



NORTHERN TERRITORY CATTLEMEN'S ASSOCIATION

Media Release

Date: 10 March 2011

Australian Families Cop Carbon Hit

Families will be the biggest losers when the Federal Government introduces a carbon tax in July next year.

NT Cattleman's Association president, Rohan Sullivan, said it will cut deep across the board and it will cut deep into rural and regional Australian's pockets, regardless of circumstances, regardless if you are employed or unemployed.

"It will affect every individual, every family and every business, how we get to work, how we get our kids to school and how we conduct our businesses," Mr Sullivan said.

"Petrol and diesel prices are always more expensive in regional and rural Australia than in the capitals, and real world experience shows that a price on carbon will lead to immediate and significant increases in the price of fuel."

Based on what has happened in New Zealand, and predicted outcomes for Australians, the price of petrol could rise by more than 6 - 8 cents per litre on a \$20-\$30 per tonne price on carbon, and that's before the add on costs of freight and distribution.

Mr Sullivan said given that the Northern Territory's reliance on freight both for our produce out and our goods in, means higher costs for consumers and producers.

"Fuel, electricity and transport costs for everyday products all of which involve energy for their production, manufacture and transport will increase in price and in many cases these prices will compound throughout the supply chain. Heaven help those at the end of the line, and those living in more isolated and remote parts of the country," Mr Sullivan said.

Mr Sullivan said the NT Cattleman's Association is also gravely concerned about the affect the carbon tax will have on the cost of cattle production in the north of Australia.

"The cost of all fundamental products required to produce food in the north – including fuel, electricity and supplement stock feeds - will soar under the carbon tax proposal.

"Yet the United Nations estimates that farmers will need to produce 70 percent more food between now and 2050 just to keep pace with population growth.

"We are fearful that this tax, which Gillard promised would not be introduced while she led the Labor Party, will send Australian jobs overseas.

"It will be far easier for companies to relocate manufacturing to unregulated countries than to remain in Australia paying taxes that no one else has to pay. While the government talks about compensation we all know that the revenue from the new tax will not go back to compensation in the long term. It will get diverted."

Australia makes up a mere 1.2% of the worlds emissions and we must not get out of step with international developments. Cool heads are required; let's not burn Australian families and Australian business in the process.



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Background information

The Northern Territory Cattleman's Association (NTCA)

The Northern Territory Cattlemen's Association is the peak primary industry group in the Northern Territory representing over 90% of the Territory's cattle herd. With over 220 pastoral leases, our industry manages a landmass in excess of 620,000 square kilometres and a herd of over 2 million head. Annual turnoff is around 600,000 head to live-export and domestic markets.

The pastoral industry is the Northern Territory's third largest GDP earner, accounting for more than 50% of primary production in the NT and generating over \$400 million in direct income. In 2010, over 300,000 cattle were exported live through the Port of Darwin. Live cattle exports are of critical importance to the northern pastoral industry and the northern Territory economy as a whole.

The industry directly provides in excess of 1800 jobs, mainly in rural areas of the Northern Territory. By area, employment and economic contribution the pastoral industry is the dominant industry in land management in the NT, with a predominant focus on long-term sustainable production. Over 85% of all NTCA members are active participants in

'Advancing and protecting the interests of the cattle producers in the Northern Territory'



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Conservation, Environmental and Landcare groups throughout the Northern Territory and the Association encourages members to join their local groups.

NTCA members include all of the country's largest beef producers including the Australian Agricultural Company (AACo), Consolidated Pastoral Company (CPC), S Kidman & Co, Heytesbury Beef, North Australian Pastoral Company (NAPCO), Georgina Pastoral Company, The Indigenous Land Corporation (ILC) and Paraway. These companies operations extend beyond the Northern Territory to cover vast tracts of northern, eastern and western Australia.

For more information go to www.ntca.org.au