National Farmers' FEDERATION

5 September 2012

Mr Mick Keogh
Chair, National Rural Advisory Council (NRAC)
c/o NRAC Secretariat
Department of Agriculture, Fisheries and Forestry
GPO Box 858
Canberra ACT 2601

Dear Mr Keogh

RE: NRAC Review of the Farm Management Deposit scheme

The National Farmers' Federation (NFF) is pleased to provide feedback (attached) to the above review. With Australia drought free for the first time in ten years it is important to review the lessons learnt during that period and take the best from pre-existing measures and transition away from less effective measures.

The NFF would like to ensure a future package of drought support measures provides both certainty and effectively equips primary producers and farming communities to deal with climate related challenges. The NFF views Farm Management Deposits, updated for improved flexibility, as a cornerstone to any future drought policy package.

NFF encourages NRAC to review the recommendations that are outlined in this submission.

Should you wish further clarification, please do not hesitate to contact David McKeon at the NFF Office on 02 6269 5666.

Yours sincerely

MATT LINNEGAR
Chief Executive Officer

National Farmers' Federation

Submission to

National Rural Advisory Council Review of the Farm Management Deposit Scheme

September 2012

National Farmers' Federation

Member Organisations

AGFORCE

Australian Dairy Farmers

ADFA

Australian Livestock Exporters' Council ALEC

ALPA

Australian Veterinary Association

Pure Beechworth Honey 100% Pure Australian Honey

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Cattle Council of Australia

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NSW Farmers Association

Northern Territory Cattlemen's Assoc. N.T.C.A

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Sheepmeat Council of Australia

TFGA Agriculture's Future ↔ Your Future ↔ Our Future

The Pastoralists' Association of West Darling

Victorian Farmers Federation

WAFarmers The Western Australian Farmers Federation

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1. The National Farmers’ Federation

The National Farmers' Federation (NFF) is the peak national body representing farmers and, more broadly, agriculture across Australia. It is one of Australia's foremost and respected lobbying and advocacy organisations.

Since its inception in 1979, the NFF has earned a formidable reputation as a leader in the identification, development and achievement of policy outcomes - championing issues affecting farmers and the advancement of agriculture.

The NFF is dedicated to proactively generating greater understanding and better-informed awareness of farming's modern role, contribution and value to the entire community. One of the keys to the NFF's success has been its commitment to presenting innovative and forward-looking solutions to the issues affecting agriculture, striving to meet current and emerging challenges, and advancing Australia's vital agricultural production base.

The NFF's membership comprises of all Australia's major agricultural commodities. Operating under a federated structure, individual farmers join their respective state farm organisation and/or national commodity council. These organisations collectively form the NFF. The 2009 re-structure of the NFF has enabled a broader cross section of the agricultural sector, including the breadth and the length of the supply chain, to become members through an associate member category.

Each of the state farm organisations and commodity council’s deal with state-based 'grass roots' issues or commodity specific issues, respectively, while the NFF represents the agreed imperatives of all at the national and international level.

2. Introduction

The NFF welcomes the opportunity to make a submission on the review being undertaken by the National rural Advisory Council (NRAC). This NFF submission will focus improving the flexibility of the Farm Managed Deposit (FMD) Scheme (the 'Scheme') to ensure their success as a risk management tool for farmers.

FMDs are a financial risk management tool for farmers to help smooth the uneven income streams that are common in agriculture due to climate and market variability. The NFF views FMDs as a key risk management tool for individual farmers to build their self-reliance and improve resilience to future droughts.

The FMD scheme encourages individual primary producers to increase financial self-reliance by setting aside pre-tax income in good years for use in low-income years. The FMD scheme began on 2 January 1999, replacing the Australian Government's Income Equalisation Deposit and Farm Management Bond schemes. Since its inception, the FMD scheme has played a key role in drought preparedness and in-event management.

