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Future Drought Fund

Department of Agriculture, Fisheries and Forestry

**Re: Consultation Draft - Future Drought Fund Investment
Strategy 2024 - 2028**

To whom it may concern,

On behalf of the Australian pork industry, we would like to thank you for the opportunity to provide comment on your consultation draft of the Future Drought Fund Investment Strategy 2024-2028.

About Australian Pork Limited (APL)

APL is the peak national representative body for Australian pork producers. It is a producer-owned company combining marketing, export development, research and innovation and strategic policy development to assist in securing a profitable and sustainable future for the Australian pork industry.

The existing regulatory and supply chain oversight of Australian pork businesses is a complex space. APL can assist the Department in understanding and navigating the industry as we hold a number of important roles and maintain a range of partnerships that could inform your processes. APL is:

- The peak body leading the pork industry's Sustainability Framework implementation,
- The pork Research, Development and Extension organisation leading climate research and extension in partnership with the Australian government and the research community,
- Part of the sector-wide collaborative effort to develop Australian Agricultural Sustainability Framework, coordinated by the National Farmers' Federation on behalf of the Department, and
- The industry signatory to the Emergency Animal Disease Response Deed (EADRA).

The pork industry is an important contributor to the economic, environmental and social prosperity of Australia

The domestic pork industry is a vital part of Australia's food supply chain, with pork the second most consumed meat in Australia and all fresh pork consumed in Australia domestically sourced.

The Australian pork industry contributes around \$5.5 billion in gross domestic product to the economy and supports a diverse range of careers across the food supply chain. The industry is domestically focused with around 90% of our production supporting food security for Australians. The value of the 10% exported in 2022/23 was around \$182 million.

More than 31,000 jobs are supported nationally, predominantly in regional Australia, supporting the economic and social prosperity of communities and the wellbeing of individuals. The Australian pork industry's workforce is skilled, specialised and generally engaged on a permanent basis. Like many rural industries the pork industry is currently being impacted by staff shortages with the industry willing and able to support more than 36,000 jobs nationwide and opportunity for growth up to 38,000 as Australian pork replaces imported pork in the domestic production of smallgoods.

The largest volume of production is sourced from Queensland, Victoria and South Australia from an Australian domestic commercial sow herd of 285,538 sows (at 1 July 2023). In 2022/23, the Australian pork industry produced 453,426 metric tonnes of pork.

Australian pork is a low emissions protein. The industry is committed to creating a more sustainable industry for future. Australian pork producers and farmers are employing innovative methods to reduce waste and minimise the industry's carbon footprint:

- Over the last four decades, greenhouse gas emissions reduced by 73%
- Over the last four decades, water consumption for the production of pork has reduced by 80%
- Over the last four decades the industry has reduced fossil fuel use by 58%
- 60% of the pork industry aims to use waste recycling and renewable energy by 2030

Further, a recent industry-first study¹ discovered that the Net Protein Contribution (NPC) of Australian pork is 3.26, demonstrating that the quality and efficiency of Australia's pork supply chains can generate three times the human-edible protein it consumes.

¹ <https://www.publish.csiro.au/AN/pdf/AN23057>

Consultation Draft: Future Drought Fund Investment Strategy 2024 - 2028

APL has previously provided feedback into the Productivity Commission reviews of the Future Drought Fund (FDF) and have appreciated that the Commission made time to meet with APL to discuss ways the FDF could recognise and more effectively support pork and other intensive animal industries.

The intensive animal industries have a critical role to play in the current and future food production for Australia, however, the full potential of these industries is yet to be realised. There are opportunities to share knowledge and assist you to identify and pursue mechanisms which would help ensure the funding within the FDF can be accessed by these industries and their producers. This would ensure the FDF can be a more effective partner in our adaption to climate change.

APL would like to see the Consultation Draft – Future Drought Fund Investment Strategy 2023-2028 (The Investment Strategy) more explicitly acknowledge the role of intensive industries and address concerns raised in previous submissions which questioned the mechanisms within the FDF which either left out or explicitly excluded intensive industries from many of the FDF funding programs and opportunities.

