

Submission No: ..... 28 .....  
Date Received: ..... 20-3-09 .....  
Secretary: ..... *[Signature]* .....



**INQUIRY INTO THE ROLE OF GOVERNMENT IN ASSISTING  
AUSTRALIAN FARMERS TO ADAPT TO THE IMPACTS  
OF CLIMATE CHANGE**

**SUBMISSION**

To

**House of Representatives' Standing Committee  
on Primary Industries and Resources'**

Prepared by:-

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March 2009

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## Background

The Western Australian Farmers Federation (Inc) (WAFarmers) is the State's largest and most influential rural lobby and service organisation.

WAFarmers represents approximately 4,000 Western Australian farmers from a range of primary industries including grain growers, meat and wool producers, horticulturalists, dairy farmers, commercial egg producers and beekeepers.

Collectively our members are major contributors to the \$5.5 billion gross value of production that agriculture in its various forms contributes annually to Western Australia's economy.

Additionally, through differing forms of land tenure, our members own, control and capably manage many millions of hectares of the State's land mass and as such are responsible for maintaining the productive capacity and environmental well being of that land.

## Introduction

WAFarmers welcomes the opportunity to provide comment to the House of Representatives' Standing Committee on Primary Industries and Resources' Inquiry into the role of government in assisting Australian farmers to adapt to the impacts of climate change.

WAFarmers notes that the committee is proposing to hold public hearings in due course and requests the opportunity of appearing before the committee, to expand on this submission.

## Submission

- **Current and prospective adaptations to the impacts of climate change on agriculture and the potential impacts on downstream processing.**

WAFarmers believes that the most likely climate change induced effect on agriculture in the short/medium term will be the impact of the proposed Carbon Pollution Reduction Scheme. The ramifications of the proposed Scheme will affect farmers from the date of implementation, despite the exclusion of agriculture in the Scheme until at least 2015.

Whilst not overlooking the potential impacts on downstream processing, WAFarmers believes that this review should be considering the potential benefits of involving farmers and farming communities in the response to climate change. Agricultural and pastoral lands comprise in excess of 70% of Western Australia's land area, and as such primary producers are uniquely placed to be involved in a future program. Farmers would welcome the opportunity to take a holistic approach to achieve the required balance of profitability and sustainability to ensure that they can remain as land managers.

In its current form, farmers will be penalised by the proposed Carbon Pollution Reduction Scheme without deriving any financial benefit from on-farm carbon sequestration activities. Farmers will suffer from increased input costs as well as having to absorb intermediary supply chain costs. Discussion with supply chain participants has revealed their intention to push their increased Carbon Pollution Reduction Scheme costs back onto the producer, rather than to see an increase in the price to at the retail level. Downstream producers have this luxury, farmers however do not.

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Early analysis by the State's Department of Agriculture and Food has estimated that a typical broad acre farm in Western Australia is likely to experience a reduction of five to seven per cent in farm profit at a projected carbon price of \$20. The Australian Farm Institute found that *the 'imposition of the Carbon Pollution Reduction Scheme in Australia will result in a decline in national agricultural output, a subsequent increase in agricultural output from nations without equivalent greenhouse emission policies, and no net global environmental benefits.'* This cannot be considered a positive to the trade-exposed Western Australian farming sector which exports 80% of its agricultural produce.

WAFarmers is disappointed by the continued failure by both State and Federal Governments to recognise the important role which the Australian agricultural industry and farming families play in environmental stewardship. Under the proposed Carbon Pollution Reduction Scheme however WAFarmers believes there is an opportunity to address this prior to 2013.

Farmers and rural communities continue to pay an unfair price in ensuring that Australia is on target to meet its Kyoto Protocol target. Blanket bans on land clearing have already played a large role in ensuring that Australia is in the position to meet its Kyoto obligations, and this has occurred without any recognition of the financial impost these bans have had on farming operations. Nation wide clearing bans have already restricted agricultural productivity, yet farmers have been expected to bear this burden of public good expectation.

The proposed Carbon Pollution Reduction Scheme's focus on plantation forestry is as the silver bullet to counteract emissions, in line with international commitments. WAFarmers believes that there is a critical need for the Federal Government to expand the international benchmarks contained within the Kyoto agreement to include recognition for wider forms of carbon sequestration. In order for farmers to be involved in reducing the nation's carbon footprint, it is essential that other research is undertaken to support and formalise available mitigation activities.

