Agriculture Portfolio—Deregulation Annual Report 2014
Foreword

As a nation, we need a competitive and innovative agriculture sector, one that brings greater returns to the farm gate, expands trade opportunities and strengthens our rural and regional communities.

We need a regulatory system that supports a competitive sector—not burdens our producers and exporters with unnecessary paperwork and layers of bureaucratic red tape.

I know that in the agriculture sector some of the regulatory burden lies with states and territories, local governments, and other government portfolios. I remain committed to working with my parliamentary colleagues and my state and territory colleagues to identify areas where we can work together to sensibly eliminate and reduce overlap and duplication.

The Coalition Government is committed to reducing the burden of red tape by $1 billion a year. It’s an ambitious agenda—in the agriculture portfolio we are focused on doing our part to achieve this goal.

To date, my portfolio has identified $25 million worth of reductions in regulatory compliance costs across a range of areas, including agvet chemicals, biosecurity, live animal exports and service delivery modernisation.

This work is ongoing and I expect more reductions in compliance costs over the coming years.

Throughout this process, I’ll continue to welcome advice from business, industry and the community. I’ve established the Agricultural Industry Advisory Council, with members from a range of agriculture, fisheries and forestry industries, to ensure affected stakeholders are consulted on the reform measures.

I encourage you to follow our progress in cutting red tape and making it easier for our farmers and producers to get on with their business.

Barnaby Joyce
Minister for Agriculture

18 March 2015
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Introduction

The agriculture portfolio’s responsibilities are broad, touching on many of Australia’s primary industries. It has a diverse role, as policy adviser, researcher, program administrator and regulator. The portfolio’s work contributes to making Australia’s primary industries resilient and prosperous and to safeguarding Australia from animal and plant pests and diseases.

Regulatory reform has been a priority for the Department of Agriculture since the 1970s. To improve the efficiency of productive resource use, the department has adopted market-based approaches to resource allocation and progressively removed stabilisation measures and price controls. Past reforms have included deregulating the domestic wheat market in 1989, removing the wool reserve price scheme in 1991 and withdrawing price support to the dairy industry in 2000.

Past reforms required large-scale changes to the way the industries operated and the relationship between industry sectors and government. They also required major policy intervention by government to create whole-scale changes. A graphic representation of regulatory reform in the Australian agriculture sector, from 1972 to 2014, is included at Appendix C.

The current deregulation agenda focuses on how risks are managed, the efficiency and effectiveness of regulatory design and the impact of regulatory practice on the economy. Recent reforms, such as the package of Biosecurity Bills and the service delivery modernisation programme, align with this focus. The portfolio is committed to continuously improving its performance as policymaker, market access facilitator and regulator and maintaining quality engagement with industry and stakeholders.
Portfolio highlights

- The agriculture portfolio’s responsibilities cover the agriculture, pastoral, fishing, food and forest industries, among many others, as outlined in the Administrative Arrangements Orders (Appendix B).

- The Department of Agriculture (the department) works to advance resilient and prosperous agriculture, fisheries and forestry industries and to safeguard Australia from animal and plant diseases and pests. Improving and gaining access to international markets for Australian agriculture, food and fibre industries is an important part of this work.

- The department is implementing a major service delivery modernisation programme that will contribute to reducing the regulatory burden on importers and exporters and facilitate trade in animal and plant commodities, while maintaining strong risk management safeguards.

- In 2014 the portfolio reported a net regulatory burden reduction of $24.5 million, as illustrated in Figure 1. This is a decrease of approximately 4 per cent of the total annual regulatory costs imposed on business, individuals and community organisations by the portfolio.

**Figure 1 Net reduction in regulation — dollars**

- The department conducted an audit of all existing regulations administered by the portfolio—from primary legislation to quasi-regulation—to assess the scope, scale and impact of its regulations. All regulations were catalogued and the compliance cost estimated using the government’s Regulatory Burden Measurement framework. The audit found that regulations administered by the portfolio imposed a total cost of approximately $628 million a year on business, individuals and community organisations.

- The audit results show that approximately 10 per cent of regulation frameworks in the portfolio account for about three-quarters of the regulatory burden. The department is using relevant data to assist in identifying areas for further investigation and potential reform.

- The portfolio introduced 105 regulatory changes between September 2013 and 31 December 2014. Of these, fewer than 10 were found to introduce compliance
requirements, 37 reduced the compliance burden, and more than half had no impact on compliance costs.

- The portfolio consulted stakeholders to assess the impact of regulations introduced, completing five comprehensive and 11 short-form Regulation Impact Statements (RISs). The remaining measures were minor or machinery in nature and did not require a RIS.

- Other key aspects of the deregulation agenda implemented during the reporting period include:
  - establishing a deregulation unit in the department to coordinate the portfolio’s implementation of the deregulation agenda and to deliver cultural change within the portfolio
  - engaging the Agricultural Industry Advisory Council to provide industry advice and consultation on opportunities to reduce regulatory burden. The council considered the portfolio’s progress on the deregulation agenda, including the audit report and a preliminary list of regulatory reform opportunities
  - the provision of letters of expectation from the Minister to portfolio regulatory agencies and the department outlining expectations for the behaviour and performance of regulators.

- Key regulatory savings in the agriculture portfolio included:
  - introducing the Biosecurity Bill to simplify and streamline Australia’s biosecurity laws—estimated to save at least $6.9 million a year in regulatory compliance costs for businesses
  - introducing a cargo online management system that allows clients to submit import documentation electronically and check the progress of their lodgements online—estimated to reduce compliance costs by approximately $5 million a year
  - commencing new requirements for timber importers and processors, designed to protect legitimate markets and combat illegally sourced timber products—estimated to save $2 million a year in compliance costs. The government has also announced an independent review into the impact of the requirements on small business
  - changing the threshold for the Farm Management Deposits (FMD) Scheme, allowing primary producers to earn up to $100,000 (previously $65,000) in off-farm income and be eligible to create new FMDs in that year or consolidate multiple FMD accounts without tax consequences. FMDs have also been permanently exempted from unclaimed moneys provisions and will be available to farmers when needed, reducing regulatory burden by an estimated $1.9 million a year
  - the Australian Fisheries Management Authority’s active pursuit of regulatory reform, announcing seven measures, including improvements to its online service delivery—estimated to reduce compliance costs by more than $110,000 a year.
Modernising cargo lodgement for commercial importers

The department is implementing a cargo online lodgement system that will improve timeliness and convenience for commercial importers and customs brokers leading to an annual saving of around $5 million in compliance costs.

More than 31 million sea and air containers and canisters were imported into Australia in 2013–14, and the department processed up to 1 million separate lodgements (emails, faxes and paper forms) to support these arrivals. The Cargo Online Lodgement System enables clients to submit import documentation electronically and check the progress of their lodgements online.

We have seen a huge reduction in time involved in dealing with the department. As an example, a simple change of location now is very quick, with no need to phone and go through the options. We send the request using the Lodgement Reference Number, and the response is very quick. We also can arrange for the issue of a further direction at any time, and we are confident that the direction is issued in a very short time.

At first my staff were concerned at the time it takes to complete the screens to create a new COLS job, when compared to the old cover sheet system. Now that they have been using COLS for a while, it takes less time, as you don’t need to complete the cover sheet, and then print it, and scan the associated documents. The process now all takes place on the desktop. We had some initial resistance to using COLS, whereas now the staff love it, and would never go back to the email system.

