

Submission to the Senate's Project Iron Boomerang inquiry

This submission is to inform the committee of the value of By-products produced by steel production like ammonium sulphate.

The relevance this has to agricultural businesses in Australia.

The national security issues that arise from having no domestic production of nitrogen fertiliser.

Submission.

The purpose of this submission is to inform you of the high value that can be attained from the ammonium sulphate which is a by-product of the coal coking process. I will not go into the details of how this product is produced because it serves no purpose in this submission. The important fact that I do not want lost on the committee is that the ammonium sulfate is vitally important to agriculture in Australia.

At the time of writing this submission there is no production of nitrogenous fertilisers within Australia. The production of urea (a nitrogenous fertiliser) in Australia has been mothballed due to the high price of gas, and there is no proposal that it will be opened at this point in time.

Ammonium sulfate is 21% nitrogen and 24% sulphur, this product is used by farmers in viticulture, horticulture, and broad acer farming. Because it is a stable product what I mean by that is it does not turn into a gas in the presence of moisture in the air and is not lost to the atmosphere like urea, so it is preferred by farmers. it is also a good source of sulphur which is needed for crops like vegetables and canola.

The ammonium sulphate that will be generated by this new steel mill will also eliminate the need for so much to be imported from China. At this point in time the majority of agricultural grade ammonium sulphate is imported from China, this leaves agriculture in Australia in a precarious situation because without this fertiliser we are unable to achieve the high yields that we are aspiring to, also China has become an unreliable source of this fertiliser.

Currently Australia needs to import all its nitrogenous fertilisers from overseas, this leaves us exposed to not only foreign currency movements, but also to issues arising from lack of supply caused by excessive cost to produce it and moving that fertiliser to Australia. If Australia were to be attacked by a foreign entity it would constrain our agricultural production by cutting off our access to nitrogenous fertilisers. Although this seems unlikely, it is well worth considering it as a possibility for the future, also Australia has no possibility of increasing nitrogen production in a short period of time; so, the result would be a massive cut in our agricultural production due to our inability to access nitrogenous fertilisers.

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