



NORTHERN TERRITORY CATTLEMEN'S ASSOCIATION

Media Release

5 July 2011

Carbon tax is a swift kick to a downed industry

The Gillard Government's carbon tax will be the blow that floors the northern cattle industry, already on its knees after the government's suspension of the live cattle trade to Indonesia.

Again, the government has demonstrated that Australia's food producers are out of sight and out of mind when it comes to policy development.

NT Cattleman's Association Executive Director Luke Bowen said northern producers are in absolute despair.

"They take away our market, and then they jack up our production costs," Mr Bowen said.

"They have exempted the cost of petrol in the suburbs but the people in the bush will pay.

"Northern cattle stations have demonstrated a rapid adoption of alternative energy systems such as solar power and remote telemetry in attempts to reduce the industry carbon emissions.

"But 30 percent of their production costs are still energy related and there is no carbon offset scheme that can be applied to northern rangelands.

"You have to understand their basic operations. Diesel is required to provide basic power to the station and run the pumps that fill the livestock water troughs, not just to operate the machinery."

Mr Bowen said that while the cattle could not be shipped from Darwin by sea, because of the live export ban, they had to be freighted south by truck.

"Freight is horrendously expensive already so a carbon tax fuelled price rise will make road transport, which right now is our only option, too expensive to consider.

"When Ms Gillard was in Darwin last week, she published a column in the local paper, where she spoke of growing up in South Australia. She said "We used to think if you wanted a big future in this country, you had to leave Adelaide and go to Melbourne or Sydney. Now, I think the advice would be if you want a big future in this country, go north: because that's where so much of our nation's future is."

"Her words sound very shallow when considered in the light her suspension of the live export trade and a carbon tax that will hit rural and remote producers harder than anyone," Mr Bowen said.



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Background information:

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 two 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 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.

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