

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 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 recipient bodies, Animal Health Australia (AHA) and Plant Health Australia (PHA), and for the crediting of amounts to the National Residue Survey (NRS) Special Account.

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 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.

Each primary industry and part of a primary industry prescribed by the Rules as a designated primary industry sector in relation to a declared recipient body is a nationally significant one, as required by section 6 of the Act.

Purpose

The purpose of the Rules is to provide, under a modernised legislative framework, for the disbursement of amounts in respect of levy and charge and gross value of production (GVP) calculations for matching payments. In particular, the Rules provide for:

- the marketing, research and development, general, biosecurity activity and biosecurity response components of the rates of levies and charges in respect of which amounts are disbursed under the Act to each recipient body, AHA and PHA;
- the NRS components of the rates of levies and charges in respect of which amounts are credited under the Act to the NRS Special Account;
- the goods that are relevant to GVP calculations for the purposes of working out the amounts of matching payments made to recipient bodies under the Act; and
- spending rules for some recipient bodies in addition to the requirements in the Act.

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 and charges were imposed to fund. This includes research and development, marketing, biosecurity activities, biosecurity responses, and NRS testing. Without these arrangements most individual producers could not invest effectively in these activities.

The Commonwealth also makes matching payments to recipient bodies based on amounts of expenditure on research and development and certain other activities by the bodies and GVP amounts.

A 2018 review in relation to the sunseting 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 disbursement of levy and charge amounts and GVP calculations for matching payments consolidated in one place.

The Act and the Rules consolidate provisions that dealt with these matters in the *old disbursement law* (as defined in item 1 of Schedule 4 to the *Primary Industries (Consequential Amendments and Transitional Provisions) Act 2024* (the Consequential Act)), as well as the following Acts repealed on 1 January 2025 by the Consequential Act: the *Australian Animal Health Council (Live-stock Industries) Funding Act 1996*, the *Plant Health Australia (Plant Industries) Funding Act 2002* and the *National Residue Survey Administration Act 1992*. Consolidating these provisions in the Act and the Rules increases accessibility for industry to this law and has simplified 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 *Primary Industries (Customs) Charges Regulations 2024* (the Charges Regulations) made under the *Primary Industries (Customs) Charges Act 2024*, the *Primary Industries Levies and Charges Collection Rules 2024* (the Collection Rules) made under the *Primary Industries Levies and Charges Collection Act 2024* and the *Primary Industries Levies and Charges Disbursement (Declared Bodies) Rules 2024* 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, including the then draft Primary Industries Levies and Charges Disbursement Bill 2023, and a sample of the relevant delegated legislation, including an early draft of these Rules.
- 2024: Public consultation occurred on exposure drafts of the Levies Regulations, the Charges Regulations, the Collection Rules and these Rules.

The department considered and appropriately addressed feedback from that consultation in developing the 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.

Feedback from these Commonwealth agencies has also been appropriately addressed in the development of the new framework.

The Minister was satisfied that the consultation undertaken in relation to the Rules was appropriate and reasonably practicable to undertake, as required by section 17 of the *Legislation Act 2003* (Legislation Act).

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

Details/Operation

A Readers Guide is at [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.

Readers Guide

The text below provides general information about the structure and key concepts in the *Primary Industries Levies and Charges Disbursement Rules 2024* (the Rules) and the broader modernised legislative framework in which the Rules operate. This information provides a simplified explanation of the framework and key concepts to assist the reader. For an explanation of a particular provision or concept, see the detailed notes on the clauses that refer to these matters at [Attachment B](#).

Key functions of the Rules

These Rules are made under the *Primary Industries Levies and Charges Disbursement Act 2024* (the Act). The Act authorises the Rules to prescribe all the components of the rates of levies and charges in respect of which amounts are disbursed to recipient bodies, Animal Health Australia (AHA) and Plant Health Australia (PHA), and credited to the National Residue Survey (NRS) Special Account.

The levies and charges in respect of which those amounts are disbursed or credited under the Rules are imposed by regulations made under the *Primary Industries (Excise) Levies Act 2024* (the Levies Act) and *Primary Industries (Customs) Charges Act 2024* (the Charges Act). Specifically, the Rules prescribe:

- the marketing, research and development and general levy and charge components in respect of which amounts are disbursed under the Act to recipient bodies;
- the biosecurity activity and biosecurity response levy and charge components in respect of which amounts are disbursed under the Act to AHA and PHA; and
- the NRS levy and charge components in respect of which amounts are credited under the Act to the NRS Special Account.

The Rules also prescribe:

- spending rules for some recipient bodies in addition to the requirements in the Act; and
- the goods relevant to calculating the gross value of production (GVP) amounts in relation to each recipient body under the Act. Those GVP amounts are calculated for the purposes of working out the amounts of matching payments made to each recipient body under the Act.

Structure of the Rules

These Rules are made up of Parts and Divisions. Part 1 contains preliminary matters, including definitions and matters prescribed for the purposes of definitions in the Act.

Parts relevant to recipient bodies

Part 2 deals with disbursement and spending provisions for recipient bodies. This Part contains a specific Division for each recipient body. It prescribes the levy and charge components by reference to a provision of the Levies Regulations or the Charges Regulations

in respect of which amounts are disbursed to each recipient body under the Act. The Part also provides for additional spending requirements for certain recipient bodies.

Part 3 deals with GVP calculations. It prescribes the goods relevant to GVP calculations for the purposes of working out the amounts of matching payments made to recipient bodies.

Parts relevant to AHA, PHA and NRS

Parts 4, 5 and 6 deal with disbursement provisions for AHA and PHA and crediting of amounts to the NRS Special Account respectively. Each Part prescribes the levy and charge components by reference to a provision of the Levies Regulations or the Charges Regulations in respect of which amounts are disbursed to AHA and PHA and credited to the NRS Special Account respectively.

Other legislation in the framework

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

- the Levies Act;
- the Charges Act;
- *Primary Industries (Services) Levies Act 2024*; and
- *Primary Industries Levies and Charges Collection Act 2024* (the Collection Act).

The delegated legislation made under these Acts provides for obligations on levy and charge payers, collection agents, bodies that receive levy and charge funding and other persons. This delegated legislation includes, but is not limited to:

- *Primary Industries (Excise) Levies Regulations 2024* (the Levies Regulations) made under the Levies Act;
- *Primary Industries (Customs) Charges Regulations 2024* (the Charges Regulations) made under the Charges Act;
- *Primary Industries Levies and Charges Collection Rules 2024* (the Collection Rules) made under the Collection Act; and
- *Primary Industries Levies and Charges Disbursement (Declared Bodies) Rules 2024* made under the Act.

The new legislative framework replaces an existing framework that provides for the imposition and collection of agricultural levies and charges, and for the disbursement of levy and charge amounts.

The *Primary Industries (Consequential Amendments and Transitional Provisions) Act 2024* (the Consequential Act), *Primary Industries Legislation (Repeals and Consequential Amendments) Regulations 2024* (the Repeals Regulations), and the *Primary Industries (Consequential Amendments and Transitional Provisions) Rules 2024* (Consequential Rules), which generally commence on 1 January 2025, repeal key elements of the pre-existing framework, including several Acts and regulations that provide for the disbursement of levy and charge amounts under the existing framework. The Consequential Act amends the

Primary Industries Research and Development Act 1989 and *Wine Australia Act 2013* to omit from those Acts provisions relating to the disbursement of levy and charge amounts and matching funding.

The Consequential Act, Repeals Regulations and Consequential Rules also support the transition to the modernised legislative framework by setting out consequential and transitional provisions to ensure continuity of arrangements and minimal impacts for levy and charge payers.

The Consequential Act temporarily saves the operation of certain existing legislation that provides for the disbursement of amounts in relation to levy and charge imposed under the existing framework and the application of those amounts. The **old disbursement law**, the *Australian Animal Health Council (Live-stock Industries) Funding Act 1996*, and the *Plant Health Australia (Plant Industries) Funding Act 2002*, including the *Plant Health Australia (Plant Industries) Funding (Relevant Plant Industry Member) Determination 2022*, continue to apply on or after 1 January 2025 in relation to levy or charge for a product under the existing framework and to the levy year for that product.

The Act and Rules will provide for the disbursement of amounts in relation to levy or charge imposed under the Levies Regulations or Charges Regulations.

The *Primary Industries Research and Development Regulations 2024* continue in existence the statutory recipient bodies established by regulations repealed by the Repeals Regulations and continue in operation certain accountability measures and accounting requirements for some statutory recipient bodies.

Key concepts used in these Rules

The following key concepts feature in these Rules.

Recipient bodies

The term **recipient body** is defined in the Act to mean a declared recipient body or a statutory recipient body. Recipient bodies are colloquially known as Research and Development Corporations (RDCs), declared recipient bodies are colloquially known as industry-owned RDCs and statutory recipient bodies are colloquially known as statutory RDCs.

A recipient body must be paid amounts equal to the following amounts received by or on behalf of the Commonwealth:

- amounts of a levy or charge prescribed in these Rules in relation to that body (to the extent those amounts are equal to research and development, marketing and general levy and charge components of the rate of that levy or charge prescribed by the Rules);
- equivalent amounts in relation to that levy or charge paid by a collection agent under the Collection Rules (to the extent those amounts are equal to those components); and
- amounts by way of late penalty under section 9 or 11 of the Collection Act (to the extent those amounts are attributable to the non-payment of those components or of amounts equal to those components).

These amounts paid to a recipient body are referred to as levy and charge amounts in this Explanatory Statement, including **Attachment B**.

Designated primary industry sectors

A recipient body may spend amounts equal to the levy and charge amounts and matching payments paid to it under the Act on research and development, marketing and other activities for the benefit of a designated primary industry sector in relation to the body, subject to certain other requirements.

These Rules prescribe each primary industry or part of a primary industry in relation to each recipient body for the purposes of the definition of ***designated primary industry sector***.

Old disbursement law

The Act and the Rules consolidate provisions that dealt with disbursement and related matters from various repealed or amended Acts and Regulations (the ***old disbursement law*** as defined in item 1 of Schedule 4 to the Consequential Act and set out below), as well as the *Australian Animal Health Council (Live-stock Industries) Funding Act 1996*, the *Plant Health Australia (Plant Industries) Funding Act 2002* and the *National Residue Survey Administration Act 1992* repealed on 1 January 2025 by the Consequential Act.

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 *Primary Industries Research and Development Act 1989*, and the regulations under that Act;
- the *Sugar Research and Development Services Act 2013*;
- the *Wine Australia Act 2013*;
- the *Wool Services Privatisation Act 2000*, and the regulations under that Act.

Details of the *Primary Industries Levies and Charges Disbursement Rules 2024*

The *Primary Industries Levies and Charges Disbursement Rules 2024* (the Rules) are made up of Parts and Divisions.

Part 1 contains preliminary provisions including definitions.

Part 2 deals with disbursement and spending provisions for recipient bodies. This Part contains a specific Division for each recipient body, and it prescribes the components of the rate of levy or charge imposed by a prescribed provision of the *Primary Industries (Excise) Levies Regulations 2024* (the Levies Regulations) or the *Primary Industries (Customs) Charges Regulations 2024* (the Charges Regulations) in respect of which amounts are disbursed to each recipient body under the Act, as well as additional spending requirements for some recipient bodies.

Part 3 deals with gross value of production (GVP) calculations. It prescribes the goods relevant to GVP calculations made for the purposes of working out the amounts of matching payments made to recipient bodies.

Parts 4, 5 and 6 deal with disbursement provisions for Animal Health Australia (AHA) and Plant Health Australia (PHA) and crediting of amounts to the National Residue Survey (NRS) Special Account respectively. Each Part prescribes the components of the rate of levy and charge imposed by a prescribed provision of the Levies Regulations or the Charges Regulations in respect of which amounts are disbursed to AHA and PHA and credited to the NRS Special Account respectively.

Part 1—Preliminary

Part 1 of 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, a simplified outline of the Rules, and definitions of terms used in the Rules.

Part 1 of the Rules also prescribes various matters for the purposes of definitions of terms in the *Primary Industries Levies and Charges Disbursement Act 2024* (the Act) that are also used in the Rules.

Section 1—Name

This section provides that the name of the instrument is the *Primary Industries Levies and Charges Disbursement 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 Act.

Section 4—Simplified outline of this instrument

This section provides a simplified outline of the Rules.

Disbursement

This section explains that the Rules complement the Act by:

- prescribing the marketing, research and development, general, biosecurity activity and biosecurity response components of the rates of levies and charges in respect of which amounts are disbursed under the Act to each recipient body, AHA and PHA; and
- prescribing the NRS components of the rates of levies and charges in respect of which amounts are credited under the Act to the NRS Special Account.

