

Improving farm gate returns via expense reduction, better education and other factors

Business Structures and taxation

- Implement a simple “small business entity” that is governed under the Corporation Act.
- Allow producers a one off “roll over concession” that will enable them to close down complex (legacy) business structure from the past, so that the ongoing management of such entities is reduced and succession is better facilitated in the future .
- Simplify taxation rules that relate to primary production with the adoption of say a simple “Small Business Entity “approach.

Farmers, Education and Generational Change

- Promote and develop better agricultural education and training that is not “product” or service driven advice .Too many educational bodies and state institutions are reducing the educational offering. Producers need to be better informed and trained.
- Promote generational change by improving the mechanism in which family succession can occur on a low cost basis without high transaction costs.
- Ensure farm advisors are accredited and qualified to provide a service.
- Develop alternative business structure that allows for investors and farm business operations to co-exist in the activity. Ensure investors are attracted with long term and adequate returns. For example, existing farmers should consider sale and lease back options, leasing expansion options, share farm enterprise options and joint venture arrangements.

Land Zoning

The amount of arable land is declining.

Councils and State Governments are pursuing planning policies that reduce good fertile farm land with urbanisation. They are also rezoning land into “high rated” land that is still being used for farming. This practice forces up the value and rate expense and reduces entry and re-investment by family and new operators. The rates and charges should be levied on a “value in use” basis and not on a rating or zoning basis.

Statutory and Semi Statutory Bodies. Review operations

The government should undertake a review of all agricultural bodies to ensure that “value for money” is occurring to the farmer. This is particularly important where the organisation is funded principally by producer levies, etc.

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