



*Australian Dairy Industry Council Inc.*

## Media Release

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**Friday 20 June 2014**

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**Carbon tax must be removed sooner rather than later: ADIC**

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**For immediate release**

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The [Australian Dairy Industry Council \(ADIC\)](#) is calling on the Federal Parliament to repeal the Carbon Tax without further delay.

ADIC Chair, Noel Campbell, said the release today of the [provisional 2013/14 carbon tax liability numbers](#) by the Clean Energy Regulator highlighted the dairy industry's arguments in favour of repeal.

"The dairy industry is committed to reducing carbon emissions, however the carbon tax has added to the cost of production for dairy farmers and processors, and makes our costs out of line with our key international competitors," Mr Campbell said.

"We have significant potential to grow as an industry and create jobs in food production and manufacturing, however to take advantage of international demand, we need the dead weight of the carbon tax lifted off us."

Mr Campbell said for the typical dairy farm, the carbon tax is adding an average of \$1,365 to the electricity cost of running the dairy shed each year, and up to \$6,980 for some larger farms.

"This is in addition to farmers paying more for electricity for their irrigation systems as well as the direct cost faced by milk companies," he said.

"For example, Devondale Murray Goulburn (MG) incurs an annual carbon tax cost of approximately \$14 million. As part of a trade-exposed industry dairy companies like MG cannot recoup this cost from the market, therefore directly impacting dairy farmer suppliers."

Mr Campbell said the dairy industry is not immune to a changing climate and the ADIC supports global efforts to reduce emissions across all sectors.

"The dairy industry has committed to reducing its emissions intensity under the [Australian Dairy Industry Sustainability Framework](#) and we are contributing to these global efforts through a number of initiatives," he said.

"We expect the Federal Government to meet its commitment to reduce emissions and to make sure its investment in Direct Action and other programs achieves this outcome."

Mr Campbell reminded opposition and minor political parties that the removal of the carbon tax was a key Coalition election commitment.

"While we respect differing views, there can be no doubt the Coalition sought and received a mandate from the Australian people to remove the carbon tax."

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