

Media Release

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Government investment in the future of the Australian fresh produce sector

The Australian Fresh Produce Alliance (AFPA) welcomes the Morrison Government's 2020-21 Budget which provides a range of key measures to support the continued recovery and growth of the Australian fresh produce sector.

"We welcome the Government's continued investment and commitment to the Australian agriculture sector, as growers address the challenges from COVID and support the national economic recovery" said AFPA CEO, Michael Rogers.

The Government has announced temporary tax incentives which will allow businesses to deduct the full cost of eligible depreciable assets of any value in the year they are installed. The cost of improvements to existing eligible assets made during this period can also be fully deducted.

"Increasing investment in capital equipment is a key part of the economic recovery and the continued growth of Australian agriculture. This budget measure allows growers to invest in their business and set themselves up for growth" said Mr Rogers.

The Budget also provides \$317.1 million to extend the International Freight Assistance Mechanism until the middle of next year. This initiative will support Australian farmers by ensuring they can get their high-quality produce into key export markets and that they stay connected with their overseas customers.

"The International Freight Assistance Mechanism has been a key part of ensuring that Australian fruit and vegetable exporters are able to continue sending Australia's high-quality produce overseas and supporting jobs and growth in regional communities. The extension of funding will ensure that Australian summerfruit, cherries and table grapes will continue to be exported this season" said Mr Rogers.

The Government has announced an investment of \$2 billion in building water infrastructure and helping to increase our water security, build regional resilience, deliver jobs and grow the agriculture sector.

"Investment in water infrastructure is a key element of the long-term success of the Australian fresh produce sector. This investment is not always about big new dams, it is also about local investments in key infrastructure that delivers a network of water storage and delivery. The Government's increase in water investment must be delivered quickly to provide certainty for farmers" said Mr Rogers.

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