

Submission to the Northern Land and Water Task Force Australia



***Northern Territory
Agricultural
Association***

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Northern Territory Agricultural Association Submission to the North Australia Land and Water Task Force

Introduction

The Northern Territory Agriculture Association (NTAgA) represents a diverse range of primary producers throughout the Top End of the NT. Many of our members run mixed farming operations involving hay, improved pasture and cattle production aimed at the live-cattle export market. Other enterprises include dryland and irrigated hay and grain production, large horticultural enterprises and forestry operations. Increasingly producers and companies are looking to diversify their businesses and develop irrigated enterprises to grow niche crops targeted at the southern market. There is increasing pressure to develop more land and associated water resourced in the Top End as individuals and companies look to the north for agricultural business opportunities.

Presently intensive agricultural production is mainly based in the Darwin and the Katherine-Daly basin. The Katherine-Daly is a particular focus for agricultural and irrigated development due to the existence of good soil types for agriculture and large aquifers containing high quality water. Irrigated peanuts, maize and fodder are examples of relatively new enterprises which have been established in the Katherine-Daly Basin.

Development and agricultural production in the NT is small when compared to southern Australia and there is still considerable scope for continued and measured development where good soils overlie ground water resources. One of the constraints to agricultural development in the Top End is the lack of availability of suitable parcels of land that offer good levels of return on investment. Large portions of land are tied up in pastoral lease and Indigenous owned land. Subdivision of pastoral leases and the involvement of Indigenous corporations in agricultural ventures offers good potential for future development.

The Keep River region (on the Western Australia border) and the Sturt Plateau (southern region of the Top End) are other distinct geographical areas with considerable potential for agricultural and irrigation development. The Sturt Plateau consists of grazing enterprises and is an emerging horticultural production zone. The Keep River area, is totally different geographically, physically and resource wise to other areas of the Top End and requires different consideration. This region will come into production with Ord Stage Two and will require different policies and developmental requirements due to its reliance and linkages with Western Australia. Development and investment in that region is likely to foster benefits for Kununurra in WA rather than direct benefits for Top End communities.

The Association and farmers are committed to responsible and sustainable development of both land and water resources in the NT. Further agricultural development is required to allow industries reach critical mass which is capable of sustaining regional and community growth, economic development, employment and career opportunities and the creation of efficient infrastructure (power, road, housing) and regional support industries. To achieve this sensible State and Federal policies are needed to foster development and allow rural communities develop sustainably.

Terms of Reference

1. Identify the sustainable capacity of the river systems and/or basins to support increased consumptive water use.

The Association believes that the land capacity must be accurately assessed in parallel with available water resource capacity for the development of sustainable agriculture. Relatively small discrete areas of the Top End have the prerequisite qualities and topography for agricultural production and these areas should be clearly identified and flagged for agricultural development in line with market opportunities and industry capacity.

Significant areas of potentially arable land remain un-cleared and are tied up in pastoral lease and under Indigenous control. There is an opportunity now to identify and assess the resource and productive capacity at the macro level while the land is un-developed. A coordinated and dedicated project should identify and accurately map the best agricultural soils and water resources for development in each region and simultaneously identify areas for natural reserves, biodiversity, recreation and cultural purposes. The sustainable capacity of a catchment or river system needs to be assessed as a whole.

This information would then form the basis for decisions on regional development. It would facilitate better planning for future development, provide better recommendations to industry, and result in more appropriate land use where development is matched to land capability and available water resources. Improved decision making in relation to investment, infrastructure and community development as well as desirable social, environmental and economic outcomes will be achieved.

NTagA is continuing to work with the NT Dept. Natural Resources, Environment, the Arts and Sport (NRETAS) and the Daly River Management Advisory Committee in understanding the needs of agriculture in relation to water and land resource planning. Individual farmers are cooperating with test and monitoring bores and providing pumping and water use information.

