



Australian Government
**Department of Agriculture,
Water and the Environment**

Senator Susan McDonald
Chair
Senate Rural and Regional Affairs and Transport Legislation Committee
Parliament House
CANBERRA ACT 2600

Dear Senator McDonald

Having reviewed the transcript of Supplementary Budget Estimates hearing conducted by the Senate Rural and Regional Affairs and Transport Legislation Committee on 26 October 2021, the Department of Agriculture, Water and the Environment would like to provide five factual corrections to the Committee.

Correction 1. During the hearing Senator Ciccone said in relation to the National Agricultural Workforce Strategy

"I'd be happy to be provided any update on how many of the 42 recommendations have been met or adopted or been considered."

In response Ms Deininger said

"... There was some additional funding provided for community perceptions and worker experience that relates to recommendation 19, ..."

I wish to correct this answer.

"... There was some additional funding provided for community perceptions and worker experience that relates to recommendation 10, ..."

Correction 2. During the hearing Senator Sterle said in relation to funding and resourcing of biosecurity work

"Let me just make a note here. Mr Tongue, does the department believe that enough funding and resourcing has been allocated to undertake necessary work relating to biosecurity matters and risk management?"

In response Andrew Tongue said

"At the October budget last year the government injected an additional \$400 million into biosecurity. That's significantly lifted the department's budget. So this year we have a revenue stream from cost-recovered work, which has a number of elements to it, of about \$200 million flowing into the group. My budget this year overall is about \$435 million; so appropriation funding is about \$235 million. But that's just in the money that Mr Metcalfe gives me to run the function. Then there's money that supports laboratories and offices and a range of things. So all up this financial year the total amount being spent across outcome 4 is a shade over a billion dollars."

I wish to correct this answer to reflect the funding was provided in the May budget this year.

"At the May budget this year the government injected an additional \$400 million into biosecurity. That's significantly lifted the department's budget. So this year we have a revenue stream from cost-recovered work, which has a number of elements to it, of about \$200 million flowing into the group. My budget this year overall is about \$435 million; so appropriation funding is about \$235 million. But that's just in the money that Mr Metcalfe gives me to run the function. Then there's money that supports laboratories and offices and a range of things. So all up this financial year the total amount being spent across outcome 4 is a shade over a billion dollars."

Correction 3. Senator Sterle subsequently said

"And you said cost-recovered work, was it?"

In response Andrew Tongue said

"Yes, that's right. So a lot of our work is paid for by the people that we service. So we charge out staff who undertake a variety of inspection services, and there's a schedule of fees that goes with that. We recover some money from levies, for example, on self-assessed cargo, and all that flows into how we run and staff biosecurity."

I wish to correct this answer to reflect that this referred to full import declarations for goods over \$1000.

"Yes, that's right. So a lot of our work is paid for by the people that we service. So we charge out staff who undertake a variety of inspection services, and there's a schedule of fees that goes with that. We recover some money from levies, for example, on full import declarations for goods over \$1000, and all that flows into how we run and staff biosecurity."

Correction 4. Senator Sterle subsequently said

"You said it comes from service or whatever. Are you considering user-pay service?"

In response Andrew Tongue said

"Yes, essentially. In what we called out in the document Biosecurity 2030, which was released with the October budget last year, we're continuing to work on those questions of cost recovery. The reason for that is our costs of delivery change. But as we've just talked about, we've also seen quite a deal of change in, say, demand on cargo operations. As the Australian economy shifts and changes, that shifts and changes how we have to respond to it. And so we continue to work on questions of funding long term, noting that the function provides both a private benefit and a public benefit. So that's that basis for that mixed funding model."

I wish to correct this answer to reflect that the document Biosecurity 2030 was released with the May budget this year.

"Yes, essentially. In what we called out in the document Biosecurity 2030, which was released with the May budget this year, we're continuing to work on those questions of cost recovery. The reason for that is our costs of delivery change. But as we've just talked about, we've also seen quite a deal of change in, say, demand on cargo operations. As the Australian economy shifts and changes, that shifts and changes how we have to respond to it. And so we continue to work on questions of funding long term, noting that the function provides both a private benefit and a public benefit. So that's that basis for that mixed funding model."

Correction 5. Senator Sterle subsequently said

"Can you explain to us how a biosecurity levy is different from other government services?"

In response Andrew Tongue said

"We do have a levy already in connection with self-assessed cargo; I want to say that it collects around \$80 million a year, but somebody behind me might correct me on that. I think you're referring to the notion of a general levy. The idea of a general levy flowed from the notion that the mere import of anything creates risk to Australia's biosecurity. As a response to COVID, the government ruled out imposing a general levy. As I said we continue to work away, as we play what's in front of us. Looking at the balance of risks, looking at the balance of our work and continuing to respond to changes, we continue to look at funding issues."

I wish to correct this answer. In addition to the change to full import declarations, I wish to clarify that this levy collects about \$170 million a year.

"We do have a levy already in connection with full import declarations for goods over \$1000; I want to say that it collects around \$170 million a year. I think you're referring to the notion of a general levy. The idea of a general levy flowed from the notion that the mere import of anything creates risk to Australia's biosecurity. As a response to COVID, the government ruled out imposing a general levy. As I said we continue to work away, as we play what's in front of us. Looking at the balance of risks, looking at the balance of our work and continuing to respond to changes, we continue to look at funding issues."

I apologise for the error in the answers outlined above and trust this further information will be of assistance to the Committee. The remainder of the answers to questions given at the hearing are correct.

Yours sincerely

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Governance and Parliamentary Business Branch
Corporate and Business Services Division
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