Gross value of production calculations

This section also explains that the Rules prescribe the goods that are relevant to GVP calculations made for the purposes of working out the amounts of matching payments made to recipient bodies under the Act.

Section 5—Definitions

This section provides definitions of terms used in the Rules.

This includes definitions of terms relating to primary industries and products, goods or services. The definitions of terms relating to primary industries are primarily relevant to the spending requirements for recipient bodies. The definitions of terms relating to products, goods and services are relevant to both the definitions of particular primary industries and the prescribed goods that are relevant to GVP calculations for working out the amounts of matching payments to recipient bodies.

The definitions in section 5 have been consolidated from provisions in the *old disbursement law*, the *Australian Animal Health Council (Live-stock Industries) Funding Act 1996*, the *Plant Health Australia (Plant Industries) Funding Act 2002* and the *National Residue Survey Administration Act 1992*.

The definitions of primary industries cover the range of activities each primary industry is concerned with.

Definitions of terms relating to products, goods or services have been clarified and, where appropriate, made consistent with the definitions of the same products or goods in the Levies Regulations and the Charges Regulations. Any changes to these definitions compared with the *old disbursement law* are intended to clarify but not change how GVP amounts are determined for matching payment purposes.

New definitions have been added where required.

The following table sets out the key definitions relating to primary industries.

Term	Definition
<i>buffalo industry</i>	means the industry in Australia that is concerned with: the breeding and raising of buffalo; the slaughter of buffalo and the production of buffalo meat; the aggregation, transport, marketing, sale and export of buffalo that are raised in Australia; and the processing, distribution, storage, marketing, sale and export of buffalo meat and buffalo meat products produced from buffalo that are slaughtered in Australia.
<i>cotton industry</i>	means the industry in Australia that is concerned with: the growing and harvesting of cotton; and the processing, distribution, storage, marketing, sale and export of cotton that is grown in Australia.
<i>dairy industry</i>	means the industry in Australia that is concerned with: the breeding and raising of dairy cattle; the production of whole milk; and the processing, manufacture, distribution, storage, marketing and sale of whole milk, or products made in Australia from or containing whole milk or a constituent part of whole milk, where the whole milk is produced in Australia.
<i>deer industry</i>	means the industry in Australia that is concerned with: the breeding and raising of deer; the slaughter of deer and the production of deer meat; and the processing, distribution, storage, marketing and sale of deer meat and deer meat products produced from deer that are slaughtered in Australia.
<i>egg industry</i>	means the industry in Australia that is concerned with: the breeding and raising of laying chickens; the production of chicken eggs; and the distribution, storage, marketing and sale of chicken eggs that are produced in Australia.
<i>farmed prawn industry</i>	means the industry in Australia that is concerned with: the culturing of farmed prawns; and the processing, preserving, storage, transport, marketing, sale and export of farmed prawns that are produced in Australia.
<i>fishing industry</i>	means the industry carried on in or from Australia that is concerned with the taking, culturing, processing, preserving, storage, transport, marketing and sale of fish and fish products. See related definitions <i>main fishing industry</i> and <i>declared fishery</i> in section 5 of the Rules.
<i>fodder industry</i>	means the industry in Australia that is concerned with: the production of fodder for export; and the processing and storage of fodder that is produced in Australia and is for export.
<i>forestry industry</i>	means the industry in Australia that is concerned with: the growing and harvesting of trees; and the processing, distribution, storage, marketing, sale, importing and exporting of wood, wood fibre and products made from wood or wood fibre.
<i>ginger industry</i>	means the industry in Australia that is concerned with: the growing and harvesting of ginger; and the processing, distribution, storage, marketing and sale of ginger that is grown in Australia.

Term	Definition
<i>goat fibre industry</i>	means the industry in Australia that is concerned with: the breeding and raising of goats for the purposes of goat fibre production; the harvesting of goat fibre; and the processing, distribution, storage, marketing and sale of goat fibre that is harvested from live goats in Australia.
<i>grains industry</i>	means the industry in Australia that is concerned with: the growing and harvesting of grain; and the processing, distribution, storage, marketing and sale of grain that is grown in Australia.
<i>grape industry</i>	has the same meaning as in the <i>Wine Australia Act 2013</i> . Subsection 4(1) of that Act defines <i>grape industry</i> as the industry in Australia concerned with the production of grapes for processing, other than processing by drying.
<i>honeybee industry</i>	means the industry in Australia that is concerned with: the production of honey, beeswax and pollen; the processing, distribution, storage, marketing and sale of honey, beeswax and pollen that is produced in Australia; and the provision of pollination services in Australia by honeybees.
<i>horticultural industry</i>	means the industry in Australia that is concerned with: the growing and harvesting of horticultural products; and the processing, distribution, storage, marketing, sale and export of horticultural products that are grown in Australia.
<i>macropod industry</i>	means the industry in Australia that is concerned with: the killing of macropods for the provision of meat and the processing of the carcasses; and the processing, distribution, storage, marketing and sale of macropod meat and macropod meat products produced from macropods that are killed in Australia.
<i>meat and livestock industry</i>	means the industry in Australia that is concerned with: the breeding and raising of livestock; the slaughter of livestock and the production of livestock meat; the aggregation, transport, marketing, sale and export of livestock that is raised in Australia; and the processing, distribution, storage, marketing, sale and export of livestock meat, livestock meat products, livestock meat by-products and edible offal produced from livestock that is slaughtered in Australia.
<i>meat chicken industry</i>	means the industry in Australia that is concerned with: the breeding and raising of meat chickens; the slaughter of meat chickens and the production of chicken meat; and the processing, distribution, storage, marketing and sale of chicken meat and chicken meat products produced from meat chickens that are slaughtered in Australia.
<i>ostrich industry</i>	means the industry in Australia that is concerned with: the breeding and raising of ostriches; the slaughter of ostriches and the production of ostrich meat; and the processing, distribution, storage, marketing and sale of ostrich meat and ostrich meat products produced from ostriches that are slaughtered in Australia.

Term	Definition
<i>pasture seed industry</i>	means the industry in Australia that is concerned with: the growing and harvesting of pasture seeds; and the distribution, storage, marketing and sale of pasture seeds that are grown in Australia.
<i>pig industry</i>	means the industry in Australia that is concerned with: the breeding and raising of pigs; the slaughter of pigs and the production of pig meat; and the processing, distribution, storage, marketing and sale of pig meat and pig meat products produced from pigs that are slaughtered in Australia.
<i>queen bee breeding industry</i>	means the industry in Australia that is concerned with: the breeding of queen bees; and the distribution, marketing and sale of queen bees that are bred in Australia.
<i>rice industry</i>	means the industry in Australia that is concerned with: the growing and harvesting of rice; and the distribution, storage, marketing and sale of rice that is grown in Australia.
<i>sugarcane industry</i>	means the industry in Australia that is concerned with: the growing and harvesting of sugarcane; and the processing, distribution, storage, marketing and sale of sugarcane that is grown in Australia.
<i>tea tree oil industry</i>	means the industry in Australia that is concerned with: the growing of trees and the harvesting and processing of tree material for the production of tea tree oil; and the distribution, storage, marketing, sale and export of tea tree oil that is produced in Australia.
<i>thoroughbred horse industry</i>	means the industry in Australia that is concerned with the breeding of thoroughbred horses.
<i>wine industry</i>	has the same meaning as in the <i>Wine Australia Act 2013</i> . Subsection 4(1) of that Act defines <i>wine industry</i> as the industry in Australia concerned with the storage, distribution, marketing and sale of grape products or the making of wine.
<i>wool industry</i>	means the industry in Australia that is concerned with: the breeding and raising of sheep and lambs for the purposes of wool production; the harvesting of wool; and the processing, distribution, storage, marketing, sale and export of wool that is harvested from live sheep or lambs in Australia.

Section 5 also provides a definition of each declared recipient body. For example, ***declared dairy industry body*** means the body declared to be the dairy industry body by a declaration under subsection 39(1) of the Act, as that declaration is in force from time to time.

Subsection 90(3) of the Act provides that, despite subsection 14(2) of the *Legislation Act 2003*, the rules may make provision in relation to a matter by applying, adopting or incorporating, with or without modification, any matter contained in an instrument or other writing as in force or existing from time to time.

In providing a definition of each of the declared recipient bodies in section 5, the Rules incorporate the relevant declaration under subsection 39(1) of the Act, declaring the body to be the industry body, as that declaration is in force from time to time.

As set out in section 39 of the Act, a copy of the declaration is required to be given to the body covered by it, published on the department's website and tabled in Parliament. A notifiable instrument that is a list of declared recipient bodies is also required to be published under the Act. That instrument is the *Primary Industries Levies and Charges Disbursement (List of Declared Recipient Bodies) Instrument 2024*.

Section 5 also defines tea tree oil as oil distilled from *Melaleuca alternifolia* in accordance with the standard produced by the International Organization for Standardization and known as ISO 4730:2017 *Essential oil of Melaleuca, terpinen-4-ol type (Tea Tree oil)*, as in force from time to time.

The purpose of the specified tea tree oil standard (ISO 4730:2017 *Essential oil of Melaleuca, terpinene-4-ol type (Tea Tree oil)*) is to specify certain characteristics of the essential oil *Melaleuca, terpinen-4-ol type (tea tree oil)* that need to be met to demonstrate the quality of the oil produced. Tea tree oil is an essential oil that has therapeutic uses for humans, particularly dermatological uses, when distilled in accordance with the international standard.

The ISO standard is not publicly available and can be purchased from the International Organization for Standardization. However, people who produce tea tree oil and the people who carry out research and development in relation to the tea tree oil industry would be expected, in the ordinary course of their business, to have access to the standard.

The distillation of tea tree oil that is safe for therapeutic use by humans is, by its nature, technical. A person involved in the tea tree oil industry, or in research and development for the industry, must have access to that ISO standard to ensure the safety of the goods produced by the industry. Additionally, in Australia, the Australian Tea Tree Oil Industry Association incorporates the ISO standard in place from time to time into its certification and quality assurance training process. This includes developing an industry code of practice, training in ISO certification standards, audit services and access to a trademarked certification logo.

Overview of sections 6 and 7

In general, the Act provides that recipient bodies are permitted to spend funds equal to levy and charge amounts paid to them under the Act, and matching payments, on certain specified activities. The permitted activities include research and development activities and, in the case of certain levy and charge amounts, marketing activities and other activities, undertaken for the benefit of a **designated primary industry sector** in relation to the body: see subsections 18(2), 19(2), 20(2), 21(2), 22(2), 33(2), 34(2) and 36(4) of the Act.

In subsection 4(1) of the Act:

- the term **designated primary industry sector**, in relation to a declared recipient body or a statutory recipient body, is defined as each primary industry and each part of a primary industry prescribed by the rules in relation to the body; and
- the term **primary industry** is defined as having the meaning prescribed by the rules.

Section 6 of the Rules provides, for the purposes of the definition of **primary industry** in subsection 4(1) of the Act, that primary industry means each of the general and specific industries prescribed in the section.

Section 7 of the Rules prescribes, for the purposes of the definition of ***designated primary industry sector*** in subsection 4(1) of the Act, each primary industry or each part of a primary industry, in relation to a recipient body.

The ***designated primary industry sector*** for each recipient body is intended to reflect the arrangements under the ***old disbursement law***.

Section 6—Primary industries

Subsection 6(1) provides, for the purposes of the definition of ***primary industry*** in subsection 4(1) of the Act, that primary industry means each of the general and specific industries covered by subsections 6(2) and (3) respectively.

The purpose of this section is to specify each ***primary industry*** which, in turn, may be prescribed (in whole or part) as a ***designated primary industry sector*** for a recipient body.

General industries

Subsection 6(2) covers general industries.

The purpose of this subsection is to prescribe certain industries – general industries – to each be a ***primary industry*** for the purposes of the definition of that term in subsection 4(1) of the Act. Paragraph 6(2)(a) covers each industry that is concerned with certain actions relating to plant products, fungus products or algal products and paragraph 6(2)(b) covers each industry that is concerned with certain actions relating to animal products. The terms ***plant product***, ***fungus product***, ***algal product*** and ***animal product*** are each defined in the Act. These industries are intended to include emerging industries.

The industries prescribed in subsection 6(2) are generally consistent with the primary industries in respect of which the Rural Industries Research and Development Corporation was established as specified in subsection 6(1) of the repealed *Rural Industries Research and Development Corporation Regulations 2000* (RIRDC Regulations).

Each industry covered by subsection 6(2) is prescribed by section 7 as a ***designated primary industry sector*** in relation to the Rural Industries Research and Development Corporation.

