



To: Senate Standing Committees on Rural Affairs and Transport

Re: Submission to the Senate Inquiry on Animal welfare standards in Australia's live export markets.

Terms of Reference related to this submission:

- 2: Economic impact of the live export trade within Australia including:
 - a) Impact on regional and remote employment especially in northern Australia;
- 3: Other related matters.

Economic Impact on regional and remote employment in Northern Australia:

The live cattle trade has an enormous impact on the lives and livelihoods of people and communities of northern Australia. The trade supports and is the driver for many rural jobs, ancillary industries and agricultural enterprises in the Top End. Agriculture in the north is intrinsically linked to fortunes and future the cattle industry and both have a vital interdependence. Hay and fodder producers, feed millers, pasture seed producers, contractors, transport operators and mixed farming and irrigated crop enterprises are all dependant on the cattle trade. The fodder industry is a vital link in the live-cattle production and marketing chain. Given our geographic isolation and the nature of our extended dry season, the local fodder industry is essential to the cattle trade, a major contributor to local and regional economies and an important employer of young local farmers, contractors and Indigenous workers.

The fodder industry in the NT extends from the Barkley Tablelands through the Sturt Plateau, up through the Katherine-Daly Basin and into the Darwin rural area. It is undertaken by many small family operations, corporate companies and Indigenous organisations and is a vital part of their business and cattle operations. It employs 100's of people directly and indirectly and is a major supporter of local agribusinesses such as machinery and mechanical services, contractors, fertilizer, seed and agri-chemical businesses.

The raw value of fodder produced in the Top End of the NT is approximately \$15 million which does not account for the cost of transport, milling or value adding. This trade virtually stopped when the interim ban on live cattle was announced in June. To date the industry has been unable to recover its production costs and have had to let many staff go, including family members, many of which will be lost to the industry. The ban also coincided with the time of year at which all hay producers and feed mills rely on sales, resulting in mounting debt since early June.

Should the situation continue most hay producers will have practically no income this year and little next year due to the carry-over of hay from this season. They will also incur additional costs in handling, stacking and covering, adding to the burden of expense.

Individual producers will lose hundreds of thousands of dollars and will require assistance to meet these additional costs of storage. It is essential that the existing fodder which is currently sitting in

fields all over the Top End, is covered and protected to provide feed for when it is needed and to allow producers to recover some of the costs that have been incurred.

Other Related Matters:

The welfare and nutrition of stock in the mustering, transport and depoting of cattle is dependent on the Territory's hay and fodder industries. The fodder industry, associated farming and agribusiness are major casualties of the crisis in the live export trade. There are many other negative consequences and implications;

- Land degradation
- Loss of pasture productivity and sustainability
- Local animal nutrition and welfare
- Potential loss of local experience and expertise

The production system in the north is geared to moving stock through the marketing chain and reducing the stocking and grazing pressure on land during the dry season. The marketing chain has been broken with the result that many more cattle are now being carried on properties throughout northern Australia.

Stock returned to properties, or stock kept on, which would normally be sold will increase the grazing pressure on land beyond sustainable rates. This could potentially lead to widespread land degradation, pasture decline and possible incidences of livestock mortality due to a lack of feed. Land degradation and over grazing will have compounding effects in the coming wet season and into next dry season. It could take several years to get degraded pastures back to original productivity levels and some degraded country may never recover, due to weed incursion and erosion.

An ironic situation could develop where cattle mortalities occur, due feed shortages in one part of the Territory, despite a stock-pile of hay in another part, simply because producers cannot afford to buy in fodder due to a lack of income. This cannot be allowed to happen.

There is also the real possibility that some experienced fodder producers/farmers may be forced from the industry, due directly to this crisis. This would be a tragedy and have negative implications for future fodder production in the Top End. It takes many years to develop the necessary expertise to farm in this environment. The loss of successful and otherwise viable farm businesses cannot be easily or quickly replaced.

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