Northern Territory Primary Industry and Fisheries Overview and Outlook 2010

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Primary Industries
Department of Resources
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TABLE OF CONTENTS

DEPARTMENT OF RESOURCES

The Department of Resources (DoR) is the government agency responsible for facilitating industry development in three vital economic sectors, facilitating optimal use of the Territory's primary industries, fisheries, mineral and energy resources. The combined value of Territory rural and fishing sectors exceeds $500 million a year, accounting for nearly 2% of Gross State Product (GSP). Mining is the giant of Territory resource industries, grossing an annual $2.3 billion, contributing 20% of GSP.

The primary aim of the Department is to work with its partners to stimulate and sustain economic growth for the whole community by promoting sustainable and productive farming, sustainable use of fish resources and responsible recovery of minerals and energy resources.

The industries the Department services impact on the economic and social well-being of thousands of owners, managers, employees, service people and families in urban and rural communities, across all Territory regions and climatic zones.

The department's multi-skilled specialist team of scientists, researchers, technicians, extension officers and support staff, have used vision and commitment to help put the Territory on the world map in terms of research, development, production and supply of our diverse resources.

PRIMARY INDUSTRIES PROFILE

The Primary Industries Group delivers strategic services that support profitable and sustainable primary production.

It works in partnership with producers, industry bodies, community groups and related agencies to promote industry growth and ensure access to markets for animals, plants and plant products. This includes the pastoral, agricultural and horticultural sectors.

The main services are:

- Inspection, treatment and certification services for animals and animal products;
- Inspection, treatment and certification services for plant and plant products;
- Research and extension programs to help producers sustainably lift crop and stock yields and capacity;
- Development of best-practice farming methods for specific environments;
- Indigenous pastoral and horticultural economic development;
- Biosecurity and laboratory diagnostic services for plant and animal health; and
- Monitoring of, and response to, emergency and endemic animal and plant pests and disease.

FISHERIES GROUP PROFILE

The Fisheries Group works in partnership with commercial and recreational fishing industries, the aquaculture industry, Indigenous communities and other stakeholders to achieve optimum sustainable utilisation of the Territory's valuable aquatic resources. It follows a consultative and precautionary-based approach to ensure that all Territory wild harvest fisheries, aquaculture and associated aquatic resources are ecologically, economically and socially sustained. Fisheries' resource management programs are based on high quality scientific indicators and designed to ensure that the Territory's aquatic resources are not over-exploited.

Services include:

- Facilitating the sustainable commercial catch, sale and processing of fish and aquatic life through license allocation;
- Encouraging industry development;
- Supporting the recreational fishing industries;
- Preventing the introduction of aquatic pests into the Territory;
- Contributing to the research needs for each territory fishery;
- Working in partnership to address the needs of the aquaculture industry;
- Operating the commercial barramundi hatchery/nursery business;
- Assisting Indigenous communities in relation to fishing issues; and providing education resources for schools and delivering community education.

ECONOMIC OVERVIEW OF THE NT: FACTS AND FIGURES

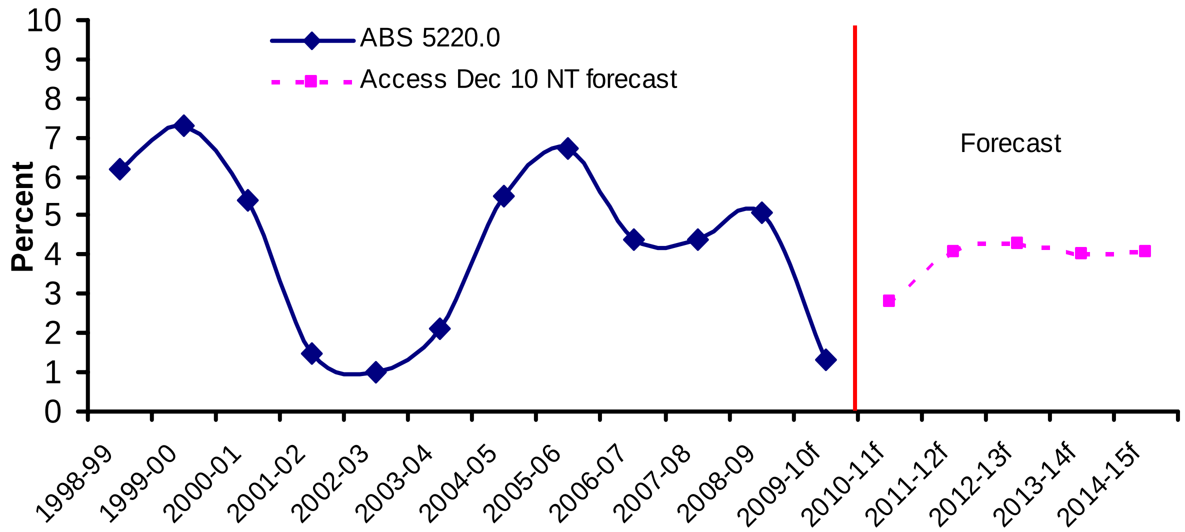
Table 1: NT Economy

Gross State Product ($M)	$16,880	(2009-10)
Population (persons)	230,186	(September 2010)
Exports ($M)	$4,997	(2009-10)
Imports ($M)	$3,050	(2009-10)
Unemployment rate	4.1%	(March 2011)
Inflation rate (national)	2.7%	(Dec 09-Dec 10)
Average weekly full time adult earnings (persons)	$1,291	(December Qtr 2010)

Source: Australian Bureau of Statistics

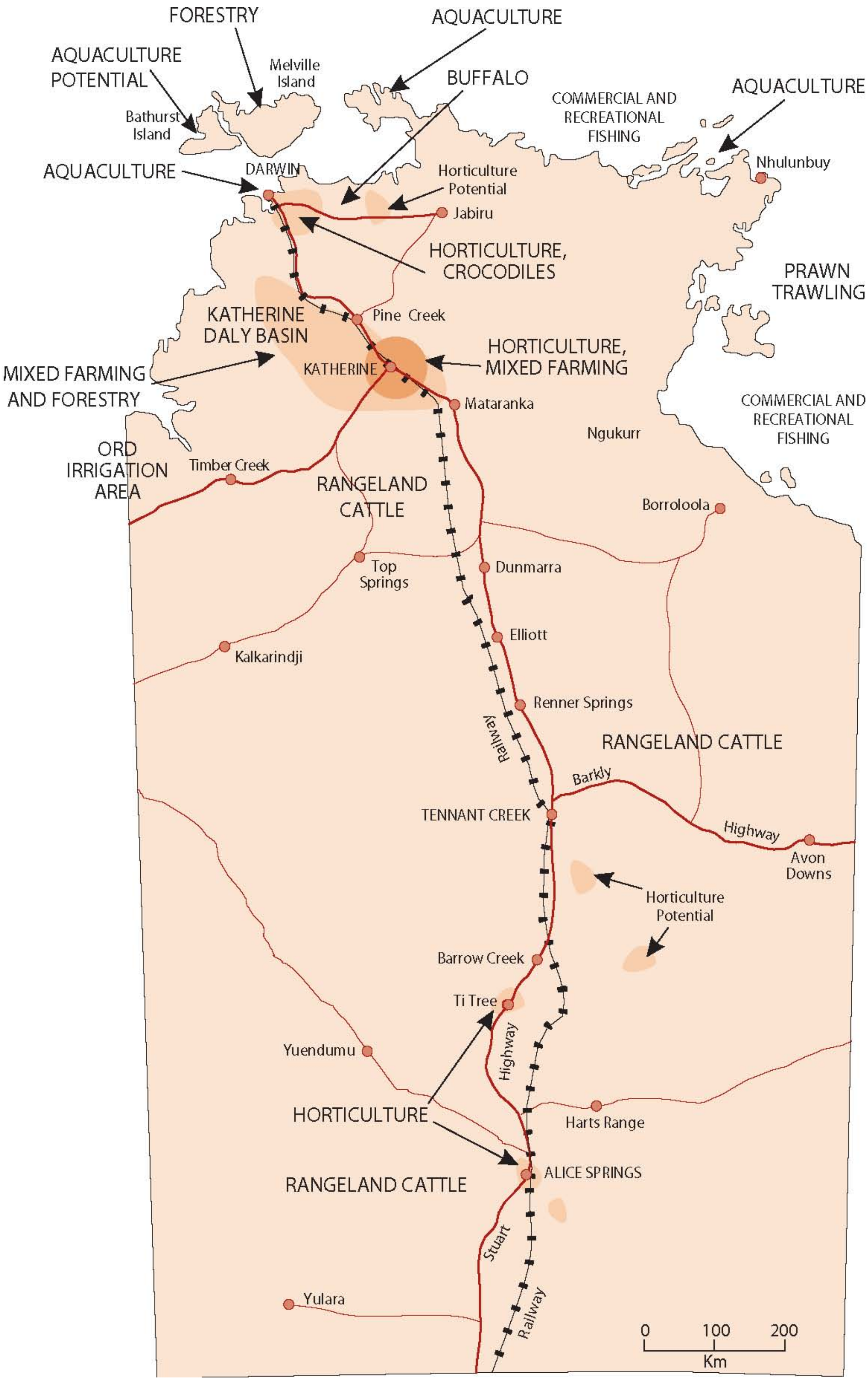
- The NT economy is forecast to continue recuperation in 2010-11 before the expected full recovery in 2011-12 as the world economy continues to recover from the Global Financial Crisis.
- This forecast does not include the impact of the potential $12 billion Inpex LNG Project on the NT economy.

