



Australian Government
Department of Agriculture
and Water Resources

Mid-year report to levies stakeholders 2017–18



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LEVIES AT A GLANCE 2017–18



\$825.3m
Est. disbursements



\$513.6m
R&D and marketing



\$15.8m
Biosecurity



\$285.3m
Commonwealth matching



\$10.6m
Residue testing



46,351
Est. returns lodged



32,891
Online returns



13,460
Manual returns



\$105
Avg. cost per return



\$11,652
Avg. levy per return



7,928
Collection points



29
Levies staff



69%
Online take-up



\$4.9m
Est. cost-recovery charges



\$312
Avg. cost per collection point



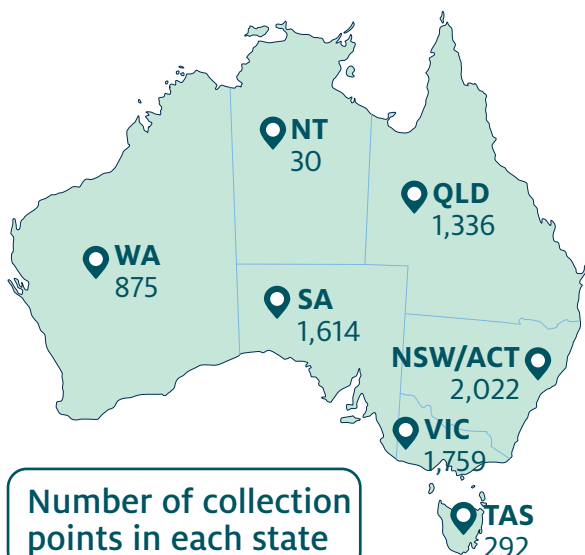
84%
EFT take-up



0.9%
Cost as % of levy



\$3.3m
Disbursements per day



National Compliance Program 2017–18 (year to date)

496

Record inspections

70%

Compliance rate

63%

Record inspections completed

\$1.0m

Compliance findings

\$3,346

Avg. inspection costs

Summary

This report provides a year-to-date summary of the Department of Agriculture and Water Resources agricultural levies system management for 2017–18.

In 2017–18 the department expects to disburse \$825.3 million in levies and charges (levies) and Commonwealth matching payments to levy recipient bodies. The estimated cost of administering the levies system is \$4.9 million, representing 0.9 per cent of the total amount of levies disbursed. This will be an increase of \$0.05 million or 1.1 per cent on the 2016–17 cost-recovery charges. The department continues to streamline its processes and adjust the way it administers levies to minimise costs.

At 31 December 2017 the department had processed 23,639 returns and 23,871 receipts. The department continues to promote the use of Levies Online for the lodgement of returns and EFT payments in its efforts to streamline the levy return and payment process—to minimise the risk of calculation and data entry errors. Levies Online take-up increased by 6 per cent and EFT payments by 5 per cent in the first six months of 2017–18.

The department has completed approximately 63 per cent of scheduled 2017–18 Operational Compliance Program (OCP) inspections across Australia and identified \$0.95 million in incorrect returns. Of this, underpaid levy was \$0.82 million and overpaid levy \$0.13 million. The department's robust compliance program continues to deliver positive results for industry.

The department has worked with several industries to introduce or amend levies. These include the almond, apple and pear, egg, tea tree oil and Thoroughbred horse industries. More information is available on the levies notices web page.

The department continues to review and reform the levies legislative framework to adapt to technological advancements and disruptions. This adaptive framework will enable the efficient operation of levy payer registers. In December 2017 the department, in partnership with the Grains Research and Development Corporation, successfully piloted a grains levy payer register. The pilot confirmed that the department could build on its existing levy collection system to collect grain levy payer data. The department expects to deliver tranche 1 of its levy payer registers by 30 June 2018. Other system enhancements will improve the return submission process and enable stakeholders to more easily comply with their legislative obligations, resulting in cost savings to industry. More information is available on the levy payer registers web page.

Chapter 1

Financial management

In 2017–18 the department continues to manage the levies program prudently. The financial outlook for the program is stable but costs are expected to increase slightly from 2016–17.

The mid-year operating statement (Table 1) shows that 2017–18 revised estimates for the total cost of the levies program were \$0.1 million (1.9 per cent) lower than 2017–18 initial estimates. This was mostly driven by significant reductions in employee expenses (down \$0.15 million or 4.9 per cent) and overhead expenses (down \$0.01 million or 4.7 per cent). Cost-recovery charges have been adjusted down by \$0.06 million (1.3 per cent) to reflect changes to the levies program expenditure items.

Disbursements for the period are estimated to increase by \$34.5 million (4.4 per cent) compared with 2016–17 (Figure 1).

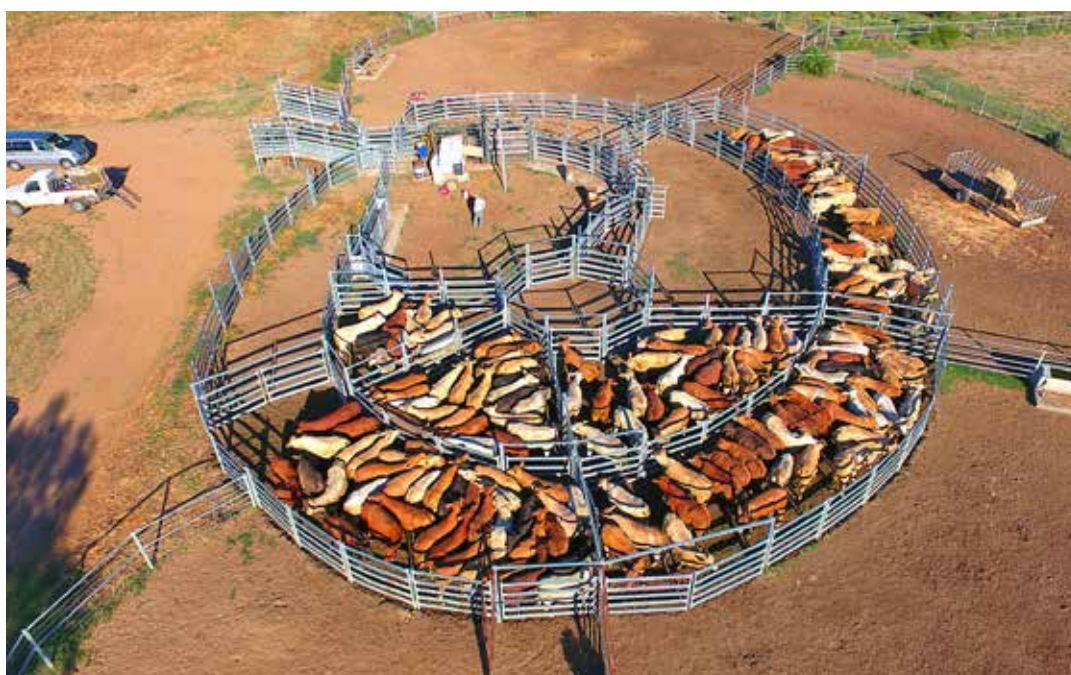
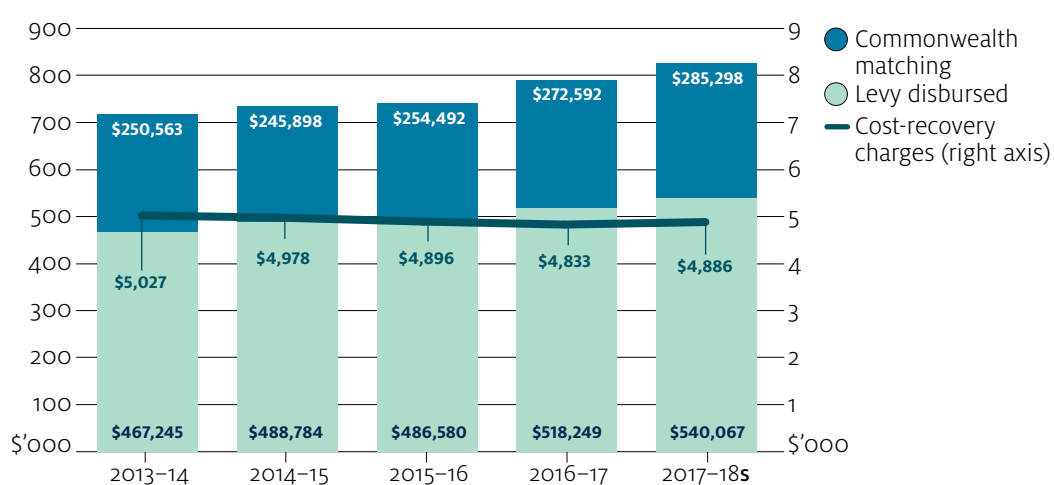


