Agriculture (Biosecurity Protection) Levies Bill 2024 [Provisions] and related bills

April 2024

PLANT INDUSTRY FORUM
STRENGTHENING PLANT INDUSTRY BIOSECURITY

About the Plant Industry Forum

The Plant Industry Forum was established in 2006 for plant industry members of Plant Health Australia to collaborate and prioritise biosecurity actions and initiatives across plant industries. It seeks to strengthen, support and provide a collective voice for plant industries by fostering partnerships and advocating across the biosecurity spectrum for positive change.

The members of the Plant Industry Forum are signatories to the Emergency Plant Pest Response Deed (EPPRD). The Plant Industry Forum represents a combined annual value to the Australian economy in excess of $43.2 billion and growth in the sector is tipped to contribute significantly to the goal of exceeding $100 billion in farm gate output by 2030[1].

The Forum's members are the actual growers who pay the various levies which are invested by Hort Innovation and Plant Health Australia into specific biosecurity and research, development and extension activities into extensive preparedness projects, which add up to tens of millions of dollars annually. Many industries also use general revenue from (growers membership fees and in-kind contributions) to manage their industry biosecurity issues and roles and responsibilities as signatories to EPPRD. Collectively the Forum's members represent tens of thousands of levy paying producers who's levies, in the tens of millions, are invested into biosecurity preparedness and response activity each year.

Pest incursions that impact Plant Industry Forum members have significant impacts on individual people, owners, employees, suppliers and communities. During a response, the entire supply chain, production, input and service providers, processing, transport and marketing are all impacted. When a plant pest cannot be eradicated, the cost of recovery is borne by the individual grower and the industry. Whether that is through ongoing management of the pest, or the loss of a particular crop entirely. The cost of ongoing management of a new endemic pest is borne by the grower alone.

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Executive Summary

Plant biosecurity is vital to Australian plant industry's productivity and to our ability to access domestic and international markets for our products. Ensuring plant biosecurity is also a function where many of the actions, currently, can only be undertaken by government. Management of plant biosecurity systems is a complex process which often requires high-level oversight as biosecurity incidences often occur concurrently.

Plant Industry Forum members have worked constructively with the Australian Government over the past 10 years, investing approximately $33 million in cost sharing emergency responses and a significant amount of in-kind support. Responses requiring this type of collaboration have addressed issues such as citrus canker, brown marmorated stink bug, chestnut blight, banana freckle, khapra beetle, giant pine scale, tomato potato psyllid and Torres Strait fruit fly.

Most recently, 16 Plant Industry Forum members have been impacted by the detection and response to an incursion of Varroa mite, which has ultimately transitioned to management processes. This is the single biggest biosecurity response to a pest incursion in Australian history, with an estimated cost in the vicinity of $100 million[2].

The costs will be shared between the 16 Plant Industry Forum members directly affected by Varroa, which is expected to cost around $20 million, with the Commonwealth, State and Territory Governments expected to contribute an estimated $80 million. This will entail each of the 16 industry bodies consulting with their growers to set an affordable levy rate for their commodity to repay the debt to the Commonwealth in a defined period. It is conceivable that this debt will be being paid back by industry into the 2030's. In the meantime, these same industries are under threat of other biosecurity threats and face the task of managing the impacts of Varro establishing in Australia.

In this example, additional cost (not included in the $100 million) to industries has included, but is not limited to, time and resources devoted to acting in the response, impact on crops reliant on bee pollination. Furthermore, industry will bear the ongoing costs of varroa into the future and while no public finding has been made, it is plausible to assume that the Varroa mite, as with previous incursions, was introduced via border traffic. This includes cargo ship, tourism, or freight, which are areas of the biosecurity continuum with significant economic clout that are underutilised in terms of economic contributions to biosecurity risk management for the good of the whole country.

The Plant Industry Forum welcomes the Government's intent to create a sustainable funding model for biosecurity in Australia, however, strongly rejects the current proposed system as per the Bills' being considered. A fit for purpose biosecurity system has benefits for all Australians. Strong biosecurity systems underpin the supply of Australia's locally produced food, fibre, and foliage, provides local jobs within industry and associated industries and supports local communities and delivers economic benefit to urban, rural and regional Australia.

