



QUEENSLAND FARMERS' FEDERATION

2010 FEDERAL ELECTION MID-CAMPAIGN STATEMENT

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Introduction

Queensland Farmers' Federation (QFF) is the peak rural industry organisation in Queensland, uniting 16 of the State's rural industry organisations, who collectively represent more than 13,000 primary producers. QFF is a federation of the major intensive rural commodity organisations working on behalf of all primary producers and rural communities in an industry valued at \$13 billion. Through QFF, rural industry resources are pooled to ensure powerful representation and effective strategy development on important industry issues. QFF provides direction, leadership and representation on issues of common interest to the agricultural sector in Queensland. Our goal is to secure a sustainable and profitable future for our members, as a core and dynamic element of the economy. This document provides a summary and analysis of key election issues in Queensland in 2010.

QFF members are:

Australian Prawn Farmers Association
CANEGROWERS
Cotton Australia
Biological Farmers of Australia
Chicken Meat Industry Council
Growcom
Nursery & Garden Industry Queensland
Qld Chicken Growers Association
Qld Dairyfarmers' Organisation
Flower Association of Queensland Inc.
Fitzroy Basin Food and Fibre
Queensland Chicken Meat Council
Pork Queensland Inc.
Queensland Aquaculture Industries Federation
Burdekin Irrigators' Association
Central Downs Irrigators' Association
Pioneer Valley Water Cooperative

Why the regions of Qld are crucial at this election

Regional Queensland will play an important role in this election. Of the 16 electorates outside the metropolitan southeast, nine are on a margin of less than four percent and five seats are on a margin of less than three percent. In Herbert in North Queensland, following a redistribution of boundaries last year, just a few hundred votes could change the outcome in a seat that is close to a dead heat.

In many of these marginal Queensland seats, the agricultural sector provides the underlying foundation of support for the local economy. Therefore, it is vital that all political parties have a strong focus on ensuring a vibrant primary industries sector in Queensland.

Agriculture is one of Queensland's largest industries, with a gross value of \$13 billion, and according to the 2006 census there are over 61,000 farmers and farm workers in Queensland directly employed in the agricultural sector.

For the ALP to retain government, it will need to retain many of the Queensland seats it won by a hair's breadth at the 2007 poll, including rural seats such as Dawson, Flynn, and Leichhardt. For the Coalition to win, it needs a uniform national swing in its favour of 2.2pc, which in turn would give it a one seat majority. Included in that would be four Queensland seats gained in such a uniform swing.

This election and the dynamics of Queensland are more complex than these simple figures would lead us to believe. The economy in Queensland is built on the foundations of profitable tourism, agriculture and mining sectors. For a number of reasons at the local and

State level there have been dramatic changes in industry, community and individual confidence with respect to financial and resource stability since the 2007 election. A combination of instability in financial markets and uncertain policies around carbon and land and resource planning has taken its toll. With the security of the mining industry in the minds of many, the fate of even more Queensland electorates could hang in the balance and swing on changing voter patterns. Along the coast, Hinkler, Flynn, Capricornia, Dawson, Herbert and Leichhardt all have a stake in a prosperous mining industry. Yet each of them is also supported by a highly profitable agricultural industry as well. Given the dynamic of these seats and the factors at play, commentators have suggested that voting patterns in these seats could defy the national trend. Recent State Government polling on issues such as privatisation of Queensland Rail have also suggested a growing negative trend toward the Labor vote. These combined issues mean that polling during the campaign will be volatile with true trends only showing through very close to election day.

From an agricultural perspective, key national issues at this election include:

- Water policy
- Greenhouse gas emissions trading
- Policies and programs to manage and secure our natural resources
- Adaptation to climate change particularly as it relates to drought policy
- Biosecurity and quarantine
- Research and development

Water reform

The Queensland Farmers' Federation is awaiting the proposed Murray Darling Basin Plan, and the preview document that was to be released during August. In the first week of the campaign the Murray Darling Basin Authority has chosen to release the guide document after the election. This in turn means a further delay to the release of the draft Plan. This draft Plan must not become a political football during the election campaign, and nor should it be used as means of leveraging Greens preferences and votes at the sake of crippling small, regional communities.

