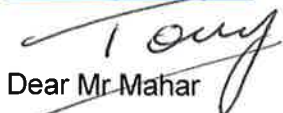


Mr Tony Mahar
Chief Executive Officer
National Farmers' Federation
tmahar@nff.org.au


Dear Mr Mahar

Thank you for the opportunity to provide the views of the Liberal and Nationals Government on the National Farmers' Federation's election priorities. Our response to these priorities is attached.

This election will have real consequences for regional Australia and the nation's economy and our future.

Despite global headwinds, our economy is strong. This year, for the first time in more than a decade, the Government will deliver a Budget surplus.

We know the potential of regional Australia, our people and communities. That's why The Nationals fight for your fair share.

By working together, we're putting locals first to build a stronger regional Australia.

We are putting locals first to deliver:

- Relief for household pressures;
- Secure local jobs and better wages;
- Quality local healthcare and education choices;
- Local roads, transport & infrastructure that works;
- Safer regional communities;
- Protecting our local way of life for future generations.

We can do all of this because of a strong economy.

The alternative at this election is Mr Shorten. Labor's risky agenda includes \$387 billion of higher taxes – on retirees, housing, incomes, investments, family businesses and electricity.

Yours sincerely


Ben Hindmarsh
Campaign Director



LIBERAL AND NATIONALS GOVERNMENT RESPONSE TO THE NATIONAL FARMERS' FEDERATION

Thank you for the opportunity for the Liberal and Nationals Government to respond to the NFF's election platform, *Agriculture: Growing Australia*.

Australia's farmers know they can rely on a Liberal and Nationals Government to stand with them in the good times and the bad. You can trust us to get the job done and create the opportunities that help farmers, their families and their communities grow and prosper.

The Liberals and the Nationals proudly back Australian agriculture.

We have a plan for building a more prosperous, sustainable and resilient agricultural sector.

We have a strong track record of listening to and working with the sector to ensure farmers and their families have the tools to capitalise when times are good and the support they need when times are tough.

Priority 1: Customers and the value chain

Fast-track ratification on the Indonesia-Australia Comprehensive Economic Partnership Agreement

The ratification of *Indonesia-Australia Comprehensive Economic Partnership Agreement* is a priority for the Liberal and Nationals Government.

Pursue an ambitious global trade agenda

A re-elected Liberal and Nationals Government will also prioritise the conclusion of a free trade agreement with the European Union and the *Regional Comprehensive Economic Partnership (RCEP)*, the implementation of the *India Economic Strategy*, and the expansion of the *Trans Pacific Partnership*.

Other market-opening priorities include securing ratification and implementation of the trade agreements our Government has already signed with Peru and Hong Kong, negotiating a free trade deal with the United Kingdom, and concluding a trade agreement with the four-nation *Pacific Alliance*.

A Liberal and Nationals Government will continue our strong defence of Australian exporters against unfair trading practices and non-tariff barriers to trade, particularly for agricultural products, and will continue to play a leading role in strengthening the multilateral trading system.

We have expanded our overseas Agricultural Counsellor network to a total of 22 Agriculture Counsellors plus local support staff in a range of key markets – doubling the number of Counsellors since 2013 when Labor last left office.

The Liberal and Nationals focus on trade has achieved 107 key market access gains or restorations, along with 94 key market access improvements or actions to maintain market access for agriculture since January 2016.

The Liberal and Nationals Government has committed \$29.4 million in additional funds in the 2020 Budget to tackle non-tariff measures in agricultural trade and expand trade opportunities.

Address transport challenges to improve our competitiveness

The Liberal and Nationals Government has a number of initiatives to improve regional and local roads under its \$100 billion infrastructure plan, including:

- *Roads of Strategic Importance (ROSI)*: \$4.5 billion for upgrades on key freight corridors across regional Australia to improve the efficiency of freight transport; and connect agricultural and mining regions to ports, airports and other transport hubs.
- *Roads to Recovery*: \$5.6 billion from 2013-14 to 2022-23 for road maintenance and upgrades.
- *Heavy Vehicle Safety and Productivity Program*: \$508 million from 2013-14 to 2022-23 for projects that improve productivity and safety outcomes of heavy vehicle operations.
- *Bridges Renewal Program*: \$640 million from 2015-16 to 2022-23 to upgrade and replace bridges to enhance access for local communities and facilitate higher productivity vehicle access.
- *Northern Australia Beef Roads Program*: \$100 million from 2017-18 to 2020-21 for targeted upgrades to key roads necessary for transporting cattle to improve the reliability, productivity and resilience of cattle supply chains in northern Australia, thereby reducing freight costs and strengthening links to markets.
- *Northern Australia Roads Program*: \$600 million from 2016-17 to 2021-22 for upgrades to high priority roads in northern Australia essential to the movement of people and freight.