Mr John Chambers, BTI Logistics
## Summary of key regulatory costs and savings 2014

### Table 1 Summary of key regulatory costs reported or announced between September 2013 and 31 December 2014

<table>
<thead>
<tr>
<th>Key measures</th>
<th>Reported ($ 000s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support to drought-affected farm business and farm families (R1)</td>
<td>337.00</td>
</tr>
<tr>
<td>Wool Industry – changes to woolpack standards (R2)</td>
<td>100.00</td>
</tr>
<tr>
<td>Drought Recovery Concession Loans Scheme (R3)</td>
<td>38.00</td>
</tr>
<tr>
<td>Support for Recreational and Commercial Peak Bodies – 2014-21 PBS-NPP (R4)</td>
<td>28.20</td>
</tr>
<tr>
<td>Recognition of OceanWatch as a Natural Resource Management Group – 2014-15 PBS-NPP (R5)</td>
<td>11.50</td>
</tr>
<tr>
<td>New inspection process – grain exporters (R7)</td>
<td>3.60</td>
</tr>
<tr>
<td>Changes to Forest Growers Levy (R8)</td>
<td>2.00</td>
</tr>
<tr>
<td>Cost Recovery for Administration of Quota (R9)</td>
<td>0.030</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$530.93</strong></td>
</tr>
</tbody>
</table>

Note: Details on individual measures are outlined in Appendix A.

### Table 2 Summary of key deregulatory savings reported or announced between September 2013 and 31 December 2014

<table>
<thead>
<tr>
<th>Key measures</th>
<th>Reported ($ 000s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Modernising Australia’s Biosecurity System — introduction of the Biosecurity Bill 2014(D1)</td>
<td>-6900.00</td>
</tr>
<tr>
<td>Modernising cargo lodgement for commercial importers (D2)</td>
<td>-5100.00</td>
</tr>
<tr>
<td>Assisting Australian importers to undertake due diligence requirements (D3)</td>
<td>-2010.00</td>
</tr>
<tr>
<td>Improving the Farm Management Deposits Scheme (D4)</td>
<td>-1922.00</td>
</tr>
<tr>
<td>Applying a risk-based framework for livestock export supply chain audits (D5)</td>
<td>-1700.00</td>
</tr>
<tr>
<td>Establishing a new horticulture research, development and marketing body (D6)</td>
<td>-1700.00</td>
</tr>
<tr>
<td>Plant exports—inspection and re-approval of containers (D7)</td>
<td>-1100.00</td>
</tr>
<tr>
<td>Alternative treatment for new oversized tyres (trialling new inspection procedures and alternate fumigation treatments) (D8)</td>
<td>-909.00</td>
</tr>
<tr>
<td>Removing requirements for registration of some seafood producers (D9)</td>
<td>-767.00</td>
</tr>
<tr>
<td>Removing re-approval and re-registration of Agvet chemicals and other measures (D10)</td>
<td>-677.00</td>
</tr>
<tr>
<td>Giving all grain exporters fair and transparent access to export terminals (D11)</td>
<td>-630.00</td>
</tr>
<tr>
<td>Removing the requirement for tail tags for cattle destined for the European Union (D12)</td>
<td>-500.00</td>
</tr>
<tr>
<td>Reclassifying high-risk new agricultural machinery (D13)</td>
<td>-317.00</td>
</tr>
<tr>
<td>Reconditioning aircraft parts (import conditions for reconditioned parts to reflect those of new parts)</td>
<td>-228.00</td>
</tr>
<tr>
<td>Key measures</td>
<td>Reported ($ 000s)</td>
</tr>
<tr>
<td>------------------------------------------------------------------------------</td>
<td>-------------------</td>
</tr>
<tr>
<td>(D14)</td>
<td></td>
</tr>
<tr>
<td>Food Import Compliance Agreements (FICAs) (D15)</td>
<td>$-178.00</td>
</tr>
<tr>
<td>Rural Research and Development Legislation Amendment Bill 2013 (D16)</td>
<td>$-123.00</td>
</tr>
<tr>
<td><em>Farm Household Support Act 1992</em>—introducing the Farm Household Allowance (D17)</td>
<td>$-66.00</td>
</tr>
<tr>
<td>Fisheries—simplifying boat nominations (D18)</td>
<td>$-34.00</td>
</tr>
<tr>
<td><em>National Food Plan</em>—Leveraging Australia’s Brand for Food—Portfolio Budget Statements (PBS) 2014–15—proposed budget savings measures (D19)</td>
<td>$-28.70</td>
</tr>
<tr>
<td>Abolishing the Inspector-General of Animal Welfare (D20)</td>
<td>$-25.00</td>
</tr>
<tr>
<td>Dolphin Strategy—minimising gillnet bycatch (D21)</td>
<td>$-24.30</td>
</tr>
<tr>
<td>Fisheries—suspending fees for online trading (GoFish) (D22)</td>
<td>$-23.20</td>
</tr>
<tr>
<td>Amendments to import permits for research institutions (D23)</td>
<td>$-16.00</td>
</tr>
<tr>
<td>Repealing Export Control (Processed Fruit and Vegetables) Order (D24)</td>
<td>$-14.40</td>
</tr>
<tr>
<td>Fisheries Resources Fund—PBS 2014–15—proposed budget savings measures to continue existing savings measures (D25)</td>
<td>$-12.00</td>
</tr>
<tr>
<td>Terminating the Tasmanian Forests Intergovernmental Agreement (D26)</td>
<td>$-11.60</td>
</tr>
<tr>
<td>Fisheries—introducing single party leases (D27)</td>
<td>$-10.30</td>
</tr>
<tr>
<td>Review of horticulture export efficiency powers (D29)</td>
<td>$-10.00</td>
</tr>
<tr>
<td>Membership fees for international commodity organisations—PBS 2014–15—Proposed budget savings measures (D28)</td>
<td>$-9.40</td>
</tr>
<tr>
<td>Fisheries—online permit renewals (D30)</td>
<td>$-6.20</td>
</tr>
<tr>
<td>Simplifying livestock export consignment approvals (D31)</td>
<td>$-6.00</td>
</tr>
<tr>
<td>Reducing the number of days dogs and cats spend in quarantine (D32)</td>
<td>$-3.00</td>
</tr>
<tr>
<td>Changes to the Queen Bee Levy (D33)</td>
<td>$-2.00</td>
</tr>
<tr>
<td>Fisheries—introducing multi-year leases (D34)</td>
<td>$-1.90</td>
</tr>
<tr>
<td><em>Australian Animal Welfare Strategy</em>—PBS 2014–15—proposed budget savings measures (D35)</td>
<td>$-1.30</td>
</tr>
<tr>
<td>Centralising Post-entry quarantine client phone calls (D36)</td>
<td>$-0.80</td>
</tr>
<tr>
<td>Aligning First Point of Entry names between Customs and the department (D37)</td>
<td>$-0.60</td>
</tr>
<tr>
<td><strong>Total ($ million)</strong></td>
<td><strong>-$25.07</strong></td>
</tr>
</tbody>
</table>
Regulation Impact Statements

Regulation Impact Statements (RISs) are a key component of the government’s requirements for developing and analysing the impacts of regulation.

In the period from 3 October 2013 to 31 December 2014 the portfolio prepared five standard-form RISs, all of which were proposed to reduce compliance costs. Eleven short-form RISs were prepared for matters to be considered by Cabinet. The standard form RISs developed in 2014 covered:

- Improving access to port terminals for bulk wheat exporters—recommendation to introduce a mandatory code of conduct for port operators. The department’s proposal sought to address concerns raised by industry stakeholders and the Australian Competition and Consumer Commission about the effectiveness and burden of existing access test regulations. The implementation of this code of conduct is expected to save industry around $0.63 million a year in compliance costs. Both the consultation RIS and decision RIS were published.

- Risk-based regulation of certain stock and pet foods. The department recommended full assessment of these products by the regulator be replaced with self-assessment by manufacturers and suppliers against risk-based requirements. This change is designed to realign the regulatory burden with the actual risk of the products, saving industry an estimated $7.8 million a year and improving access for users. The consultation RIS was published in 2014 – the department anticipates this measure will be announced and reported in 2015.