The APL Sustainability Framework

Discussion question 6) Should a future iteration of the FBR program be more focussed on specific learning areas or target particular cohorts of farmers (e.g., young farmers, remotely located farmers, smaller landholders and/or those operating on marginal land)?

There is an opportunity to learn from farmers and to recognise and work with industries who have been heavily investing in resilience activities. Farmers are getting better at identifying what they need and what they “don’t know”. Where the FBR can make a significant contribution is by ensuring it has mechanisms in place to listen to farmers about what they need and to provide support in line with well researched industry strategic plans and sustainability frameworks. Targeting particular cohorts or focusing on specific areas can limit the ability of the FBR to be responsive to actual needs.

The Pork Industry Sustainability Framework (2021) sets goals, targets and measures to demonstrate the industry’s commitments.

These commitments aim to reflect the community’s concerns to improve social licence. The Framework will be reported on and updated and will track the industry’s ongoing sustainability achievements/progress.

The Sustainability Framework is built around four priority pillars:

People – Producing our products in a way that supports both our industry’s people and our local communities.

Pigs - A world leader in animal welfare and health.

Planet - A world leader in environmental best practice.

Prosperity - A revolutionary contributor to Australia's economy and those who work within the sector.

Our framework is aligned to the UN Sustainable Development Goals (SDGs) and we see a really strong opportunity for pork to assist in meeting these – particularly goal 12 (responsible consumption and production). The Australian pork industry has the potential to be a key domestic provider of safe, affordable, sustainable low emissions protein.

The APL Sustainability Framework was established to support the pork industry to adapt and mitigate the impacts of climate change, support activities being undertaken to mitigate current labour shortages, reinforce the importance of animal welfare and biosecurity and support the pork industry's ability to thrive.

In the planet pillar we have three focus areas:

1. Carbon cycling and nutrient accounting.
2. Farm biodiversity and natural resource stewardship.
3. Closing the loop to reduce waste.

Pork is already a low emissions protein, emitting 3.3kg of greenhouse gas emission per kilo of liveweight produced, second only behind chicken meat. The industry is making further gains through strong investment in decarbonisation such as through renewable energy technologies and better use of waste.

The pork industry has been actively mitigating climate change risks for decades and must be provided with opportunities to demonstrate the contribution they can make to meeting national climate change targets.

To further maximise the impact of this activity, the pork industry would support the FBR program to focus on specific learning activities targeted to the pork industry around mitigating and adapting to climate change. This could be through providing support on the specific areas of pork production where climate change is expected to have large ongoing impacts such as:

- Increased biosecurity threats: Animal health specialists are predicting that increased temperatures due to climate change, combined with biodiversity and species migratory changes, will lead to an increased risk of zoonotic diseases. The pork industry has responded to a range of animal disease threats (Swine influenza 2009, Japanese encephalitis virus 2022) while keeping a watchful eye on the potential

threats from key exotic diseases such as Foot and mouth disease and African swine fever.

- Availability of stock feed: The grains industry will be particularly susceptible to the impacts of climate change. The quality and quantity of Australian grain produced and available as stock feed is expected to be impacted by:
 - Changes to the length of growing seasons impacting the varieties able to be successfully grown,
 - Erratic weather impacting the sowing or harvest periods,
 - Weather damage reducing the quality of the grain,
 - Greater potential for flood or heavy rainfall events to cause soil and crop damage, and
 - Increased frequency of droughts or below average rainfall.

APL recommendation: That the Future Drought Fund works to better understand the sustainability initiatives being driven by the pork industry and undertakes to work with the industry to provide support for those initiatives which also deliver public and broader good.

Environmental excellence to deliver sustainable protein

Discussion question 9) Should the long-term goal for CSA be providing adaptation information to better support practice change in response to climate projections?