Figure 1: Northern Territory Economic Outlook - Gross State Product 1998-99 to 2014-15



Source: Australian Bureau of Statistics 2009-10 & Access Economics December 2010,
f = forecast

Figure 2: Agricultural and Fishing Areas in the Northern Territory



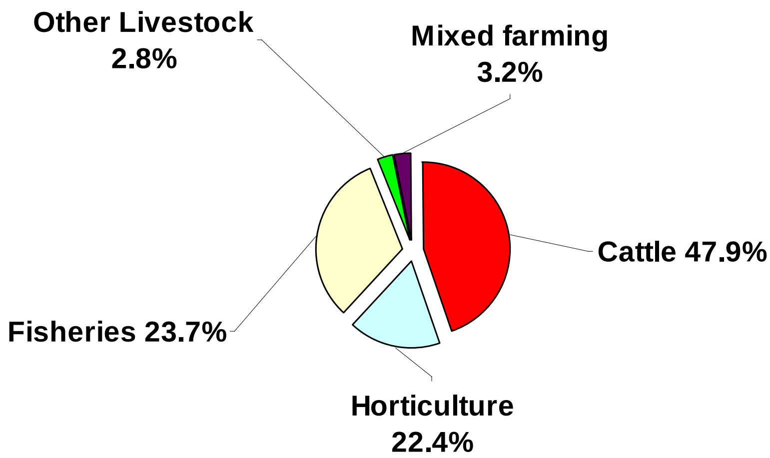
NT PRIMARY INDUSTRIES AND FISHERIES – AN OVERVIEW

The rural and fisheries industries in the Territory include cattle (interstate and live export), other livestock (buffalo, crocodiles, and horses), horticulture (fruit, vegetables, nursery and cut flowers) and mixed farming (field crops, hay and seeds, and forestry).

The fisheries industry comprises harvesting of wild catch (including the Northern Prawn Fleet) and aquaculture. A substantial recreational fishing sector generates tourism activity and provides lifestyle amenity.

The relative contribution of each industry to the rural and fisheries total is illustrated in Figure 3, with the cattle, fisheries and horticulture industries being the major players.

Figure 3: Contribution of Industry to Sector Production Value, 2009-10



Source: Department of Resources 2009-10

Rural and fisheries industries have significant links to other sectors of the Territory economy such as manufacturing, transport and storage, retail and wholesale trade. These industries are vital in regional areas, providing economic stimulus and employment for approximately 2,700 people in 2009-10 (ABS).

They also account for a significant proportion of the Territory's non-mineral export revenue. Territory rural industries and fisheries accounted for 2.5% of Gross State Product (GSP) in 2009-10, below the national proportion (Table 2). Exports of Territory rural and fisheries produce are dominated by live cattle exports (mainly to Indonesia), fisheries and to a lesser extent agriculture services.

Table 2: Agriculture and Fisheries Contribution to Northern Territory GSP 2009-10

2009-10	% Contribution to GSP
Tasmania	6.86%
South Australia	4.15%
Northern Territory	**2.51%**
Western Australia	2.44%
Queensland	2.36%
Victoria	2.21%
NSW	1.26%
Australian Capital Territory	0.08%
Australia (% of GDP)	**2.13%**

Source: ABS, Australian National Accounts, Cat No. 5220.0, 2009-10

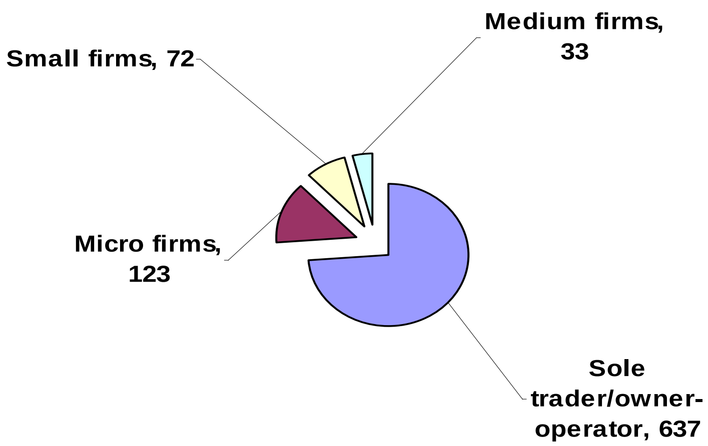
INDUSTRY OVERVIEW

Agriculture, forestry and fishing industries businesses are structured in one of the following ways:

- Non-employing — sole trader/owner-operator
- Micro — fewer than 5 employees
- Small — 5 to 19 employees
- Medium — 20 to 200 employees
- Large — 200-plus employees

Sole trader/owner-operator is the most common form of business structure (74%) while at the other end of the scale there are no large firms (200 plus employees) in the sector (see Figure 4).

Figure 4: Agriculture Forestry and Fishing Industries: Number of business by firm structure

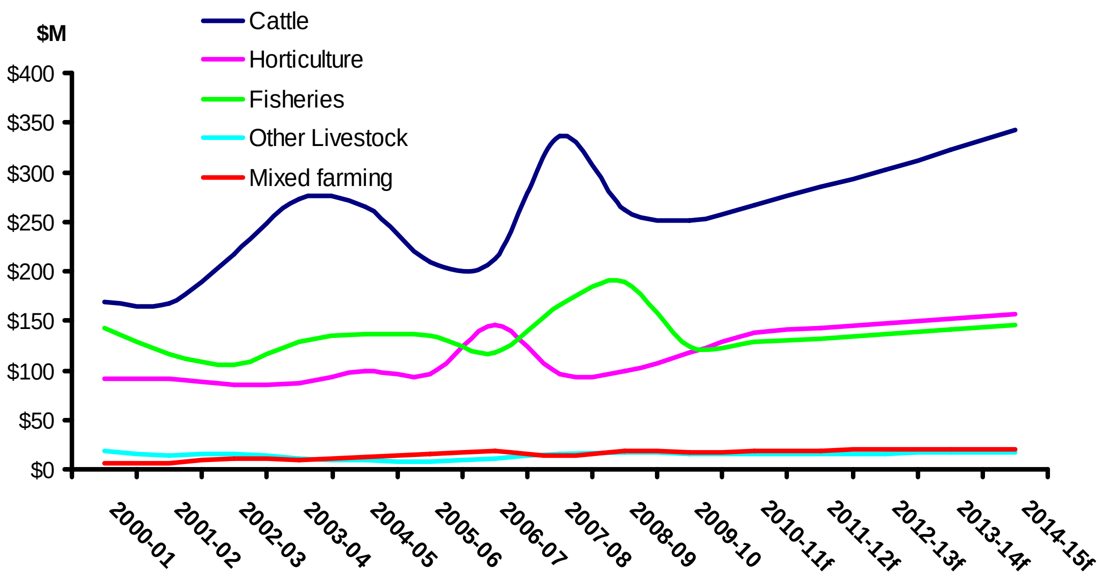


Source: Australian Bureau of Statistics Counts of Australian Businesses, including Entries and Exits, Cat No. 8165.0, June 2007 to June 2009.

In 2009-10, the total value of rural industries and fisheries production is estimated at $524.6 million, a decrease of 10.5% over the previous year (see Figure 5). Table 3 represents the data used in Figure 5 in tabular form.

- The decrease is primarily due to a fall in the fisheries value of production decreased by 34.4% to $124.3 million.
- The production value of cattle decreased by 4.1% to $251.1 million.
- A 13.2% decrease in other livestock production (mainly crocodile production) to $14.8 million.
- The production value of mixed farming decreased 8.3% to $16.7 million. Production values are driven predominantly by hay/fodder production that supports live cattle exports.
- The reductions were offset by an 18.5% increase in the value of horticulture production to $117.7 million.

