

12 October 2023

Biosecurity Sustainable Funding Implementation Branch
Department of Agriculture, Fisheries and Forestry
GPO Box 858
Canberra ACT 2601

By email: SecretariatBSF@aff.gov.au

To whom it may concern:

RE: Introduction of the Biosecurity Protection Levy

On behalf of the NFF Horticulture Council (the Council) and the wider national horticulture industry, I thank staff at the Department of Agriculture, Fisheries and Forestry (the department) and particularly those in the Biosecurity Sustainable Funding Implementation Branch for this opportunity to make a submission as part of the consultation process concerning the introduction of the Biosecurity Protection Levy (BPL).

The Council is the preeminent forum for deliberating and forming policy concerning our national horticulture industry. It was established in 2017 and is now comprised of 21 national commodity and state peak horticulture bodies, who together represent the full breadth of an incredibly diverse industry.

The Council develops policy positions on common issues of national importance to the horticulture sector such as trade, workforce, farm business, climate change and sustainability, markets and competition, R&D, telecommunications and infrastructure.

As you might expect, a core priority for the Council is ensuring we have a strong, efficient and effective biosecurity system to protect our environmental assets, the amenity in our uniquely Australian outdoor lifestyle, and the value of industries dependent upon biosecurity, most obviously for us, production and amenity horticulture.

As part of this interest in building a strong, efficient and effective biosecurity system, the Council has joined with other industry bodies including the National Farmers' Federation over a number of years in calling for the establishment of a sustainable model of funding to support our biosecurity system, not just before and at the border, but beyond the border as well.

This position has been informed by our own lived experience with a number of serious pest incursions that have and continue to cost our industries dearly and in recognition the threats posed by exotic pests and diseases is only going to increase.

This position not just accepts but embraces the principle that biosecurity is a shared responsibility between all stakeholders, including government, the public and industry.

The Council however has formed the view the BPL is unsound policy based on incomplete information and presents far greater risks to our biosecurity system and likely unintended consequences than it provides benefit.

The BPL is based on an underpinning assumption that primary producers are in some way owing as it concerns our past, present and likely future investments in the biosecurity system. This assumption, to our knowledge, is not based on any comprehensive understanding of total industry contributions across all stages of the biosecurity continuum, from preparedness at one end through to ongoing management of established weeds, pests and diseases at the other, which is estimated to cost Australian agriculture in excess of \$12 billion annually.

As you will be aware, the Intergovernmental Agreement on Biosecurity (IGAB) review, led by eminent Australian scientist Wendy Craik, recommended as part of its consideration of sustainable funding that Animal Health Australia and Plant Health Australia coordinate an industry stocktake of national biosecurity system investments and make the results public in order to address this fundamental gap in our understanding of the biosecurity system. This recommendation from 2017 frustratingly remains unimplemented.

Unless and until such a stocktake is undertaken by the Federal Government we believe is it highly pre-emptive to form the view that industry should pay more, given what we intuitively know about the significant contributions and costs borne by the horticulture industry in response to our two most serious recent incursions alone, in Varroa Mite and Fall Armyworm.

The Council will be writing to the Treasurer, the Hon Jim Chalmers MP recommending, among other things, that he and Minister Watt remove revenues from the Biosecurity Protection Levy as part of building Budget 2024-25 and instead commit to funding this stocktake exercise.

Otherwise, the proposed design and implementation of the BPL itself, which we appreciate is the subject of this particular consultation process, is also significantly flawed, creating so many inequities and inefficiencies as to make it in our view untenable. We understand member bodies of the Council, the National Farmers' Federation and the Plant Industry Forum will be making submissions that deal in more detail with the exact nature of these inequities, inefficiencies and unintended consequences, which can be summarised as follows:

- BPL inconsistency with established levy imposition and collection principles;
- BPL inconsistency with the agreed principles of the National Biosecurity Strategy;
- Inequitable application of the BPL between commodities, if calculated as a 10 percent tax on all existing industry levies;
- The potential uncapped nature of the BPL, meaning much more or less of the targeted \$50 million might be raised depending on fluctuating fresh produce volumes and prices;

- The likelihood of a range of negative unintended consequences for agricultural and biosecurity systems;
- The transparent use of the collected BPL funds to deliver dedicated, additional and tangible biosecurity outcomes;
- Additional funding from any source, including a BPL, nullifies the incentive for the department to streamline in its delivery of biosecurity services significant inefficiencies are known to exist; and
- The need for increased contributions from risk creators, including containerised imports.

While the Council won't also unpack and prosecute these flaws in this submission, we can affirm our agreement on their validity and our alignment with these other organisations in our universal rejection of the BPL.

Should the department wish to discuss any of the above further, please be in contact with Richard Shannon, Executive Officer to the Council either by email at hortcouncil@nff.org.au or phone on 0448 860 630.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'JRB', with a long, sweeping horizontal flourish extending to the right.

JOLYON BURNETT
Chair
NFF Horticulture Council