Discussion question 12) Should the FDF focus on innovation, or broader extension and adoption of tried and tested practices to enable change at scale in Australia? Or both?

Discussion question 13) Should transformational change, and partnerships that facilitate it, be prioritised by the FDF? What incentives or programs would best support transformational change? Or should the FDF continue to also build incremental change – that eventually lead to transformation – and focus on the preconditions (knowledge, skills and support etc) that enable individuals and communities to make transformational changes?

Transformational change at the regional level, where FDF operates, would be a great focus to drive big improvements in greenhouse gas emissions, drought resilience and climate adaptation.

Australian pork is a low emissions protein. The Australian pork industry is committed to creating a more sustainable industry for future and would welcome the opportunity to work more closely together to drive further transformational change. Australian pork producers and farmers are employing innovative methods to reduce waste and minimise the industry's carbon footprint. Some of our achievements include:

- Over the last four decades, greenhouse gas emissions reduced by 73%
- Over the last four decades, water consumption for the production of pork has reduced by 80%
- Over the last four decades the industry has reduced fossil fuel use by 58%
- 60% of the pork industry aims to use waste recycling and renewable energy by 2030

The pork industry in Australia demonstrates strong environmental credentials with a low emissions footprint of 3.3 kgCO₂ -e/ kg live weight of pork, a reduction of over 73% since the 1980s. Over 20% of production is currently carried out using biodigesters that reduce methane emissions, with 16% of production completely powered off-grid using piggery by-products and renewable energy technologies. While our environmental story is strong, APL continues to work with industry to significantly increase uptake of emissions reduction technology and manure management opportunities.

Industry research is also investigating opportunities to reduce waste by maximising the value of non-edible food and agricultural waste as pig food or feedstock to optimise performance of digesters. Ongoing water reduction has also been prioritised, with industry achieving an 80% reduction in usage over the past three decades.

We have also extended investment to include dedicated resources to drive adoption of emissions reduction technologies which has seen good engagement and interest from farmers.

As outlined in our initial submissions APL were working with 50 of our member producers across Australia to investigate the feasibility of anaerobic digestion of piggery manure either through digestion in covered anaerobic lagoons or in manufactured digester tanks. This has now progressed to detailed feasibility studies being prepared for 11 producers.

We are aiming for an increased adoption of anaerobic digestion by industry which in turn will deliver significant emissions reductions for the pork industry. However, little of the work being done in this space meets the criteria within the FDF. It is not considered 'new or innovative' as per the funding criteria, it is however proven technology which is a substantial opportunity for growth and therefore delivers the benefits of long-term emissions reduction a private and public benefit.

APL recommendation: That consideration be given to providing greater flexibility within the Future Drought Fund to support producers to invest in long-term capital infrastructure which will deliver environmental and climate change adaption benefits.

Discussion question 7) How should public and private good be balanced in a future iteration of the FDR program? Should the program require farmer co-contributions?

The industry is guided by our Strategic Plan 2020-2025, with key targets aimed at ensuring pork is a low emissions protein, specifically 60% of production using waste recycling and

renewable energy technology. Our industry remains committed to further improving our already strong environmental credentials, maintaining our focus on carbon emissions abatement strategies and technologies, along with circular economy approaches to waste reduction and energy production.

Australian pig producers were among the earliest participants in Australian government agriculture emissions reduction initiatives. APL continues to work closely with the Clean Energy Regulator at a Commonwealth level, along with jurisdictional regulators, to ensure policy settings and programs are aligned, and regulation is outcomes and risk-based, responsive and proportionate. Getting these settings right is critical for ensuring our producers continue to play a key role in delivering environmentally sustainable protein to Australians every day.

In order to support long-term investment in on-farm innovations, farmers need confidence they are working within clear and consistent parameters. Investment in innovations such as biogas are capital intensive and the cost benefit analysis can easily be skewed if the regulatory environment is inconsistent.