Figure 5: Primary Industry and Fisheries Outlook: Value of Production



Source: Department of Resources 2000-01 to 2014-15, f = forecast

Table 3: Primary Industry and Fisheries Outlook Production – 2000-01 to 2009-10 ($M)

Year	Cattle	Horticulture	Fisheries	Other Livestock	Mixed Farming	Total
2000-01	169.5	91.7	142.1	18.0	6.9	**428.1**
2001-02	167.9	92.2	116.9	13.6	6.6	**397.2**
2002-03	217.5	85.2	105.7	15.0	11.0	**434.4**
2003-04	273.1	87.5	128.4	10.7	9.4	**509.1**
2004-05	264.7	98.6	136.9	10.0	12.0	**522.2**
2005-06	209.8	95.6	135.0	7.5	15.4	**463.4**
2006-07	211.8	145.1	118.1	10.2	18.9	**503.9**
2007-08	336.1	96.4	165.8	15.8	14.7	**628.9**
2008-09	261.9	99.3	189.6	17.0	18.2	**585.9**
2009-10	251.1	117.7	124.3	14.8	16.7	**524.6**

Source: Department of Resources 2000-01 to 2009-10

NT PRIMARY INDUSTRIES AND FISHERIES PERFORMANCE

Figure 6: Current Year Performance of Northern Territory Commodities

Commodity Value of Production	2008-09 ($M)	2009-10 ($M)	% Change	Performance Indicator
Live NT cattle exported overseas	$159.2	$165.5	3.9%	↑
Live NT cattle movements interstate	$102.7	$85.7	-16.6%	↓
Buffalo	$3.0	$2.8	-4.2%	↓
Other Livestock	$0.4	$0.6	53.0%	↑
Crocodiles	$13.6	$11.3	-17.2%	↓
Mangoes	$39.0	$46.1	18.0%	↑
Table Grapes	$3.4	$3.7	8.3%	↑
Bananas	$3.5	$4.2	19.9%	↑
Melons	$18.3	$24.4	33.1%	↑
Other fruits	$1.8	$0.9	-48.0%	↓
Vegetables	$15.1	$19.8	31.2%	↑
Nursery & Cut Flowers	$18.2	$18.7	2.6%	↑
Cereal crops	$0.0	$0.5	na	↑
Other crops	$0.0	$3.3	na	↑
Seed production	$0.4	$0.7	60.2%	↑
Hay/fodder production	$17.8	$12.2	-31.4%	↓
Fin Fish	$25.4	$23.5	-7.5%	↓
NT Crustaceans	$10.2	$9.3	-9.3%	↓
NPF Crustaceans	$132.8	$65.8	-50.4%	↓
Aquaculture	$20.9	$25.5	21.9%	↑
Molluscs & Echinoderms	$0.18	$0.21	12.3%	↑

Source: Department of Resources 2008-09 to 2009-10.
NPF Crustaceans = Commonwealth administered fishery

NT PRIMARY INDUSTRIES AND FISHERIES OUTLOOK

- In the short and medium term, the NT agriculture and fisheries sectors are forecast to continue to expand production values (see Table 4).
- NT agriculture and fisheries sectors are forecast to reach over $681.9 million dollars in production value by 2014-15.

Table 4: Primary Industry and Fisheries Outlook Production 2009-10 to 2014-15 ($M)

Year	Cattle	Horticulture	Fisheries	Other Livestock	Mixed Farming	Total
2010-11f	267.3	138.7	128.1	15.1	19.0	**568.2**
2011-12f	284.5	142.9	132.1	15.6	19.2	**594.3**
2012-13f	302.9	147.2	136.3	16.1	19.5	**621.9**
2013-14f	322.5	151.6	140.7	16.6	19.7	**651.1**
2014-15f	343.3	156.1	145.3	17.2	20.0	**681.9**

Source: Department of Resources 2000-01 to 2014-15, f = forecast

- Significant value will be derived from the Territory's interstate commodity movements that are offset by reduced live cattle exports to Indonesia due to the enforcement of its weight restriction, horticultural production (namely melons and mangoes for interstate markets) and the wild catch from the Northern Prawn Fleet. The outlook for these commodities is positive.

- Mixed farming, in particular hay and fodder production will continue to grow as NT Live cattle exports to Indonesia and Philippines increase while new markets like Vietnam are established.
- The Other Livestock outlook remains positive driven mainly by the demand for premium crocodile skins as the global economy recovers.

INDUSTRY MULTIPLIERS TO THE NT ECONOMY

Table 5: Output Multipliers by Industry for the NT Economy 2009-10

Industry	Output Value by industry	Output Value created in the rest of the NT economy
Beef cattle	$1,000,000	$510,000
Other Agriculture	$1,000,000	$480,000
Horticulture	$1,000,000	$510,000
Commercial fishing	$1,000,000	$400,000

Note: Output created in the rest of NT economy excludes the mentioned industry

Note: Other Agriculture includes Other Livestock and Mixed Farming

Source: Department of Business and Employment 2006-07

Table 6: Dollar value of Output Multipliers by Industry for the NT Economy 2009-10

Industry	Output Value by industry 2009-10 ($M)	Output Value created in the rest of the NT economy 2009-10 ($M)
Beef cattle	$251.1	$128.1
Other Agriculture	$31.4	$15.1
Horticulture	$117.7	$60.0
Commercial fishing	$124.3	$49.7

Note: Output in the rest of NT economy excludes the mentioned industry

Note: Other Agriculture includes Other Livestock and Mixed Farming

Source: Department of Business and Employment 2006-07

Table 7: Employment Multipliers by Industry for the NT Economy 2009-10

Industry per 100 Jobs	For every Industry Jobs	Jobs created in the rest of the NT economy
Beef cattle	100	36
Other Agriculture	100	97
Horticulture	100	51
Commercial fishing	100	57

Note: Jobs in the rest of NT economy excludes the mentioned industry

Note: Other Agriculture includes Other Livestock and Mixed Farming

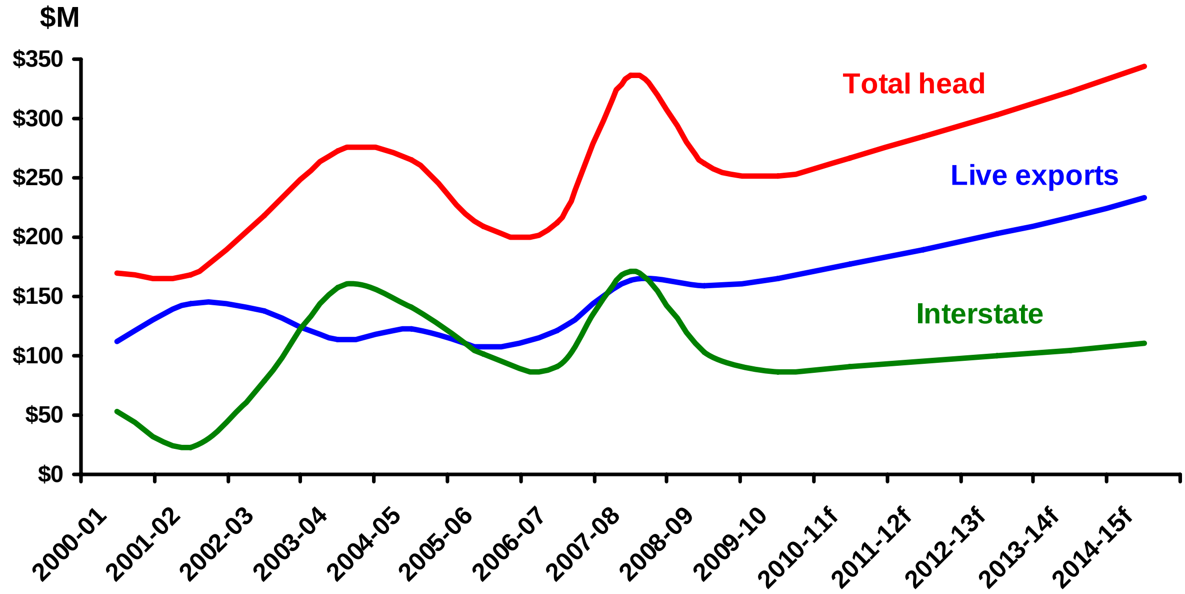
Source: Department of Business and Employment 2006-07

NT PRIMARY INDUSTRIES SECTORS

LIVESTOCK (CATTLE)

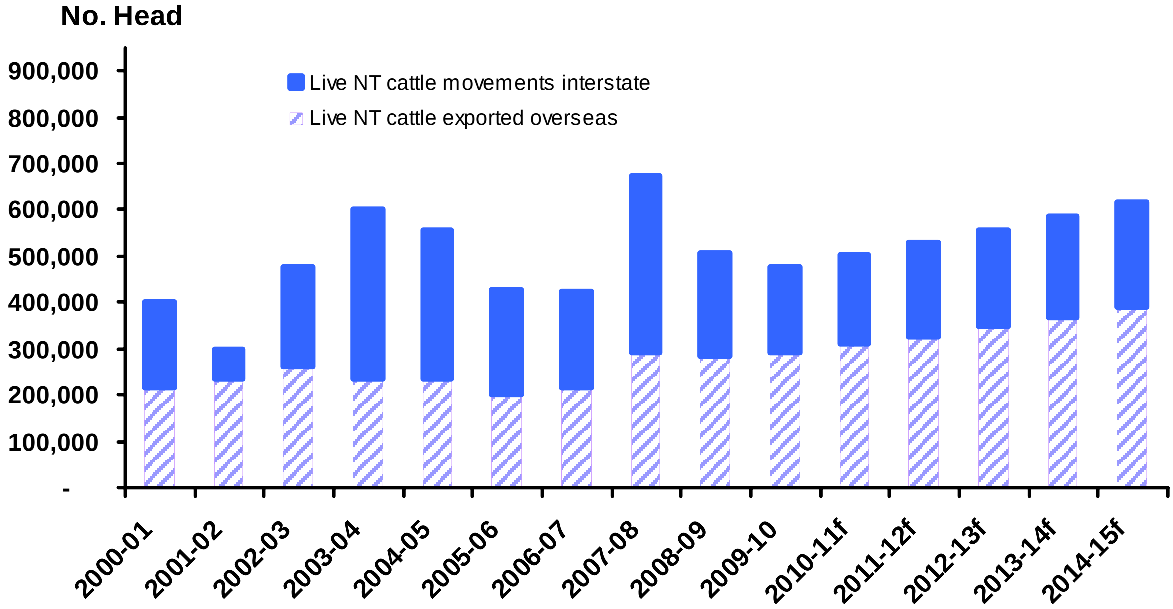
The live cattle export trade (mainly Indonesian) and the sale of cattle in the interstate markets (mostly Queensland and South Australia) dominates agricultural and fisheries production in the Territory. The pastoral industry is a major contributor to incomes in regional areas of the Territory. It also provides considerable flow-on benefits to other industries, particularly transport and storage, business to business services, and retail trade services.

