

**Media Release**

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**A sustainable future for modern cotton in the Territory**

Approximately 1000 hectares of cotton is currently growing well in trial sites across the Northern Territory on five properties in Douglas Daly, Katherine and at Tipperary. Within a decade the industry could be worth at least $200 million and directly employ over 250 workers, say NT Farmers CEO Paul Burke.

Industry research and recent trials have shown that the Territory’s strong seasonal rainfall patterns in the wet season and high temperatures makes tropical ‘dryland’ cropping in Northern Australia very different to south eastern Australia, where cotton is traditionally sown during the cooler spring months. Mr Burke said that contrary to cotton’s reputation as a thirsty crop, Australia’s cotton industry is one of the most water efficient industries in the world, and the water requirement for cotton is considered middle of the range in agricultural crops.

“Water efficiency and conservation is a priority for every Australian farmer. Around 80% of a future NT cotton industry is estimated to be rain-fed farming systems, also known as dryland farming. The remaining 20 percent likely to be supplemented with irrigation due to variable nature of rainfall which uses around 2-3 mega litres water per ha as opposed to full irrigation which uses 6-7 mega litres per hectare. Thanks to better genetics and improved agronomy, modern Australian cotton growers now use 40 per cent less water to produce one tonne of cotton lint than 10-15 years ago, with an average irrigation requirement of 6-7 megalitres per hectare. Modern cotton is also genetically modified to reduce the impacts of pests, without heavy chemical use” said Mr Buke

Mr Burke said “The Australian cotton industry are global leaders in reducing reliance on chemicals having reduced pesticide use by 95 percent since 1993. Modern cotton varieties and modern agronomic methods have greatly reduced both chemical applications and crop water use.”

“Sustainable regional development is a priority for Northern Australia. Maturing of the agriculture sector in the Katherine region will bring significant long-term opportunities and outcomes. Cotton is a profitable and sustainable natural product and has the potential to become a reliable cornerstone crop for the Territory’s cropping industry” said Mr Burke.

“Australia is one of the world’s largest exporters of cotton with more than 90% of cotton produced being exported, generating an average of $1.9 billion in export revenue annually, and the Territory has an exciting opportunity to be a successful and sustainable player in this sector.

“In 2019, over 4,500 bales of cotton were harvested by five growers at successful trial sites across the NT and Kimberly regions. Forecasts suggest that up to 400,000 bales of cotton could be produced in the NT within the next decade, presenting huge opportunity for regional development and investment, and jobs growth in our region” said Mr Burke.

The NT Farmers Association last year engaged PricewaterhouseCoopers to conduct a feasibility study and business plan into the viability of a modern cotton industry in the Territory. The study suggests that a sustainable cotton industry in the Territory has the potential to contribute $15 million in the construction phase and then building up to $200m and will sustain an estimated 88 FTE jobs.

However, Mr Burke explains that to effectively achieve this scale of production, processing facilities need to be close to production sites which would be achievable with the establishment of nearby cotton processing facility (Cotton Gin), which is currently being considered as a part of the Northern Territory government’s Katherine Agricultural Precinct.

“The biggest barrier to developing a successful cotton industry in the Territory is the freight costs for processing cotton interstate, as well as biosecurity constraints. The development of a cotton gin would create a significant manufacturing investment in the region, creating jobs and ongoing training opportunities, as well as providing significant cost savings for northern growers and value adding to the Territory’s beef industry through local feed production” said Mr Burke.

Cotton research and cultivation has a long history in the NT, commencing in 1904. There have been numerous studies to grow cotton on a commercial basis, including a period of intensive research in Katherine by the NT Government, CSIRO and the Cotton Cooperative Research Centre between 1993 and 2006. In 2018, the Department of Primary Industry and Resources recommenced research at the Katherine Research Station to enhance understanding of disease and pest resistance, yield and fibre quality to support industry viability assessments.

**### ENDS ###**

***Photo:*** *Chris and Amanda Howie are growing 40 hectares of both dryland and irrigated cotton in the Douglas Daly region and are hoping to have the first cotton picked in July.*

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