Due to recent changes to FMD legislation (November 2011), primary producers can now hold FMDs with multiple Authorised Deposit-taking Institutions, allowing them to seek the best return on their deposit.

FMDs provide tax benefits if kept for at least 12 months, as tax is not payable on the income until the financial year it is withdrawn, when primary producers may benefit from a lower marginal tax rate. Under the previous Exceptional Circumstances (EC) arrangements, eligible primary producers in EC declared areas could access their FMDs within 12 months while retaining the tax benefits of the scheme. A similar provision is also in place for eligible primary producers within a region declared under the National Disaster Relief and Recovery Arrangements (NDRRA).

DAFF have advised the NFF that no funding is provided directly by government for the Scheme. However, they have highlighted that it does represent foregone revenue to the Commonwealth. Based on Treasury Expenditure Statements, the cost to revenue from 2001-02 to 2009-10 is estimated at $1.36 billion, which translates to an average annual cost of $151 million. This needs to be seen in the context of previous supports provided through the axed EC Interest Rate Subsidies (ECIRS) measure, which was provided in addition to the FMD scheme. Total expenditure on ECIRS from 2001-02 to 2009-10 was about $2.6 billion, so the $151 million foregone revenue represents only about half the average level of removed ECIRS support. This does not take into account the large risk management and resilience building benefits that arise and suggests there is adequate scope from ECIRS cost savings for improving the flexibility of the Scheme.

A Review of the Scheme was completed by the Australian Government Department of Agriculture, Fisheries and Forestry (DAFF) in November 2006[1]. The Review identified that while a range of reasons supported investment in a FMD—including making better timed expenditure decisions—tax management was the main reason given for use of FMDs with

[1] 2006 Review of the Farm Management Deposits Scheme November 2006 (2007). Department of Agriculture, Fisheries and Forestry. Australian Government.

risk management a secondary consideration. The tax-averaging motivations were found to result in low or negative nominal returns but making better timed expenditure and resource allocation decisions could deliver significant risk management benefits via increased options for income smoothing, liquidity management and better farm management decisions.
The review stated that ‘Without FMDs, poorly timed expenditure may be forced on farmers as they hurriedly seek to obtain off-setting tax deductions before the end of a high-income financial year. Poorly timed expenditure leads to sub-optimal productivity and leaves farmers more financially vulnerable than they need be.’

The review found that the Scheme was meeting its objectives as a tax-linked, financial risk management tool for primary producers, who considered that they received considerable risk management benefit, and the Scheme should be retained.

The NFF concur with this view and further suggest that some modifications are needed to better align the Scheme with the needs of today’s agricultural enterprises. This is particularly important as farmers strive to remain profitable and self-reliant, but are faced with an increasingly variable climate and constantly evolving Government policy.

National Rural Advisory Council (NRAC) review of FMDs

Supported by DAFF, NRAC is undertaking a review of FMDs from July to October 2012 to evaluate if the Scheme is meeting its policy objectives and supporting primary producers manage their financial risk. Their findings will inform the Government’s deliberations on drought reform and will be handed to the Commonwealth Minister for Agriculture, Fisheries and Forestry by 31 October 2012.

The specific questions within the assessment include the following:

1. The appropriateness of the $400,000 deposit cap

2. The appropriateness of the $65,000 off-farm income test

3. The appropriateness of including off-farm income generated from renewable energy as eligible deposits

4. The appropriateness of allowing those farming business structures currently not eligible to have access to the Scheme

5. Investigate the agricultural sector’s level of understanding and awareness of the FMD Scheme and reasons for non-participation

6. Identify possible enhancements or incentives to the Scheme which may increase participation

7. The appropriateness of Exceptional Circumstances and Natural Disaster exemptions to the normal rules which apply to the operation of the Scheme.

These will be considered in order below, with recommendations provided.

