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Future Drought Fund Inquiry  
Productivity Commission  
GPO Box 1428  
Canberra ACT 2601

To whom it may concern,

**Re: Australian Pork Limited (APL) submission on the *Inquiry into Part 3 of the Future Drought Fund Act 2019*.**

On behalf of the Australian pork industry, we would like to thank you for the opportunity to provide comment into the effectiveness of part 3 of the *Future Drought Fund Act 2019*. APL would recommend the Productivity Commission makes time to meet with APL and other intensive farming peak bodies and Research Development Corporations (RDCs) to better understand ways the Future Drought Fund (FDF) can more effectively support pork and other intensive animal industry producers. APL looks forward to building a strong working relationship with the Productivity Commission, to share knowledge and assist you to identify and pursue opportunities to ensure mechanisms such as the Future Drought Fund can be more effective.

The intensive animal industries continue to be excluded from many of the funding programs and activities undertaken within the Future Drought Fund model.

In August/September 2021 the rural RDCs were able to present to the knowledge brokers meeting, following the efforts of the Council of RDCs Executive Officer Anwen Lovett. Prior to the meeting it had been difficult for the RDCs to engage with drought hubs as there was an expectation to engage with all eight individual hubs.

**APL Recommendation: APL would encourage the Commission to consider the opportunity for better coordination through a central contact, specialising in the agricultural sector, to direct enquiries from RDCs and industry peak bodies to the appropriate hubs and to follow up to support collaborative opportunities.**

## Australian Pork Ltd

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 you to navigate the pork 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 Federal Department of Agriculture, and
- The industry signatory to the Emergency Animal Disease Response Deed along with Australian, State and Territory governments.

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 \$5.3 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. Of the 9% that is exported, the total value is around \$173 million.

Australia's top five export markets for pork are Singapore, Philippines, New Zealand, Papua New Guinea, and Hong Kong. APL is also focusing on growth markets including Hong Kong, Japan, and Vietnam.

A total of 36,000 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.

The largest volume of production is sourced from Queensland, Victoria and South Australia, respectively. Australia's domestic sow herd numbers are around 279,000 and are housed

across approximately 4,300 registered sites nationwide. In 2021, the Australian pork industry produced around 443,000 metric tonnes of pork.

## **Key issues**

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

There is still an opportunity for the Future Drought Fund to better meet the needs of the pork industry and other intensive animal industries.

In 2008, APL provided a submission (Appendix A) into the Productivity Commission Review of Government Drought Funding<sup>1</sup>. Following the release of the report and the subsequent changes to the drought funding model, APL have made a number of submissions and raised awareness regarding the need to better understand and consider the intensive animal industries when making changes to the drought funding models.

In September 2021, APL provided a number of submissions where we saw collaborative opportunities within different hubs – but little response was received, nor did any of the opportunities eventuate.

In a further effort to engage we contacted the southern NSW and Victorian hubs to provide an opportunity to collaborate on a project on soil health and effluent use. We are pleased to say the engagement with the Victorian hub led to an external APL funded project in collaboration with the Federation and Melbourne Universities. Whilst this project is not a direct hub project it was built on the connections built developed through engagement with the hub network.

APL invested \$120,000 in the project, a significant research investment for APL. The outcomes will provide a literature review, producer interviews and soil sampling to understand whether the practice of spraying piggery effluent on cropping and pasture land is providing soil health benefits.

Hubs have also organised ideas sessions when grant funding was available. While these sessions were helpful, they were focused on universities rather than an opportunity for an industry body to raise their biggest issues in the region and co-develop projects. Most of the funding offered, including the most recent long-term drought trial funding (which is currently available), are focused on extensive agricultural systems and the rules don't allow flexibility to consider intensive animal industries such as pork.

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<sup>1</sup> [Inquiry report - Government Drought Support - Productivity Commission \(pc.gov.au\)](https://www.pc.gov.au/inquiry/drought-support)

**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 ag 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 – it would be a nice piece of work 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. You can see the past forum agendas 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 included in forums run by the Future Drought Hub.**

**APL Sustainability Framework**

In 2021 APL launched its first-ever pork industry Sustainability Framework<sup>2</sup>. The Sustainability Framework set 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 annually, tracking the industry's ongoing sustainability.