Specific industries

Subsection 6(3) covers specific industries.

The purpose of this subsection is to prescribe certain industries – specific industries – to each be a ***primary industry*** for the purposes of the definition of that term in subsection 4(1) of the Act.

The specific industries specified in subsection 6(3) are consistent with the industries in relation to which amounts paid under the ***old disbursement law*** could be spent by the bodies that received those payments.

Each industry covered by subsection 6(3) is prescribed by section 7 as a ***designated primary industry sector*** in relation to a recipient body (in whole or in part).

Section 7—Designated primary industry sectors for recipient bodies

This section prescribes, for the purposes of the definition of **designated primary industry sector** in subsection 4(1) of the Act, each primary industry and each part of a primary industry, in relation to a recipient body.

This enables each recipient body to spend amounts paid to it under the Act on activities for the benefit of those industries, subject to other requirements: see subsections 18(2), 19(2), 20(2), 21(2), 22(2), 33(2), 34(2) and 36(4) of the Act.

Section 6 of the Act provides that the rules may prescribe, in relation to a declared recipient body, a primary industry or a part of a primary industry only if the primary industry or that part of a primary industry is a nationally significant one.

Each **primary industry** prescribed in column 2 of the table in section 7 (in whole or part) as a **designated primary industry sector** for a recipient body in column 1 of that table is a nationally significant one, as required by section 6 of the Act.

Section 8—PHA commodity/service

This section prescribes honey for the purposes of paragraph (b) of the definition of **PHA commodity/service** in subsection 4(1) of the Act.

The purpose of this section is to prescribe honey, an animal product, as a **PHA commodity/service**. The Commonwealth must pay to PHA (that is, Plant Health Australia) certain levy and charge amounts in relation to a **PHA commodity/service** under subsections 54(1) and 58(1) of the Act.

Honey is prescribed as a **PHA commodity/service** to reflect the arrangements relating to the payment to PHA of levy and charge amounts in relation to honey under the repealed *Plant Health Australia (Plant Industries) Funding Act 2002*. These arrangements were developed in recognition of the Australian Honey Bee Industry Council Incorporated's membership of PHA and the fact that emergency pest responses affecting, or related to, honeybees are generally plant-related due to the reliance of many crops on honeybees for pollination.

Section 9—Marketing collected amounts

This section prescribes, for the purposes of the definition of **marketing collected amounts** in subsection 4(1) of the Act, the following amounts received by or on behalf of the Commonwealth:

- amounts covered by paragraph 15(1)(a) of the Act to the extent that those amounts are equal to each marketing component of the rate of the levy or charge;
- amounts covered by paragraph 15(1)(b) of the Act to the extent that those amounts are equal to that component;
- amounts covered by paragraph 15(1)(c) of the Act to the extent that those amounts are attributable to the nonpayment of that component or of an amount equal to that component.

The purpose of this section is to prescribe, as ***marketing collected amounts***, the amounts that are equal to the amounts in relation to marketing components of a levy or charge that have been received by or on behalf of the Commonwealth.

Section 10—Research and development collected amounts

This section prescribes, for the purposes of the definition of ***research and development collected amounts*** in subsection 4(1) of the Act, the following amounts received by or on behalf of the Commonwealth:

- amounts covered by paragraph 15(1)(a) of the Act to the extent that those amounts are equal to each research and development component of the rate of the levy or charge;
- amounts covered by paragraph 15(1)(b) of the Act to the extent that those amounts are equal to that component;
- amounts covered by paragraph 15(1)(c) of the Act to the extent that those amounts are attributable to the non-payment of that component or of an amount equal to that component.

The purpose of this section is to prescribe, as ***research and development collected amounts***, the amounts that are equal to the amounts in relation to the research and development components of a levy or charge that have been received by or on behalf of the Commonwealth.

Section 11—General collected amounts

This section prescribes, for the purposes of the definition of ***general collected amounts*** in subsection 4(1) of the Act, the following amounts received by or on behalf of the Commonwealth:

- amounts covered by paragraph 15(1)(a) of the Act to the extent that those amounts are equal to each general component of the rate of the levy or charge;
- amounts covered by paragraph 15(1)(b) of the Act to the extent that those amounts are equal to that component;
- amounts covered by paragraph 15(1)(c) of the Act to the extent that those amounts are attributable to the non-payment of that component or of an amount equal to that component.

The purpose of this section is to prescribe, as ***general collected amounts***, the amounts that are equal to the amounts in relation to the general components of a levy or charge that have been received by or on behalf of the Commonwealth.

Section 12—Declared fishery and declared fishery levy or charge

Subsections 12(1) and (2) of the Rules prescribe, respectively:

- a ***declared fishery***, for the purposes of section 5 of the Act; and
- a declared fishery levy and a declared fishery charge in relation to that fishery, for purposes of the definition of ***declared fishery levy or charge*** in subsection 4(1) of the Act.

Under the Act, separate requirements apply, in sections 26 and 27 respectively, for the making of matching payments under those sections to the Fisheries Research and Development Corporation (the FRDC) relating to the fishing industry (except any *declared fishery*), and a *declared fishery*.

The provisions for making matching payments under the Act to the FRDC in relation to a *declared fishery* require the working out of the amounts paid to the FRDC that are equal to the *research and development collected amounts* (less refunds) for each *declared fishery levy or charge*.

In addition, each *declared fishery* is also a *designated primary industry sector* in relation to the FRDC under section 7 of the Rules.

Declared fishery

Subsection 12(1) declares the farmed prawn industry to be a *declared fishery* for the purposes of section 5 of the Act.

As noted above, separate requirements apply for the making of matching payments to the FRDC relating to that part of the fishing industry. This reflects the separate nature of the farmed prawn industry, distinct from other parts of the fishing industry, including different levy and charge arrangements and different research and development needs.

Declared fishery levy or charge

Subsection 12(2) prescribes, for the purposes of the definition of *declared fishery levy or charge* in subsection 4(1) of the Act, the farmed prawns levy (imposed by subclause 20-1(1) of Schedule 1 to the Levies Regulations) and the farmed prawns export charge (imposed by subclause 20-1(1) of Schedule 1 to the Charges Regulations), in relation to the farmed prawn industry.

The amounts paid to the FRDC equal to the *research and development collected amounts* (less attributable refunds) for the farmed prawns levy and the farmed prawns export charge inform the calculation of matching payments to the FRDC in relation to the farmed prawn industry.

Section 20 of the Rules (explained below) provides for matters relating to the expenditure of amounts equal to *research and development collected amounts* related to the farmed prawns levy and the farmed prawns export charge by the FRDC.

Part 2—Disbursement and spending provisions for recipient bodies

Part 2 of the Rules deals with disbursement and spending provisions for recipient bodies (colloquially known as research and development corporations (RDCs)).

Part 2 contains a specific Division for each recipient body and prescribes the levy and charge components in respect of which amounts are disbursed to each recipient body.

Specifically, each Division prescribes, for the purposes of paragraph 15(1)(a) of the Act, marketing, research and development and general levy and charge components of the rate of prescribed levies and charges.

Section 15 of the Act requires the Commonwealth to pay to a recipient body amounts equal to amounts in relation to each prescribed levy or charge that are received by or on behalf of the Commonwealth to the extent those amounts are equal to the prescribed components.

It is intended that the levy and charge components prescribed for each recipient body continue arrangements made under the *old disbursement law*.

The Act sets out requirements for recipient bodies for spending of amounts paid to the body under section 15. It sets out different requirements for the expenditure of so much of those amounts as are equal to *marketing collected amounts*, *research and development collected amounts* and, for declared recipient bodies, *general collected amounts*. It requires such amounts to be spent only on matters covered by specific provisions of the Act.

Part 2 of the Rules prescribes additional spending requirements for certain recipient bodies. In particular the Rules prescribe:

- for certain recipient bodies, additional requirements for the expenditure of amounts equal to *research and development collected amounts* on matters specified in the Act; and
- for certain recipient bodies, additional matters on which amounts equal to *marketing collected amounts* and *research and development collected amounts* may be spent;
- for certain recipient bodies, matters on which *general collected amounts* may be spent (in addition to the Commonwealth's costs, refunds and debts).

These additional spending requirements are intended to continue industry-specific arrangements made under the *old disbursement law*.

Division 1—Introduction

Section 13—Simplified outline of this Part

This section provides a simplified outline of Part 2.

Declared recipient bodies

It explains that Part 2 prescribes the marketing, research and development and general components of the rates of levies and charges in respect of which amounts are disbursed under the Act to the following declared recipient bodies:

- the declared dairy industry body;
- the declared egg industry body;
- the declared forestry industry body;
- the declared horticultural industry body;
- the declared meat industry body;
- the declared meat processor body;

- the declared livestock export body;
- the declared pig industry body;
- the declared sugarcane industry body;
- the declared wool industry body.

Statutory recipient bodies

It also explains that Part 2 also prescribes the marketing components and research and development components of the rates of levies and charges in respect of which amounts are disbursed under the Act to the following statutory recipient bodies:

- the Cotton Research and Development Corporation;
- the Fisheries Research and Development Corporation;
- the Grains Research and Development Corporation;
- the Rural Industries Research and Development Corporation;
- Wine Australia.

Spending matters

This section also explains that Part 2 also provides spending rules that are in addition to the requirements in the Act for some declared recipient bodies and statutory recipient bodies.

Division 2—Cotton Research and Development Corporation

Division 2 of Part 2 provides for matters relating to the disbursement of amounts of levy and charge to the Cotton Research and Development Corporation (the CRDC). The levy and charge components prescribed for the CRDC are intended to continue in effect arrangements made under the amended *Primary Industries Research and Development Act 1989* (PIRD Act) and the repealed *Cotton Research and Development Corporation Regulations 1990* (CRDC Regulations).

The CRDC is a statutory recipient body established by the repealed CRDC Regulations in respect of the cotton industry and continued in existence under the *Primary Industries Research and Development Regulations 2024* (PIRD Regulations 2024).

Section 14—Disbursement of amounts to Cotton Research and Development Corporation

Section 14 prescribes, for the purposes of paragraph 15(1)(a) of the Act in relation to the CRDC:

- certain provisions of the Levies Regulations and Charges Regulations that impose a levy or charge; and
- the component of the rate of each levy or charge in respect of which amounts must be disbursed to the CRDC.

Section 15 of the Act provides that the Commonwealth must pay to a recipient body, in this case, the CRDC, certain amounts. This includes amounts equal to the amounts that have been

received by or on behalf of the Commonwealth that are in relation to a levy or charge imposed by a provision prescribed by the Rules in relation to that body, to the extent that those amounts are equal to the components of the rate of that levy or charge prescribed by the Rules.

Section 14 of the Rules prescribes the provisions imposing the cotton fibre levy and seed cotton export charge in relation to the CRDC and the research and development components of the rate of each levy and charge. The effect of this section is that amounts equal to the research and development components of each levy and charge, and related amounts, that have been received by or on behalf of the Commonwealth must be disbursed to the CRDC.

Division 3—Dairy industry body

Division 3 of Part 2 provides for matters relating to the disbursement of amounts of levy to the declared dairy industry body and prescribes matters on which that body may spend amounts equal to ***general collected amounts***. The levy component prescribed for the declared dairy industry body, and the additional spending rules, are intended to continue in effect arrangements made under the repealed *Dairy Produce Act 1986* (Dairy Produce Act) and *Dairy Produce Regulations 1986*.

At the time of this Explanatory Statement, Dairy Australia Limited is the declared dairy industry body. Dairy Australia Limited was previously declared as the industry services body under the repealed Dairy Produce Act. A list of the declared recipient bodies is specified in the *Primary Industries Levies and Charges Disbursement (List of Declared Recipient Bodies) Instrument 2024*.

Section 15—Disbursement of amounts to declared dairy industry body

Section 15 prescribes, for the purposes of paragraph 15(1)(a) of the Act in relation to the declared dairy industry body:

- the provision of the Levies Regulations that imposes a levy; and
- the component of the rate of that levy in respect of which amounts are disbursed to that body.

Section 15 of the Act provides that the Commonwealth must pay to a recipient body, in this case, the declared dairy industry body, certain amounts. These include amounts equal to the amounts that have been received by or on behalf of the Commonwealth in relation to a levy or charge imposed by a provision prescribed by the Rules in relation to that body, to the extent that those amounts are equal to the components of the rate of that levy or charge prescribed by the Rules.

Section 15 of the Rules prescribes the provision imposing the dairy produce levy in relation to the declared dairy industry body and the general component of the rate of that levy. The effect of this section is that amounts equal to the general component of the dairy produce levy, and related amounts, that have been received by or on behalf of the Commonwealth must be disbursed to the declared dairy industry body.

