeds, is lagging developed nations, and regional mobile and NBN connectivity remains in need of significant improvement.

This is why the 2021 Regional Telecommunications Review found that a step change in the ongoing demand for data warrants a step change in the policies and programs which support regional connectivity.

Labor Leader Anthony Albanese released Labor's <u>Better Connectivity for Rural and Regional Australia Plan</u> in April at the NFF National Conference, because the benefits are not just to households but to regional businesses – including farms, manufacturers and town centres.

Renewable Energy

Creating jobs, cutting power bills and reducing emissions by boosting renewable energy are at the centre of Labor's <u>Powering Australia Plan</u>. Our plan will bring cheaper renewable energy to Australian homes and businesses.

For nearly a decade, the Liberal-National Government's mismanagement of our energy policy has been a threat to our economy - leaving Australia missing out on the jobs, growth, and opportunities that our abundant renewable resources could unlock.

Business has shown leadership. Government must play its part.

A Labor Government will close the yawning gap between our current government and the business community, agricultural sector and state governments when it comes to investing in the renewables that will power our future.

Our plan will create 604,000 jobs, with 5 out of 6 new jobs to be created in the regions. It will spur \$76 billion of investment.

It will cut power bills for families by \$275 a year by 2025, compared to today.

Powering Australia will prioritise growth and investment for the regions that have served as Australia's engine room for so long – energy, manufacturing and resources. Under a Labor Government, those regions will continue to power Australia and provide a stream of exports into the future.

Powering Australia's benefits to the Australian economy are backed up by the most <u>extensive independent</u> modelling ever carried out for an Opposition.

Labor's vision is for a future made in Australia – a manufacturing revival – particularly in the regions.

More regional manufacturing. More regional value-adding. More regional jobs.

Big Idea 4: Secure Australia's Farm Workforce

Training and Attracting Australian Workers

The closure of international borders due to Covid has exposed the full seriousness of our labour shortage by denying us access to overseas workers. These skills shortages are acute in rural and regional Australia.

Labor knows it's hard to find workers, from fruit pickers to shearers, to agricultural scientists and wool classers.

Labor's <u>Plan for Fee-Free TAFE</u> will fund 465,000 fee free TAFE courses and up to 20,000 extra university positions in areas of demonstrated workplace shortage.

Places will also be prioritised for universities offering more opportunities for under-represented groups such as people in regional, remote and outer-suburban areas, those who are the first in their family to study at university, and First Nations Australians.

TAFE is particularly important in regional areas where there are often more limited training opportunities, Labor's commitment to TAFE will strengthen regional labour markets.

Jobs and Skills Australia

Labor will also give industry, including the agriculture sector, a direct say in skills training.

We'll create an independent Jobs and Skills Australia to work with industry, unions, and training providers to match the skills being taught with those needed by industry, not just today, but in the future.

As the needs of industry change, the nature of training must also change. And the people who best understand these changes are the people who own businesses, including farms.

Jobs and Skills Australia will be modelled on the independent Infrastructure Australia which Labor created in 2008 to bring an evidence-based approach to the assessment of proposed road and rail projects.

International workforce

Labor has recently announced a comprehensive Plan to Build a Stronger Pacific Family.

Labor believes stronger relationships with Pacific countries are essential for Australia's national security and foreign policy interests. Labor has long advocated deeper engagement with Pacific countries to meet our shared challenges and build our region's resilience to threats.

After years of neglect, the Liberal Government announced a Pacific Step Up in 2016. But the so-called Step Up has been compromised by Scott Morrison's inaction on climate change, cuts to development assistance, poor management of Pacific labour mobility programs and disrespect of Pacific partners, which has eroded trust in Australia across the region.

Labor's Plan includes reform and expanding of Pacific workers' workplace rights in the farm sector. **Reforming the Pacific Australia Labour Mobility Seasonal Worker Program (PALM–SWP)**

The Pacific Australia Labour Mobility Seasonal Worker Program (PALM–SWP) allows Pacific nationals to work in Australia for up to nine months in the agriculture sector where farmers cannot secure local labour. Labor will make PALM–SWP more attractive to Australian farmers and Pacific workers. We will also tackle the exploitation and mistreatment of temporary migrant workers by a handful of employers which has been undermining the reputation of Australia's Pacific labour mobility programs in Pacific countries.

We will move to have the Australian Government meet SWP workers' international and domestic travel costs upfront (less \$300 to be met by approved employers), with costs recovered from workers through the tax system. The new arrangement will mean farmers will no longer face upfront costs any higher than \$300 for recruiting Pacific workers. Workers will be no worse off given they already repay travel costs through pay deductions. This measure will be budget neutral and will commence from January 2023.

Labor will also improve workplace standards for PALM–SWP visa holders by increasing workplace compliance activities and implementing the recommendations of the Migrant Worker Taskforce.

Expanding the Pacific Australia Labour Mobility Scheme (PALM-PLS)

The Pacific Australia Labour Mobility Pacific Labour Scheme program (PALM–PLS) allows Pacific nationals to work in Australia for between one and four years in rural and regional Australia. At present, PALM–PLS workers are not allowed to bring family members to Australia.