3. Improving flexibility in the Farm Management Deposit scheme

1. The appropriateness of the $400,000 deposit cap

The 2009 Productivity Commission Report[2] recommended that the Scheme should be retained with its current cap of $400,000 and with no widening of its eligibility criteria. The average value of FMDs held at 31 December 2011, was approximately $77,000, well below the cap. As at 31 December 2011, approximately 430 holders or 1% (of the total 37,903 FMD holders), had balances of between $350,000 and $400,000. The vast majority of holders (more than 70%) have FMD holdings of $50,000 or less.

It is important to remember that the 2009 Productivity Commission Report[3] was produced during a period of extended drought, when many farmers were not in a financial position to make adequate use of FMDs. The 2011 figures may also not accurately reflect the real potential use of FMDs by the farming community, as during this period many farmers were still in a recovery period after the extended millennium drought and placed an emphasis on removing debt and re-building equity prior to putting aside reserves—through mechanisms such as FMDs—in preparation for the next downturn.

In recent discussions, DAFF has put forward the argument that the small number of holders near the cap reduces the argument for its lifting. The 2006 National Farmer Survey[4] found that one quarter of FMDs held by Queensland primary producers at that time had a balance of more $200,000, just under the cap at the time of $300,000. This would indicate that there is an ebb and flow of deposits and that at times significant numbers of depositors may approach the cap limit. It is argued that deposits are currently at ebb, following an extended drought period and a lack of opportunity to set funds aside.

It is likely that it will still take a few years for farmers to rebuild their use of FMDs as they continue to recover from the millennium drought and improve their financial position. However, this should not be seen as a reason not to improve the effectiveness of the FMD scheme. Further, given the recent removal of ECIRS and the change in risk profile, there may be greater interest by producers in investing in FMDs in the future and this should not be discouraged.

The Government may present the argument that raising the deposit cap of FMDs would have a significant impact on the budget, as the tax advantage provided to farmers would be identified as foregone revenue. Given the small percentage of FMD holders currently near the limit, and the likely time required for a large number of farmers to exceed the cap, there should be little impediment to Government lifting the cap at this point in time.

[2] Productivity Commission 2009. Government Drought Support, Report No. 46, Final Inquiry Report, Melbourne.
[3] Productivity Commission 2009. Government Drought Support, Report No. 46, Final Inquiry Report, Melbourne.
[4] Boero Rodrigues, V., Watson, M. and Mues, C. 2006, National Farmers Survey 2006, ABARE Report to the Rural Policy and Innovation Division, Department of Agriculture, Fisheries and Forestry, Canberra, October.

The 2006 DAFF review[5] acknowledged the increasing scale of farm businesses and the associated increased cost of production. They recommended that to remain effective into the future, FMD thresholds should take account of farm sector trends and the parallel need for larger risk management reserves to operate larger scale farm businesses. The 2006 National Farmer Survey[6] found the market value of farms with FMDs is significantly higher, suggesting that it is the more capital intensive businesses that utilise the FMD scheme.

Increases to the FMD $400,000 cap are required to allow the measure to work as intended and allow farm businesses to prepare for more than just a single year of dry conditions. It is proposed that the cap on deposits should be linked to the size of running costs of the farm business, and be capped at the equivalent of an average of 2 years of input costs where that value is over a base $400,000 threshold. Alternatively, a set percentage of primary production income could be eligible for deposit and this percentage then forms a cap which is in line with the size of business. These changes may add to the administrative complexity of the scheme, but will effectively improve the schemes ability to meet its intended outcomes.
In addition to the above, the base cap should be increased by CPI increments each year to ensure equivalent purchasing power is retained for those smaller businesses.

The Australian Commonwealth and State Governments are seeking to promote preparedness and as such, given the narrow margins and volatility within agriculture, it needs to provide appropriate incentives to ensure preparedness investments are undertaken. The FMD holding limit needs to account for increasing size and scale of farm businesses, increasing costs of production and erosion of real value.