Figure 7: Northern Territory Cattle: Value of Production 2000-01 to 2014-15



Source: Department of Resources 2000-01 to 2014-15, f = forecast

Figure 8: Northern Territory Cattle Production Numbers 2000-01 to 2014-15



Source: Department of Resources 2000-01 to 2014-15, f = forecast

- The pastoral industry contributed 47.9% of the total value of the Northern Territory rural industries and fisheries production in 2009-10.
- The estimated value of production for the cattle industry was $251.1 million (477,392 head of cattle) in 2009-10, down 4.1% from the previous year (see Figure 7 and Table 3).
- In 2009-10 the NT pastoral industry exported 291,048 head of live cattle, a 2.8% increase on the previous year (see Figure 8).
- During 2009-10 the NT pastoral industry sent 186,344 head of cattle interstate, which is a 17.3% decrease on 2008-09 (see Figure 8). In 2007-08 additional cattle from the Barkly region were sent interstate due to drought conditions. This will require a re-building of the Barkly herd in future years resulting in lower turn off in 2009-10.

The Northern Territory cattle population in 2009 was approximately 2.0 million head, about 7% of the total Australian herd.

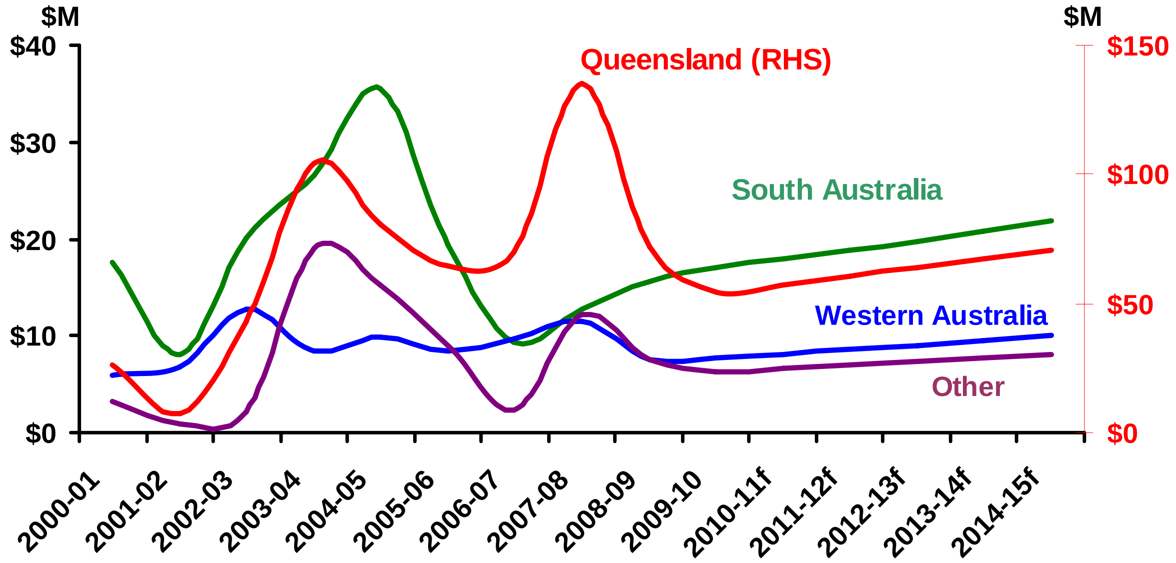
The estimated cattle population by pastoral district,

- Alice Springs Pastoral District has 20%
- Barkly Tablelands and Tennant Creek has 30%
- Victoria River District and Katherine has 32%
- Darwin, Elsey and Gulf have 18% of the total Territory herd.

Interstate Cattle Movements

The majority of cattle destined for interstate markets are feeder cattle for further growing (grass-fed and grain-fed) before slaughter and sale in the domestic and international markets such as Japan, South Korea, US, and Taiwan.

Figure 9: Northern Territory Interstate Cattle Movements: Value of Production 2000-01 to 2014-15



Source: Department of Resources 2000-01 to 2014-15, f = forecast

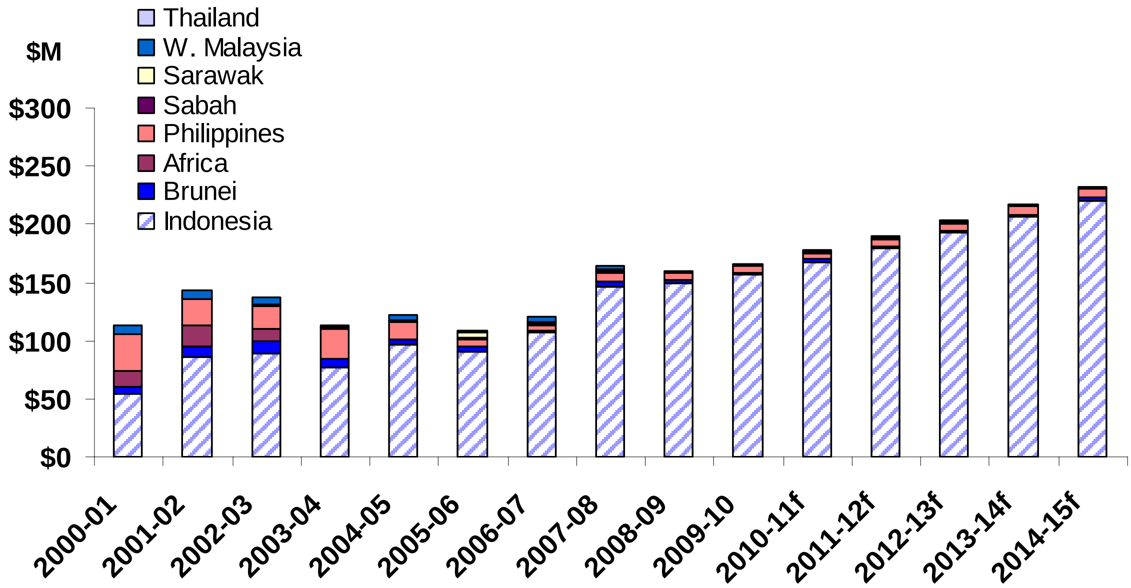
- The value of the total interstate movement of Territory cattle in 2009-10 was estimated at $85.7 million, down 16.6% from the previous year.
- A total of 186,344 head of Territory cattle were sent interstate in 2009-10, a 17.3% decrease over the previous year. Interstate movements have not returned to normal levels after drought conditions in 2007-08, forced pastoralists in the Barkly region to move more cattle interstate.

- Queensland was the main destination for Territory cattle in 2009-10, taking about 63.5% (118,402 head of cattle) of the total interstate movement of cattle. This represents a decrease of 24.7% on the previous year.
- 34,624 head or 18.6% of total interstate movements were sent to South Australia, up 7.4% on the preceding year.
- Western Australia took 11.1% (20,717 head of cattle) of Territory cattle transferred interstate, up 1.2% on 2008-09.
- 12,601 head of cattle (6.8% of total interstate movements) went to other states, down 17.6% on 2008-09.

Live Cattle Export

- Territory live cattle exports in 2009-10 were estimated at $165.4 million, a 3.9% increase over the previous period. This is a robust result during the Global Financial Crisis for the live cattle export industry (Please note: the head of cattle here represents only Territory cattle shipped through the Port of Darwin).
- In 2009-10, Territory cattle accounted for 31.2 % of total Australian live cattle exports to all markets and about 39.6% of Australian exports to Indonesia.
- A total of 291,048 head of Territory cattle were exported to South East Asia in 2009-10, a 2.8% increase over 2008-09.
- Territory live cattle exports to South East Asia are expected to increase in the future but performance will depend critically on exchange rate movements, potentially Foot and Mouth Disease-free South American suppliers, to a lesser extent competition from the Asian subcontinent, and locally supplied substitutes such as fish and chicken.

