



NORTHERN TERRITORY CATTLEMEN'S ASSOCIATION

NT Government Agribusiness Strategy – final submission October 2010

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Northern Territory Cattlemen's Association



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



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1. Purpose

The purpose of this submission is to provide comments on the final Draft Agribusiness Strategy 2011-2016.

2. Summary

The Northern Territory Cattlemen's Association (NTCA) is the peak industry body the cattle industry in the Northern Territory, an industry which contributes in excess of 50% of the gross product of agricultural production in the Northern Territory.

The NTCA welcomes the Northern Territory government's initiative to establish an agribusiness strategy and commends the Resources Minister and his Department on this initiative. The agribusiness sector not only contributes to the economic fabric of the Northern Territory it also underpins the environmental, social and cultural foundations of our regions. As such, this agribusiness strategy has the potential to drive the coordinated and strategic development of agribusiness and the NT.

The development of this strategy has seen consultation with a wide range of industry stakeholders and ultimately needs to underpin public policy and direction across those key ministries and agencies directly and indirectly responsible for the advancement of the agribusiness sector. The NTCA has participated in consultations in the development of this strategy through a number of stages, including a detailed and comprehensive 32 page submission provided to government in April 2010.

The NTCA has maintained throughout the process that the success of this agribusiness strategy will rely upon effective buy-in across government and the linking of this strategy to other key government strategies connected to environment and resources, infrastructure, regional development, local government, health and education.

This strategy is being developed during a time of change and increasing challenges both domestically and abroad. Changing circumstances connected to the live export trade is but one example of the variability experienced by primary producers. Equally, at the time when this agribusiness strategy was first mooted, Central Australia was experiencing one of its most severe periods of drought which has

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now been followed by a prolonged rainfall event which has changed the circumstances of producers in the region dramatically.

The capacity for industry to remain viable through continual variability is critical for the long term sustainable and productive development of food production capacity in the NT. Government policy, legislation and resourcing plays a vital role in facilitating a conducive and fertile environment on which industry is able to operate and prosper. This agribusiness strategy needs to facilitate that future for our industries.

3. Draft Agribusiness Strategy 2011-2016

The NTCA provided a detailed and comprehensive point by point 32 page response to the “Partnerships for productivity” issues paper released in February 2010 and while many of the issues remain current this paper will provide direct comment on the Draft Strategy (September 2010).

It is acknowledged that a balance must be struck between detail and high-level, and general strategy themes in order to gain support across government and within Cabinet. The strategy, as it stands is general in nature and does not contain targets by which it can be judged and requires a comprehensive operational plan sitting below that will establish the key targets against which the plan can be assessed.

Having said this, the NTCA is conscious of an increasing awareness across government of a need to cooperate and communicate in matters of policy and legislative change, where that change has the potential to impact on other sectors. There still remains much room for improvement. However, an effective agribusiness strategy should form a baseline system of checks and balances by which departmental heads and government ministers will be able to quickly establish where intended policy may have a perverse outcome, or alternatively where value can be added through the more effective development of cross sectoral legislation and policy.

The NTCA is of the view that the agribusiness strategy must contain some measurable targets and it is suggested that these targets may include NT and industry production and productivity figures such as gross value of product, and measures around technical exercises such as land identification and land development, measured in units of area (ha) for example. The latter is easily quantifiable and able to be assessed.

Furthermore, the NTCA believes that the strategy or operational plan below it should contain clear targets for organisational efficiency in the delivery of legislative change, government policy, research and extension.



The NTCA is of the view that this strategy needs to take both a long-term and medium-term timeframe to accommodate not only the bigger picture issues which are long-term but also be more immediate and in some cases operational objectives, some of which are outlined in strategy.

The strongest theme throughout the strategy is the need for corporation within government in order to support a strong, vibrant and growing agribusiness sector. This alone is a large and challenging task for government and it is suggested that the operational plan, sitting below the strategic plan must dedicate significant attention to this matter. The NTCA can play a role in assisting in the development of key components of the operational plan.

As stated below in the document the NTCA believes that the singular focus on climate change is too narrow and needs to be broadened to include more general capacity of business to respond to variability in all its guises. This suggests a more comprehensive capacity to manage change and maintain profitability.

Attention to carbon related issues within the document is critical. Emerging opportunities which may arise through the management of carbon in the landscape may provide not only economic benefits in terms of offsets, but also deliver productivity improvements in terms of increased soil fertility and landscape health. Issues around carbon ownership will also need to be resolved as part of this exercise.

