

Minister for Agriculture response to recommendations of the Biosecurity Imports Levy Industry Steering Committee report

#	Recommendation	Minister for Agriculture response
1	<p>The Committee supports the imposition of a levy on the importation of containers (both sea and air) and break bulk items which represent creators or exacerbators of biosecurity risk. Further, there may also be a case for the application of a levy for bulk cargo, especially organic bulk cargo. The quantum of each levy component to be determined dependent on risk, fairness and competitive impact.</p>	<p>The Minister for Agriculture NOTES the recommendation and that the Australian Government has confirmed the Biosecurity Imports Levy, as announced in the 2018-19 Budget, will not proceed.</p> <p>An industry working group will be established to work with the Department of Agriculture and advise the Minister for Agriculture in the design and implementation of an alternative biosecurity levy, announced on 11 December 2019.</p>
2	<p>The levy should be applied via the existing Full Import Declaration, with the Department of Home Affairs being tasked with making the necessary software adjustments promptly.</p>	<p>The Minister for Agriculture NOTES the recommendation and that the Australian Government has confirmed the Biosecurity Imports Levy, as announced in the 2018-19 Budget, will not proceed.</p> <p>The Department of Agriculture will continue to collect cost recovery charges through the Full Import Declaration (FID). In line with the announcement on 11 December 2019, the charge via the FID will, along with a number of other cost recovery charges, be increased from 1 January 2020.</p> <p>The department will engage with stakeholders affected by these changes. Further information is available at https://www.agriculture.gov.au/cost-recovery.</p>
3	<p>The Department, the Inspector-General of Biosecurity and/or the Centre of Excellence for Biosecurity Risk Analysis should as a matter of urgency undertake a robust, science-based assessment of biosecurity risk across the various vectors and pathways that is sufficiently detailed to enable values to be attached to the levy components identified in this report.</p>	<p>The Minister for Agriculture NOTES the recommendation and that the Australian Government has confirmed the Biosecurity Imports Levy, as announced in the 2018-19 Budget, will not proceed.</p> <p>Robust biosecurity risk analysis is used in profiling for biosecurity measures and targeted approaches to compliance and enforcement. Attaching levy payments to risks that change frequently, depending on various vectors and pathways, is likely to create significant uncertainty for importers and related businesses.</p>

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4	The finalised design of the levy should be subject to a Regulation Impact Statement.	The Minister for Agriculture AGREES that a RIS will be developed for the alternative biosecurity levy announced on 11 December 2019.
5	Rather than the levy being extended to passengers (once the current moratorium expires in July 2022), the component of the Passenger Movement Charge originally justified for biosecurity purposes (more than \$8 per passenger) should be appropriated anew for biosecurity purposes.	The Minister for Agriculture does NOT AGREE with the recommendation to appropriate further Passenger Movement Charge (PMC) funding to biosecurity. The Australian Government has legislated to not increase the PMC until 1 July 2022.
6	A new levy should not be applied to the arrival of shipping vessels, given that vessels already pay a biosecurity-related (cost recovery) vessel operator charge (plus associated in-office and out-of-office fees) through the Maritime Arrivals Reporting System. Any additional unrecovered biosecurity costs relating to vessels should be met by increasing the existing charge.	The Minister for Agriculture AGREES that arriving vessels should not receive a new levy at this time and AGREES that a number of existing cost recovery charges, including the vessel arrival charge, should be increased from 1 January 2020. The Department of Agriculture will engage with stakeholders affected by these changes. Further information is available at https://www.agriculture.gov.au/cost-recovery
7	A high-level, expertise-based Biosecurity Advisory Council should be appointed to enhance the shared responsibility principle of biosecurity, provide more scope for private sector interests to contribute constructively to important biosecurity decisions, including funding and consideration of relative biosecurity risk, and ensure that levy proceeds are appropriated for additional biosecurity activities.	The Minister for Agriculture AGREES with the recommendation to appoint a biosecurity group to advise on matters relevant to the national biosecurity system from an industry point of view. An industry working group will be established to work with the Department of Agriculture and advise the Minister for Agriculture in the design and implementation of the alternative biosecurity levy.
8	The Department should produce an annual Budget-related paper which would provide a full reconciliation of biosecurity-related revenue and expenditure and thereby assist in clarifying how funds are collected and appropriated, and where they are spent.	The Minister for Agriculture AGREES to the recommendation and notes that each year, a <i>Portfolio Budget Statement</i> is released, setting out the Department of Agriculture's performance and budgeted expenses by outcome. Portfolio Outcome 2 is directly relevant to biosecurity-related revenue and expenditure. Some aspects of Outcome 1 (for example, funding for established pests and weeds) are also relevant to biosecurity. <i>Budget Paper No. 3: Federal Financial Relations</i> makes provision for Commonwealth funding to state and territory governments for the purposes of responding to incursions of exotic pests and diseases.

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		In addition to the released <i>Portfolio Budget Statement</i> , a summary reconciliation paper detailing the levy revenue and expenditure will be developed for consideration by the biosecurity group.