

***Agriculture (Biosecurity Protection)  
Levies Bill 2024 and related bills Inquiry***

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WOOLPRODUCERS  
AUSTRALIA

Mr Tas Larnach  
Committee Secretary  
Senate Rural and Regional Affairs and Transport Legislation Committee  
PO Box 6100  
Parliament House, ACT, 2600.

9 April, 2024

Via: [Online Submission System](#)

Dear Secretary Larnach

On behalf of WoolProducers Australia (WoolProducers), I would like to thank you for the opportunity to present this submission into the *Agriculture (Biosecurity Protection) Levies Bill 2024 and related bills* Inquiry

WoolProducers strongly opposes the introduction of proposed Biosecurity Protection Levy (BPL).

The subpar consultation process undertaken by the Government on the BPL has only added to the angst felt by producers and the broader agriculture sector. This proposal, even by the Government's own Office of Impact Analysis standards, is poor policy compounded by an even worse attempted implementation.

The unbalanced and illogical nature of this levy undermines the agreed roles and responsibilities of government and non-government stakeholders.

The proposed levy seemingly dismisses the existing significant financial and in-kind contributions that Australian producers already make towards the national biosecurity system in pursuit of what can only be deemed as an easy revenue stream to subsidise Commonwealth biosecurity activities.

Again, thank you for considering this submission.

Should you wish to discuss our submission further, please contact me on 0488 554 811, or via email ([jhall@woolproducers.com.au](mailto:jhall@woolproducers.com.au)).

Yours Sincerely,



Jo Hall  
CEO  
WoolProducers Australia

WoolProducers oppose the proposed Biosecurity Protection Levy (BPL), as outlined in [our submission](#) into the 2023 public consultation on the introduction of the BPL.

This ill-conceived proposal needs an urgent rethink or withdrawal by the Government, as there are many issues with the BPL as it is currently proposed.

WoolProducers supports and is an active advocate for the notion of a 'shared responsibility' framework for Australia's biosecurity system. As per the endorsed National Biosecurity Statement (NBS), stakeholders in this system include the Australian government, state and territory governments, representative bodies (industry), research organisations and individuals.

WoolProducers supports a sustainable funding mechanism for Australia's entire biosecurity system, however this support is predicated on genuinely shared responsibilities, which includes funding across the spectrum of stakeholders, both the beneficiaries and risk creators with respective contributions being proportionate and equitable.

The Government's claim that the BPL will support a "Strengthened and Sustainably Funded Biosecurity System" is nonsense. The \$50 million tax being imposed on producers is little more than a budget hole filler for DAFF who failed to cost recover adequately to cover the cost of their regulatory activities.

Under this BPL proposal, producers will be directly subsidising Federal Government regulatory functions, which is simply not the responsibility of industry and producers. This cash grab flies in the face of the intent of the National Biosecurity Strategy.

Australian producers and industry already contributes considerably to this system through existing national subscriptions, national levies such as those flowing to Animal Health Australia and Plant Health Australia, and state levies like rates paid to the Local Land Services in NSW and the Sheep and Goat Industry Funding Scheme in Western Australia along with private investment into their own businesses, such as the nearly \$22,000pa that 85% of land managers spent to control pest and weed management as reported by ABARES<sup>1</sup>. Industry also contributes towards biosecurity system policy development and determination, particularly through Peak Industry Councils, such as WoolProducers.

Despite industry asking DAFF on multiple occasions what Australian farmers already contribute to the biosecurity system an answer has not yet been provided. How can the government take another \$50 million from producers for biosecurity when they don't know what producers are already contributing?

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<sup>1</sup> Department of Agriculture, Fisheries and Forestry (2023), ABARES, Pest and Weeds Survey Result, viewed 8 October, 2023 <[Pests and weeds on the rise - DAFF \(agriculture.gov.au\)](#)>

The claim by Government that producers will only contribute 6% to the biosecurity system<sup>2</sup> is disingenuous as it fails to acknowledge the significant contribution already made by producers through private investment, state and federal levies.

