



2024-25 Pre-Budget Submission

December 2023



Potato Growers Association
of Western Australia Inc

Contents

About AUSVEG	3
Executive summary	4
Industry insights	5
Summary of recommendations	6
Request for funding	7
Recommendation 1 – National behavioural change campaign	7
Recommendation 2 – Food security and sovereign capability	8
Recommendation 3 – Sustainable infrastructure	10
Recommendation 4 – Regenerative farming	11
Recommendation 5 – Ethical treatment of workers	14
Recommendation 6 – Container levy for inbound freight	14
Policy support	15
Recommendation 7 – Improve critical workforce shortages.....	15
Recommendation 8 – Biosecurity response fund	16
Recommendation 9 – National labour hire licensing scheme	16

About AUSVEG

AUSVEG is the prescribed Peak Industry Body representing the interests of the Australian vegetable, potato, and onion industry. AUSVEG is a not-for-profit, member-based organisation that is run by growers, for growers.

AUSVEG represents over 3,600 vegetable producers that account for 3.7 million tonnes of vegetable production, and an annual worth of \$5.5 billion in farmgate value.

AUSVEG is a nationally federated body with the following members: AUSVEG VIC, AUSVEG SA, Queensland Fruit and Vegetable Growers, vegetablesWA, NSW Farmers, NT Farmers, WA Potatoes, and the Tasmanian Farmers and Graziers Association (TFGA).

The purpose of AUSVEG is to advocate on behalf of industry at local, state, and federal levels with the core purpose of enhancing the economic, social, and commercial environment for growers so that the industry can continue to produce outstanding vegetables, potatoes, and onions for Australian and international consumers.

AUSVEG also delivers services for growers around Australia in the areas of extension, communication, environmental sustainability, biosecurity, export development and market access, working closely with growers to ensure their needs are reflected in this work.

In partnership with the International Fresh Produce Association A-NZ, AUSVEG hosts Hort Connections, Australia's largest horticulture conference and trade show which attracts more than 3,500 delegates annually. This event brings growers, supply chain, government and industry members together to increase awareness and uptake of the latest industry innovations, research and development outcomes, and to facilitate vital industry networking opportunities.

For more information about the details in this document, please contact:

Lucy Gregg, AUSVEG National Manager – Public Affairs

03 9882 0277, lucy.gregg@ausveg.com.au

Kerry Thompson, AUSVEG Coordinator – Public Affairs

03 9882 0277, kerry.thompson@ausveg.com.au

Executive summary

AUSVEG supports the Federal Government's goal of boosting the value of Australian agriculture to \$100 billion by 2030 and believes the Australian vegetable industry will be a significant contributor towards achieving this goal.

Currently the Australian vegetable, potato and onion industry generates over \$5.5 billion in gross value annually with a target of reaching \$8 billion by 2030.

The vegetable industry is one of the strongest performers in Australia's broader agriculture industry given its growing value of production, its prominence in retail and market settings across the country and its rising export presence.

Australian vegetable growers supply more than 98 percent of fresh vegetables sold in the country.

The production and supply of fruits and vegetables is a truly national industry that employs around 135,000 workers, further supported by tens of thousands of additional jobs through the supply chain to process, transport, and stock produce.¹

Only 7.5 percent of adults and only 6 percent of children currently eat the five daily serves of vegetables recommended by the Australian Dietary Guidelines.² Modelling has shown that increasing Australian vegetable consumption by just 10 percent would significantly improve public health outcomes and reduce government health expenditure by approximately \$200 million.³ But while the vegetable sector is a vibrant industry, if Australia were to truly meet its public health objectives the industry would need to increase production significantly.

Australian vegetable growers must also meet the needs of a growing population and expanding export opportunities.

To do this, the industry must overcome some of the largest cost of production increases in the world, long-term workforce and critical skills shortages, and increasingly extreme weather conditions.

The recommendations outlined in this document will allow this \$5.5 billion sector to not only grow in value, but also help boost the economy, contribute to public health, and secure the next generation of jobs in our regional and rural communities.

These priorities have been developed through extensive consultation and collaboration with AUSVEG's state members, as well as growers across the country. Our shared goal is to reach an \$8 billion vegetable, potato, and onion sector by 2030.

