



6 December 2023

Committee Secretary
Senate Standing Committees on Rural and Regional Affairs and Transport
PO Box 6100
Parliament House
Canberra ACT 2600
By email: rrat.sen@aph.gov.au

Re: Primary Industries (Excise) Levies Bill 2023 [Provisions] and related bills

GrainGrowers is a national organisation working to enhance the profitability and sustainability of Australian grain farmers. We achieve this through our focus areas of policy and advocacy, grower engagement, thought leadership and active investment in future focused activities for all growers. Australian growers are at the heart of all that we do and the focus of our work.

GrainGrowers is recognised as an industry representative organisation for the Grain Research and Development Corporation (GRDC), and in this role we regularly engage with the GRDC and the Department of Agriculture, Fisheries and Forestry on issues related to research performance and oversight. This is a role that GrainGrowers strongly values, and we seek to represent the best interests of Australian growers in these processes.

The work to streamline and modernise the agricultural levies and charges (levies) legislation and develop the Primary Industries (Excise) Levies Bill 2023 [Provisions] and related bills has been underway for a number of years. GrainGrowers strongly supports the principles under which the agricultural levies system operates and it is critical that the integrity of this system is maintained. While GrainGrowers broadly supports the intent of the reforms, we have a number of concerns about the proposed changes including interaction with the proposed Biosecurity Protection Levy. These are outlined below:

Grain Growers Limited

ABN 25000245269

Level 19, 1 Market Street, Sydney NSW 2000 Australia | PO Box Q1355, Queen Victoria Building NSW 1230 Australia
Tel +61 2 9286 2000 | Freecall 1800 620 519 | Email enquiry@graingrowers.com.au | www.graingrowers.com.au

i) The integrity of the agricultural levies system

The integrity of the agricultural levies system and the principles behind its operation must be maintained. The agricultural levy system is a partnership between government and industry and allows the grains industry to collectively invest in research and development (R&D), biosecurity activities, residue testing and biosecurity emergency responses in a way that is not possible to do as individuals. This investment supports the growth of the grains industry, helps to maintain Australia's competitiveness in international markets and allows the industry to collectively manage a range of risks including biosecurity and chemical residues.

Agricultural levies are established and set by industries, and the government imposes levies and charges on agricultural products to fund purposes and priorities identified by industries. The transparency in the way levies are set by industries, the role of industry in determining how the levies are spent (in particular the agencies responsible) and accountability for the performance of this investment are key principles that underpin the integrity of the system and must be maintained in the Primary Industries (Excise) Levies Bill 2023 [Provisions] and related bills.

ii) The proposed Biosecurity Protection Levy does not align with principles of the agricultural levies system

In contrast to existing agricultural levies, the proposed Biosecurity Protection Levy has been created for a fundamentally different purpose and seeks to partially recover the costs of providing Commonwealth biosecurity services from beneficiaries of the biosecurity system. It is our understanding that under the current proposal the value of the charge applied to industries will be set by government, independent of agricultural industries, and government will determine how the funds collected would be spent and the nature of the outcomes delivered through these activities.

Due to its distinct purpose and administration arrangements, it is not appropriate for the proposed Biosecurity Protection Levy to be collected or administered under the Primary Industries (Excise) Levies Bill 2023 [Provisions] and related bills. GrainGrowers has participated in consultation by the Department of Agriculture, Fisheries and Forestry on the development of the proposed Biosecurity Protection Levy and has outlined a broad range of concerns related to the design and implementation of the proposed measure in our submission to the Department¹.

ii) Potential for confusion between levies established under the agricultural levies system and the proposed Biosecurity Protection Levy.

The agricultural levies system is well regarded by the agricultural industries, and there is a general understanding that levies collected by the Commonwealth under these arrangements are set and used for purposes agreed by industries. The use of the term levy to describe the

¹ [GrainGrowers response to Consultation on the design and implementation of the Biosecurity Protection Levy | Building a more profitable and sustainable industry for Australian growers](#)

proposed Biosecurity Protection Levy has the potential to negatively impact industry members' understanding and confidence in the broader agricultural levies system.

GrainGrowers, along with a number of other industry bodies, have raised concerns that the resulting confusion between the proposed Biosecurity Protection Levy and the agricultural levies system will have the impact of reducing industry willingness to raise industry levy rates for industry good activities, including research and development (through the Grains Research and Development Corporation) and biosecurity activities (through Plant Health Australia). Within the grains industry there has been early work on proposals to increase levy rates, however there is now a concern that the proposed Biosecurity Protection Levy will make industry driven initiatives to change levies more difficult. This is a significant frustration and has the potential to stall additional industry investment in industry good activities.

The term 'levy' should be reserved for funds collected in relation to the Primary Industries (Excise) Levies Bill 2023 [Provisions] and related bills. This distinction would help to avoid confusion with other revenue-raising measures designed by the government where the principles are inconsistent with the agricultural levies system.

Yours sincerely,

Shona Gawel
CEO