The Liberal and Nationals Government is also delivering upgrades to a number of major highways critical to freight productivity, such as the Princes, Pacific, Bruce, Newell and Warrego Highways. These five projects alone have commitments totalling almost \$20 billion.

The Liberal and Nationals Government has funded the construction of \$9.3 billion Inland Rail and will continue working with the community and landowners on finalising its design and construction.

The Liberal and Nationals Government has also asked the *Productivity Commission* to undertake a review into national transport reforms, to ensure they are delivering national productivity benefits and safety. The review will assess the economic impacts of COAG reforms to establish the national maritime regulator, the national heavy vehicle regulator and the national rail safety regulator and investigation system.

The *National Class 1 Agricultural Vehicle and Combination Notice* is now in place across large parts of regional Australia, removing the need to apply for permits to move many agricultural combinations on public roads. Farmers can now check the Operator's Guide and online maps to see whether they still require a permit to move a vehicle, as the Notice has established a network of local, state and territory roads that can be used by heavy agricultural vehicles. Significantly, it will bring the number of designated agricultural zones down from 26 to just five, reduce the complexity for cross-border movements and generally improve the efficiency of agricultural operations. The Notice will apply across designated

roads in more than 260 local government areas that signed up to the Notice during March and April 2019.

Protect Australia's biosecurity

The Liberal and Nationals Government has grown investment in Australia's biosecurity system, which protects jobs, our way of life and the environment, and underpins our agricultural exports.

This investment has strengthened our biosecurity surveillance, built community-based engagement, grown our scientific capability and improved our analytics capability.

The Liberal and Nationals Government has increased investment in biosecurity by 40.2 per cent since 2013.

This includes the \$200 million additional investment under the *Agricultural Competitiveness White Paper* and the additional \$313 million package announced in 2018.

We now spend over \$840 million a year on biosecurity programs, a clear sign of our enduring commitment to protecting Australia's agricultural industry from damaging pests and diseases.

The Liberal and Nationals Government also recognises the significant cost to productivity from invasive pests and weeds. We have invested \$208.3 million in pests and weeds eradication and management since 2015 and have committed to an additional \$10 million at this election to fight pests and weeds in drought affected communities.

The *Centre for Invasive Species* (CISS) does great work. That's why the Liberal and Nationals Government is providing \$20 million over five years to 2022 to the CISS to improve invasive species management.

The CISS is progressing development of a ten year weeds research, development and extension investment plan to identify priority areas in the war against weeds. Any further investment decision will be made in due course.

The Liberal and Nationals Government has also committed a further \$30.3 million over four years from 1 July 2019 to further improve the management of established pests and weeds.

Maintain a sustainable live export trade

The Liberal and Nationals Government actively support a sustainable live export industry for sheep, cattle and goats. We have taken the necessary steps to improve the performance of the trade in support of the thousands of hard working producers, pastoralists and regional communities that rely on it.

In contrast, Labor has committed to shut down the live sheep trade and has similar form when it comes to the live cattle trade.

Take a partnership approach to animal welfare

The Liberal and Nationals Government understands that Australian farmers adhere to some of the highest animal welfare standards in the world and are committed to continual improvements in animal handling and management. We also appreciate that with increasing public interest and concern about the treatment of farm animals, there is increasing pressure from the community for more effective regulatory action from government.

It is critical that any regulatory action is informed, balanced and measured and this can only be achieved by working collaboratively and in partnership with the farm sector and other affected stakeholders.

We have re-established the *Animal Welfare Branch* in the Department of Agriculture and Water Resources and undertook a study of the public attitudes and expectations of animal welfare in 2018 to inform government policy.

The Liberal and Nationals Government supports the development of nationally consistent animal welfare standards and guidelines, which make it easier for industry and the wider community to understand and adopt suitable husbandry practices.

Establish a 'hubs' approach to drive regional growth

The Liberal and Nationals Government is supporting the establishment of export hubs for small and medium enterprises in regional areas through the *SME Export Hubs* program. Under Round 1, ten Export Hubs are being established with grants between \$150,000 and \$1.5 million, of which six have a strong focus on promoting food and agribusiness exports.

These export hubs operate in key industry sectors of competitive strength and strategic priority identified under the Coalition's *Industry Growth Centres* initiative.

The Liberal and Nationals Government has also established the *Future Food Systems Cooperative Research Centre*. Working across the food supply chain, this CRC will work with regional stakeholders in food-growing hub regions around Australia to build value-adding and export capability for local produce. CRC industry partners include large and small firms across farming, food manufacturing, technology services and marketing.

