



**AGROECOLOGY & FOOD  
SOVEREIGNTY ALLIANCE**

Agroecology & Food Sovereignty Alliance

# **Submission to the Inquiry into Productivity in Australia**

*Senate Select Committee on Productivity in Australia  
Australian Government*

Submitted to:

**DATE: 19 February 2026**

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*We thank the Australian Government for initiating an inquiry into productivity in Australia. We hope the Government will facilitate robust and meaningful stakeholder engagement across all aspects of the agricultural and food sector, prioritising the voices of First Peoples, rights holders and those with lived experience within our food system.*

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# About the Agroecology & Food Sovereignty Alliance

The Agroecology & Food Sovereignty Alliance (AFSA) is a farmer- and First-Peoples-led civil society organisation working for socially just and ecologically sound food and farming systems. We centre the voices of First Peoples, small-scale food producers, and local communities in decision making.

AFSA connects small-scale producers for farmer-to-farmer knowledge sharing, advocates for fair access to local markets and infrastructure, and pushes for scale-appropriate regulation at all levels of government.

We are part of a strong global food sovereignty movement through our membership in La Vía Campesina, the IPC for Food Sovereignty, and Urgenci: the International Network for Community-Supported Agriculture, and we support the Australasian delegate to the Civil Society and Indigenous Peoples' Mechanism, which articulates to the UN Committee on World Food Security (CFS).

Our vision is for agroecology-oriented farms to thrive, producing nutritious food through short, fair supply chains that protect human and planetary health. This includes recognising and promoting First Peoples' knowledges and custodianship of Country, and committing to decolonial futures for food and agriculture.

## Inquiry into Productivity in Australia: ToR

The Government has asked for stakeholders and the public to comment on the following areas.

- a. the history of productivity growth in Australia in both multifactor and labour terms;
- b. objectives for a multi-decade national settlement strategy to achieve a more balanced distribution of population between cities and regional Australia, with a view to enhancing economic resilience, productivity and social cohesion;
- c. the current position and opportunities to gain productivity growth;
- d. conflicts of interest and structural barriers to sustainable growth;
- e. the efficacy of federal competition law;
- f. opportunities for the states and territories to drive growth;
- g. the impact of regulatory tax burdens on productivity growth;
- h. the impact and opportunity of technology;
- i. priority opportunities in the market and non-market sectors for productivity growth;
- j. Australia's competitiveness and benchmarking against similar nations; and
- k. any other related matters.

## Executive summary

The Australian Food Sovereignty Alliance (AFSA) welcomes the opportunity to contribute to the Inquiry into Productivity in Australia. AFSA is a farmer- and First Peoples-led organisation representing small-scale food producers and allies working for socially just, ecologically sustainable, and economically resilient food systems.

From a food sovereignty perspective, Australia's productivity challenge is not a failure to intensify production, but a failure to **build resilient, equitable, and regenerative systems capable of sustaining livelihoods, ecosystems, and communities over the long term**. Conventional productivity strategies—centred on scale, export growth, and corporate concentration—have delivered short-term gains while eroding farmer viability, regional economies, biodiversity, food security, and climate health.

This submission argues that many dominant policy responses to productivity—market-based environmental mechanisms, technological solutionism, and further consolidation—are **false solutions**. They fail to address structural drivers of declining productivity, including ecological degradation, supply-chain fragility, market power imbalances, and the hollowing-out of regional Australia.

AFSA advances **agroecology** as a proven pathway to productivity understood in its full economic, social, and ecological sense. As defined by the UN Food and Agriculture Organization, agroecology integrates ecological principles with social equity, farmer autonomy, and territorial governance across the entire food system. It delivers productivity gains through reduced input dependency, improved climate resilience, enhanced biodiversity, regional employment, and improved public health outcomes.

The COVID-19 pandemic, accelerating climate impacts, and biodiversity collapse have exposed the fragility of globalised, centralised, export-oriented food systems. These shocks demonstrate that **resilience and productivity are inseparable**, and that localisation, diversity, and democratic governance are essential productivity assets, not inefficiencies.

Current policy framings of “resilience” often focus on restoring supply chains to pre-crisis conditions. AFSA contends that this approach misunderstands the problem: Australia's food system has been in crisis for decades. Returning to the status quo will further entrench social inequality, ecological decline, and economic vulnerability.

This submission therefore calls on the Australian Government to:

- Reframe productivity to account for long-term ecological integrity, First Peoples' self-determination, farmer livelihoods, regional development, and public health;
- Address conflicts of interest and market concentration that undermine genuine productivity;
- Redirect public investment toward agroecology, regional food infrastructure, and farmer-led innovation;

- Balance immediate, incremental reforms with the transformational change required to secure food security and economic resilience under climate volatility.

