



# Tasmanian Farmers and Graziers Association

## Submission to: Inquiry into the Tasmanian Wilderness World Heritage Area

March, 2014



## **AGRICULTURE IN TASMANIA**

The total Tasmania gross state product (GSP) was \$23.9 billion for the 2012 year. The GVP of agriculture, forestry and fishing collectively amounted to almost 9% of this total – before input supply services and value-adding, which is well above that for the nation as a whole.

In 2010/11, the farm gate value of production (GVP) of agriculture, forestry and fishing was \$1.98 billion. This comprised:

- agriculture - \$1.150 billion;
- forestry - \$235million; and
- fishing - \$597 million.

This is before considering input supply services and value-adding. Taking into account basic multiplier factors, this means the farm-dependent economy contributes more than \$5.0 billion to the gross state economy - in spite of adverse pressures on the forestry industry.

Over the past 25 years, the average annual rate of increase in farm gate GVP has been close to 4%. Average growth in the farm GVP over the recent past has been slightly slower than average, as a result of reduced export returns due to the high value of the \$A and increasing cost pressures along the value chain.

Milk and milk products followed by livestock and livestock products were the main sector contributors to farm production value. However, this was partly offset by reduced vegetables output associated with severe wet weather at harvest in the first quarter of 2011.

Some 10,500 people were employed directly in agriculture forestry and fishing. A further 8,500 people were employed in services to agriculture and food and fibre value-adding. This is close to 9% of the working population in Tasmania.

The preliminary Tasmanian government Scorecard data for 2010-11 (prepared by DPIPW) indicates the wholesale value of food and beverage production has remained steady, roughly in line with the previous year at \$2.7billion This demonstrates the important role that the processing sector plays in adding value to farm gate returns and the fortunes of those who live and work in the farm dependent sector.

Furthermore, the inclusion of forestry as a long cycle crop enterprise in farming businesses in the state means that the overall economic contribution must include these figures too. Our best estimate is that in 2009/10 this added a further \$400 million to farm gate income. Clearly, as a result of the uncertainty currently evident in this sector, that figure has fallen significantly since then. Nonetheless, on a long term outlook, forestry remains an integral part of a diversified farm business.

Compared to the previous year, growth in agriculture GVP has broadly offset the fall in forestry GVP.

The vast bulk of our agricultural product is sold interstate and overseas. Farm exports in 2010/11 easily exceeded \$550m (farm gate equivalent value) when account is taken of pharmaceutical products. The share of exports to Asian destination exceeded 50%. In addition, it is estimated that a further \$1.8 billion of raw and value-added product was shipped to the mainland.

In 2011/2012, total exports from Tasmania were valued at \$3.196 billion. Agricultural products represented some 30% of that total – approximately \$1 billion. Almost 25% of total exports (\$502 million) were destined for ASEAN countries. Agricultural products valued at approximately \$121 million represented 25% of that total. ASEAN countries have become increasingly important destinations too, with overall exports increasing marginally over the past three years; and food exports alone increasing significantly from \$71 million to \$96 million over the period 2009/2010 through 2011/2012. Major products exported to ASEAN countries included dairy (\$42 million); seafood (\$32 million) and wood products (\$20 million estimated from private forestry sector). Key destinations included Japan (35%), China (21%), and Hong Kong (21%).

Farmers are also significant land managers in the state, with almost a third of Tasmania's land area of 68,300 sq. km committed to agriculture.

These figures clearly confirm the importance of the sector as an economic driver for the state's economy – and also demonstrate that agriculture is a more significant contributor to the Tasmanian economy than in any other state. With this in mind, it is clear that Tasmania needs to ensure that the agricultural base of the state remains competitive and profitable.

### **About the TFGA**

The TFGA is the leading representative body for Tasmanian primary producers. TFGA members are responsible for generating approximately 80% of the value created by the Tasmanian agricultural sector.

Operationally, the TFGA is divided into separate councils that deal with each of the major commodity areas. As well, we have a number of standing committees that deal with cross-commodity issues such as climate change, biosecurity, forestry, water and weeds. This structure ensures that we are constantly in contact with farmers and other related service providers across the state. As a result, we are well aware of the outlook, expectations and practical needs of our industry.