In this document, AUSVEG has outlined nine recommendations which support our goal of reaching \$8 billion by 2030. To achieve this target, we need to grow our workforce, increase sustainability, help our communities thrive, drive value across the supply chain, and build awareness of our sector.

¹ ABARES – [Labour use in Australian Agriculture](#), 2021

² ABS – [National Health Survey](#), 2018

³ Fruit & Vegetable Consortium – [A business case to invest in increasing vegetable consumption in Australia](#), 2020

Industry Insights

3,600+
Vegetable
Businesses
in Australia

Gross value of Australian vegetable
and potato industry is
\$5.5 billion

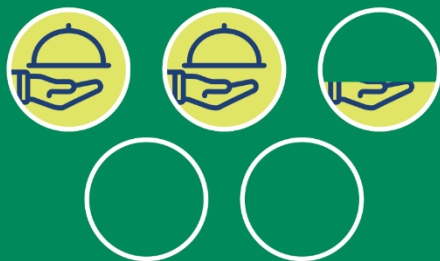
Horticulture
employs
more than
60,000
people



3.71 million tonnes
fresh vegetables and potatoes
grown in Australia

In 2021-22, Australian
growers exported over
207k tonnes
of fresh vegetables valued
over
\$247 million.

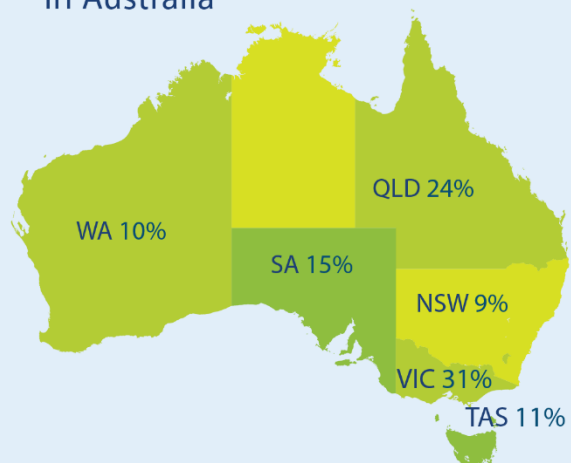
Top export markets in 2022
include:



Average
consumption
of vegetables
and legumes is
2.4 serves
a day.

Australian Dietary Guidelines
recommend 5 serves a day.

Vegetable Production
in Australia



Annual vegetable production:
3,706,755 tonnes
(\$5.5b)

Summary of recommendations

REQUEST FOR FUNDING

1. National behavioural change campaign

\$100 million over five years to implement a strategy to increase average daily vegetable consumption by one serve by 2030.

2. Food security and sovereign capability

\$100 million over four years to launch a grant scheme, encouraging the establishment and/or modernisation of production facilities to increase food security and sovereign capability in Australia, including the manufacturing of essential farm inputs including fertilisers, agrichemicals, sustainable packaging and more.

3. Sustainability infrastructure

\$100 million over four years to launch a grant scheme for capital upgrades to improve energy and water efficiency on farms, reducing environmental impacts and overall input costs.

4. Regenerative farming

\$46.5 million over four years to build nationwide on-farm sustainability by providing:

- a. \$25 million to deliver specific vegetable industry on-farm workshops and resources to educate vegetable growers and producers on land management practices, emissions reduction, and carbon sequestration.
- b. \$20 million over four years to create an Agricultural Innovation Fund to support growers to build and modernise on-farm processing, create value-added products and install sustainable waste facilities.
- c. \$1.5 million for development of a program to encourage First Nations people to pursue careers in horticulture.

5. Ethical treatment of workers

\$5 million over four years to implement a national strategy to improve the wellbeing and treatment of workers across the vegetable sector.

6. Container levy for inbound freight

\$110 million annually for prevention and early detection of pests and diseases through implementing a container levy on Australia's inbound freight.

POLICY SUPPORT

7. Improve critical workforce shortages

Adoption of a pilot scheme for a Harvest Visa to run in 2024.

8. Biosecurity response fund

Increase plant biosecurity agencies' capacity and resources to combat incursions.

9. National labour hire licensing scheme

Implement a national labour hire licensing scheme to urgently address the mistreatment of workers by rogue operators.

Request for funding

Recommendation 1 – National behavioural change campaign

\$100 million over five years to implement a strategy to increase average daily vegetable consumption by one serve by 2030.