Invest in community and customer trust

Earning and owning a social license is a critical element of the industry achieving its \$100 billion target. This means investing in activities that demonstrate responsiveness and transparency and ensure industry practices meet consumer expectations is more important than ever.

The Morrison Government has committed \$4 million to partner with the NFF to develop an Australian Biodiversity Certification Scheme to demonstrate Australian agriculture's biodiversity and sustainability credentials to the public.

We also acknowledge the investment of a number of research and development organisations and individual peak councils into genuine community and customer trust activities.

Priority 2: Growing sustainably

Establish a \$1 billion Ecosystem Services Fund

Farmers and producers care for the land and the natural resources that help them produce clean and green food and fibre for Australians and the world.

To ensure farmers receive due recognition for their efforts, the Liberal and Nationals Government announced in the 2019-20 Budget a \$30 million *Agriculture Biodiversity Stewardship Program* to encourage the adoption of improve biodiversity practices. This investment will deliver appropriate methodologies, monitoring and evaluation systems to quantify the benefits to production and biodiversity.

We have also committed to provide the National Farmers' Federation with \$4 million to develop and deliver an *Australian Farm Biodiversity Certification Scheme* to ensure farmers are recognised for good on-farm biodiversity practices by consumers.

This investment builds on the \$1 billion we are investing through the next phase of the National Landcare Program. It also recognises the role that farmers play in environmental management and stands in contrast to Labor's commitment to nationalise a 'land-clearing' trigger in the *EPBC Act* and rewrite environmental laws to limit and punish farmers.

Implement the recommendations of the Craik Review

To ensure the *EPBC Act* remains best-practice, the Liberal and Nationals Government will consult widely on an independent statutory review of the Act. Consultation will begin later this year and include feedback from business groups, environmental organisations, farmers and other land users and the broader community to ensure we strike the right balance with our environmental laws – continuing to protect the environment while allowing for sustainable development. The Craik Review recommendations will be considered at this time.

Bipartisan support for the Murray Darling Basin Plan

The Liberal and Nationals Government is committed to the delivery of the Basin Plan and to ensuring that Basin communities and industries have certainty. In the last term of Government we delivered the *Sustainable Diversion Limit Adjustment Mechanism* and the *Northern Basin Review*, securing bipartisan agreement with the Opposition on 7 May 2018 – these were critical to the continued implementation of the Basin Plan.

We will continue to take a measured and responsible approach to Basin Plan implementation and to work with the Opposition and communities to deliver the best outcome for the Murray Darling Basin.

Act on the Northern Australia Plan

The Liberal and Nationals Government has invested over \$6.2 billion through the *Our North, Our Future: White Paper on Developing Northern Australia*. Forty one of the White Paper's 51 measures are now delivered. The remaining nine measures are on track for completion. The northern development agenda is focused on policy initiatives that support:

- simpler land arrangements for investment;
- developing the north's water resources;
- establishing business, trade and investment gateways;
- infrastructure to support growth;
- access to northern workforces; and
- good governance.

We are now over three years into the twenty year economic development agenda.

Adequately resource the Emissions Reduction Fund

The *Emissions Reduction Fund* (ERF) is the centrepiece of the Liberal and Nationals Government's climate response, successfully supporting Australian farmers, businesses, communities and landholders to reduce emissions. The Coalition has committed \$3.5 billion

to our *Climate Solutions Plan*, which will continue the Government's investment in practical climate solutions. This is the largest ever direct investment in emissions reduction.

As part of this, the Liberal and Nationals Government will invest a further \$2 billion in the *Climate Solutions Fund*. This will build on the success of the ERF, which has contracted 193 million tonnes in emission reductions. This is the largest amount of emissions reductions in Australia's history.

The *Climate Solutions Fund* will deliver more than 100 million tonnes of additional emissions reduction to 2030. This will make a key contribution to us meeting our 26-28 per cent emissions reduction target under the Paris Agreement.

Help farmers respond to climate change

The Liberal and Nationals Government's \$2 billion *Climate Solutions Fund* will partner with farmers, local governments and businesses to deliver practical climate solutions across the economy that reduce emissions.

Farmers will be supported to revegetate degraded land, improving water quality, reducing erosion and salinity, and drought proofing farms.

The Liberal and Nationals Government's carbon neutral certification is helping businesses voluntarily measure, reduce and offset greenhouse gas emissions. These important contributions not only reduce greenhouse gases but also give participating businesses a competitive edge in the market place.

Implement the National Forest Industries Plan

The Liberal and Nationals Government has committed \$20 million to implement the *National Forest Industries Plan*. On 11 April 2019, the Liberal and Nationals Government announced it had begun delivery of four pilot regional hubs, with \$1 million provided to South West Western Australia, North/North West Tasmania, North East NSW and the Green Triangle covering the South Australian and Victorian border. A re-elected Liberal and Nationals Government will bring forward the South West Slopes, NSW as a pilot hub.