Section 16—Spending of amounts equal to general collected amounts

Section 16 prescribes, for the purposes of subsection 20(2) of the Act, in relation to the declared dairy industry body, matters on which the declared dairy industry body may spend amounts equal to ***general collected amounts***.

Subsection 20(1) of the Act provides that if a declared recipient body is paid amounts under section 15 of the Act, then so much of those amounts as are equal to ***general collected amounts*** may be spent by the body only on matters covered by section 20 of the Act.

Subsection 20(2) of the Act provides that a matter on which a declared recipient body, in this case, the declared dairy industry body, may spend amounts equal to ***general collected amounts***, is any matter prescribed by the Rules for the purposes of the subsection in relation to the body and a ***designated primary industry sector*** in relation to the body. That subsection permits the Rules to provide that expenditure by the body on the matter is subject to any conditions prescribed by the Rules.

Section 7 of the Rules prescribes the dairy industry as a ***designated primary industry sector*** for the declared dairy industry body.

Section 16 prescribes, for the purposes of subsection 20(2) of the Act, in relation to the declared dairy industry body and the dairy industry:

- (a) marketing activities that are for the benefit of the dairy industry and are in accordance with the body's funding agreement;
- (b) research and development activities that are for the benefit of the dairy industry and are in accordance with the body's funding agreement;
- (c) strategic policy development that is for the benefit of the dairy industry and is in accordance with the body's funding agreement;
- (d) any other activities that are for the benefit of the dairy industry and are in accordance with the body's funding agreement.

The effect of this section is that the declared dairy industry body may spend amounts equal to ***general collected amounts*** on those matters.

Division 4—Egg industry body

Division 4 of Part 2 provides for matters relating to the disbursement of amounts of levy to the declared egg industry body and prescribes an additional matter on which that body may spend amounts equal to ***marketing collected amounts***. The levy components prescribed for the declared egg industry body, and the additional spending rules, are intended to continue in effect arrangements made under the repealed *Egg Industry Service Provision Act 2002* (Egg Industry Service Provision Act).

At the time of this Explanatory Statement, Australian Eggs Limited is the declared egg industry body. Australian Eggs Limited was previously declared as the industry services body under the repealed Egg Industry Service Provision Act. A list of the declared recipient bodies is specified in the *Primary Industries Levies and Charges Disbursement (List of Declared Recipient Bodies) Instrument 2024*.

Section 17—Disbursement of amounts to declared egg industry body

Section 17 prescribes, for the purposes of paragraph 15(1)(a) of the Act in relation to the declared egg industry body:

- certain provisions of the Levies Regulations that impose a levy; and
- the component of the rate of each levy in respect of which amounts are disbursed to that body.

Section 15 of the Act provides that the Commonwealth must pay to a recipient body, in this case, the declared egg industry body, certain amounts. This includes amounts equal to the amounts that have been received by or on behalf of the Commonwealth in relation to a levy or charge imposed by a provision prescribed by the Rules in relation to that body, to the extent that those amounts are equal to the components of the rate of that levy or charge prescribed by the Rules.

Section 17 of the Rules prescribes the provisions imposing the egg levy and the laying chicken levy in relation to the declared egg industry body, and the marketing component and research and development component of the rates of those levies, respectively. The effect of this section is that amounts equal to the marketing component of the egg levy, and the research and development component of the laying chicken levy, and related amounts, that have been received by or on behalf of the Commonwealth must be disbursed to the declared egg industry body.

Section 18—Spending of amounts equal to marketing collected amounts

Section 18 prescribes, for the purposes of subsection 18(7) of the Act, an additional matter on which the declared egg industry body may spend amounts equal to the **marketing collected amounts**.

Subsection 18(1) of the Act provides that if a declared recipient body is paid amounts under section 15 of the Act, then so much of those amounts as are equal to **marketing collected amounts** may be spent by the body only on matters covered by section 18 of the Act.

Subsection 18(7) of the Act provides that a matter on which a declared recipient body, in this case, the declared egg industry body, may spend amounts equal to **marketing collected amounts** is any matter prescribed by the Rules for the purposes of the subsection in relation to the body and a **designated primary industry sector** in relation to the body. That subsection permits the Rules to provide that expenditure by the body on the matter is subject to any conditions prescribed by the Rules.

Section 7 of the Rules prescribes the egg industry as a **designated primary industry sector** for the declared egg industry body.

Section 18 of the Rules prescribes, for the purposes of subsection 18(7) of the Act, in relation to the declared egg industry body and the egg industry, the provision of industry services that are for the benefit of the egg industry and are in accordance with the body's funding agreement. The effect of this section is that the declared egg industry body may spend amounts equal to **marketing collected amounts** on those services.

Division 5—Fisheries Research and Development Corporation

Division 5 of Part 2 provides for matters relating to the disbursement of amounts of farmed prawns levy and farmed prawns export charge to the FRDC and prescribes additional requirements for expenditure by that body of amounts equal to **research and development collected amounts** that relate to the farmed prawns levy or charge. The farmed prawns levy and charge components prescribed for the FRDC, and the additional spending rules, are intended to continue in effect arrangements made under the amended PIRD Act and the repealed *Fisheries Research and Development Corporation Regulations 1991* (FRDC Regulations).

This Division also provides for matters relating to the disbursement of white spot disease repayment levy and white spot disease repayment export charge amounts to the FRDC and prescribes additional requirements for expenditure by that body of amounts that relate to that levy and charge. The disbursement provisions generally continue in effect arrangements made under the amended PIRD Act and the repealed FRDC Regulations.

The Act separately provides for the Commonwealth to make payments to the FRDC in relation to the fishing levy imposed by section 5 of the *Fishing Levy Act 1991* (the fishing levy).

The FRDC is a statutory recipient body established by the repealed FRDC Regulations in respect of the fishing industry and continued in existence under the PIRD Regulations 2024.

Section 19—Disbursement of amounts—farmed prawns levy and farmed prawns export charge

Section 19 prescribes, for the purposes of paragraph 15(1)(a) of the Act in relation to the FRDC:

- certain provisions of the Levies Regulations and Charges Regulations that impose a levy or charge; and
- the component of the rate of each levy or charge in respect of which amounts must be disbursed to the FRDC.

Section 15 of the Act provides that the Commonwealth must pay to a recipient body, in this case, the FRDC, certain amounts. This includes amounts equal to the amounts that have been received by or on behalf of the Commonwealth in relation to a levy or charge imposed by a provision prescribed by the Rules in relation to that body, to the extent that those amounts are equal to the components of the rate of that levy or charge prescribed by the Rules.

Section 19 of the Rules prescribes the provisions imposing the farmed prawns levy and farmed prawns export charge in relation to the FRDC and the research and development components of the rate of each levy and charge. The effect of this section is that amounts equal to the research and development components of each levy and charge, and related amounts, that have been received by or on behalf of the Commonwealth must be disbursed to the FRDC.

Section 20—Spending of amounts equal to research and development collected amounts

Section 20 prescribes, for the purposes of paragraph 22(2)(c) of the Act, additional requirements for expenditure by the FRDC of amounts equal to **research and development collected amounts** that relate to the farmed prawns levy or charge.

Subsection 22(1) of the Act provides that if a statutory recipient body is paid amounts under section 15 of the Act, then so much of those amounts as are equal to **research and development collected amounts** may be spent by the body only on matters covered by section 22 of the Act.

Subsection 22(2) of the Act provides a matter on which a statutory recipient body, in this case, the FRDC, may spend amounts equal to **research and development collected amounts**. It provides such a matter is research and development activities, for a **designated primary industry sector** in relation to the body, where expenditure on those activities is:

- (a) for the benefit of that sector;
- (b) in accordance with the body's funding agreement and annual operational plan; and
- (c) in accordance with the Rules (if any).

Subsection 22(3) provides that the rules may require expenditure by the body, of a part of the amounts equal to the **research and development collected amounts**, to be for the benefit of the **designated primary industry sector** prescribed by the Rules.

Section 7 of the Rules relevantly prescribes any declared fishery as a **designated primary industry sector** for the FRDC. Subsection 12(1), in turn, declares the farmed prawn industry to be a **declared fishery**.

Section 20 applies to expenditure by the FRDC of amounts equal to **research and development collected amounts** on research and development activities for a designated primary industry sector in relation to the Corporation. It requires that expenditure on such activities of amounts equal to **research and development collected amounts** that relate to the farmed prawns levy and charge be for the benefit of the farmed prawn industry.

Section 21—Disbursement of amounts—fishing levy

Section 21 has been intentionally omitted to enable a future rule to be prescribed that provides for the disbursement of amounts relating to the fishing levy after the events have occurred that would allow the relevant calculations to be made.

Subsection 36(1) of the Act provides that the Commonwealth must pay to the FRDC amounts equal to amounts received by the Commonwealth of fishing levy to the extent those amounts consist of the component of that levy worked out in accordance with the Rules, and related amounts.

It is intended that the Rules will be amended to include section 21, which would prescribe, for the purposes of paragraph 36(1)(a) of the Act, the component of the fishing levy in respect of which amounts would be disbursed to the FRDC.

It is expected the Rules would prescribe a component of the fishing levy in respect of each financial year, commencing with the 2024-2025 financial year.

Section 22—Disbursement of amounts—white spot disease repayment levy and white spot disease repayment export charge

Subsections 22(1), (2) and (3) provide, for the purposes of subsection 36(2) of the Act, the prescribed provisions of the Levies Regulations and Charges Regulations that impose white spot disease repayment levy or charge and the prescribed amounts in relation to that levy and charge in respect of which amounts are disbursed under the Act to the FRDC.

Subsection 36(2) of the Act provides, in relation to levy or charge imposed on farmed prawns by a provision prescribed by the Rules for the purposes of the subsection, the Commonwealth must pay to the FRDC amounts equal to the amounts prescribed by the Rules for the purposes of the subsection.

Prescribed imposition provisions

Subsection 22(1) of the Rules prescribes the provisions of the Levies Regulations and Charges Regulations that impose the white spot disease repayment levy and the white spot disease repayment export charge for the purposes of subsection 36(2).

A note to subsection 22(1) explains that amounts equal to the white spot disease repayment levy or white spot disease repayment export charge received by or on behalf of the Commonwealth:

- are initially retained by the Commonwealth to repay the government-underwritten assistance package provided to prawn farmers affected by white spot disease in the Logan River area of Queensland; and
- after the farmed prawn industry's liability to the Commonwealth is repaid, are to be paid to the FRDC under the Act.

Prescribed amounts

Subsections 22(2) and (3) prescribe, for the purposes of subsection 36(2) of the Act, amounts in relation to levy and charge covered by that subsection. Those prescribed amounts are:

- the amount of the final repayment year surplus that is attributable to the white spot disease repayment levy and white spot disease repayment charge (as worked out under subsection (4));
- any amounts of that levy and charge that are due for payment before the end of the final repayment year but have not been received by the Commonwealth before the end of that year;
- any amounts of that levy and charge that are due for payment after the end of the final repayment year.

The effect of subsection 36(2) of the Act and subsections 22(2) and (3) of the Rules is that amounts equal to the prescribed amounts in relation to the white spot disease repayment levy and white spot disease repayment charge must be disbursed to the FRDC.

Final repayment year surplus attributable to a levy or charge

Subsection 22(4) provides a formula to work out the amount of the final repayment year surplus that is attributable to a white spot disease repayment levy or charge covered by subsection 36(2) of the Act. The formula is the **relevant repayment amount for the final repayment year** divided by the **total repayment amount** for the **final repayment year** that is then multiplied by the **final repayment year surplus**.

Outstanding industry debt

Subsections 22(5) to (11) set out terms used to calculate the amount of the **final repayment year surplus** that is attributable to the white spot disease repayment levy or charge.

Definitions

Subsection 22(12) sets out definitions of terms used in the section. This includes the terms used in the formula in subsection 22(4).

Section 23—Spending of amounts paid under subsection 36(1) or 36(2) of the Act

Subsections 23(1) and (2) prescribe, for the purposes of paragraph 36(4)(c) of the Act, additional requirements for expenditure by the FRDC of amounts paid under subsection 36(1) of the Act (that relate to the fishing levy) and amounts paid under subsection 36(2) (that relate to the white spot disease repayment levy and charge).

The spending rule in subsection 36(3) of the Act provides that if the FRDC is paid amounts under subsection 36(1) or (2) of the Act, those amounts may be spent by the Corporation only on matters covered by subsection 36(4), (6) or (8) of the Act.

