



Advancing Rural Queensland

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## AgForce Urges Fuel Excise Rethink

AGFORCE Queensland has today strongly urged the Federal Government not to impose yet another unsustainable input cost on primary production through the implementation of increased fuel excises.

The call comes following reports there are plans for the reintroduction of a six-monthly indexing of the fuel excise which currently stands at 38.1c per litre. It is believed proposed changes to indexation across the excise could result in the addition of two-and-a-half to three cents to the cost of fuel per litre in the first year.

AgForce General President, Ian Burnett, said in a state as vast as Queensland, transport and freight costs already made up a sizeable component of production costs and imposes on rural communities and families.

“Furthermore, recent years have seen the costs of a range of other agricultural inputs rise dramatically to place enormous pressure on broadacre agriculture while clearly damaging its efforts to remain profitable and competitive,” Mr Burnett said.

“To increase the price of fuel would only put pressure on our ability to compete with other global suppliers of food and fibre.

“Our members, as primary producers, are price takers with no way of passing these expenses on.”

Mr Burnett said that while the rural sector understood the difficult budgetary challenges before the Government, and the need to reduce debt, an increase in primary production input expenses would ultimately only constrain economic activity.

“We know that as investment in the mining and resources sector wanes, agribusiness will become one of the drivers and leaders of the economy, particularly as the Asian middle class and demand for high quality protein grows.

“To place further cost burdens on agriculture at this time of great opportunity surely diminishes our capability to seize such opportunity and best contribute to the national economy.”

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**Who is AgForce?** AgForce represents thousands of Queensland broadacre producers who recognise the value in having a strong voice. AgForce leads the way to ensure agriculture's social, economic and environmental contribution is recognised by all levels of government. AgForce works alongside landholders, encourages and supports the next generation, builds industry partnerships and skills and promotes agriculture - for secure, sustainable, progressive and profitable food and fibre into the future.