Key issues

In this section, the Plant Industry Forum will highlight key system failures, significant and ongoing industry opposition and missed opportunities to create a biosecurity system that brings all sectors together in an organised management approach that fairly and transparently collects and distributes funds into specific biosecurity initiatives.

Existing biosecurity investment processes

The agricultural industry and specifically, the members of the Plant Industry Forum already make significant contributions to biosecurity preparedness and response. This is for the broader economic and social benefits of strong biosecurity for all communities across the country and in awareness of the significant risk posed by common imported consumer goods and passenger movement to the food and environmental safety of the nation.

Singling out the agricultural industry as the primary beneficiary of biosecurity does not recognise that the greatest beneficiary of biosecurity and food security is the Australian Government and the people of Australia. Food security is hugely undervalued, yet Australia's food security is under constant threat from drought, extreme weather events, climate change and the introduction of invasive species.

Members of the Plant Industry Forum are signatories to the Emergency Plant Pest Response Deed, many (9) have their Emergency Plant Pest Response levies set at a positive value. Many (24) pay Plant Health Australia levies and coordinate research and development activity to prepare and protect their industries.

Plant Industries Forum members and others collect and invest Biosecurity levies to fund biosecurity projects such as:

- CitrusWatch
- Australian Grape and Wine Industry Biosecurity Project
- AUSVEG Farm Biosecurity project
- Avocado industry improved capability project
- Banana management of Panama TR4
- Forestry E-learning project
- Nursery Industry Biosecurity Program
- Grains Farm Biosecurity Program
- Implementing the Biosecurity Plan Review processes for the Melon Industry
- Mango on-farm biosecurity and surveillance program
- Melon Industry Biosecurity Project
- Australian Sweet Potato industry biosecurity program
- National Bee Pest Surveillance program
- National Bee Biosecurity Program
- Forest Watch Australia Program
- National Forest biosecurity manager

- Support for a PhD candidate - native psyllids associated with citrus orchards
- Support for study tours etc. to increase biosecurity awareness and capability
- Support for the Citrus Pest and Disease Prevention Committee
- Urban Biosecurity Coordinator - Citrus

Plant Health Australia levy collection and investment, industry contribution to responses is tabled below.

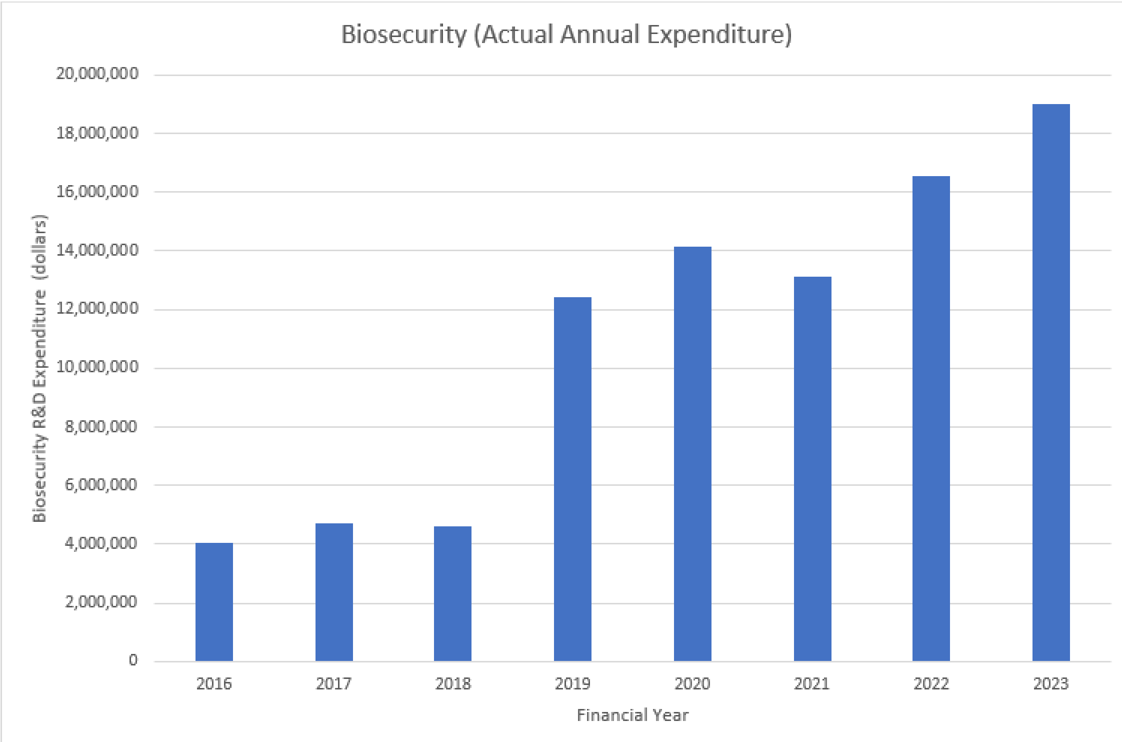
2022/23	
Industry Funded PHA Biosecurity Projects	7,378,059
Plant Industry PHA Annual Subscription	910,800
Contributions to Emergency Responses	4,062,774
	12,351,633

