

## **EXPLANATORY STATEMENT**

Issued by Authority of the Minister for Agriculture, Fisheries and Forestry

*Primary Industries Levies and Charges Disbursement Act 2024*

*Primary Industries Levies and Charges Disbursement (Declared Bodies) Rules 2024*

### **Legislative Authority**

The *Primary Industries Levies and Charges Disbursement Act 2024* (the Act) provides for, among other things, the Commonwealth to make payments to declared recipient bodies.

Section 90 of the Act provides that the Minister may, by legislative instrument, make rules prescribing matters required or permitted by the Act to be prescribed by the rules or necessary or convenient to be prescribed for carrying out or giving effect to the Act.

Section 4 of the *Acts Interpretation Act 1901* (the Acts Interpretation Act) provides authority for legislative instruments, including rules, to be made after enactment but before the commencement of the relevant enabling legislation. Subsection 4(2) of the Acts Interpretation Act enabled the Minister to make the *Primary Industries Levies and Charges Disbursement (Declared Bodies) Rules 2024* (the rules) before commencement of the Act as if the Act had already commenced. Section 90 of the Act commences on 1 January 2025.

### **Purpose**

The purpose of the rules is to prescribe matters relating to the Minister's power to declare bodies to be recipient bodies under subsection 39(1) of the Act. The rules prescribe:

- the bodies that the Minister is able to declare to be recipient bodies under the Act;
- rules relating to the declaration of bodies as recipient bodies; and
- particular rules relating to the declaration of bodies as various meat and livestock bodies.

### **Background**

The agricultural levy and charge system is a long-standing partnership between industry and the Australian Government to facilitate industry investment in strategic activities. Levies and charges are generally payable by farmers, producers, processors and exporters.

Amounts equal to the collected levy and charge are generally disbursed by the Commonwealth to recipient bodies (colloquially known as research and development corporations (RDCs)) and other entities to support activities the levies were imposed to fund. This includes research and development, marketing, biosecurity activities, biosecurity responses, and residue testing. Without this arrangement most individual producers could not invest effectively in these activities.

A 2018 review in relation to the sunset of legislative instruments making up the pre-existing legislative framework found the legislative framework should be modernised to be more effective in meeting industries' needs in the future.

The rules will form part of the modernised legislative framework and better support industry with provisions for the declaration of bodies as recipient bodies consolidated in one place.

The Act and the rules consolidate provisions that dealt with these matters in the *old disbursement law* (see **Attachment A**). Consolidating these provisions in the Act and rules made under the Act increases accessibility for industry and simplifies understanding of disbursement and related matters.

### **Impact and effect**

The rules form part of a modernised legislative framework that streamlines the legislation to better support industries' needs in the future.

The rules are complementary to the *Primary Industries (Excise) Levies Regulations 2024* (the Levies Regulations) made under the *Primary Industries (Excise) Levies Act 2024* (the Levies Act), the *Primary Industries (Customs) Charges Regulations 2024* (the Charges Regulations) made under the *Primary Industries (Customs) Charges Act 2024* (the Charges Act), the rules (the Collection Rules) proposed to be made under the *Primary Industries Levies and Charges Collection Act 2024* (the Collection Act) and further rules (the Disbursement Rules) proposed to be made under the Act.

### **Consultation**

The rules are informed by extensive consultation by the Department of Agriculture, Fisheries and Forestry (the department) with industry groups, levy payers, collection agents, bodies that receive levy and charge funding, and the public.

- 2017-18: The department reviewed the agricultural levies and charges legislative framework and undertook targeted consultation with approximately 70 stakeholder groups.
- 2019-20: The department released the 'Streamlining and modernising agricultural levies legislation – early assessment regulation impact statement' for public consultation.
- 2021-22: The department conducted further consultation with industry representatives and bodies that receive levy and charge funding (industry-owned and statutory RDCs, Animal Health Australia and Plant Health Australia).
- 2023: Public consultation occurred on the draft Bills and a sample of the delegated legislation.
- 2024: Public consultation occurred on exposure drafts of the Levies Regulations, the Charges Regulations, the Collection Rules and the Disbursement Rules (which included earlier forms of the provisions now constituting these rules).

Consultation on the modernised legislative framework also occurred with relevant Commonwealth agencies during the development of the legislation, including the Attorney-General's Department, the Australian Bureau of Statistics, the Australian Public Service Commission, the Department of Finance, the Department of the Prime Minister and Cabinet, the Federal Court of Australia, the Federal Circuit and Family Court of Australia, the Office of the Australian Information Commissioner and the Treasury.

The Office of Impact Analysis was consulted in relation to the Impact Analysis (OBPR22-03525) for modernising the agricultural levies legislation.

## **Details/Operation**

The meaning of the *old disbursement law* is set out in Attachment A.