With only 7.5 percent of Australian adults and 6 percent of Australian children consuming the recommended daily serve of vegetables in Australia, increasing vegetable consumption needs to be prioritised as a national health and wellbeing issue. The vegetable industry is highly reliant on the domestic market, with only approximately 6 percent of production currently shipped to export markets.

Recent research findings led by the Fruit & Vegetable Consortium (FVC) and KPMG Australia provide evidence that 81 percent of Australians recognise increasing their vegetable consumption will improve their long-term health.⁴ The research has indicated that the COVID-19 pandemic has had an adverse effect on eating behaviour, with nearly half the population developing less healthy food habits during lockdowns. The increasingly disrupted environment has also led to 17 percent of Australians now eating less vegetables compared to pre-pandemic consumption. Despite these behaviours continuing to persist post lockdowns, Australians are keen to recover their healthier lifestyles by being more active and eating more nutritious foods.

Due to barriers linked to affordability, concern over food waste, and a lack of time and inspiration, consumers need compelling motivation, inspiration, and guidance on how to overcome these challenges. These issues are closely tied to the current state of food literacy in Australia, specifically how to select, store, prepare and cook fresh produce. Concerns about purchasing and eating vegetables are also linked to the perceived value of produce, product marketing and competitive positioning in stores, and poor health and food education for school students.

The Australian vegetable industry understands the urgency around improving food literacy and increasing vegetable consumption. In the absence of a national health initiative, AUSVEG, in collaboration with FVC and Nutrition Australia, have taken the lead and secured Australian vegetable industry levy funds to revalidate research, working with stakeholders to implement a strategy to increase daily vegetable consumption by one serve by 2030.

Research shows that by increasing daily vegetable consumption by one serve, the ‘triple bottom line’ benefits across the economy will include:

- \$200 million per annum reduction on the national health burden
- 14 percent reduction on the disease burden
- \$1.3 billion increase in vegetable sales
- \$1.6 billion net economic benefit
- \$10 return on investment for every dollar invested
- Support of Australia’s National Food Waste Strategy goals, specifically Priority 4 – behaviour change⁵

⁴ FVC & KPMG - Shifting the dial on vegetable consumption, 2022

⁵ Commonwealth of Australia - National Food Waste Strategy – Halving Australia’s Food Waste by 2030, 2017

Further in-principal funding through the Hort Innovation Frontiers Fund will be utilised to implement the strategy, including the design and implementation of programs to target five key areas:

- Early childhood education
- Primary schools and Outside of School Hours Care (OSHC)
- Secondary and tertiary education
- Home
- Retail

Further to the creation of a program to create awareness and build engagement with the five key target groups, a broad reaching media and communications program based around a national behavioural change campaign will be developed to roll out in the 2024-2025 financial year.

This program will align with recommendations in the recently released *Australian Food Story: Feeding the Nation and Beyond* report, specifically Recommendations 1 and 33, developing a National Food Plan which will include development of improved nutritional and dietary guidance.⁶

Whilst specific components of the national behavioural change campaign will be covered through Hort Innovation, there are areas that cannot be funded utilising farmer levies or Hort Innovation funds. This includes the broad reaching media and communications program. Therefore, to enable the public facing media campaign, AUSVEG will be seeking financial support from external stakeholders (such as health funds) and government. A national multi-channel, multimedia campaign is conservatively estimated to be \$20 million per annum, therefore an initial five-year program for \$100 million is proposed with evaluation of the project occurring at a three-year interval with the aim of increasing serves of vegetables by one serve by 2030.

Key reform from Recommendation 1:

- \$100 million over five years to increase Australia's daily vegetable consumption by one serve per person by 2030, creating a \$1.6 billion net economic benefit and decreasing the national health burden by \$200 million annually.

Recommendation 2 – Food security and sovereign capability

\$100 million over four years to launch a grant scheme, encouraging the establishment and/or modernisation of production facilities to increase food security and sovereign capability in Australia, including manufacturing of essential farm inputs including fertilisers, agrichemicals, sustainable packaging and more.

Australia is at the precipice of a major shortage of local fresh vegetables, with the industry facing an irreversible reduction in Australian vegetable growing businesses and local production.