Industry contribution to cost shared responses from 2007 to Dec 2022 is indicatively $33 million. In addition, the plant industry contribution to the recent Varroa Mite emergency response is estimated to be $26,543,752.

Since 2020, Hort Innovation has invested grower research and development levy funds in 47 projects worth $57 million in cash contributions (life of project). Estimated in kind contribution by industry is an additional $10-15 million. There are a further 42 projects worth $79 million (plus estimated $19 million in-kind). Future projects include a $12 million investment with CSIRO.

These estimates do not include investments in crop protection, integrated pest management (IPM), trade (apart from the CSIRO project noted above) or pollination (apart from the National Bee Pest Surveillance Program).

The figure below shows the continued upward trend in investment in biosecurity projects by the Horticulture industry.



Grain Research and Development's (GRDC) investment in biosecurity averaged $35 million per year over the last five years.

State governments have biosecurity levies for regionally or crop specific biosecurity risks such as the Grains, Seeds and Hay Industry Funding Scheme (IFS) in Western Australia. Contributions from growers to fund the biosecurity Scheme are: 25 cents per tonne of grain and seed, and 12.5 cents per tonne of hay. Growers invest in on-farm biosecurity practices, training resources and infrastructure to prevent incursions and prepare for responses.

The notion that 'industry needs to contribute its share' neglects to acknowledge the real investment by industry on its own behalf to protect, prepare and respond to biosecurity threats.

Poor consultation and utilisation of industry feedback mechanisms

Plant Industry Forum and its members, and members of other industry bodies from the agricultural sector participated in the Department's 'Making national biosecurity funding sustainable'[3] consultation in good faith. At no point was the concept of a levy contribution by industry raised. The budget announcement in 2023 was the first time that industry was made aware of the intended Biosecurity Protection Levy. Consultation about the levy since the announcement has been inadequate, with no detail on proposed mechanisms and insufficient information provided to industry to comment on. Subsequent changes to the proposed levy do not go far enough to address industry concerns. Subsequent consultation on the levy has been more of a fact-finding mission than consultation. The Department asked an inordinate number of questions compared to those it could answer. Part of the Department's role is to provide advice to the Government, that advice should have begun to reflect that the Government's approach to levying industry was severely flawed and not supported by industry.

Seeking contributions from identified risk creators

The Biosecurity Protection Levy does not adequately address the need for contributions by risk creators. The introduction of the Biosecurity Protection Levy as the Government's first order of business in its sustainable funding model flies in the face of numerous reports which identify other risk creators as the recommended focus for Government's to seek out additional funding sources. The Intergovernmental Agreement on Biosecurity Review Final Report[4] (Craik 2017) identified the need for a container levy to offset the risk of the enormous increase in sea and air freight movements. Passenger travel to Australia also stands out as a high-risk area which could contribute more to offset the cost of biosecurity preparedness. Risks to Australia's biosecurity caused by the agricultural industry are minor compared to that driven by consumerism and tourism. The Government has missed opportunities to do more in this space.

The Freight & Trade Alliance (FTA) and the Australian Peak Shippers Association (APSA) have proposed viable alternatives**.** These clearly address the market failure that the Bill sets out to address and support calls by multiple parties for the import sector to contribute more to address the risks posed by importers.

