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Department of Agriculture, Fisheries & Forestry
Biosecurity Sustainable Funding Implementation Branch
Agriculture House
70 Northbourne Avenue
CANBERRA ACT 2601

Via Email: secretariatBSF@aff.gov.au

To Whom It May Concern

Re: AgForce Queensland Farmers (AgForce) Submission to the Introduction of the Biosecurity Protection Levy: Consultation Paper

AgForce is a peak organisation representing Queensland's cane, cattle, grain and sheep, wool & goat producers. The cane, beef, broadacre cropping and sheep, wool & goat industries in Queensland generated around \$10.4 billion in on-farm value of production in 2021-22. AgForce's purpose is to advance sustainable agribusiness and strives to ensure the long-term growth, viability, competitiveness and profitability of these industries. Over 6,500 farmers, individuals and businesses provide support to AgForce through membership. Our members own and manage around 55 million hectares, or a third of the state's land area. Queensland producers provide high-quality food and fibre to Australian and overseas consumers, contribute significantly to the social fabric of regional, rural and remote communities, as well as deliver stewardship of the state's natural environment.

On behalf of AgForce, I would like to thank the Department for the opportunity to present this submission to the Commonwealth government's Biosecurity Protection Levy consultation.

Biosecurity is of critical importance to the agricultural industry and industry stands committed to working with all levels of government to identify appropriate means by which to strengthen our nation's biosecurity system.

However, for the reasons outlined in this letter, AgForce does not support the proposed introduction of the Biosecurity Protection Levy.

AgForce fully supports the submissions prepared by the agricultural sector's peak bodies, including the National Farmers Federation, Red Meat Advisory Council, Cattle Australia, Wool Producers Australia, Sheep Producers Australia, Grain Producers Australia, Grain Growers Australia and all submissions completed by Australia's State Farming Organisations. We join them in urging the Australian government to carefully consider the genuine concerns raised within these submissions.

AgForce is particularly concerned by the following statements in the *Consultation Paper*:

"The Biosecurity Protection Levy will not be subject to producer voting arrangements in relation to its establishment or change, nor will agriculture, fisheries and forestry producers or their representative bodies have a direct role in determining its use".

"The funds collected through the Biosecurity Protection Levy will go to the consolidated revenue fund ... Biosecurity Protection Levy funds will not be directly appropriated to the Department of Agriculture, Fisheries and Forestry."

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AgForce asserts that calling this measure a 'levy', without involving contributions from agricultural industry stakeholders in priority setting, is deeply inconsistent with the tenets of industry's existing levies framework.

Considering that funds collected under the Biosecurity Protection Levy will be directed to the Government's consolidated revenue fund, the proposed 'levy' more closely resembles a tax. Consequently, the name 'Biosecurity Protection Levy' risks being a misnomer, that falsely implies additional protection against biosecurity threats.

It is AgForce's belief that these concerns are the result of inadequate industry consultation and too short a timeline, which has not allowed adequate time for carefully considered policy development, impact analysis and the design of effective implementation processes.

AgForce urges the Government to recognise that the agricultural sector has a clear history of exceeding its obligations to Australia's shared responsibility biosecurity framework. As noted by *Frontier Economics*¹ in their recent assessment of biosecurity funding:

" ... the Emergency Response Deeds established between Animal Health Australia and Plant Health Australia, the Australian Government, State and Territory Governments and all significant animal and plant industry sectors. These are our nation's largest formal government-industry biosecurity partnerships. The deeds include cost and responsibility sharing deeds for major exotic pests and diseases. There is no similar partnership approach with the import sector."

Instead of forcing Australian farmers to pay even more for risks created by international importers, AgForce urges the Government to establish an Importer Container Levy – as recommended by the independent Craik Biosecurity review². From this review:

"Much of the material of concern to the national biosecurity system, including of environmental concern, arrives via vessels and containers – either in the contents of the container or on the external surfaces of the container itself".

The fact that Australia has recently lost the battle to eradicate *Varroa* mite – strongly suspected to have arrived via a shipping container at the Port of Newcastle – serves as an illustration of this risk. It is the agricultural sector in particular that will continue to suffer the long-term consequences.

The report by *Frontier Economics* assessed various biosecurity funding mechanisms and found that a container levy scored highly against all criteria – efficiency, equity, adequacy, dependability and simplicity.

Page 1 of the Consultation Paper states:

"Additional cost recovery or charging models for imports will be considered as part of a review looking at options to reform border fees and charges. Consultation on this will commence later in 2023".

AgForce does not consider this sufficient reassurance that a container levy will in fact be implemented. In particular, we question the need for an additional review given the conclusions of the two existing reviews referenced in this letter.

In closing, AgForce is unable to endorse implementation of the proposed Biosecurity Protection Levy, for the following key reasons:

- There is insufficient transparency and a lack of certainty that resulting funds will support the delivery of additional and tangible biosecurity activities.

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¹ *Sustainable funding for biosecurity – an evaluation of funding options*. A Report by Frontier Economics for the Invasive Species Council | 2 May 2023

² *Priorities for Australia's biosecurity system*. A Report delivered by Dr Wendy Craik (Chair of the Intergovernmental Agreement on Biosecurity review panel) to the Agriculture Ministers' Forum | 26 July 2017.

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- Primary producers, as contributors to the proposed Biosecurity Protection Levy, are currently excluded from priority setting regarding intended use of funds collected.
- Primary producers already invest heavily in diverse and wide-ranging biosecurity actions, including policy development, contributions to existing national levy frameworks, private 'on-property' investment and funding State Government biosecurity measures.
- Before reducing the income of our own farmers by imposing an unequitable levy, the Government should seek to satisfy biosecurity funding shortfalls by imposing an Importer Container Levy.

The proposed Biosecurity Protection Levy represents a large and costly change for the entire agricultural sector and it is imperative that these decisions are not made hastily; increasing the risk of unintended consequences.

AgForce implores the Government to facilitate a proper consultation process, including conducting a Regulatory Impact Statement on the proposed Biosecurity Protection Levy before this proposal proceeds further.

Should you require further information, please do not hesitate to contact Dr Annie Rutledge, Senior Policy Advisor for Biosecurity:

Yours sincerely

Georgie Somerset
General President

cc: minister.watt@agriculture.gov.au