- Reducing complexity and updating biosecurity regulation. The proposal sought to better align the regulation of biosecurity with modern business realities, reduce complexity, and modernise arrangements to make compliance easier for regulated entities. The new biosecurity legislation is expected to save around $6.9 million a year.

- Managing dolphin interactions in southern Australia. The Australian Fisheries Management Authority (AFMA) recommended the continuation of measures implemented to protect dolphins from fishing equipment in a southern gillnet fishing zone. The AFMA estimates an annual saving of $24 300 in compliance costs. The RIS was prepared as a single-phase RIS under the July 2013 RIS system.

The Office of Best Practice Regulation (OBPR) found the five standard-form RISs were compliant with Regulatory Impact Analysis requirements. The OBPR publishes completed RISs on the Best Practice Regulation Updates website.
Table 3 Regulation Impact Statement compliance 2014

*Minor or machinery measures are those that do not substantially alter existing arrangements.*

<table>
<thead>
<tr>
<th>RIS breakdown</th>
<th>RIS Compliance</th>
<th>PM’s Exemptions</th>
<th>PIR required</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture portfolio total</td>
<td>5</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>– Department of Agriculture</td>
<td>4</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>– Australian Fisheries Management Authority</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Short-form RISs</td>
<td>11</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Measures that were minor or machinery in nature, not requiring a RIS</td>
<td>89</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>
Portfolio activity supporting the government’s red tape objective

**Deregulation Unit**
The department established the Deregulation Unit for the portfolio in November 2013, which is led by an SES Band 1 officer and supported by six staff members. The unit is located within the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES).

The unit coordinates the implementation of the deregulation agenda in the department and portfolio regulatory bodies and facilitates interaction with the Office of Deregulation, Department of the Prime Minister and Cabinet. It assists policy areas to assess the impact of proposals to develop or amend regulation according to the Regulation Impact Analysis process and *Australian Government Guide to Regulation*.

The unit provides support and advice to encourage vigorous and transparent consideration of options and associated impacts. It is supported in this work by the Productivity Section of ABARES, which provides technical support to quantify compliance cost impacts of proposed measures. The section provided technical support and analysis for the audit of regulation.

The Legislation and Regulatory Reform Committee (LRRC) oversees the portfolio’s legislation programme and priorities. The LRRC is supported by an SES-level Deregulation Working Group, which includes representatives from the portfolio regulators. The working group met 17 times in 2014 to monitor and support the portfolio’s work to reduce regulatory burden.

**Ministerial Advisory Council**
The Agricultural Industry Advisory Council advises government about key issues affecting the agriculture, fisheries and forestry sectors, and on priorities for deregulation in their respective industries.

<table>
<thead>
<tr>
<th>Date of meeting</th>
<th>Outcomes</th>
</tr>
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<tbody>
<tr>
<td>29 January 2014</td>
<td>First meeting—members were introduced and the Chair outlined the terms of reference, including the emphasis on the government’s deregulation agenda and the importance of the agriculture portfolio’s contribution to the government’s target.</td>
</tr>
<tr>
<td>11–12 April 2014</td>
<td>Council members were provided with an overview and update of the portfolio’s contribution towards reducing the regulatory burden. They were advised of their requirements to test the results of the stocktake of regulatory burden for the portfolio.</td>
</tr>
<tr>
<td>10 June 2014 (telecon)</td>
<td>Council members were provided with an overview of the Stage 1 Regulation Audit results and agreed to provide feedback at the next meeting.</td>
</tr>
<tr>
<td>17 June 2014 (telecon)</td>
<td>Council members provided feedback on the Stage 1 Regulation Audit results and were given an update on broader regulatory settings in the portfolio.</td>
</tr>
<tr>
<td>21–22 August 2014</td>
<td>Council members were provided with an update on the portfolio’s deregulation agenda. They were advised of their requirement to review the second stage of the deregulation audit at the next meeting.</td>
</tr>
<tr>
<td>31 October 2014</td>
<td>Council members were provided with a progress update on Stage 2 of the audit and provided feedback on reform priorities for 2015 and beyond.</td>
</tr>
</tbody>
</table>
**Purpose and aim**
The purpose of the Agricultural Industry Advisory Council is to give the Minister for Agriculture information, advice and recommendations from a cross-section of industries and stakeholders on issues affecting Australia’s agricultural, fishing and forestry sectors.

**Expected deliverables**
The council provides advice to the minister on regulatory reform, including targets for reform and reduction of regulatory burdens. Additionally it provides advice on:

- the outlook for Australia’s agriculture, fisheries and forestry sectors
- farm performance, productivity and future directions in trade policy
- initiatives to foster investment, growth and sustainability of Australian agribusinesses
- increasing agricultural efficiency and identifying barriers to efficiency improvements
- export opportunities and challenges for Australian agribusinesses
- infrastructure priorities for continued growth
- strategic priorities and long-term planning for research and development investments
- other agricultural, fisheries and forestry issues as directed by the minister.

**Membership**
The council is chaired by the Minister for Agriculture. Members are appointed by the Minister for Agriculture for their expertise and understanding of agricultural, fisheries and forestry issues and drawn from a broad range of representative industries. The current membership includes:

- Mr Luke Bowen (cattle, Northern Territory)
- Ms Eliza Brown (wine, Victoria)
- Mr Rob de Fegely (forestry, New South Wales)
- Ms Lenore Johnstone (sheep, Queensland)
- Mr Hamish McLaren (sheep, New South Wales)
- Mr David Moon (horticulture/vegetables, Queensland)
- Mr Stuart Richey (fisheries, Tasmania)
- Mr Dean Wormald (grain, South Australia)
- Mr Kevin Sorgiovanni (dairy, wine, fruit, Western Australia)
- Mr Andrew Inglis (grain, beef, South Australia) (since August 2014)
- Ms Susan Bower (rural banking member—Head of Agribusiness, Westpac).

**Letters of Expectation**
In April and December 2014 the Minister for Agriculture wrote to regulators in the portfolio on the government’s deregulation agenda and expectations for the performance of regulators.
including contribution to the $1 billion red tape reduction target and implementation of the Regulator Performance Framework. The letters are published on [the department’s website](#).

Letters of Expectation were sent to the following regulators:

- **Australian Fisheries Management Authority (AFMA)** (Dr Findlay, Chief Executive Officer) and the AFMA Commission (Mr Egan, former Chairman). The December 2014 letter was addressed to Mr Moore, Chairman, the AFMA Commission.

- **Australian Pesticides and Veterinary Medicines Authority (APVMA)** (Ms Arthy, Chief Executive Officer).

- **Wine Australia Corporation (WAC)** (Mr Wahby, Chairman)—replaced by the Australian Grape and Wine Authority (AGWA) on 1 July 2014 (Mr Walsh, Chairman).

- **Department of Agriculture** (Dr Grimes, Secretary).

The minister’s key messages and expectations included the following:

- The AFMA and the AFMA Commission are to explore opportunities to pursue reforms to increase consistency and equivalency in regulatory approaches across jurisdictions and agencies.

- That APVMA assesses the relationship between its regulatory approach and culture and the resulting compliance burdens felt by industry. The deregulation agenda must be included in the transition plan for AGWA and brought to the attention of the new board and chief executive.

- Regulators in the portfolio are to work with the Portfolio Deregulation Unit to implement the Regulator Performance Framework and to develop criteria for assessing the applicability of international standards and risk assessments.

**The audit of regulation—major findings**

The department conducted a portfolio-wide survey to collect information about the stock of regulation across the portfolio, as reflected in the Administrative Arrangement Orders (Appendix B).

Regulations were broadly categorised according to the compliance burden imposed. Following categorisation, the department costed a representative sample of 75 regulatory frameworks. From this, as at 3 October 2013 the total regulatory burden imposed by the portfolio was estimated to be about $628 million a year.