TABLE 1 Levies operating statement, 2016–17 to 2017–18

Operating statement	2016–17	2017–18 initial estimate	2017–18 revised estimate ^a	Variance	Variance
	(\$)	(\$)	(\$)	(\$)	(%)
Revenues from government	188,000	188,000	185,184	(2,816)	–1.5
Other revenue	19,937	9,924	0	(9,924)	–100
Cost recovery charges	4,833,104	4,948,522	4,886,262	(62,260)	–1.3
Total revenue	5,041,041	5,146,446	5,071,446	(74,999)	–1.5
Employee expenses	2,556,809	3,070,692	2,921,671	(149,021)	–4.9
Supplier expenses	486,008	290,328	387,911	97,583	33.6
Other expenses	6,262	19,100	25,846	6,746	35.3
Depreciation and amortisation	303,159	303,039	288,942	(14,097)	–4.7
Departmental overheads	1,697,104	1,463,328	1,424,528	(38,800)	–2.7
Total expenses	5,049,341	5,146,487	5,048,898	(97,589)	–1.9
Net surplus/(deficit)	(8,300)	(41)	22,549	22,590	–100+
Levy disbursed	518,248,799	506,188,000	540,066,791	33,878,791	6.7
Commonwealth matching	272,592,038	302,755,000	285,297,834	(17,457,166)	–5.8
Total disbursed	790,840,836	808,943,000	825,364,625	16,421,625	2

^a Levy disbursed and Commonwealth matching for 2017–18 based on estimates provided by levy revenue bodies for the Australian Government Mid-Year Economic Fiscal Outlook.

FIGURE 1 Cost-recovery charges and levy disbursed, 2013–14 to 2017–18

s estimate.

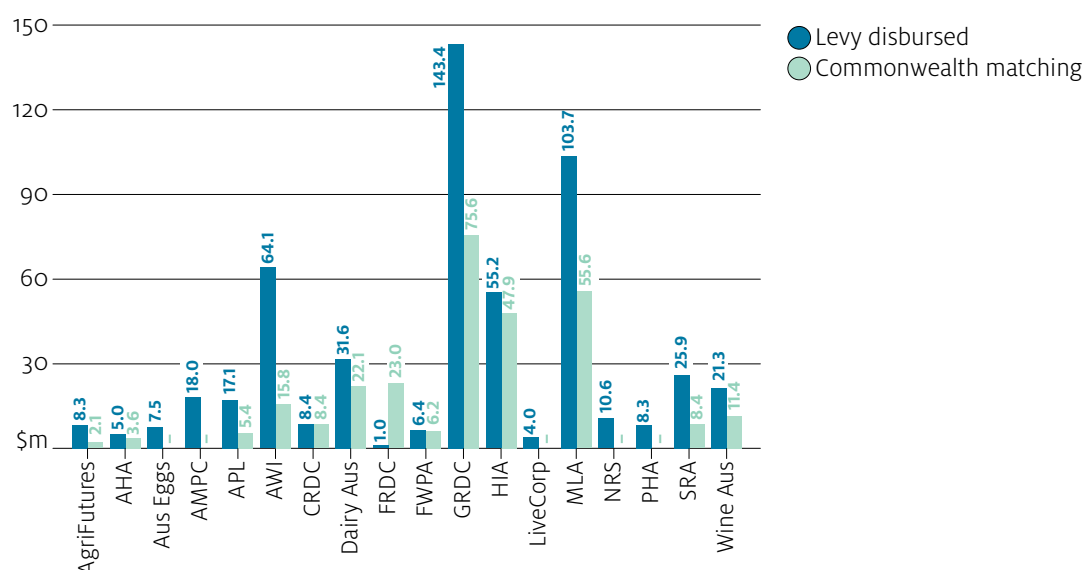
Chapter 2

Levies performance and operations

Levies and charges disbursed

The department estimates that it will disburse \$825.3 million to levy recipient bodies in 2017–18—comprising \$540 million in levies and charges and \$285.3 million in Commonwealth-matched research and development contributions (Figure 2).

FIGURE 2 Estimated disbursements, by levy recipient body, 2017–18



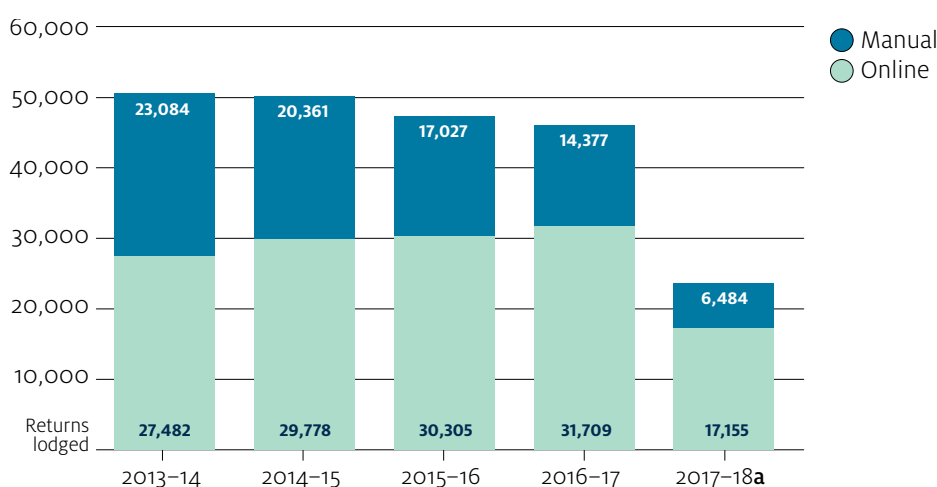
AgriFutures AgriFutures Australia. **AHA** Animal Health Australia. **Aus Eggs** Australian Eggs Limited. **AMPC** Australian Meat Processors Corporation. **APL** Australian Pork Limited. **AWI** Australian Wool Innovation Limited. **CRDC** Cotton Research and Development Corporation. **Dairy Aus** Dairy Australia Limited. **FRDC** Fisheries Research and Development Corporation. **FWPA** Forest and Wood Products Australia Limited. **GRDC** Grains Research and Development Corporation. **HIA** Horticulture Innovation Australia Limited. **LiveCorp** Australian Livestock Export Corporation Limited. **MLA** Meat & Livestock Australia. **NRS** National Residue Survey. **PHA** Plant Health Australia Limited. **SRA** Sugar Research Australia Limited. **Wine Aus** Wine Australia.