Research on carbon sequestration and soil management will develop better understanding of soil carbon stocks, the impacts of management practices on soil carbon, and the role Australian soils could play in sequestering carbon dioxide from the atmosphere. WAFarmers believes this research is essential in aiding the argument that Kyoto rules need to be modified to allow for agriculture's full participation in any carbon reduction scheme. The research however will need the full support of Government to lobby for the alteration of the Kyoto agreement.

- **The role of government in:**

- (1) **augmenting the shift towards farming practices which promote resilience in the farm sector in the face of climate change;**
- (2) **promoting research, extension and training which assists the farm sector to better adapt to climate change.**

WAFarmers notes that whilst there is a diversity of opinion on the likely impact of future climate change. Broadly speaking, *'most agricultural regions need to prepare for higher temperatures and for some, more frequent periods of exceptionally low rainfall'* (Productivity Commission 2008). Within that broad projection however is shorter term events, *'climate change in Australia is projected to occur as a series of intermittent extreme events alternating between severe droughts, heavy storm rain events and a diminishing frequency of favourable seasons'* (IPCC 2007).

In Western Australia, the current climate change data and modelling scenarios indicate a 90% confidence that a significant area of Western Australian agricultural regions will increasingly be

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affected by a trend of decreasing rainfall and increasing temperature patterns (IPCC 2007), with the agricultural regions identified as being at risk include; the Northern, Northeastern, and Eastern wheatbelt (Kingwell 2008).

Adaptations to climate change will occur at a farm level, where currently there is a large amount of uncertainty. In its Final Report on Climate Change and the Australian Agricultural Sector the Standing Committee on Rural and Regional Affairs and Transport (December 2008) noted *'The committee noted in its Interim Report that there is some uncertainty in making climate projections, and that there is ongoing work to produce long-term climate projections on a global and national scale. The committee also noted the need for further work to be done to downscale climate change projections to a local level to be of greater use to farmers in decision-making'*. The Committee made three recommendations, being;

- The Government should significantly increase the research effort in relation to the potential of soil carbon as a climate mitigation measure, as a means of reducing the capital input costs to agriculture as a means of increasing resilience in agricultural systems.
- The committee recommends that the Government should provide for a full carbon accounting framework in relation to agricultural and forestry sectors in a domestic emissions trading scheme.
- DAFF should prioritise strategic planning for climate change mitigation and adaptation in agriculture and rural communities and play a greater leadership role than is currently the case.

WAFarmers supports these recommendations and believes that they are the basis for future government involvement in practice change in response to climate change.

- **The role of rural research and development in assisting farmers to adapt to the impacts of climate change.**

Future programs must also consider the profitability of farmers, to ensure that they are able to remain as land managers. The market for sustainable agricultural systems is growing as consumers become more demanding of the farming and food production systems. The economic viability of these production systems needs to be clearly articulated in any future program designed to assist farmers adapt to the impacts of climate change.

In June 2008, more than half of Australia's agricultural land was Exceptional Circumstance declared, with some of this land having been that way for 13 of the past 16 years. WAFarmers believes that whilst this is a very difficult environment within which to be developing meaningful training programs. WAFarmers believes that the expected changes to current weather patterns significantly heightens the need for the introduction and ongoing delivery of an effective support and information package which facilitates farmers' capacity to manage their identified needs in ability to conducted effective management of the impacts of climate change. It would be an unacceptable outcome if farmers were delivered the responsibility of climate change management without being supplied with the appropriate level of knowledge and skills with which to prepare.

Future farm management programs will need to consider whether they are targeting an extension of the localised climatic variability that farmers are already responding to, or a markedly different environment. The continuation of existing farming systems may be suitable in one location however other regions may require very different management practices. Future programs should also

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recognise that farmers' time may be a limiting factor in their participation in ongoing continuous learning programs.

WAFarmers believes that if this is to be achieved then a long-term bi-partisan approach by government is required. The required mix of research and development, extension, professional advice and business management skills which are required to assist farmers prepare for a climate change affected future, this process cannot afford to be altered with successive government's policy.

A bi-partisan approach will also assist with addressing the continual erosion of state-based extension services. Currently, the dissemination of information to farmers is affected by the number of research and information providers, which contributes to a perception of information overload among clients, and this can contribute to a weakening of the consistency of delivery of the program's core principles.

### **References**

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