**Stage one**

The department identified 253 regulatory frameworks. Frameworks are typically discrete regulatory activities at the sub-statute level, comprising a package of related legislation, subordinate instruments and quasi-regulation. Practical judgement was used to estimate the burden scores for each framework and assign them to one of three groups: high, medium or low burden, relative to other frameworks in the portfolio. The top 10 per cent of regulatory frameworks (25) were categorised as high burden; the next 25 per cent (63) as medium burden; and the remaining 65 per cent (165) as low burden. A substantial proportion (more than 40 per
percent) of the compliance burden of low burden frameworks related to membership requirements of various industry committees and advisory bodies.

**Stage two**

A representative sample of 75 frameworks was costed in detail and from this the department estimated the total cost of complying with the portfolio’s stock of regulations. Twenty-five frameworks were randomly selected from each burden category to enhance confidence in the total cost estimate.

Sample frameworks were costed according to the Regulatory Burden Measurement (RBM) framework using data for 2012–13 where possible, or estimated from the best available information. The total cost of complying with the portfolio’s regulations was calculated as a weighted sum of each sample framework’s cost estimate. The weighted average cost of each burden category is shown in Figure 2.

According to the RBM framework, the annual total regulatory burden imposed by the portfolio at 3 October 2013 was estimated to be about $628 million a year. Based on the relative standard error applying to the costs across all burden categories, the department is 95 per cent confident that the true total cost lies between $547 million and $709 million a year.

Notwithstanding efforts during Stage 1 to identify regulatory frameworks that did not impose a burden according to the RBM framework, greater scrutiny during Stage 2 revealed 12 sample frameworks with a zero burden.

Although the specifics of each case differed, two broad reasons underpinned these reassessments:

- additional information confirmed that the regulatory requirements were already costed within another framework of the agriculture portfolio, or fell outside the scope of the RBM framework
- discussions with other portfolios resulted in the burden of responsibility being reallocated away from the agriculture portfolio.
Figure 2 Stage Two summary results

<table>
<thead>
<tr>
<th></th>
<th>Maximum</th>
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Appendix A: Measures announced in 2014

Giving all grain exporters fair and transparent access to export terminals (D11)

- On 19 September 2014, the Minister for Agriculture and the Minister for Small Business announced the introduction of the mandatory port access code of conduct for bulk wheat export terminals. The new code is a regulation under the Competition and Consumer Act 2010 and took effect on 30 September 2014.

- The code replaced previous requirements where port terminal operators were required to develop and have port access undertakings in place with the Australian Competition and Consumer Commission as a condition of exporting bulk wheat. In recent years, competition for grain export services has begun to develop and regulations have become administratively burdensome and poorly targeted.

- The move to a mandatory code will give all exporters of bulk wheat fair and transparent access to port terminal services, regardless of who owns the facility.

- The OBPR has agreed that this will lead to an annual saving of $630,000 in compliance costs.

Rural Research and Development Legislation Amendment Bill 2013 (D16)

- On 13 December 2013, the Commonwealth Parliament passed amendments to legislation governing several of the rural research and development corporations (RDCs) to improve efficiency, transparency and accountability of the RDCs.

- Some of the amendments will reduce the regulatory burden on the RDCs and industry, including streamlining the process for selecting RDC board members and removing impediments to industry requesting changes to research and development and marketing levy rates.

- Other amendments include allowing statutory RDCs to undertake marketing at the request of industry, making arrangements for the government to match voluntary contributions made by industry and introducing funding agreements for the statutory RDCs.

- The department estimates an annual saving of $123,000 in compliance costs.

Leveraging Australia’s Brand for Food programme—cessation (D19)

- In the 2014–15 Budget, the government announced it would cease the Leveraging Australia’s Brand for Food programme, part of the National Food Plan, as a budget savings measure. The Agricultural Competitiveness White Paper will take into account the analysis done for the National Food Plan, and the government will act on the White Paper after its release.
• The project proposed additional work to develop a brand for Australian food. Planned industry interaction as part of this project will no longer need to take place.
• The department estimates an annual saving of $28 700 in compliance costs.

**Agvet chemicals**

**Removing re-approval and re-registration of Agvet chemicals and other measures (D10)**
• On 19 March 2014, the Minister for Agriculture introduced the Agricultural and Veterinary Chemicals Legislation Amendment (Removing Re-approval and Re-registration) Bill 2014.
• The Act gives effect to the government’s commitment to remove the expiry of agvet chemicals approvals and registrations and the need for businesses to apply for re-approval or re-registration, which imposes additional costs on industry.
• The department estimates an annual saving of $677 000 in compliance costs.

**Biosecurity exports**

**Plant exports—inspection and re-approval of containers (D7)**
• On 1 May 2014, the Minister for Agriculture made amendments to Export Control (Plant and Plant Products) Order 2011 to address concerns of the Senate Standing Committee on regulations and ordinances. The changes remove red tape so that re-inspection and re-approval of containers and vessels will not be required if the export compliance requirements for the container or vessel have already been met and their condition has not changed.
• From 1 October 2014 some fishing vessels and land-based aquaculture facilities no longer need to be export-registered with the Australian Government.
• The amendments will reduce industry costs and support Australia's exports by better ensuring compliance with the International Plant Protection Convention, importing country requirements and all current standards that enhance or improve market access.
• The department estimates an annual saving of $1.1 million in compliance costs.

**Removal of Export Registration Requirements for Some Seafood Producers (D9)**
• Following the changes to Australia’s export control legislation on 1 October 2014, seafood producers that supply minimally processed product into the export production chain no longer need to be export-registered.
• Producers that deregister no longer need to comply with a number of regulatory requirements including documenting their food safety and compliance procedures and facilitating regulatory audits.
• The department estimates an annual saving of $767 000 in compliance costs.
Removing the requirement for tail tags for cattle destined for the European Union (D12)

- On 4 September 2014, the Minister for Agriculture announced changes to Export Control (Meat and Meat Products) Orders 2005.
- As a result of these changes, Australian producers no longer have to use special lime-green tags on the tails of cattle that are destined for processing for the EU market. Australia’s strong cattle identification and traceability systems, such as the National Livestock Identification System, mean these tags are unnecessary.
- Apart from the saving in the cost of the tags, this will also reduce labour requirements and will enable better animal management prior to trucking. Reduced stress to the animals also ensures better meat quality.
- The department estimates an annual saving of $500 000 in compliance costs.

Repeal of Export Control (Processed Fruit and Vegetables) Order (D24)

- On 27 August 2014, the Minister for Agriculture signed the Export Control (Processed Fruit and Vegetable) Orders Repeal Order of 2014. The orders require any hot and cold processed fruit or vegetable exporter to obtain an export permit.
- Repealing this order means local exporters of processed fruit or vegetables are no longer required to obtain an export permit from the Department of Agriculture. Cost savings are achieved through a reduction in administration and time associated with issuing government permits.
- The department estimates an annual saving of $14 400 in compliance costs.

Wool Industry—Changes to woolpack standards (R2)

- On 24 July 2014, an amendment to the Regulation 4K of the Customs (Prohibited Imports) Regulations 1956 came into effect. The amendment was made to reflect the new Australian Wool Exchange (AWEX) Standard No. 3 for manufacture of woolpacks used to package greasy wool.
- The AWEX standard outlines minimum requirements for woolpacks including their dimensions and mechanical properties (seam strength, extension, tearing strength and breaking load after UV exposure) to meet domestic and international standards. It protects Australia’s international wool trade by ensuring that woolpacks will not disintegrate or break under pressure and contaminate wool destined for export.
- Approximately one million woolpacks are imported into Australia each year. Importers are now required to use the new standard woolpacks, which are an extra 10 cents per pack.
- The department estimates an annual burden of $100 000 in compliance costs.
Package Assisting Small Exporters—Rebate Component (R6)

- The 2014–15 Budget provides $15.0 million assistance over four years to support small exporters of meat, dairy, fish, eggs, and horticulture and grain products. This measure delivers on the government's election commitment for a competitive agriculture sector.