There needs to be consistency and transparency in the methodology used to assess total water availability and water allocation in different regions of the NT. There is a belief in industry some sectors that different methodologies are used in different water control districts which undermines the confidence industry has in the data produced.

Recommendation:

There needs to be a long term strategic plan for the development of agriculture in relation to water availability, consumption and land capability. State and Federal agencies need to collaborate, coordinate and fund a strategic program of resource, land and water capability assessment aimed at providing the best information for decisions on future development, rather than the ad-hoc and piece-meal approaches of the past.

2. Economic development opportunities (including non-consumptive uses) utilising northern water resources.

Currently most of the broadacre agricultural production revolves around the live cattle export trade and associated improved pasture and hay production. Other opportunities exist for new high value crops for export or export replacement, fibre, agro-forestry and niche products such as sesame, peanut, maize and high quality fodder. A wide range of products can be produced in the NT, however the costs of production and lack of markets present barriers to viability. With its un-spoilt water and land resources, the North can trade on the clean green image associated with Australian agricultural production.

Many factors impact on the success and viability of agriculture in north Australia including the lack of appropriate infrastructure (i.e. transport, power, secondary support industries), markets and social amenities, the presence of specific pests and diseases, local wildlife, the tyranny of distance, the high cost of inputs and a lack of knowledge and experience. There are still gaps in the knowledge in relation to the possibilities for new crops, production system and potential markets. While low level R&D is currently undertaken for the current crops funding directed to new initiatives and crops has been cut substantially over the past five to 10 years.

Recommendation:

It is ironic that at a time when northern Australia is the focus for its potential capacity to sustain agricultural development and expansion, R&D in the region is at an all time low. State and Federal funding directed to development and extension has been cut dramatically. NTA&A recommends that combined State and Federal funding is directed to researching new and alternative crop options and markets that would offer NT farmers better diversity and viability. This research should be collaboratively directed and managed by the Primary Industry Division and relevant industry associations.

3. The potential impact of such development opportunities on the natural environment and other users and the broader community.

Existing agricultural development in the Northern Territory has been shown to have low impact on the natural environment, as documented in the recent TRaCKs reports on the state of the NT Rivers in the Daly and Howard systems. Continued improvements in farming practices which maximise water use efficiency and optimal fertiliser application and deliver systems will continue to keep the impact of agriculture on northern rivers to a minimum. The increased ability to monitor soil moisture, soil carbon, soil health, fertiliser infiltration, pesticide and herbicide residues, and local biodiversity add accountability and confidence to the farming systems.

Agricultural development has a positive impact on regional economies with increased employment opportunities and investment. Local suppliers benefit from the economic activity and the regional economies gain a more diverse base. Agricultural tourism is a growing aspect of northern agriculture and depends on ensuring the natural environment is an integral part of the overall farming system.

Irrigated agriculture and horticulture can come into conflict over issues of fair water allocations in the urban fringes of the major centres. By clearly identifying agricultural and horticultural precincts this conflict can be lessened.

Soil erosion is arguably the biggest risk to the sustainability of farming in northern Australia. Soils are prone to degradation due to the difficulty of maintaining sufficient organic cover in some farming systems and the intensity of tropical rainfall. Any expansion of agriculture in the north will need to incorporate soil conservation principles and practices. Developers and new farmers will need access to information, training and advice so that appropriate soil conservation practices for the tropics can be implemented from the planning stages through to the farming system.

It is ironic that soil conservation and hill slope erosion in northern Australia were nominated as key priority areas in the 2009 Caring for our Country Program, but no funding was allocated to this despite a major project being submitted to address these issues. This lack of funding is equally hard to understand given that soil conservation is recognized as an urgent national priority and that traditional soil conservation services offered by government agencies have been disbanded years ago.

Recommendation:

That federal and state funding is made available to Government departments and industry associations to address the urgent need to for soil conservation advice and expertise in the

Top End so that farming can continue to develop sustainably and that land and water resources can be protected.

