

Australian Dairy Farmers Limited
Level 2, Swann House
22 William Street
Melbourne Victoria 3000

Phone +61 3 8621 4200
Fax +61 3 8621 4280

www.australiandairyfarmers.com.au

ABN 76 060 549 653

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Federal budget delivers relief for dairy farmers

For Immediate Release

TAX relief and support for business investment are two of the biggest windfalls in a federal budget that has been largely favourable for dairy farmers.

Australian Dairy Farmers praised Treasurer Scott Morrison for delivering measures that will reduce households' tax burden, increase exports and supply chain efficiency, maintain market access and reduce the cost of agriculture production.

ADF President Terry Richardson commended a 12-month extension of the Government's instant asset write-off scheme, which allows small businesses with an annual turnover under \$10 million to immediately deduct purchases of eligible assets costing less than \$20,000.

"The Government's accelerated depreciation scheme is helping to secure the future of agriculture because when farmers invest in upgrading their businesses, entire communities benefit," he said.

"We've been given one more year of the scheme, but what we really need is for it to be extended in perpetuity to ensure real benefits for rural businesses."

More winners in the budget included:

- **Biosecurity**, which will receive an \$86.6m four-year investment to develop a national action plan for dealing with priority pests, \$102m to manage biosecurity risks before and at the border, \$6.6m for research and development, and \$6.6m to manage the impact of established pests and weeds on agriculture
- **Trade**, which will get a \$51.3 million four-year investment to boost market access opportunities for agriculture and food exports, with an additional \$15.7m per year in funding after the forward estimates; and
- **Irrigators**, with the Government allocating \$226 million in grant funding and \$50 million in concessional loans to projects which will help ensure farmers can access the water they need.

The Government also earmarked \$24.5 billion for an infrastructure blitz in new major transport projects and initiatives across the country, while a combined \$472m will be used to top up funds to support regional infrastructure projects and community investment.

"There is a long list of rural infrastructure priorities that will improve opportunities for Australia's multi-billion-dollar agriculture industry," Mr Richardson said.

"It's great to see the federal Government put such emphasis on infrastructure projects but we still need to ensure rural communities see the benefit."

Communities in South West Victoria still recovering from bushfires that lashed the region in March will receive \$1.5 million in disaster relief funding to help primary producers undertake clean-up activities.

"It has been a difficult few months for communities in the Barwon South West region of Victoria and this funding will go some way to assisting the recovery effort," Mr Richardson said.

Mr Richardson said ADF had concerns that the Government did not commit to boosting the successful Mobile Black Spot Program to improve telecommunications infrastructure in regional and remote communities.

“Poor mobile phone coverage and connectivity is still a major problem for many rural communities and one the Government must continue to address,” he said.

Mr Richardson said the farmer group would continue to ensure the interests of dairy farmers were considered as the federal Government heads into an election year.

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For further information, contact:

Ashley Mackinnon

Media & Communications Manager, Australian Dairy Farmers

Tel: 0447 161 919

Email: media@australiandairyfarmers.com.au