Extreme weather events, the ongoing threat of biosecurity incursions, severe workforce shortages, and extraordinary price increases for vital farm inputs – such as fertilisers and agrichemicals – have been constantly at the forefront of grower challenges in recent years, and forecasts do not evidence any short-term relief from this.

As we move into the 2023-2024 harvest season, the Bureau of Meteorology (BOM) is predicting that Australia will face its hottest summer yet. Meanwhile other parts of the country have already been impacted by inclement weather, such as the recent Lockyer Valley hailstorm which caused an estimated

⁶ The House Standing Committee on Agriculture - *Australian Food Story: Feeding the Nation and Beyond*, 2023

\$50 million worth of damage to farms that already had a low production period and were struggling with all-time low prices from retailers.⁷ Australia's extreme weather events are on the rise, many of which decimate years of work in fresh produce production areas, resulting in unexpected food shortages on supermarket shelves and sharp price increases.

Over the past year, industrial relations changes have impacted the financial viability of growers in the horticulture sector. These changes have significantly escalated risks and compliance penalties, increased labour expenses and administrative requirements considerably, and reduced access to visa options available to overseas workers (who provide over one-third of the industry's workforce). These decisions have exacerbated an already existing workforce shortage.

A recent AUSVEG survey of growers has indicated that 71 percent are currently experiencing workforce shortages, with nearly half expecting workforce shortages to worsen. The inability to harvest produce during optimum periods results in food shortages, a loss of income for growers, a significant waste of farm inputs, and contribution to greenhouse gases as rotting vegetables go unpicked.

Price increases for vital farm inputs have also soared due to global incidences. In June 2023, the Global Coalition of Fresh Produce released the results of an international survey of growers which indicated that, on average, production costs for Australian growers have increased by 37 percent over two years, with fertiliser increasing by 107 percent, packaging up 57 percent, and fuel and gas up by 56 percent.⁸ Growers across the globe have indicated that increasing their selling prices is not enough to overcome the increases in production and operating costs, leaving approximately 57 percent of the global industry selling at a loss or breaking even.

Due to this, nearly a third of Australian vegetable growers are considering leaving the industry altogether by 2024, as indicated in a national survey undertaken by AUSVEG in July 2023. That's potentially wiping \$1.8 billion off the farmgate value of Australia's vegetable production. The basic rules around supply and demand will see scarcity reflected in significant price rises – \$12 lettuces will become the norm. And yet there is a heavy reliance on vegetable production to feed Australia, with 94 percent being sold domestically (supplying 98% of fresh produce consumption), and only 6 percent exported.

AUSVEG strongly supports recommendations from *Australian Food Story* following the inquiry into Australia's food security. Recommendations 1, 2 and 12 call for the appointment of a Minister for Food, responsible for the development and implementation of a National Food Plan.⁹

There are many facets of industry that need considerable attention from the Federal Government, however AUSVEG believes that the ability for Australia to increase manufacturing of farming inputs will put the country and its food security in a strong position for potential crises in the future.

The Australia Institute's Centre for Future Work released a report in July 2020 which found that Australia ranks last amongst all OECD countries for manufacturing self-sufficiency.¹⁰ The Australian agriculture industry imports \$1 billion of urea fertiliser each year, and the reliance on imports leaves industry open to vulnerabilities such as supply chain disruptions and shortages, as highlighted during the COVID-19 pandemic.

Calculations show that if Australia produced manufactured goods at the same rate as they are being consumed, over 400,000 new direct jobs would be created, and an additional 265,000 throughout the manufacturing supply chain. Recommendation 12 in *Australian Food Story* suggests that the

⁷ ABC News – [Freak hailstorm delivers \\$50 million blow to already struggling Lockyer Valley farming region](#), 2023

⁸ Global Coalition of Fresh Produce – [Producer costs and prices report](#), 2023

⁹ The House Standing Committee on Agriculture - [Australian Food Story: Feeding the Nation and Beyond](#), 2023

¹⁰ The Centre for Future Work at the Australia Institute - [A Fair Share for Australian Manufacturing](#), 2020

development and expansion of domestic production and manufacturing of essential inputs should be supported by the Australian Government.

Manufacturing agricultural inputs in Australia would also allow us to control our environmental footprint, with supplies made under Australia's regulatory control and environmental standards.