Returns and payments

At 31 December 2017 the department had processed 23,639 returns and 23,871 receipts. This represents an increase of 252 returns (1.1 per cent) and 385 receipts (1.6 per cent) compared with the same period last year. The increases were driven mostly by the introduction of the new melon levy and automated reminders to encourage the lodgement of outstanding returns and payments for the wine grapes levy.

The department's efforts in promoting the use of Levies Online for the lodgement of returns have resulted in user take-up in 2017–18 improving by 7.4 per cent compared with the same period last year. Lodging returns online minimises the risk of calculation and data entry errors and the department encourages its use where possible. Since 2013–14 Levies Online take-up has improved by an average of 4.9 per cent year-on-year (Figure 3).

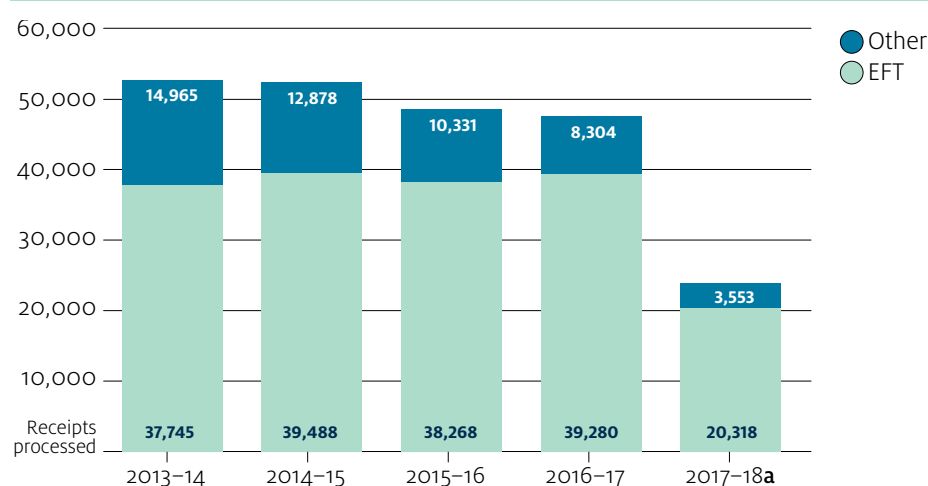
FIGURE 3 Returns lodged, 2013–14 to 2017–18



a Year to date.

In 2017–18 the number of payments processed via EFT has also increased by 5.8 per cent compared with last year. Having levies paid via EFT assists departmental staff to match payments to returns and allows the allocation of effort into a broader range of client services including strategic data analytics. Since 2013–14 the percentage of payments processed via EFT has improved by an average of 3.7 per cent year-on-year (Figure 4).

FIGURE 4 Receipts processed, 2013–14 to 2017–18



a Year to date.

Cost-recovery

The department's cost-recovery arrangement promotes the transparent, sustainable and efficient allocation of resources. Activities that attract more effort will receive a greater proportion of the department's overall cost-recovery charges.

At the start of 2017–18 the department estimated cost-recovery charges at \$4.95 million, up \$0.115 million (2.4 per cent) compared with 2016–17. The department has subsequently revised the 2017–18 cost-recovery charges down by \$0.06 million (1.3 per cent) based on actual services performed to date.

These revisions to cost-recovery charges were made as a result of increases in queries (up 11.1 per cent) and non-targeted compliance activities (up 10.1 per cent)—due to higher than anticipated effort and time spent by levies staff amending incorrect returns and payments, and following up missing returns, late payments and agents flagged by the levies system as having significant levy variations. However, these increases were more than offset by decreases in processing (down 15.8 per cent) and targeted compliance (down 9.5 per cent) activities. See Table 2 for further information on the departmental administrative costs.

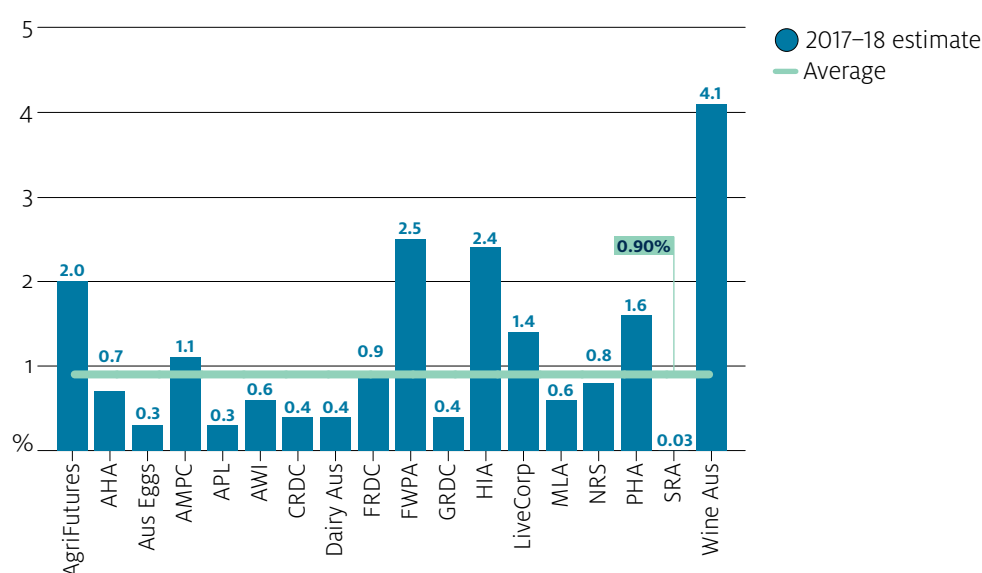
The cost of levies program administration is estimated to be less than 1 per cent of total levies and charges disbursed to levy recipient bodies. Since 2013–14 the department has achieved its target of keeping the cost of administering levies and charges below 1.2 per cent of the total amount of levies collected and disbursed (as set out in the Department of Agriculture and Water Resources 2017–18 Corporate Plan).

Figure 5 shows the estimated cost-recovery charges as a percentage of levy disbursed by levy recipient body. See Appendix B for detailed information on cost-recovery charges attributed to specific commodities.



