

Australia's Future Oil Supply and Alternative Transport Fuels

Submission to Senate Inquiry into Australia's Future Oil Supply and Alternative Transport Fuels

From:

The Australian Fodder Industry Association (AFIA)

The fodder industry

AFIA is the peak industry body for the Australian fodder industry. The fodder industry produces approximately \$1.3 billion worth – around 8 million tonnes – of hay, straw and silage each year. Our members are producers, contract balers, brokers, carriers, exporters and laboratories.

Most fodder produced is used domestically either on the farm on which the fodder was produced, or increasingly, hay is traded to the dairy and beef feedlot industries. Up to 700,000 tonnes of hay is exported each year.

Fodder is a generic term that refers to crops and pastures that have been cut or mown to be processed and stored as hay, straw or silage.

Alternative Fuel's relevance to the fodder industry

With the innovation of cellulosic ethanol, the potential use of fodder as a source for an alternative fuel could impact on the Australian fodder industry. The impact is yet unknown, but could be either positive in the form of new markets for fodder producers, or it could be negative as fodder available to service our existing markets becomes less available.

One form of fodder, baled straw – the residue of harvested grain crops, is of particular to our members. This product has variable demand from year-to-year. Any potential to stabilise demand for straw would be welcomed by our members.

Sustainability

The fodder industry is keen to manage its natural resources in a sustainable and environmentally friendly manner.

Reason for Submission

Given the potential to impact our industry, AFIA wants to be engaged in the debate on alternative fuels. Our aim in putting this submission forward is not to contribute to arguments for or against alternative fuels, but to be involved in the issue as it evolves in order to keep our members informed of progress made in this area. This submission will also provide stakeholders with an awareness of our association. We

offer our association as a conduit for any future development that may eventuate with bio fuels in Australia.

We look forward to following the development of this issue.

Colin Peace
Executive Officer
Australian Fodder Industry Association
PO Box 4022,
Balwyn, Vic, 3103
Phone: 03 9890 6855 Fax: 03 9890 2353
Web: www.afia.org.au Email: colin@afia.org.au