Subsection 36(4) of the Act relevantly provides that a matter on which the FRDC may spend amounts that relate to the fishing levy or the white spot disease repayment levy and charge, respectively, is research and development activities, for a **designated primary industry sector** in relation to the Corporation, where expenditure on those activities is:

- (a) for the benefit of that sector;
- (b) in accordance with the body's funding agreement and annual operational plan; and
- (c) in accordance with the Rules (if any).

Subsection 23(1) of the Rules provides for the purposes of paragraph 36(4)(c) of the Act that expenditure by the FRDC of amounts paid to it by the Commonwealth equal to amounts that relate to the fishing levy received by the Commonwealth to be for the benefit of the fishing industry (except any declared fishery).

Subsection 23(2) of the Rules provides for the purposes of paragraph 36(4)(c) of the Act that requires expenditure by the FRDC of amounts paid to it by the Commonwealth equal to amounts that relate to the white spot disease repayment levy and charge received by the Commonwealth to be for the benefit of the farmed prawn industry.

Division 6—Forestry industry body

Division 6 of Part 2 provides for matters relating to the disbursement of amounts of levy and charge to the declared forestry industry body and prescribes matters on which that body may spend amounts equal to **general collected amounts**. The levy and charge components prescribed for the declared forestry industry body, and the additional spending rules, are intended to continue in effect arrangements made under the repealed *Forestry Marketing and Research and Development Services Act 2007* (FMRDS Act) and the repealed *Forestry Marketing and Research and Development Services Regulations 2008*.

At the time of this Explanatory Statement, Forest and Wood Products Australia Limited is the declared forestry industry body. Forest and Wood Products Australia Limited was previously declared as the industry services body under the repealed FMRDS Act. A list of the declared recipient bodies is specified in the *Primary Industries Levies and Charges Disbursement (List of Declared Recipient Bodies) Instrument 2024*.

Section 24—Disbursement of amounts to declared forestry industry body

Section 24 prescribes, for the purposes of paragraph 15(1)(a) of the Act in relation to the declared forestry industry body:

- certain provisions of the Levies Regulations and Charges Regulations that impose a levy or charge; and
- the component or components of the rate of each levy or charge in respect of which amounts are disbursed to that body.

Section 15 of the Act provides that the Commonwealth must pay to a recipient body, in this case, the declared forestry industry body, certain amounts. This includes amounts equal to the amounts that have been received by or on behalf of the Commonwealth in relation to a levy or charge imposed by a provision prescribed by the Rules in relation to that body, to the extent that those amounts are equal to the components of the rate of each levy or charge prescribed by the Rules.

Section 24 of the Rules prescribes the provisions imposing the forest growers levy, forest industries products levy, forest industries export charge and forest products import charge in relation to the declared forestry industry body.

This section also prescribes the following component or components of the rate of each levy or charge:

- the general component and the research and development component of the forest growers levy;
- the general component of each of the forest industries products levy and forest industries export charge; and
- the two general components of the forest products import charge.

The effect of this section is that amounts equal to the prescribed component of each levy and charge, and related amounts, that have been received by or on behalf of the Commonwealth must be disbursed to the declared forestry industry body.

Section 25—Spending of amounts equal to general collected amounts

Section 25 prescribes, for the purposes of subsection 20(2) of the Act in relation to the declared forestry industry body and the forestry industry, matters on which the declared forestry industry body may spend amounts equal to the ***general collected amounts***.

Subsection 20(1) of the Act provides that if a declared recipient body is paid amounts under section 15 of the Act, then so much of those amounts as are equal to ***general collected amounts*** may be spent by the body only on matters covered by section 20 of the Act.

Subsection 20(2) of the Act provides that a matter on which a declared recipient body, in this case, the declared forestry industry body, may spend amounts equal to ***general collected amounts***, is any matter prescribed by the Rules for the purposes of the subsection in relation to the body and a ***designated primary industry sector*** in relation to the body. That subsection permits the Rules to provide that expenditure by the body on the matter is subject to any conditions prescribed by the Rules.

Section 7 of the Rules prescribes the forestry industry as a ***designated primary industry sector*** for the declared forestry industry body.

Section 25 of the Rules prescribes, for the purposes of subsection 20(2) of the Act, in relation to the declared forestry industry body and the forestry industry:

- (a) marketing activities that are for the benefit of the forestry industry and are in accordance with the body's funding agreement;
- (b) research and development activities that are for the benefit of the forestry industry and are in accordance with the body's funding agreement;
- (c) any other activities that are for the benefit of the forestry industry and are in accordance with the body's funding agreement.

The effect of this section is that the declared forestry industry body may spend amounts equal to ***general collected amounts*** on those activities.

Division 7—Grains Research and Development Corporation

Division 7 of Part 2 provides for matters relating to the disbursement of amounts of levy to the Grains Research and Development Corporation (the GRDC). The levy component prescribed for the GRDC is intended to continue in effect arrangements made under the amended PIRD Act and the repealed *Grains Research and Development Corporation Regulations 1990* (GRDC Regulations).

The GRDC is a statutory recipient body established by the repealed GRDC Regulations made under the amended PIRD Act in respect of the grains industry and continued in existence under the PIRD Regulations 2024.

Section 26—Disbursement of amounts to Grains Research and Development Corporation

Section 26 prescribes, for the purposes of paragraph 15(1)(a) of the Act in relation to the GRDC:

- the provision of the Levies Regulations that imposes a levy; and
- the component of the rate of that levy in respect of which amounts are disbursed to the GRDC.

Section 15 of the Act provides that the Commonwealth must pay to a recipient body, in this case, the GRDC, certain amounts. This includes amounts equal to the amounts that have been received by or on behalf of the Commonwealth in relation to a levy or charge imposed by a provision prescribed by the Rules in relation to that body, to the extent that those amounts are equal to the components of the rate of that levy or charge prescribed by the Rules.

Section 26 of the Rules prescribes the provision imposing the grain levy in relation to the GRDC and the research and development component of the rate of that levy. The effect of this section is that amounts equal to the research and development component of that levy, and related amounts, that have been received by or on behalf of the Commonwealth must be disbursed to the GRDC.

Division 8—Horticultural industry body

Division 8 of Part 2 provides for matters relating to the disbursement of amounts of levy and charge to the declared horticultural industry body and prescribes additional matters on which that body may spend amounts equal to ***marketing collected amounts*** and ***research and development collected amounts***. The levy and charge components prescribed for the declared horticultural industry body, and the additional spending rules, are intended to continue in effect arrangements made under the repealed *Horticulture Marketing and Research and Development Services Act 2000* (HMRDS Act) and the repealed *Horticulture Marketing and Research and Development Services Regulations 2001*.

At the time of this Explanatory Statement, Horticulture Innovation Australia Limited is the declared horticultural industry body. Horticulture Innovation Australia Limited was previously declared as the industry services body under the repealed HMRDS Act. A list of the declared recipient bodies is specified in the *Primary Industries Levies and Charges Disbursement (List of Declared Recipient Bodies) Instrument 2024*.

Section 27—Disbursement of amounts to declared horticultural industry body

Section 27 prescribes, for the purposes of paragraph 15(1)(a) of the Act in relation to the declared horticultural industry body:

- certain provisions of the Levies Regulations and Charges Regulations that impose a levy or charge; and
- the component or components of the rate of each levy or charge in respect of which amounts are disbursed to that body.

Section 15 of the Act provides that the Commonwealth must pay to a recipient body, in this case, the declared horticultural industry body, amounts equal to the amounts that have been received by or on behalf of the Commonwealth in relation to a levy or charge imposed by a provision prescribed by the Rules in relation to that body, to the extent that those amounts are equal to the components of the rate of that levy or charge prescribed by the Rules.

Section 27 of the Rules prescribes the provisions imposing certain horticultural levies and charges in relation to the declared horticultural industry body, and the marketing and / or research and development component or components of the rates of those levies and charges (as applicable). The effect of this section is that amounts equal to the marketing and / or research and development component or components of each levy and charge, and related amounts, that have been received by or on behalf of the Commonwealth must be disbursed to the declared horticultural industry body.

Section 28—Spending of amounts equal to marketing collected amounts

Section 28 prescribes, for the purposes of subsection 18(7) of the Act in relation to the declared horticultural industry body and the horticultural industry, additional matters on which the declared horticultural body may spend amounts equal to the **marketing collected amounts**.

Subsection 18(1) of the Act provides that if a declared recipient body is paid amounts under section 15 of the Act, then so much of those amounts as are equal to **marketing collected amounts** may be spent by the body only on matters covered by section 18 of the Act.

Subsection 18(7) of the Act provides that a matter on which a declared recipient body, in this case, the declared horticultural industry body, may spend amounts equal to **marketing collected amounts** is any matter prescribed by the Rules for the purposes of the subsection in relation to the body and a **designated primary industry sector** in relation to the body. That subsection permits the Rules to provide that expenditure by the body on the matter is subject to any conditions prescribed by the Rules.

Section 7 of the Rules prescribes the horticultural industry as a **designated primary industry sector** for the declared horticultural industry body.

Subsection 28(1) of the Rules prescribes, for the purposes of subsection 18(7) of the Act, paying the reasonable expenses that a person has incurred in obtaining from the levy or charge payer the funds necessary for the person to pay amounts covered by subsection (2).

Subsection 28(2) provides that the amounts covered are equivalent amounts under rules made for the purposes of paragraph 10(1)(a) of the Collection Act, to the extent that those amounts are equal to marketing components covered by the table in section 27 of the Rules.

The effect of this section is that the declared horticultural industry body may spend amounts equal to **marketing collected amounts** to pay those expenses.

Section 29—Spending of amounts equal to research and development collected amounts

Section 29 prescribes, for the purposes of subsection 19(7) of the Act in relation to the declared horticultural industry body and the horticultural industry, additional matters on which that body may spend amounts equal to **research and development collected amounts**. Subsection 19(1) of the Act provides that if a declared recipient body is paid amounts under section 15 of the Act, then so much of those amounts as are equal to **research and development collected amounts** may be spent by the body only on matters covered by section 19 of the Act.

Subsection 19(7) of the Act provides that a matter on which a declared recipient body, in this case, the declared horticultural industry body, may spend amounts equal to **research and development collected amounts** is any matter prescribed by the Rules for the purposes of the subsection in relation to the body and a **designated primary industry sector** in relation to the body. That subsection permits the Rules to provide that expenditure by the body on the matter is subject to any conditions prescribed by the Rules.

Section 7 of the Rules prescribes the horticultural industry as a **designated primary industry sector** for the declared horticultural industry body.

Subsection 29(1) of the Rules prescribes, for the purposes of subsection 18(7) of the Act, paying the reasonable expenses that a person has incurred in obtaining from the levy or charge payer the funds necessary for the person to pay the amounts covered by subsection (2).

Subsection 29(2) provides that the amounts covered are equivalent amounts under rules made for the purposes of paragraph 10(1)(a) of the Collection Act, to the extent that those amounts are equal to research and development components covered by the table in section 27 of the Rules.

The effect of this section is that the declared horticultural industry body may spend amounts equal to **research and development collected amounts** to pay those expenses.

Division 9—Meat and livestock bodies

Division 9 of Part 2 provides for matters relating to the disbursement of amounts of levy and charge to the declared meat industry body, declared meat processor body and declared livestock export body and prescribes additional matters on which the declared meat industry body may spend amounts equal to **marketing collected amounts** and **research and development collected amounts**.

Subdivision A—Meat industry body

Subdivision A of Division 9 of Part 2 provides for matters relating to the disbursement of amounts of levy and charge to the declared meat industry body and prescribes matters on which that body may spend amounts equal to **marketing collected amounts** and **research and development collected amounts**. The levy and charge components prescribed for the declared meat industry body, and the additional spending rules, are intended to continue in effect arrangements made under the repealed *Australian Meat and Live-stock Industry Act 1997* (AMLI Act) and the amended *Australian Meat and Live-stock Industry Regulations 2023* (AMLI Regulations).

At the time of this Explanatory Statement, Meat & Livestock Australia Limited is the declared meat industry body. Meat & Livestock Australia Limited was previously declared as the industry research body and the industry marketing body under the repealed AMLI Act. A list of the declared recipient bodies is specified in the *Primary Industries Levies and Charges Disbursement (List of Declared Recipient Bodies) Instrument 2024*.

Section 30—Disbursement of amounts to declared meat industry body

Section 30 prescribes, for the purposes of paragraph 15(1)(a) of the Act in relation to the declared meat industry body:

- certain provisions of the Levies Regulations and Charges Regulations that impose a levy or charge; and
- the components of the rate of each levy or charge in respect of which amounts are disbursed to that body.

