



Advancing Rural Queensland

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Election Promises Largely Upheld in Budget, Small Cuts Concerning

ELECTION promises pertaining to agriculture made by the Abbott Government appear to have been upheld in tonight's Federal Budget despite a series of small trimmings that would impact on the sector.

AgForce General President, Ian Burnett, said given the tough budgetary challenges before the Government, there were no surprises in the announcements made by Treasurer Joe Hockey.

"As an industry we are acutely aware of the debt our country must contend with and the need for fiscal responsibility at this time," Mr Burnett said.

"For this reason we acknowledge the Government has honoured the majority of its election commitments and are additionally heartened by a commitment to investment in infrastructure amounting to \$11.6 billion to work towards boosting total infrastructure investment by Commonwealth, State and Local Governments as well as the private sector to more than \$125 billion by 2019-2020.

"This will include development of the second Toowoomba range crossing and we would clearly hope this funding would also be channelled to other infrastructure that would benefit agricultural productivity.

"While we are concerned the re-indexation of the fuel excise will add costs to our regional communities we acknowledge the off-road diesel fuel rebate will also reflect that increase following strong lobbying by both AgForce and the National Farmers' Federation.

"Additionally, given around 80 per cent of Queensland is in drought, we are relieved to see a continued commitment to drought assistance funding."

However, a series of funding reductions and some uncertainty surrounding how a number of key initiatives will be progressed raised concern.

"We do have concerns about maintaining the ongoing efforts to raise productivity in the sector and lifting agriculture's contribution to the economy at a time when there are enormous opportunities presented from the growing Asian middle class.

"This includes how the findings of the Government's Agricultural Competiveness White Paper will be funded including the delivery of new policies to boost agricultural production and profitability.

"Cuts to funding of the CSIRO, the RIRDC and changes to the Cooperative Research Centre model also raise questions as to how research and development for the rural sector will continue to be delivered effectively.

“Another key point of concern is lack of information as to how the new national Landcare scheme will be funded and operate and what monthly Pay As You Go requirements will be for trusts and sole traders.

“While overall this budget could have been far worse for agriculture, given our industry experiences close to the lowest level of support in the OECD, and challenging conditions including drought and rising production input costs, it is important a clear focus remains on the sector by our policy makers.”

Ends

For media enquiries, contact

AgForce media and communications: Stacey Milner 0418 733 102 or milners@agforceqld.org.au

Nadine Long 0427 626 853 or longn@agforceqld.org.au

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.