

United Stockowners of Australia

NSW OFFICE
"WALLAROY"
WARREN NSW 2824

HEAD OFFICE
75 ALDINGA ROAD
WILLUNGA SA 5172

NT OFFICE
"NUTWOOD DOWNS"
DALY WATERS NT 0852

<http://www.unitedstockowners.com.au>

Committee Secretary
Senate Rural and Regional Affairs and Transport References Committee
PO Box 6100
Parliament House
Canberra ACT 2600

16th April 2016

Subject: - Supplementary Submission Inquiry into the Primary Industries Levies and Charges Collection Amendment Bill 2016

United Stockowners of Australia (USA) would like to thank the Committee for accepting submissions post-dated the closing date for receiving submissions scheduled as 8 April 2016.

USA requests that the Committee accept a further supplementary submission from *USA* specifically in relation to what appears to be counter intuitive advice with respect to *Privacy and Peak Councils* acting as Government delegated and *Prescribed* Agri-political bodies and a Government Department's misinterpretation of the *Privacy Principles* in a submission by the *Agriculture Policy Division* of the *Department of Agriculture and Water Resources* dated 12 April – submission 31.

The Department claims that in establishing the much needed and long overdue identification of levy payers, including the amount(s) of tax collected by each individual and/or Corporate tax payer, that this private and confidential information can be shared with Government prescribed Agri-political '*Peak Councils*', and specifically with the Agri-political organisation *Cattle Council of Australia (CCA)*, solely on the basis that any '*Communication*' between *CCA* and the levy payer can be deferred to the levy payer based on an '*Opt-Out*' provision as it relates to privacy.

As it relates to privacy and the absurdity of this theory is held on 4 levels:

1. Any 'Opt-Out' provision exercised by the Levy Payer can only apply to current or future '**Communications**' between the levy payer and CCA and has absolutely nothing to do with privacy given that the private and confidential information has already been shared with the Peak Council - CCA. The privacy horse has already bolted; an 'Opt-Out' communication between CCA and a Levy Payer will simply mean CCA will stop communication with the Levy Payer; how does the Department propose to enforce and audit the destruction of the private information by CCA in those instances? The private information cannot be allowed to pass without the written consent of the Levy Payer.
2. The *Privacy Principles* do not contain 'Opt-Out' working provisions as theorised by the Department which means that an amendment to the *Privacy Act* to accommodate the Departments 'Opt-Out' communications privacy theory. This type of amendment would obviously affect the likes of tele marketers and charities.
3. Like the *Australian Taxation Office* and the *Bureau of Statistics* – both under the *Department of Treasury* – the *Department of Agriculture and Water* in the establishment of a data-base to collect private and confidential information, including tax payments and individual tax payer and tax payment information, cannot share collected information with *Non-Government Organisation(s)* (NGO(s)), and specifically *Non-Government Agri-political organisation(s)* without the specific consent of the tax payer. For example; the RDC, *Meat & Livestock Australia Ltd*, is listed and described as an *Agency of the Commonwealth* on the Departments website therefore comes under the same *Privacy Principles* as are all Government Departments and Agencies.
4. It is simply absurd for the Department to claim that it (the Department) can control the use of this information by Peak Council(s) and other non-government stakeholders given that it is now nearly 20 years since the introduction of the current system and the Department has not displayed any willingness or Departmental capacity (to date) to undertake the simplest of governance remits in the identification of levy (tax) payers and the amounts of tax paid by the individual tax payer. The Department often cites the expense of such a taxpayer '*Identification*' undertaking seemingly without the slightest notion that the *Australian Taxation Office* has a long established record of a taxpayer data-base, taxpayer identification and amounts of tax paid by individual taxpayers, and importantly, the flow of information is strictly in agreement with the *Privacy Principles*, which does not included the flow of information to Agri-political Peak Council(s), or non-government organisation political or otherwise, without the specific consent of the taxpayer(s) concerned.

Additionally, the Departments submission absurdly implies that the flow of information to so-called **Prescribed** '*Peak Councils*' will enhance not only the need for Peak Councils but also their ability to represent their Government assigned *constituency*. However, *Cattle Council of Australia* (CCA), in its submission to the Committee, have already indicated that they intend to use the data-base information as an instant boost to its new membership category called '*Compulsory Membership*' contrary to the consultations that the Department

states that have already been in progress with these organisations. Clearly the Department were not taking notes while they were consulting with CCA, otherwise a few red flags in relation to this issue would have shown up in their drafting of this part of the Amendment Bill.

Notwithstanding, in actual fact, the establishment of the levy payer identification data-base will remove any and all need for retaining this layer of '*Industry*' bureaucracy, including '*Industry Funding*' with Government mandated roles and responsibilities, through '**Prescribing**' any Peak Council, or other Government neglected self-appointed Peak Councils on the grounds that the establishment of the identification data-base will give direct contact and communications between the receiving RDC and the individual levy tax payer, where individual levy tax payer opinions and perspectives can be canvassed including rates of levy to be charged without the need to go through the '*Industry*' tax eating process of some sort of '*Industry*' regulatory or self-appointed Peak Council.

An example of how this is currently on display is in relation to the *Wool Industry*. The receiving RDC for the Wool Industry is *Australian Wool Innovation* (AWI). AWI conducts all its remit, including shareholder voting to setting the rate of levy, achieved through AWI directly communicating with those Wool levy tax payers that have elected to become shareholders in AWI without the need for the interference or funding of a **Prescribed** Peak Council. *Wool Producers Australia* (WPA) is the *State Farming Organisations* (SFOs) self-appointed Peak Council for the Wool Industry and is merely an independent performance monitor of AWI on behalf of its members, and a round table love-fest for Animal Rights activists. WPA's funding and private representative arrangements is a matter for its members and only its members at no cost to the Wool Industry levy tax payers. WPA does not have access to either the Department's current operational data-base of *Wool Levy tax payers* or to AWI's recipient data-base of shareholders; this is as it should be.

Without an intrusive and expensive **Prescribed** Peak Council, the AWI example (model) clearly demonstrates that the less regulatory administrative costs extracted courtesy of Government '*Prescription*' the more funds there is for the receiving RDC to work with, including a clear and direct line of communications with the people actually paying the levy with these savings leading to potentially reducing the rate of levy charged and a lessening of the hidden tax held as '*Industry*' regulatory burdens that are so much loved by the self-appointed.

Clearly the efficiency and '*Industry*' and Government cost effectiveness of the Amendment Bill in establishing the levy tax payer identification data-base can only be achieved in a reduction in the layers of '*Industry*' bureaucracy and not by increasing the '*Industries*' bureaucracies welfare and regulatory dependence as predicted in the Department's submission.

Thank you for your consideration,

United Stockowners of Australia,

Mr Robert Wass, Director