Section 15 of the Act provides that the Commonwealth must pay to a recipient body, in this case, the declared meat industry body, certain amounts. This includes amounts equal to the amounts that have been received by or on behalf of the Commonwealth in relation to a levy or charge imposed by a provision prescribed by the Rules in relation to that body, to the extent that those amounts are equal to the components of the rate of that levy or charge prescribed by the Rules.

Section 30 of the Rules prescribes the provisions imposing the cattle, goat, and sheep and lambs transaction levies and the cattle, goat, and sheep and lambs owner charges in relation to the declared meat industry body, and the marketing and research and development components of the rates of each of those levies and charges. The effect of this section is that amounts equal to the marketing and research and development components of those levies and charges, and related amounts, that have been received by or on behalf of the Commonwealth must be disbursed to the declared meat industry body.

Section 31—Spending of amounts equal to marketing collected amounts

Section 31 prescribes, for the purposes of subsection 18(7) of the Act, in relation to the declared meat industry body and the meat and livestock industry, additional matters on which that body may spend amounts equal to **marketing collected amounts**.

Subsection 18(1) of the Act provides that if a declared recipient body is paid amounts under section 15 of the Act, then so much of those amounts as are equal to **marketing collected amounts** may be spent by the body only on matters covered by section 18 of the Act.

Subsection 18(7) of the Act provides that a matter on which a declared recipient body, in this case, the declared meat industry body, may spend amounts equal to **marketing collected amounts** is any matter prescribed by the Rules for the purposes of the subsection in relation to the body and a **designated primary industry sector** in relation to the body. That subsection permits the Rules to provide that expenditure by the body on the matter is subject to any conditions prescribed by the Rules.

Section 7 of the Rules prescribes the meat and livestock industry as a **designated primary industry sector** for the declared meat industry body.

Section 31 of the Rules prescribes, for the purposes of subsection 18(7) of the Act in relation to the declared meat industry body and the meat and livestock industry, payments for:

- a purpose connected with the setting of standards relating to the classification or classification language of livestock meat, livestock meat products, livestock meat by-products or edible offal for the meat and livestock industry;

- the purpose of managing a grading system on a meat and livestock industry-wide basis;
- the purpose of managing safety and hygiene of livestock meat, livestock meat products, livestock meat by-products or edible offal on a meat and livestock industry-wide basis.

The effect of this section is that the declared meat industry body may spend amounts equal to **marketing collected amounts** on payments for those purposes.

Section 32—Spending of amounts equal to research and development collected amounts

Section 32 prescribes, for the purposes of subsection 19(7) of the Act, in relation to the declared meat industry body and the meat and livestock industry, additional matters on which that body may spend amounts equal to **research and development collected amounts**.

Subsection 19(1) of the Act provides that if a declared recipient body is paid amounts under section 15 of the Act, then so much of those amounts as are equal to **research and development collected amounts** may be spent by the body only on matters covered by section 19 of the Act.

Subsection 19(7) of the Act provides that a matter on which a declared recipient body, in this case, the declared meat industry body, may spend amounts equal to **research and development collected amounts** is any matter prescribed by the Rules for the purposes of the subsection in relation to the body and a **designated primary industry sector** in relation to the body.

Section 7 of the Rules prescribes the meat industry as a **designated primary industry sector** for the declared meat industry body.

Section 32 of the Rules prescribes, for the purposes of subsection 19(7) of the Act in relation to the declared meat industry body and the meat and livestock industry, payments for:

- a purpose connected with the setting of standards relating to the classification or classification language of livestock meat, livestock meat products, livestock meat by-products or edible offal for the meat and livestock industry;
- the purpose of managing a grading system on a meat and livestock industry-wide basis;
- the purpose of managing safety and hygiene of livestock meat, livestock meat products, livestock meat by-products or edible offal on a meat and livestock industry-wide basis.

The effect of this section is that the declared meat industry body may spend amounts equal to **research and development collected amounts** on payments for those purposes.

Subdivision B—Meat processor body

Subdivision B of Division 9 of Part 2 provides for matters relating to the disbursement of amounts of levy to the declared meat processor body. The levy components prescribed for the declared meat processor body are intended to continue in effect arrangements made under the repealed AMLI Act and the amended AMLI Regulations.

At the time of this Explanatory Statement, Australian Meat Processor Corporation Ltd is the declared meat processor body. Australian Meat Processor Corporation Ltd was previously declared as the meat processor marketing body and meat processor research body under the

repealed AMLI Act. A list of the declared recipient bodies is specified in the *Primary Industries Levies and Charges Disbursement (List of Declared Recipient Bodies) Instrument 2024*.

Section 33—Disbursement of amounts to declared meat processor body

Section 33 prescribes, for the purposes of paragraph 15(1)(a) of the Act in relation to the declared meat processor body:

- certain provisions of the Levies Regulations that impose a levy; and
- the components of the rate of those levies in respect of which amounts are disbursed to that body.

Section 15 of the Act provides that the Commonwealth must pay to a recipient body, in this case, the declared meat processor body, certain amounts. This includes amounts equal to the amounts that have been received by or on behalf of the Commonwealth, in relation to a levy or charge imposed by a provision prescribed by the Rules in relation to that body to the extent that those amounts are equal to the components of the rate of that levy or charge prescribed by the Rules.

Section 33 of the Rules prescribes the provisions imposing the cattle, goat, and sheep and lambs slaughter levies in relation to the declared meat processor body, and the marketing and research and development components of the rates of each of those levies. The effect of this section is that amounts equal to the marketing and research and development components of those levies, and related amounts, that have been received by or on behalf of the Commonwealth must be disbursed to the declared meat processor body.

Subdivision C—Livestock export body

Subdivision C of Division 9 of Part 2 provides for matters relating to the disbursement of amounts of charge to the declared livestock export body. The charge components prescribed for the declared livestock export body are intended to continue in effect arrangements made under the repealed AMLI Act and the amended AMLI Regulations.

At the time of this Explanatory Statement, Australian Livestock Export Corporation Ltd is the declared livestock export body. Australian Livestock Export Corporation Ltd was previously declared as the live-stock export marketing body and live-stock export research body under the repealed AMLI Act. A list of the declared recipient bodies is specified in the *Primary Industries Levies and Charges Disbursement (List of Declared Recipient Bodies) Instrument 2024*.

Section 34—Disbursement of amounts to declared livestock export body

Section 34 prescribes, for the purposes of paragraph 15(1)(a) of the Act in relation to the declared livestock export body:

- certain provisions of the Charges Regulations that impose a charge; and
- the components of the rate of each charge in respect of which amounts are disbursed to that body.

Section 15 of the Act provides that the Commonwealth must pay to a recipient body, in this case, the declared livestock export body, certain amounts. This includes amounts equal to the amounts that have been received by or on behalf of the Commonwealth in relation to a levy or charge imposed by a provision prescribed by the Rules in relation to that body, to the extent that those amounts are equal to the components of the rate of that levy or charge prescribed by the Rules.

Section 34 of the Rules prescribes the provisions imposing the cattle, goat, and sheep and lambs exporter charges in relation to the declared livestock export body, and the marketing and research and development components of the rate of each of those charges. The effect of this section is that amounts equal to the marketing and research and development components of those charges, and related amounts, that have been received by or on behalf of the Commonwealth must be disbursed to the declared livestock export body.

Division 10—Pig industry body

Division 10 of Part 2 provides for matters relating to the disbursement of amounts of levy to the declared pig industry body and prescribes additional matters on which that body may spend amounts equal to *marketing collected amounts*. The levy components prescribed for the declared pig industry body, and the additional spending rules, are intended to continue in effect arrangements made under the repealed *Pig Industry Act 2001* (Pig Industry Act).

At the time of this Explanatory Statement, Australian Pork Limited is the declared pig industry body. Australian Pork Limited was previously declared as the industry services body under the repealed Pig Industry Act. A list of the declared recipient bodies is specified in the *Primary Industries Levies and Charges Disbursement (List of Declared Recipient Bodies) Instrument 2024*.

Section 35—Disbursement of amounts to declared pig industry body

Section 35 prescribes, for the purposes of paragraph 15(1)(a) of the Act in relation to the declared pig industry body:

- the provision of the Levies Regulations that imposes a levy; and
- the components of the rate of that levy in respect of which amounts are disbursed to that body.

Section 15 of the Act provides that the Commonwealth must pay to a recipient body, in this case, the declared pig industry body, certain amounts. This includes amounts equal to the amounts that have been received by or on behalf of the Commonwealth in relation to a levy or charge imposed by a provision prescribed by the Rules in relation to that body, to the extent that those amounts are equal to the components of the rate of that levy or charge prescribed by the Rules.

Section 35 of the Rules prescribes the provision imposing the pig slaughter levy in relation to the declared pig industry body, and the marketing and research and development components of the rate of that levy. The effect of this section is that amounts equal to the marketing and research and development components of that levy, and related amounts, that have been received by or on behalf of the Commonwealth must be disbursed to the declared pig industry body.

Section 36—Spending of amounts equal to marketing collected amounts

Section 36 prescribes, for the purposes of subsection 18(7) of the Act, in relation to the declared pig industry body and the pig industry, additional matters on which that body may spend amounts equal to ***marketing collected amounts***.

Subsection 18(1) of the Act provides that if a declared recipient body is paid amounts under section 15 of the Act, then so much of those amounts as are equal to ***marketing collected amounts*** may be spent by the body only on matters covered by section 18 of the Act.

Subsection 18(7) of the Act provides that a matter on which a declared recipient body, in this case, the declared pig industry body, may spend amounts equal to ***marketing collected amounts***, is any matter prescribed by the Rules for the purposes of the subsection in relation to the body and a ***designated primary industry sector*** in relation to the body. That subsection permits Rules to provide that expenditure by the body on the matter is subject to any conditions prescribed by the Rules.

Section 7 of the Rules prescribes the pig industry as a ***designated primary industry sector*** for the declared pig industry body.

Section 36 of the Rules prescribes, for the purposes of subsection 18(7) of the Act in relation to the declared pig industry body and the pig industry:

- strategic policy development that is for the benefit of the pig industry and is in accordance with the declared pig industry body's funding agreement; and
- any other activities that are for the benefit of the pig industry and are in accordance with the declared pig industry body's funding agreement.

The effect of this section is that the declared pig industry body may spend amounts equal to ***marketing collected amounts*** on those matters.

Division 11—Rural Industries Research and Development Corporation

Division 11 of Part 2 provides for matters relating to the disbursement of amounts of levy and charge to the Rural Industries Research and Development Corporation, and prescribes additional requirements for expenditure by that body of amounts equal to ***research and development collected amounts***.

A note explains that in 2024, AgriFutures Australia was the trading name of the Rural Industries Research and Development Corporation.

Levy and charge components prescribed for Rural Industries Research and Development Corporation, and the additional spending rules, are intended to continue in effect arrangements made under the amended PIRD Act and the repealed RIRDC Regulations.

Rural Industries Research and Development Corporation is a statutory recipient body established by the amended PIRD Act in respect of the primary industries specified in the repealed RIRDC Regulations.

Section 37—Disbursement of amounts to Rural Industries Research and Development Corporation

Section 37 prescribes, for the purposes of paragraph 15(1)(a) of the Act in relation to the Rural Industries Research and Development Corporation:

- certain provisions of the Levies Regulations and Charges Regulations that impose a levy or charge; and
- the component of the rate of each levy or charge in respect of which amounts are disbursed to that body.

Section 15 of the Act provides that the Commonwealth must pay to a recipient body, in this case, the Rural Industries Research and Development Corporation, certain amounts. This includes amounts equal to the amounts that have been received by or on behalf of the Commonwealth in relation to a levy or charge imposed by a provision prescribed by the Rules in relation to that body, to the extent that those amounts are equal to the components of the rate of that levy or charge prescribed by the Rules.

Section 37 of the Rules prescribes the provisions imposing certain rural industries levies and charges in relation to the Rural Industries Research and Development Corporation and the research and development component of the rates of each of those levies and charges. The effect of this section is that amounts equal to the research and development component of each of those levies and charges, and related amounts, that have been received by or on behalf of the Commonwealth must be disbursed to the Rural Industries Research and Development Corporation.

Section 38—Spending of amounts equal to research and development collected amounts

Section 38 prescribes, for the purposes of paragraph 22(2)(c) of the Act in relation to the Rural Industries Research and Development Corporation, additional requirements for expenditure by the Rural Industries Research and Development Corporation of amounts equal to **research and development collected amounts**.

Subsection 22(1) of the Act provides that if a statutory recipient body is paid amounts under section 15 of the Act, then so much of those amounts as are equal to **research and development collected amounts** may be spent by the body only on matters covered by section 22 of the Act.

