



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

BILLS

**Rural Research and Development
Legislation Amendment Bill 2014**

Second Reading

SPEECH

Monday, 27 October 2014

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

Date Monday, 27 October 2014
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Questioner
Speaker McCormack, Michael, MP

Source House
Proof No
Responder
Question No.

Mr McCORMACK (Riverina—Parliamentary Secretary to the Minister for Finance) (17:23): We have heard a lot in this chamber today about changing the meaning of things when it comes to agriculture. Yes, we have changed the meaning. We have elevated agriculture to one of the main pillars of the Australian economy. We have made it something which is supported by sound policy, valued for what it does for people and nurtured so it receives the investment to make it not just survive but thrive into the future. The Minister for Agriculture and member for New England has changed the meaning of agriculture from a forlorn, forgotten portfolio under Labor, to being a meaningful, vibrant and, hopefully, highly profitable sector under the Liberal-National government. That is the meaning the agriculture minister has changed.

For Labor to come in here and try to score cheap political points this afternoon with anything, absolutely anything to do with agriculture after its six years—six years—of woeful neglect for this vital portfolio area shows contempt, sheer contempt, for those who work the land.

We have given agriculture real meaning and real purpose. We did not put it on the skids as Labor did by stopping live exports; by abandoning irrigators; and by imposing a carbon tax which had such a disastrous effect on farms and farmers and which Labor, if ever re-elected, will introduce quicker than you can utter the words 'there will be no carbon tax under the government I lead' or quicker than the shadow agricultural minister, the member for Hunter, could say 'Barnaby Joyce'. The opposition agricultural spokesman is fixated by the minister. He really is. He talks about him more than he talks about anything else.

The Rural Research and Development Legislation Amendment Bill 2014 will reduce the regulatory burden and reporting requirements for research and development corporations, enabling them to be more productive—more productive—and focus directly on agricultural innovation, ensuring Australian agriculture remains a global leader.

The government through this year's budget put forward responsible measures necessary to repair Labor's budget mess and ensure the Commonwealth lives within its means. We are getting on with the important work across the board, addressing budgetary challenges which we face today and preparing for the future. Unlike Labor, this government has an extensive agenda for regional Australia and our focus is on supporting Australian agriculture to remain profitable, productive and competitive, and on building for the future. As has been previously mentioned, this is a modest budget measure which will provide savings of about \$7 million over four years.

The coalition has a plan to build a strong, prosperous economy and a safe, secure Australia. Only the Abbott-Truss coalition government has an economic action strategy which will grow the economy and fix Labor's debt and deficit disaster. Labor's legacy to Australia is 200,000 more unemployed, many of those in rural and regional areas. Gross debt is projected to rise to \$667 billion if we sit here and do nothing about it and \$123 billion in cumulative deficits.

Agriculture is at the heart of the Riverina in my electorate. It is one of the most productive and diverse agricultural regions in the country, giving rise to our claim as one of the significant food bowls of Australia. We grow just about everything in the Riverina. There are large-scale producers of wheat, canola, citrus, apples, beef, dairy, oil seeds, wool, barley, vegetables, sheep, lamb, wine grapes, cotton, hay, poultry and cherries. You name it, we grow it. These are the many fine products which generate income and stimulate our local economies. Food production is serious business in the Murrumbidgee and Coleambally irrigation areas. The MIA contributes more \$2½ billion annually to the Australian economy and, for argument's sake, Riverina rice producers grow 52 per cent of the total value of the New South Wales rice harvest, which has a farm gate value of around \$300 million a year according to the June 2013 ABARES report.

In grains research, I was pleased to see the announcement of the Minister for Agriculture and the New South Wales Minister for Primary Industries, Katrina Hodgkinson, just last month which provides \$10.8 million—

serious money—for grains research and development in New South Wales. This will transpose to the creation of 18 new research offices—there is that word 'research', so important in all of this—in key cropping locations across the state, including in Wagga Wagga and Yanco in my electorate. Given agriculture's importance to the region, there is much research and development which is undertaken in our region to ensure our product remains efficient and competitive in changing local, national and international markets.

In my electorate, Charles Sturt University is a leader in agriculture research and development. The EH Graham Centre for Agricultural Innovation, which is named after a long serving member for Wagga Wagga, Eddie Graham—you might be interested, Deputy Speaker Mitchell; he was actually from your side of politics and a good man, too, who was also the New South Wales Minister for Primary Industries for a long time—excels in agriculture research and innovation. Currently, its multidisciplinary and integrated research covers climate change and the need to make sure that we use minimum water and get maximum production; water availability; adapting to increasing input costs; biosecurity threats; capacity crisis and succession planning; and risk management and adaption to change. The Graham centre undertakes extensive undergraduate and postgraduate research, with several students currently undertaking PhD research at the state of the art facilities.

In this year's budget, the Minister for Agriculture confirmed the government is honouring its commitment to provide \$100 million in new funding for rural research and development, specifically to support continued innovation in agriculture, and that is extremely good. That is extremely needed.

This government understands that, while we need to target our spending wisely and not waste a cent, we also need to continue to invest in the productivity and profitability of Australian agriculture. There is a strong link between research and development and agricultural productivity growth as a key driver of industry and farm gate profitability. We hear all the time how farmers need to increase their farm gate profitability.

The Australian Bureau of Agriculture and Resources Economics and Sciences estimates that, for each dollar the government invests in agricultural research and development, farmers generate \$12 within 10 years. So they turn a dollar to \$12 within a decade—that is tremendous; that is putting food and fibre on the plates and the backs of Australians and others.