TABLE 2 Levy administration costs, by activity, 2017–18

Activity	2016–17 (\$)	2017–18 initial estimate (\$)	2017–18 revised estimate (\$)	Variance (\$)	Variance (%)
Direct charges (e.g. legal services, IT costs)	36,900	10,000	18,238	8,238	82.4
Agent management (e.g. levy-payer and/or intermediary liaison)	451,714	429,897	429,634	(263)	–0.1
Queries (e.g. generated from incorrect returns and/or payments)	213,015	211,663	235,224	23,561	11.1
Processing (e.g. returns and payments)	228,712	304,045	255,922	(48,123)	–15.8
Statistics (e.g. statistical information entered alongside returns)	155,956	114,160	111,700	(2,460)	–2.2
Targeted compliance (e.g. OCP and SCP)	1,102,811	1,049,776	950,150	(99,626)	–9.5
Non-targeted compliance (e.g. missing returns and debt management)	483,688	469,865	517,491	47,626	10.1
Other actions (e.g. reports, commodity specific requests for support)	185,265	177,312	183,829	6,517	3.7
Program management (e.g. non-attributable activities)	1,975,043	2,181,804	2,184,074	2,271	0.1
Total	4,833,104	4,948,522	4,886,262	(62,260)	–1.3

FIGURE 5 Estimated cost-recovery charges as percentage of levy disbursed, by levy recipient body, 2017–18

AgriFutures AgriFutures Australia. **AHA** Animal Health Australia. **Aus Eggs** Australian Eggs Limited. **AMPC** Australian Meat Processors Corporation. **APL** Australian Pork Limited. **AWI** Australian Wool Innovation Limited. **CRDC** Cotton Research and Development Corporation. **Dairy Aus** Dairy Australia Limited. **FRDC** Fisheries Research and Development Corporation. **FWPA** Forest and Wood Products Australia Limited. **GRDC** Grains Research and Development Corporation. **HIA** Horticulture Innovation Australia Limited. **LiveCorp** Australian Livestock Export Corporation Limited. **MLA** Meat & Livestock Australia. **NRS** National Residue Survey. **PHA** Plant Health Australia Limited. **SRA** Sugar Research Australia Limited. **Wine Aus** Wine Australia.

Chapter 3

National Compliance Program

The National Compliance Program (NCP) targets levy agents and/or commodities identified as being of operational or strategic risk to provide assurance to our stakeholders about the accuracy of the levies and charges collected.

The department encourages levy recipient bodies and industry representative bodies to continue their engagement with its levies compliance team through the Commodity Liaison Program (CLP) or directly with department levies officers. The CLP is an annual information-sharing and engagement program that provides a forum for stakeholders to discuss emerging industry trends to assist the department to deliver a materially compliant levies system.

Mid-year compliance update

The NCP comprises three risk-based programs:

- operational compliance program (OCP)—certifies the accuracy of levies and charges paid by agents on leviable commodities through record inspection.
- strategic compliance program (SCP)—delivers projects undertaken to address specific areas of non-compliance or improve capability and efficiency of levy administration. SCPs are often performed in partnership with or at the request of an industry representative body.
- targeted compliance assessment program (TCAP)—focuses on agents according to their compliance behaviour. TCAP is often applied to agents not selected in the OCP due to their small size and low risk.

Non-targeted compliance activities are also carried out under the NCP as required.

Approximately 63 per cent of the scheduled 2017–18 OCP inspections have been completed across Australia. These inspections have uncovered \$0.95 million in incorrect levy and charge payments. Of this, \$0.82 million was unpaid levy and \$0.13 million overpaid levy.

The department understands that agents new to the levies system are often at higher risk of submitting inaccurate returns. Compliance officers will continue to educate and support new levy agents to ensure they can confidently and correctly complete levy returns.

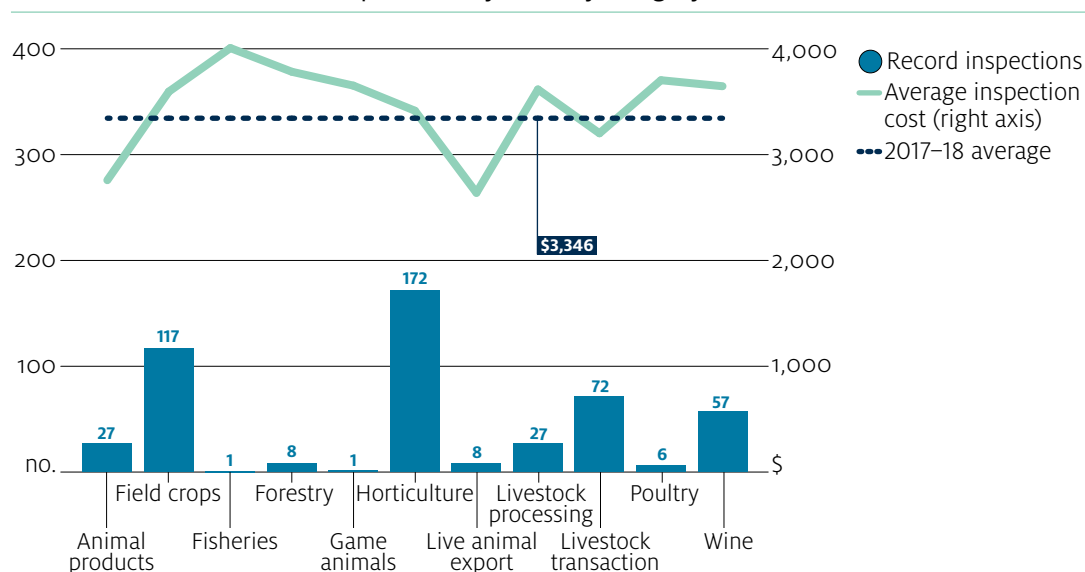
Table 3 provides further information about the results of the inspection program. Figure 6 shows the number of record inspections and average cost per inspection by industry category.

TABLE 3 Compliance program outcomes, 2013–14 to 2017–18

	Unit	2013–14	2014–15	2015–16	2016–17	2017–18 ^d
OCP inspections completed	%	100	100	100	100	63
Compliance rate	%	66	65	65	69	70
New agents identified ^a	no.	32	33	83	63	18
Levy underpayments	\$	426,046	3,552,273	4,280,711	2,608,413	842,578
Levy overpayments	\$	(103,871)	(73,401)	(166,434)	(1,027,552)	(132,457)
Net adjustment ^b	\$	322,175	3,478,872	4,114,277	1,580,861	975,035
Total adjustment ^c	\$	529,917	3,625,674	4,447,145	3,635,965	710,121

^a Number identified from OCP inspections. Several new agents may be identified from one record inspection. ^b Reflects difference between underpayments collected from levy agents and overpayments returned to levy agents. ^c Includes total levy underpayments collected from levy agents and total levy overpayments returned to levy agents. ^d Year to date. **OCP** Operational compliance program.

