



APRIL 2013

Tropical Agriculture Initiatives

TROPICAL AGRICULTURE

Opportunities for Tropical Agriculture

As Australia enters the 'Asian Century', Northern Queensland faces an unprecedented opportunity to prosper. Northern Queensland is plentiful with the natural assets of rich agricultural land and product to export into the expanding nearby Asian markets.

As mentioned in the 'Australia in The Asian Century' White Paper, "Australia's agriculture and food production system will be globally competitive, with productive and sustainable agriculture and food business. Australian food producers and processors will be recognised globally as innovative and reliable producers of more and higher-quality food and agricultural products, services and technology to Asia"¹

Northern Queensland is at the doorway to the Asian markets that will contribute to this region being the Australian food bowl for the future.

The Australian Government 'National Food Plan' green paper 2012 also highlights our food production to not only meet our own needs, but also to help meet the growing demands of our neighbours in Asia. "By 2050, world food demand is expected to rise by 77 per cent in monetary terms. Much of this growth will occur in Asia where demand will double. Through close productive relationships with our Asian trading partners, Australia will be able to make the most of these opportunities"²

A major component of this initiative is to raise the awareness of Northern Queensland as a major resource region, not only for coal and minerals, but also for agriculture and grazing. As part of the Queensland State Government's strategy of doubling Queensland's food and fibre production by 2040, the Northern Queensland agriculture sector will work towards achieving this ambitious goal. This will be accomplished by the agriculture industry and the state Government addressing the pathways to production of: increasing resource availability; driving productivity growth; focusing on our markets and minimising costs of production.

The four Northern Queensland RDAs are partnering with the Australian, Queensland and local Governments to support the development and strengthening of the agricultural and grazing industries across Northern Queensland.

The flooding events of 2010, 2011 and 2013 in Queensland and the destruction of infrastructure caused by Cyclone Yasi and Oswald, have shown how vulnerable the supply chains can be. Flooding, in particular on the Bruce Highway and the east-west highways connecting to it and roads in the Gulf region, always has a significant negative economic impact on the flow of food products in both northerly and southerly directions.

The economic significance of tropical agriculture in Northern Queensland:

- By 2050, world food demand is expected to rise by 77 per cent in monetary terms. Much of this growth will occur in Asia where demand will double.
- Northern Queensland employs 21,377 people in agriculture and another 19,095 in businesses allied to agriculture.
- Each sub-region within Northern Queensland has unique competitive advantages ranging from sugar, beef, horticulture, bananas, aquaculture, fishing and forestry.

Northern Queensland snapshot

Land size	1,266,066 km ²
Population	926,842
Ports	17
Exports Dollars	\$476 million
Export tonnes	932,629 tonne
Export Live Animals	49,514
Employment in Agriculture	21,377
Agriculture Businesses	19,095
GRP in Agriculture	\$4,463 million

Data sourced from Queensland Treasury Experimental Estimates of Gross Regional Product 2013

¹ ABS Agriculture Commodities 2011 and 2012
² OESR Queensland Regional Profile March 2013



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**Regional
Development**
*Australia***NORTHERN QUEENSLAND**

Northern Queensland agriculture

Fitzroy

The dominant sector for the Fitzroy is beef cattle, which are supported by three export abattoirs located in the region. Other significant commodities produced are grains including oilseed production, cotton (primarily produced under irrigation) and horticulture.

Central West

Agriculture production in the Central West is entirely based on the grazing sector of beef cattle and sheep for wool production. Beef cattle dominate by value.

Mackay

The Mackay region's largest agricultural community by value is sugar cane production with approximately 25 per cent of Queensland sugar produced in the region. Regional sugar mills produce raw sugar, which is exported. Mackay Sugar has a refinery at Mackay producing white sugar. Other contributors to agriculture are beef cattle and grain production (including oilseeds) in the hinterland and a significant winter vegetable production area centered in the Bowen district.

Northern

The Northern region is dominated by sugar cane production on the wetter coastal areas and cane grown under irrigation in the Burdekin area. A range of tropical fruit is produced dominated by mangoes. The beef cattle are produced across the region with this being the dominate production system in the west of the region. There is one export abattoir at Townsville. Commercial fisheries (prawn, fish and crabs) and aquaculture (prawns and barramundi) also contribute to primary production in the region.

North West

The dominant form of agriculture in the North-west is extensive grazing of beef cattle with the southern and eastern portions of the region producing cattle for processing. The more extensive areas of the Gulf and

Mount Isa areas produce store cattle for either pasture or grain finishing outside the region. Much of the valuable Gulf prawn fishery catch are landed at Karumba by the commercial fishing sector.