Agribusiness Strategy - objectives 1 to 5

Objective 1:

Profitable and productive agribusiness

Growing the industry with the right products and systems.

Objective 2:

Land development

Suitable land is available for sustainable production.

Objective 3:

Biosecurity

Our biosecurity system is an integrated, risk based system with strong community involvement that minimises the establishment of exotic pests and diseases.

Objective 4:

Climate Change Preparedness

Capturing the opportunities and understanding the impacts of climate change on agribusiness.

Objective 5:

Indigenous Involvement

Indigenous people actively involved in agribusiness.



This section has taken the objectives and strategies outlined in the NT government draft agribusiness strategy and provides comments where indicated in *blue text*.

Our VISION:

Thriving regional economies underpinned by sustainable food and fibre industries.

Our MISSION:

Government and industry working in partnership to deliver measurable improvements in productivity and profitability while protecting the natural resource base.

NTCA Comment

Overall agreement with the draft vision and mission statement.

Objective 1:

Profitable and productive agribusiness

Growing the industry with the right products and systems.

Objective	Strategy	Comments / additions / changes
Strategy 1.1 Expand market options for Territory products.	1.1.1 Review existing markets and identify further opportunities (DoR / ? / Industry).	<i>This strategy requires the cooperation of industry. The key role for NTCA. Expand the level of cooperation with government and investment by government in trade development activity.</i> <i>NTCA/Northern Territory government.</i>
	1.1.2 Analyse the feasibility of proposed products and markets (DoR / ? / Industry).	<i>Agreed and developed in conjunction with industry</i>
	1.1.3 Extend the information to stakeholders (DoR / Industry).	<i>Agreed, however requires engagement of industry to get effective transfer to producers. This</i>

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		<i>requires investment in industry based extension.</i>
Strategy 1.2 Increase capacity to develop market and production intelligence.	1.2.1 Review and improve methods of gathering market and production intelligence (DoR / Industry).	<i>NT government invest in personnel inside target countries able to establish deep and comprehensive relationships within those markets and provide sound market intelligence. The Northern Territory government has historically been better at such initiatives and this needs to be revived. Cooperation with Department of Resources and the Department of Chief Minister. It has a good level of corporation currently which can be expanded.</i>
	1.2.2 Benchmark performance against agreed best practice (DoR / Industry).	<i>Agreed.</i>
	1.2.3 Extend the information to stakeholders (DoR / Industry).	<i>As above</i>
Strategy 1.3 Develop and promote more efficient production systems.	1.3.1 Improve production systems through on-farm innovation (DoR / Industry).	<i>There needs to be some measure of performance in terms of production improvements/outcomes.</i>
	1.3.2 Improve the supply chain beyond the farm gate (DoR / Industry).	<i>There needs to be some measure of performance in terms of production improvements/outcomes. This is a general statement.</i>
	1.3.3 Extend the information to stakeholders (DoR / Industry).	<i>While they could an obvious statement, there can be a specific targets established to measure the uptake. Organisationally there can be measures</i>



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		<i>implemented to measure the effectiveness of extension.</i>
Strategy 1.4 Develop infrastructure to support agribusiness.	1.4.1 Determine infrastructure deficiencies (DoR / ? / Industry)	<i>This is a critical activity which needs to be followed with clear development plans in cooperation with Department of land and planning, and others.</i>
	1.4.2 Explore opportunities to overcome deficiencies (DoR / ?).	
	1.4.3 Advocate for infrastructure requirements (DoR / ?).	<i>Agreed. Some measure of success required in terms of the development of essential infrastructure such as roads, Port and rail for example. Must be measurable.</i>

Objective 2:

Land development

Suitable land is available for sustainable production.

NTCA Comment

It is suggested that in line with other government documents and strategies such as the Parks Masterplan the NT government needs to elevate this objective to a similar status so as to inform other government policy direction, public infrastructure development and future industry investment.



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Objective	Strategy	Comments / additions / changes
Strategy 2.1 Identify suitable land for sustainable agribusinesses.	2.1.1 Quantify future land requirements for agribusiness development (DoR / ?).	<p style="text-align: right;">Page: 9</p> <p><i>Clearly a major role in cooperation with the Department of environment. This could be easily measured and needs to ensure performance of the relevant technical experts and agencies to deliver a land, water, soil and vegetation matrix.</i></p>
	2.1.2 Identify suitable land for agribusiness market opportunities (DoR / ?).	<p><i>Agreed to be a useful strategy aimed at markets rather than simply production. Will require significant cooperation from the Department of environment to be effective. Significant cooperation across Department of Chief Minister and federal departments and industry. Targets for this strategy can be adopted.</i></p>
Strategy 2.2 Determine the best means to increase the area of suitable agricultural land for development	2.2.1 Determine options for the staged release of identified suitable land (DoR / ?).	<p><i>Given land development policy in recent years the strategy should not only involve determining options but also drive the actual release of land. Success can be quantified with actual targets and the NTCA strongly urges targets to be adopted. This may also include the adoption of regional development plans which identify prospective areas from various agribusiness.</i></p> <p><i>Strong role required for industry in cooperation with government. Also a strong role for cross government corporation. This will require the</i></p>



