



## MEDIA RELEASE

### Something for farmers but not enough for processors

The Tasmanian State budget released today provides some good news for farmers, but not much for the companies that process farm produce.

This is the view of the Tasmanian Farmers and Graziers Association, following examination of the fine print in budget documents provided to it by the Government today.

TFGA Chief Executive Officer, Greg Bradfield, said that the Association is pleased that the Government has delivered on election promises made under its SMART Farming policy, but expressed disappointment that there was not more positive encouragement for processors who provide many of the markets for farming.

“SMART Farming contained a commitment by the Government to spend some \$22 million over the next four years on a range of programs, and was put together in response to urging by the TFGA.”

“An important element of SMART Farming are a commitment to \$6 million to be spent on improved research and development capacity, in the Tasmanian Institute of Agricultural Research, and at the Forthside and Elliot research farms. The budget has delivered on this.”

“Also important was a promise of \$7.5 million on water resource development program. The budget has delivered on this too.”

“The Government also said it would improve biosecurity capacity in the state, and \$4 million has been committed to this over 4 years.”

Finally, Mr Bradfield said that the industry welcomed delivery on a promise to help young farmers access capital, through assistance with interest payments.

But according to Mr Bradfield the budget is a disappointment when it comes to removing downstream impediments in farmer markets.

“In particular it is disappointing to see a lack of any tax relief for businesses like meat, dairy and vegetable processors, through payroll tax reductions or land tax costs.”

“At the end of the day, if processors cannot afford to invest, or even operate, in Tasmania, there is limited value in encouraging more farm production. Farming is one part of a value chain. If other parts of the chain are not competitive, gains for farmers represent a mirage.”

**ENDS**

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