Risk creators need to start proportionately contributing to the biosecurity system in a more holistic manner, acknowledging that there has been a recent increase in fees paid by importers in real terms. The proposed “increases” to fees and charges associated with import clearance activities are merely to recover costs associated directly with those activities. WoolProducers again call for the imposition (at the very minimum) of an importation or container levy, as has been introduced by New Zealand with no negative impacts to trade relations.

The lack of genuine consultation by Government both before and after the announcement of this levy, has caused much confusion amongst producers and industry.

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. If the government is to pursue the establishment of this “charge” it will need to be renamed as either a tax or a charge, which better articulates what the function of this proposal is and would be more readily understood by Australian primary producers.

WoolProducers are also concerned that the current consultation, despite claims made by the government, does not include an adequate Regulatory Impact Statement (RIS), and urges the Government to undertake one, to not only assist industry’s understanding, but we also firmly believe that it will help Government understand the complexities and risks of this proposal of which is clearly lacking.

DAFF has claimed in its own [consultation summary document](#)<sup>3</sup> that *“The department undertook an open public consultation process on options to deliver a sustainably funded biosecurity system.... The discussion paper included the option of a domestic levy as one of the funding options”* – this statement is completely dishonest as there was not one single mention of a ‘domestic levy’ proposed as a funding option.

Further, the Government’s own [Office of Impact Analysis](#) (OIA) determined that the policy proposal for the BPL did not meet the requirement of what is considered ‘good practice’<sup>4</sup>. The process undertaken by DAFF was deemed by the OIA only to be ‘adequate’, a generous assessment at best given the disingenuous statements referenced above. The approach taken by government on the BPL is of significant concern to WoolProducers and begs the question of why would farmers want to be taxed \$50 million by a department that has fallen short of world leading best practice?

Additional to the findings of OIA the ANUs [Tax and Transfer Policy Institute](#) recently found that the design of this levy (tax) is poor to say the very least. Alternatives proposed by TTPI are:

1. to increase charges for those who create the biosecurity threats, such as importers and travellers

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<sup>2</sup> Department of Agriculture, Fisheries and Forestry, Biosecurity Protection Levy Fact Sheet, viewed 28 March, 2024, [<bpl-factsheet.pdf \(agriculture.gov.au\)>](#)

<sup>3</sup> Office of Impact Analysis, Biosecurity Sustainable Funding Impact Analysis, page 7, viewed 28 March, 2024, [<Impact Analysis 4.pdf \(pmc.gov.au\)>](#)

<sup>4</sup> Office of Impact Analysis, Biosecurity Sustainable Funding Impact Analysis, viewed 28 March, 2024, [<Biosecurity sustainable funding submission | The Office of Impact Analysis \(pmc.gov.au\)>](#)

2. fund biosecurity protection through general revenue, given that the benefits flow to all Australians.<sup>5</sup>

Finally, the Productivity Commission's recent report 'Towards Levyathan? Industry levies in Australia' conducted a case study investigating the strength of the public policy case for the proposed BPL. The Productivity Commission identified eight warning signs that weakened the stated policy case for the proposed Levy<sup>6</sup>.

If three independent reports into the BPL have all found this policy proposal lacking was not enough to send a message to the current government, surely the recent collaboration by the Coalition, Greens and Independents who all voted against the BPL in the lower house should be enough for Labor to understand that this is really bad policy.

## About WoolProducers Australia

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.

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<sup>5</sup> Australian National University, Crawford School of Public Policy, Tas and Transfer Policy Institute, The biosecurity protection levy: Principles for design, page 4, viewed 28 March, 2024 [<final\\_pb\\_breunig\\_vanek\\_feb\\_2024.pdf\(anu.edu.au\)>](#)

<sup>6</sup> Productivity Commission, Towards Levyathan? Industry levies in Australia – Research paper, page 27-29, viewed 28 March, 2024 [<industry-levies.pdf\(pc.gov.au\)>](#)