- This includes a rebate for small exporters to cover up to half of export registration fees, a review of export certification fees and charges, and identifying projects to help improve markets access for small exporters.

- This measure has a small regulatory impact on exporters wishing to apply for a rebate. Prospective small exporters would self nominate on an annual basis and their application would be supported by appropriate documentation, e.g. copy of a tax return. This regulatory impact would apply only in the first year (2014–15).

- The OBPR has agreed this will lead to a one-off regulatory burden of up to $10 600 in compliance costs.

New inspection process—grain exporters (R7)

- On 22 April 2014, the Minister for Agriculture announced a new Export Compliance Good Storage (ECGS) system, giving greater flexibility to grain exporters through a new inspection process that will cut costs and delays. This is demonstrated by the success of the Newcastle Agri Terminal and the GrainCorp Geelong terminal, the first two businesses to take up this opportunity.

- Point of inspection for grain moves from point of export to earlier in the supply chain—loading can start immediately at the port without the threat of stoppage or rejection of goods. This can save expensive demurrage costs which can be as much as $10 000-140 000 per day.

- There are some minor costs to industry associated with the submission of an application in the first year, and ongoing cost attributed to annual audits and administrative changes associated with ECGS registration.

- The department estimates an annual burden of $3600 in compliance costs.

Biosecurity imports

Alternative treatment for new oversized tyres (trialling new inspection procedures and alternative fumigation treatments) (D8)

- On 28 November 2014, the department concluded 12 months of trialling hot water treatments instead of methyl bromide fumigation to treat oversized new tyres.

- Implementing a new hot water treatment is less costly, less environmentally damaging and has the capacity to reduce bottlenecks at port facilities. This change affects at least 900 imports of oversized new tyres, as well as treatment providers and stevedores.

- The department estimates an annual saving of $909 000 in compliance costs.
Changed import requirements for new agricultural machinery (D13)

- On 1 April 2014, the department changed the import conditions of lower-risk, new agricultural machinery. This involved reclassifying certain high-risk machinery as low-risk machinery and applying simple and consistent import conditions for all new imported machinery and equipment.
- An analysis of new cargo imported from November 2011 to November 2013 showed a very high compliance rate with the import conditions. The reclassification removes mandatory referral of low-risk machinery to the department. Consignments may still be subject to random verification and documentation assessment of the new and unused nature of the goods.
- The department estimates an annual saving of $317 000 in compliance costs.

Reconditioning aircraft parts (import conditions for reconditioned parts to reflect those of new parts) (D14)

- On 20 November 2014, the department changed the import conditions for newly reconditioned aircraft parts following detailed analysis that indicated this was a very low risk pathway.
- This means importers and their customs brokers will not be required to submit import documents to the department, though 5 per cent of imports will be referred for assessment and monitoring of the pathway. It has the capacity to impact customs brokers and several thousand imports of newly reconditioned aircraft parts.
- The department estimates an annual saving of $228 000 in compliance costs.

Food import compliance agreements (D15)

- Section 35A of the **Imported Food Control Act 1992** permits the department to recognise importers that have documented food management systems that satisfactorily address food safety and compliance with Australian food standards.
- Importers with approved systems are subject to periodic audit to verify their compliance with the regulation.
- Three importers have applied to enter a food import compliance agreement. The department has assessed and approved their applications.
- The department estimates an annual saving of $178 000 in compliance costs.

Amendments to import permits for research institutions (D23)

- On 19 August 2014, the department announced amendments to the format for Australian laboratory animal import permits to bring them in line with other live animal import permits. This will lead to savings for Australian research institutions and reduce administrative burden as laboratories will only need to maintain a single import permit for multiple imports.
• The new format means permits will be granted by animal species group rather than by exporter, and will be valid for 12 months rather than for a single use. This will reduce the total number of import permits needed per year from 175 to 30.

• The department estimates an annual saving of $16,000 in compliance costs.

**Reducing the number of days cats and dogs spend in quarantine (D32)**

• On 7 November 2013, the Minister for Agriculture announced the release of new import conditions that reduce post arrival quarantine stay of dogs and cats from 30 days to 10 days. The change reflects a review of the policy, taking into account the latest scientific information, international standards, and stakeholder concerns.

• The new conditions increase the emphasis of offshore preventative measures, such as extensive vaccination schedules that need to be applied to dogs and cats before they are imported, and longer testing periods before travel.

• The department estimates an annual saving of $3,000.

**Drought Policy and Farm Business**

**Support to Drought Affected Farmers (R1)**

• On 26 February 2014, the Prime Minister and the Minister for Agriculture announced a $320 million drought assistance package for farmers. From March 2014 more generous criteria for assessing income support measures were made available.

• The package also included drought concessional loans totalling $280 million to help farmers recover from the effects of drought and measures to assist with emergency water infrastructure, pest management, and social and mental health services.

• The income support changes under the package involve more generous eligibility criteria, which marginally increase the regulatory burden because they increase the number of individuals potentially eligible for the payment, although the length of time it takes an individual to apply for the payment has not increased.

• Under the Drought Concessional Loans Scheme, the direct compliance burden is at a state level and it is difficult to estimate the compliance burden directly imposed or influenced by the Commonwealth. The Office of Best Practice Regulation (OBPR) advised that a 50:50 split with the states should be assumed for these regulatory costings. Other measures implemented under the package were delivered through existing channels and did not have any additional regulatory impact on businesses, community organisations or individuals.

• The OBPR has agreed that this will lead to an annual burden of $337,000 in compliance costs.

**Improving the Farm Management Deposits (FMD) Scheme (D4)**

• On 15 May 2014, the Commonwealth Parliament passed the Tax Laws Amendment (2014 Measures No.1) Bill 2014, which included amendments to the Farm Management Deposits Scheme. The Act received royal assent on 30 May 2014.
As of 1 July 2014, primary producers can earn up to $100,000 in non-primary production or off-farm income—increased from the previous limit of $65,000. In addition, primary producers are able to consolidate multiple FMD accounts that have been held for more than 12 months without income tax consequences, reducing the administrative burden for both primary producers and deposit-taking institutions.

The government has also made administrative changes to permanently exempt FMDs from the unclaimed moneys provisions, in recognition of the long-term nature of FMDs, giving primary producers peace of mind that their FMDs will be there when needed.

The department estimates an annual saving of $1.92 million in compliance costs.

Farm Household Support Act 2014 and introduction of the Farm Household Allowance (D17)


From 1 July 2014, the Farm Household Allowance (FHA) provides income support to farmers and their partners in financial hardship.

Previous income support payments, the Transitional Farm Family Payment (TFFP) and the Exceptional Circumstances Relief Payment (ECRP), have both been wound up and recipients moved to the FHA. It is expected that uptake for the FHA will be lower over a 10-year period than for the TFFP and the ECRP. This will lead to reduced application costs.

The department estimates an annual saving of $66,000 in compliance costs.

Fisheries

Supporting Recreational and Commercial Peak Bodies (R4)

In the 2014–15 Budget, the government committed $1.6 million over four years to: support national recreational and commercial fishing peak bodies to develop and promote sustainable fishing practices; assist the recreational and commercial fishing sectors to interpret and implement the national maritime safety standards; and develop a survey methodology to conduct recreational fishing surveys on the social and economic impacts of recreational fishing.

The department is working with commercial and recreational peak bodies to develop funding proposals that deliver on the government’s election commitment for a more competitive and sustainable fisheries sector.

This measure has a small regulatory impact on the peak fishing bodies, because of increased administrative requirements under the funding contracts. This measure does not impose additional regulatory burden on any other organisations or individuals.