APL recommendation: There is an opportunity for the Future Drought Fund to better understand the broader Federal and State regulatory context impacting farmer's ability to invest in on-farm technologies and innovations and provide leverage to overcome regulatory burdens which inhibit the ability to build resilience. This would deliver both public and private good.

How the Future Drought Fund could improve incorporation of invasive pest management, including feral pigs

Discussion question 10) Should the FDF prioritise natural capital management projects through discrete programs (such as a new Drought Resilience Soils and Landscapes program) or should NRM continue to be embedded throughout most streams of investment? Or both?

Discussion question 11) How can First Nations communities be supported so that their knowledge and practices to care for country can be maintained for the benefit of their communities and land?

APL manages the National Feral Pig Management Coordinator Program which commenced in January 2020 and is funded by the Commonwealth Department of Agriculture, Fisheries and Forestry. Through this program, the National Feral Pig Action Plan (the Plan), endorsed by the National Biosecurity Committee in October 2021, is now being implemented. The Plan aims to suppress feral pig populations to reduce their impacts to Australia's environmental, agricultural, cultural and social assets through sustained, coordinated and collaborative management actions by land managers. Feral pig management is most effective when conducted on a landscape scale, on a tenure basis by groups of land managers using

combinations of the most appropriate best practice management methods at the right time and at the right scale.

Regional coordination to bring communities together and ensure that they are better supported and connected during drought periods to remove feral pig populations (with a view to achieve localised eradication) are needed. However, such studies are exempt from the FDF due to funding principle (3). *Not provide in-drought assistance.*

The control of feral pig populations by agricultural land managers is most often reactive, *ad hoc*, fragmented and short term in nature. This means that feral pig management actions by land managers, on the whole, are completely ineffective in achieving, and then maintaining, significant reductions in feral pig populations over time.

Affected land managers do come together to address feral pig impacts when they feel that they are being supported, including through the provision of financial inputs, group facilitation and resourcing. However, there are currently no mechanisms in place to incentivise community-led on-ground management programs so that they can become self-sustained and self-driven. This is sorely needed so that land manager involvement and participate in local management programs can be attained and maintained, and furthermore motivate them to remain actively involved over the long term. Addressing this gap would go a very long way to shift feral pig management to being proactive, prioritised and strategically timed to optimise outcomes (i.e. achieve impact and/or population reduction targets).

This area is one where support from the Future Drought Fund would be greatly welcomed.

Whilst it is complex, difficult and challenging, invasive pest management must be incorporated as part of agricultural production systems to deliver agricultural, environmental and community resilience objectives of the FDF. On review of the suite of current projects funded through FDF grants, invasive pest management *per se*, including feral pigs, is not being addressed and is therefore a significant gap. In many instances, feral pig management is not prioritised by primary producers, and conducted when they have time or when impacts are being realised. Management actions are largely not included in farm management plans, unlike weed management. There is a strong need for invasive pest management to be incorporated and integrated into on-farm management planning for drought resilience. This situation also needs to change if we are truly serious about reducing feral pig impacts across Australia over the long term and there are opportunities for this to be addressed through the FDF.

It is well documented that the optimum time to effectively, efficiently and strategically reduce feral animal populations is during periods of drought, when animals are drawn to dwindling permanent water sources and are attracted to free-feed and bait. However, available time, money, resourcing and competing priorities of primary producers, coupled

with heightened mental stress, are often in conflict with undertaking invasive pest management activities. This problem needs to be looked at differently, including opportunities to set up a multi-jurisdictional managed fund, using the Australian Plague Locust Commission as an example, that land managers could access during times of drought to bolster on-ground management efforts and more effectively remove feral pig populations from the landscape.

Innovations in how current feral pig best practice management practices are applied to improve their effectiveness and efficiency are also needed. There is no one size fits all with how best practice feral pig management should be conducted, which methods should be used, in what order and when - every community and landscape is different. It is considered that there are enormous opportunities from working closely with local communities in extension activities to identify what best practice management of feral pigs truly means in their region to achieve sustained outcomes in terms of population and/or impact reductions.