4. Identify incentive, market, regulatory or planning instruments that could be used to facilitate, control or influence development.

Well planned developments which incorporate up to date information and current best practice are essential for sustainable agricultural production. This must utilise local knowledge and expertise to avoid the mistakes of the past and the hasty developments that have failed and often left a trail of destruction. Planning needs to come from the macro landscape level and then refined to the areas and enterprises that would fit into each catchment.

A major obstacle to the development of primary industries in the NT is the plethora of Acts, regulations and government departments responsible for overseeing development in the NT. The current disjointed process is a hindrance and disincentive to agriculture and economic development. There needs to be a one-stop-shop available for farmers and developers for land clearing permits, bore licenses, water allocation applications and access to land, water, vegetation resource mapping and information. This would include a clear and unambiguous process for applications and for a fair and open appeal mechanism.

Special conditions are attached water licenses which confuse and compound the suspicion between industry and government. The potential requirement to have an environmental impact statement (EIS) when clearing areas of greater than 200 ha is a huge impost and financial burden on producers who want to develop a relatively small portion of their land. Such impositions are unnecessary and are stifling economic and regional development. As an example a development of 210 ha, could require an EIS which could cost anything from 50% to over 150% of the cost of clearing. This is a prohibitive expense especially given that there are strict clearing guidelines and a stringent approval process in place.

Water licenses and water trading are economic tools that have the potential to manage limited resources within a region or catchment/basin. However there is a degree of uncertainty and ambiguity within the current process and more expertise is needed in the Territory to work through all the potential ramifications associated with water allocation planning and water trading. More transparency in the interpretation of the NT Water Act is also critical. Farmers require assistance in understanding the complex issues surrounding water compliance requirements. Security of land and water tenures needs to be clearly expressed and understood.

Recommendation:

NTagA recommend that government policy and procedure be more streamlined and conducive to achieving sensible and sustainable development. Water allocation and trading are new concepts in the Territory and there needs to be uniformity in how the rules and

regulations are used and applied to different water districts. There needs to be more expertise used in the development and interpretation of water allocation planning, water trading and regulation. This expertise needs to be sourced from southern states/or overseas now at this early stage as water-rights are too important to leave to chance and mistakes will be costly.

The Association also recommends compliance with good land clearing practice without the need for a costly and unnecessary EIS for well planned and staged developments of less than 1000 ha . NTAga also recommends a policy of land release and subdivision to enable people to enter the industry by purchasing viable portions of land at a reasonable investment level and achieving vibrant rural communities.

5. Recommend governance arrangements for the effective management of surface and groundwater resources that cross jurisdictional boundaries.

Coordination between territory and federal agencies is required across the north Australia to develop R&D, resource, infrastructure, expertise and information required for development and resource protection. Knowledge and expertise needs to be shared across boundaries.

While there is a focus on northern Australia there is no clearly defined vision, direction, strategy or road map as to where agriculture and regional development is going. The political imperatives of survival is dominating the landscape. Government agriculture and natural resource departments are just surviving with little or no new initiatives. It is apparent to industry that there are sections of Government in the NT opposed to agricultural development while others sections purport to support it. Some farmers are discouraged, with the bureaucracy and the impediments. Governments both territory and federal have to commit their support for agriculture and regional development and back this up with policy, funding and programs that have meaningful outcomes.

A Council of Northern Development or similar needs to be created to facilitate a 10 to 20 year strategy for rural and community development which involves all stakeholders. This group would establish monitoring and reporting programs on the progress and success of developments and resource utilization and protection so that adaptive management is continually implemented.

Recommendation:

That federal, state and territory governments in conjunction with peak industry bodies and stakeholders formulate a vision, policy and strategy for agriculture, water requirements and regional development that incorporates the objectives and aspirations of all stakeholders. This should be developed over the next 18 months through a consultative program of workshops where stakeholders from across northern Australia work together to develop their own visions and objectives which are then fed into the wider Government policy and strategy statement.