After the pilots, we will install Hubs in four more regions: Gippsland in Victoria, Central West NSW, South East Queensland and North Queensland.

A re-elected Liberal and Nationals Government will further support the delivery of one billion new plantation trees with a special *Plantation Development Concessional Loan* product under the *Regional Investment Corporation*. We committed also to delivering 20-year rolling *Regional Forestry Agreements* with relevant states and to develop a farm forestry strategy.

Commit to tackle food waste and insecurity

The Liberal and Nationals Government is committed to fighting food waste, with our National Food Waste Strategy committing to halve food waste by 2030.

In 2018, the Coalition invested \$30 million to support the establishment of the *Fight Food Waste Cooperative Research Centre* to transform unavoidable waste into innovative high-value products. We also recently committed funding to support OzHarvest to roll out its national Fight Food Waste campaign.

We have also supported innovative food waste reduction projects as part of the Liberal and Nationals Government's *Rural R&D for Profit Program*.

The Liberal and Nationals Government has a multi-pronged approach to ensure Australia can continue to produce more food than we need and export our clean and green products to the world. We are focused on water use and management, including building water infrastructure for the 21st Century.

We have announced the *Agricultural Biodiversity Stewardship Program* to recognise, reward and incentivise sustainable management of the natural resources base. We are investing in R&D including developing a roadmap to ensure our rural innovation system is fit for the future. We are committed to ensuring Australian children know where their foods come from and the role of agriculture and good land stewardship in producing our food and fibre.

Priority 3: Unlocking Innovation

Act on the Regional Telecommunications Review and fund the Mobile Blackspots Program

The Coalition has a strong track-record of investing in regional communications through the National Broadband Network and the Mobile Black Spot Program. The Government's response to the 2018 Regional Telecommunications Independent Review Committees Report demonstrates our continued commitment to regional communications.

As part of the Government's response, an additional \$220 million has been allocated to a large-scale, multi-year *Stronger Regional Digital Connectivity Package* to improve broadband and mobile services in areas of high economic, social and public safety significance. This package includes \$160 million to deliver Rounds 5 and 6 of the *Mobile Black Spot Program*. This is on top of the \$220 million the Coalition has invested in the *Mobile Black Spot Program* to date.

By contrast, Labor didn't invest a single dollar in mobile black spot programs when they were last in government. Further, they only rolled out the NBN to 51,000 premises across the country after six years in government. Under the Coalition, the NBN is now 92 per cent complete in regional Australia and will be complete by 2020.

Establish a Rural, Regional and Remote Telecommunications Research Fund

The Liberal and Nationals Government's \$60 million *Regional Connectivity Program* – part of the *Stronger Regional Digital Connectivity Package* – is a new place-based program that will provide targeted investments to areas in need of telecommunications infrastructure improvements. Funding from the program will also be used to develop a *Digital Literacy Hub* to improve digital literacy.

Maintain investment in rural research and development

The Liberal and Nationals Government is committed to maintain investment in rural research and development.

Research and development is central to driving productivity growth through innovation. To face the challenges ahead we have consulted with over 550 industry, investors and the research community stakeholders to develop '*Agricultural Innovation – a National Approach to Grow Australia's Future*'. This Report provides a shared vision and roadmap for the future of Australia's agricultural innovation system.

A stakeholder roundtable was held in March 2019 to consider the Report recommendations and provide advice on implementation next steps. In addition, the 2019-20 Budget provides \$2.9 million in funding over three years to strengthen leadership, cohesion and coordination across the agricultural innovation system.

Help transition agriculture to renewable and affordable energy

The Liberal and Nationals Government's \$50.4 million *Regional and Remote Communities Reliability Fund* will support 50 off-grid and fringe-of-grid communities to investigate whether establishing a micro-grid is cost-effective, and whether existing off-grid capabilities can be upgraded with modern technology.

Where feasibility studies find that micro-grids are economically viable, communities can upgrade existing diesel generation or take advantage of new local generation and storage opportunities. The Fund will also guide communities towards additional support, including through the *Australian Renewable Energy Agency* and *Clean Energy Finance Corporation*.

Efficient and safe access to agricultural technologies

The Liberal and Nationals Government will maintain independent, science-based assessment processes for agricultural technologies, including agricultural and veterinary chemicals through the *Australian Pesticides and Veterinary Medicines Authority* and the *Gene Technology Regulator*.

Reinstate the ABC shortwave radio service

The decision to conclude shortwave broadcasting was taken by the ABC Board, who have legislated operational independence.