APL recommendation: That the Future Drought Fund provide a mechanism through which funding for invasive species control can be considered, particularly as it relates to feral pig management.

Increased engagement of Aboriginal and Torres Strait Islander people

There is potential for local Indigenous Ranger organisations across Australia, who hold local knowledge of managing Country, to be contracted to deliver integrated best practice pest management services to support primary producers. Sources of funding to lever such programs will be a key issue. Initiatives to implement funding mechanisms that incentivise all land managers to work in coordinated ways together at a regional scale to undertake control are needed, but remain out of current scope for the current FDF.

APL recommendation: That the Future Drought Fund provide a mechanism through which the National Feral Pig Management Coordinator program is supported in its work with Indigenous communities.

How the Future Drought Fund could consider the needs of the pork industry and other intensive animal industries

Discussion question 1) Does the draft funding plan provide an appropriate framework to guide spending on drought resilience initiatives?

Discussion question 2) Which current FDF programs should be retained?

Discussion question 3) Which current FDF programs could be integrated with existing programs or built upon to drive efficiency or to maximise impact?

Discussion question 4) How should the Hubs' role be better defined to deliver more impact for their regions? Are the proposed funding options for the Hubs appropriate?

Discussion question 5) What implementation pathways and governance options are the most appropriate ways of actioning regional plans?

There is an opportunity for the Investment Strategy to more effectively recognise and support the needs of the pork industry and other intensive animal industries.

Under the new investment strategy there is an opportunity to ensure mechanism allow the flexibility to consider intensive animal industries such as pork. A key requirement is flexibility, for example allowing the Hubs the freedom to work with their regions and develop projects which deliver regional impact. Rather than prescriptive frameworks which can hinder collaboration there needs to be mechanisms which support collaborative projects.

APL recommendation: There needs to be more flexibility allowed within the grant funding framework to support applications and opportunities for intensive animal industries to access long-term drought trial funding.

The Climate Services for Agriculture platform, one of the big outcomes from the FDF, currently does not offer services for intensive animal industries. APL believes this is an opportunity to improve. While the tool does provide general local climate information, there would be easy ways to consider intensives for e.g. they have a temperature humidity index for beef, dairy and sheep – there is an opportunity to fund research to investigate if a heat load for shed kept livestock could be provided for industries like pork as heat stress and infertility associated with high temperatures are a key issue for our industry.

APL recommendations: That the Climate Services for Ag platform work with APL to support the research needed to incorporate temperature and humidity information for shedded animals.

The FDF Science to Practice forum, while a great initiative, takes a very high-level approach to agricultural issues and to date nothing specific has been offered or mentioned for the intensive industries, including pork. Past forum agendas are here:

<https://www.agriculture.gov.au/agriculture-land/farm-food-drought/drought/future-drought-fund/research-adoption-program/science-to-practice-forum>.

APL recommendation: That further consideration be given to ensuring the pork industry and intensive animals industries are provided with opportunities to be recognised by, and actively participate in, programs within the Future Drought Fund.

Discussion question 15) What enabling activities are essential to the success of the FDF and should be directly funded to support FDF programs?

APL believe there continues to be a number of opportunities for the FDF to more effectively engage with and meets the needs of the Australian Pork industry and other intensive animal industries.

Thank you for the opportunity to provide a submission. To arrange a time for APL to provide a more detailed briefing, please contact the General Manager of Policy and Industry Relations, Tanya Pittard (tanya.pittard@australianpork.com.au; 0484 740 613).

For information about the National Feral Pig Coordinator Program please contact Dr Heather Channon, National Feral Pig Management Coordinator (heather.channon@australianpork.com.au; 0423 056 045).

Yours sincerely,

A handwritten signature in black ink, appearing to read 'MAndrae', with a stylized, cursive script.

Margo Andrae
Chief Executive Officer