This deal has effectively stifled discussion about the future of the Murray Darling Basin during the election campaign. This denies basin communities a significant opportunity to ascertain how a future Federal Government would intend to support and implement the Basin Plan. Irrigators and basin communities have no idea what the basin plan will hold but they do know that the new sustainable diversion limits (SDLs) that it will set will mean reductions in water entitlements and this will have a social and economic impact. A report released by Judith Stubbs and associates on the 5 August has studied comprehensively what this impact may be. The assessment shows that water entitlement cutbacks will profoundly affect regional communities and in some areas new SDLs will create complete upheaval to the economic base upon which some towns are based. Of grave concern, was the conclusions of the report that showed that existing mechanisms such as water trading, water use efficiency, water buy backs, promotion eco-tourism, that are touted to work mitigate these impacts will in no way achieve this objective.

QFF agrees with statements expressed by other irrigation groups that the Government needs to ensure that the intention of the *Water Act 2007* was for the Basin Plan to properly consider the social and economic costs of reducing water entitlements and once analysed these impacts must be factored into the planning process – not simply considered as an afterthought to decision based purely on environmental needs.

In terms of adjustments to reductions in water use, QFF has supported the buyback program – from willing sellers – so long as it is accompanied by a rollout in water-efficient infrastructure on farms. At the time of writing, both programs have not delivered in a sizeable way for Queensland irrigators. The Healthy Headwaters program is still in its infancy and yet to deliver any on-ground projects. If these programs are not properly committed to with ongoing consultation from the irrigation industry, then Queensland irrigators will continue to be disadvantaged as the Basin moves toward adjusting to new SDLs.

This issue has been largely ignored so far in this election campaign. QFF calls on the major political parties to commit to funding assistance for regional communities to cope with the impact of the MDB plan. QFF also calls on the parties to commit to a policy of future funding for water buy back and water use efficiency programs and that these programs should be implemented in an integrated way at the regional scale.

Managing green house gases – emissions trading

Farmers are intrinsically linked to the success or otherwise of any climate change policy for Australia. Running businesses directly impacted by the weather, farmers stand to be greatly impacted by changing climate patterns. However, they stand to be affected far more greatly by badly implemented and devised climate mitigation policies. For example, inclusion in a Carbon Pollution Reduction Scheme could result in crippling rises within the costs of production on farms. Agriculture can be part of the solution to climate change if governments have the correct policy settings in place.

To ensure farmers do not lose their competitive advantage, QFF believes that Australia should only move toward a national emissions trading scheme when there is a global move towards such a position that provides for a clear carbon price signal. In the mean time however, QFF calls on candidates in this election to commit to a program of work that will assist farmers in moving towards low emissions farming systems. QFF notes that the recently re-released coalition agriculture policy allocated funding to help farmers assess their carbon footprint. This is a welcome initiative that should be matched by the Labor party. It must be noted however that simply counting the carbon is merely the start of the problem and the real challenge is maintaining productivity while reducing carbon emissions. Solving this problem is still largely unfunded.

Agricultural Ministerial portfolio

QFF is disappointed that the Agricultural ministry is currently a shared portfolio (with Population) and not supported by a Parliamentary Secretary. For a sector worth \$13 billion in Queensland alone, having such a level of Ministerial representation is disproportionate compared to its value and importance of the sector. The role of Minister for Agriculture, Fisheries and Forestry needs the complete attention of a fulltime Minister and, ideally, to be supported by a Parliamentary Secretary.

QFF notes and welcome the Labor party's recent announcement of the intention to form a working group to develop a "Food Plan" for Australia. In our view this process should be used to elevate the status of the agriculture portfolio, not diminish it amongst the other food, wholesale and processing related issues. Further, this strategy should be developed with all stakeholders in the value chain across the nation. QFF would welcome a similar announcement from the Coalition

Drought reform

QFF is disappointed that drought policy reform is being delayed further by the announcement of a 12-month trial in Western Australia. This will mean that for the duration of the trial Queensland farmers will wait in limbo for this much-promised reform. The framework and suggestions from the drought review had been with the government since February 2009, meaning that the minimum wait will be at least two-and-a-half years.

QFF is also disappointed that the Government is not enacting the recommendations that had been set out by the Productivity Commission review of drought policy. The Productivity Commission model put forward had a consensus – and it is the model that should be implemented. As QFF stated at the time of the announcement, this trial is a partial implementation of what is required to reform drought policy, and with funding set at just \$23

million, it is unlikely to cover all climate risks needed to be addressed if implemented nationwide. Queensland farmers are ready for reform to drought policy, there have been enough investigations and study, further delay is simply not justified and it is time to get on with the job of working with farmers to prepare for the devastating impacts of drought.

