

Denis Conway

Mr Hon Barnaby Joyce
Minister of Agriculture
PO Box 6022
House of Representatives
Parliament House
Canberra ACT 2600

12 April 2014

Dear Barnaby,

It is of my understanding that you wish to strengthen Australia's agriculture industry by exempting it from the devastating financial effects of drought and thus ensuring that it continues to thrive. Your means to effectively outsource by asking those who are directly affected by drought is to be commended as it will foreshadow a solution that is remarkably successful. Furthermore, I wish to present you with an application that will potentially protect Australia's agriculture industry from drought.

In order to drought proof Australia, farmers must be given an incentive and an opportunity to independently prevent themselves from suffering such effects; which would in effect protect the rest of Australia from drought. This would be achieved through offering tax deductions on drought proofing equipment and water infrastructure. Hence, the government should allow for a 100% tax deduction on the purchase of all **new** drought proofing equipment and water infrastructure over one year. As well as allowing all **second-hand** drought proofing and water infrastructure to attract a 50% tax deduction over one year. Not only will this encourage farmers to be independent in protecting themselves from the effects of drought, it will effectively give them the finance to do so. It will also stimulate the machinery dealership as well as increase productivity in the flush of each season.

Furthermore, this action will not incur any additional costs to the government as it will simply bring forward tax depreciation that otherwise would not have occurred. The government will in fact save money as it will no longer have to provide financial aid to farmers during drought as they will have become independent during such crisis's. In addition, the government will also further benefit from the increase in income tax due to greater probability in agriculture as farmers are able to maintain high productivity through every season.

Thus, it is possible to drought proof Australia effectively simply through offering tax deductions on all necessary equipment needed for farmers to independently prevent the effects of drought.
Thank you very much for your time and consideration.

Kind regards,

Denis Conway.