



Belinda Lambert
Irrigated Cropping Council

3rd March 2023

Australian Production Commission - Inquiry into Part 3 of the Future Drought Fund Act 2019

Dear Productivity Commission Chair,

Thank you for the opportunity to provide a submission on behalf of 8 of the 9 Farming Systems Group Alliance (FSGA) organisations which represent farmers and farming communities in the Southern NSW region, the 9th organisation is making an independent submission.

The Farming Systems Group Alliance members in this submission are:

FarmLink Research, Central West Farming Systems Inc, Southern Growers, Irrigated Cropping Council, Irrigation Research and Extension Committee, Holbrook Landcare Network, Monaro Farming Systems and Tablelands Farming Systems.

The FSGA is partnered with Universities (Charles Sturt University (Lead), Australian National University, University of Canberra and University of Wollongong), First Nations Governance Circle, NSW DPI, Local Land Services and Rural Aid to make up the the Southern NSW Hub.

The FSGA organisations represented in this submission are independent, not-for-profit organisations with a membership base in excess of 3,500 farmers, agriculture businesses and farming community members. They are dedicated to improving the profitability, viability and sustainability of Southern NSW farming businesses.

Through research trials, field days, extension activities and a broad suite of communication platforms the FSGA's provide the farming community with the latest in innovation, research, demonstration and extension to promote the exchange of ideas amongst growers and industry groups, and the adoption of best practise farming systems.

The FSGA organisations represented here welcome the creation of the Future Drought Fund (the Fund) as a major initiative by the Federal Government to serve the best interests of the Nation through the model of collaboration and co-design. This revolutionary approach is also welcomed, as the design of programmes and projects from the ground up will promote a higher level of sustainable adoption than the conventional sources of investment which are often research driven. In particular the FSGA welcomes the opportunity to provide feedback to the Productivity Commission Inquiry into the effectiveness, efficiency and appropriateness of Part 3 of the Future Drought Fund Act 2019, i.e. the processes for allocating funding to activities that support drought resilience.

1. Are the funding principles, vision, aim, strategic priorities, and objectives of the Funding Plan (attachment B) appropriate and effective?

The vision, aim and objectives all refer to 'drought'. Whilst this is critical, farmers, their communities, and industry groups are impacted by a broader range of significant climatic events that include heavy rains and flooding, fire, high winds and significant disease outbreak. Focusing solely on drought amidst so much *Climate Variability* weakens the relevance and effectiveness of our communications and programs when we are not addressing a current climate problem. The FSGA recommend changing the terminology to 'Climate Variability' and broadening the scope of the Fund.

2. Do the programs, arrangements and grants focus on the right priorities to support drought resilience? If not, what should the programs, arrangements and grants focus on and why?

Strategic priorities

The Fund has three inter-connected strategic priorities:

- economic resilience for an innovative and profitable agricultural sector
- environmental resilience for sustainable and improved functioning of farming landscapes
- social resilience for resourceful and adaptable communities.

Strategic priorities are appropriate – however grant funding has been typically short-term in nature (mostly 2 year projects), whilst even the most recent Long Term Trials round is limited to 4 growing seasons. Building resilience across the triple bottom line requires long-term, iterative participatory programs with stakeholders and these can't be tested, demonstrated and adopted on short-term funding. Solutions such as building soil health, creating flexible farming systems to cope with climate volatility and developing ESG outcomes are long-term & contain many knowledge gaps. Known strategies such as business planning need constant revision to respond to seasonal outcomes. As such the FSGA recommends a spread of funding lengths which create greater balance between short-term and long-term outcomes

3. Should the scope of the Fund be broadened to support resilience to climate change? Why or why not?

The increasingly variable climate is creating more frequent extreme weather events and consequently greater hardship on Farmers and their communities.

The FDF investment themes – Better Planning, Better Prepared Communities, Better Practises and Better Climate information are also relevant to non-drought related forms of natural disaster.

Rigid grant focus means that we are delivering drought workshops in times of flood. Tactics to manage natural disaster are often common, so being able to respond to prevailing conditions and concerns means we are better able to engage with farmers to facilitate adoption.

The FSGA recommend changing the terminology to 'Climate Variability' and broadening the scope of the Fund.

Terminology

The FSGA's engage with some farming community members who have mixed emotions on the term 'Climate Change' due to its politicised nature. The use of the term 'Climate Variability' is recommended because it is apolitical and farming communities already deal with climate variability each day with regard to seasonal conditions.

