



Please complete and send your response by **25th July 2016** to one of the following:

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1. Draft policy – Funding mechanisms for biosecurity

(a) Are you part of one or more of the funding mechanisms mentioned in the draft policy? That is, do you pay a declared pest rate, an Agricultural Produce Commission fee for service for biosecurity purposes, or a local government rate for biosecurity purposes, or are you part of an industry funding scheme?

No

(b) Please comment on the criteria used to determine the most appropriate funding mechanism outlined in Section 4 of the draft policy.

(i) Are they suitable criteria to guide DAFWA in determining the most appropriate funding mechanism to apply to a biosecurity issue?

WAFarmers is concerned that DAFWA is using this consultation process to set up a policy criteria that will allow them to decide how industry independently fund biosecurity activities, without acknowledging the role and importance of the agricultural industry's contributions and commitment to this process.

The four funding mechanisms described in the document are reliant on the significant primary funding contributions made by industry based participants, all of whom are valuable components of the 'community' based concept and secondly, are major contributors to the economy and the environment in Western Australia. WAFarmers is of the opinion that government match funding of biosecurity programs should also apply to the Industry Funding Schemes under BAM, as is the case with the Recognised Biosecurity Groups, declared pest rate contributions. It must be acknowledged by DAFWA that the same arable farmers and



livestock producers could be contributing to both funding mechanisms, possibly for the same declared pest.

On the specific criteria, WAFarmers offer the following comments:

Criteria 1 – origin of the concern relating to the biosecurity issue

The origin of the concern should not be the sole indicator as to who pays for the biosecurity threat, as the incursion of the pest could adversely affect others within the community. Greater emphasis must be appointed to a transparent, collaborative and equitable process for the funding mechanisms. Legislated Declared pests are and must remain the responsibility of all within the community.

The two primary funding mechanism under the BAM Act, the declared pest rate and the Industry Scheme Funding contributions, in our opinion, should both be match funded accordingly by the government, as both are targeting declared pests under legislation.

Management of declared pests will lead to the same outcome whether through IFS funding or declared pest rates, however under the IFS, industry is paying for management of the declared pest that will benefit the wider community.

Consideration could be given to reviewing the mechanisms used to collect funding contributions (one is land based the other is transaction based) and WAFarmers would be keen to be engaged with DAFWA on this matter.

The APC 'fee for service' mechanism is not applicable to the arable and livestock sectors as there are already robust funding structures in place in these industries for industry development programs.

There is very little information or clarity around the LG 'specified area rate' funding mechanism and guidelines and we believe this route could be a duplication of the requirements under the RBGs and cause considerable confusion in the community. For example is the VEN (unimproved value of the land) charged by the land based rating (BAM) or the LG Act?

With a diminishing agricultural industry (fewer producers delivering more) coupled with a tightening of government reserves and funding, WAFarmers believes the specified area rate funding mechanism under the LG Act may have become obsolete with the advent of Recognised Biosecurity Groups.

Recommendation: WAFarmers proposes that consideration must be given to match funding of IFS priorities, under the government obligations to biosecurity.

Criteria 2 – impact of biosecurity issue.

WAFarmers agrees that those most likely to be adversely affected should and will contribute to the management of the issue. However, the funding mechanism chosen to support management and control activities should be the responsibility of the primary funding contributor in collaboration with Government personnel.

The transfer of obligation from DAFWA to industry and community for the management, and funding of biosecurity issues, now means that DAFWA must acknowledge and collaborate with industry in an equitable manner for the good of all. DAFWA cannot be making decisions on the management of biosecurity issues if they are not net contributors to the program.

The biosecurity issue is assessed by the impact on one or multiple sectors, clarified as; economy sector, environment sector, or community amenity sector as a whole, but excludes sections of the agricultural industry, who are primary funding contributors to the funding mechanism i.e. 100% to the IFS contributions, and ?% to the RBGs. There is no clarification regarding the percentage paid by agricultural contributors to the six current RBGs.

