

Department of Natural Resources and Environment Tasmania

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Committee Secretary
Senate Standing Committees on Rural and Regional Affairs and Transport
By email: rrat.sen@aph.gov.au

Dear Committee Secretary

Thank you for the opportunity to contribute to the Primary Industries (Excise) Levies Bill 2023 [Provisions] and related Bills consultation process currently being undertaken by the Senate Standing Committees on Rural and Regional Affairs and Transport. I would like to acknowledge the significant work that the Australian Government is undertaking to modernise the agricultural levies and charges system through proposed legislation changes.

As the latest Tasmanian Agri-Food Scorecard 2020-21 highlights, the agricultural industry in Tasmania continues to grow with a farmgate value more than \$2.30 billion and our seafood sector has a beach value of \$1.175 billion. Our producers' contribution to research and development through levies is also increasing as a result.

The levy system in underpinning research and development (R&D) is vitally important for maintaining local and national industry competitiveness. However, levy payers also require a system which delivers value for money with the calculation of levies transparent, fair and proportionate. A priority for Tasmanian industry and levy payers is to continue to leverage a commensurate R&D investment from all levels of government and industry partners through the work of institutes such as the Tasmanian Institute of Agriculture and the Institute for Marine and Antarctic Studies.

As our producers and the agricultural sector are under competitive pressures, and with the likelihood of more regions of Australia emerging into drought, it remains critical that regulatory reforms (such as those currently proposed to modernise the levy system) are undertaken to reduce costs and burden to business. I would like to draw your attention to the following specific matters for consideration relating to the Bills and the subsequent regulations:

- Protected cropping systems (controlled environment conditions) are an increasingly adopted technology in Tasmania, and nationally, for commodities such as berries. There is an opportunity to ensure pathways can also exist for R&D levy investment to be directed to support the continued development of such new production systems and innovative

infrastructure generally that is sustainable regardless of the commodity grown and, in doing so, for disbursements to not just be tied to one commodity.

- It is important that operational matters are carefully considered to ensure regulatory implications of the proposed changes, particularly where there is the potential for additional imposition of pass through levy costs, on top of existing levies, are recognised at the farmgate. A potential example being if pollination services attracted a levy on top of existing fruit commodity levies.
- Tasmania reinforces the need for strong communications campaigns with carefully considered guidance materials, industry engagement and capacity building of levy payers along the agri-food chain to support implementation of the proposed legislative changes. This will be critical to improve the understanding of where the levy applies and the reporting requirements. Without this, the desired benefits in reducing costs to business could be compromised.

Yours sincerely

Jason Jacobi
SECRETARY

15 December 2023