Craik (2017) found that:

> *"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. More than one-third of the pests and diseases included in the RRRA model have containers as a pathway."*

In March 2019, the then Minister for Agriculture and Water Resources appointed a Biosecurity Levy Steering Committee to make recommendations on the design and implementation of the Biosecurity Imports Levy after it was announced in the 2018-19 Budget.

The plant industry sectors are put at risk by air and sea freight and other arrivals (e.g. vessels, passengers), yet the cost for eradication is shared by industry and governments alone. The plant industry sector feels strongly that they are being disadvantaged in this process and understood that a proportionate Biosecurity Imports Levy would be placed on entities on the risk pathway and help cover the costs of the eradication programs. This has not occurred. The budget announcement that the Government will 'look into it' does not satisfy the Plant Industry Forums level of comfort that such a levy will be delivered.

For biosecurity to be a 'shared responsibility', the burden of responsibility must be shared across the risk pathway and not simply be borne by those at the end point. It is the Plant Industry Forum's expectation that a container levy would be developed in consultation with the relevant industries (including plant industries) and that expectations around service delivery, rewarding proactive businesses and incentivising participants to improve biosecurity outcomes would be incorporated in the design.

The Inspector-General of Biosecurity in his 2020–21/01 review report[5] found that:

> *It is essential for the department to significantly enhance its industry engagement in cost-effective biosecurity risk mitigation by establishing practical import sub-sector or risk pathway partnership groups focused on optimising the effectiveness of biosecurity risk mitigation, improved cost-sharing and establishing more vibrant information and intelligence exchange.*

The Commonwealth must match the increase in import volumes with appropriate levels of capacity and capability to service the import sector whilst working with it to form a risk pathway partnership. The importers and the consumers they serve are a beneficiary of good biosecurity, however these groups do not contribute to responses caused by their actions.

Plant Industry Forum supports submissions to previous consultation on the Biosecurity Protection Levy made by the Freight & Trade Alliance (FTA) and Australian Peak Shippers Association (APSA), in proposing an alternative three-point plan. This stipulates that they – as biosecurity risk creators – are prepared to pay the equivalent of funds raised via the proposed Biosecurity Protection Levy, through increased importer charges. Their commitment to pay this $47.5 million would be in exchange for improvements in productivity for the nation and to help drive the performance and efficiencies of the Department of Agriculture. This proposal appears to be a more sustainable, equitable and market-based solution than the Government's current approach. Plant Industry Forum notes the following from their submission:

> *"The scourge of these Terminal Access Charges (TACs), combined with the biosecurity processing delays, is resulting in rapidly escalating supply chain costs directly adding to inflationary pressures and fuelling the cost-of-living crisis.*
>
> *"Freight & Trade Alliance (FTA) and the Australian Peak Shippers Association (APSA) acknowledge that DAFF is co-designing solutions with industry and notes the significant financial commitment from the federal government to modernise systems.*
>
> *"These longer-term strategies have the potential to set a benchmark of global best practice in safeguarding against biosecurity risk whilst enabling legitimate trade. Whilst applauding and supporting these initiatives, the federal government must introduce immediate relief measures.*
>
> *"FTA and APSA fully support the need to protect against biosecurity risks and would be prepared to pay an additional levy or cost recovery fee on the proviso that an appropriate proportion directly translates to commensurate improved and immediate trade facilitation measures.*
>
> *"FTA and APSA have engaged with members and key industry stakeholders in developing the following 3-point plan, recommending the federal government:*
>
> 1. *does not proceed with the complex proposed levy against producers ($47.5m being 6%*

of the budgeted Biosecurity Protection Levy);

2. *increase the Full Import Declarations (FID) cost recovery to recoup the above $47.5m shortfall, and additional funds to address interim remedial action to support import processing until additional permanent resources and benefits of modernised systems are realised; and*
3. *offset the increased FID cost recovery impost on importers, by regulating against the current incontestable Terminal Access Charge (TAC) regime, currently costing importers and exporters an estimated $850m per annum.*