Far North

The coastal districts of the Far North region produce sugar cane which is milled within the districts into raw sugar. Tropical fruit production is significant with up to 90 per cent of Australia's banana production produced in the region. The Atherton Tableland is a diverse agricultural district based on irrigation and rain fed sugar cane, grain, fruit, dairy and beef cattle production. The balance of the region to the west of the tableland and Cape is extensive beef cattle production. There is a significant level of commercial fishing in the region catching prawns, fish and lobster off the east coast and in the Torres Strait.

Why it's important

Northern Queensland is a major agricultural, resource and industrial hub of Australia. Based on many studies done by RDAs in Northern Queensland, some of the key challenges for this region are workforce development, skills and education. There is a need for better planning to meet the labour needs of the agricultural industry, which will result in economic and community benefit. It is paramount that there will be a suitably qualified workforce to grow the agricultural sector. While workforce demand is high, many disadvantaged people in the region are not able to take advantage of the current training and employment opportunities. An opportunity exists to create better links between employment programs and community networks to meet the needs of the agricultural sector.



An Australian Government Initiative



Queensland Government



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Where to from here:

Strategic initiatives, which span Northern Queensland and will support tropical agriculture, are as follows:

Action	What's needed	Benefits to our communities and regional economies
Collaborative Research and Development in Tropical Agriculture Contribution to Regional Development	Formation of a cohesive research, development, extension and training partnership for enhancing the role of agricultural in regional development.	<ul style="list-style-type: none"> • Enhanced industry and sectoral capacity and productivity across Northern Queensland • Increase export in tropical agricultural products • Significant diversification and value chain adding in the agricultural sector • Competitive advantages in each Northern Queensland sub-region
Towards an Agriculture Distribution and Export Hub	<p>Northern Queensland progressed as a strategically located commodities hub for the nation with a focus on:</p> <ul style="list-style-type: none"> • Improved productivity in distributing agricultural products • A foundation for opening new markets • A focal point for delivering quality in the supply chain • An associated transport plan – road, rail, port and aviation 	<ul style="list-style-type: none"> • Re-position Northern Queensland 'resources' with agriculture supply • Expanded economic opportunities in Northern Queensland • Enhanced agricultural productivity and reduced compliance and transport costs • Higher customers product standards lead to better profitability • Reduced carbon emissions • Improved access for export markets leading to foreign exchange earnings • Broadening of target markets to build business resilience
Land Availability and Tenure Reform	<p>Leasehold tenures need to become more flexible for diversification and enhanced security.</p> <p>Land sharing with resource sector.</p> <p>Policy in relation to developers locking up productive agricultural land.</p>	<ul style="list-style-type: none"> • Increased investment in Northern Queensland agriculture • Economic diversification in pastoral lands • Improved environmental management at property scale • Increase in production • Greater business resilience





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Action	What's needed	Benefits to our communities and regional economies
Elevated and integrated water policy	Identification and evaluation of water capture and storage options for all of Northern Queensland including: <ul style="list-style-type: none"> • North Queensland Irrigated Agriculture Strategy • Irrigation for Flinders catchment • Irrigation for Gilbert catchment • Development of Nathan Dam strategy • Development of Connors River Dam strategy • Water allocation policy with resource sector 	<ul style="list-style-type: none"> • Economic benefits through growth of industry and businesses and local employment • High quality of water standards for consumption • High quality of water for environmental sustainability and sustainable agriculture

Examples of projects that would support the strategic initiatives include:

- Pacific Reef Waste Water Bio-remediation and Aquaculture Feed project**
 World leading research for commercial outcomes in Australia and into export markets using algae to bio-remediate prawn farm wastewater and to produce food-grade quality and agriculture aquatic feed products.
- Bowen Aquaculture and Agriculture Feed project**
 New cost effective and nutritious sources of feed for both animals and fish. Demonstration at site of large scale sustainable production of food and feed products.
- Connecting remote communities in Central West Queensland (optic fibre roll-out)**
 Better telecommunications connection to Central West communities to deliver cost efficiencies and access to markets.
- Workforce development and skilling (Central Queensland University and TAFE merger)**
 Leveraging opportunities that arise from the proposed merger of the Central Queensland Institute of TAFE and CQUniversity to become a dual-sector university for communities and employers.

WHO WE ARE

The role of Regional Development Australia Committees is to work across all three levels of Government, local industry and their regional communities to enhance the growth and development of regions across Australia. This includes the identification and advocacy of agreed regional priorities; and working in collaboration with regional partners to strengthen each region's long-term sustainability for the long-term benefit of future generations.

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