



NSW IRRIGATORS' COUNCIL

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Submission to Treasury on *Tax Laws Amendment (Small Business and General Business Tax Break) Bill 2009*

090309

Andrew Gregson
Chief Executive Officer

Member Organisations: Bega Cheese Limited, Border Rivers Food & Fibre, Coleambally Irrigation Co-Op Ltd, Cotton Australia, Gwydir Valley Irrigators' Association Inc., Hunter Valley Water Users' Association, Lachlan Valley Water, Macquarie River Food & Fibre, Murray Irrigation Limited, Mungindi-Menindee Advisory Council, Murray Valley Water Diverters' Association, Murrumbidgee Groundwater, Murrumbidgee Horticultural Council Inc., Murrumbidgee Irrigation Ltd, Murrumbidgee Private Irrigators' Inc., Namoi Water, NSW Farmers' Dairy Committee, NSW Farmers' Association, Ricegrowers' Association of Australia, Richmond Wilson Combined Water Users Association, Riverina Citrus, Southern Riverina Irrigators, South Western Water Users', West Corugan Private Irrigation District, Wine Grapes Marketing Board.

Introduction

NSW Irrigators' Council (NSWIC) represents more than 12,000 irrigation farmers across NSW. These irrigators are on regulated, unregulated and groundwater systems. Our members include valley water user associations, food and fibre groups, irrigation corporations and commodity groups from the rice, cotton, dairy and horticultural industries.

This document represents the views of the members of NSWIC. However each member reserves the right to independent policy on issues that directly relate to their areas of operation, or expertise, or any other issues that they may deem relevant.

General Comments

It is our understanding that the Bill will provide a tax incentive for investment in new plant and equipment as part of the “stimulus package”.

We further understand that such incentive will not, in fact, be available for plant and equipment associated with irrigation.

In the broader context, we submit that it is inappropriate to exclude the irrigation sector from such investment incentive. As Treasury is no doubt aware, agriculture continues to be one of the driving forces of the Australian economy, with irrigated agriculture an important contributor to that. It is therefore appropriate that investment in this sector be promoted at least to the same level as other industry sectors. In the alternate, it is inappropriate that this sector be specifically excluded.

In a more specific context, the Australian Government has a clear policy objective to ensure the upgrading of irrigation infrastructure in the Murray Darling Basin and, indeed, across Australia. It is clearly contradictory, then, to exclude a broader incentive from a sector that the Government specifically wants to invest in upgraded plant and equipment.

For those reasons, NSWIC submits that plant and equipment for irrigated agriculture ought not be excluded from the Bill.

Andrew Gregson
Chief Executive Officer