FIGURE 6 Estimated record inspections, by industry category, 2017–18



Appendixes

APPENDIX A Cost-recovery charges, by levy recipient body

Levy recipient body	2014–15 (\$)	2015–16 (\$)	2016–17 (\$)	2017–18 initial estimate (\$) a	2017–18 revised estimate (\$) b
AgriFutures Australia	107,777	77,646	79,133	91,679	100,972
Animal Health Australia	62,792	56,384	43,462	48,439	50,465
Australian Eggs Limited	27,400	23,280	28,940	23,079	26,895
Australian Meat Processors Corporation	165,347	173,010	219,863	209,647	196,993
Australian Pork Limited	43,646	55,572	36,190	50,917	49,562
Australian Wool Innovation Limited	480,936	438,966	444,255	435,721	393,919
Cotton Research and Development Corporation	17,612	14,590	29,029	21,576	29,385
Dairy Australia Limited	85,439	94,694	97,928	105,968	111,926
Fisheries Research and Development Corporation	14,877	9,559	17,242	8,184	8,783
Forest and Wood Products Australia Limited	227,652	200,059	108,079	160,604	158,142
Grains Research and Development Corporation	583,386	545,487	742,214	693,573	620,538
Horticulture Innovation Australia Limited	1,309,765	1,234,561	1,462,117	1,357,563	1,316,590
LiveCorp	44,184	48,242	51,364	51,187	55,409
Meat and Livestock Australia	688,293	781,129	555,598	650,542	663,580
National Residue Survey	90,821	91,343	83,167	87,304	82,348
Plant Health Australia Limited	38,124	98,870	108,773	124,201	130,890
Sugar Research Australia	16,250	16,439	9,086	7,858	8,323
Wine Australia c	974,167	936,622	716,661	820,479	881,541
Total	4,978,468	4,896,450	4,833,104	4,948,522	4,886,262

a Based on departmental officer's timesheet activity between 1 May 2016 and 30 April 2017. **b** Based on departmental officer timesheet activity between 1 January 2017 and 31 December 2017. **c** Formed on 1 July 2014. Formally known as the Australian Grape and Wine Authority. Estimates include combined historical costs for Grape and Wine Research Development Corporation and Wine Australia Corporation.

APPENDIX B Cost recovery charges, by commodity

Industry group	Commodity	2014–15	2015–16	2016–17	2017–18 initial estimate	2017–18 revised estimate
		(\$)	(\$)	(\$)	(\$)	(\$)
Animal products	Bees	85	445	273	–	–
	Dairy produce	87,143	96,583	99,853	108,082	114,159
	Goat fibre	6,069	684	4,949	1,726	373
	Honey	50,815	65,674	50,373	53,493	50,018
	Wool	480,936	438,966	444,255	435,721	393,919
Total animal products		625,048	602,351	599,703	599,023	558,469
Field crops	Coarse grains	209,814	211,207	266,458	248,076	217,931
	Cotton	17,762	14,755	29,370	21,820	29,681
	Fodder export	–	4,178	8,716	8,735	9,203
	Grain legumes	126,278	95,826	149,854	159,328	154,022
	Oilseeds	55,300	54,125	81,588	64,586	60,984
	Pasture seeds	5,643	3,962	4,443	1,463	1,392
	Rice	7,125	6,803	741	992	3,331
	Sugar cane	16,250	16,439	9,086	7,858	8,323
	Wheat	209,512	200,865	266,099	242,593	206,125
Total field crops		647,684	608,159	816,354	755,451	690,992
Fisheries	Farmed prawns	14,877	9,559	17,242	8,184	8,783
Total fisheries		14,877	9,559	17,242	8,184	8,783
Forestry	Forest growers	102,514	95,986	49,409	94,375	83,256
	Forest products	128,591	119,062	69,553	83,036	96,384
Total forestry		231,105	215,047	118,961	177,411	179,641
Game animals	Deer slaughter	5,211	3,304	3,169	4,301	5,188
	Deer velvet	5,356	1,508	–	–	–
	Game goats	1,193	100	–	774	99
	Game pigs	2,786	1,311	2,956	2,506	1,030
	Horse slaughter	1,517	2,892	1,934	1,026	153
	Macropods	8,395	8,118	10,148	10,358	6,682
	Ratites	1,122	520	3,850	942	676
Total game animals		25,581	17,753	22,056	19,909	13,828

continued ...

APPENDIX B Cost recovery charges, by commodity continued

Industry group	Commodity	2014–15	2015–16	2016–17	2017–18 initial estimate	2017–18 revised estimate
		(\$)	(\$)	(\$)	(\$)	(\$)
Horticulture	Almonds	12,738	3,913	16,834	12,240	15,199
	Apples	64,705	75,959	103,466	99,383	93,109
	Avocados	31,831	38,255	71,314	54,859	48,887
	Bananas	44,532	61,033	62,543	73,902	77,587
	Cherries	50,873	47,057	64,450	57,911	54,059
	Chestnuts	13,586	8,772	7,716	11,570	7,811
	Citrus	80,688	89,666	109,988	115,792	128,114
	Custard apples	5,989	8,065	11,513	5,523	3,733
	Dried fruits	18,700	22,080	25,346	22,168	28,445
	Ginger	24,651	13,447	16,191	10,449	15,215
	Lychees	7,003	6,556	12,303	9,444	6,991
	Macadamia nuts	31,865	20,856	37,916	19,912	14,026
	Mangoes	35,220	39,818	47,118	38,945	37,819
	Melon	–	–	22,538	12,901	22,244
	Mushrooms	14,986	7,173	7,546	5,824	4,653
	Nashi	–	–	–	–	–
	Nursery products	51,449	47,435	56,345	58,214	41,291
	Olives	51,791	17,393	22,843	15,649	15,414
	Onions	42,013	41,537	47,353	32,236	36,866
	Papaya	9,620	9,060	14,452	12,993	12,701
	Passionfruit	10,308	13,291	13,211	12,953	12,904
	Pears	34,027	38,567	46,675	52,618	47,258
	Persimmons	11,199	10,406	12,638	10,396	9,532
	Pineapples	9,540	10,759	11,923	17,839	20,939
	Potatoes	56,944	51,201	53,966	57,370	59,525
	Rubus	8,521	7,301	14,721	13,415	9,653
	Stone fruit	47,454	34,791	52,387	43,377	42,969
	Strawberries	6,333	6,240	18,548	11,295	11,724
	Sweet potato	–	25,157	26,777	29,885	35,343
	Table grapes	71,281	61,789	94,567	70,355	74,777
	Turf	105,890	88,370	54,851	56,239	56,190
	Vegetables	411,383	383,674	379,499	387,999	357,233
Total horticulture		1,365,119	1,289,622	1,537,538	1,433,658	1,402,208

continued ...

APPENDIX B Cost recovery charges, by commodity continued

Industry group	Commodity	2014–15	2015–16	2016–17	2017–18 initial estimate	2017–18 revised estimate
		(\$)	(\$)	(\$)	(\$)	(\$)
Live animal export	Buffalo export	1,484	677	2,211	1,352	1,932
	Cattle live export	24,401	21,351	31,178	32,710	32,639
	Deer export	428	1,086	–	–	–
	Goat live export	5,784	8,547	6,712	5,231	4,117
	Lamb live export	2,325	4,206	2,844	2,923	4,438
	Sheep live export	11,674	14,137	10,630	10,323	14,215
Total live animal export		46,096	50,004	53,576	52,539	57,342
Livestock processing	Beef production	82,512	76,133	101,012	89,222	86,516
	Buffalo slaughter	1,140	1,481	2,594	3,257	2,513
	Goat slaughter	21,091	17,440	19,545	20,517	18,066
	Lamb slaughter	32,127	41,985	64,414	59,542	51,503
	Pig slaughter	46,273	58,868	38,170	53,937	52,231
	Sheep slaughter	29,617	37,451	34,892	40,365	40,908
Total livestock processing		212,759	233,358	260,626	266,841	251,737
Livestock transaction	Cattle transaction	475,028	567,507	376,772	446,561	444,054
	Goat transaction	54,804	53,833	46,335	45,197	49,711
	Lamb transaction	153,427	161,400	137,342	171,148	170,783
	Sheep transaction	102,759	105,260	74,465	78,473	93,509
Total livestock transaction		786,019	888,000	634,914	741,379	758,058
Other rural industries	Tea tree oil	–	–	–	19,933	22,410
	Thoroughbred horse	–	–	–	–	6,338
Total other rural industries		–	–	–	19,933	28,748
Poultry	Egg promotion	15,857	14,190	16,724	15,398	17,110
	Laying chickens	12,180	10,485	14,090	8,063	10,988
	Meat chickens	20,475	18,952	22,578	27,776	23,943
Total poultry		48,513	43,626	53,392	51,236	52,041
Wine	Grape research	185,098	181,700	167,495	188,784	191,019
	Wine export	277,653	190,181	19,334	21,695	22,007
	Wine grapes	512,917	567,090	531,914	612,480	671,390
Total wine		975,668	938,971	718,743	822,958	884,415
Total		4,978,468	4,896,450	4,833,104	4,948,522	4,886,262