The OBPR has agreed that this will lead to an annual burden of $28,000 in compliance costs.
Dolphin Strategy—minimising gillnet bycatch of dolphins in the Southern and Eastern Scalefish and Shark Fishery (D21)

- In September 2014, AFMA implemented a new strategy to minimise bycatch of dolphins in gillnets in the Southern and Eastern Scalefish and Shark Fishery. The strategy reduces the risk of dolphin bycatch, improves information on factors leading to dolphin bycatch and introduces individual responsibility measures for the Coorong Dolphin Zone in South Australia.

- The individual responsibility measure creates an incentive for fishers to innovate and adopt best practices to minimise their bycatch. Fishers in the Coorong Dolphin Zone are responsible for their actions and must meet strict performance criteria or else they will be excluded from fishing in this area.

- The strategy also mandates the use of electronic logbooks in the Coorong Dolphin Zone, which reduces the regulatory burden of completing paper-based logbooks.

- The department estimates annual saving of $24 300 in compliance costs.

Fisheries—Suspending Fees for Online Trading (D22)

- On 3 November 2014, AFMA suspended fees for use of its online licensing system GoFish.

- AFMA receives about $45 000 per year in transactional charges to use the online GoFish system. This is outside the levy base and other fee for service arrangements. This transaction-by-transaction charging is time-consuming and inefficient for both industry and AFMA. A better approach is to build the costs of this into relevant fishery levy bases and make the online service free of fees.

- This approach makes using the online system easier, encourages further online usage rather than using paper-based systems and makes revenue collection more cost-effective. The upgrade reduces licensing costs and simplifies the use of GoFish.

- The department estimates an annual saving of $23 200 in compliance costs.

Fisheries Resources Research Fund—reduced funding (D25)

- In the 2014–15 Budget, the government announced reduced funding to the Fisheries Resources Research Fund as a budget savings measure. The government will achieve savings of $3.9 million over three years from late 2015. Funding of more than $2 million per year will continue to be available.

- Businesses will save on application and reporting costs associated with administering these funds.

- The department estimates an annual saving of $12 300 in compliance costs.

Fisheries—introducing single party leases (D27)

- On 10 April 2014, AFMA upgraded its online licensing system GoFish to allow leases of fishing concessions without the receiving party needing to accept the lease.

- Previously both the lessor and lessee had to be involved in the registration of a lease with AFMA. To reduce red tape and associated cost to industry, AFMA has developed single
party registration, that is, just the lessor needs to complete the registration process. This has halved the number of steps to process a lease registration. The costs of this change were built into an existing project with no need for additional budget.

- The upgrade removes an unnecessary step in the process, reduces delays and simplifies the use and maintenance of GoFish.
- The department estimates an annual saving of $10 300 in compliance costs.

**Fisheries—online permit renewals (D30)**

- On 10 April 2014, AFMA upgraded its online licensing system GoFish to allow annual renewal of fishing permits to be completed online.
- GoFish has been extended to enable holders to re-apply for existing fishing permits and fish receiver permits online. The manual system for re-application for these permits costs industry around $130 000 in application fees per year. Using the online facility will reduce this to less than $50 000 per year. The upgrade significantly increases the speed of renewals, so cost savings are achieved through reduced administrative time.
- The department estimates an annual saving of $6200 in compliance costs.

**Fisheries—introducing multi-year leases (D34)**

- On 16 July 2014, AFMA upgraded its online licensing system GoFish to allow leases of fishing concessions over multiple fishing seasons.
- AFMA previously allowed leasing of statutory fishing rights from one company to another within the current season. This means that companies that have entered into commercial, multi-year leasing arrangements both had to re-register the lease each year with AFMA. This added costs and confusion for business and risked inadvertent fishing without quota.
- Changes to the AFMA licensing system have enabled multi-season leases for statutory fishing rights. The upgrade reduces licensing costs and allows industry to enter longer term leasing arrangements.
- The department estimates an annual saving of $1900 in compliance costs.

**Support for OceanWatch (R5)**

- In the 2014–15 budget, the government committed $2.4 million over four years to support OceanWatch as a recognised Natural Resource Management (NRM) group with responsibility for enhancing fish habitats and improving water quality in estuaries and coastal marine environments. This measure delivers on the government’s election commitment for a more competitive and sustainable fisheries sector.
- On 6 March 2014, the Minister for Agriculture announced a grant of $439 836 (GST inclusive) to OceanWatch. This funding will allow OceanWatch to work with the fishing industry to continue the adoption of industry best harvesting practice and identify issues of common interest for fishers across Australia. Funding for subsequent years (allocated at $600 000 per year over four years) will be dependent on an application and assessment process.
• This measure has a small regulatory impact on OceanWatch due to its funding contract requiring increased governance standards and additional administrative requirements to bring it up to the level of other NRM organisations. This measure does not impose additional regulatory burden on any other organisations or individuals.

• The OBPR has agreed that this will lead to an annual burden of $11,500 in compliance costs.

Forestry

Assisting Australian importers to undertake due diligence requirements (D3)

• On 30 November 2014, new elements of the Illegal Logging Prohibition Regulation 2012 (the Regulation) came into force. The regulations require importers of regulated timber products and processors of domestically grown raw logs to carry out their own ‘due diligence’ and manage the risk the timber they are dealing with has been illegally logged.

• To assist Australian importers with this process, the Department of Agriculture has developed seven Country Specific Guidelines (New Zealand, Indonesia, Malaysia, Finland, Italy, Canada and Solomon Islands). These guidelines provide comprehensive information to Australian importers about what legality ‘looks like’ in the country of harvest. In particular, these guides will assist importers with information gathering; assessing the risk of timber or timber product containing illegally logged timber; and, mitigating any identified risks.

• The Department of Agriculture has estimated that this will lead to an annual saving of $2.01 million in compliance costs.

Termination of the Tasmanian Forests Intergovernmental Agreement (D26)

• On 2 May 2014, the Prime Minister wrote to the Premier of Tasmania, terminating the National Partnership Agreement on the Tasmanian Forests Intergovernmental Agreement 2013 (IGA).

• The IGA required the stakeholders’ Special Council to report to the governments annually on the durability of their agreement. As the IGA is now terminated, stakeholders will not be required to report to the governments.

• The department estimates an annual saving of $11,600 in compliance costs.

Levies

Changes to Queen Bee Levy—set research and development on queen bees to nil (D33)

• On 1 August 2014, the department implemented legislative amendments to set the research and development levy on queen bees to nil.

• The levy was no longer cost-efficient, as the cost of collection was greater than the revenue collected. Queen bee producers will no longer pay this levy, but setting it to zero, rather
than removing it, will provide the industry with the flexibility to consider activating the levy again in the future.

- This change removes the need to keep records for the purpose of paying the levy on queen bee sales, filling in levy payment forms and submitting those forms to the department.
- The department estimates an annual saving of $2000 in compliance costs.

**Changes to Forest Growers Levy (R8)**

- On 1 July 2014, the department implemented legislative amendments to change the forest growers levy.
- The forest growers levy was previously a research and development and marketing levy paid to Forest and Wood Products Australia. The amendment introduces a new levy component—a Plant Health Australia (PHA) levy. This kind of levy is used by some industries to equitably raise funds to pay their PHA membership subscription fee.
- Australian Forest Products Australia represents the forest growers industry in the PHA. This industry-requested increase of 0.5 cents per tonne of logs will be applied only to private plantation (not native) logs.
- An Emergency Plant Pest Response levy was also set in place at a nil rate. This levy provides a mechanism for the forest growers industry to cover the cost of an emergency response for a plant pest affecting plantation trees, and will be set to a positive rate if a response is undertaken.
- The department estimates an annual burden of $2000 in compliance costs to cover minor administrative changes required by these measures.