If Australia is to achieve sustained productivity growth, it must move beyond extractive, export-driven models and invest in food systems that regenerate rather than deplete, and that distribute value more fairly across society and generations.

## Summary of Recommendations

1. Reframe productivity beyond narrow economic metrics
2. Rebuild regional economies through localised food systems
3. Address structural barriers and conflicts of interest
4. Redirect technology policy toward public good outcomes
5. Reduce regulatory and tax bias that favours industrial agriculture
6. Invest in non-market and community-controlled food economies
7. Rethink Australia’s global competitiveness

## Context

### Productivism and Exports

Australian agricultural policy has long been dominated by **productivism**—the belief that increasing output, scale, and exports is synonymous with national prosperity. Since the deregulation of the 1980s, farmers have been urged to “get big or get out”: expand landholdings, mechanise, intensify production, take on debt, and compete in volatile global markets.

This model has delivered **high volumes but low resilience**. Australia already produces far more food than it consumes—enough to feed around 80 million people—yet approximately **72 per cent of production is exported**. Meat exports alone account for over 70 per cent of beef and lamb production. Despite this, **one in six Australians experienced severe food insecurity in 2021**, exposing a fundamental disconnect between production, access, and wellbeing.

The persistent policy push for higher productivity and exports raises a critical question for this Inquiry: **Why should a highly productive, net-exporting country seek to export ever more soil, water, and ecological capacity for the benefit of a narrow set of corporate actors?**

Productivism is often justified by the claim that Australian agriculture is “feeding the world”. In reality, exports largely serve high-value markets in wealthy countries and middle-class consumers, not food-insecure populations. One stark example is cotton: **26 per cent of Australia’s agricultural water is used to grow cotton, 99 per cent of which is exported by around 1,500 farmers**, at a time when rivers and ecosystems are in crisis.

This system does not serve most farmers. While input suppliers, processors, and retailers accumulate wealth, many farmers face declining margins, rising debt, land degradation, and exit from farming. Productivity gains are captured upstream and downstream, not retained on farms or in regional communities.

## Free Trade Agreements and Productivity

Free Trade Agreements (FTAs) are central to Australia’s export-led productivity strategy. While they reduce trade barriers for exporters and investors, they also concentrate power in transnational agribusiness, weaken labour protections, and constrain domestic policy space.

Trade liberalisation has:

- Increased reliance on precarious migrant and seasonal labour, often under exploitative conditions;
- Enabled the privatisation of biodiversity through seed patents, undermining farmers’ and First Peoples’ rights to save and exchange seed;
- Accelerated genetic uniformity, long supply chains, and intensive livestock systems, heightening biosecurity and pandemic risks.

“New generation” agreements such as the CPTPP deepen these risks. Around **23 per cent of Australia’s agricultural exports** are traded under the CPTPP, which privileges corporate rights through mechanisms such as investor–state dispute settlement (ISDS), allowing corporations to challenge public interest regulation. These agreements also conflict with public health and sustainability goals by promoting ultra-processed food exports and constraining governments’ ability to regulate in line with the SDGs.

## Productivity at What Cost?

Export-oriented productivism has delivered volume, but at the cost of:

- Ecological degradation and climate vulnerability
- Farmer autonomy and regional livelihoods
- Food security and public health
- Democratic control over food systems

From a food sovereignty perspective, this model represents diminishing returns. Long-term productivity will not be achieved through further intensification, trade liberalisation, and consolidation, but through localised, diversified, agroecological systems that retain value in regions, regenerate ecosystems, and reduce systemic risk. The following case studies provide empirical evidence to support AFSA’s position on export-oriented productivism.

## Case Study: Dumping and the Export of Food Insecurity

Export-oriented agriculture and free trade agreements have normalised the dumping of cheap, subsidised food into domestic markets, undermining local producers and exporting food insecurity across borders.

A well-documented example is Mexico's integration into NAFTA in 1994. The removal of trade protections enabled a flood of heavily subsidised US corn into Mexico, undercutting local prices and displacing millions of campesinos who could not compete with US producers receiving around USD \$10 billion annually in subsidies. The result was mass farmer displacement, rural collapse, and widespread protest against the WTO—demonstrating how trade liberalisation can destroy local food systems rather than enhance productivity.

Dumping is not confined to the Global South. In 2021–22, avocado growers in Western Australia and Queensland were forced to dump 50–100 tonnes of fruit when cheap imports from New Zealand undercut domestic prices, making it impossible to recover basic production and logistics costs. At the same time, industry data showed that around 20 per cent of fruit sold in Australian supermarkets was imported, even as Australia had achieved avocado self-sufficiency.

