

Voluntary Report – Voluntary - Public Distribution

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Report Name: Towards 2030 - Australian Government announces agricultural funding package

Country: Australia

Post: Canberra

Report Category: Agriculture in the Economy, National Plan, Policy and Program Announcements

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Report Highlights:

Australian agriculture is set to receive additional funding announced by the Australian Government in its recent budget. Funding is targeted towards farmers, exporters, and rural communities through reduced costs of doing business, simpler systems, and upgrades to infrastructure. The Australian agriculture industry is currently worth around A\$61 billion per year. Industry and government are aiming to increase that worth to A\$100 billion by 2030.

Note: Indicative exchange rate: US\$1.00 = A\$1.40

The Australian Government has announced its [Ag2030 Plan](#) to support the farm sector's ambition to become a A\$100 billion industry by 2030. Ag2030 has seven themes:

1. Trade and Exports
2. Innovation and Research
3. Biosecurity
4. Fair, strong and resilient supply chains
5. Stewardship
6. Human Capital
7. Water and Infrastructure

Funding for moving towards the Ag2030 Plan was announced in the 2020-21 Federal Budget in early October 2020 as part of the government's plan for economic recovery from the downturn experienced due to COVID-19. Below is information on each of the seven themes where funding provided will support farmers and the agricultural industry in some way.

Trade and Exports

- A\$328 million package of reforms to “bust” congestion for agricultural exporters. The package aims to support agricultural exporters do business with less cost with estimates of savings of A\$236 million over the decade to 2030. It includes:
 - A\$222.2 million to modernize export systems, improve regulation and service delivery for producers and exporters.
 - A\$35 to introduce technology-based regulation for meat, seafood, live animal, and plant exporters.
- A\$317 million towards extending the [International Freight Assistance Mechanism](#) (announced by Austrade in April 2020).
- A\$28.6 million to reduce red tape and simplify Australia's trade system.
- Finalize free trade agreements negotiations with the European Union and United Kingdom, and getting the most out of existing agreements.
- Maintain market access and extend into new and emerging markets.
- A\$14.8 million over six years to assist the export dairy industry – raising awareness, reducing red tape, and streamlining audit arrangements.
- Modernize and improve Australia's export legislation.
- Maximize the effectiveness and efficiency of the agricultural counselor network to enhance exports in key markets.

Innovation and Research

- A\$7.2 million over four years to streamline and modernize agricultural levies (check-off) legislation.
- A\$86 million for eight “adoption and innovation hubs” across Australia through the [Future Drought Fund](#).
- A\$83 million to improve telecommunications infrastructure and boost connectivity through the [Regional Connectivity Program](#).
- A\$300 million to upgrade regional NBN customers to fiber as part of the [network investment plan](#).

- Delivery of a National Agriculture Innovation agenda, including a Digital Foundations for Agriculture Strategy, a National Agricultural Innovation Policy Statement and the establishment of Agricultural Innovation Australia Ltd.
- Delivery of a National Fisheries Plan and establishment of nine regional forestry hubs across the country.

Biosecurity

- Approximately A\$873 million for biosecurity and export programs in 2020-21.
- Funding for biosecurity innovation, biosecurity analytics, fruit fly management, pest animal and weed management, rede imported fire ants eradication, and A\$66 million over two years to target African Swine Fever.
- Strengthen partnerships with community, industry, states and territories to build awareness and capability with a focus on emergency preparedness to ensure fast and effective responses to new pest and disease outbreaks.

Fair, strong and resilient supply chains

- A\$1.3 billion to develop a new [Modern Manufacturing Strategy](#) – including for food and beverages.
- A\$50 million for industry growth centers to enable them to assist in implementing the above strategy.
- A\$107.2 million into the [Supply Chain Resilience Initiative](#) to support projects that address supply chain vulnerabilities.
- Initiate an [Australian Competition and Consumer Commission](#) inquiry into the perishable agriculture supply chain.
- Improve competition and fairness with codes of conduct for dairy, wheat, sugar, and horticulture.
- Showcase Australian products through Country of Origin Labeling and looking at options to expand CoOL for seafood, cut flowers, and fast-food outlets.
- Maintain strong laws against illegal logging and associated trade.
- Simplify and strengthen organic exports regulation through legislative review and organic goods rules.

Stewardship

- A\$36.6 million towards timeliness of environmental assessments and reforms under the Environment Protection and Biodiversity Conservation Act 1999.
- A\$34 million over four years to support the [Agricultural Biodiversity Stewardship Pilot Package](#).
- Reforms to empower farmers to diversify their income and earn credits under the [Climate Solutions Fund](#).
- Change the [Australian Renewable Energy Agency](#) toolkit to allow investment in soil carbon sequestration projects thereby granting farmers' access to A\$1.6 billion in funding.
- Tax concessions for farmers to help build resilience and manage climatic, market, and production risks.
- A\$1.1 billion over seven years for the [National Landcare Program](#).
- Eliminating water buy-backs.
- A\$4.2 million over two years for new [Indigenous River Ranger Groups](#) across the Murray Darling Basin.

Human Capital

- A\$250 million for access to up to educational courses for priority fields, including agriculture, to upskill the workforce.
- A\$17.4 million in relocation assistance and A\$16.3 million to encourage young Australians to take up farm work.
- A\$19.6 million to support communities recover from drought to extend the drought function of the [National Drought and North Queensland Flood Response and Recovery Agency](#).
- A\$39 million to support rural and regional agricultural shows and field days impacted by COVID-19.
- Develop a [National Agricultural Workforce Strategy](#) to address future agricultural workforce needs.
- A\$5 billion to establish a [Future Drought Fund](#) which makes \$100 million available each year to build drought preparedness and resilience.
- A\$4 billion to the [Regional Investment Corporation](#) for loans to farmers and small agri-businesses.
- Changes to the [Farm Household Allowance](#) to assist farmers' access to support.
- A\$40 million to support the forestry sector through the [Forestry Recovery Development Fund Program](#).
- Funding mental health support for regional commercial fishers.

Water and Infrastructure

- A\$270 million over four years for the [Murray-Darling Communities Investment Package](#) for rural community resilience and river health.
- A\$50 million in 2020-21 to extend the [On-farm Emergency Water Infrastructure Rebate Scheme](#).
- Identify and build new water infrastructure through the \$3.5 billion [National Water Infrastructure Development Fund](#).
- A\$22.1 million to improve communications for the agriculture sector by establishing the [Australian 5G Innovation Initiative](#).
- A\$100 million for [Regional Recovery Partnerships](#) to coordinate investments with other levels of government through the delivery of a new [Regional Policy Package](#).
- A\$9.3 billion to complete the Inland Rail by 2025.
- A\$283 for new critical water infrastructure.

Attachments:

No Attachments.