Key reform from Recommendation 2:

- Prioritise investment for a grant scheme to improve Australia's food security by:
 - allowing farm inputs to be manufactured in Australia, increasing reliability of inputs, and building stronger regional economies with the creation of reliable jobs.
 - developing greater capacity in the supply chain to ensure greater resilience and ability to adapt to risks.

Recommendation 3 – Sustainable infrastructure

\$10 million over four years to launch a grant scheme for capital upgrades to improve energy and water efficiency on farms, reducing environmental impacts and overall input costs.

Extreme fire weather days have increased in Australia by 56 percent over the past 40 years, primarily due to climate change. This evidence was published in a 2022 international geophysics study (supported by the CSIRO).¹¹ Australia's El Niño declaration, following three years of La Niña and excessive vegetative growth, has produced the ideal environment for a high-risk bushfire season, which is extremely worrisome for growers.

The horticulture industry's greatest production emissions are from fuel and electricity, which are unavoidable inputs for most. Fuel provides transport for freight of produce to market, and for access to supplies, as well as on-farm transport and use of machinery for spraying, harvesting and general duties. Electricity operates machinery for processing and packaging vegetables, and for general use of buildings and equipment. The impact of this on the environment contributes to global emissions and affects important factors on farms including the quality of air, water, and soil.

Another significant input that requires energy is irrigation for crops to pump water from rivers, dams, and aquifers onto farmland.

Water is Australia's most precious resource, and its availability and reliability can be heavily impacted by weather patterns, but also by changes to government regulation.

Technological advances in water delivery and water monitoring equipment, as well as scientific advances in irrigation, wastewater treatment and other water resource issues have the potential to make positive impacts on the horticultural sector.

Growers are actively seeking more efficient water and energy saving equipment and technology for several reasons:

1. For the long-term benefit of the environment they live and grow in.
2. In response to consumer demand.
3. For cost reduction of operations.
4. To meet corporate social responsibility objectives.

¹¹ AGU – Global and Regional Trends and Drivers of Fire Under Climate Change, 2022

5. For business sustainability, particularly during times of hardship or natural disasters.

The barrier for many is the capital required to replace or upgrade suitable plant and equipment, and the space in which to do so, for example, large plots of land for the number of solar panels required to power the farm.

Federal capital grants to transition growers' fuel and electricity to renewable sources will help to remove as much as 70 percent of horticultural emissions and will incentivise growers to move forward more promptly on making these changes. Access to funding for water efficiency will be resourced in the form of a small grant program, for example projects between \$20,000 to \$200,000 with matched funding, to install new or innovative water saving, water recycling or water usage equipment.

Key reforms from Recommendation 3:

- Fund on-farm energy and water grants.
- Promote and encourage growers to implement energy and water efficient technologies that use renewable sources on farms.
- Invest in grower education programs, training, workshops, field trips and online tools about renewable infrastructure and sourcing suitable and trustworthy suppliers.
- Reinstate on-farm energy assessments.
- Reinstate the Energy Efficient Communities Program, including a round for horticultural processors, such as packing facilities.

Recommendation 4 – Regenerative farming

\$46.5 million over four years to build nationwide on-farm sustainability by providing:

- a. \$25 million to deliver specific vegetable industry on-farm workshops and resources to educate growers and producers on land management practices, emissions reduction, and carbon sequestration.

The success of a grower's business largely depends on the management of its greatest asset – the land. Many farms are generational assets with each generation understanding their commitment to care and protect the land to ensure the long-term sustainability of their farming asset.

However, as we continue to learn more about the impacts of farm inputs on the surrounding environment, and witness the flow-on effects of earth's changing climate, there are opportunities for education so that growers can learn new and more sustainable methods for managing soil and land.

Although horticulture emits just 1 percent of all agricultural emissions, it has an enormous capacity to sequester carbon, which will reduce the number of emissions harming the earth and provide healthier soil for future crops.

Through focused vegetable industry workshops and resources highlighting topics such as carbon farming, soil health, biodiversity corridors and credits, water saving and recycling technology, emissions, and regenerative agriculture, growers can gain a practical understanding and create a network to share knowledge.

The information and resources will also provide the foundation for growers to meet the requirements of many of the sustainability-based certification programs such as Freshcare Environmental, Hort360 or GlobalGAP.

The industry requires further investment and support to adopt better carbon sequestration practices and hasten the rate of adoption.

