

## Pastures for prosperity — Seeds forum.

### 6. What we want from the seed industry in the future — a merchant's viewpoint

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The tropical seed industry has experienced continual change over recent years for 2 reasons:

- the ongoing drought, which in some areas is now in its fifth year; and
- the unpredictability of the beef market, due in part to world market pressures, and in part to grazing pressures caused by the drought.

The continuation and severity of the drought have led to caution amongst graziers about pasture improvement. There is a general belief that graziers will wait until they are sure that the drought has finally broken before we see strong demand for many of the tropical pasture seed species.

Over recent years, due to the decreasing demand for tropical pasture seed, we have seen continual change within the seed industry, with some merchants contracting and other seed merchants diversifying into other activities. This continual change has led many members within the Seed Industry Association (SIA) to question the direction of the SIA. This has resulted in the formation of a group within SIA called the Australian Tropical Seed Group.

This group has undertaken a review of the Tropical Seed Industry in Queensland to look at the size of the industry and potential areas for expansion. It was found that approximately 500 000 ha are sown to improved tropical pastures each year. This figure could vary depending on seasonal conditions and the prices of basic commodities such as beef and wool. If we were to work on an average planting rate of 2 kg/ha with an average cost of \$7–9/kg, this would put the value of the domestic tropical seed industry at around \$7–10 M.

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Production figures for grasses and legumes (see Appendix 1) compiled by Dr John Hopkinson and members of the seed industry have derived a value of \$14.41 M (grasses \$10.2 M, legumes \$4.2 M). Production over recent years is likely to be below these figures as industry members included their likely seed production if seasonal conditions return to normal. Over recent years, due to drought, the total size of the industry including export is more likely to be \$10–13 M.

Whilst these figures are only best guesses, we must face facts. The Tropical Seed Industry is a small industry, but a vital one. Its greatest contribution must be seen in the wider scope and the important part it plays in the production of the beef industry.

From a merchant's point of view, we want to see a strong stable seed industry with more-or-less stable demand year-in and year-out. This is unlikely to happen due to Queensland's unreliable rainfall and the fact that many of the grass species are harvested as opportunity seed crops. This means that supply will fluctuate dramatically from year to year.

The Tropical Seeds Group investigated areas for expansion of the seed industry and concluded that there was a need to make better use of the available species. However, there is room for new species to fill niche markets.

These included:

- an alternative legume to the stylos for central and northern Queensland to provide the security of greater diversity; and
- a legume to use with tropical grass species in the dairying districts.

One of the important conclusions was the need to contribute funds for seed research. It was acknowledged that the seed industry, for too long, had been ignoring the fact that seed producers and seed merchants had not contributed to research. Some years ago, a voluntary levy was proposed, but this did not get off the ground due

to the feeling that the levy would be paid by only a few members of the seed trade, and the vast majority of the seed sold would not attract any levies, particularly in the case of over-the-fence sales. Also, at that time, any compulsory levy would have had to be a national levy and a strong section of the temperate seed producers were strongly opposed to any compulsory levy. This position has now changed and we believe a compulsory levy can be implemented on tropical pasture species. This led to a recommendation, at the last meeting of the Tropical Seed Group, that it would seek an endorsement for a compulsory levy for tropical pasture seeds at the next SIA convention in September.

We envisage there will be problems with the collection of any levy, as a large portion of the seed sold is sold over-the-fence between graziers and monitoring the quantities of seed sold will always present a problem. The levy, if implemented, would be collected at the first point of sale, and if a merchant was involved, the merchant would be responsible for collection of the levy. In the case of farmer-to-farmer sales, the seller would be responsible for collecting levies.

The other aims of the Tropical Seed Group are to offer our services as a group in an advisory sense to the seed industry, and to offer moral support to research organisations.

As I outlined earlier, the tropical seed industry has contracted, and the amount of seed of open-traded lines, compared with proprietary lines sold by seed merchants, is also likely to contract further as:

- more merchants obtain proprietary material;
- with the deletion of minimum standards of tropical seeds, more seed is likely to be sold across-the-fence, uncleaned and untested. Many graziers do not understand purity standards of the various grasses, so they are unlikely to place a high level of importance on purity, except if prohibited weeds are present; and
- in harsh economic times, there is always a tendency to sacrifice quality for price.

In conclusion, from a merchant's point of view, we would like to see a strong seed supply by a number of professional seed producers, producing high quality seed. We believe that the seed industry will suffer if any further cuts are made in research, and that the industry will continue to contract if we continue to lose our experienced pasture scientists. The Tropical Pasture Group must make

a strong effort to implement a compulsory levy on all tropical pasture seed as soon as possible.

## Appendix 1

Tropical pasture seed production in Queensland (estimates by Dr John Hopkinson, John Hay, Bob Northway, Phil Smith and John Fuller)

| Legumes                                       | Average (tonnes)     |
|---|----------------------|
| Seca stylo                                    | 150                  |
| Verano stylo                                  | 70                   |
| Amiga stylo                                   | 10-20+               |
| Siran stylo                                   | 10-20+               |
| Lablab  | 600+                 |
| Cowpea (as green manure)                      | 300+                 |
| Siratro                                       | 20                   |
| Greenleaf desmodium                           | 2-3                  |
| Glycines                                      | 30                   |
| Lotononis                                     | 1                    |
| Jointvetches (Glenn, Lee)                     | 50                   |
| <i>Stylosanthes guianensis</i>                | 0-1                  |
| Leucaena                                      | 10                   |
| <i>Clitoria ternatea</i>                      | 2                    |
| <i>Arachis pintoi</i>                         | 3-5                  |
| Calopo  | 1                    |
| Wynn cassia                                   | 10                   |
| <i>Centrosema pascuorum</i>                   | 2-5 in NT            |
| <i>Centrosema pubescens</i>                   | —                    |
| Desmanthus                                    | 7                    |
| Archer axillaris                              | 1                    |
| <i>Vigna parkeri</i>                          | 0.2                  |
| Silverleaf desmodium                          | —                    |
| <i>Desmodium heterophyllum</i>                | —                    |
| Puero   | —                    |
| Safari white clover                           | —                    |
| Andropogon                                    | 2-8                  |
| <i>Bothriochloa insculpta</i> (Bisset, Hatch) | 20-30                |
| <i>Bothriochloa pertusa</i>                   | 5                    |
| <i>Brachiaria decumbens</i>                   | 100                  |
| <i>Brachiaria humidicola</i>                  | 30                   |
| Para grass                                    | 1                    |
| Buffels                                       | 300-500 <sup>1</sup> |
| Callide rhodes                                | 60-120               |
| Pioneer/Katambora rhodes                      | 200-300 <sup>1</sup> |
| Blue couch                                    | 2-3                  |
| <i>Digitaria milanijana</i>                   | 0.5                  |
| Hymenachne                                    | 3                    |
| Molasses grass                                | 0.5                  |
| <i>Panicum coloratum</i>                      | 30-50                |
| Common guinea                                 | 10 <sup>1</sup>      |
| Gatton panic                                  | 40                   |
| Green panic                                   | 80-100 <sup>1</sup>  |
| <i>Paspalum plicatulum</i>                    | 1-2                  |
| <i>Paspalum dilatatum</i>                     | 20-25                |
| Kikuyu  | 40-50                |
| Bahia grass                                   | 4                    |
| Purple pigeon grass                           | 40-60 <sup>1</sup>   |
| Setarias                                      | 50-100               |
| Urochloa                                      | 20-30                |
| Silk sorghum                                  | 300-500 <sup>1</sup> |

<sup>1</sup>These species tend to be produced as opportunity crops.