The Minister for Primary Industry and Fisheries Peter Toyne today announced government funding of $145,000 over four years to assist the development of the Territory’s peanut industry.

Dr Toyne said the funding included: travel assistance of up to $10,000 per annum for specialist agronomists from Queensland to travel to the Territory; a one-off payment of $10,000 for receival facilities in Katherine; and, $95,000 over four years to support the purchase of specialist peanut processing equipment for the local industry.

"The major peanut marketing company in Australia, the Peanut Company of Australia (PCA), will provide expert agronomic research and extension to growers in collaboration with Department of Primary Industry and Fisheries staff," he said.

"The Katherine region is a key centre for agricultural development in the Territory, with suitable soils and good water supplies.

"Apart from cropping as part of a mixed farming enterprise, irrigation of specialist crops such as peanuts is showing promise.

"While peanuts have been grown in the Territory since the 1920’s, it is only recently that they have been grown under irrigation.

"Previously, they were grown in the wet season and depended on rainfall for their growth, however research and commercial experience have shown that peanuts grown under irrigation during the dry season promise the best returns."

Dr Toyne said the establishment of a receival facility at the Katherine Grain Depot by the PCA was a major initiative in the development of a peanut industry in the region.

The Managing Director of PCA Bob Hansen said the company was keen to support the development of a peanut industry in the Territory.

"We are looking forward to working in collaboration with the Northern Territory Government and growers and will work actively to encourage more farmers to take up peanut production," he said.

Dr Toyne said Dick Smith’s Aussie Made initiative had prompted the PCA’s move north.

"Peanuts grown in the Northern Territory are counter seasonal to the south, ensuring a more regular supply of Australian grown nuts," he said.

PCA, which handles over 80 per cent of the Australian peanut crop, will establish a storage and drying facility in Katherine and receive crop at prices equivalent to the main receiving centre of Kingaroy in Queensland.

Growers in the NT have previously had to pay the freight to get their product to Kingaroy.