APPENDIX C Levy disbursed, by levy recipient body

Levy recipient body	2014–15	2015–16	2016–17	2017–18 initial estimate ^a	2017–18 revised estimate ^b
	(\$)	(\$)	(\$)	(\$)	(\$)
AgriFutures Australia	4,479,362	3,974,195	3,143,393	5,580,000	5,010,599
Animal Health Australia	7,630,079	7,886,556	7,518,577	7,694,000	7,518,463
Australian Eggs Limited	6,424,048	7,654,720	7,794,839	7,785,000	8,343,150
Australian Meat Processors Corporation	22,034,673	19,664,293	17,305,419	16,763,000	18,043,200
Australian Pork Limited	15,077,293	14,379,323	16,322,100	16,985,000	17,134,762
Australian Wool Innovation Limited	48,303,558	50,330,876	58,984,569	56,100,000	64,145,049
Cotton Research and Development Corporation	7,298,282	6,054,115	5,529,683	10,820,000	8,365,177
Dairy Australia Limited	35,372,937	35,369,207	32,130,361	32,221,000	31,620,490
Fisheries Research and Development Corporation	189,250	161,515	174,802	250,000	1,009,701
Forest and Wood Products Australia Limited	4,352,385	4,568,525	4,914,300	6,037,000	6,421,439
Grains Research and Development Corporation	117,590,342	110,520,065	139,012,956	114,692,000	143,414,028
Horticulture Innovation Australia Limited	45,958,821	51,819,514	55,373,955	53,374,000	55,150,473
LiveCorp	5,612,011	5,194,447	4,107,106	4,555,000	4,018,134
Meat and Livestock Australia	114,766,843	111,382,631	102,991,586	110,295,000	103,719,353
National Residue Survey	10,980,124	10,579,782	10,466,881	10,577,000	10,616,062
Plant Health Australia Limited	2,509,499	5,108,870	7,026,110	9,960,000	8,295,979
Sugar Research Australia	22,679,009	24,333,149	25,569,691	23,800,000	25,936,497
Wine Australia ^c	17,525,053	17,598,226	19,882,474	18,700,000	21,304,235
Total	488,783,571	486,580,008	518,248,799	506,188,000	540,066,791

^a From information provided by levy recipient bodies for the 2017–18 federal budget process. ^b Based on department disbursement activity between 1 January 2017 and 31 December 2017. ^c Formed on 1 July 2014. Formally known as the Australian Grape and Wine Authority. Estimates include combined historical costs for Grape and Wine Research Development Corporation and Wine Australia Corporation.

APPENDIX D Levy disbursed, by commodity continued

Industry group	Commodity	2013–14 (\$)	2014–15 (\$)	2015–16 (\$)	2016–17 (\$)
Animal products	Bees	6,938	8,622	722	53
	Dairy produce	33,639,308	36,078,511	36,074,690	32,761,928
	Goat fibre	34,393	20,680	28,582	25,215
	Honey	536,027	434,678	646,310	789,341
	Wool	43,308,614	48,303,558	50,330,876	58,984,569
Total animal products		77,525,280	84,846,049	87,081,180	92,561,106
Field crops	Coarse grains	26,667,797	28,120,104	25,774,322	27,048,985
	Cotton	11,020,528	7,360,240	6,122,676	5,594,544
	Fodder export	–	–	–	367,328
	Grain legumes	8,518,488	10,590,236	17,405,898	25,904,331
	Oilseeds	22,183,647	16,604,264	18,071,809	26,362,246
	Pasture seeds	187,270	172,294	133,410	146,857
	Rice	3,492,660	2,492,627	2,085,358	755,995
	Sugar cane	19,560,494	22,679,009	24,333,149	25,569,691
	Wheat	66,657,835	65,828,282	52,615,473	63,732,737
	Wheat export	22	–	–	–
Total field crops		158,288,740	153,847,056	146,542,093	175,482,714
Fisheries	Farmed prawns	148,956	189,250	161,515	174,802
Total fisheries		148,956	189,250	161,515	174,802
Forestry	Forest growers	1,201,822	1,400,324	1,511,898	2,010,869
	Forest products	2,789,990	3,001,153	3,101,129	3,346,312
Total forestry		3,991,812	4,401,477	4,613,027	5,357,181
Game animals	Deer slaughter	26,315	23,259	21,701	18,317
	Deer velvet	8,696	12,414	12,871	–
	Game goats	16	18	–	–
	Game pigs	4,762	9,457	15,717	5,503
	Horse slaughter	51,030	41,762	53,261	38,659
	Macropods	96,898	87,357	91,818	74,283
	Ratites	9,378	11,592	11,069	10,205
Total game animals		197,095	185,860	206,437	146,967

continued ...

APPENDIX D Levy disbursed, by commodity continued

Industry group	Commodity	2013–14 (\$)	2014–15 (\$)	2015–16 (\$)	2016–17 (\$)
Horticulture	Almonds	1,359,559	1,388,775	1,542,450	1,551,775
	Apples	4,049,366	3,846,594	4,019,106	4,363,086
	Avocados	3,652,284	4,151,817	5,142,969	5,648,429
	Bananas	6,305,183	6,345,198	9,031,600	10,254,075
	Cherries	711,635	962,717	1,094,477	688,982
	Chestnuts	88,415	110,472	96,353	82,738
	Citrus	1,724,755	1,648,672	1,874,496	2,718,135
	Custard apples	72,655	73,656	84,833	89,362
	Dried fruits	369,568	322,476	368,141	303,420
	Ginger	160,004	174,307	160,871	147,755
	Lychees	117,956	139,747	170,299	149,106
	Macadamia nuts	3,243,817	3,465,318	4,050,725	4,061,363
	Mangoes	904,761	1,227,523	1,211,245	1,188,099
	Melon	–	–	–	323,286
	Mushrooms	2,476,956	4,296,349	4,819,417	5,267,823
	Nashi	(158)	–	–	–
	Nursery products	1,944,998	2,124,520	2,388,718	2,306,123
	Olives	283,100	250,134	339,500	274,046
	Onions	479,741	705,920	1,018,999	926,699
	Papaya	302,761	278,985	333,296	368,530
	Passionfruit	209,539	210,423	251,408	241,979
	Pears	1,428,345	1,400,853	1,565,851	1,501,240
	Persimmons	134,053	123,173	100,944	133,096
	Pineapples	241,368	280,114	260,601	297,384
	Potatoes	957,730	1,026,351	1,038,398	1,015,041
	Rubus	240,080	327,363	444,391	573,689
	Stone fruit	927,459	948,196	991,649	947,131
	Strawberries	697,731	734,722	761,083	1,018,501
	Sweet potato	–	–	243,036	1,368,001
	Table grapes	1,635,998	1,601,681	1,783,911	1,317,120
	Turf	503,974	516,012	587,326	581,937
	Vegetables	7,802,565	8,367,293	9,442,185	10,156,615
Total horticulture		43,026,201	47,049,360	55,218,275	59,864,564

continued ...

