

Sheepmeat industry rejects carbon tax

Sheepmeat producers in Australia will endure a 16 percent loss in business revenue under the Government's proposed carbon tax, independent research released by Sheepmeat Council of Australia and the National Farmers' Federation (NFF) shows.

The independent research, conducted by the Australian Farm Institute, shows that under a carbon tax price of \$35 per tonne, an average Australian sheepmeat producer would have more than \$6,000 in extra costs added into their businesses five years after the introduction of a carbon tax. Those in NSW would be slugged with an extra \$7,900 in additional costs, while those in WA are set to be hardest hit with over \$9,100 in costs.

"Australian farmers will suffer under the proposed carbon tax and this is not something the industry is going to take lying down," NFF President Jock Laurie said.

"This is about ensuring the long term sustainability of an industry that is charged with feeding Australia and the world. Sheepmeat contributes \$2.4 billion to the Australian economy, employs over 106,000 workers at the farm, processing and retail levels and is the livelihood for more than 10,000 producers and their families - and it is these hardworking Australians that will bear the brunt."

Ms Kate Joseph, President of Sheepmeat Council of Australia, said sheepmeat producers will struggle to survive under such losses.

"A loss of 16 percent of farm income is substantial and has serious implications for the long-term sustainability of our sheepmeat industry," Ms Joseph said.

"If the Government was serious about food security it would encourage an increase in the capacity of Australian farmers to produce more and build resilience in the farming sector.

"We need investment in research and development that contributes to productivity gains and places us in a position to produce sheepmeat more efficiently. Without this, we are unable to manage the massive impact of a 16 percent loss in business revenue," Ms Joseph said.

"We are joining with the NFF to call for the carbon tax to be rejected – and we encourage all of those who believe in a fair go for our farmers to do the same," Ms Joseph said.

The research paper *The impact of a carbon price on Australian farm businesses: sheep production* is the second in a series of papers being developed by the Australian Farm Institute, and is available via the NFF website: www.nff.org.au.

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Media Contacts:

Ruth Redfern, NFF, on 02 6273 3855 or 0408 448 250

Heidi Dennis, Sheepmeat Council of Australia, on 02 6273 3688 or 0409 654 015