

What is the proposed Biosecurity Protection Levy?

The Federal Government is in the process of legislating the ‘Biosecurity Protection Levy’ (Levy), a charge on agricultural producers to help fund biosecurity activities undertaken by the Department of Agriculture, Fisheries and Forestry (DAFF).

The Levy was announced in the 2024-24 Federal Budget as part of the Government’s broader biosecurity package.

How will it work?

Here’s what you need to know:

- The proposed Levy will impact nearly all of Australia’s 85,000 farmers and thousands of supply chain participants.
- The Levy is set to commence in just a matter of weeks on **1 July 2024**.
- Australian farmers, through the Levy, will contribute \$51.8 million to the total biosecurity funding package.
- Farmers and agricultural businesses haven’t been told how the Levy will be collected and managed.
- Levy rates will be set on the basis of each ag industry sector’s proportional share of total gross value of production (GVP). For example, cattle producers contribute 18% to Australian agriculture’s total GVP (based on a 3-year average), so they will contribute 18% of the total Levy, which is about \$9.3 million. Banana growers contribute 0.7% to our total GVP, which leaves them with a bill of \$368,000 towards the Levy.
- Collected funds will not go directly to DAFF, instead they will be placed into government coffers.

Why does the NFF oppose the Levy?

While the NFF supports efforts to strengthen and better fund Australia’s biosecurity system, **we strongly oppose the Levy on Australian farmers.**

This is not a matter of farmers ‘not wanting to pay more.’ Australian farmers already contribute significantly to biosecurity activities and pest & disease management! They already pay billions for biosecurity through the existing levies systems, on-farm activities, investments in traceability systems, and contributions to state and regional landholder agencies. Farmers also often foot the bill for biosecurity outbreaks, like the \$100 million Varroa Mite response plan that bee and pollination dependent industries are already cost-sharing with governments. Furthermore, a potential foot-and-mouth disease outbreak would have an \$80 billion impact on livestock industries.

Here’s why we’re concerned:

- The Levy doesn’t follow the usual rules for collecting and using industry levies. This could hurt our existing ag levies, which fund rural research and development-and impact industry spending on research and innovation.
- The policy doesn’t align with the National Biosecurity Strategy, which Commonwealth, state and territory governments all agreed to.
- We can’t be sure that collected funds will be spent specifically on improved biosecurity, as they will go into general revenue.

- The Levy doesn't recognise that farmers already contribute to Australia's biosecurity.
- The Government has ignored calls by industry and independent reviews to put a levy on container imports (or similar). Importers create biosecurity risks, it makes sense that they should bear the cost of managing those risks rather than farmers having to foot the bill to manage the pests and diseases they bring to our shores.
- Independent experts, like the Australian National University and Productivity Commission, have expressed similar concerns. They said it's inefficient, 'at odds with standard tax practice' and recommended several alternatives be considered instead!

The NFF Is calling on politicians to #ScraptheTax

We're calling on senators to **vote against** the Biosecurity Protection Levy Bills in parliament. Too many concerns have been left unanswered!

Farmers remain open to sensible opportunities to invest in actions that deliver tangible and additional biosecurity outcomes. Government must take this policy back to the drawing board and spend the time required to get it right.

Further information

For further information see:

- [NFF website](#)
- [NFF submission to the RRAT Senate Inquiry on BPL Bills, April 2024](#)
- [ANU Tax and transfer Policy Institute, *The biosecurity protection levy: Principles for design*, February 2024](#)
- [Productivity Commission, *Towards Levyathan? Industry levies in Australia*, December 2023](#)
- [Office of Impact Analysis, *Biosecurity sustainable funding submission*, May 2023](#)