APPENDIX D Levy disbursed, by commodity continued

Industry group	Commodity	2013–14 (\$)	2014–15 (\$)	2015–16 (\$)	2016–17 (\$)
Live animal export	Buffalo export	9,339	19,497	25,051	32,416
	Cattle live export	3,068,768	4,221,723	3,978,898	3,044,331
	Deer export	30	–	515	–
	Goat live export	43,357	47,821	37,652	13,346
	Lamb live export	195,402	202,652	251,393	237,225
	Sheep live export	998,294	1,139,815	926,504	812,204
Total live animal export		4,315,190	5,631,508	5,220,013	4,139,522
Livestock processing	Beef production	14,722,217	16,533,486	14,464,252	12,513,836
	Buffalo slaughter	1,173	1,562	1,049	5,289
	Goat slaughter	251,082	264,567	228,666	203,992
	Lamb slaughter	3,600,937	3,790,719	3,701,983	3,583,767
	Pig slaughter	13,243,880	15,984,490	15,232,114	17,214,723
	Sheep slaughter	1,628,116	1,445,902	1,269,392	1,003,824
Total livestock processing		33,447,406	38,020,725	34,897,456	34,525,432
Livestock transaction	Cattle transaction	77,613,091	84,660,198	80,206,603	72,041,070
	Goat transaction	1,160,990	1,267,777	1,102,167	990,060
	Lamb transaction	36,848,407	39,759,656	40,969,485	40,297,452
	Sheep transaction	3,610,788	3,319,544	3,036,008	2,705,757
Total livestock transaction		119,233,276	129,007,176	125,314,264	116,034,339
Other rural industries	Tea tree oil	–	–	–	–
	Thoroughbred horse	–	–	–	–
Total other rural industries		–	–	–	–
Poultry	Egg promotion	4,851,217	4,394,571	5,270,073	5,327,621
	Laying chickens	2,303,019	2,141,674	2,750,282	2,845,525
	Meat chickens	1,401,347	1,516,459	1,661,053	1,856,455
Total poultry		8,555,582	8,052,704	9,681,408	10,029,600
Wine	Grape research	3,633,862	3,419,307	3,471,619	3,850,163
	Wine export	2,183,689	2,338,182	2,590,386	2,867,859
	Wine grapes	12,698,273	11,794,918	11,582,334	13,214,550
Total wine		18,515,824	17,552,407	17,644,339	19,932,572
Total		467,245,363	488,783,571	486,580,008	518,248,799

APPENDIX E Levy recipient body analytical data

Levy recipient body	Collection points ^a	Cost per collection point	Levy per collection point	Returns processed ^b	Cost per return	Levy per return	Record inspections	OCP costs ^c	Average inspection cost
	(#)	(\$)	(\$)	(#)	(\$)	(\$)	(#)	(\$)	(\$)
AgriFutures Australia	301	335	16,640	792	128	6,329	5	14,819	2,795
Animal Health Australia	163	310	46,117	1,023	49	7,348	5	16,452	3,348
Australian Eggs Limited	41	654	202,877	151	178	55,290	2	8,124	4,141
Australian Meat Processors Corporation	490	402	36,823	4,457	44	4,048	20	72,080	3,551
Australian Pork Limited	72	687	237,600	722	69	23,729	6	23,532	3,779
Australian Wool Innovation Limited	149	2,644	430,504	1,470	268	43,636	17	55,399	3,242
Cotton Research and Development Corporation	19	1,562	444,698	89	330	93,881	6	20,886	3,516
Dairy Australia Limited	88	1,268	358,346	954	117	33,146	8	25,739	3,282
Fisheries Research and Development Corporation	16	549	63,106	50	176	20,194	1	2,928	2,928
Forest and Wood Products Australia Limited	323	490	19,908	973	163	6,599	8	22,255	2,963
Grains Research and Development Corporation	2,220	280	64,609	5,103	122	28,106	107	342,771	3,215
Horticulture Innovation Australia Limited	5,287	249	10,432	11,711	112	4,709	160	529,135	3,300
LiveCorp	80	693	50,227	306	181	13,131	8	28,821	3,660
Meat and Livestock Australia	2,169	306	47,819	12,785	52	8,113	63	220,497	3,493
National Residue Survey	285	289	37,274	1,438	57	7,383	8	28,567	3,406
Plant Health Australia Limited	404	324	20,534	848	154	9,779	14	44,095	3,239
Sugar Research Australia Limited	14	595	1,852,607	95	88	273,016	1	3,465	3,465
Wine Australia	3,526	250	6,042	3,384	261	6,296	57	200,216	3,517
Total	15,647	312	34,517	46,350	105	11,652	496	1,659,783	3,346

a Can be counted more than once if they collect for multiple commodities and levy recipient bodies. At 31 December 2017 active levy agent base was 7,928. **b** Some returns cover multiple commodities and can be counted multiple times against different levy recipient bodies. **c** Operational Compliance Program selects levy agents for record inspections annually using risk-based algorithm against likelihood and consequence of non-compliance. **OCP** Operational Compliance Program.