Tourism is an industry that, prior to the pandemic, was setting records year on year for growth. The Federal Government released the Thrive 2030[6] tourism strategy in 2022, which sets out a long-term plan for growing Australia's visitor economy. The report notes that between 2009 and 2019, international visitor arrivals increased by 70 per cent and reached a record 9.5 million. In 2019, total annual international visitor spend was a staggering $59 billion, with international students accounting for 39 per cent of total international spend. At this point in time, the Australian tourism economy supports 670,000 jobs across some 330,000 businesses (equating to one in seven of Australia's 2.4 million businesses). The strategy sets a target of $81 billion for international visitor spend by 2030, with regional Australia to capture about 40 per cent of this spend. The potential to collect significant annual contributions to biosecurity activities from the tourism industry is high, and necessary when one considers the intended growth in tourism as set out in Thrive 2030. Disappointingly, the Thrive 2030 strategy makes no mention of biosecurity, despite the tourism industry being a direct beneficiary of good biosecurity.

Mounting opposition with shared themes

Multiple independent parties have been critical of the proposition that growers, the agricultural industry, is the only an a 'significant beneficiary of biosecurity' and should therefore contribute directly to the sustainable funding model. Multiple Honourable Members of Parliament from the opposition and cross benches stood to speak against the bills and to recommend them to a Senate Inquiry.

The Office of Impact Analysis (OIA) report[7] rated the legislation as 'adequate' and highlighted concerns**.** which is one rating higher than 'insufficient'.

The Plant Industry Forum is not the only party opposed to the bill, government advisory bodies and independent researchers have all criticised and raised concerns with the bill. The Productivity Commission[8] and the Australian National University Tax and Transfer Policy Institute[9] both point to the contradiction in the Bill's approach to externalities.

The question should be asked, why does being the beneficiary of biosecurity stop with growers? Packers, processors, transport and retailers all benefit from the sale of fresh produce, fibre and foliage. The policy setting does not match the market failure and by identifying primary producers in this way government is setting a new precedent for taxing segments of the community for public goods.

Calculation, collection and allocation of levy funds

Calculation of and collection of the levy, even with the proposed amendments, is still inequitable and cumbersome. The new model (noting that there's still insufficient detail) will be based on gross value of production (GVP). The GVP of agricultural commodities is not an equitable basis to strike a levy. It is not clear how the levy will be charged at the collection point.

The proposed levy is not hypothecated to the use of biosecurity and will become consolidated revenue. The Government is creating a new type of levy that takes from a sector but does not give the sector any say in the setting terms or control of the levy expenditure.

Whilst the announcement of the Sustainable Biosecurity Funding Advisory Panel (SBFAP) is a welcome step forward, the timing of the announcement at the introduction of the Bill and the lack of detail and absence of a terms of reference lead to a lack of trust in the potential effectiveness of the SBFAP.

In its submission to the 'Making national biosecurity funding sustainable' consultation, Plant Industry Forum members called for any new revenue created by the new model, to be indexed and hypothecated for biosecurity measures. It highlighted that if the revenue is not hypothecated, it risks becoming 'just another tax' as has become the case for the Passenger Movement Charge implemented for Foot and Mouth Disease (circa 2001).

As part of the sustainable funding model announced, increases to the Passenger Movement Charge and to parcels and freight under $1000 value will all go to consolidated revenue and then will be assigned via the budget process. Plant Industry Forum has zero confidence that the revenue raised through any of these new charges and mechanisms will provide a long term, sustainable increase in investment by this or future governments if this revenue is not hypothecated.

Department inefficiencies and rushed timeframes

The proposed timeframe for implementation, 1 July 2024, is untenable.

The Department has not addressed its own inefficiencies that have contributed to the shortfall in its budget. There are costs associated with continual changes to the Department brought about by Machinery of Government which industry is now being asked to cost recover. These issues should be addressed before industry is taxed to make up for the Department's budget shortfall.

