

**The Senate Rural and Regional Affairs
and Transport Reference Committee -
Inquiry into the Primary Industries
(Excise) Levies Bill 2023 [Provisions] and
related bills**

Senate Standing Committees on Rural and Regional Affairs and Transport
PO Box 6100
Parliament House
Canberra ACT 2600

15 December, 2023

Dear Committee Secretary

Inquiry into the adequacy of Australia’s biosecurity measures and response preparedness

WoolProducers welcomes the opportunity to present this submission to the Senate Rural and Regional Affairs and Transport References Committee - *Inquiry into the Primary Industries (Excise) Levies Bill 2023 [Provisions] and related bills*.

WoolProducers is the peak representative body for Australian woolgrowers, representing and advocating on behalf of all woolgrowers in the country, rather than just certain sectors. Our mission is to develop constructive and profitable outcomes for woolgrowers nationally.

WoolProducers represents the single largest body of woolgrowers through our fee-paying State Farm Organisation membership network and three democratically elected Independent Directors and is the only national organisation that can speak on behalf of the mainstream wool industry and represent the concerns and interests of all Australian wool producers. Our representation capacity includes the industry’s commercial, superfine, broad wool and stud breeding sectors.

WoolProducers is the sole woolgrower representative member of Animal Health Australia, and as such, makes recommendations on the expenditure of levy collected for animal health, biosecurity and welfare activities on behalf of the wool industry.

WoolProducers is also the Emergency Animal Disease Response Agreement (EADRA) wool industry signatory and therefore carries a significant responsibility for decision making on behalf of the industry in the event of an emergency animal disease outbreak.

The value of Australia’s agricultural levies framework

WoolProducers are a supporter of Australia’s unique agricultural levies framework, with one of our five organisational strategic priorities being ‘ensuring efficient and accountable expenditure of compulsory levies or fees paid by wool growers and to seek constructive and profitable returns on these investments.’

Position on the Primary Industry Levies Bills

WoolProducers supports efficiencies in regulation, so therefore supports the intent of the *Primary Industry Levies Bill*. This Bill will help ensure efficient and accountable expenditure of levies.

WoolProducers supports the following principles in guiding the introduction of these Bills:

- The principle intent of the Bills is to simplify and streamline the existing levies legislative and regulatory framework. To this end, the bills do not seek to, or enable, functional change of the levies system that are not otherwise supported by the relevant impacted industries; and
- The Bills are not intended to allow for the introduction of the Government’s proposed Biosecurity Protection Levy.

Biosecurity Protection Levy

WoolProducers oppose the proposed Biosecurity Protection Levy (BPL), which was announced in the May, 2023 Budget.

While there are many problems with the proposed BPL, one of WoolProducers overarching concerns with its establishment is that there is enormous confusion amongst Australian woolgrowers as a direct result of the choice of terminology within the policy proposal.

In the first instance, in the context of the target audience (i.e., Australian primary producers), calling this new charge a 'levy' is misleading, given a number of aspects of this proposal do not align with levy principles and guidelines, set out by the Department.

As per the consultation paper on the 'Introduction of the Biosecurity Protection Levy'¹,

"The funds collected through the Biosecurity Protection Levy will go to the consolidated revenue fund and will not be disbursed to research and development corporations, Animal Health Australia, Plant Health Australia or the National Residue Survey.

While Biosecurity Protection Levy funds will not be directly appropriated to the Department of Agriculture, Fisheries and Forestry, the additional contributions into consolidated revenue will support the Government's capacity to provide the increased and ongoing appropriation funding for biosecurity committed to in the Budget.

More specifically, this funding will support the Department of Agriculture, Fisheries and Forestry to continue to undertake biosecurity activities, managing on a risk-based approach to keeping pests and diseases out.

This confusion is understandable because the policy directly connects the amount of levied funds to the contributions made by producers for their industry levies. The funds will be collected through the current levies collection channels and the term "levy" is already well-established in the context of the Agricultural industry.

There is a real risk that woolgrowers will not make the distinction between the proposed BPL and current levy system, which will in turn undermine the confidence that woolgrowers have in the established levy collection system.

DAFF have provided numerous assurances throughout the consultation process that the BPL will be established through separate legislation and not through the Bills in which this Inquiry is focusing on. Given these repeated assurances, WoolProducers expects that this will be the case going forward.

Proposed amendments concerning biosecurity activities levies

With regard to the proposed amendments to the *Primary Industries (Excise) Levies Bill 2023*, *Primary Industries (Customs) Charges Bill 2023* and the *Primary Industries (Services) Levies Bill 2023* which were voted down in the House of Representatives, WoolProducers understands that these amendments were in relation to providing clarity around expenditure of levies collected for biosecurity activities.

¹ Department of Agriculture, Fisheries and Forestry, Have your say – Biosecurity Protection Levy, viewed 7 October, 2023
<<https://haveyoursay.agriculture.gov.au/biosecurity-protection-levy>>

Specifically, the purpose of the amendments is to codify the existing understanding of such funds as being to support the specific activities of Animal Health Australia (AHA) and Plant Health Australia (PHA) in the Imposition Bills.

WoolProducers also understands that the amendment is seeking to ensure that the Primary Industry Levies Bills cannot be used to enable the proposed BPL and to provide much needed distinction between the BPL and activities currently provided by AHA and PHA and levies collected by other recipient bodies and expended on biosecurity activities.

WoolProducers believes that the Committee would benefit from speaking to the Animal Health Australia Industry Forum, of which we are part of, to gain a direct understanding of the potential impacts on those industries directly impacted, including unintended consequences of any amendments.

Kind regards

Jo Hall
CEO