Figure 10: Northern Territory Live Cattle Export Destinations: Value of Production 2000-01 to 2014-15

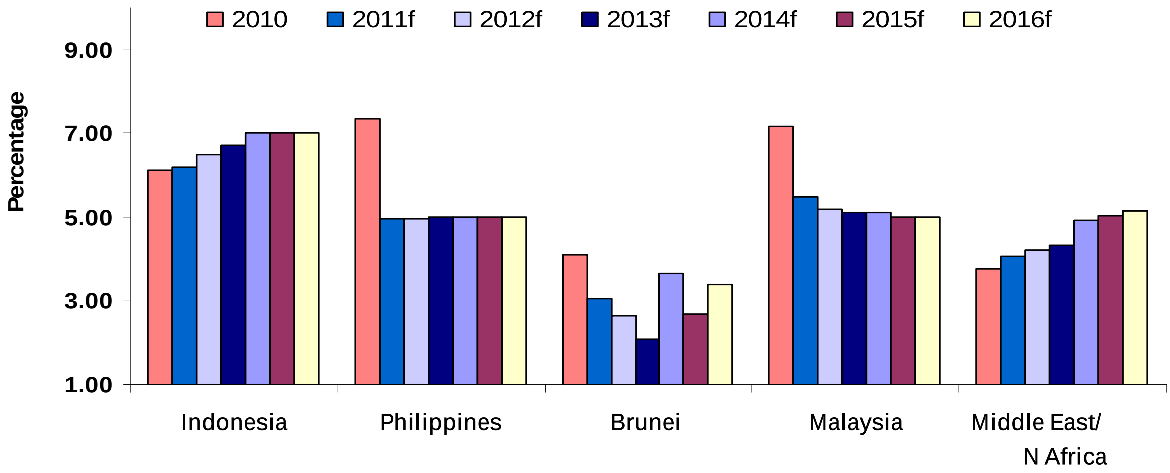


Source: Department of Resources 2000-01 to 2014-15, f = forecast

Indonesia is the largest market for Territory live cattle exports, taking 95.0% of total live cattle exports out of the Port of Darwin in 2009-10. Indonesia has indicated it aims to produce up to 90 per cent of its own beef by 2014.

- Exports to Indonesia increased by 3.5% to 276,447 head in 2009-10. Territory cattle exporters will face weight restrictions and competition from low cost producers in South America as Indonesia (in late 2009) allowed the resumption of imports of Brazilian beef.
- Cattle exports to the Philippines fell by 19.2% in 2009-10 to 9,353 head of cattle.
- 2,638 head of cattle were exported to Brunei in 2009-10, representing 5.4% increase on the previous year.
- In 2009-10 Sabah imported 692 head of cattle, down by 59.8% from 1,721 head of cattle in 2008-09, while 1,918 cattle were exported to Malaysia.

Figure 11: GDP Growth Forecasts for NT Live Cattle Export Major Destinations 2010-2016



Source: International Monetary Fund, World Economic Outlook Database, April 2011
f = forecast

The economies of the destination countries for live cattle exports are forecast to maintain positive GDP growth supporting strong domestic demand for Territory beef (see Figure 11). This is offset by the appreciating value of the Australian Dollar, competition from other beef producers, and local substitutes like fish and chicken.

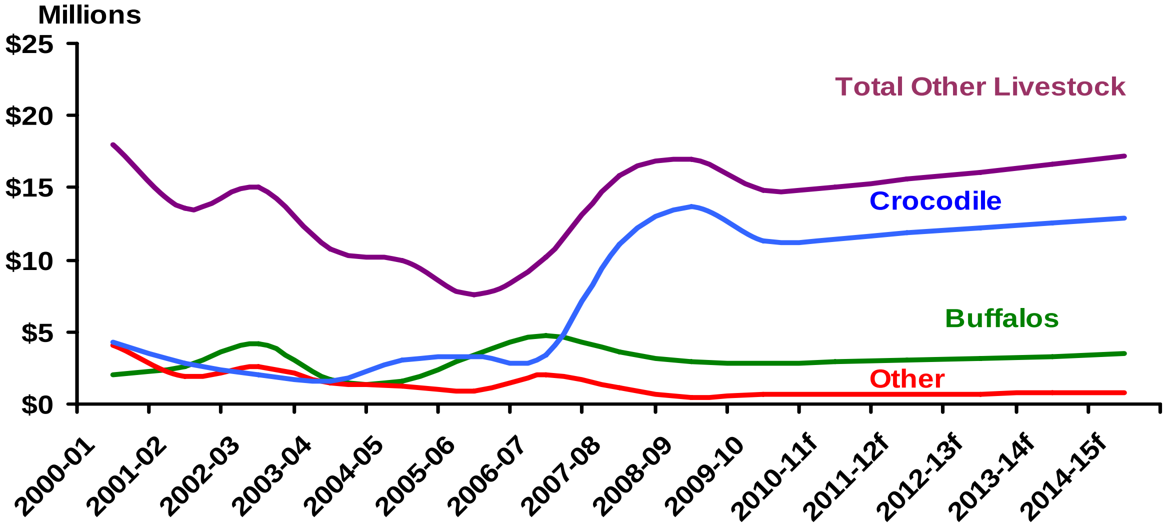
OTHER LIVESTOCK INDUSTRIES

Other Livestock is a category of industries in the Northern Territory which has historically included crocodiles, poultry, buffalo, horses, camels, deer, pigs and goats, exported overseas or moved to interstate markets.

Crocodiles are the largest industry classified in the Other Livestock grouping. Premium grade crocodile skins are highly sought after in Japan, France, Italy and Asian countries. Second and third grade skins are also exported, although a growing domestic demand is emerging. The by-products of flesh, feet, teeth and skulls are mainly sold on the domestic market.

Source: Department of Resources 2008-09

Figure 12: Northern Territory Other Livestock: Value of Production 2000-01 to 2014-15



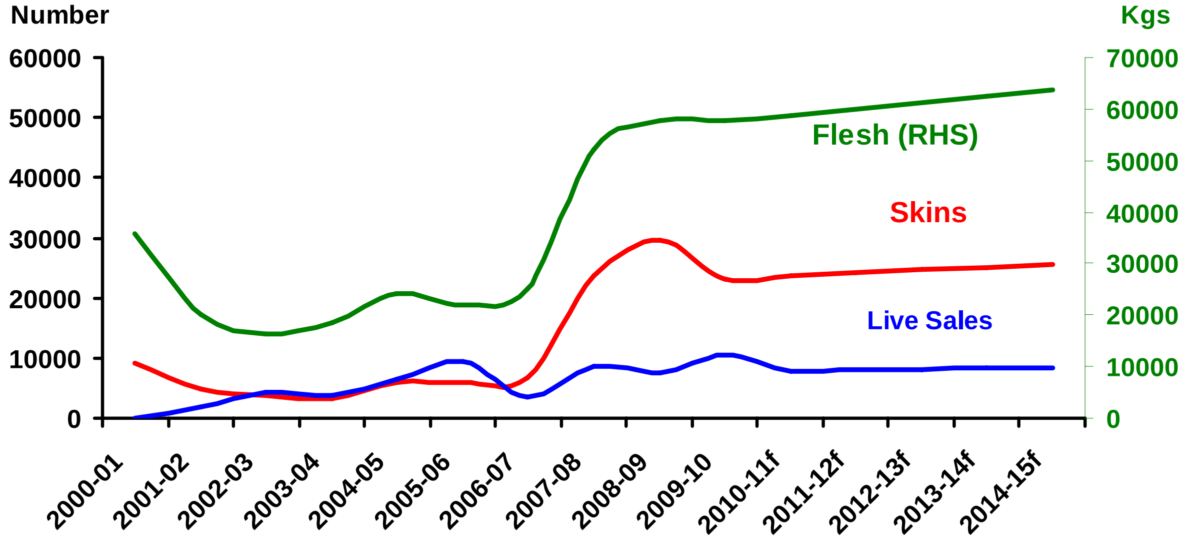
Source: Department of Resources 2000-01 to 2014-15, f = forecast

- Other Livestock (crocodiles, buffalo and goats) contributed 2.8% to the total value of Territory rural industries and fisheries production in 2009-10.
- In 2009-10 the total value of production in Other Livestock decreased 13.2% to an estimated $14.8 million down from $17.0 million in 2008-09.
- In 2009-10 the Territory's crocodile industry is estimated at $11.3 million, and accounted for 76.5% of the total value of production in Other Livestock industries.
- Buffalo numbers fell 5.1% in 2009-10 to 3,668 head with an estimated value of production of $2.8 million.
- 99% of the buffalo turned off were exported live overseas with Indonesia the largest importer (3,334 head), then Brunei (327 head). The reminder went to interstate markets.
- Horses, donkeys, camels, goats and sheep are classified in the "Other" category in Figure 12. The estimated value of production of Other Livestock in 2009-10 was $0.6 million.

In 2009-10 the Territory crocodile industry (consisting of 7 farms) produced:

- 57,697 kilograms of flesh, down 0.1% from the previous year.
- 23,223 skins decreased by 21.4% from 29,559 skins produced in 2008-09.
- 10,610 hatchlings, up 40.3% on the prior year.
- The Territory's crocodile industry felt the impact of the global recession with 17.2% reduction in total production value in 2009-10.

