



**Andrew
CRIPPS MP**
Member for Hinchinbrook



for a new Queensland

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For immediate release

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Labor admits carbon tax will hurt agriculture

THE Bligh Government has admitted Labor's carbon tax will hurt Queensland agriculture – through higher input costs and the loss of competitiveness against imported food and fibre not subject to a carbon tax.

In Budget Estimates, Minister for Agriculture, Food and Regional Economies Tim Mulherin was forced to concede agriculture in Queensland would be hit hard by the carbon tax and even flagged the need for more compensation to be provided for transport companies moving agricultural products from farms to markets.

LNP Shadow Minister for Agriculture, Food and Regional Queensland Andrew Cripps asked Minister Mulherin how difficult it would be for his department and agricultural industries to overcome rising input costs and attempt to defend market share from carbon tax free imported food and fibre.

"Minister Mulherin is pinning his hopes on \$110 million worth of research and development to deliver productivity gains to help agricultural industries that face higher input costs and increased competition from imports as a result of the Gillard Labor Government's proposed carbon tax," Mr Cripps said.

"I hope this investment in R & D delivers significant productivity gains to primary industries in Queensland, but these gains should not have to be relied on to claw back the profit margins in farm businesses that will be wiped out as a result of Labor's carbon tax – supported by all Labor MPs in Queensland," he said.

"It's a crying shame Minister Mulherin and the inept 20-year-old Bligh Government have failed to stand up to Canberra on the proposed carbon tax to protect Queensland's agricultural industries. R & D productivity gains should be taking agriculture forward, not compensating for bad Labor policies.

"I have every confidence in the capacity of our research institutions. But it's a huge burden on them to expect enough productivity gains in agriculture to overcome the massive cost of Labor's carbon tax. Mr Mulherin is relying on research yet to be done to overcome a tax that's just around the corner.

"The CanDo LNP team opposes the profit destroying carbon tax – we'll fight hard for Queensland's rural industries."

QUOTES FROM MULHERIN FROM ESTIMATES HANSARD

Mr Mulherin: We will be taking up with the Commonwealth the impacts of fuel costs on heavy freight which could affect farmers hauling products to market.

Mr CRIPPS: In short, Minister, what you are saying is that you agree that there is likely to be impacts as far as the cost of inputs into agriculture is concerned. Indeed, you indicated that you are going to take up one particular input and that is the cost of fuel.

Mr MULHERIN: Yes.

-ENDS-

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