'Resilience' –Farmers are continually asked to be more resilient in the midst of flood and drought and are becoming impervious to that terminology. Eg. mentioned 28 times in the 'Call for submissions' 11 page document.

4. How could the Fund enhance engagement with and benefits for Aboriginal and Torres Strait Islander people?

The Southern NSW Drought Resilience Innovation and Adoption Hub has employed the services of Knowledge Brokers from each of their partners to implement co-design processes to identify priorities in the context of building drought (climate variability) resilience.

We have 2 representatives from the First Nations Governance Circle who joined the Hub as Knowledge Brokers in late 2022. They provide valuable insights and input to our co-design process. The FSGA recommends the continuation of their involvement to improve the opportunities for quality engagement with Aboriginal and Torres Strait Islander people.

5. What opportunities are there to enhance collaboration in planning and delivering drought resilience initiatives, including with state and territory governments?

The Southern NSW Hub has established a Knowledge Broker network to engage and identify community and farmer needs and to co-design projects. Leveraging the partnership with the Farming Systems Group Alliance's connections with the farming community facilitates a 'bottom up' or grassroots driven process to co-design solutions, planning and delivering drought resilience initiatives.

Now in its third year, there is an obligation to inform the communities who initially engaged with the FDF in the identification of their priorities, with the status, findings and methods for extension of the FDF funded projects. The FSGA recommend that this data be available and easily accessible to encourage ongoing engagement.

Collaboration has increased between the agencies, institutions and organisations involved within the hub. The drawback of this collaboration is the inherent competition for funding resulting in reduced opportunities for small organisations to service the niche needs of their communities when they do not fit with the amassed common themes. When multiple organisations are involved in the delivery of a program, the funding is spread thinly and further reduced by administrative overheads. The requirement for co-contribution makes it difficult for small organisations to be involved in multiple projects as grassroots Not-For-Profits are funded by farmers through membership or subscription and are unable to leverage state government funding.

I.e. In NSW the first round of grants went entirely to Local Land Service projects.

The FSGA recommends that grant funding be assessed on value for government investment, how fit for purpose the project proposed is against the needs highlighted.

The FSGA also recommends grant funding be based on ongoing engagement with the target audience to evaluate the performance and potential public good of the outcome.

6. Are there any other changes needed to improve the effectiveness of Part 3 of the Act? Who needs to do what to make those changes happen?

The rapid start-up and quick issuing of grant funding meant that scoping of community needs and co-design could not happen.

[Consultation on the draft Drought Resilience Funding Plan](#) began on 29 October 2019 and closed on 13 December 2019.

The feedback collected across Australia comprised 73 face-to-face discussions in 23 locations around Australia. Participants also completed an online survey and uploaded written submissions which formed the basis of \$100M funding of the first round

In NSW there was poor representation from the areas which are most impacted by drought. (Refer map Appendix A '2019 Consultation for first Funding Plan' which highlights the eastern focus of the consultation.)

In 2021 the FSGA completed the initial round of engagement with farmers, farm businesses and communities to identify their issues and priorities. This data is the foundation for identifying projects which are relevant and valuable for building drought resilience in this population. The FSGA has not been able to apply for the funding of some of these vital projects due to the prescriptive nature of the funding rounds.

The FSGA recommend that the FDF incorporate the most recent and wider pool of collected data when defining future funding rounds.

The FDF funding application periods often occur between November and December/January. During this period there is limited access to subject matter experts, departments and organisation representatives due it being peak season on farms followed by the Christmas closure period. Opportunities to apply for and develop a comprehensive submission during this period are hindered and would benefit from an extension or shift from that timeframe.

29 Oct 2019 - 13 Dec 2019	The Drought Resilience Funding Plan
11 Nov 2021 - 1 Dec 21	Drought Resilience Innovation Grant
1 Dec 2021 - 11 Jan 2022	Drought Resilient Soils and Landscapes program
11 Nov 2022 - 9 Jan 2023	The Extension and Adoption of Drought Resilience Farming Practices Grants program

The FSGA recommends either longer application periods if opening grants over the harvest and Christmas season or avoiding this timing when putting out calls for applications.

The FSGA's supporting this submission (listed below) are available to provide further information to the Productivity Commission as required.

Yours sincerely,

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Farmlink

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Irrigated Cropping Council

EO, Dr Charlotte Aves

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Appendix A
2019 Consultation for first Funding Plan

