



LIMESTONE ASSOCIATION OF AUSTRALIA INC.

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Submission to Productivity Commission re: Regulation of Australian Agriculture

The Limestone Association of Australia (LAA) represents the interests of producers of limestone products, particularly agricultural lime, in northern, eastern and southern Australia. Agricultural lime is an important naturally derived agricultural input used to combat acidity and improve soil productivity.

The LAA wishes to submit the following in relation to the future competitiveness of Australian agriculture.

- Mining and quarrying is a small footprint on the landmass of the continent and limestone both as agricultural lime and construction of economic infrastructure used in the supply chain is an important component of the agricultural sector.
- Imports of competing agricultural produce should be cut especially where imports threaten the ongoing viability of a sector and the social and economic structure of regions. Where imported or potentially imported products have quarantine issues around them, those products should be excluded until it is clearly proven that there would be no potential harm to the population or the agricultural production environment in Australia. The recent case which has involved restriction of imported tomatoes from Italy is a useful precedent in the current era.
- It is misleading in terms of Australia's food security to assert that "around two thirds of Australia's agricultural production is exported." (1). That figure might represent value added up the supply chain at export price, but farm gate value is the true indicator and several studies have demonstrated actual agricultural exports measured at farm gate represent a bit over 20% of farm production.(2)

This demonstrates that Australia doesn't feed the equivalent of multiples of its population overseas. Hence food security is an issue and barriers to sustainable and expanded production need to be addressed eg.

- Irrigation water needs to be available at affordable prices especially in times of drought. Water authorities should be responsible for setting prices at "normal profit" prices, not at prices where rents are sourced and cost of water is greater than cost of agricultural output. It is important for productive capacity to be maintained for when normal agricultural seasons occur.
- Proposals for new and expanded mines and quarries which service agriculture such as limestone and gypsum need to be expedited and not held up indefinitely over environmental and native title issues. Governments need to make decision timelines and enforce them.

(1) Issues Paper p.1

(2) Aust. Journal of Regional Studies vol.8, no, 2002, p. 143-164

Yours sincerely,

Peter McCluskey

Public Affairs Manager

Limestone Association of Australia Inc.

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