Recommendation: That the Australian Government link the cap on deposits to the size of farm businesses, such that the cap is at the equivalent of an average of 2 years of input costs, where that value exceeds a base $400,000 threshold. The $400,000 cap should be retained for smaller businesses. The base cap should be also increased in line with CPI each year to ensure equivalent purchasing power is retained for those smaller businesses.

2. The appropriateness of the $65,000 off-farm income test

The current non-primary production income test for individuals wishing to hold an FMD is $65,000 and the NFF believes this needs to be revisited to allow for farmers to gradually build their resilience and self-reliance, without putting themselves in more risk-exposed position.

The 2006 National Farmer Survey[7] found that combined operator and spouse off–farm income for more than 90% of those not holding an FMD was less than $80,000 and concluded this would not appear to be a major impediment to participation in the scheme.

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[5] 2006 Review of the Farm Management Deposits Scheme November 2006 (2007). Department of Agriculture, Fisheries and Forestry. Australian Government.
[6] Boero Rodrigues, V., Watson, M. and Mues, C. 2006, National Farmers Survey 2006, ABARE Report to the Rural Policy and Innovation Division, Department of Agriculture, Fisheries and Forestry, Canberra, October.
[7] Boero Rodrigues, V., Watson, M. and Mues, C. 2006, National Farmers Survey 2006, ABARE Report to the Rural Policy and Innovation Division, Department of Agriculture, Fisheries and Forestry, Canberra, October.

Farmers not holding an FMD were more likely to use off–farm wages and access to a debt facility as a way of managing risk, and had lower on farm cash incomes than FMD holders. The preferred use of a debt facility suggests that farms with no FMD may be either less profitable or have not yet had sufficient time to accumulate a reserve of off–farm assets.

The Productivity Commission review found non-EC recipients had greater off-farm income sources and the 2006 Survey reported that if the Scheme were not available, 42% of farmers would place the funds currently held in the FMD account in savings or an off–farm investment. Almost half of farm businesses holding FMDs rely on off-farm income to manage risk with non-primary production income limits within the Scheme needing to account for this factor, the erosion of real value and the exclusion of working spouses (particularly from small to medium size enterprises) from holding an FMD.

To achieve the policy objective of resilience, primary producers generating non-primary production income as part of their plan to manage risk should not be disadvantaged. Building off-farm income streams is widely acknowledged as an appropriate method of diversifying the risk of income and over time should see improved farmer self-reliance during periods of drought and other events causing decline in farm income. The off-farm income test needs to allow for this and the NFF views that the current cap is appropriate for this to occur. It is suggested that the $65,000 off-farm income test be retained at this point in time (with additional minor changes to reflect CPI growth, as outlined below).

While the current off-farm income test is appropriate at this point in time, it should be increased in line with CPI each year to ensure the measure is in line with real wage increases in other sectors of the economy.

An additional consideration is whether emerging compensation payments, from sources such as mining royalties, should be defined as foregone primary production income and so not included in the off-farm income category. Many of these payments are provided due to an understanding that primary production will be negatively impacted due to the mining operations. It would be reasonable to ensure that these payments would not disadvantage farmers in situations where they have limited ability to prevent these developments. This is an area that requires further consideration by the Government and an examination of this should be part of NRAC's findings.

Recommendation: In light of current off-farm income levels and the capacity to combine partnership off-farm incomes and for spouses to accrue off-farm income as well, the current $65,000 individual off-farm income level should be retained ($130,000 combined for a partnership), but this should be increased following annual review by CPI or average wages growth each year to maintain relativity.

Additional Recommendation: The Government need to further consider whether emerging compensation payments, from sources such as mining royalties, should be defined as foregone primary production income and so not included in the FMD off-farm income category.

3. The appropriateness of including off-farm income generated from renewable energy as eligible deposits

While any additional capacity to set funds aside under flexible tax arrangements would be welcome, it is difficult to see the relationship between renewable energy income specifically, as opposed to any other income source, and drought resilience. If renewable energy income is deemed as eligible deposits then a range of other income sources should also be considered for inclusion.

