



NORTHERN TERRITORY CATTLEMEN'S ASSOCIATION

Media Release

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Hollow assistance package, as cattle ship leaves Darwin

The NT Cattlemen's Association has expressed deep disappointment at the federal government's live export assistance package released this week, which coincided with loading of the first shipment of cattle from Darwin.

NTCA Vice President and cattle producer, Tracey Hayes, said the NTCA put a strong case to the federal government arguing that a business survival and assistance package must not encourage increased debt however, what they announced yesterday does exactly that.

"We are dealing with a cash crisis that has enormous economic and social implications and these measures are encouraging businesses to go further into debt," Ms Hayes said.

"While it was great to see the first ship leave Darwin with 3,000 head on board, it is the first tentative step on the long road to recovery.

"The industry has limited capacity to recuperate losses brought about by the suspension and further increasing debt levels and reducing equity will put businesses in a worse position. The northern industry is still short by some \$200 million in cattle sales so far this season and this is cash that is not there to pay bills and service debt.

The federal government announced the \$70 million package this week that can be used to subsidise interest payments on new loans from commercial banks up to \$300,000 per business.

Ms Hayes said that it appears they have included the value of the loans, provided by commercial banks, in the value of the package, which overstates the commonwealth contribution by some \$60 million.

"This week we commended the Northern Territory Government on its move to waive pastoral rents for live export exposed producers. In fact, when we did some simple calculations we noted that the contribution made by the NT Government as a percentage of annual budget revenue equates to more than \$200 million in the federal budget. Interestingly, this is the figure the NTCA had previously called on the federal government to assist the northern industry.

"The federal government has shown a disregard for the livelihoods of northern producers and associated businesses in ignoring the facts and not following the example set by the NT Government. The federal government's package is hollow and requires a major rethink."

For more information contact the Australian Government Assistance Line on 1800 808 869 or www.liveexports.gov.au

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

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 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 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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