



**SENATOR THE HON MURRAY WATT
MINISTER FOR AGRICULTURE, FISHERIES AND FORESTRY
MINISTER FOR EMERGENCY MANAGEMENT**

MC24-001154

Mr Colin Bettles
Chief Executive
Grain Producers Australia

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Dear Mr Bettles

Thank you for your letter of 21 December 2023 to the Prime Minister, the Hon Anthony Albanese MP, on behalf of Grain Producers Australia and other industry representatives regarding the Biosecurity Protection Levy. I also thank you for our meeting on 8 February 2024, during which we discussed this and other matters.

As you know, Australia's first-ever sustainable biosecurity funding model ensures that we can continue to support the robust and rigorous biosecurity system that our agriculture, fisheries and forestry producers need. The sustainable biosecurity funding model is based on the principle that biosecurity is a shared responsibility. It includes new and permanent funding of more than \$1 billion over four years and an additional \$267 million per year, ongoing from 2027-28. Our model includes significantly increased funding contributions from taxpayers and importers, as well as a modest and direct contribution from producers through the Biosecurity Protection Levy.

I know that many producers already invest in biosecurity preparedness and response activities, including on-farm, through investment in research and development, membership fees for Animal Health Australia and Plant Health Australia, and contributions to emergency responses under deed arrangements. These investments are an important part of our biosecurity system. However, they do not fund our significant biosecurity efforts at the border: at airports, seaports, and mail centres, and nor do they fund the technical, scientific and surveillance work that is funded through the Commonwealth biosecurity budget.

Since the time of your letter, the Government has announced changes in the design of the Biosecurity Protection Levy in response to industry feedback. We said in our Budget announcements that the final design of the Biosecurity Protection Levy and our approach to industry engagement, governance and reporting would be settled after a public consultation process. As you know that process occurred in the second half of 2023 and attracted significant interest. The Government has carefully considered the feedback received and has agreed to change how an industry's Biosecurity Protection Levy obligation will be calculated.

The Biosecurity Protection Levy will no longer be set in reference to the existing agricultural levies system. Instead, rates will now be calculated based on each industry's proportionate percentage of the Gross Value of Production.

The Government has also responded to concerns about multiple imposition points across the supply chain. The Biosecurity Protection Levy will be tailored to individual products and goods to remove multiple imposition points across a product's supply chain.

In addition to these changes, I have also announced a new Sustainable Biosecurity Funding Advisory Panel that will, for the first-time, provide transparency to industry, give them a say on biosecurity priorities and show how Commonwealth biosecurity funding is used. I wrote to you on 28 February 2024 (MC24-000079 refers) to invite you to be a member of the Panel. Through the Panel, the Government will meet regularly with those who have a stake in strong biosecurity protection. We will be clear about what revenue is being raised from importers and producers and how that money is invested in the biosecurity system. The Government will work with the Panel to ensure that priorities identified by industry are understood and acted upon as appropriate.

I understand that you have spoken with the Department of Agriculture, Fisheries and Forestry about changes in the design of the Biosecurity Protection Levy. I also wrote to you and other stakeholders (MB24-000015 refers) who provided written submissions to the consultation process with details of the revised levy design, including many of those who were signatories to your letter. For any industry representatives who did not receive a letter from us, but who were signatories to your letter, you can direct them to agriculture.gov.au/biosecurity-funding for updates and further information on the design of the Biosecurity Protection Levy.

Thank you again for writing on this matter.

Yours sincerely



MURRAY WATT

1 / 3 /2024

Enc

cc: The Hon Anthony Albanese MP, Prime Minister
The Hon Dr Jim Chalmers MP, Treasurer