Figure 13: Northern Territory Crocodile Production 2000-01 to 2014-15



Source: Department of Resources 2000-01 to 2014-15, f = forecast

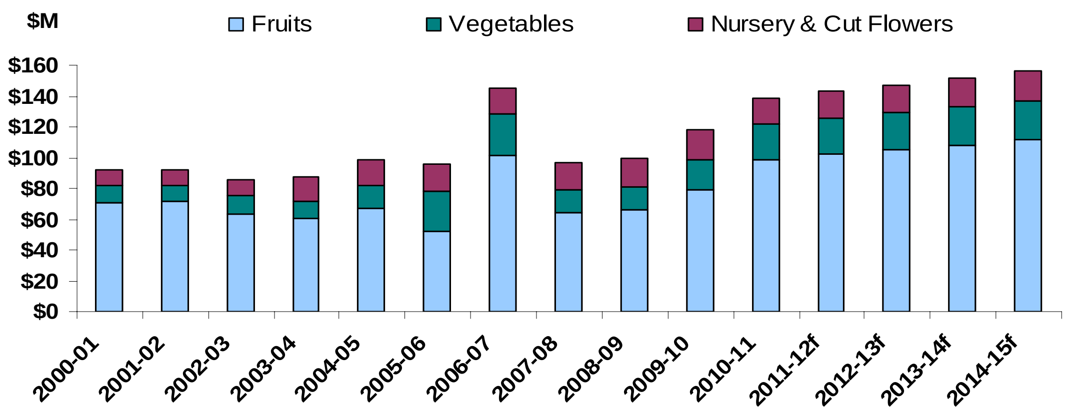
HORTICULTURE

The Territory horticulture industry includes fruit, vegetables, nurseries and cut flowers. The value of Territory horticultural production (including nurseries and cut flowers) for 2009-10 was $138.7 million, an increase of around 17.9% compared to the previous year (see Figure 14 and Table 2). Horticulture contributed an estimated 22.4% of the total value of Territory rural industries and fisheries production in 2010-11.

DoR horticultural statistics are obtained on a calendar year basis which corresponds to the harvesting season. As such, horticultural production figures for the 2010 calendar year are referred to as the 2010-11 financial year.

Please note: For 2008, no horticultural statistics were collected from industry due to data collection problems. Estimates were calculated for 2008 and are based on 2007 data collected by the Department of Resources.

Figure 14: Northern Territory Horticulture: Value of Production 2000-01 to 2014-15



Source: Department of Resources 2000-01 to 2014-15, f = forecast

The main reason for the increase in the value of horticultural production in 2010 was a large rise in melon production and to a lesser extent mango (due to the biennial production cycle of mango trees) and banana output. The majority of Territory horticultural production is destined for interstate markets.

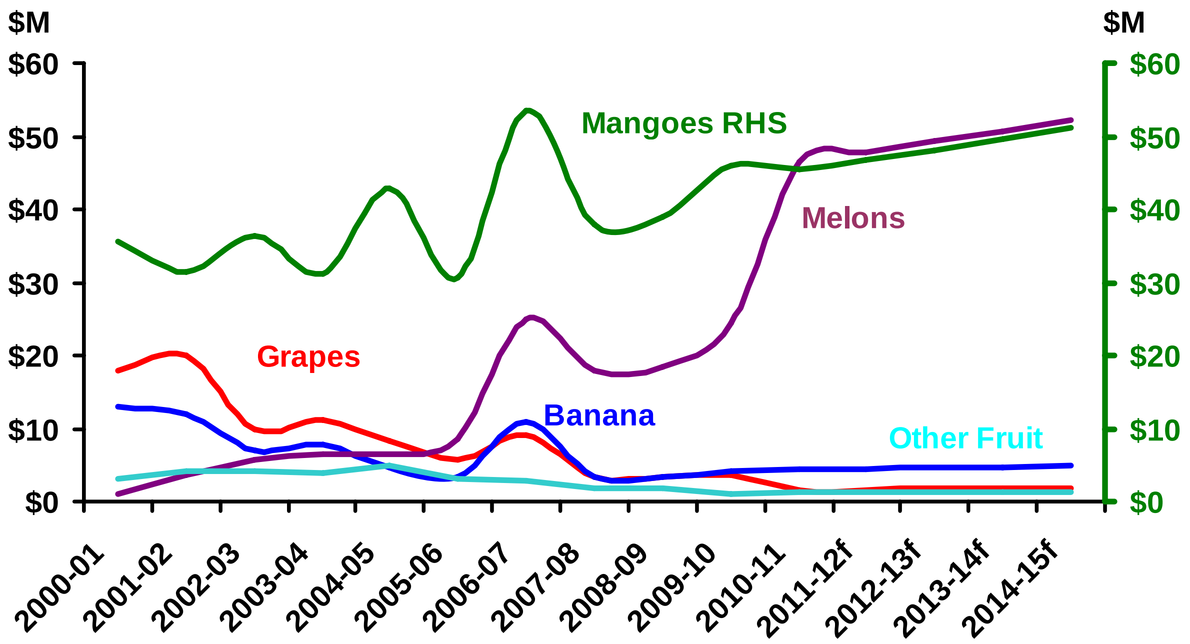
- 71.3% ($79.2 million) of total horticulture production is derived from fruit production. Mangoes and melons are the major wet crops grown in the Territory.
- Vegetables contributed 16.3% ($22.6 million) to total horticulture output.
- 12.4% ($17.2 million) of total Territory horticulture production is attributed to nursery and cut flowers.

Fruit

The main fruits produced in the Territory include mango, table grapes, bananas and melons.

- Fruit production was 24.9% higher in 2010-11 largely due to a major increase in melons and to a lesser extent mango, table grapes and bananas.

Figure15: Northern Territory Fruit: Value of Production 2000-01 to 2014-15



Source: Department of Resources 2000-01 to 2014-15, f = forecast

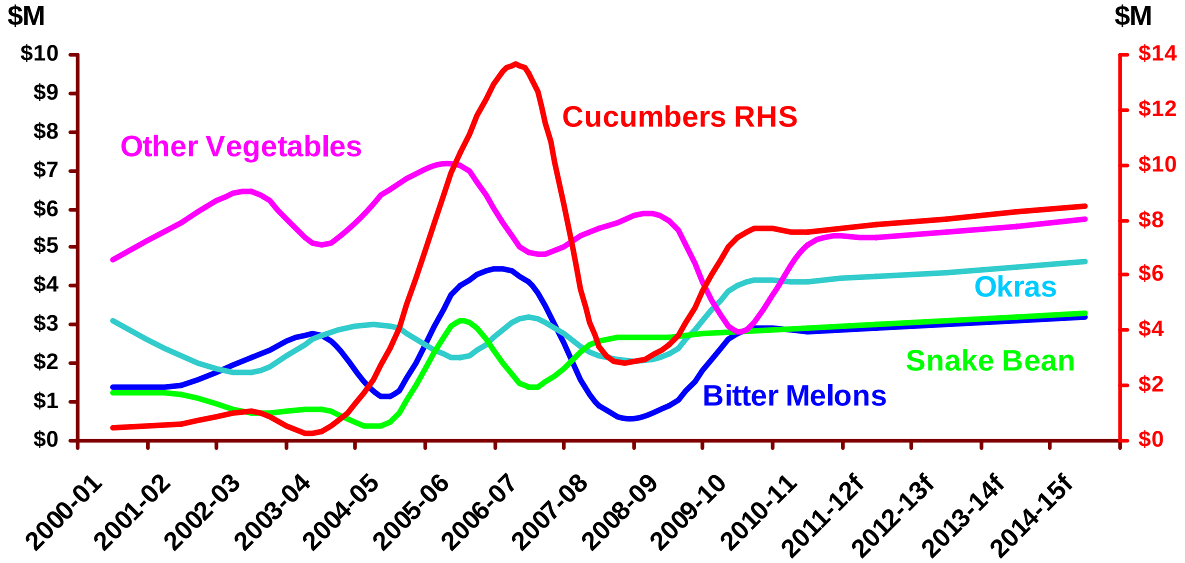
- Mangoes value of production decreased by 1.4% to $45.4 million in 2010-11.
- Mangoes output decreased by 1.6% to 17,801 tonnes.
- In 2010-11 melons increased by 90.3% to $46.4 million on the previous year.
- 58,238 tonnes of melons were grown in 2010-11, up 70.6% on 2009-10.
- Table grape production values were estimated at $1.6 million in 2010-11. This represents a 55.7% decrease on the previous period.
- 855 tonnes of table grapes were produced in 2010-11, down 15.6% on the previous year.
- In 2010-11 value of production of bananas increased by 3.0% to $4.3 million compared to $4.2 million in 2009-10.
- In spite of the ongoing issue of Panama Disease for the Territory's banana industry, output increased 3.0% to an estimated 2,336 tonnes.
- The production value of the Other Fruits category increased to $1.2 million in 2010-11 a rise of 30.0% on 2009-10 results, as output rose from 221 tonnes in the previous year to 462 tonnes in 2010-11.

Vegetables

The major vegetables produced in the Territory include cucumber, bitter melon, okra snake beans and pumpkin.

- Vegetable production was 14.2% higher in 2010-11 due to significant increase in pumpkin production and to a lesser extent cucumber, bitter melons, okra and snake bean.