These cases reveal a core contradiction of export-led productivity: farmers are encouraged to produce more, yet are exposed to volatile global markets that routinely destroy value, waste food, and erode domestic food security. Dumping is not a market failure—it is a predictable outcome of trade rules that prioritise corporate supply chains over resilient local food systems.

## Case Study: Almond Exports and Ecological Overreach in the Murray–Darling Basin

Australia's rapid expansion of almond production—now the world's second largest exporter—illustrates how export-driven productivity can generate severe ecological and economic distortions.

Almonds are among the most water-intensive crops, requiring around **4 litres of water per nut**, far exceeding grains. Production is concentrated in the Murray–Darling Basin, where permanent almond plantations were estimated in 2019 to require over 1,300 gigalitres of water annually. In dry years, this demand threatens to crowd out all other irrigated agriculture, locking the Basin into climate-vulnerable monoculture.

The crisis is compounded by water markets that favour large producers. The ACCC's 2021 inquiry identified serious concerns with market manipulation and insider trading, while rising water prices exclude small and mixed farmers. Profits from almond exports largely flow to overseas investors—including foreign pension and insurance funds—while regional communities and Traditional Custodians see little benefit.

Ecological impacts are severe. Large industrial orchards reduce ground cover, eroding biodiversity and increasing chemical use. Almonds require more managed honey bees than any other crop; billions are transported annually, with significant losses linked to pesticide exposure. Excessive upstream water extraction has degraded water quality, contributing to repeated mass fish deaths in the Darling River, with losses estimated at up to three million fish in recent events.

This case demonstrates how productivity defined as export growth can undermine ecological integrity, regional livelihoods, and food security. It highlights the need to realign productivity policy toward diversified, climate-resilient agriculture that protects water, biodiversity, and local food systems rather than exhausting them.

## Recommendations

From a food sovereignty perspective, productivity must be understood not merely as output per unit of labour or capital, but as the **capacity of food systems to sustain life, livelihoods, ecosystems, and democracy over the long term**. Australia's declining resilience, ecological degradation, rural hollowing-out, and growing food insecurity indicate that conventional productivity metrics are failing to capture real economic and social value.

The Inquiry should recognise that **Australia's productivity challenge is not a failure to intensify, but a failure to democratise and regenerate**. A food sovereignty approach demonstrates that long-term productivity growth depends on:

- Distributing power more fairly across food systems
- Investing in regional, ecological, and social foundations
- Aligning economic policy with planetary and human limits

Without these shifts, short-term productivity gains will continue to undermine the very conditions required for sustained prosperity.

Drawing on the AFSA People's Food Plan, the following recommendations address the Inquiry's terms of reference and guiding questions from the Discussion Paper.

### **Recommendation 1. Reframe productivity beyond narrow economic metrics**

**(ToR: History of productivity growth; priority opportunities; any other related matters)**

- Recognise that historical gains in agricultural labour productivity have been achieved largely through externalising environmental, health, and social costs, undermining long-term productivity.
- Adopt **expanded productivity metrics** that account for:
  - Ecological regeneration and climate resilience
  - Secure farmer livelihoods and decent work
  - Public health outcomes and reduced healthcare costs
  - Regional economic multipliers and community wellbeing
- Treat food, land, water, and seed systems as foundational infrastructure, not merely commodities.

## **Recommendation 2. Rebuild regional economies through localised food systems**

**(ToR: Multi-decade national settlement strategy; opportunities for states and territories)**

- Invest in **regional food infrastructure** (local community-controlled abattoirs, storage, processing, distribution hubs) to reverse centralisation and support regional populations.
- Support **small and medium-scale farms** as anchors of regional employment, knowledge, and social cohesion.
- Align settlement strategies with bioregional planning in close collaboration with local communities, recognising ecological limits and local food needs.
- Enable states, territories, and local government authorities to co-design regionally specific food system strategies with local communities, rather than one-size-fits-all national models.

## **Recommendation 3. Address structural barriers and conflicts of interest**

**(ToR: Conflicts of interest; competition law; regulatory burdens)**

- Acknowledge that market concentration in agribusiness, retail, inputs, processing, and logistics is a major drag on genuine productivity.
- Strengthen competition law to:
  - Address buyer power and unfair trading practices
  - Limit vertical and horizontal consolidation
  - Protect farmers from predatory contracting and pricing
- Recognise and address conflicts of interest where policy is shaped by actors who benefit from high-volume, low-margin, export-dependent models at the expense of resilience.
- Reform regulation to support diversity and scale-appropriateness, rather than privileging large, capital-intensive operations.

