

Department of Agriculture, Forestry and Fisheries

Via: <https://haveyoursay.agriculture.gov.au/biosecurity-protection-levy>

13 October 2023

RE - Biosecurity Protection Levy – [REDACTED]

This submission is made by the [REDACTED] which is the [REDACTED] for [REDACTED] and is responsible for proposing the industry agreed levies for R&D and Marketing to the Minister as per the legislation.

The [REDACTED] is generally supportive of the efforts of the Federal Government in relation to biosecurity measures to prevent incursions of external pests and disease which can have significant economic effects upon primary producers. However, **the [REDACTED] has some major concerns regarding the proposed 10% additional levy amount** for non-specific biosecurity purposes over and above the current statutory levy which is used purely for mushroom R&D and marketing.

The [REDACTED] levy is raised on [REDACTED] which is currently at level of \$ 1.08 per Kg for R&D and \$ 2.92 per Kg of [REDACTED] used for marketing (totaling \$ 4/kg spawn purchased). For the financial year 2022/23 the total amount raised from growers for R&D was \$ 1,224,904 and for marketing \$ 3,365,850: A Grand Total of \$ 4,590,754. **An additional 10% on the 2022/23 total would amount to \$ 459,075.** The [REDACTED] since the year 2000 has seen a major contraction in the number of growers and the number of levy payers is now less than forty-five. The Biosecurity Protection Levy is targeted to raise some \$ 50 million and on this basis 45 growers will be contributing a disproportionate amount compared with other primary producers, hardly a modest contribution.

The biosecurity risk of a pest and disease incursion caused by or effecting the [REDACTED] is low. [REDACTED] imports are only permitted from New Zealand and for many years there has been no significant trade between New Zealand and Australia. Because of the highly perishable nature of the product, the opportunity for export of [REDACTED] is negligible, largely being confined to Oceanic countries at a level of less than 50 tonnes per annum. In partnership with Plant Health Australia the [REDACTED] has developed a [REDACTED]; this has been undertaken with matched R&D funds under the auspices of Hort. Innovation programme [REDACTED]. The plan has only recognised the following high priority exotic pests, namely [REDACTED] and the likelihood of these viruses having an impact on the [REDACTED] is remote. It must be noted by the department that unlike tree and field crops, the [REDACTED] is on a very short six week growing cycle under controlled conditions, and in the event of a disease outbreak cropping can be curtailed by early steam sterilisation. The industry has multiple Pest and Disease Research and Development programs funded via Hort. Innovation. Including but not limited to monitoring of domestic and international pest and diseases, on-farm treatment and training for management, and project [REDACTED], a Ph.D. program to study viruses associated with [REDACTED] in Australia, which is about start. **We would appreciate the opportunity to further discuss the [REDACTED] low biosecurity risk, the growing [REDACTED], and the structure of [REDACTED] with the department.**

The [REDACTED] has comparatively one of the most expensive levies in horticulture. To propose an additional 10% to a high levy with a low risk, will put further pressure on growers, in what is a

[REDACTED]

[REDACTED]

[REDACTED]

declining industry. The [REDACTED] draws attention to the fact that the [REDACTED] has suffered a decline in production from 72,000 tonnes per annum in the 2018/19 financial year to a forecast 61,650 tonnes per annum in the 2022/23 financial year. The [REDACTED] was severely disrupted during the Covid lockdowns, reduced demand from the food service sector in particular severely impacted smaller growers in the industry. All growers are currently facing reduced demand for their product; [REDACTED] purchases are largely discretionary; cost of living pressures is having a major impact on sales countrywide. At the same time growers are experiencing higher raw material, energy, labour costs and additional biosecurity charges on essential peat casing imports.

Over the past eighteen months in Victoria one large [REDACTED] and a large compost facility have gone into voluntary liquidation and subsequently closed, with several smaller growers in other states shuttering their operations, with significant job losses as a consequence. In the past month the [REDACTED] has learned of yet another long term operation closing in Victoria, yet another halving their production, plus a long term family business in Queensland closing one of their two operations with the loss of forty jobs. **Our industry is in a parlous state.**

The [REDACTED] has estimated that given our current annual [REDACTED] production of 61,650 tonnes and with a biosecurity protection levy of \$ 459,075 then this equates to \$ 0.00744647 or 0.75 cents per Kg. **This is almost four times the per Kg price to be applied to apple growers** at 0.19 cents per Kg, for a [REDACTED] which has limited exports and no [REDACTED] imports with a much lower biosecurity risk profile compared with apples.

From the [REDACTED] perspective the use of our overall statutory levy as a basis for a biosecurity protection levy is a crude and inappropriate tool and our industry intends to lobby the Minister for an exemption from this extra tax burden which on the face of it appears to be of but little benefit to the [REDACTED] and disproportionately supports other primary producers.

Our [REDACTED] simply cannot afford to pay this additional levy, which will be of little direct use or value, to our low risk industry.

[REDACTED]

[REDACTED]