Details of the rules are set out in Attachment B.

## **Other**

The rules are compatible with the human rights and freedoms recognised or declared under section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*. A full statement of compatibility is set out in Attachment C.

The rules will commence on 1 January 2025. The rules are a legislative instrument for the purposes of the *Legislation Act 2003*.

**Old disbursement law**

The Act and the rules consolidate provisions that dealt with certain disbursement and related matters from various repealed or amended Acts and Regulations (the *old disbursement law*). References to *old disbursement law* throughout this Explanatory Statement include the following laws, as in force immediately before 1 January 2025:

- the *Australian Meat and Live-stock Industry Act 1997*, and the regulations under that Act;
- the *Dairy Produce Act 1986*, and the regulations under that Act;
- the *Egg Industry Service Provision Act 2002*;
- the *Forestry Marketing and Research and Development Services Act 2007*, and the regulations under that Act;
- the *Horticulture Marketing and Research and Development Services Act 2000*, and the regulations under that Act;
- the *Pig Industry Act 2001*;
- the *Sugar Research and Development Services Act 2013*;
- the *Wool Services Privatisation Act 2000*, and the regulations under that Act.

**Details of the *Primary Industries Levies and Charges Disbursement (Declared Bodies) Rules 2024***

**Part 1—Preliminary**

*Overview*

Part 1 of the *Primary Industries Levies and Charges Disbursement (Declared Bodies) Rules 2024* (the rules) sets out preliminary matters, including the name of the rules, the commencement of the rules, the authority under which the rules are made, and the definition of a term used in the rules.

**Section 1—Name**

This section provides that the name of the instrument is the *Primary Industries Levies and Charges Disbursement (Declared Bodies) Rules 2024* (the rules).

**Section 2—Commencement**

This section provides that the rules commence on 1 January 2025.

**Section 3—Authority**

This section provides that the rules are made under the *Primary Industries Levies and Charges Disbursement Act 2024* (the Act).

**Section 4—Definitions**

This section provides that, in the rules, *Act* means the *Primary Industries Levies and Charges Disbursement Act 2024*.

**Part 2—Declaring bodies as recipient bodies**

*Overview*

Part 2 of the rules deals with matters relating to the Minister’s power to declare bodies to be recipient bodies under section 39 of the Act. The Part prescribes the bodies that the Minister is able to declare to be recipient bodies, rules relating to the declaration of bodies as recipient bodies, as well as particular rules relating to the declaration of bodies as various meat and livestock bodies.

The Act provides for payments to recipient bodies (colloquially known as research and development corporations (RDCs)) of certain amounts connected with levies and charges.

It is intended that:

- the prescribed bodies that the Minister may declare to be recipient bodies and the rules relating to the declaration of bodies as recipient bodies, continue arrangements made under the *old disbursement law*;
- the particular rules relating to the declaration of bodies as various meat and livestock bodies continue arrangements made under the *Australian Meat and Live-stock Industry Act 1997* and the *Australian Meat and Live-stock Industry Regulations 2023*.

It is noted that, under the *old disbursement law*, recipient bodies were variously referred to as industry services bodies, industry marketing bodies, industry research bodies, and so on.

## **Section 5—Declaring bodies as recipient bodies**

Subsection 5(1) prescribes, for the purposes of subsection 39(1) of the Act, the bodies that the Minister may declare to be recipient bodies under the Act.

Subsection 39(1) of the Act provides that the Minister may, by writing, declare a body to be a recipient body. The recipient body must be one that is prescribed by the rules for the purposes of subsection 39(1).

Subsection 5(1) prescribes the following bodies:

- Dairy Australia Limited (ABN 60 105 227 987);
- Australian Eggs Limited (ABN 66 102 859 585);
- Forest and Wood Products Australia Limited (ABN 75 127 114 185);
- Horticulture Innovation Australia Limited (ABN 71 602 100 149);
- Australian Livestock Export Corporation Ltd (ABN 88 082 408 740);
- Meat & Livestock Australia Limited (ABN 39 081 678 364);
- Australian Meat Processor Corporation Ltd (ABN 67 082 373 448);
- Australian Pork Limited (ABN 83 092 783 278);
- Sugar Research Australia Limited (ABN 16 163 670 068);
- Australian Wool Innovation Limited (ABN 12 095 165 558).

The purpose of this subsection is to provide the bodies which the Minister may declare to be a recipient body under the Act. The Act, in turn, provides for payments to recipient bodies of amounts connected with various levies and charges as well as matching payments based in part on each recipient body's expenditure on research and development.

The further rules (the Disbursement Rules) proposed to be made under the Act are intended to prescribe all the components of all the rates of levies and charges in respect of which amounts are disbursed under the Act to the recipient bodies.

