

Press Release: Minister van Rensburg concerned about raised fuel levy.

Date: 21 February 2010

Body: "I am concerned about the effect that the raised fuel levy will have on the shelf price of food, as fuel costs play a major role in the distribution thereof", Gerrit van Rensburg, Minister of Agriculture and Rural Development in the Western Cape, said in response to Finance Minister Pravin Gordhan's recent National Budget announcement on the increased fuel levy.

Fuel and electricity are major input costs for farmers in the Western Cape, and as such, any increase in the cost thereof has a negative effect on farm profitability, Van Rensburg said. He said that the Department of Agriculture in the Western Cape will continue to assist farmers through research on farming practices that is more fuel and water efficient.

The fuel levy sees a general increase of 10c per litre, as well as an additional 7.5c per litre to help finance the new petroleum pipeline between Durban and Gauteng. There is also an additional 8c per litre increase for the Road Accident Fund, applicable on petrol and diesel. This means 93 octane petrol will now include a total levy of 32%, or R2.44 per litre. For diesel the new levy equates to R2.29 per litre, or 33% of the current pump price.

Cecilia Punt, an economist at the Western Cape Department of Agriculture, said that the levy would have a minimal, but negative effect on the production of agricultural products in the Western Cape. Fuel costs represent roughly 7% of agricultural intermediate input costs. According to Punt, an average decrease of 0.13% in agricultural production can be expected in the Western Cape due to the levy increase. The most affected district will be the Central Karoo, with production decreases of an expected 0.15%.

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Words: 284

Afrikaans follows

Persverklaring: Minister van Rensburg bekommerd oor verhoogte brandstof belasting.

Datum: 21 February 2010

Body: "Ek is bekommerd oor die effek wat die verhoogte brandstof belasting gaan hê op die rakprys van voedsel, aangesien brandstof kostes 'n direkte effek op die produksie en verspreiding daarvan uitmaak", het Gerrit van Rensburg, Minister van Landbou en Landelike Ontwikkeling in die Wes-Kaap gesê in reaksie op Minister van Finansies, Pravin Gordhan, se aankondiging hieroor in die Nasionale Begrotingsrede.

Volgens Van Rensburg is brandstof en elektrisiteit van die grootste insetkoste vir boere in die Wes-Kaap, so enige verhoging in die koste daarvan het 'n negatiewe impak op boere se winsmarges. Hy het gesê dat sy Departement sal aanhou om boere te ondersteun deur navorsing te doen oor landboupraktyke en tegnieke wat meer brandstof- en water doeltreffend is.

Die aangekondigde brandstof belasting bestaan uit 'n algemene verhoging van 10c per liter, sowel as 'n 7.5c verhoging per liter om die nuwe petroleum pyplyn tussen Durban en Gauteng te help finansier. Daar is ook 'n addisionele 8c per liter op petrol en diesel wat na die Padongelukke Fonds sal gaan. In totaal beteken dit dat die belasting op 93 oktaan petrol nou R2.44 per liter, of 32% van die pompprys sal uitmaak. Vir diesel is dit R2.29 per liter, of 33% van die pompprys.

Cecilia Punt, 'n ekonoom by die Departement van Landbou: Wes-Kaap, bereken dat die verhoogte belasting 'n minimale, dog negatiewe, uitwerking op landbou produksie in die Wes-Kaap sal meebring. Volgens Punt beslaan brandstof ongeveer 7% van intermediêre insetkoste van landbouproduksie. Die verhoging sal volgens Punt 'n algemene verlaging in produksie van 0.13% in die Wes-Kaap te weeg bring. Die Sentraal Karoo is die distrik wat die meeste geaffekteer gaan word, met 'n verwagte produksie vermindering van 0.15%.

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