



NAFI

National Association of Forest Industries Ltd

The Secretary  
Economics Legislation Committee  
Department of the Senate  
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Dear Committee Secretary

**The National Association of Forest Industries supports the Government's intentions to include the Diesel Fuel Rebate Scheme (DFRS) and the Diesel and Alternative Fuels Grant Scheme (DAFGS) under a single scheme, as outlined in the Energy Grants (Credit) Scheme Bill 2003.**

**In response to the request for written submissions on this Bill, the forest industries note that the Government intends to retain the existing treatments for the DFRS and DAFGS under the new Energy Grants (Credit) Scheme. As currently drafted in clauses 21 and 35 of the Bill, the definitions for primary production and forestry, respectively, are the same as those under the current schemes.**

**The National Association of Forest Industries is aware that when the original Goods and Services Tax package was assembled, it contained a specific provision withdrawing some of the forest industries entitlement under the DFRS, although this position was later reversed.**

**Our industry sees no justification for treating forestry differently to any other primary production activity, with respect to the on-road and off-road diesel rebate scheme.**

**We therefore recommend that when the Committee considers the eligibility for certain activities under the Energy Grants (Credit) Scheme Bill 2003, that there are no specific changes to the way in which forestry activities are treated with respect to the rebate of fuel excise.**

Yours sincerely



Kate Carnell