



NSW Farmers' Association Policies - State Taxes and Energy

State Taxation (May 2015)

That the Association strongly oppose:

a. Land Tax

- (i) Any increase to the tax burden for farmers due to the mere ownership of land (economic rent from natural resources and land) through a widening of the Land Tax base

b. Stamp Duty

- (i) Any increases in either the rate or the application of stamp duty on both:
 - (a) Business operating transactions (insurance, hire purchase, finance, hire arrangements, motor vehicle transfers), and
 - (b) Business sale or transfer (assets).
- (ii) The principle of imposing a tax on a tax, ensuring that stamp duty is calculated on the GST exclusive value of transactions.

c. Insurance Taxes

- (i) Removal of all specific taxes on insurance products

That the Association strongly support:

a. Stamp Duty

- (i) The abolition of stamp duty on both:
 - (a) Business operating transactions (insurance, hire purchase, finance, hire arrangements, motor vehicle transfers) and
 - (b) Business sale or transfer (assets).

b. Payroll Tax

- (i) The removal of payroll tax from all small business in rural and regional areas.

Stamp Duty Exemption Policy (September 2016)

That NSW Farmers lobby the NSW Government to introduce a stamp duty exemption scheme similar to the First Home Buyers Exemption Scheme for the benefit of young farmers purchasing their first farm with eligibility not to be limited by prior participation in a farming enterprise.

Energy Statement (October 2017)

The Association supports sustainable, reliable and efficient energy production which is affordable for farmers.

The Association recognises the need to move to other energy supplies as fossil fuels deplete and seeks appropriate research and development to aid that transition. It is critical that research and development, and any associated subsidies, are well targeted and do not inappropriately distort the market. In this respect, we call for comprehensive and up-to-date research into Australia's present and future energy needs, addressing conventional and renewable energy options, distribution infrastructure and the potential for off-grid energy supply in regional and remote areas.

In terms of reliability, it is important to ensure a diversified fuel supply and the Association supports making more funds available for research and development of alternative fuels. The biofuels industry should be part of a diversified energy supply through lobbying to ensure restrictive regulated trade practices are removed; and research into opportunities for bio-fuels to participate in the agricultural growth economy.

Further the Federal and State Governments and the Australian Competition and Consumer Commission (ACCC) should:

- Ensure adequate port access and adequate on shore facilities are available to ensure adequate fuel security,
- Monitor the pricing of fuel and take action to stop collusion in setting fuel prices,
- Take action to maximise open competition in the fuel marketplace, particularly in rural and regional areas,
- Consider a domestic reserve scheme and/or expansion of storage capacity.

In respect of affordability, it is vital that the Australian Energy Regulator ensures that;

- Wholesalers manage their networks so that they operate efficiently with costs distributed fairly to those on the ends of the reticulated system
- Tariffs are applied which are fair for rural consumers, including provision of a specially designed tariff for those who produce food and fibre.

Further, following the privatisation of large parts of the electricity network in NSW, it is critical that the State Government does not take large dividends from the remaining, government-owned and operated network. Profits should be reinvested into the network to ensure that the infrastructure is reliable, fit for purpose and delivers appropriate services to regional customers and businesses. Costs should be distributed fairly to those on the ends of the reticulated system.

Noting that the Government has signed up to the Paris Agreement and has committed to cut emissions to 26-28 per cent below 2005 levels by 2030, the Association does not support a 'carbon tax' and holds that any potential, future scheme to price emissions should exempt farmers (and compensate them for any flow-on affects) on the basis that a competitive agricultural sector is vital and in the national interest.

The Association supports the retention of the Fuel Tax Credit scheme on the basis that the tax was designed as a road infrastructure funding mechanism; and the credit provides critical relief to farmers who have no other option but to use diesel. Further, when used off road, it does not contribute to wear and tear of roads.

Fuel and Energy Policy Statement (October 2017)

That the Association adopt the following specific energy policies as part of the energy statement of the NSW Farmers' Association. In particular it is our policy to:

1. Oppose the continuation of the Renewable Energy Target (RET), particularly the Large Renewable Energy Target (LRET), as it disadvantages small-scale distributed generation capacity.
2. Not oppose a Clean Energy Target (CET), as it is technology neutral (fossil fuels could potentially meet scheme requirements), hence is most cost effective way to meet emissions target.
3. Require any CET to have a firm end date, where investment in generation can be governed by market forces and without subsidy.
4. Fully support mechanisms that place a reliability obligation on variable generation capacity (i.e. renewables) to ensure they pay their fair share in terms of addressing the reliability issues they cause.
5. Fully support mechanisms that avoid the messy and unplanned retirement of fossil fuel generators.
6. Support full price disclosure from retailers, and IPART review to investigate competition issues in regional markets.
7. Establish a \$5 million p.a. agriculture-electricity innovation fund and agriculture-NSW Government-electricity industry working group to identify more cost effective ways of electricity delivery (make sure regional NSW gets fair share of the 2% Climate Change Fund levy)
8. Utilise working group to investigate more appropriate tariffs for agricultural users.