APPENDIX F Commodity analytical data

Levy recipient body	Collection points a	Cost per collection point	Levy per collection point	Returns processed b	Cost per return	Levy per return	Record inspections	OCP costs c	Average inspection cost
	(#)	(\$)	(\$)	(#)	(\$)	(\$)	(#)	(\$)	(\$)
Almonds	22	691	74,378	43	353	38,054	2.1	6,974	3,392
Apples	303	307	14,130	738	126	5,801	13.6	43,825	3,234
Avocados	252	194	21,110	532	92	10,000	8.2	25,558	3,123
Bananas	163	476	64,221	412	188	25,408	15.8	51,071	3,228
Beef production	163	531	80,621	1,664	52	7,897	8.1	29,505	3,654
Bees	–	–	–	–	–	–	–	–	–
Buffalo export	5	386	8,688	20	97	2,172	0.0	163	3,318
Buffalo slaughter	8	314	1,502	29	87	414	0.0	24	3,189
Cattle live export	28	1,166	106,892	157	208	19,063	5.5	20,711	3,740
Cattle transaction	1,274	349	56,683	6,935	64	10,413	42.9	149,001	3,476
Cherries	286	189	2,365	242	223	2,795	5.1	15,052	2,955
Chestnuts	81	96	1,589	86	91	1,496	0.7	1,937	2,970
Citrus	408	314	7,185	1,065	120	2,753	16.4	50,361	3,062
Coarse grains	809	269	33,781	2,028	107	13,476	34.8	112,517	3,236
Cotton	19	1,562	444,698	90	330	93,881	6.0	21,096	3,516
Custard apples	116	32	787	169	22	540	0.1	320	3,153
Dairy produce	90	1,268	358,346	973	117	33,146	8.0	26,253	3,282
Deer export	–	–	–	–	–	–	–	–	–
Deer slaughter	17	305	1,192	82	63	247	0.5	2,416	5,245
Deer velvet	–	–	–	–	–	–	–	–	–
Dried fruits	26	1,094	14,363	68	418	5,492	2.0	13,190	6,595
Egg promotion	34	503	169,267	85	201	67,707	1.7	6,537	3,956
Farmed prawns	16	549	63,106	50	176	20,194	1.0	2,928	2,928
Fodder export	22	418	24,710	64	144	8,494	0.2	687	3,436
Forest growers	145	574	15,428	379	220	5,902	1.9	5,768	3,045
Forest products	215	448	22,149	692	139	6,882	6.1	17,976	2,944
Game goats	–	–	–	–	–	–	–	–	–
Game pigs	2	515	1,732	18	57	192	0.1	218	2,232
Ginger	126	121	1,728	306	50	712	0.9	3,145	3,539
Goat fibre	3	124	6,998	6	62	3,499	–	–	–
Goat live export	16	257	637	37	111	276	0.0	29	3,363
Goat slaughter	87	208	2,594	598	30	377	1.0	3,867	4,042

continued ...

APPENDIX F Commodity analytical data continued

Levy recipient body	Collection points a	Cost per collection point	Levy per collection point	Returns processed b	Cost per return	Levy per return	Record inspections	OCP costs c	Average inspection cost
	(#)	(\$)	(\$)	(#)	(\$)	(\$)	(#)	(\$)	(\$)
Goat transaction	267	186	4,060	1,083	46	1,001	2.8	10,371	3,741
Grain legumes	499	309	62,579	1,055	146	29,599	31.3	97,530	3,114
Grape research	778	246	5,415	753	254	5,595	17.5	61,537	3,523
Honey	183	274	4,600	282	177	2,975	2.0	6,551	3,276
Horse slaughter	2	76	21,735	22	7	1,976	–	–	–
Lamb live export	12	370	19,067	22	202	10,400	0.2	858	3,948
Lamb slaughter	118	436	30,350	1,114	46	3,215	6.8	23,868	3,503
Lamb transaction	466	366	87,429	3,452	49	11,802	20.9	74,433	3,557
Laying chickens	8	1,373	363,283	74	148	39,274	0.3	1,782	5,131
Lychees	101	69	1,451	104	67	1,409	0.8	2,515	3,185
Macadamia nuts	26	539	144,073	157	89	23,859	2.0	6,757	3,378
Macropods	18	371	4,645	111	60	753	0.7	1,559	2,232
Mangoes	261	145	4,891	424	89	3,011	6.0	20,382	3,415
Meat chickens	20	1,197	89,162	244	98	7,308	4.0	9,595	2,399
Melon	146	152	5,432	326	68	2,433	1.8	6,098	3,462
Mushrooms	11	423	472,777	20	233	260,027	–	–	–
Nursery products	68	607	35,354	206	200	11,670	3.0	10,394	3,465
Oilseeds	267	228	92,736	448	136	55,269	8.1	24,643	3,053
Olives	83	186	5,250	77	200	5,659	1.0	303	301
Onions	209	176	4,500	423	87	2,223	3.9	13,773	3,527
Papaya	135	94	2,631	298	43	1,192	1.3	4,524	3,533
Passionfruit	131	99	1,672	285	45	768	1.4	5,931	4,174
Pasture seeds	4	348	33,998	8	174	16,999	–	–	–
Pears	250	189	6,023	608	78	2,477	6.5	20,374	3,133
Persimmons	152	63	843	147	65	872	1.3	3,749	2,989
Pig slaughter	76	687	237,600	761	69	23,729	6.6	24,799	3,779
Pineapples	113	185	2,564	276	76	1,050	3.0	11,206	3,780
Potatoes	251	237	4,396	558	107	1,978	5.6	18,934	3,371
Ratites	4	169	2,647	16	42	662	–	–	–
Rice	9	370	268,267	8	416	301,800	–	–	–
Rubus	57	169	10,696	96	101	6,350	1.2	3,881	3,341
Sheep live export	24	592	32,757	90	158	8,735	2.1	7,224	3,419

continued ...

APPENDIX F Commodity analytical data continued

Levy recipient body	Collection points ^a	Cost per collection point	Levy per collection point	Returns processed ^b	Cost per return	Levy per return	Record inspections	OCP costs ^c	Average inspection cost
	(#)	(\$)	(\$)	(#)	(\$)	(\$)	(#)	(\$)	(\$)
Sheep slaughter	122	335	8,975	1,081	38	1,013	4.5	14,841	3,332
Sheep transaction	507	184	5,629	3,333	28	856	5.1	16,595	3,265
Stone fruit	366	117	2,566	649	66	1,447	4.2	13,499	3,245
Strawberries	7	1,675	154,074	13	902	82,963	1.1	3,664	3,309
Sugar cane	14	595	1,852,607	95	88	273,016	1.0	3,465	3,465
Sweet potato	146	242	11,410	422	84	3,947	5.1	15,838	3,132
Table grapes	297	252	5,472	556	134	2,923	11.6	36,665	3,149
Tea tree oil	37	606	12	1	22,410	432	–	–	–
Thoroughbred horse	1	6,338	–	2	3,169	–	–	–	–
Turf	205	274	2,883	665	84	889	3.0	10,336	3,445
Vegetables	840	425	11,236	2,581	138	3,657	43.7	147,039	3,367
Wheat	711	290	90,504	1,724	120	37,325	35.6	118,311	3,319
Wine export	8	2,751	384,377	85	259	36,177	–	–	–
Wine grapes	2,752	244	5,116	2,557	263	5,506	39.7	139,432	3,515
Wool	149	2,644	430,504	1,470	268	43,636	17.1	55,399	3,242
TOTAL	15,647	312	34,517	46,350	105	11,652	496	1,659,783	3,346

a Can be counted more than once if they collect for multiple commodities and levy recipient bodies. At 31 December 2017 active levy agent base was 7,928. **b** Some returns cover multiple commodities and can be counted multiple times against different levy recipient bodies. **c** Operational Compliance Program selects levy agents for record inspections annually using risk-based algorithm against likelihood and consequence of non-compliance. **OCP** Operational Compliance Program.

Glossary

Term	Definition
Agent management	Department engagement with levy payers
Direct charges	Costs incurred by the department on behalf of industry
EFT	Electronic funds transfer
Levies Online	Department's web-based platform for levy payers to calculate, lodge and track returns
LRB	Levy recipient body
Non-targeted compliance	Behaviour-driven compliance program activities
OCP	Operational compliance program
Processing	Receiving and processing levy returns and receipts
Program management	Administration of levies and charges
Statistics	Analysis of statistical information to inform levy returns
SCP	Strategic compliance program
Targeted compliance	Operational compliance program activities



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