Key reforms from Recommendation 4(a):

- Develop a farm management education program that is responsive to climate change and sustainability and considers regional differentiation (e.g. water availability, fire risk, energy reliance and pest pressures).
 - Develop in-person/on-farm and virtual workshops across Australia.
 - Develop resources to assist farmers to implement sustainability practices.
 - Assist growers to adopt certification schemes focused on sustainability.
- b. \$20 million over four years to create an Agricultural Innovation Fund to support growers to build and modernise on-farm processing, create value-added products and install sustainable waste facilities.

Research shows that overall food waste in Australia equates to over 7 million tonnes per annum or an estimated cost to the economy of \$36 billion.¹²

Key findings in the *National Food Waste Strategy Feasibility Study (2021)* are staggering, highlighting that food produced and wasted in Australia annually releases emissions equivalent to Australia's highest emitting coal fired power station.

In addition, eliminating food waste in Australia would effectively save 286 litres of water per person, per day when considering the water required across the lifecycle of producing food.

In horticulture, studies show it is feasible that more than 50 percent of vegetables are never consumed, and 25 percent don't leave the farm gate.

Most growers are already stretched in their capacity to consider any more factors required when it comes to having a horticultural business. The risk, responsibility and stress on the sector is enormous and becoming impossible and unviable for many. To support Australian growers in ongoing sustainability efforts and reduce food waste, AUSVEG seeks funding to create an Agricultural Innovation Fund.

This fund would provide support and assistance for modernising on-farm processing and waste facilities which would push businesses towards innovation, reducing carbon emissions and reducing waste and cost of inputs such as fuel, fertiliser, and water. It would also benefit growers by creating new market opportunities and streamlined business models that can process farm produce and develop new products from waste.

Shared processing and waste facilities will support local economies to become self-sufficient, making growers more resilient to supply chain issues and shortages. Multiple central facilities on farm or shared by several farms will further reduce the overall transport, costs, and emissions.

¹² FIAL – National Food Waste Strategy Feasibility Study, 2021

This directly correlates with Recommendation 18 from the *Australian Food Story* report to incorporate measures to eliminate food waste into the proposed National Food Plan, including creating a circular economy.¹³

Key reforms from Recommendation 4(b):

- \$20 million Agricultural Innovation Fund to support growers to build and modernise on-farm processing, create value-added products, and install environmentally sustainable waste facilities.
- Actively promote funding opportunities for on-farm processing and waste facilities.
- Work with organisations and Local Government Areas that are already developing facilities, such as the East Gippsland Food Hub, to help showcase available opportunities for growers.
- Assist growers to plan and implement their own on-farm sustainability framework that is responsive to their circumstances and management pressures.

c. **\$1.5 million for development of a program to encourage First Nations people to pursue careers in horticulture.**

Around 30 percent of Australia’s landmass is owned or controlled by First Nations people through exclusive Native Title or other arrangements¹⁴, however only 1 percent of the agricultural workforce identify as Aboriginal or Torres Strait Islander.¹⁵

Prior to European settlement, First Nations people had been managing the land and the environment sustainably for thousands of years. Indigenous methods of agriculture, horticulture and aquaculture included crop-growing, fish-trapping and controlled burning to encourage new growth in native plants and to facilitate hunting.¹⁶

This understanding of the land has been passed down through generations and is a resource that industry should be tapping into as we seek to reduce chemical use, find alternate energy sources, improve water efficiency, and innovate in the regenerative agriculture space.

AUSVEG supports ‘Recommendation 11’ of the *National Agricultural Workforce Strategy* (2020) to create a digitised map of the agrifood workforce to highlight the breadth of career opportunities and use this as a tool to demonstrate these opportunities to First Nations people.

In addition, AUSVEG seeks funding to create an on-the-ground program to actively connect First Nations students with vegetable growers for learning opportunities and to engage with schools about career pathways. This will benefit growers facing ongoing issues with workforce shortages, and likewise students potentially seeking opportunities to incorporate their existing knowledge of the land into future careers.

Key reforms from Recommendation 4(c):

- Develop an ‘*Insights*’ program for First Nations people aged 16-21 years to undertake farm placements in an effort to learn more about the Australian vegetable industry.