By allocating substantial additional funding to agricultural research and development, we, the coalition, are demonstrating the important role rural and regional industries will play into the future in a tight fiscal and budgetary environment. We understand on this side that there are challenges ahead. We understand that climate variability is going to play an important part in the future for farmers but we also understand their worth and that we need to help them as much as is humanly possible by this parliament.

We continue to see evidence that this government holds our agricultural sector in high regard by delivering on our 2013 election commitment by developing a white paper on Australia's agricultural competitiveness—I know I am using a prop, but it is important that people see this great little booklet, because it is going to, hopefully, help transform our agricultural industries.

Through the initial green paper process, almost 700 submissions were received, demonstrating that Australians recognise the potential development and opportunities in agriculture and primary production. I went to the forum held in Griffith in the MIA and I listened to the passion of the people who made verbal submissions—and many of them written submissions—to that particular inquiry. Through this process, further ideas about deregulation and reducing regulatory burden on farmers is also being considered to ensure we increase our competitiveness, increase our farm gate profitability and ensure we lift the shackles from small business and primary producers.

Australian agriculture has a great future and huge potential, if we can continue to build on our current foundations and ensure that we get the policy setting right for the future. Through investment in research and development, the dams taskforce and the agricultural competitiveness white paper, we are ensuring that we are taking the opportunities before us. We recognise that agricultural and primary production has a critical role to play in ensuring we grow productivity and get our economy back on track.

The member for Watson continues to demonise and disparage farmers. He should know better; he was after all the 28th Minister for Agriculture, the 10th from Labor, of this great farming nation. Last Monday, after question time, the member asked the Speaker a series of questions, during which he spoke of disruptive conduct in the public galleries of the House of Representatives.

He talked of anticlimate change groups and farmers. Maybe it is just an inconvenient truth for the member, but he ignored mentioning the noisy mob who cheered on 12 October 2011 when the carbon tax was brought into law—remember that awkward embrace between Julia Gillard and the man whose prime ministership she took, Kevin Rudd. And whilst they did not make it into the gallery—they all but did—who could forget the Canberra riot of 19 August 1996 when out-of-control trade unionists, the ones who bankroll Labor, kicked down the doors of Parliament House, ransacked the gift shop, damaged property and attacked police officers? Around 90 people were injured that day, and it was lucky someone wasn't killed. Why didn't the member for Watson pick on those thugs instead of criticising farmers, which he does at every opportunity?

The member for Watson was Minister for Agriculture from 2007 to 2010, during which time—on 23 June 2008—the single wheat desk was dismantled. Riverina farmers are still cursing him for that. He was the water minister, amongst other things, when the greenies threatened to impose a permanent man-made drought on irrigators. Thank goodness the Abbott Government, since coming to office, has capped water buyback.

What has the member for Watson got against farmers? Farmers—the ones who sustain this nation; let's never forget: irrigation feeds the nation. Farmers—who work damn hard, a lot harder than the member for Watson, me and everyone else elected to this place, let me tell you, in order to eke out a tough life in trying conditions. Farmers—who deserve to be praised over and over, again and again for the job they do growing food for Australians and other hungry nations besides. Farmers—who do not get a say as to what someone will pay for their produce, because they are price takers not price makers. Farmers—who, if and when they do have a problem with Canberra, voice their protest in a meaningful yet peaceful way, not with some violent smash and grab. Farmers—those true environmentalists, carers of the land, custodians of our proud heritage, and protectors of our productive rivers for the future.

Farmers—the ones not understood by those opposite such as the member for Grayndler who just last month, 24 September to be precise, wrote in *The Guardian* :

But don't hold your breath waiting for urban policy leadership from the current Commonwealth government. Tony Abbott has no interest in policies affecting productivity in cities, even though they produce 80% of our nation's gross domestic product—

80 per cent of our GDP.

I would question that figure. It might be 80 per cent, if you take all the mining wealth, the agricultural wealth, value add to it, export it out of the metropolitan ports and then claim that it is some sort of urban product, urban generated wealth creator. I would argue that it should be the other way round: it is the regions such as those in the member for Lyne's electorate, the member for Hasluck's electorate and the Riverina, which are producing the food and fibre which is boosting our GDP; helping our balance of payments; helping drive our exports; and helping generate wealth for this nation.

Farmers are the backbone of Australia and it is high time that those opposite just sometimes recognised that. As the son of a farmer, I can proudly declare they always were the backbone of the nation and always will be. They are the group overlooked by those opposite and to whom the member for Watson, I believe, owes an apology.

I commend this bill. I commend the work that the coalition government is doing on R&D. Only today the coalition-led committee produced their report on food labelling, which is something that our side talked about in opposition. Now in government we are getting on and doing something about it. It is absolutely critical that we have correct food labels so that people can make a discerning choice when they go to the supermarkets and be sure that the product they are buying is accurate and, if they want to buy Australian made, actually made in Australia.

The R&D being done by our side of politics, by the government, is getting on with the job of helping to boost farmers and helping to boost that great group of individuals: men and women, those who left school at an early age and those who have really high tertiary qualifications. They come in all spectrums. But they are the ones who we should be admiring. They are the ones who we should be applauding at every single opportunity. They are the ones that this parliament owes a debt of gratitude to. They are the ones who do not deserve to be—as they continually are—criticised, rebuffed and rejected by those opposite.

We are getting on with the job of making sure that the farmers of this nation know that they cared for, know that we have concern for them and know that we—as Liberals and Nationals—understand that the job that they

do for the nation is helping to grow the food and the fibre that is going to help continue make this nation even greater than it already is.