Subsection 22(2) of the Act provides a matter on which a statutory recipient body, in this case, the Rural Industries Research and Development Corporation, may spend amounts equal to **research and development collected amounts**. It provides such a matter is research and development activities, for a **designated primary industry sector** in relation to the body, where expenditure on those activities is:

- for the benefit of that sector;
- in accordance with the body's funding agreement and annual operational plan; and
- in accordance with the Rules (if any).

Subsection 22(3) of the Act provides that rules may require expenditure by the body, of a part of the amounts equal to the *research and development collected amounts*, to be for the benefit of the *designated primary industry sector* prescribed by rules.

Section 7 of the Rules prescribes each of the following specific industries as a *designated primary industry sector* for the Rural Industries Research and Development Corporation:

- the buffalo industry;
- the deer industry;
- the fodder industry;
- the ginger industry;
- the goat fibre industry;
- the honeybee industry;
- the macropod industry;
- the meat chicken industry;
- the ostrich industry;
- the pasture seed industry;
- the queen bee breeding industry;
- the rice industry;
- the tea tree oil industry;
- the thoroughbred horse industry.

Section 38 of the Rules applies to expenditure by the Rural Industries Research and Development Corporation of amounts equal to the *research and development collected amounts* on research and development activities for a designated primary industry sector in relation to the Corporation. It requires that expenditure on those activities of amounts equal to *research and development collected amounts* that relate to a levy or charge covered by column 1 of an item in the table in that section be for the benefit of the *designated primary industry sector* covered by column 3 of that item.

Division 12—Sugarcane industry body

Division 12 of Part 2 provides for matters relating to the disbursement of amounts of levy to the declared sugarcane industry body. The levy component prescribed for the declared sugarcane industry body is intended to continue in effect arrangements made under the repealed *Sugar Research and Development Services Act 2013* (Sugar Research and Development Services Act).

At the time of this Explanatory Statement, Sugar Research Australia Limited is the declared sugarcane industry body. Sugar Research Australia Limited was previously declared as the industry services body under the repealed Sugar Research and Development Services Act. A list of the declared recipient bodies is specified in the *Primary Industries Levies and Charges Disbursement (List of Declared Recipient Bodies) Instrument 2024*.

Section 39—Disbursement of amounts to declared sugarcane industry body

Section 39 prescribes, for the purposes of paragraph 15(1)(a) of the Act in relation to the declared sugarcane industry body:

- the provision of the Levies Regulations that imposes a levy; and
- the component of the rate of that levy in respect of which amounts are disbursed to that body.

Section 15 of the Act provides that the Commonwealth must pay to a recipient body, in this case, the declared sugarcane industry body, certain amounts. This includes amounts equal to the amounts that have been received by or on behalf of the Commonwealth in relation to a levy or charge imposed by a provision prescribed by the Rules in relation to that body, to the extent that those amounts are equal to the components of the rate of that levy or charge prescribed by the Rules.

Section 39 of the Rules prescribes the provision imposing the sugarcane levy in relation to the declared sugarcane industry body, and the research and development component of the rate of that levy. The effect of this section is that amounts equal to the research and development component of that levy, and related amounts, that have been received by or on behalf of the Commonwealth must be disbursed to the declared sugarcane industry body.

Division 13—Wine Australia

Division 13 of Part 2 provides for matters relating to the disbursement of amounts of levy and charge amounts to Wine Australia. The levy and charge components prescribed for Wine Australia are intended to continue in effect arrangements made under the amended *Wine Australia Act 2013* (the Wine Australia Act) and the amended *Wine Australia Regulations 2018*.

Wine Australia is a statutory recipient body established by the *Australian Grape and Wine Authority Act 2013* (as the Wine Australia Act was then titled) and continued in existence under the amended Wine Australia Act.

Section 40—Disbursement of amounts to Wine Australia

Section 40 prescribes, for the purposes of paragraph 15(1)(a) of the Act in relation to Wine Australia:

- certain provisions of the Levies Regulations and Charges Regulations that impose a levy or charge; and
- the component or components of the rate of each levy or charge in respect of which amounts are disbursed to that body.

Section 15 of the Act provides that the Commonwealth must pay to a recipient body, in this case, Wine Australia, certain amounts. This includes amounts equal to the amounts that have been received by or on behalf of the Commonwealth in relation to a levy or charge imposed by a provision prescribed by the Rules in relation to that body, to the extent that those amounts are equal to the components of the rate of that levy or charge prescribed by the rules.

Section 40 of the Rules prescribes the provisions imposing the grapes research levy, the wine grapes levy and wine export charge in relation to Wine Australia.

The section also prescribes the following component or components of the rate of each levy or charge:

- the research and development component of the grapes research levy;
- the research and development component and the marketing component of the wine grapes levy; and
- the marketing component of the wine export charge.

The effect of this section is that amounts equal to the prescribed component of each levy and charge of each of those levies and charge, and related amounts, that have been received by or on behalf of the Commonwealth must be disbursed to Wine Australia.

Division 14—Wool industry body

Division 14 of Part 2 provides for matters relating to the disbursement of amounts of levy and charge to the declared wool industry body and prescribes matters on which that body may spend amounts equal to **general collected amounts**. The levy and charge components prescribed for the declared wool industry body, and the additional spending rules, are intended to continue in effect arrangements made under the amended *Wool Services Privatisation Act 2000* (Wool Services Privatisation Act) and the repealed *Wool Services Privatisation (Miscellaneous Provisions) Regulations 2000*.

At the time of this Explanatory Statement, Australian Wool Innovation Limited is the declared wool industry body. Australian Wool Limited was previously declared as the research body under the amended Wool Services Privatisation Act. A list of the declared recipient bodies is specified in the *Primary Industries Levies and Charges Disbursement (List of Declared Recipient Bodies) Instrument 2024*.

Section 41—Disbursement of amounts to declared wool industry body

Section 41 prescribes, for the purposes of paragraph 15(1)(a) of the Act in relation to the declared wool industry body:

- certain provisions of the Levies Regulations and Charges Regulations that impose a levy or charge; and
- the components of the rate of that levy or charge in respect of which amounts are disbursed to that body.

Section 15 of the Act provides that the Commonwealth must pay to a recipient body, in this case, the declared wool industry body, certain amounts. This includes amounts equal to the amounts that have been received by or on behalf of the Commonwealth in relation to a levy or charge imposed by a provision prescribed by the Rules in relation to that body, to the extent that those amounts are equal to the components of the rate of that levy or charge prescribed by the Rules.

Section 41 of the Rules prescribes the provisions imposing the wool levy and the wool export charge in relation to the declared wool industry body, and the general component of the rates

of each levy and charge. The effect of this section is that amounts equal to the general components of that levy and charge, and related amounts, that have been received by or on behalf of the Commonwealth must be disbursed to the declared wool industry body.

Section 42—Spending of amounts equal to general collected amounts

Section 42 prescribes, for the purposes of subsection 20(2) of the Act in relation to the declared wool industry body and the wool industry, matters on which that body may spend amounts equal to *general collected amounts*.

Subsection 20(1) of the Act provides that if a declared recipient body is paid amounts under section 15 of the Act, then so much of those amounts as are equal to *general collected amounts* may be spent by the body only on matters covered by section 20 of the Act.

Subsection 20(2) of the Act provides that a matter on which a declared recipient body, in this case, the declared wool industry body, may spend amounts equal to *general collected amounts* is any matter that is prescribed by the Rules for the purposes of the subsection in relation to the body and a *designated primary industry sector* in relation to the body. That subsection permits the Rules to provide that expenditure by the body on the matter is subject to any conditions prescribed by the Rules.

Section 7 of the Rules prescribes the wool industry as a *designated primary industry sector* for the declared wool industry body.

Section 42 of the Rules prescribes, for the purposes of subsection 20(2) of the Act, in relation to the declared wool industry body and the wool industry:

- (a) marketing activities that are for the benefit of the wool industry and are in accordance with the body's funding agreement;
- (b) research and development activities that are for the benefit of the wool industry and are in accordance with the body's funding agreement;
- (c) any other activities that are for the benefit of the wool industry and are in accordance with the body's funding agreement.

The effect of this section is that the declared wool industry body may spend amounts equal to *general collected amounts* on those activities.

Part 3—Gross value of production (GVP) calculations

Part 3 deals with matters relating to gross value of production (GVP) calculations for working out the amounts of matching payments made to recipient bodies (colloquially known as research and development corporations (RDCs)).

The Act requires the Commonwealth to make matching payments to certain recipient bodies under section 23 in Division 3 of Part 2 of the Act. The FRDC matching payment provisions are set out separately in that Division.

Section 43—Simplified outline of this Part

This section provides a simplified outline of Part 3. It explains that Part 3 prescribes the goods that are relevant to GVP calculations made for the purposes of working out the amounts of matching payments made to declared recipient bodies and statutory recipient bodies (recipient bodies) under the Act.

Section 44—Gross value of production (GVP) calculations—most recipient bodies

Section 44 prescribes, for the purposes of paragraph 25(5)(a) of the Act, in relation to most recipient bodies, the goods that are relevant to GVP calculations for the purposes of working out the amounts of matching payments made to recipient bodies under the Act.

Subsection 23(1) of the Act provides that the Commonwealth must pay to a recipient body, in relation to a financial year (the *relevant financial year*), amounts that in total are equal to the lesser of the following:

- the amount (the *expenditure limit*) equal to 50% of the body's qualifying expenditure amount for the relevant financial year;
- the amount (the *GVP limit*) equal to 0.5% of the average gross value of production amount, in relation to the body, for the *relevant financial year*.

Subsection 25(1) of the Act provides that the *average gross value of production amount*, in relation to a recipient body to which subsection 23(1) applies, for a financial year (the *relevant financial year*) is the amount determined under subsection 25(2) in relation to the recipient body for the relevant financial year.

Subsection 25(2) of the Act provides that for the purposes of subsection 25(1), the Secretary must, by notifiable instrument, determine an amount in relation to a recipient body for the relevant financial year.

Subsection 25(3) of the Act provides that that amount is to be the average of the GVP amounts, in relation to the body, for each of the last 3 financial years before the relevant financial year.

Subsection 25(4) of the Act provides that the Secretary must specify in the instrument under subsection 25(2) each GVP amount the Secretary used to determine that average.

Subsection 25(5) of the Act provides that the *gross value of production amount*, in relation to the body, for a financial year is the amount provided to the Secretary by the head of the agricultural statistics body as being the sum of the following:

- (a) the GVP in that year of all the goods prescribed by the rules in relation to that body;
- (b) the gross value in that year of all the services (if any) prescribed by the rules in relation to the body and provided in that year.

The purpose of section 44 of the Rules is to prescribe, for the purposes of paragraph 25(5)(a) for each recipient body, the goods that are to be subject to the calculation of the body's gross value of production amount for a financial year. Where multiple goods are prescribed for a

recipient body for a financial year, the gross value of production amount will be calculated as the sum of the GVP in that year of all the goods prescribed for the body.

Section 45—Main fishing industry gross value of production (GVP) calculations—Fisheries Research and Development Corporation

The purpose of section 45 of the Rules is to prescribe the goods that are relevant to calculating the FRDC's main fishing industry GVP amounts for a financial year.

Section 45 prescribes, for the purposes of paragraphs 29(5)(a), 30(5)(a) and 31(5)(a) of the Act, the goods that are relevant to GVP calculations for the purposes of working out the amounts of matching payments made to the FRDC under the Act in relation to the main fishing industry.

The **main fishing industry** is defined as that part of the fishing industry (other than a declared fishery) that is concerned with the taking or culturing of fish: see section 5 of the Rules.

Section 26 of the Act obliges the Commonwealth to make matching payments to the FRDC in relation to the main fishing industry.

Subsection 26(1) of the Act provides that the Commonwealth must pay to the FRDC, in relation to a financial year (the **relevant financial year**), amounts that in total are equal to the sum of payable amounts worked out under section 26.

Subsection 26(2) of the Act provides that a payable amount is the lesser of the following:

- the FRDC's relevant fishing expenditure amount for the relevant financial year;
- the amount equal to 0.5% of the **average total main fishing industry GVP amount** for the relevant financial year.

Subsections 26(5) and (6), and subsections 26(7) and (8), each provide for other payable amounts where the relevant fishing expenditure is greater than 0.5% of the average total main fishing industry GVP amount for the relevant financial year.

Subsections 26(5) and (6) provide for a payable amount in those circumstances that is worked out using the **average Commonwealth main fishing industry GVP amount**.