Labor will allow primary visa holders in the PALM—PLS to bring their partners and children to Australia. This will boost participation in PALM—PLS, increasing its benefits to Pacific nations and Australian employers.

The changes would apply to PALM–PLS workers but not to PALM–SWP workers, reflecting the longer stays of PLS workers in Australia. The policy would commence in January 2023.

Pacific Australia Labour Mobility – Agriculture Visa

Labor will relocate the proposed Agriculture Visa to sit as a third visa stream under the PALM. This will create a robust and sustainable four-year visa, with portability, strong oversight mechanisms, protections and rights for workers. These protections will be consistent with the protections under the PALM-PLS and PALM-SWP. This will complement the PALM-SWP by providing an agriculture-dedicated visa allowing Pacific workers to return to Australia each harvest season for up to four years.

Labor sees the Agriculture Visa as a great opportunity to provide jobs and economic support for the Pacific Island nations and Timor Leste with 55,000 pre-screened workers ready to go without the need to enter into bilateral agreements.

Boosting Pacific permanent migration

Labor will boost permanent migration from Pacific countries to Australia by creating a new Pacific Engagement Visa for nationals of Pacific Island countries and Timor-Leste. Up to 3,000 visas would be allocated annually by a ballot or lottery process modelled on the New Zealand Pacific Access Resident Category visa. Places would be allocated from within Australia's overall permanent migration program. While detailed design still needs to be done, we envisage applicants being aged between 18 and 45 years, with them or their partners being required to have a job offer in Australia, as well as some English.

There would be country-specific quotas within an overall quota of up to 3,000 places a year, and applications will be open to Pacific nationals in their home countries or who are in Australia on a valid temporary visa. The program will commence in July 2023.

Big Idea 5: Give Farmers A Fair Go

The Importance of Competition

The Labor Party is the party that introduced the Trade Practices Act, instigated the National Competition Policy reforms of the 1980s, established the Australian Consumer Law and criminalised cartels.

Labor will always ensure businesses and consumers and businesses that play fair are protected.

Labor also recognises that competition helps drive down costs and open up supply chains. That's why Labor is committed to strong competition laws and a competition watchdog with sharper teeth.

NEWLY ANNOUNCED POLICY: Unfair contract protection for small farmers

An Albanese Labor Government will improve protections for farmers against unfair contract terms with meaningful protection, safeguarding small business, contractors and smaller scale suppliers from exploitation.

Labor would make unfair contract terms illegal, giving businesses with fewer than 100 staff or a turnover of less than \$10 million a real shield against dodgy contracts. Once dodgy contracts are illegal, the competition watchdog will be able to issue civil penalties to those who use them.

This policy will include small farms and agricultural contractors and suppliers, that meet the above definition. Labor will finally legislate this reform which the farm sector and small businesses have called for.

Despite repeated calls from Labor and the small business community, Scott Morrison has failed to improve the existing protections, which simply aren't strong enough to deter wrongdoing. The Liberals have left small businesses vulnerable to agreements with drawn out payment times and unfair pricing.

Labor has been calling for action for years. While the Morrison Government has shown they can't be trusted to prioritise the needs of small business in the next Parliament, owners and workers in small businesses, including the farm sector, can rest assured that an Albanese Labor Government will get this done.

Tax and Investment Incentives

Labor is committed to providing certainty for taxpayers including supporting all legislated tax measures.

Labor supported the temporary reduction in fuel excise, and facilitated the rapid passage of the legislation through Parliament. While Labor is aware that the non-availability of fuel credits has reduced the benefit to the freight sector, the design of the legislation is the responsibility of the current government.

Similarly, Labor supported measures on accelerated depreciation and ensured their rapid passage through the Parliament.

Labor acknowledges that research and development (R&D) is critical to the Australian economy maintaining its global competitiveness. However, as the NFF would recall, the Morrison Government tried to cut \$1.8 billion from the R&D incentive – a change opposed by Labor.

Since 2011-12, investment in R&D has fallen from 2.11 per cent of GDP to 1.79 per cent in 2019-20 - a clear demonstration that Australia is falling behind in the global race for innovation.

For these reasons, Australia cannot afford a government that does not take R&D seriously.

Conclusion

The Labor Party's historical roots are in rural and regional Australia. Successive Labor Governments have taken the hard economic decisions that have contributed to shaping today's export-oriented and enterprising agriculture sector.

Farmers deserve better than a Prime Minister that goes missing, makes excuses and fails to take responsibility when action is needed.

Scott Morrison's announcements are rarely followed through in delivery. Far too often, it's too little, too late. Whether it's in natural disasters, climate action, international relations, ordering vaccines and RAT tests, aged care, workforce planning or integrity in government, Scott Morrison is always too slow to act.

Australia deserves a Prime Minister that will bring Australians together, not divide us. A Prime Minister who'll work with all the States and Territories, local government, and key stakeholders such as the NFF, to actually fix problems. A Prime Minister who'll take responsibility and tells it like it is. A Prime Minister who leads a united party. Anthony Albanese offers a better Future for Australian agriculture.

We can do so much better.

Once again, thank you for taking the time to write to Labor outlining your priorities.

Yours sincerely,

Paul Erickson

ALP National Secretary