As stated in a 2021 audit by the Office of the Auditor General[10:]

> *"past external reviews and ANAO performance audits of the department have found weaknesses in the department's governance and culture, including demonstrating value for money in the department's procurement activities."*

A recent Capability Review by the Australian Public Service Commission (APSC)[11], made several recommendations aimed at addressing the Department of Agriculture's recent poor financial management and performance record. This Review included areas specific to biosecurity performance and the facilitation of trade. It calls on the Department to:

> *"DAFF needs to build the level of commercial acumen required to develop appropriate revenue strategies, consistent and compliant charging policies, and accurate cost attributions, as well as to provide full cost transparency to industry clients and stakeholders. This review found many industry stakeholders are not against increased charges and fees if the reasons are clear and they can see service improvements. DAFF's record in this area is viewed by stakeholders as being highly variable.*
>
> *DAFF does not currently have the systems in place to reliably understand its financial circumstances at any given point in time. It cannot reliably forecast how actual expenditure is tracking against estimates. While work has been done through the Designing DAFF initiative to strengthen financial reporting, there is an opportunity to better forecast both revenue and expenditure at a whole-of-enterprise level.*
>
> *Historically, the cost of delivering essential services is not always matched with revenue coming into DAFF. Half of DAFF's budget comes from cost-recovered activities. Demand for these services, and consequent revenue, can be variable and poses potential sustainability risks.*
>
> *This situation is compounded by the risk of a biosecurity outbreak, which would be either managed from within existing resources or supplementary funding allocated on a case-by-case basis."*

The report also cites the numerous changes to the Department through the Machinery of Government. The costs related to these changes, which are purely driven by differences in Government ideology, should not be passed on to the industries which the Department is here to serve.

Industry is already contributing to the Department's revenue through the user pays model for a range of services that can only be supplied by government and is forecast to contribute more through increases in charges such as Post Entry Quarantine fees. Until an improvement in efficiencies can be demonstrated, the Plant Industry Forum rejects outright the premise that industry should be further levied to support the Department's budget.

Opposition to the proposed levy is broad and conclusive, the levy does not pass scrutiny

The Biosecurity Protection Levy has met with considerable opposition from a wide range of stakeholders, experts and representatives. The agricultural industry, which under the levy principles should support the setting of a levy, are all in opposition to this levy.

The Productivity Commission in its 2023[12] report, which was based on the original proposal where the levy was set against the total levy expenditure by industry, identified eight warning signs that weakened the case for a levy. Similarly, the Australian National University Tax and Transfer Policy Institute's (ANU)[13] analysis using the principles in the Productivity Commission's report, found that the new model based on GVP made no improvement. Both reports concluded that the Government's position that primary industry was a significant beneficiary of biosecurity and should therefore be levied was flawed. The ANU stated:

> *"Overall, the government's package to implement the BPL does not pass scrutiny".*

In its assessment of the Biosecurity Protection Levy, the Office of Impact Analysis (OIA)[14] rated the proposed new legislation as adequate, just one level above insufficient. The OIA stated that *"further analysis of impacts, including quantification of costs, justification of costings, and description of qualitative impacts and further description of consultation, including the range of stakeholders consulted and areas of agreement and disagreement on the options*" would have improved its rating. The fact that these basic elements were not provided to the OIA or industry during consultation is a good indication of the type of consultation that was afforded industry in this process.

The fact that the Bill has been debated in the lower house and so many Honourable Members rose to oppose the Bill and sent it to the Senate for inquiry further indicates that the justification for the proposed levy is insufficient and does not pass scrutiny.

Undermining existing Agricultural levy principles

The Biosecurity Protection Levy is inconsistent with agricultural levy principles. The agricultural industry has a history of investing in itself through statutory levies, and we acknowledge that the Government supports this investment through matched funding under certain circumstances. There is a very specific methodology laid out for the implementation of new levies, with a list of 12 principles set out to be followed by industry in order for the levy to be struck. The Government has not followed a single one of these principles.

The proposed striking of the levy to achieve a target $50 million in revenue raises numerous concerns for the Plant Industry Forum. First, it was unequitable to use current statutory levy rates as a starting point for the biosecurity protection levy setting. In doing so, the Government singled out the industries which were organised, invested in their futures and already contributing to biosecurity preparedness and response through their levy structures. The new proposed model to calculate the proportion according to the gross value of production (GVP) is also flawed.

Applying tax to the GVP goes against standard tax practice, which would mean the tax would be applied to net proceeds. Both the GVP and the net proceeds to producers are difficult to calculate for the Government. The Government has wound down an already under-funded the Australian Bureau of Agricultural Resource Economics (ABARES) and industry does not have faith in the statistics developed. The point of sale for agricultural commodities varies significantly within and between industries, based on business size and relationship with the processor, retailer or exporter. The difference in the net price received by growers compared to the gross value is significant, yet the grower will be paying tax at the much higher rate. How is this proposal equitable?