This is a significant issue, as in regional and rural areas, agriculture is the primary economic driver. It is issues like this, which is causing considerable confusion in terms of the four funding mechanisms, and the differences between each, in terms of beneficial outcomes.

While the APC schemes are important to some industries like the pigs, bees and poultry sectors, the broad acre cropping and livestock industries already have well established funding mechanisms to support industry developments, including biosecurity related programs, and therefore they do not support the establishment of producer committees or the raising of funds under the APC Act, and would vehemently oppose any move by DAFWA to pursue this option.

As described in the document, APC and IFS have similar functions in industry, and therefore the potential for the establishment of an APC by DAFWA is significant duplication of an existing mechanism that already works and is fully supported by the arable and livestock industries.

It must be said that the strategic frameworks, guidelines and operational plans for each of the four funding mechanisms are extremely flimsy and requires considerable consideration. WAFarmers would be keen to work with DAFWA on these reforms.

Criteria 3 – Implementation and scale of the program to address biosecurity issue

The implementation criteria seems to focus solely on the declared pest rate funding collection mechanism, without consideration of the implementation protocols for the other funding mechanisms, Collection of IFS funds, for example, can also be collected across multiple local government authorities or the whole of WA.

Considerable clarity is needed on how the declared pest rates for each RBG, IFS contributions and APC funding mechanisms are collected and allocated, and the benefit of these schemes to the contributors as a whole. It is most difficult to find up to date delivery frameworks, KPIs and outcomes and financial information for each of the funding mechanisms.

For example, WAFarmers seeks further clarification on how DAFWA see the LG Act – specified area rates - working in separation to the other three funding mechanisms.



There was no objective information in the discussion document as to how the LG Act specified area rates could be applied and implemented without duplicating or over-lapping with the other three funding mechanisms.

With the focus being on the implementation of the programs; WAFarmers is concerned by the limited importance being placed on the accountability of each of the funding mechanisms, specifically:

- Once funding is allocated and collected for each scheme, where is the income held and who is accountable and responsible for its distribution, where do contributors find this information?
- Who will measure the performance criteria for each scheme, how are KPIs set?
- What are the reporting methodologies, how do funding contributors engage in the process, what schemes have opt-out clauses, what schemes are match funded?
- If there are surplus funds following the task, how will these be dispersed or used?
- What monitoring and reporting obligations exist, both to government and industry?

All this information is most likely collected, but it is very difficult to obtain accurate and up-to-date information for each of the existing scheme programs at present.

(ii) Are there additional criteria that should apply? What are they and how do they fit in the decision-making tree (draw an alternative decision-making tree)?

A number of recommended inclusions are described above. A risk matrix should be used to assist the decision making process and secondly, to avoid duplication and the doubling up of payments by contributors.

(c) Please comment on the proposed application of the policy in section 5 of the draft policy. Do you have any further suggestions on the application of the guiding criteria and decision-making tree in section 4 and figure 1?

DAFWA should not be making funding decisions in isolation. Industry representation must be engaged in the development of biosecurity activities, as they are the primary stakeholder and funder of the response plans.

There also needs to be consideration given to landholder assessment, particularly for small holdings.

(d) Other comments.

WAFarmers believes there is an opportunity for industry to work with the government to rationalise the above funding mechanisms to provide a more efficient outcome and a greater return on investments.

2. Draft policy – Declaring and categorising organisms: section 22(2) declared pests

WAFarmers will not be providing specific comments to each of the four questions below, however they would like to offer the following comments for consideration.



WAFarmers believes the consultative process adopted to review the declared pest priorities list, was comprehensive and constructive. However, we were really concerned that the enormity and complexity of this task did not allow the organisation to dedicate sufficient resources to this important task. Consequently, we feel that we were not able to contribute 100% to the process in the professional manner in which we aspire to.

In order to fulfil these obligations in the future, given the staffing cuts in DAFWA, WAFarmers propose the Department must consider providing the necessary funding support to the industry stakeholder willing to fulfil this obligation, to allow them to employ the right people with appropriate skills to dedicate the time needed to accomplish the task.

WAFarmers welcomes the opportunity to respond to this important consultation.