

AUSTRALIAN INDUSTRY STATEMENT REJECTING THE FLAWED BIOSECURITY LEVY



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AiGROUP



**CEMENT INDUSTRY
FEDERATION**



EMBARGOED UNTIL 12:01am Monday 04/03/2019

The Australian Government announced a biosecurity levy in the 2018 budget due to be implemented this July that is significantly flawed.

As Australian industry participants we would like to formally register our deep concern regarding the proposed biosecurity levy and urge the Government to remove it from the 2019 Budget.

Industry welcomes the Government's recognition on the need for an Industry Steering Committee to better inform Government on improving the proposed Biosecurity levy scheme design.

This announcement is acknowledgement the current proposal is flawed and fails to recognise the damage the levy would do to the competitiveness of the freight supply chain, key export industries and the cruise sector, as well as the higher costs for consumers.

Whilst no announcement has been made regarding the membership of this Committee or its Terms of Reference, it is essential that participants represent all industry groups who form part of Australia's biosecurity and that this Committee be given enough time to consider and present a workable proposal for the Government's consideration.

To ensure the Committee has flexibility in developing a fair and equitable model, it is therefore imperative that this Biosecurity Levy be removed from the 2019 Budget to enable this work to be completed.

The protection of our natural and agricultural assets is vital to this country from both an environmental and financial perspective. The industries represented in this statement are part of Australia's biosecurity system and take their roles seriously. Which is why we believe in impactful and informed solutions to strengthening Australia's biosecurity system.

Industry's main concerns with the process to date are:

- **The rushed nature of a tax designed without fully understanding the potential for far-reaching economic consequences;**
- **Additional and unnecessary costs - particularly to Australia's tourism, manufacturing, agriculture, mining, energy and construction industries;**
- **Flow-on costs to consumers;**
- **Confusion as to why a new biosecurity tax is required over and above the Australian Government's biosecurity charges that are currently in place for sea-freight (extensively reviewed in 2015-16) and the passenger movement charge for the cruise sector;**
- **That a biosecurity risk assessment and regulation impact statement has not been undertaken by the Australian Government to inform the development of the proposed biosecurity tax;**
- **A lack of clarity on how the Australian Government would collect the proposed tax; and**
- **No guarantee that all revenue raised by the proposed new tax would be used to support Australian biosecurity measures.**

We urge the Government to remove the proposed levy from the 2019 Budget and provide a genuine opportunity to industry to help design a fair and equitable model that improves Australia's biosecurity ability.

For media comments please contact organisation of interest:

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