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		<i>coordination of a number of government departments including Lands and Planning (infrastructure) and Environment.</i>
	2.2.2 Ensure agribusiness is adequately considered in land use planning (DoR / ?).	<i>This is critical and needs to be the primary strategy.</i>
Strategy 2.3 Advocate for greater flexibility in land use.	2.3.1 Increase awareness and understanding of Natural resource allocation, development and land tenure issues (DoR / ?).	<i>The following strategies require a high level of corporation across agency and policy and legislation which is supportive of this objective.</i>
	2.3.2 Increase capacity to work with whole of government development processes and provide assistance to potential investors (DoR).	<i>As above.</i>
	2.3.3 Identify a means to facilitate greater flexibility on pastoral leases for diversification (DoR / ?).	<i>For the pastoral industry key legislative vehicle is the pastoral land act. Any changes to pastoral land that must be in sync with these objectives and ensure industry involvement in their development.</i>
	2.3.4 Promote the benefits of a strong agribusiness sector in underpinning rural and regional development (DoR / ?).	<i>Agreed. Could benefit from general awareness and acceptability of the agribusiness sector within the education system and the broader community.</i>

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Objective 3:

Biosecurity

Our biosecurity system is an integrated, risk based system with strong community involvement that minimises the establishment of exotic pests and diseases.

Objective	Strategy	Comments / additions / changes
Strategy 3.1 Develop and implement an NT biosecurity strategy.	3.1.1 Complete development of NT Biosecurity Strategy and publish document (DoR / ?).	<i>Most of these strategies listed below are measurable.</i>
	3.1.2 Develop implementation and evaluation plans for the NT Biosecurity Strategy (DoR / ?).	<i>Measurable.</i>
	3.1.3 Develop a plant industry property identification system (DoR).	<i>Measurable.</i>
Strategy 3.2 Increase community awareness of biosecurity.	3.2.1 Develop awareness in the general public on the potential impact of plant and animal pest and disease incursions (DoR).	<i>Measurable.</i>
	3.2.2 Increase capability in biosecurity by involving other agencies and industry in surveillance, management and funding (DoR).	<i>Measurable.</i>
Strategy 3.3 Effectively monitor and regulate the use of agricultural and veterinary chemicals	3.3.1 Maintain the annual horticultural pesticide residue survey and publish annual report on the results (DoR)	



	3.3.2 Provide specific up to date technical information to chemical resellers (DoR).	<i>Agreed.</i>
	3.3.3 Ensure that industry is familiar with national changes to chemical regulation and the availability and use of products (DoR).	<i>Agreed.</i> Page 12

Objective 4:

Climate Change Preparedness

Capturing the opportunities and understanding the impacts of climate change on agribusiness.

NTCA Comment:

The focus should be on change and variability not only in climate but a range of key variables including market and production which can impact return and profitability. Capacity to respond to variability is critical to long term viability and sustainability. A number of reports including the NTCA Futures program, and the Meat and Livestock Australia Situation Analysis 2009, highlight the need for the industry to focus on profitability and capacity to adapt to change and manage variability.

In general terms there is a big role for industry in assisting with rollout of carbon related programs and it is recommended that the NTCA take a major role, assisted by government to see investment in research, policy development and implementation.

Objective	Strategy	NTCA comments / additions / changes
Strategy 4.1 Build industry capacity to adapt to the	4.1.1 Build capacity within DoR to understand climate change and its potential impacts as it relates to agribusinesses (DoR).	<i>Agreed. Department understanding is a good first step.</i>



