

As a farmer with good and bad income years I rely heavily on Farm Management Deposits to equalize my income and tax liabilities. In good years I deposit extra income into the Farm Management Deposit Account in the bank and therefore get a tax deduction for that deposit. On a low income year, such as a drought year, I can withdraw any amount of my deposits providing it has been in the account for at least twelve (12) months and then pay tax on it and use the monies to finance the sowing of a crop or I can accumulate a number of years of extra income to purchase new farm equipment. Most single items such as tractors, headers, sprayers and seeders now cost \$400,000-500,000 each.

If Australia's banking system is not changed to a full Glass-Steagall banking separation, with emphasis on the full separation, a lot of primary producers including myself will not be able to continue farming if we cannot be guaranteed that we can access our own savings when we want to and need to.

Farmers are an ageing population and no young farmers can start off farming unless they can get low cost finances for 20-30 years. Our costs are just too high for the monetary rewards we get for what we produce. Farming is a very high risk occupation especially when we are getting more dry years than previously.