The decision was in no way related to government funding. The ABC receives more than one billion dollars each year and has full autonomy as to how to expend its budget. As a consequence, any proposition to restore shortwave services needs to be put to the ABC and funded from its budget. The Government has no capacity to direct the ABC.

Priority 4: Capable people, vibrant communities

Commit to act on agriculture's labour shortages

The Liberals and Nationals Government recognises this is a key issue of concern for participants of the agricultural supply chain and one that needs to be addressed to support sector's \$100 billion goal.

The Liberal and Nationals Government has announced a \$1.9 million *National Agricultural Workforce Strategy* to ensure we have the workers with the skills we need for the future. This Strategy will consider the role of agricultural education in meeting Australia's current and future workforce needs in food and fibre industries. This builds on the review of agricultural education which is being undertaken through the Agricultural Ministers' Forum, agreed at the February 2019 meeting.

A new *National Agricultural Labour Advisory Committee* will be established to help progress the strategy. The Committee will consider and advise the Government on farm labour and agricultural sector workforce challenges.

The Liberal and Nationals Government has also delivered a range of initiatives to encourage young people to continue their education in regional areas, including in agriculture-related fields.

In 2016, the Government committed \$152 million over four years to a *Regional Student Access to Education Package*, including:

- \$24 million for 1,200 new *Rural and Regional Enterprise Scholarships*, for scholarships for people from regional and remote Australia to improve access to science, technology, engineering and mathematics (STEM), agriculture and health courses.
- \$83 million to improve access to Youth Allowance and ABSTUDY living allowance for regional and remote students.
- \$45 million for isolated children's education.

The Coalition committed \$96.1 million over four years in response to the eleven recommendations of Professor Halsey's *Independent Review into Regional, Rural and Remote Education*, including:

- \$28.2 million to fund around 500 additional commencing sub-bachelor and enabling Commonwealth supported places from 2019, growing to 688 by 2020, to allow greater access for rural and regional students.
- \$16.7 million over four years to assist in the establishment and operation of up to eight community-owned *Regional Study Hubs* across regional Australia, supported by a further \$14 million to fully support an additional 185 commencing Commonwealth supported places in the hubs in 2019, rising to around 500 in 2022, for students studying in regional areas.
- \$53.9 million to ease financial pressures on families in regional communities, by increasing the Parental Income cut-off for Youth Allowance's regional workforce independence criterion for regional students from \$150,000 to \$160,000, and by a further \$10,000 for each additional child in the family.

The Coalition provided more than \$1.6 billion in base funding in 2017 for Commonwealth supported students at regionally headquartered universities, with an additional \$70 million regional loading each year to help universities maintain regional campuses.

An additional \$134.8 million investment was announced in November 2018, providing Australians living in regional and remote communities with greater access to higher education, including:

- \$34.1 million for an additional 1,955 STEM scholarships for regional and remote students over four years, more than doubling the 1,200 scholarships currently available. The total funding is now \$58.1 million for more than 3,150 scholarships for regional and remote Australians to study STEM.
- \$92.5 million to support more students at five regionally focused universities over four years. This includes:
 - \$40.7 million for Federation University Australia's Berwick campus (VIC);

- \$30.2 million for the Caboolture and Fraser Coast campuses of the University of the Sunshine Coast (QLD);
- \$3.3 million for the Central Coast Medical School and Research Institute of the University of Newcastle (NSW);
- \$9.1 million for Central Queensland University (QLD); and
- \$9.1 million for James Cook University (QLD).
- \$7.5 million to support 16 Regional Study Hubs in 22 locations over four years.

An *Expert Regional Education Advisory Group* will also be established to drive the *National Regional, Rural and Remote Higher Education Strategy* and advise Liberal and Nationals Government on the ongoing education and training needs of regional communities.

The Advisory Group, to be chaired by the Hon Denis Napthine, will prepare a *National Regional, Rural and Remote Education Report* to Government on priority recommendations for action, including advice on the merits of establishing a *Rural Education Commissioner* to oversee implementation of the strategy

The *Destination Australia Scholarships* program will incentivise students to live and study in regional Australia. The program will support up to 1200 students a year – half domestic and half international – with scholarships of up to \$15,000, commencing in 2020.

Celebrate and promote diversity in agriculture

The Liberal and Nationals Government recognises the value to agriculture of encouraging new leaders and new thinking through diversity to shape the future of agriculture.

We are supporting a variety of activities to encourage more women to be involved in agricultural leadership positions including the NFF's *Diversity in Agriculture Leadership Program* and the *AgriFutures Rural Women's Award*.

We are also supporting diversity through our investment in sponsoring a position in the *Australian Rural Program Leadership*.

Since December 2017, the Government has increased the number of women holding (reportable) Agriculture and Water Resources portfolio positions from 41.3 per cent to 46.6 per cent.