Subsections 26(7) and (8) provide for a payable amount in those circumstances, and where a State or Territory makes one or more payments in the relevant financial year to the Corporation, that is worked out using the **average State/Territory main fishing industry GVP amount**.

Sections 29, 30, and 31 of the Act respectively define **average total main fishery GVP amount**, **average Commonwealth main fishing industry GVP amount**, and **average State/Territory main fishing industry GVP amount** for a financial year. In each case, it is necessary to work out a **total main fishing industry GVP amount**, **Commonwealth main fishing industry GVP amount** and **State/Territory main fishing industry GVP amount**, for each financial year.

Subsection 29(5) of the Act provides that the ***total main fishery GVP amount***, for a financial year, is the amount provided to the Secretary by the head of the agricultural statistics body as being the GVP in that year of all the goods that:

- are prescribed by the Rules for the purposes of paragraph 29(5)(a); and
- are the produce of the main fishing industry, whether it is managed by or on behalf of the Commonwealth, a State or a Territory.

Subsection 45(1) of the Rules prescribes the following goods for the purposes of paragraph 29(5)(a) of the Act:

- fish taken on a commercial basis from waters managed by or on behalf of the Commonwealth, a State or a Territory;
- fish produced on a commercial basis from culturing in waters managed by or on behalf of the Commonwealth, a State or a Territory.

Subsection 30(5) of the Act provides that the ***Commonwealth main fishing industry GVP amount***, for a financial year, is the amount provided to the Secretary by the head of the agricultural statistics body as being the GVP in that year of all of the goods that:

- are prescribed by the Rules for the purposes of paragraph 30(5)(a); and
- are the produce of the main fishing industry so far as it is managed by or on behalf of the Commonwealth.

Subsection 45(2) of the Rules prescribes the following goods for the purposes of paragraph 30(5)(a) of the Act:

- fish taken on a commercial basis from waters managed by or on behalf of the Commonwealth;
- fish produced on a commercial basis from culturing in waters managed by or on behalf of the Commonwealth.

Subsection 31(5) of the Act provides that the ***State/Territory main fishing industry GVP amount***, for a State or Territory and a financial year, is the amount provided to the Secretary by the head of the agricultural statistics body as being the GVP in that year of all of the goods that:

- are prescribed by the Rules for the purposes of paragraph 31(5)(a); and
- are the produce of the main fishing industry so far as it is managed by or on behalf of the State or Territory.

Subsection 45(3) of the Rules prescribes the following goods for the purposes of paragraph 31(5)(a) of the Act:

- fish taken on a commercial basis from waters managed by or on behalf of the State or Territory concerned;
- fish produced on a commercial basis from culturing in waters managed by or on behalf of the State or Territory concerned.

Part 4—Disbursement provisions for Animal Health Australia

Part 4 of the Rules deals with the disbursement provisions for Animal Health Australia (AHA). Specifically, it prescribes the levy and charge components in respect of which amounts are disbursed under the Act to AHA. AHA is a not-for-profit company; it has government, industry and associate members and is the national animal health body in Australia.

The Levies Regulations and Charges Regulations set out the rate of each levy or charge imposed by each Regulations, respectively. A levy or charge rate may be expressed as a single component, or the sum of components. The name of each component relates to activities or matters for which the imposition of levy or charge will result in expenditure. Part 4 of the Rules generally provides for collected amounts relating to biosecurity activity and biosecurity response components of prescribed levies and charges, in relation to an AHA commodity/service, to be disbursed under the Act to AHA.

An *AHA commodity/service* is defined in subsection 4(1) of the Act to mean: an animal product; a plant product, a fungus product or an algal product prescribed by the Rules for the purposes of this definition; goods that are of a kind consumed by, or used in the maintenance or treatment of, animals; a service that facilitates the production of an animal product.

The levy and charge components prescribed for AHA are intended to continue in effect arrangements made under the repealed *Australian Animal Health Council (Live-stock Industries) Funding Act 1996* (the AAHC (Live-stock Industries) Funding Act). Under the pre-existing framework, amounts in relation to levies and charges previously known as Australian Animal Health Council or Emergency Animal Disease Response levies or charges, as well as the levy previously known as the horse disease response levy, were disbursed to AHA. The Act and the Rules continue in effect these arrangements, by providing for amounts in relation to biosecurity activity and biosecurity response components of relevant levies and charges imposed to be disbursed to AHA as demonstrated by the following table.

AAHC (Live-stock Industries) Funding Act	Disbursement Act and Rules
Australian Animal Health Council levy or charge	Biosecurity activity component
Emergency Animal Disease Response (EADR) levy or charge	Biosecurity response component
Horse disease response levy	

Section 46—Simplified outline of this Part

This section provides a simplified outline of Part 4. It explains that Part 4 prescribes the biosecurity activity and biosecurity response components of the rates of levies and charges in respect of which amounts are disbursed under the Act to AHA.

Section 47—Disbursement of amounts to Animal Health Australia

Section 47 prescribes, for the purposes of paragraphs 44(1)(a) and 48(1)(a) of the Act, in relation to AHA:

- certain provisions of the Levies Regulations and Charges Regulations that impose a levy or charge; and
- the component or components of the rate of that levy or charge in respect of which amounts are disbursed to AHA.

Sections 44 (relating to biosecurity activity collected amounts) and 48 (relating to biosecurity response collected amounts) of the Act provide that the Commonwealth must pay to AHA, certain amounts. This includes amounts equal to the amounts that are received by or behalf of the Commonwealth in relation to an AHA commodity/service in relation to a levy or charge imposed by a provision prescribed by the Rules to the extent that those amounts are equal to the components of the rate of that levy or charge prescribed by the Rules.

Section 47 of the Rules prescribes in relation to AHA the provisions imposing certain levies and charges and it prescribes the biosecurity activity component and / or biosecurity response component (as applicable) of the rates of those levies and charges. The effect of this section is that amounts equal to the biosecurity activity and /or biosecurity response component of each levy and charge, and related amounts, that have been received by or on behalf of the Commonwealth must be disbursed under the Act to AHA.

Part 5—Disbursement provisions for Plant Health Australia

Part 5 of the Rules deals with the disbursement provisions for Plant Health Australia (PHA). Specifically, it prescribes the levy and charge components in respect of which amounts are disbursed under the Act to PHA. PHA is a not-for-profit company; it has government and industry members and is the national coordinator of the government-industry partnership for plant biosecurity in Australia.

The Levies Regulations and Charges Regulations set out the rate of each levy or charge imposed by each Regulations, respectively. A levy or charge rate may be expressed as a single component, or the sum of components. The name of each component relates to activities or matters for which the imposition of levy or charge will result in expenditure. Part 5 of the Rules generally provide for collected amounts relating to biosecurity activity and biosecurity response components, in relation to a PHA commodity/service, to be disbursed under the Act to PHA.

A ***PHA commodity/service*** is defined in subsection 4(1) of the Act to mean: a plant product, a fungus product or an algal product; an animal product prescribed by the Rules for the purposes of this definition; goods that are of a kind consumed by, or used in the maintenance or treatment of, plants, fungi or algae; goods that are for use in the production or preparation of nursery products; a service that facilitates the production of a plant product, a fungus product or an algal product.

The levy and charge components prescribed for PHA are intended to continue in effect arrangements made under the repealed *Plant Health Australia (Plant Industries) Funding Act 2002* (the PHA (Plant Industries) Funding Act). Under the pre-existing framework, amounts

in relation to levies and charges previously known as Plant Health Australia or Emergency Plant Pest Response levies or charges were disbursed to PHA. The Act and the Rules continue in effect these arrangements, by providing for amounts in relation to biosecurity activity and biosecurity response components of relevant levies and charges imposed to be disbursed to PHA as demonstrated by the following table.

PHA (Plant Industries) Funding Act	Disbursement Act and Rules
PHA levy or charge	Biosecurity activity component
Emergency Plant Pest Response (EPPR) levy or charge	Biosecurity response component

Section 48—Simplified outline of this Part

This section provides a simplified outline of Part 5. It explains that Part 5 prescribes the biosecurity activity and biosecurity response components of the rates of levies and charges in respect of which amounts are disbursed under the Act to PHA.

Section 49—Disbursement of amounts to Plant Health Australia

Section 49 prescribes, for the purposes of paragraphs 54(1)(a) and 58(1)(a) of the Act in relation to AHA:

- the provision of the Levies Regulations and Charges Regulations that imposes a levy or charge; and
- the component or components of the rate of that levy or charge in respect of which amounts are disbursed to PHA.

Sections 54 (relating to biosecurity activity collected amounts) and 58 (relating to biosecurity response collected amounts) of the Act provide that the Commonwealth must pay to PHA, certain amounts. This includes amounts equal to the amounts that are received by or on behalf of the Commonwealth in relation to a PHA commodity/service in relation to a levy or charge imposed by a provision prescribed by the Rules to the extent that those amounts are equal to the components of the rate of that levy or charge prescribed by the Rules.

Section 49 of the Rules prescribes in relation to PHA the provisions imposing certain levies and charges and it prescribes the biosecurity activity component and/or biosecurity response component (as applicable) of the rates of those levies and charges. The effect of this section is that amounts equal to the biosecurity activity and / or biosecurity response components of each levy and charge, and related amounts, that have been received by or on behalf of the Commonwealth must be disbursed under the Act to PHA.

Part 6—National Residue Survey

Part 6 of the Rules deals with the crediting of amounts to the National Residue Survey (the NRS) Special Account. The NRS, which is administered by the Department of Agriculture, Fisheries and Forestry, facilitates the testing of animal and plant products for pesticide and veterinary medicine residues and environmental contaminants.

The NRS is funded through a Special Account, which is continued in existence under section 64 of the Act with the new name the National Residue Survey Special Account (the NRS Special Account). The purposes of the NRS Special Account include to make payments for purposes relating to the monitoring, testing and reporting of the level of contaminants in NRS products or the environment and the prevention of contamination in, and management of, risks associated with the contamination of NRS products.

The Levies Regulations and Charges Regulations set out the rate of each levy or charge imposed by each Regulations, respectively. A levy or charge rate may be expressed as a single component, or the sum of components. The name of each component relates to activities or matters for which the imposition of levy or charge will result in expenditure. The Rules generally provide for collected amounts relating to NRS components to be credited to the NRS Special Account.

The levy and charge components prescribed for the NRS are intended to continue in effect arrangements made under the repealed *National Residue Survey Administration Act 1992*.

Section 50—Simplified outline of this Part

This section provides a simplified outline of Part 6. It explains that Part 6 prescribes the NRS components of the rates of levies and charges in respect of which amounts are credited under the Act to the NRS Special Account.

Section 51—Crediting of amounts to National Residue Survey Special Account

Section 51 prescribes, for the purposes of paragraph 65(1)(a) of the Act, a provision of the Levies Regulations and Charges Regulations that imposes a levy or charge, and the components of the rate of that levy or charge, in respect of which amounts are credited to the NRS Special Account.

Section 65 of the Act provides that there must be credited to the NRS Special Account, certain amounts. This includes amounts equal to the amounts that are received by or on behalf of the Commonwealth that are in relation to certain levy or charge imposed by a provision prescribed by the Rules to the extent that those amounts are equal to the components of the rate of that levy or charge prescribed by the Rules.

Section 51 of the Rules prescribes the provisions imposing certain levies and charges and it prescribes the NRS component or components of the rate of each of those levies and charges. The effect of this section is that amounts equal to the NRS components of those levies and charges, and related amounts, that have been received by or on behalf of the Commonwealth must be credited under the Act to the NRS Special Account.

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 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 Rules 2024* (the Rules) is to provide, under a modernised legislative framework, for the disbursement of amounts in respect of levy and charge and gross value of production (GVP) calculations for matching payments. The Rules prescribe:

- the marketing, research and development and general levy and charge components in respect of which amounts are disbursed to each recipient body, as well as industry specific spending rules that are in addition to the requirements in the Act;
- the biosecurity activity and biosecurity response levy and charge components in respect of which amounts are disbursed to Animal Health Australia and Plant Health Australia and the National Residue Survey (NRS) levy and charge components in respect of which amounts are credited to the NRS Special Account;
- the goods relating to each recipient body for the purposes of GVP calculations for working out the amounts of matching payments to recipient bodies; and
- spending rules for some recipient bodies in addition to the requirements in the Act.

The legislative instrument commences on 1 January 2025.

Human rights implications

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 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.

The Instrument does not alter the engagement with these rights from the considerations discussed in the Explanatory Memorandum to the Bill for the Act listed above.

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. To the extent that it may limit human rights, those limits are reasonable, necessary and proportionate to the instrument's legitimate objectives.

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