Biosecurity and quarantine

QFF seeks a robust, effective, science based biosecurity and quarantine framework. This means a quarantine system that maintains Australia's relatively pest and disease free status along with our reputation as a supplier of fresh, high quality, and clean produce. We must be vigilant in ensuring that status, and the checks and balances that support it remain second to none in terms of risk management. Effective quarantine controls contribute towards preventing the importation of exotic pests and diseases that lead to crop losses as well as a loss of market access.

QFF is committed to working with its partners, governments and other stakeholders to ensure that biosecurity standards are maintained at the highest level, and that quarantine risk assessments are based on sound science and transparent decision making processes.

Good quarantine policy is a continuum that includes elements of both preparedness for, and prevention of, disease and pest incursions. Governments must actively use their resources to assess import applications, prevent and combat pest and disease incursions as well as fund and coordinate eradication procedures. These activities must leave the international community without doubt that Australia's quarantine and risk assessment regimes are developed and operated independently, and are based solely on sound scientific principles and analyses rather than industry protection.

QFF calls on the major political parties to commit to funding the recommendations of the Beale review in full. This requires a \$200M commitment and an agreement to immediately strike service level agreements with relevant State authorities.

Natural Resource Management

The Commonwealth Government Caring for Our Country program has been the flagship environmental stewardship program of the Labor Government and one of its most notable successes. Unfortunately, although built on some fundamentally good principles, this program has been plagued by a lack of resources and clarity or consistency on the priorities of the design. QFF points to the Reef Rescue model funded under this program as an analogy that could be considered for programs that demonstrate success and grass roots engagement

QFF calls on the major political parties to commit to funding future NRM programs that include coordination and partnerships at the regional, state and national scale. As a matter of priority QFF calls on the major parties to recognise priority areas of work where immediate, coordinated investment and intervention is required. In particular we point to the desire by both industry as represented by QFF and regional NRM managers as represented by regional NRM groups to the funding of an adaptive integrated land use practice change for South East Queensland.

Research and development

QFF and many of its members have lodged submissions with the Productivity Commission on its review into rural Research and Development Corporations. It is vital that any government protect research funding into agricultural industries, and recognise the enormous return on investment for money put toward agricultural research. Agricultural research contributions from government have, at best, remained flat in recent years, and in many cases have declined. This decline must be reversed to ensure a vibrant agricultural sector and a secure supply of food and fibre for the nation.

QFF acknowledges and welcomes the Coalition's \$270M agriculture research and development policy. Of particular recognition was the increase in proportionate funding for R and D contribution that recognises the existing delivery model. QFF calls on the Labor party to match this commitment.

Coal seam gas / minerals expansion

QFF notes that both the National Party and the Greens have spoken in support of protecting prime agricultural land on the Darling Downs, and supports such calls. Greens leader Bob Brown has called for a moratorium on CSG exploration, while LNP Member for Maranoa, Bruce Scott, has written to Minister Wong and Garrett to express concerns over this emerging industry.

The QFF calls on both the Liberal and Labor parties to clearly state how they will work to develop policies to better protect existing agricultural land from permanent alienation or interference for extractive resource industries. Further, QFF look for the major parties to commit to further taxation reform that would lead to a transparent process that ensure resource rents/taxes are invested back into the regional community from which the resources were extracted.

State of play: Rural and regional Queensland seats

Seat	Margin after redistribution
Hinkler	NAT 1.5%
Fairfax	LIB 3%
Fisher	LIB 3.5%
Wright	LIB 3.9%
Groom	LIB 8.2%
Wide Bay	NAT 8.4%
Maranoa	NAT 14%
Herbert (current Liberal seat)	ALP 0.03%
Dickson (current Liberal seat)	ALP 0.8%
Flynn	ALP 2.2%
Dawson	ALP 2.6%
Forde	ALP 3.4%
Leichhardt	ALP 4.1%
Blair	ALP 7%
Capricornia	ALP 12.1%
Kennedy	IND

Breakdown on the six most marginal regional Queensland seats

Herbert

Region: Townsville

Currently held by Liberal Peter Lindsay, who has announced that he will not be standing at this election. Pre-selected Liberal Ewen Jones will face a slightly unfavourable redistribution of the boundaries of the Townsville-based seat, with the polling at the 2007 election indicating a slim margin now in favour of the ALP. Former Townsville Mayor Tony Mooney is running for the ALP.