Incentivise migration to regional centres

The Coalition has introduced a number of measures in this area:

(i) Designated Area Migration Agreements

The Government has agreed new *Designated Area Migration Agreements* for the Northern Territory, the Great South Coast Region of Victoria, the ORANA region of Western NSW, South Australia (1x regional and 1x Adelaide), and Kalgoorlie-Boulder in WA. These five-year arrangements allow employers in designated regions to sponsor skilled workers (via the *Temporary Skill Shortage* visa and *Employer Nomination Scheme* visa) for occupations not available under standard visas.

(ii) Regional provisional visas

Under two new regional visa categories, skilled migrants will be priority processed and afforded access to a larger pool of jobs on the eligible occupation lists compared to those

who live in our major cities. Extra points will be awarded for migrants living and working in regional Australia, and States and Territories can request access to an increased allocation of dedicated regional migration places.

The Liberal and Nationals Government will also simplify and broaden the definition of regional Australia for all skilled migration visas. Regional Australia will encompass all of Australia outside of Sydney, Melbourne, Brisbane/Gold Coast, and Perth, relieving pressure on the big capitals and making skilled workers available to fill critical regional skills gaps. Skilled migrants will have the opportunity to become established in regional communities and contribute to local economies. Visa recipients will need to live and work in regional Australia for three years before becoming eligible to apply for permanent residence.

(iii) Changes to working holiday maker program

Farmers in regional and rural areas will now receive more support to resolve labour shortages with changes to the working holiday maker program. The Coalition has:

- Introduced a third year visa option for all *Working Holiday Makers* who from July 2019 carry out 6 months of specified work in regional areas.
- Increased the period in which all *Working Holiday Makers* can stay with the same agricultural (plant and animal cultivation) employer, from 6 to 12 months.
- Expanded the regional areas where subclass 462-visa holders can work in agriculture (plant and animal cultivation) to qualify for a second year of stay in Australia. Previously only 462 visa holders who worked in Northern Australia were eligible.
- Lifted the caps in 2018-19 on Work and Holiday visas from Chile, Israel, Peru, and Spain, with further negotiations underway.
- Increased the eligible age from 30 to 35 years for Working Holiday visa applicants, commencing with Canada and Ireland from November 2018.
- Commenced a new Work and Holiday arrangement the Greece in March 2019.

(iv) Change to the Seasonal Worker Program

Our changes to the Seasonal Worker Program will make it easier for farmers to access workers for a longer period with less administration costs.

- Increased work period in Australia to nine months for all workers
- Increased validity of labour market testing prior to recruiting workers from three to six months.
- Reduced out of pocket expenses for employers (workers repay their full travel costs except for the first \$300; a reduction from the previous \$500).
- The two-year *Seasonal Work Incentive Trial* started on 1 July 2017. The trial will support up to 3,800 eligible Australian job seekers each year to undertake seasonal work, like fruit picking. Job seekers can earn up to \$5,000 before welfare entitlements are affected.

Promote equitable services in the bush

The Morrison Government's vision is for a regional Australia that provides secure job opportunities and access to the best education choices, quality health services and reliable

telecommunications. We want to help make regional communities even better places to live, work and raise a family.

The Liberal and Nationals Government will improve the economic growth and well-being of Australians living in the regions. Under a Morrison Government regional Australians will:

- have access to more and better paying jobs;
- have improved health, education and telecommunication services;
- lead the national effort in tackling environmental and water management; and
- have resilient infrastructure including roads and rail.

Help us minimise on-farm injuries

The Liberal and Nationals Government commends the work of *Farmsafe Australia* and all those involved across the country to make farms safer, prevent accidents, raise awareness and educate our communities.

A re-elected Liberal and Nationals Government will establish a \$3.5 million *National Farm Safety Education Fund* to support activities that address on-farm safety issues.

On 6 April 2019, the Assistant Treasurer released the ACCC's report into quad bike safety. The ACCC has recommended a new safety standard. The Liberal and Nationals Government is inviting stakeholders to review and comment on the ACCC's safety standard before finalising the Government's position.

A fair and equitable industrial relations system

The Coalition has already taken important steps to restore industrial relations to the sensible centre. We have ended the 'strike first, talk later' approach to workplace negotiations, ended the union veto over vital new infrastructure, re-established the Australian Building and Construction Commission, established a Registered Organisations Commission and provided greater resources to regulators to ensure our workplace laws are effectively enforced.

Keep wages in line with productivity

The Coalition has maintained that wages are set by the Fair Work Commission, with relevant considerations including the capacity of small business to pay.

Resist a reactionary response to labour market 'casualisation'

There is no increase in casualisation as claimed by unions; the level of casual employment in Australia has remained steady over the past 25 years, at around 25 per cent.

