



Parliament of Australia – House of Representatives

Submission to the Inquiry into growing Australian agriculture to \$100 billion by 2030

October 2019

About

The Australian Fresh Produce Alliance (AFPA) is made up of Australia's key fresh produce growers and suppliers. The members include:

- Costa Group,
- Perfection Fresh,
- Montague,
- One Harvest,
- Pinata Farms,
- Fresh Select,
- Mitolo Group,
- Mackay's Banana Marketing,
- Driscoll's,
- 2PH Farms,
- LaManna Premier Group,
- Rugby Farming,
- Freshmax, and
- Fresh Produce Group.

These businesses represent:

- half the industry turnover of the Australian fresh produce (fruit and vegetables) sector - \$4.5 billion of the \$9.1 billion total,
- a quarter of the volume of fresh produce grown in Australia - 1 million of the 3.9 million tonne total,
- more than a third of fresh produce exports - \$410 million of the \$1.2 billion export total,
- more than 1,000 growers through commercial arrangements, and
- more than 15,000 direct employees through peak harvest, and
- up to 25,000 employees in the grower network.

The key issues the AFPA is focusing on include:

- packaging and the role it plays in product shelf life and reducing food waste landfill,
- labour and the need for both a permanent and temporary supply of workers,
- market access to key export markets for Australian produce,
- product integrity both within and outside of the supply chain,
- pollination and research into alternative sources, and
- water security, including clear direction as to the allocation and trading of water rights.

The AFPA's aim therefore is to become the first-choice fresh produce group that retailers and government go to for discussion and outcomes on issues involving the growing and supply of fresh produce.

Products grown by AFPA Member companies include:

Apples	Broccoli	Fioretto	Oranges	Strawberries
Apricots	Broccolini	Green Beans	Peaches	Sweet Corn
Asparagus	Brussel	Herbs	Pears	Table grapes
Avocado	Sprouts	Lemons	Pineapples	Tomatoes
Baby Broccoli	Butternut	Lettuce	Plums	Water Cress
Baby Corn	Pumpkin	Mandarins	Potatoes	Wombok
Bananas	Cabbage	Mango	Cucumber	
Beetroot	Cauliflower	Mushrooms	Raspberries	
Blackberries	Celery	Nectarines	Salad leaf	
Blueberries	Cherries	Onions	Spinach	



Submission

The Australian fresh produce sector is often overlooked for the significant contribution it makes to the Australian economy. It is a major economic presence in regional Australia, sustaining many communities through capital investment in farms and new production techniques, employment growth and attracting government support for key infrastructure, including roads, transport hubs, telecommunications and irrigation schemes.

From 2013 to 2017, the Australian fresh produce (fruit and vegetable) sector grew from \$7 billion to a \$9 billion industry. At the same time, fresh produce exports nearly doubled from \$654 million to \$1.179 billion. Fresh produce is grown across Australia, from citrus in the South Australian Riverland, to leafy green vegetables on the outskirts of our major cities in peri urban areas, to berries in Far North Queensland and avocados in Western Australia. The sector's footprint is vast, and this not only reflects its growth trajectory but also the opportunities that exist both domestically and internationally.

The fresh produce sector also plays an important role in society's efforts to address preventative disease, including obesity and type 2 diabetes. Ensuring that our population has access to fresh produce that is both affordable and of a high quality is a responsibility that the sector and our food and grocery retailers take very seriously. The financial impost on both state and federal health budgets of the treatment of preventative chronic diseases mandates that more be done to ensure every Australian has access to food that is healthy and nutritious.

There are many challenges facing the sector, including reliability of labour supply, climate change, water security, reduction of waste throughout the supply chain, export market access and the need to continually drive productivity in both harvest and post-harvest practices. The sector must continue to change, refine and develop the way it does things. For example, the use of protected cropping for the growing of a wide variety of fruit and vegetables is not only more efficient and delivers improved yield per hectare of production, it also actively addresses and mitigates the risk of climate change, especially extreme weather and unpredictable events.

The availability of labour is another significant challenge, with the sector relying on temporary and seasonal migrant workers to harvest crops. This comes with both a legal and ethical responsibility, and the sector must improve its practices and reputation in this area. This means zero tolerance for the use of illegal workers and the deliberate underpayment of wages. At the same time the sector must continue to invest in developing its permanent local workforce, allowing young people to establish a career in agriculture and continue to live and work in their local regional community.

Much work remains to be done on securing export market access and this requires a whole of government approach in recognition of the fact that the issues to be negotiated are many and varied, including treatment protocols. The case for giving fresh produce priority at the negotiating table is supported not only by the opportunities currently going begging with some of our biggest trading partners, but also the economic benefit that is derived for many regional communities. A whole of government approach is required when negotiating not only free trade agreements, but the multitude non-tariff barriers that continue exist even after the conclusion of a successful bi-lateral agreement. This includes the Department of Foreign Affairs and Trade and the Department of Agriculture working closely together to negotiate technical protocols and ultimately trade access.

