



Australian Melon Association Inc.

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Working together to build a successful future for the Australian Melon Industry

Committee Secretary

Senate Standing Committees on Rural and Regional Affairs and Transport

PO Box 6100

Parliament House

Canberra ACT 2600

To whom it may concern,

Melons Australia is the Peak Industry Body for the Australian melon industry, including melon growers of watermelons and muskmelons (rockmelons, honeydews and other specialty melon varieties). In 2020/21 242,465 tonnes of melons were grown in Australia valued at \$248.1 million. Production occurs across all mainland States and in the Northern Territory, from approximately 140 growers.

There are currently three statutory levies paid by all Australian Melon growers. They include a 0.3c/kg Research & Development (R&D) levy a 0.1c/kg Plant Health Australia (PHA) levy to fund biosecurity projects and also an Emergency Plant Pest Response (EPPR) levy to create the ability for an industry contingency fund to be used in the event of a biosecurity incursion. This levy is currently set at zero but may need to be enacted in the near future to assist funding current emergency plant pest responses.

Melons Australia is a signatory to the Emergency Plant Pest Response Deed (EPPRD) and is also a member of the Plant Industry Forum (PIF) with the Executive Officer of Melons Australia a member of the Plant Industry Forum Committee (PIFC). As members of the PIF we strongly support the submission made by them to the Primary Industries (Excise) Levies Bill 2023 [Provisions] and related bills.

Like the PIF we have serious concerns about the proposed bills and seek clarification on the proposed changes in the Disbursement Bill, particularly regarding alterations to the use of the PHA Levy and the Emergency Plant Pest Response (EPPR) Levy.

The changes in the proposed Disbursement Bill have introduced uncertainties and confusion surrounding the use of the PHA Levy and EPPR Levy. The lack of clarity on how the Disbursement Rules will align with the existing definitions of PHA Levy and EPPR Levy raises concerns about the allocation and utilization of funds by PHA as a levy recipient body.

Moreover, the shift from the PHA identifier to the generic terms "Biosecurity activities" and "Biosecurity responses" adds an additional layer of ambiguity. I am seeking assurances that this alteration will not lead to a similar deviation from the intended use, potentially allowing the levies to be collected and utilized by another entity not associated with PHA

these changes may impact both industry stakeholders and PHA, including any additional burdens imposed on them to support industry initiatives.

In light of these concerns, I kindly request clarification and transparency on the following points

1. Confirmation that the disbursement rules align with the current definitions of PHA levy and EPPR levy. The alterations introduced by the Disbursement Bill to the use of the PHA levy and the EPPR Levy have led to confusion and ambiguity. It is essential to address these concerns promptly to ensure a clear understanding of how levy payments by PHA will be utilised. Clear guidelines are crucial for maintaining transparency and confidence among stakeholders.
2. Details on the funding that PHA will receive and the specific requirements placed on PHA as a levy recipient body. The lack of clarity surrounding the alignment of disbursement rules with current PHA levy and EPPR levy definitions is a significant concern. Furthermore, it remains unclear what funding PHA will receive and the specific requirements imposed on PHA as a levy recipient body for holding and expending those funds on behalf of the industry. Clarity on these matters is essential for effective financial management and industry support.
3. Assurances that the levies collected and disbursed will not be diverted to entities unrelated to PHA under the generic terms "Biosecurity activities" and "Biosecurity responses". The removal of the PHA identifier and the adoption of these generic terms raise the risk of unintended alterations to the appropriate use of levies. Assurances are needed to guarantee that collected levies will not be diverted to entities other than PHA. Safeguards must be in place to prevent potential misuse of funds intended for specific biosecurity activities.
4. Insights into the potential unintended consequences of the proposed Disbursement Bill in combination with the intended introduction of the biosecurity protection levy (BPL) on critical funding for biosecurity. The funds to be generated through the proposed BPL, a system rejected across agricultural industries, are slated to be channeled into consolidated government revenue. Moreover, the inherent 'design' of this proposal precludes industry oversight of expenditure. Melons Australia is deeply concerned that these proposed changes may dilute existing arrangements, potentially hindering the allocation of crucial levy funds by the industry for pressing matters such as preparedness and response activities.

Finally we would like to reiterate the call for assurances requested by PIF that changes presented in these Bills do not alter the levy system core features specifically IRB's being responsible for consulting, striking and adjusting levies and having oversight of levy investment and use.

We appreciate the Committees dedication to thorough examination and scrutiny of the proposed legislation and we kindly request that these concerns be given careful consideration during the Committees deliberations on the Primary Industries Levies and Charges Disbursement Bill 2023.

Yours sincerely

Johnathon Davey
Executive Officer
Melons Australia

19 December 23