Casual work is a legitimate form of work and the Liberal and Nationals Government will preserve it.

The Coalition has put in place a regulation to ensure that employers – especially small businesses – are not required to pay employees twice for the same work if they are employed as a casual but are later found to be permanent.

The Coalition has introduced legislation to Parliament to ensure workers who have been employed as a casual for a long period can request to convert to permanency, with the caveat that the employer can decline a request for permanency if they have reasonable business grounds to do so.

Establish a National Agricultural Labour Advisory Committee

The Liberal and Nationals Government has committed \$1.9 million for a *National Agricultural Workforce Strategy*, which will not only look at the role of agricultural education but also wider workforce issues.

We will establish a *National Agricultural Labour Advisory Committee* to advise the Government on farm labour and sector workforce challenges.

Do not revive the Road Safety Remuneration Tribunal

The Liberal and Nationals Government will not re-introduce the union-dictated *Road Safety Remuneration Tribunal*, which discriminated against family-owned operators.

Priority 5: Capital and risk management

Create an internationally competitive tax system for Australia

The Government is providing over \$300 billion of tax relief for hard-working Australians and lower tax rates for small and family businesses reducing them to 25 per cent. Enhancements were announced in the 2019-20 Budget.

Defend agriculture's use of discretionary trusts

The Liberal and Nationals Government will maintain existing taxation arrangements for farms managed using trust structures. In contrast, Labor has announced a minimum 30 per cent tax on discretionary trusts starting on 1 July 2019 that will likely hit many small and family businesses in regional areas.

As you are aware, Farm Management Deposits (FMDs) can only be held by individuals, including sole traders, partners in a partnership and trust beneficiaries. It is not government policy to extend FMDs to agribusiness trusts or companies.

Extending FMDs to trusts or companies would allow them to accumulate income tax-free (i.e. with taxation deferred until withdrawal), which could result in them being used as tax-preferred investment vehicles.

Overall, companies and trusts choose to operate under these structures as they can offers many advantages, such as asset protection, that are not available to sole traders or partnerships.

Maintain the Fuel Tax Credit Scheme

A re-elected Liberal and Nationals Government will retain the Fuel Tax Credit Scheme.

Back a fair go, through proactive competition policy

The Liberal and Nationals Government has strengthened section 46 of the *Competition and Consumer Act* by broadening the test for misuse of power to include the effects of a company's behaviour, to consider '*the purpose, effect or likely effect of substantially lessening competition.*'

The Government has also funded the ACCC's *Agricultural Enforcement and Engagement Unit* in the 2019-20 budget and this will continue to be reviewed to ensure that competition laws are enforced in the agriculture sector.

Establish a comprehensive National Drought Policy

The Liberal and Nationals Government has made drought a national priority, providing immediate and ongoing support for farmers, their families and communities, as well as investing in measures to build long term resilience and preparedness.

We convened a Drought Summit and developed a new *National Drought Agreement* between the Commonwealth, states and territories. The Agreement, signed on 12 December 2018, recognises the need to support farming businesses and farming communities to manage and prepare for climate change and variability

The Government is investing more than \$6.3 billion in support and assistance. We will:

- Establish the \$3.9 billion *Future Drought Fund* to provide a secure and sustainable source of funding for drought resilience. The Fund will grow to \$5 billion over the next decade and enable investment of \$100 million per year in water infrastructure and drought resilience.
- Continue to ensure the Farm Household Allowance is fit for purpose, making the \$5 million farm assets threshold test permanent and progressing the recommendations of the recently completed FHA Review.
- Create a new restocking and replanting concessional loan, including two years interest free, no interest accrual through the Regional Investment Corporation
- Establish a \$7 million Drought Communities Small Business Support Program.
- Provide extra support of \$1 million each to an additional 14 local council areas experiencing severe drought through the Drought Communities Program.

Deputy Prime Minister and Minister for Infrastructure, Transport and Regional Development Michael McCormack announced on 30 April 2019 a re-elected Liberal and Nationals Government will establish the National Water Grid – a statutory authority to deliver strategic planning and project management for water policy and water infrastructure right across the nation.

Never before in the history of this country have we seen the type of investment from a Federal Government to build water infrastructure – like the Liberal and Nationals Government is doing now.

But we are being bold and building big and that's why we will establish the National Water Grid and its first order of business will be to look at how large scale water diversion projects could be established to deliver reliable and cost effective water to farmers and regional communities.

The National Water Grid will:

- Bring together the world's best scientists to harvest and harness water in the best way possible. This will ensure that decisions regarding water and water infrastructure by future state and federal governments are based on best available science, not on political agendas.
- Develop a Water Grid that will provide the pipeline of all established, current and future water infrastructure projects and then identify the missing links.