Dickson

Region: Northern outskirts of Brisbane and adjoining rural areas

The seat is being watched closely after the alternating decisions of the incumbent MP, Peter Dutton, over whether he would contest the seat or move to safer territory after an unfavourable redistribution that put the margin into the favour of ALP voting patterns. Having originally attempted to relocate to a safer Gold Coast seat but failing to secure pre-selection, Mr Dutton is yet again running in Dickson against an ALP margin of about one percent. Against him, the ALP has nominated Fiona McNamara.

Flynn

Region: Gladstone and Central Queensland

Held by Labor's Chris Trevor, and won at the 2007 election by just 250 votes. Following the 2009 redistribution the margin has improved to 2.2pc, but with the seat based around the major industrial hub of Gladstone, it is being eyed by both sides of politics at the centre of the debate on taxation on the resources industry. The seat has attracted a disproportionately high number of visits from government Ministers and opposition spokespeople, specifically to Gladstone. The seat contains farming areas in the Central Highlands and Dawson and Callide valleys. The LNP candidate is Ken O'Dowd.

Hinkler

Region: Bundaberg and surrounds

The National Party seat centred on Bundaberg is being recontested by long-term sitting MP Paul Neville for the LNP (National), who will be fronting against a former mayor, Belinda McNeven in the contest.

Fairfax

Region: Sunshine Coast

A large swing toward the ALP in Fairfax in 2007 has put Fairfax on a narrow margin, although some commentators have questioned whether the swing could be pushed much further. The ALP has preselected Dan McIntyre, who has been employed as an electorate officer for Sunshine Coast-based Senator, Claire Moore, while the LNP incumbent Alex Somlyay is expected to run again.

Dawson

Region: Mackay and surrounds

The Mackay-based seat of Dawson fell from the National Party in 2007 to the ALP's James Bidgood. Mr Bidgood is not running again in 2010, with Whitsunday shire mayor Mike Bruncker replacing his candidacy. Running against him for the LNP is local councillor George Christensen.

Others to watch

Wright

Region: Lockyer Valley and surrounds.

The new seat in the Lockyer Valley also runs close to parts of Logan and the Gold Coast and was created following the population boom in the southeast corner in recent years. Based on previous voting patterns, the seat is expected to be won by the LNP (Nationals). Former chief of staff to Barnaby Joyce, Scott Buchholz, has been preselected for the LNP, after Logan City Councillor, Hajnal Ban, lost pre-selection in controversial circumstances. Mr Buchholz will front against CFMEU official Andrew Ramsay for the ALP.

Leichhardt

Region: Far North Queensland and Cairns region

While sitting on a reasonably comfortable majority of 4.4pc, recent media speculation suggests sitting ALP member Jim Turnour could be in for a tough battle to retain the seat for

the Rudd Government. With unemployment among the highest in the country and having been above 10 percent, and with former Liberal MP Warren Entsch recontesting Leichhardt, it is expected to be a close contest. Controversial State Government policies on Wild Rivers have also created division in the region.

Senate

There will be four conservative senators and two Labor senators up for re-election in 2010, following a large conservative vote in the Queensland Senate in 2004 in part due to the anti-Labor swing accompanying Mark Latham's leadership tilt, and a general disposition toward a conservative Senate balance in the Sunshine State.

However, it is expected that the Liberal National Party will not repeat its result of 2004, and is more likely to repeat the result of 2007, where Queensland delivered three conservative and three Labor Senators. A less-likely scenario would be for the Greens to win the sixth Senate position rather than a third ALP senator.

Should the ALP win three Senate positions, it would bring the party closer to gaining a malleable balance in the Senate. The result, coupled with a change favouring Labor in one or two other States, could mean that the ALP would need agreement from only Greens senators to pass legislation, rather than the current arrangement where divisive legislation requires approval from the Greens as well as independent senators Xenophon and Fielding. Notably for rural industry, this situation could also mean that the ALP would also be forced to negotiate solely with the Greens (and their suggested amendments) in the new Parliament. Queensland Senators facing election in 2010 (term expires on June 30, 2011):

George Brandis (LIB)
Barnaby Joyce (NAT)
Joe Ludwig (ALP)
Jan McLucas (ALP)
Brett Mason (LIB)
Russell Trood (LIB)

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