With our purpose being to promote the sustainable development of Tasmanian primary industries, the TFGA is committed to ensuring that the agriculture sector in Tasmania is profitable and sustainable. We are also committed to promoting the vital contribution the agricultural sector makes to the environmental, social and economic fabric of the Tasmanian community.

## Overview

The TFGA recognises that it does not possess the knowledge or expertise to address all the Terms of Reference. Accordingly all comments within this submission are submitted on the basis of being relevant matters.

## Comment

The TFGA has on a number of occasions over the last nine months sought details of the World Heritage Extensions from the relevant Environment Minister. Our requests have been motivated by the need to provide affected adjoining landowners with relevant information; and we have requested a letter be sent advising landowners of the changes potentially affecting their properties. We have also requested that all landowners with property adjoining the extension be provided with a detailed map at an appropriate scale that shows full details of the extension as it relates to the landowner's title.

To date, we have had three incumbent federal Environment Ministers, two Labor and one Coalition, and yet these requests have not been met. Of equal concern is the appearance that there is a reluctance to be transparent. The lack of information during the process and subsequently adds to this overall feeling and impression.

The failure to undertake a simple communication process with landowners underscores the greater failure of the World Heritage Extension process and, more broadly, the Tasmanian Forest Agreement in garnering broad community support. To this day, many landowners still do not know of the change at their boundary fence. The suggestion that they can find out via the internet is both incorrect and arrogant in its presumptions. Many farmers within Tasmania have very limited or no access to the internet, notwithstanding the hyperbole of the NBN. Furthermore, one needs to know in the first instance that they need to look for the information.

Landowners have been significantly and arguably detrimentally affected by the extension. However, the extent of this impact is difficult to quantify, as many are unaware of the change that has taken place at their boundary.

The agreement to extend the Tasmanian World Heritage area came out of the Tasmanian Forest Agreement process. The Committee is reminded that private landowners were excluded from that process and, indeed, told that the TFA and outcomes from the process would not impact on them. This assertion has now proven to be completely baseless and those who perpetrated this misinformation have moved on. Nevertheless, private landowners are once again left counting the cost to their businesses and farms.

The **Operational Guidelines for the Implementation of the World Heritage Convention** when dealing with Buffer Zones states in part that:

Buffer zones

1. *Wherever necessary for the proper protection of the property, an adequate buffer zone should be provided.*
2. *For the purposes of effective protection of the nominated property, a buffer zone is an area surrounding the nominated property which has complementary legal and/or customary restrictions placed on its use and development to give an added layer of protection to the property. This should include the immediate setting of the nominated property, important views and other areas or attributes that are functionally important as a support to the property and its protection. The area constituting the buffer zone should be determined in each case through appropriate mechanisms. Details on the size, characteristics and authorized uses of a buffer zone, as well as a map indicating the precise boundaries of the property and its buffer zone, should be provided in the nomination.*

Many landowners who are aware of the changes have been left with a view that their properties now have potentially restrictive provisions applying to the use of land adjacent to the WHA extension. The TFGA recognises that the original application for the extension did not carry a request for buffer zones. Nevertheless, the fact that many landowners are poorly informed of this underscores the utter failure of the government and the Environment Department to adequately provide information and advice to those affected by these changes.

As we draw closer to the anniversary date of the WHA extension being granted, it is of concern to note that the state government is yet to complete its updated World Heritage Management plan. We accept that such a process will take time. However, this is symptomatic of a process that has been short on information and clearly lacking adequate resources to ensure that it meets its own objectives.

In summary, we will leave others better qualified to debate the merits or otherwise of the integrity of the nomination and the areas nominated as World Heritage. However, in terms of the Environment Department and the Minister responsible over two separate governments, we believe that there has been a critical failure in not only engaging with the community but in providing adequate and relevant information to those most impacted. Ultimately, this has contributed to a feeling of distrust and suspicion about the process and its authenticity. In other words, if there is nothing to hide, why not simply provide the information to all parties in an appropriate format, as requested? This is not an unreasonable expectation.

The TFGA believes that in order to assist with information flow and to provide relevant input into the management of the World Heritage Area, a landowner representative needs to be a member of the state management body overseeing the WHA.