As with many forms of agriculture, fresh produce relies on water as a key production input. This is yet another area where farmers have recognised the need to become more efficient. Water efficiency measures have been implemented with a focus not only on efficiency of use, but also on the capture, reuse and recycling of water. Typically, 10mm of rainfall on a 10 hectare glasshouse roof is the equivalent of 1 megalitre of water captured. While over the last decade the citrus industry has almost halved its use of water per hectare of crop by investing in highly precise and accurate drip irrigation.



The sector must continue to invest in and find ways to improve its water use and most importantly its yield per hectare of production.

The sector is focused on reducing waste throughout the supply chain. Government and the community at large have an expectation that where possible, packaging is only used to ensure product integrity, safety, convenience, longevity and to reduce the incidence of food waste. It is also recognised that effort must be made to use packaging which is not only made from recyclable product, but which is also recyclable and compostable, with the ultimate aim being the establishment of a circular economy.

Investment in the development of technology that will make farming more productive and sustainable is a priority for the fresh produce sector. Technology is already being utilised to assist with more accurately predicting soil temperature, air pressure, wind speed and direction, soil moisture, total solar radiation, photosynthetic active radiation, air temperature and rainfall. Although still some way off, automation of harvesting will be a serious game changer when it occurs and rather than displacing labour, it will create new and further opportunities for skilled workers to establish career pathways in the sector.

The pollination of crops is essential to the efficient production of healthy and nutritious fresh produce for all Australians. With bee populations under pressure globally, industry needs Commonwealth Government support to implement trials of alternate pollinators, including bumblebees, as soon as practicable.

There would be few who would argue that there is not a strong need for continued strong investment in agricultural research and development to support the long term development of Australian agriculture. Much of the discussion is focussed on the 'who, what, when and where' of that research and development. A useful approach to focussing the RDC programs will be to focus on research priorities which provide strategic and 'public good' benefits to contributing industries and the Australian taxpayer, undertake research to address strategic challenges which won't otherwise be addressed by other parties, and avoid short term research topics which will be met by other parties.

Given the need for focus, the Australian Fresh Produce Alliance does not support an advocacy or 'political lobbying' role for RDCs. There is however a clear role for RDCs in establishing data and evidence for Australian agriculture across key issues such as sustainability, labour, trade, biosecurity, food safety and other matters. This information can be used by governments and industry bodies in the development of policy and programs.

The fresh produce sector deserves a prominent seat at the table when it comes to the future direction of agriculture and farming. This is due recognition for the role it plays in so many areas, whether it be the economic activity it generates in regional and rural communities, the export income earned from clean and green fresh produce, or the role it plays in contributing to the health and well-being of the population, the fresh produce sector is undoubtedly a key player in Australia's future success.



Recommendations

That the Australian Government:

- 1. Adopt a Sustainability Framework which acknowledges the significant contribution of Australia's fresh produce farmers to Australian families and the Australian environment**, through the production of fresh and nutritious food, while improving yield relative to input use and promoting sustainable and responsible stewardship of our natural environment.
- 2. Acknowledge the significant role of the Australian fresh produce industry across rural and regional Australia as a significant employer and investor across the Australian landscape**. Consider how existing government programs can support all fresh produce companies to continue growing.
- 3. Consider how governments can support consumer trends around convenience and the availability of fresh produce to improve the health of all Australians**, ensuring existing government programs and incentives better support fruit and vegetable consumption.
- 4. Implement an agricultural workforce strategy which includes specific measures for fresh produce**, providing a visa, training and regional development framework allowing the fresh produce industry to continue employing significant numbers of Australians while also drawing on international workers through the Seasonal Worker Program and working holiday program during peak harvest times.
- 5. Implement a water policy which provides clear direction as to the security of water rights, their trading and how such rights are used in the production of agricultural commodities**. This should be coupled with a focus on efficiency of use, including the necessary public and private investment in technology and infrastructure to promote the capture, recycling and reuse of water without adversely impacting the natural environment
- 6. Implement a national, coordinated policy on packaging, food waste and recycling** which provides a framework for industry, governments, retailers and consumers to implement business, consumption and behavioural change for the benefit of the environment and Australian families.
- 7. Adopt a whole of government approach to Technical Market Access, and share our expertise with key trading partners**. The future growth of the fresh produce industry is dependent on technical market access into key export markets, this must be a priority for the Australian Government's international engagement.
- 8. Adopt an industry led approach to addressing the underlying issues in food tampering and food safety**, with a focus on coordinating the key players across multiple government and regulatory jurisdictions to deliver cohesive and considered responses.
- 9. Implement agreed trials to determine the effectiveness or otherwise of using bumblebee for crop pollination in Tasmania, while continuing to support pollination research as a priority**.
- 10. Adopt a policy of streamlining agricultural Research and Development, and Marketing, to focus on key industry challenges, reduce duplication, and deliver outcomes on strategic issues for growers**.