Even with its changes to date, the Government has put the statutory levy system at risk through the introduction of the Biosecurity Protection Levy, and at the very least it will cause industries to reconsider their investment in biosecurity research and development and preparedness and protection activities. This throws years of goodwill and partnership between them and the primary industries they make investments on behalf of, into turmoil.

The Biosecurity Protection Levy's 10 per cent tax on primary production comes at a time when, despite the recent headlines of profitability, the agricultural sector is facing many stiff headwinds, many of which have been contributed to in part by this Government. During the pandemic, input costs rose in the vicinity of 50-70 per cent. For example, fuel prices have increased, energy costs have surged, transport in Australia has increased, shipping has increased, and the minimum wage has increased just to name a few. The imposition of a 10 per cent tax on food, fibre and foliage at a time when the country is facing a cost-of-living crisis and primary industry is struggling to be profitable, is a sure sign that this Government is not across the issues facing the sector.

Biosecurity system under pressure

Australia is exposed to an average of 40 exotic plant pest incursions annually, compared to less than one for animals. Due to the volume and frequency of plant pest incursions, pest management and trade requirements plant industries more closely with biosecurity agencies than any other sector. Plant Industry Forum are therefore aware of the high workload our plant biosecurity agencies are exposed to on a day-to-day basis.

Despite the obvious need for increased capacity and capability the opposite is occurring, and our plant biosecurity agencies are constantly overloaded due to restricted resourcing levels. Government's history of investment in biosecurity for plant industries demonstrates a systemic lack of support for our sector.

Under current resourcing levels, incursions place Australia's plant biosecurity status at further risk because 'business as usual activity' is reduced. There are not enough state or federal plant biosecurity staff to continue to do surveillance on other pests, which weakens our position. There are currently multiple plant pest responses being managed across the country and high levels of concern for animal pests in neighbouring countries. There is a very real danger of industry fatigue at the current level of funding of responses, with some questioning the current system and the level of response funding being asked of growers when investment in adequate risk mitigation is questionable and those on the risk pathways are not contributing fairly.

CSIRO's 2020 report Australia's biosecurity future; Unlocking the next decade of resilience (2020-2030)[15] states:

> *Scaling the current system through additional funding allocation will not be enough. Modelling shows that even almost tripling investment in interventions out to 2025 will still result in increased residual biosecurity risk compared to 2014– 2015 levels. This suggests that the system requires more transformational change in approaches and responsibilities to generate greater efficiencies and effectiveness.*

Conclusion

The biosecurity system cannot continue on the same 'business as usual' trajectory and hope to meet the rapidly rising challenges predicted, when all the signals are clear that 'business as usual' activities are failing to keep up with today's challenges. Producers have long supported a container levy to improve the fairness and equity of the biosecurity system, so risk-creators can make more contribution to shared responsibility, as recommended by the Craik Review in 2017. Producers also demonstrate that they take biosecurity seriously by paying levies for RD&E, as well as for emergency responses such as the recent Varroa incursion, which will be paid back by growers into the 2030's. However, the proposed new levy that these bills seek to implement is not supported by the actual producers who are being asked to pay this new cost of business.

The government's proposal has also been independently scrutinised by various experts and failed to win approval. It will not deliver efficiency or support investments in technology and it ignores the existing significant contributions made by industry to biosecurity. It also fails to recognise many other levies paid by growers that also deliver significant uplift in biosecurity, and other shared benefits including increased economic activity, tax generation and environmental gains.

The vast majority of respondents to this inquiry reject the Biosecurity Protection Levy. The minimal changes that have been made since consultation on the levy commenced have not improved the industry's view of the levy. The agricultural industry agrees with independent reviews which found that the assertion that the agriculture industry is the primary beneficiary of biosecurity, is flawed and unfairly targets one group within the community to fund a public good at the exclusion of others in the supply chain and broader community who benefit from biosecurity too.

Plant Industry Forum members ask the Senate to do the right thing and listen to the overwhelming feedback to this inquiry and reject the bills that are seeking to impose another cost on farmers, to fund consolidated government revenue.

Sincerely,

Nathan Hancock

Plant Industry Forum Chair

Citrus Australia Chief Executive Officer