**Live animals**

**Abolishing the Inspector-General of Animal Welfare (D20)**

- On 31 October 2013, the Minister for Agriculture announced that the appointment of an Inspector-General of Animal Welfare would not proceed.
- Other mechanisms, including the Australian National Audit Office and the Commonwealth Ombudsman, will provide government oversight of animal welfare.
- If the inspector-general measure had proceeded, businesses would have been required to provide information and attend meetings for various investigations.
- The department estimates an annual saving of $25 000 in compliance costs.

**Simplifying livestock export consignment approvals (D31)**

- On 12 November 2014, the Minister for Agriculture announced changes to the Exporter Supply Chain Assurance System (ESCAS), to reduce unnecessary regulatory burden on exporters of livestock for feeder/slaughter purposes. The amendments changes commenced on 15 November 2014.
- Under the new arrangements, the department can approve an exporter’s ESCAS arrangements to a market once, rather than for every consignment sent to that market. This
change will reduce the extra paperwork and approvals on exporters without undermining animal welfare outcomes.

- The department estimates an annual saving of $6000 in compliance costs.

**Australian Animal Welfare Strategy—cessation (D35)**

- In the 2014–15 Budget, the government announced it would cease the Australian Animal Welfare Strategy from 1 July 2015 as a budget savings measure.
- In December 2013, the Australian Government announced it would step back from domestic animal welfare, and encourage state and territory governments to take the lead on issues that are their responsibility. The Australian Government’s primary role in animal welfare is at the international level, ensuring continued and improved market access for Australian producers.
- Businesses no longer need to develop project proposals for consideration by the (former) Australian Animal Welfare Advisory Committee.
- The department estimates an annual saving of $1300 in compliance costs.

**Cost recovery and administration of quota (R9)**

- On 25 June 2014, an amendment to the Australian Meat and Livestock Industry Act 1997 took effect. The amendments were a result of the Export Legislation Amendment Act 2014.
- The Australian government was issuing certificates for two red meat quotas required for the European Union. The government was not charging for this service as it did not have legislative authority to recover these costs.
- The amendment gives the Department of Agriculture authority to cost recover for administering quota of high quality grain fed beef and sheep meat to the EU.
- The department will consult with industry prior to exercising the cost recovery power. The Department of Agriculture has estimated that this will lead to an annual burden of $30 in compliance costs.

**Service Delivery Modernisation**

**Alignment of First Point of Entry names between Customs and the department (D37)**

- On 27 March 2014, the Quarantine Proclamation (1998), the Quarantine (Christmas Island) Proclamation 2004 and the Quarantine (Cocos Island) Proclamation 2004 were amended to align the naming convention for first ports between the Department of Agriculture and the Australian Customs and Border Protection Service.
- International vessels arriving in Australia are required to submit a pre-arrival report to both agencies. There were some ports where the port name was different between the agencies; the department also has some legacy port names that were combined to a more accurate name.
• The change aligns the reporting process for international vessels for both border agencies, allowing them to use the same port name for both agencies’ reports.

• The department estimates an annual saving of $600 in compliance costs.

Centralisation of Post-entry quarantine client phone calls (D36)

• The department is implementing national call management across a small number of regional-based contact centres. In 2014, this included the centralisation of Post-entry quarantine client phone calls through the South-East Regional contact centre.

• The proposed change will ensure clients receive a more responsive and consistent experience when contacting the department by telephone. Approximately 4500 clients will save 20 cents per phone call, calculated on a cost-for-time basis.

• The department estimates an annual saving of $800 in compliance costs.
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<td><strong>Modernising Australia’s Biosecurity System — introduction of the Biosecurity Bill 2014 and companion Bills</strong></td>
<td>~$6.9 million</td>
<td>Before the Senate</td>
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<tr>
<td>On 27 November 2014 the Minister for Agriculture introduced the Biosecurity Bill 2014 and companion Bills to implement a strong, sustainable legislative framework to support Australia’s Biosecurity arrangements and transition from the 106 year old Quarantine Act 1908. The net deregulation saving comprises an estimated $8.2 million decrease in compliance costs on businesses overall and $1.3 million increase in compliance costs for domestic vessels. The Biosecurity Bill 2014 and its supporting Bills are currently drafted to commence 12 months after they receive royal assent.</td>
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<td><strong>Membership fees for international commodity organisations— PBS 2014–15—Proposed Budget Saving Measures</strong></td>
<td>~$9456</td>
<td>Before the Senate</td>
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<tr>
<td>In the 2014–15 Budget, the government announced changed arrangements for the payments of memberships to international commodity organisations. From 2014–15, the government will recover the cost of membership fees from the government funding paid to the relevant research and development corporation, instead of direct appropriation funding.</td>
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<td><strong>Drought Recovery Concessional Loans Scheme</strong></td>
<td>$39 800</td>
<td>Implemented mid-March 2015.</td>
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<td>The scheme targets farm businesses that are in need of financial assistance and have experienced severe and protracted drought conditions. The scheme creates a regulatory cost. The scheme opened in Queensland on 29 January 2015 and in New South Wales in mid-March 2015.</td>
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<td><strong>Fisheries— simplify boat nominations - enable quota to be pooled in a single entity</strong></td>
<td>~$33 989</td>
<td>Partially implemented</td>
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<td>APMA’s online licensing system GoFish has been upgraded to simplify the boat nomination process in quota-managed fisheries. A staged roll out began on 3 November 2014, following a trial in the Eastern Tuna and Billfish Fishery. The second stage—fisheries with separate access rights—has been implemented. The final stage—quota only fisheries—will be implemented by April 2015.</td>
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<tr>
<td><strong>Applying a risk-based framework for livestock export supply chain audits</strong></td>
<td>~$1.7 million</td>
<td>Consultation with industry</td>
</tr>
<tr>
<td>On 11 September 2014, the Minister for Agriculture announced administrative changes to ESCAS to reduce unnecessary regulatory burden on exporters of livestock for feeder/slaughter purposes. Under the proposed new requirements, a shift to risk-based auditing will better focus resources in the areas of highest risk. Supply chains with a proven record of good compliance will be audited less frequently and those with poor records of compliance (high risk) audited more often. The department is consulting affected industry on the changed requirements.</td>
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<tr>
<td><strong>Modernising cargo lodgement for commercial importers</strong></td>
<td>~$5.1 million</td>
<td>Formally implemented</td>
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<tr>
<td>On 10 September 2014, the department announced the implementation of an online lodgement system for cargo to improve the speed and ease of commercial importers and customs brokers interacting with the department. A staged release of the system began on 10 September 2014. On 4 March 2015, the system was launched and made available to all importers and customs brokers.</td>
<td>4 March 2015</td>
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Establishing a new horticulture research, development and marketing body

On 18 November 2014, the Minister for Agriculture signed a statutory funding agreement (SFA) with Horticulture Innovation Australia Limited (HIA Ltd), which replaced Horticulture Australia Limited (HAL) as the declared industry services and export control body for the horticulture sector.

Previously HAL’s organisational arrangements, underpinned by provisions in its company constitution and the former SFA, were found to be inflexible and inefficient by an independent review completed in May 2014. The new SFA will allow HIA Ltd to adopt more flexible arrangements, including provisions in the SFA and company constitution that will provide the HIA Ltd board with greater authority to decide on the structure and operation of the company.

The department has estimated that this will lead to an annual saving of approximately $1.7 million in compliance costs.

Horticulture Export Efficiency Powers

Export control orders regulating the export of citrus from Australia sunset on 1 October 2015 and revoke the Horticulture Marketing and Research and Development Services (Export Efficiency) Regulations 2002.

The changes would remove the need for 75 Australian citrus exporters to apply and purchase annual export licenses from Horticulture Innovation Australia Limited. The citrus industry would no longer be required to provide members to the two citrus market advisory committees.