Subsection 5(2) provides that, for the purposes of subsection 39(2) of the Act, if the Minister declares a body to be a recipient body under subsection 39(1) of the Act, the declaration must also declare the body to be one of the following:

- the dairy industry body;
- the egg industry body;
- the forestry industry body;
- the horticultural industry body;
- the livestock export body;
- the meat industry body;
- the meat processor body;
- the pig industry body;
- the sugarcane industry body; or
- the wool industry body.

Subsection 39(2) of the Act provides that the rules may make provision in relation to the declaration of bodies as recipient bodies.

The purpose of this subsection is to provide that if the Minister declares a body prescribed by subsection 5(1) to be a recipient body, the declaration must also declare the body to be one of the bodies prescribed in subsection 5(2).

### *Other rules for declaring meat and livestock bodies*

Subsection 5(3) provides that, for the purposes of subsection 39(2) of the Act, before the Minister declares a body to be the livestock export body, meat industry body or meat processor body, the Minister must have regard to any written policies that are formulated jointly by the following and that are relevant to the making of that declaration:

- Sheep Producers Australia Limited;
- Cattle Australia Limited;
- the Australian Lot Feeders' Association;
- the Australian Meat Industry Council;
- Australian Livestock Exporters Council Limited;
- the Goat Industry Council of Australia;
- Red Meat Advisory Council Limited.

Subsection 39(2) of the Act provides that the rules may make provision in relation to the declaration of bodies as recipient bodies.

The purpose of subsection 5(3) is to provide for matters the Minister must have regard to before declaring meat and livestock bodies. These requirements are similar to requirements under the *old disbursement law* in relation to these bodies. Subsection 5(3) clarifies that the Minister must have regard to any written policies that are formulated jointly by the prescribed bodies insofar as they are relevant to declaring the meat and livestock bodies.

Subsection 5(4) provides that, for the purposes of subsection 39(2) of the Act, the Minister must not declare a body to be more than one of the following: the livestock export body, meat industry body and meat processor body.

Subsection 39(2) of the Act provides that the rules may make provision in relation to the declaration of bodies as recipient bodies.

The purpose of subsection 5(4) is to provide that a different body must be declared for each of the livestock export body, meat industry body and meat processor body.

It is intended that the rules relating to the declaration of bodies as various meat and livestock bodies generally continue arrangements made under the *Australian Meat and Live-stock Industry Act 1997* and the *Australian Meat and Live-stock Industry Regulations 2023*.

## **Statement of Compatibility with Human Rights**

*Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011*  
*Primary Industries Levies and Charges Disbursement (Declared Bodies) Rules 2024*

This disallowable legislative instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

### **Background**

The *Primary Industries Levies and Charges Disbursement Act 2024* (the Act) forms part of a package of Acts to modernise the agricultural levies and charges legislative framework. The Act enables the disbursement of levy and charge amounts and matching payments for investment in strategic activities for the benefit of levied industries.

The Act, in combination with the following Acts, provides the overarching legislative framework for the agricultural levy system:

- *Primary Industries (Excise) Levies Act 2024*
- *Primary Industries (Customs) Charges Act 2024*
- *Primary Industries (Services) Levies Act 2024*
- *Primary Industries Levies and Charges Collection Act 2024*.

### **Overview of the legislative instrument**

The purpose of the *Primary Industries Levies and Charges Disbursement (Declared Bodies) Rules 2024* (the rules) is to prescribe matters related to the Minister's power to declare bodies to be recipient bodies under the Act.

The legislative instrument commences on 1 January 2025.

### **Human rights implications**

The relevant aspects of the Act were assessed as engaging human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*. That assessment was set out in the Explanatory Memorandum to the Bill for the Act. It concluded that the Act, and the agricultural levy system overall, were compatible with human rights because the measures in the Act promoted human rights, did not engage human rights or, to the extent that it did engage and limit specified human rights, those limitations were reasonable, necessary, and proportionate to the Act's legitimate objectives.

The Parliamentary Joint Committee on Human Rights examined the Statement of Compatibility with Human Rights to the Bill in Report 12 of 2023, in accordance with the *Human Rights (Parliamentary Scrutiny) Act 2011*. The Committee made no comment on the Bill on the basis that it did not engage, or only marginally engaged human rights; promoted human rights; and/or permissibly limited human rights. For an analysis of the human rights implications of the modernised levies legislation package as a whole, the Explanatory Memoranda for the above Bills should be referred to.

This legislative instrument, by extension, engages with and promotes the following rights:

- the right to an adequate standard of living – Article 11(1) of the *International Covenant on Economic, Social and Cultural Rights* (ICESCR)



- the right to health – Article 12(1) of the ICESCR.

### **Conclusion**

The legislative instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011* as it promotes the protection of the human rights it engages.

**The Hon. Julie Collins**  
**Minister for Agriculture, Fisheries and Forestry**