- Use the best available science to examine how large scale water diversion projects could be established to deliver reliable and cost effective water to farmers and regional communities.

A re-elected Liberal and Nationals Government will also:

- Seek agreement from states and territories to co-invest in the project through the Council of Australian Governments (COAG) to make this truly a national initiative based on science, not politics.
- Invest an initial \$100 million to better understand own water resources and kick start investigation and delivery of water diversion projects.

The Liberal and Nationals Government is investing more than \$3 billion to work with state and territory governments to fast track water infrastructure projects that will deliver greater water security for rural communities, grow jobs, and underpin new and expanded agriculture and support regional economic growth.

Right across our nation, our regional communities experience droughts and flooding rains and we need states to work more closely hand-in-hand with the Federal Government to better capture and store water as well as protecting our communities from devastating flood.

Detail on the Government's comprehensive record on drought support and assistance is at Attachment 1.

Get serious about stopping farm intrusions

The Liberal and Nationals Government has taken action to protect farmers from extreme activists. We have taken action to protect Australian farmers' right to farm animals without fear or intimidation.

Our Government has brought the Aussie Farms website under the Privacy Act, exposing it to potential penalties of more than \$400,000 for breaches. This action means that Aussie Farms is prescribed as an organisation under the Act.

We will legislate to make it an offence to use a carriage service, such as the internet, to disclose personal information to incite trespass on agricultural land where that could cause commercial detriment.

We will pass new laws to ensure that what Aussie Farms is doing is illegal and punishable by up to 12 months jail. Exemptions will apply for bona-fide journalists and whistle-blowers, where the release of information shows a law being broken such as animal cruelty.

The Liberal Nationals Government has also called on state governments to beef up trespass laws to provide real penalties for trespass, and to make publicly state that they expect the police will uphold these laws.

Make small business immediate asset write-off measures permanent

The Liberal Nationals Government has increased the instant asset write off to \$30,000 and expanded eligibility to businesses with a turnover of up to \$50 million in 2019-20 budget, continuing the Government's ongoing commitment to small businesses

Attachment 1

Liberal Nationals Record on Drought Support and Assistance

- ✓ Providing more than 11,200 farmers with \$266.9 million in **Farm Household Allowance**, and more than \$40 million in lump-sum supplementary payments.
- ✓ An additional \$5 million to the **Rural Financial Counselling Service Program** to increase support to farmers, bringing our total investment to \$77 million.
- ✓ Funding for two **Farm Liaison Officers** to bolster support for farming communities.
- ✓ \$35 million for **Drought Community Support Initiative** to provide around 10,000 of our farming families with cash and vouchers to help with daily household expenses. \$5 million of this funding has been provided to the Country Women's Association of Australia to support their drought charity efforts.
- ✓ \$131 million for the **Drought Communities Program** to deliver local infrastructure and drought relief projects.
- ✓ \$15 million to the **Foundation for Rural and Regional Renewal** to deliver small-scale grants for social connectedness.
- ✓ \$29.4 million for the expansion of **Empowering our Community and Connecting Youth Awareness-raising Initiative** and the **Telehealth Services**.
- ✓ \$5.6 million to establish the **Joint Agency Drought Taskforce**.
- ✓ \$2.7 million for **regional weather and climate guides** to help with on-farm decision making.
- ✓ \$77.2 million for **Bureau of Meteorology radars** to address gaps in weather monitoring.
- ✓ \$400,000 for the National Farmers' Federation **FarmHub** to provide a single trusted point of access to information and services.
- ✓ \$4.2 million to improve and maintain a **National Drought Map** to consolidate publicly available data.
- ✓ \$750 million investment in the **National Water Infrastructure Development Fund**.
- ✓ Establishing a \$50 million **On-Farm Emergency Water Infrastructure Rebate Scheme**.
- ✓ Providing \$15 million for 48 **wild dog fencing and other pest and weed management** projects in drought-affected areas.
- ✓ \$23.7 million for the **Great Artesian Basin** to fast track capping and tapping free-flowing bores to ensure there is water available for generations to come.
- ✓ \$1 billion for concessional **Regional Investment Corporation** loans, doubling the maximum loan amount to \$2 million.
- ✓ Enhancing the **Farm Management Deposits Scheme** to increase the deposit cap and allow banks to offset deposits against farm loans.
- ✓ **Accelerated depreciation** for fodder and water infrastructure.
- ✓ Increasing the **instant asset write-off** to \$30,000 **small and medium size businesses**
- ✓ Providing **income tax averaging**.
- ✓ **Reducing the tax rate** for small and medium businesses.
- ✓ **Cut red tape for farm transport vehicles**, and increased the heavy vehicle height and width allowances for trucks carrying hay and fodder to drought areas.