On 14 January 2015, the Minister announced that the powers would be extended for two years, with a review to be held in mid 2016. The extension will require Horticulture Innovation Australia Limited to continue the administration of export licences until 1 November 2015, after which this function will default to the Department of Agriculture. To enable the extension, the export control orders will need to be remade so that they no longer sunset on 1 October 2015.
Appendix B: Legislation administered by the agriculture portfolio

Matters dealt with by the department
The legislation listed is correct as at January 2015 and may not reflect the version published on the AAO website.

Agricultural, pastoral, fishing, food and forest industries
Soils and other natural resources
Rural adjustment and drought issues
Rural industries inspection and quarantine
Primary industries research including economic research
Commodity marketing, including export promotion and agribusiness
Commodity-specific international organisations and activities
Administration of international commodity agreements
Administration of export controls on agricultural, fisheries and forestry industries products
Food security policy and programmes

Legislation administered by the minister
Agricultural and Veterinary Chemical Products (Collection of Levy) Act 1994
Agricultural and Veterinary Chemical Products Levy Imposition (Customs) Act 1994
Agricultural and Veterinary Chemical Products Levy Imposition (Excise) Act 1994
Agricultural and Veterinary Chemical Products Levy Imposition (General) Act 1994
Agricultural and Veterinary Chemicals Act 1994
Agricultural and Veterinary Chemicals (Consequential Amendments) Act 1994
Agricultural and Veterinary Chemicals (Administration) Act 1992
Agricultural and Veterinary Chemicals Code Act 1994
Agricultural and Veterinary Chemicals Legislation Amendment Act 2013
Australian Animal Health Council (Live-stock Industries) Funding Act 1996
Australian Grape and Wine Authority Act 2013
Australian Meat and Live-stock Industry Act 1997
Australian Meat and Live-stock (Quotas) Act 1990
Biological Control Act 1984
Dairy Adjustment Act 1974
Dairy Adjustment Levy Termination Act 2008
Dairy Industry Adjustment Act 2000
Dairy Industry Service Reform Act 2003
Dairy Industry Stabilization Levy (Termination of Levy) Act 1986
Dairy Produce Act 1986
Domestic Meat Premises Charge Act 1993
Egg Industry Service Provision Act 2002
Export Control Act 1982
Export Inspection and Meat Charges Collection Act 1985
Export Inspection (Establishment Registration Charges) Act 1985
Export Inspection (Quantity Charge) Act 1985
Export Inspection (Service Charge) Act 1985
Farm Household Support Act 2014
Farm Household Support Amendment (Additional Drought Assistance Measures) Act 2008
Fisheries Administration Act 1991
Fisheries Agreements (Payments) Act 1991
Fisheries Legislation Amendment (New Governance Arrangements for the Australian Fisheries Management Authority and Other Matters) Act 2008
Fisheries Levy Act 1984
Fisheries Management Act 1991
Fisheries (Validation of Plans of Management) Act 2004
Fishing Levy Act 1991
Foreign Fishing Licences Levy Act 1991
Forestry Marketing and Research and Development Services Act 2007
Grape and Wine Legislation Amendment (Australian Grape and Wine Authority) Act 2013  
Horse Disease Response Levy Act 2011  
Horse Disease Response Levy Collection Act 2011  
Horticulture Marketing and Research and Development Services Act 2000  
Household Stimulus Package Act (No. 2) 2009, Schedule 4, insofar as it relates to legislation administered by the Minister for Agriculture  
Illegal Logging Prohibition Act 2012  
Imported Food Control Act 1992  
Meat Export Charge Act 1984  
Meat Export Charge Collection Act 1984  
Meat Inspection Act 1983  
Meat Inspection Arrangements Act 1964  
National Cattle Disease Eradication Account Act 1991  
National Residue Survey Administration Act 1992  
National Residue Survey (Customs) Levy Act 1998  
National Residue Survey (Excise) Levy Act 1998  
National Residue Survey Levies Regulations (Validation and Commencement of Amendments) Act 1999  
Natural Resources Management (Financial Assistance) Act 1992, except to the extent administered by the Minister for the Environment  
Pig Industry Act 2001  
Pig Industry (Transitional Provisions) Act 1986  
Plant Health Australia (Plant Industries) Funding Act 2002  
Primary Industries Research and Development Act 1989  
Primary Industries Levies and Charges Collection Act 1991  
Primary Industries Levies and Charges Collection (Consequential Provisions) Act 1991  
Primary Industries (Customs) Charges Act 1999  
Primary Industries (Excise) Levies Act 1999  
Primary Industries (Excise) Levies (GST Consequential Amendments) Act 2000  
Primary Industry Councils Act 1991
Quarantine Act 1908, in relation to animal, plant and general quarantine
Quarantine Charges (Collection) Act 2014
Quarantine Charges (Imposition – Customs) Act 2014
Quarantine Charges (Imposition – Excise) Act 2014
Quarantine Charges (Imposition – General) Act 2014
Quarantine (Validation of Fees) Act 1985, in relation to animal, plant and general quarantine
Regional Forest Agreements Act 2002
Rural Adjustment Act 1992
Sugar Research and Development Services Act 2013
Statutory Fishing Rights Charge Act 1991
Torres Strait Fisheries Act 1984
United Nations Food and Agriculture Organization Act 1944
Wheat Export Marketing Amendment Act 2012
Wool International Act 1993
Wool International Privatisation Act 1999
Wool Legislation (Repeals and Consequential Provisions) Act 1993
Wool Services Privatisation Act 2000
Appendix C: Regulatory reform in the Agriculture Portfolio, 1972 to 2014

1986
- Kerin plan initiates dairy industry regulatory reforms.
- The domestic market support scheme progressively reduces price support.

1988
- Following the Lindsay review, reforms support an approach to quarantine that balances the risks of pests and disease with the benefits of trade.
- Announcement of the phased reduction of trade tariffs on agricultural commodities and other border protection measures.
- Removal of the fertilizer consumption subsidy.

1989
- The Wheat Marketing Act 1989 deregulates the domestic wheat market and removes monopoly control by bulk grain handling organisations.

1991
- Wool reserve price scheme removed and Australian Wool Corporation established.
- Australian Wheat Board privatised.

1992
- Establishment of the Rural Reconstruction Scheme marks the first major shift away from farmer support schemes towards ongoing structural adjustment.

1993
- Australian Wool Research and Promotion Organisation and Wool International established to give growers greater ownership of industry services bodies and control of the stockpile.

1995
- Removal of all tariffs and border protection measures on barley, cotton, fresh horticultural products (including citrus), grain legumes, maize, tobacco, meat, oats, olives, rice, rice grain sorghum, wheat and wool.

1997
- Agriculture—Advancing Australia programmes for farmers replace Rural Adjustment Scheme. Encourage greater market responsiveness, risk management and self-reliance.

1999
- Farm Management Deposit scheme helps farmers to be more self-reliant and better prepared for climate variability and market fluctuations.
- Dairy Industry Adjustment Program builds on the Kerin plan to encourage structural adjustment in the industry.

2000
- Deregulation of the dairy industry completed after withdrawal of the last price support under the domestic market support scheme and termination of state support for fresh milk markets.

2001
- Wool Prioritisation Act 2000 fully deregulates the wool industry.

2007
- Following the 1997 Wheat Export Marketing Consultation Committee report, exports of wheat in bags and containers deregulated.

2008
- Removal of the single desk monopoly encourages competition among Australian wheat exporters.

2011
- Export Certification Reform Package concludes with removal of export certification rebate and transition to full cost recovery as recommended by the 2008 Beare review.

2012

2008 to present
- Following the Beare review, the department commences wide-ranging reforms for a responsive and targeted biosecurity system.

Australian agriculture
Regulatory reform over the past three decades:
- progressive removal of tariffs and border protection measures on agricultural imports and farm inputs.
- progressive dismantling of a wide range of producer support, price stabilisation and control schemes, protection measures and statutory marketing arrangements.
- structural adjustment measures.