The Sustainability Framework is built around four priority pillars:

**People** – Building and maintaining advocacy for Australian pork - the product and the sector.

**Pigs** - A world leader in animal welfare and health.

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<sup>2</sup> <https://australianpork.com.au/search-news/australian-pork-launch-sustainability-framework>

**Planet** - A world leader in environmental best practice.

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

These pillars and the Framework are further underpinned by APL's ambitious 2020-2025 Strategic Plan<sup>3</sup>. Our industry is proud of our achievements to date, particularly our leadership across sustainable agriculture, biosecurity, welfare, and innovation. Our Strategic Plan and Sustainability Framework set ambitious goals to deliver benefits for our producers, and regional economies and communities.

**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**

The pork industry in Australia demonstrates strong environmental credentials with a low emissions footprint of 3.3 kgCO<sub>2</sub> -e/ kg live weight of pork, a reduction of over 60 per cent since the 1980s. Over 20 per cent of production is currently carried out using biodigesters that reduce methane emissions, with 16 per cent of production completely powered off-grid using piggery bi-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 per cent 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.

APL are currently 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. We are aiming for an increased adoption of anaerobic digestion by industry which in turn will deliver significant emissions

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<sup>3</sup> <https://australianpork.com.au/sites/default/files/2021-05/APL-Strategic-Plan-2020-2025.pdf>

reductions for the pork industry. However, little of the work being done in this space meets the criteria within the Future Drought Fund.

**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.**

The industry is guided by our Strategic Plan 2020-2025, with key targets aimed at ensuring pork is a low emissions protein, specifically 60 per cent 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 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 a need for the Future Drought Fund to better understand the broader regulatory context impacting farmers ability to invest in on-farm technologies.**

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

APL also manages the 3.5 year National Feral Pig Management Coordinator Program funded by the Commonwealth Department of Agriculture, Forestry and Fisheries, which commenced in January 2020. Through this program, the National Feral Pig Action Plan (the Plan) that was endorsed by the National Biosecurity Committee in October 2021 is now being implemented. The Plan aims to reduce the impacts caused by feral pigs to Australia's environmental, agricultural, cultural and social assets through sustained, coordinated and

collaborative actions by land managers applying integrated best practice management on a landscape scale, nil tenure basis.

The control of feral pig populations by agricultural land managers is often reactive, *ad hoc*, fragmented and short term in nature. Coordinated and collaborative, landscape-scale, nil tenure management approaches by land managers are advocated, including through the National Feral Pig Action Plan 2021-2031. This requires long term, strategic and proactive focus, resourcing, timing and prioritisation of feral pig management by land managers relative to other on-farm management activities. Land manager involvement in local community-led groups can be influenced by lack of knowledge of costs to their individual enterprises from feral pigs (as well as other pests) and direct benefits from their control, resulting in localised 'sanctuaries' for feral animals in the landscape.

Whilst it is complex, difficult and challenging, integrated and holistic approaches that better incorporate invasive pest management within agricultural systems are required to deliver agricultural, environmental and community resilience objectives of the Future Drought Fund. On review of current projects funded through Future Drought Fund grants, these projects do not appear to be addressing invasive pest management *per se*, including feral pigs. There is a strong need for invasive pest management to be better integrated into farm management planning for drought resilience, rather than it often being an 'add-on'/supplemental' activity, often conducted ineffectively at the wrong time for the feral pig in response to impacts being experienced.

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, resourcing and priorities of primary producers, coupled with heightened mental stress, are often in conflict with the conduct of invasive pest management. Innovations in how feral pig best practice management methods can be more effectively applied, coordinated regionally, and how communities can be brought together and better supported during drought periods to remove feral pig populations (with a view to achieve localised eradication) are needed - however, such studies are exempt from the Future Drought Fund due to funding principle (3). *Not provide in-drought assistance.*

### **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. The source of funding to do this, however, will be a key issue. Initiatives to develop funding mechanisms that incentivise land managers to work in coordinated ways together at a regional scale to undertake control are needed, but out of current scope for the current Future Drought Fund.

**APL Recommendation: That the Future Drought Fund provide a mechanism through which the National Feral Pig Management Coordinator program is funded.**

APL believe there is a number of opportunities for the Productivity Commission to make recommendations which would ensure the Future Drought Fund more effectively engages 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 APL Policy Director, Tanya Pittard

For information about the National Feral Pig Coordinator Program please contact Dr Heather Channon, National Feral Pig Management Coordinator

Yours sincerely

Margo Andrae  
**Chief Executive Officer**  
Australian Pork Limited