However, as outlined above, where payments are made as compensation for loss of production from agricultural land, this may warrant consideration as primary production income. This should be reviewed as part of the Governments analysis of whether emerging compensation payments should be defined as foregone primary production income and so not included in the FMD off-farm income category.

Recommendation: To avoid obscuring the policy objectives desired to be achieved by FMDs, particularly in the drought context, it is preferable to use other frameworks within the tax system to incentivise the generation of renewable energy. However, this should be considered in the proposed review of whether emerging compensation payments, from sources such as mining royalties, should be defined as foregone primary production income and so not included in the FMD off-farm income category.

4. The appropriateness of allowing those farming business structures currently not eligible to have access to the Scheme

The Scheme is currently restricted to individuals (or beneficiaries entitled to a share of the income of a trust estate where the trustee has a primary production business)—and companies or other entities like trusts are not eligible to hold an FMD. Further, deposits cannot be made by 2 or more people jointly, or on behalf of 2 or more people. Current tax reviews underway make it difficult to determine if companies and trusts can achieve at least the same tax and drought risk management benefits as is available to individuals under the Scheme. However, these business structures are becoming more prevalent and face the same volatility challenges as individuals and it is appropriate to reconsider their eligibility in line with the objective of agricultural policy meeting the needs of today's agricultural businesses.

Relative to non-holders, the 2006 DAFF review found FMD holders are characterised as having; superior financial performance including higher farm cash incomes, rates of return, equity ratios and liquid assets; larger farm businesses (2/3 of deposits held by largest 1/3 of businesses), although over 50% of users appear to be middle-income farmers); and younger age on average in 2005/06. These characteristics point to progressive primary producers as more likely to use FMDs, and this group may also be more attracted to trust and company structures to organise their enterprises.

Individual beneficiaries of a primary production trust are already able to deposit distributions from primary production income into a FMD and there appears to be legitimate concerns about tax payment deferral should trusts be able to access FMD directly. In 2011, the

Drought Pilot Review Panel[8] reported that allowing trust income to be deposited in an FMD would bring the tax rules governing the scheme into conflict with the tax rules governing trusts. As such, and given the already complex nature of trust structures and taxation, there is unlikely to be significant benefit gained from expansion of FMD eligibility to trusts at this time.

Despite a flat tax rate (currently at 30%, but likely to be decreased as part of upcoming Treasury review of company tax treatment), companies can benefit significantly from better timed expenditure decisions via cash flow preservation opportunities and reduced average cost of reserved capital and so should be eligible to make deposits of primary production income into a FMD. The proposed company loss carry back provisions are only able to be carried over 2 years and while this is a partial offset, droughts may go for a longer period. It is acknowledged that there may be further changes made to company tax provisions as part of the current Government review ad these may need to be considered as they are realised.
The DAFF Review also recommended investigating extending the Scheme to companies to promote improved risk management and resource allocation, but not to trusts as given their asset protection and tax management purposes it is unlikely that operational effectiveness would be improved. The establishment of companies as trust beneficiaries to defer tax was also identified as an issue that would have to be managed.