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potential impacts of climate change.		<i>More emphasis on variability and the science and principles around carbon management and storage. Significant role for NTCA. Suggest very close working relationship with the NTCA and NTCA members.</i>
	4.1.2 Develop practical solutions to minimise the potential impacts of climate change (DoR / ? / Industry)	<i>This requires building resilience within the agribusiness sector in terms of capacity to respond to change, (not just climate) such as variability in markets and other drivers of profitability.</i>
	4.1.3 Extend the information to stakeholders (DoR / ? / Industry).	<i>Key role for NTCA. Suggest specific resources may be directed towards industry association to ensure increased levels of understanding an uptake.</i>
Strategy 4.2 Identify opportunities for primary producers to participate in the climate change economy.	4.2.1 Build capacity within DoR to understand the emerging carbon economy as it relates to primary industries (DoR / ?).	<i>Requires cooperation with industry. Requires investment in industry to enable the effective 2 way flow of information. Understanding the legal and practical limitations around the carbon economy are important as they relate to the ownership of carbon on pastoral lease and other tenure.</i>
	4.2.2 Develop practical solutions to maximise the commercial opportunities resulting from climate change (DoR / ? / Industry).	<i>Agreed. We require corporation with other key departments including Environment.</i>
	4.2.3 Extend the information to stakeholders (DoR / Industry).	<i>Key role NTCA.</i>



**Objective 5:
Indigenous Involvement
Indigenous people actively involved in agribusiness.**

NTCA Comment:

The NTCA has developed a five-year indigenous employment strategic plan. This plan has identified key strategies to increase the success of training and employment programs across the Northern Territory, based upon industry needs. While the NTCA has been centrally involved in indigenous employment programs within the pastoral sector, with some success, there is a need to continue to develop new and innovative approaches. Cooperation with industry is a central to success.

Clearly, government has a role to play within its own employment strategies to see increased employment levels for original people within the departments. The NTCA can play a role in placement of recruits into suitable departmental positions.

Objective	Strategy	Comments / additions / changes
Strategy 5.1 Actively encourage Indigenous people to seek employment in agribusiness.	5.1.1 Identify potential Indigenous employees (DoR / ?).	<i>The NTCA is currently managing its own employment program and selection process. Improved resourcing of the NTCA to deliver required Outcomes.</i>
	5.1.2 Use regional facilities as training centres for local Indigenous trainees (DoR / Industry)	<i>NTCA Yards in Alice Springs are currently being utilised as a training venue. With targeted investment from government this facility could be radically improved to provide expanded opportunities for the Central Australian region.</i> <i>NTCA has demonstrated capacity.</i>
	5.1.3 Develop practical support mechanisms in order to retain Indigenous employees (DoR	<i>As above.</i>



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	/ Industry).	<i>Refer. NTCA indigenous employment program strategic plan.</i>
	5.1.4 Promote agribusiness as an employer of choice (DoR / Industry).	<i>Refer. NTCA indigenous employment program strategic plan.</i> Page 15
Strategy 5.2 Support employers to employ indigenous people.	5.2.1 Promote potential Indigenous employees to agribusiness employers (DoR).	<i>Refer. NTCA indigenous employment program strategic plan. NTCA currently delivers.</i>
	5.2.2 Assist agribusiness employers in the engagement and training of Indigenous employees (DoR / ?).	<i>Refer. NTCA indigenous employment program strategic plan. NTCA currently delivers.</i>
		NTCA infrastructure to support training
Strategy 5.3 Encourage business development.	5.3.1 Identify business opportunities in Indigenous communities, particularly the 20 Territory Growth Towns (DoR / ?).	<i>There needs to be a focus on employment and getting people into work. A focus on the business before people have the capacity to work is completely misguided. This strategy may be the responsibility of departments outside DoR.</i>
	5.3.2 Determine the transferability of the IPP model to other agribusiness sectors (DoR / Industry)	
	5.3.3 Examine options for leasing and/or developing Indigenous land (DoR / Industry / Land Councils).	<i>There is a more general requirement to review the system of land tenure on aboriginal land. Many of the current arrangements for the leasing of aboriginal land are short term (10 years) and business require some certainty and the ability to</i>



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		<i>enter long-term agreements so as to secure capital development. Requires cooperation across industry government and land councils (based on current statutory situation).</i>

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4. Conclusion

The NTCA congratulates the government on this agribusiness strategy and welcomes the opportunity to be involved in the establishment of an effective operational plan to deliver measurable outcomes, and underpinned the strategy.

The NTCA is the peak industry body for the largest agribusiness sector and the Northern Territory, and with over 90% membership, can play a key role in delivery of the strategic plan. The NTCA would encourage the Northern Territory government to engage with industry and the NTCA to see the effective implementation of this plan.

The NTCA believes that the effective delivery of the five core objectives of this plan will require unprecedented co-operation across key government ministries and departments. This will require the synchronisation and harmonisation of legislation and policy relating to environmental issues, production, infrastructure planning and investment, telecommunications, education and health.

The NTCA looks forward to participation in the implementation of this plan.