¹³ The House Standing Committee on Agriculture - *Australian Food Story: Feeding the Nation and Beyond*, 2023

¹⁴ AAP Factcheck – *Post inflates Indigenous land ownership figure*, 2023

¹⁵ National Agricultural Labour Advisory Committee – *National Agricultural Workforce Strategy*, 2020

¹⁶ State Library NSW - *Australian agricultural and rural life*

- Develop a schools' program in regional and rural Australia to attract First Nations students to pursue careers in horticulture.

Recommendation 5 – Ethical treatment of workers

\$5 million over four years to implement a national strategy to assist the vegetable industry address and improve the wellbeing and treatment of workers.

AUSVEG recognises that the growth of the vegetable sector across the country owes much of its success to the dedication and hard work of immigrants and, in recent years, migrant workers. Over the last decade, however, the treatment of migrant workers within the Australian horticulture industry has become a subject of increasing concern, as incidences of abuse, discrimination, underpayment, and other illegal activities come to light.

Despite the critical role migrant labour plays, reports and investigations have highlighted challenges and vulnerabilities faced by these workers. The temporary nature of many migrant labour contracts, often tied to seasonal demands, has further exacerbated the issues faced by these workers.

The horticulture industry needs to show leadership and address this challenge in a proactive and united manner. AUSVEG is in the final stages of developing an industry wide plan which includes activities such as promoting the industry as an ethical employer, creating secure and supportive work environments for workers, and fostering a culture that attracts rather than deters the next generation of horticultural professionals.

AUSVEG believes there is the capability and the will for the vegetable industry to increase and improve communication and collaboration, to address complex challenges associated with labour practices in agriculture. This is reflected in Recommendation 9 of the report into food security, the *Australian Food Story*.¹⁷

Through targeted initiatives, regulatory reforms, and enhanced industry practices, AUSVEG aspires to create an environment that upholds the rights and well-being of all workers, including migrant labourers, and fostering a sustainable and socially responsible vegetable sector for Australia.

Key reform from Recommendation 5:

- \$5 million across four years to roll out a plan to improve the ethical treatment of migrant workers in the Australian vegetable industry.

Recommendation 6 – Container levy for inbound freight

\$110 million annually for prevention and early detection of pests and diseases through implementing a container levy on Australia's inbound freight.

Biosecurity is everyone's responsibility; however, the agricultural industry bears the risk of a pest or disease incursion that can decimate sectors of the industry in Australia. The cost of eradication responses, quarantined businesses and subsequent management of pests that become endemic can (and has) impose an extraordinary financial burden on industry. A recent example is the introduction of the Varroa mite into Australia in 2022, which has now become endemic and has so far cost over \$100 million in response.

¹⁷ The House Standing Committee on Agriculture - *Australian Food Story: Feeding the Nation and Beyond*, 2023

In 2017, a review into Australia's biosecurity found that the majority of risk to the biosecurity system arrives via vessels and containers, either in the contents of the container or on the external surfaces of the container itself. More than a third of the pests and diseases being stopped from entering and spreading through the country have arrived on or in a container.¹⁸ However, the Federal Government, despite advocacy from industry since 2019, has not introduced a container levy, which would see risk creators pay their fair share to support Australia's biosecurity system. Instead, a Biosecurity Protection Levy funded by growers has been announced, without any prior consultation with the horticulture industry, and against previous feedback and advice from industry.

AUSVEG implores the Federal Government to take action on Recommendation 28 of the *Australian Food Story* report, and ensure that funding for biosecurity reflects the *responsibilities of all stakeholders*, by removing further levies from growers and instead charging them fairly to other potential carriers of pests and diseases.

Key reform from Recommendation 6:

- Introduction of a Container Levy which will provide \$110 million per year to Australia's biosecurity prevention and early detection.

Policy support

Recommendation 7 – Improve critical workforce shortages

Adoption of a pilot scheme for a Harvest Visa to run in 2024.

Workforce costs can be up to 50 percent of the total cost of production for growers, so it is critical that growers have access to efficient workers who are genuinely committed to their role. Industry has proven to government on numerous occasions that there are not enough Australians interested in pursuing seasonal work within the sector.

During the COVID-19 pandemic when Australian unemployment was high, both Federal and State Governments offered incentives for accommodation, food, transport, and additional financial benefits to work in horticulture, however only a small number of Australians agreed, and many completed only the minimum number of days to get their benefits.