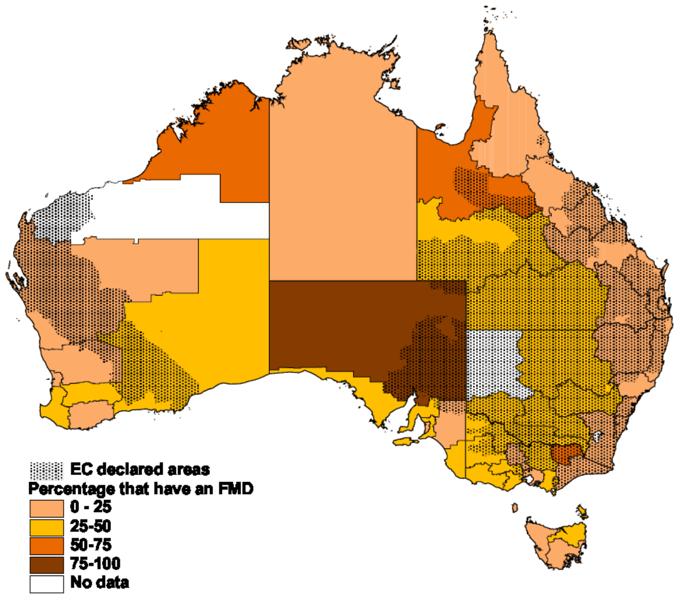
Recommendation: Expansion of eligibility to the Scheme should be extended to farming businesses operating in a company structure, but not to trusts at this point in time. This should be revisited in line with any changes that are made as part of the Governments current review of company taxation.

5. Investigate the agricultural sector's level of understanding and awareness of the Scheme and reasons for non-participation

FMDs appear to be a widely accepted method by which producers can prepare a financial reserve for managing drought. The agribusiness banks have recently played a role in promoting the availability of FMDs, particularly towards the end of the 2011/12 Financial Year, and this has been to the benefit of both the banks and the farming community.
The 2006 National Farmer Survey found FMD holders are more aware of DAFF assistance programs than non-holders, although even 64% of non-holders were aware of FMDs. A lack of knowledge of the scheme was only related to 28% of these respondents. This would suggest that general awareness levels are quite high. Almost half the farmers indicated that the accountant has the most influence on decisions relating to the management of the FMD, so renewed awareness of programs to accountants might be fruitful in reaching the remaining 28 to 36%. This would also align with anecdotal evidence from some of NFF's members, that there have been circumstances where farmers have informed their accountants of the potential of FMDs, in situations where the accountants have a limited understanding of the scheme. Over 40% of croppers had a FMD and the survey (Map 1) also showed that some areas of greater rainfall variability had greater levels of uptake of FMDs than the average. This is possibly due to that sector and those geographical areas having a more limited range of alternative drought preparedness options.

[8] Drought Pilot Review Panel 2011, A review of the pilot of drought reform measures in Western Australia

Map 1: Farms with at least one FMD, June 2006, by statistical division



(Source: National Farmers Survey 2006, DAFF)

Of more concern for non-participation is the finding that approximately 60% of the farmers (total n = 1389) who did not hold an FMD was because of insufficient surplus cash. The Survey found almost half of all farmers said that their farm management deposit account balance is likely to increase over the next three years if there are average production and trading conditions. They also found that farms with an FMD are less likely to rely on access to a debt facility, and more likely to rely on off–farm income from investments, forward contracting or hedging, and insurance.

The fact that only 37,903 farmers (approximately 30% of the farming community) held an FMD at 31 December 2011, is more likely due to the limited available cash reserves of many farmers, rather than a limited understanding of the scheme. It is also noted that improved flexibility of the scheme, through changes such as allowing farm businesses operating in a company structure access, should also see an improved uptake of FMDs.
FMDs are useful for more profitable businesses or those who have had time and the good seasons necessary to manage debt burdens and build up a reserve. FMDs are of limited value to new entrants to agriculture and those carrying higher debt levels—and so alternative mechanisms should be used to assist these groups in preparing for drought and managing through an in-drought period.

Recommendation: The Scheme has a good level of awareness across the farming community, but the program may benefit from a targeted campaign aimed at accountants servicing rural clients. It should be remembered that the majority of producers are unable to use FMDs due to a limitation of cash reserves and so a broad range of measures is vital to support agriculture achieve drought resilience.

6. Identify possible enhancements or incentives to the Scheme which may increase participation

To make the most of the Scheme, it should be appropriately linked to other drought preparedness and in-event support measures. The scheme also needs to be aligned with the needs of today's agricultural enterprises.