Figure 16: Northern Territory Vegetables: Value of Production 2000-01 to 2014-15



Source: Department of Resources 2000-01 to 2014-15, f = forecast

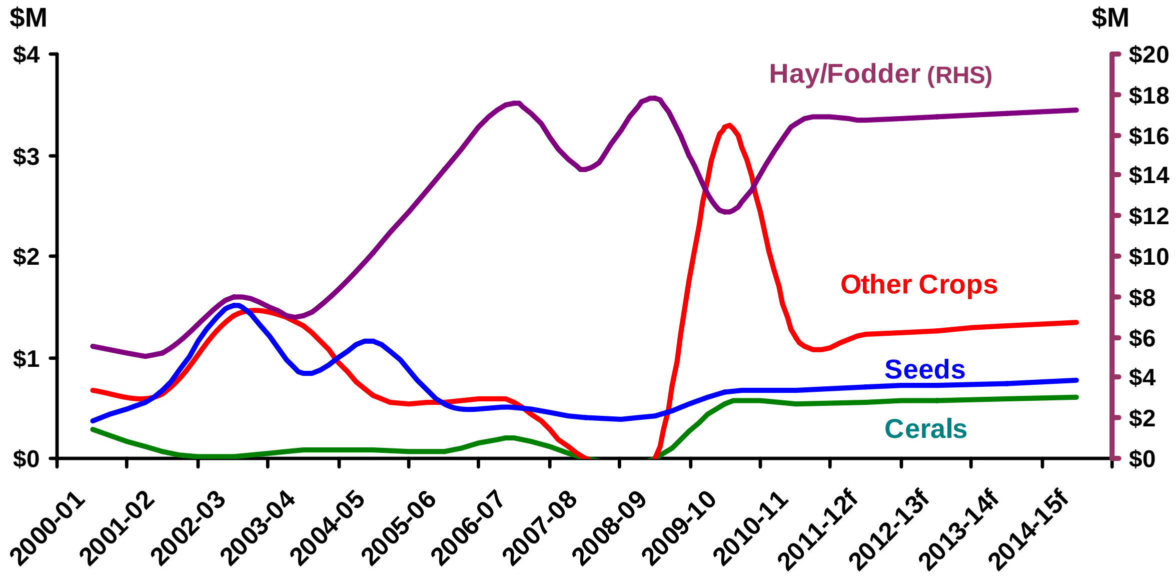
- Cucumber value of production increased to an estimated $7.6 million in 2010-11 up from $7.4 million in the previous year.
- Cucumber output increased to 2,601 tonnes in 2010-11 from 2,525 tonnes in the last year.
- In 2010-11 the value of production for Okra was estimated at $4.1 million, a rise from $4.0 million in 2009-10.
- 284 tonnes of Okra was produced in 2010-11, up by 3.0% in the previous year.
- Bitter Melon production values were estimated at $2.84 million in 20010-11. This represents a $0.08 million increase on the prior period.
- 553 tonnes of Bitter Melons were grown in 2010-11, up from 537 tonnes in 2009-10.
- In 2009-10 value of production of Snake Bean increased 3.0% to $2.9 million compared to $2.8 million in 2009-10.
- 553 tonnes of Snake Bean were produced in 2010-11, up from 537 tonnes in the previous year.
- The production value of the Other Vegetables category (driven by pumpkin) increased to $5.1 million in 2010-11 a rise of 82.0% on 2009-10 results. Other Vegetables output increased 67.6% from 2,040 tonnes in the previous year to 5,924 tonnes in 2010-11.

FIELD CROPS

Mixed farming includes hay/fodder, pasture seed production, cereal crops (sorghum, maize etc.) and other crops such as sesame and soybeans.

- Mixed farming contributed over 3.3% of the total value of Territory rural industries and fisheries production in 2010-11.
- The value of field crop production in 2010-11 was $19.0 million, a 13.8% increase from 2009-10.
- Hay/fodder production accounted for 87.3% ($16.6 million) of the industries production values.
- In 2010-11 there were increases in seed and maize production including cereal crops valued at $2.4 million.

Figure 17: Northern Territory Field Crops: Value of Production 2000-01 to 2014-15



Source: Department of Resources 2000-01 to 2014-15, f = forecast

FORESTRY

- The Territory Forestry Industry is establishing and is based on hardwood production for paper pulp on Melville Island, where 30,000 hectares of *Acacia mangium* are grown and timber production in the Douglas-Daly region where about 6,000 hectares of African Mahogany are grown.
- Due to the impact of Global Financial Crisis there have been changes in investment outlook. Despite the collapse of several high profile managed investment funds which owned large plantings of forestry, other companies are going ahead with their plans for the future.
- Value of production data at this stage is hard to source as companies are reluctant to provide data and NT data is aggregated into Australia wide information sets.

FISHERIES

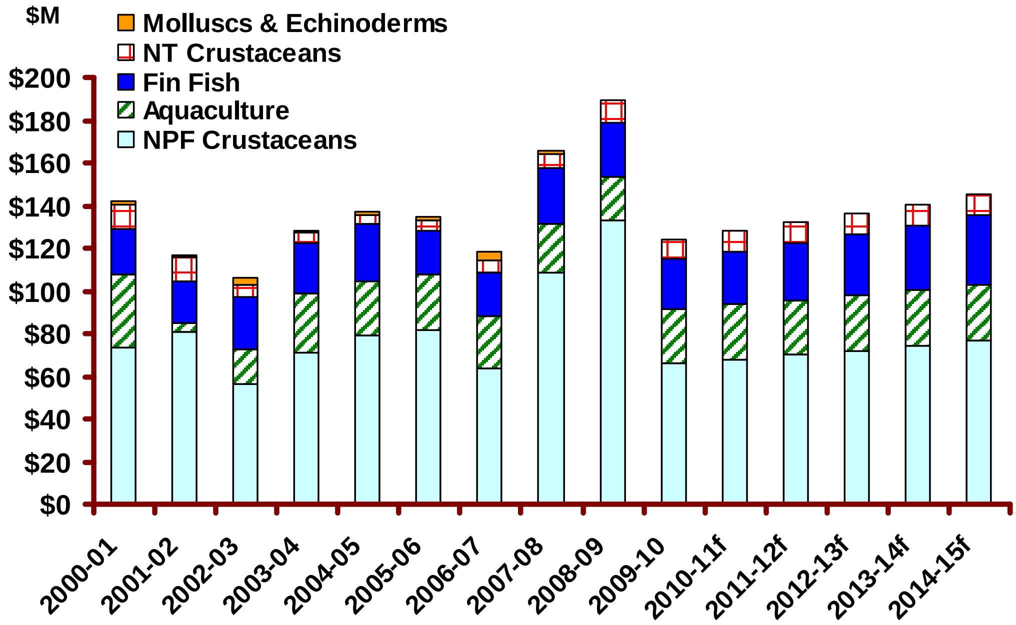
The Territory fishing industry encompasses the commercial, recreational and traditional Indigenous sectors. The commercial sector includes the harvesting of wild catch fisheries and aquaculture, as well as the processing, trade and retailing of seafood.

This downward value trend (see Figure 18 and Table 4) is also reflected in Territory fisheries, with the total value of fishing production in 2009-10 decreasing by 34.4%% to $124.3million, down from $189.6 million the previous year. This decrease is attributed mainly to production levels of the Northern Prawn Fleet returning to normal levels after a bumper catch in 2008-09.

Fisheries contributed an estimated 23.7% of the total 2009-10 value of Territory rural industries and fisheries production value.

- Fin fish production value is estimated at $23.5 million for 2009-10, a decrease of 7.5% on the previous year.
- The value of wild catch crustaceans production (wildcatch prawns and crabs) attributed to the Territory (including the Northern Prawn Fishery) decreased by an estimated 47.0% from $143.0 million in 2008-09 after a bumper catch, to an estimated $75.1 million in 2009-10.
- In 2009-10 the value of the prawn catches by the Northern Pawn Fleet (Commonwealth Fishery) is forecast to decrease by 50.4% to $65.8 million, which was coupled by a fall in wild catch crabs (Northern Territory Fishery) by 9.3% to $9.3 million.
- Total aquaculture production value increased by 21.9% to an estimated $25.5 million in 2009-10, up from $20.9 million for the previous year. This is primarily due to increases in pearl and barramundi production and to a lesser extent algae/aquarium production. No prawns were produced in 2009-10.
- The value of molluscs and echinoderms was estimated at $0.21 million in 2009-10, a 12.3% increase from $0.18 million in the previous period. This is due to increases in the trepang wild catch in 2009-10.