## **Recommendation 4. Redirect technology policy toward public good outcomes**

**(ToR: Impact and opportunity of technology)**

- Shift technology investment away from extractive, proprietary models toward:

- Open-source and farmer-led innovation
- Low-energy, low-input technologies
- Reject the assumption that digitalisation and automation automatically increase productivity; assess technologies against social, ecological, and employment outcomes.
- Ensure technology enhances farmer autonomy rather than deepening dependency on multinational platforms.

## **Recommendation 5. Reduce regulatory and tax bias that favours industrial agriculture**

**(ToR: Impact of regulatory tax burdens; opportunities for growth)**

- Remove regulatory settings that:
  - Penalise small-scale processing and on-farm value adding
  - Privilege export-oriented monocultures
  - Treat ecological damage as an acceptable externality
- Introduce incentives for:
  - Agroecological transition
  - Short supply chains and direct marketing
- Recognise that regulatory “efficiency” for large firms often creates system-wide inefficiency and fragility, and align regulatory reforms with this understanding.

## **Recommendation 6. Invest in non-market and community-controlled food economies**

**(Market and non-market sectors; social cohesion)**

- Acknowledge the productivity contribution of:
  - Community food initiatives
  - Seed saving and farmer knowledge sharing
  - Informal, cooperative, and social solidarity economies
- Support public procurement of locally and sustainably produced food for schools, hospitals, and aged care as a high-multiplier productivity investment.
- Treat food security and nutrition as productivity-enhancing public goods, not residual welfare issues.

## **Recommendation 7. Rethink Australia’s global competitiveness**

**(Benchmarking against similar nations)**

- Benchmark Australia not only on export volumes, but on:
  - Farmer viability
  - Dietary health outcomes
  - Climate adaptation and emissions reduction
  - Food system resilience to shocks

- Learn from nations investing in food sovereignty, agroecology, and domestic market resilience, rather than competing in a global race to the bottom (E.g. Brazil, Timor Leste, and Colombia).

## False Solutions

False solutions are policies and technologies that claim to address climate change, biodiversity destruction, hunger, and poverty while leaving intact the extractive political and economic systems that caused these crises. They often deliver short-term or superficial gains, rely on high-tech and market-based mechanisms, and undermine democratic control. Their cumulative effect is to **delay real solutions**, deepen inequality, and intensify ecological harm—impacts felt first by farmers, First Peoples, and marginalised communities.

False solutions typically:

- Fail to reduce emissions or biodiversity loss while prioritising growth and export expansion;
- Create new social, ecological, and human rights harms;
- Divert public finance, infrastructure, and policy attention away from structural change.

## Key Examples

### **Nature as capital and environmental markets**

Carbon and biodiversity markets financialise nature, extending colonial capitalist accumulation into ecosystems. They reward high emitters while reducing complex living systems to tradable credits, displacing farmers and First Peoples and delivering little real climate or biodiversity benefit. These approaches frequently result in land and resource grabs, and rely on the false assumption that fossil fuel emissions can be permanently offset by biological systems.

### **Nature-based solutions for ‘higher productivity’**

Climate-smart agriculture, sustainable intensification, and precision agriculture prioritise yield and system stability while ignoring the social and political drivers of ecological breakdown. These approaches entrench corporate control and ecological degradation. By contrast, agroecology centres farmer knowledge, territorial governance, biodiversity, and resilience.

### **Productivism: ‘produce more to feed the world’**

Decades of productivist policy have forced farmers into price and volume competition, driving consolidation, debt, and ecological harm. The goal of growing Australian agriculture to \$100 billion is a false solution that benefits agribusiness, not farmers, while accelerating land and water degradation, monocultures, and biosecurity risk.

### **Biotechnology and genetic engineering**

New genome-editing techniques are being promoted despite unresolved ecological and social risks. Existing GM systems have already accelerated deforestation, biodiversity loss, and farmer dependency on proprietary seeds.

**Centralised, globalised supply chains for ‘efficiency’**

Highly centralised food systems reduce resilience, amplify climate shocks, narrow dietary diversity, and increase systemic risk, as repeatedly demonstrated during climate disasters and pandemics.

**Technological solutionism**

Globally, small-scale farmers already feed most of the world without high-cost proprietary technologies. Digital agriculture primarily serves to entrench corporate control and exclude farmers who cannot afford to participate. Food security depends on farmer-to-farmer knowledge exchange, public goods, and agroecological systems—not technological lock-ins.