It has been proposed that more flexible withdrawal arrangements with respect to tax treatment would motivate greater deposits and, in light of the removal of ECIRS, that an additional Government-supported interest premium above that offered by the commercial lenders might act as a further incentive to deposits. Linking the FMDs to a scheme of long-term, revenue contingent, low interest loans might assist in transitioning the lower income earners from a vulnerability to resilience stance in relation to drought preparedness. However, it is noted that these changes are likely to add to the cost of the Scheme to the government and may produce perverse outcomes. Careful consideration of the opportunities and risks of each of these changes would be required before being progressed.

Recommendation: That to incentivise FMD to a greater extent that the Government investigate:

- ***More flexible withdrawal arrangements retaining the favourable tax provisions***
- ***Providing funding to support a small interest premium above commercial rates***
- ***Linking FMDs to other measures like long term concessional loans.***

7. The appropriateness of Exceptional Circumstances and Natural Disaster exemptions to the normal rules which apply to the operation of the Scheme.

Under the current provisions, eligible primary producers in EC declared areas could access their FMDs within 12 months while retaining the tax benefits of the scheme (discussed in further detail below). A similar provision is also in place for eligible primary producers, within a region declared under the National Disaster Relief and Recovery Arrangements (NDRRA).

Although it is likely that the Exceptional Circumstances declaration process will change, the intention of this provision is still sound and should be continued in an appropriate manner under any reformed national drought policy. The provision for NDRRA is still valid and should continue unchanged.

The 2006 National Farmer Survey found funds withdrawn from FMDs were primarily used as working capital, with an estimated 77% of farmers using the withdrawal for this purpose. The release of working funds is essential for recovery from a drought or natural disaster and so these exemptions appear to be directly aligned with the policy objectives around expediting a return to normal trading operations following a drought event. Having these funds available under favourable terms when other income is limited is an important motivator for producers. However the survey also found that only 5% of farms had needed to make an FMD withdrawal under early access provisions at the time. That is not to say that future disasters will not require a different response and so provide a different outcome. If the early access provisions were not available, 76% of farmers would have increased their level of debt, while only 26% would have made the withdrawal anyway. This further reinforces the importance of early access provisions to producers under those circumstances.

Recommendation: Exceptional Circumstances and Natural Disaster exemptions to the normal rules should continue to apply to the operation of the Scheme, taking into account the design of reformed national drought policy.

8. Other issues

Access within 12 months if EC trigger is removed - Eligible primary producers in EC-declared areas were able to access their FMDs within 12 months while retaining the tax benefits of the scheme if:

- the deposit was made before the EC declaration came into force
- the FMD holder held an EC certificate no later than three months after the end of the income year in which the withdrawal is made
- the withdrawal amount is assessable in the income year in which the withdrawal is made and a deduction cannot be claimed for any subsequent deposits made in the same year.

With a move from a 'lines on maps' approach likely in a reformed national drought policy, an alternative trigger for individuals to access FMDs within 12 months of making a deposit is needed in the absence of an EC declaration trigger. This would reflect that the intention of the provision is still sound, even though the mechanisms designed to determine level of drought support will have changed.

The most appropriate alternative trigger will require Government consideration. The opportunities and likely implications (for individuals and Governments) will have to be assessed for triggers at an individual property level; drought/hardship declaration at a regional level; or via the NDRRA methodology, should it be extended to drought.

Recommendation: Under a reformed national drought policy framework a mechanism is required to allow farmers to access FMDs within 12 months of making a deposit in the absence of an EC declaration being made. This could be on the basis of an individual drought; drought/hardship declaration; or an area declaration made under NDRRA.

4. Conclusion

The NFF recommends that an expanded the Scheme should be central to measures supported by the Australian Government to improve business risk management and recovery, as part of drought policy reform.

The Scheme is useful tool for farmers, and has the support of the Productivity Commission and DAFF. It is recommended that a range of changes, as outlined in this submission, be made to improve the scheme's flexibility and relevance to today's agricultural operating environment.

NFF Contact

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