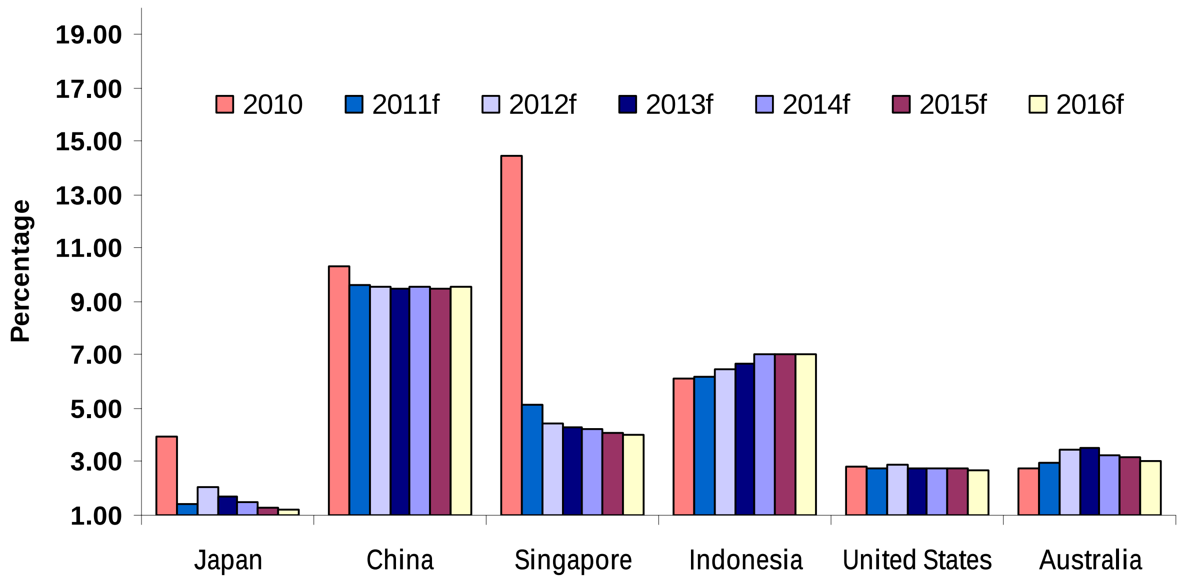
Figure 18: Northern Territory Fisheries: Value of Production 2000-01 to 2014-15



Source: Department of Resources 2000-01 to 2014-15, f = forecast. NPF = Northern Prawn Fleet

- South East Asia (namely Indonesia) remains a significant destination for Live Cattle exports with Japan, South Korea, and to a lesser extent Taiwan and the US for interstate movement of NT cattle.
- Other livestock is destined for South East Asian markets.
- The economies in South East Asia and domestic markets within Australia are destinations for seafood and horticulture.

Figure 20: NT Trading Partners GDP Forecasts 2010-2016



Source: Source International Monetary Fund, World Economic Outlook Database, April 2011 f = forecast

Northern Territory International Trading Partners: Exchange Rates

In 2010 the Australia Dollar has been appreciating across all the major currencies as demand for commodities grow and interest rates in Australia remain the highest in the global economy. A high Australia Dollar makes imported inputs for production cheaper but exports more expensive and less competitive.

Table 8(1) & (2): Exchange Rates of Northern Territory's International Trading Partners

First working day of the month (daily 4pm)	Mar 2010	Apr 2010	May 2010	Jun 2010	Jul 2010	Aug 2010
US - Dollar	0.90	0.92	0.93	0.84	0.84	0.91
Japan - Yen	79.97	85.62	86.97	76.43	73.90	78.51
Euro	0.66	0.68	0.70	0.68	0.68	0.69
Singapore Dollar	1.26	1.28	1.27	1.18	1.17	1.23
Malaysian - Ringgit	3.04	2.98	2.97	2.75	2.72	2.87
Taiwan - Dollar	28.75	29.09	29.04	26.95	27.00	28.87
South Korean - Won	1041.06	1033.93	1033.46	1015.97	1025.80	1063.44
Indonesia - Rupiah	8324	8304	7736	7718	7609	8127
Chinese - Renminbi	6.13	6.26	6.31	5.73	5.67	6.15

First working day of the month (daily 4pm)	Sep 2010	Oct 2010	Nov 2010	Dec 2010	Jan 2011	Feb 2011
US - Dollar	0.90	0.97	0.99	0.96	1.01	1.00
Japan - Yen	75.93	80.62	79.65	79.96	82.94	82.21
Euro	0.71	0.71	0.71	0.74	0.76	0.73
Singapore Dollar	1.22	1.27	1.27	1.26	1.30	1.28
Malaysian - Ringgit	2.82	2.98	3.06	3.02	3.09	3.07
Taiwan - Dollar	28.83	29.99	30.10	29.14	29.39	29.15
South Korean - Won	1067.63	1092.50	1102.72	1104.01	1132.91	1120.08
Indonesia - Rupiah	8109	8617	8815	8636	9065	9072
Chinese - Renminbi	6.13	6.46	6.60	6.38	6.67	6.62

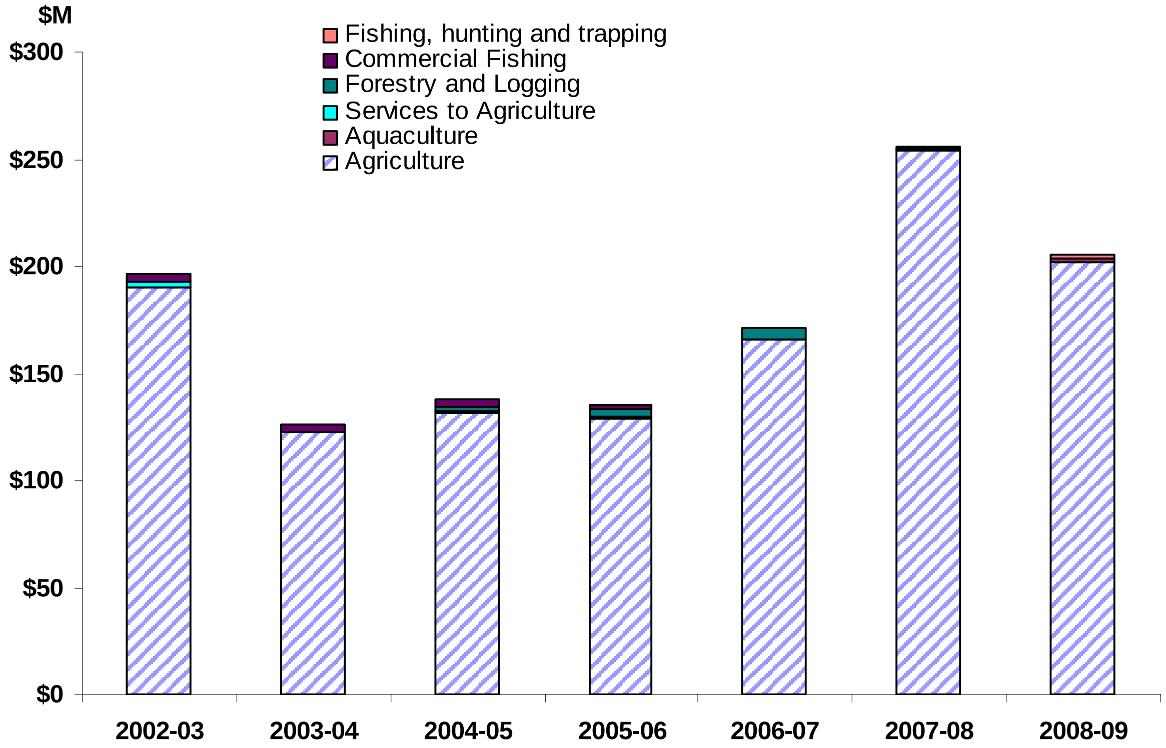
Source: Reserve Bank of Australia March 2010 to February 2011

VALUE OF TERRITORY EXPORTS

In 2008-09:

- Agriculture (mostly live cattle exports) was valued at $202 million down by 25.6% on the previous year.
- Aquaculture was worth $1.6 million up from $0.2 million in 2007-08.
- Forestry and Logging was worth $0.1 million, a decrease from $0.7 million in 2007-08.
- Fishing, hunting and trapping (includes Commercial Fishing exports historically exported from interstate ports) increased from $0.9 million for the previous year to $1.7 million.
- Services to Agriculture exports in 2008-09 were valued at $36,000.

Figure 21: Agricultural and Fishing Exports 2002-03 to 2008-09



Source: Australian Bureau of Statistics Cat. No. 1362.7 Regional Statistics, Northern Territory, May 2010 Exports 2002-03 to 2008-09

PUBLICATIONS

Information for Prospective Investors in Agricultural Enterprises in the Northern Territory
http://www.nt.gov.au/d/Content/File/p/pi/Agribro.pdf

DBE Annual Report 2010
http://www.nt.gov.au/dbe/corporate/annual_reports.html

Department of Resources Annual Report 2009-10
http://www.nt.gov.au/d/Content/File/p/AR/AR_2010.pdf

Fishery Status Reports 2009
http://www.nt.gov.au/d/Content/File/p/Fish_Rep/FR104.pdf

Northern Territory Rural Industries and Fisheries: Economic Outlook 2010
http://www.nt.gov.au/d/Content/File/p/pi/Economic_Outlook_2010.pdf

USEFUL LINKS

Australian Bureau of Statistics
http://www.abs.gov.au/

Australian Bureau of Agricultural and Resource Economics
http://www.abare.gov.au/corporate/about_us/about.html

Department of Business and Employment
http://www.nt.gov.au/dbe/index.html

Department of Resources
http://www.nt.gov.au/d/index.cfm

Northern Territory Agricultural Association
http://www.ntaga.org.au/

Northern Territory Cattlemen's Association
http://www.ntca.org.au/

Northern Territory Horticultural Association
http://www.ntha.com.au/

Reference Library – Economic Indicators (DBE)
http://www.nt.gov.au/dbe/economics.shtml#abs