Growers seek workers who are genuinely interested in the sector, in expanding their knowledge of the industry and potentially taking on supervisory and management roles.

A Harvest Visa would provide an opportunity for overseas workers to earn money in Australia to take back home to their families. They would be sponsored by growers who would assist in sourcing accommodation and provide general welfare for a period of between six weeks and six months.

Providing a safer option for both growers and workers will reduce growers' reliance upon unethical contractors that sometimes provide the only option during this workforce shortage.

Australian vegetable growers seek skilled and semi-skilled workers across a broad range of occupations to support them in instituting new learnings for climate change adaption, and knowing there is a reliable workforce during harvest periods would relieve some of this pressure, allowing growers to focus on other priority areas facing horticulture such as climate adaptation and long-term sustainable business planning.

¹⁸ Australian Government (DAFF) – [Intergovernmental Agreement on Biosecurity Review](#), 2017

Key reform for Recommendation 7:

- Federal Government introduce a pilot scheme for a Harvest Visa in 2024.

Recommendation 8 – Biosecurity response fund

Increase plant biosecurity agencies' capacity and resources to combat incursions.

Over the last five years, the vegetable and potato industries have faced five major incursions – tomato potato psyllid, fall armyworm, serpentine leafminer, American serpentine leafminer and Varroa mite.

Given the volume and frequency of incursions faced by our industry, as well as the plant industries in general, there is a clear and obvious need for increasing capacity and capability across all plant biosecurity agencies. Unfortunately, the opposite is transpiring, and the plant biosecurity agencies are stretched beyond capacity, exacerbated by increasingly extreme weather events that the agencies are responding to. This is a reflection of a systemic lack of biosecurity support for plant industries by Government.

This is visibly apparent when considering the \$10 million biosecurity cooperation package provided to assist Indonesia respond to Foot and Mouth Disease and Lumpy Skin Disease outbreaks, when risk of potential entry into Australia was at just 11 percent.

In comparison, the support to eradicate Varroa mite from Australia has failed. The inadequate response has led to one of the industry's biggest threats becoming endemic in Australia.

AUSVEG calls on the Government to urgently increase support towards plant biosecurity. This includes funding to build capacity within government agencies, as well as peak industry bodies, many of which are single person operations due to lack of resourcing. Government commitment will also garner media support, enabling greater biosecurity awareness, community engagement and a true commitment across the biosecurity continuum. This will align with Recommendation 27 of the *Australian Food Story*, to build public awareness of biosecurity responsibilities and protect the food system from future incursions.¹⁹

Key reforms from Recommendation 8:

- Increase resources to support plant pest incursions like the Varroa mite response and on-going threats.
- Provide industry with opportunity to engage at the national level in area of priority setting, decision making and planning.
- Ensure industry is at the table at key strategic decision-making discussions in Government.

Recommendation 9 – National labour hire licensing scheme

Implement a national labour hire licensing scheme to urgently address the mistreatment of workers by rogue operators.

AUSVEG recommends the Federal Government immediately prioritise the establishment of a National Labour Hire Licensing Scheme (NLHLS). The establishment of a licensing scheme is widely supported across industry, unions, retailers, and the community and has been a key discussion point for the Agriculture Workforce Working Group (AWWG).

¹⁹ The House Standing Committee on Agriculture - *Australian Food Story: Feeding the Nation and Beyond*, 2023

Labour hire firms and workforce contracting firms play a pivotal role in the horticulture sector in supplying growers with essential workers. It is critical that growers can use these services with confidence knowing that their workers are treated fairly and paid properly.

An NLHLS for the horticulture sector would ensure that labour hire operators were meeting government expectations around compliance. Furthermore, an NLHLS would also assist in addressing the problems the horticultural industry has in attracting, recruiting, and retaining workers into the sector. Research has clearly highlighted that perceptions around workplace exploitation is a barrier when attracting migrants or Australians to work in agriculture.

The horticulture sector needs an NLHLS that is built with integrity and well-resourced to ensure that action is taken against unlicensed operators.

Key reforms from Recommendation 9:

- Deliver a fully operational national labour hire licensing scheme by December 2024.
- Ensure the national labour hire licensing scheme is well-resourced and funded to ensure enforcement activities are undertaken against rogue operators.