# Report to levies stakeholders 2016–17

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**Cataloguing data**

This publication (and any material sourced from it) should be attributed as: Department of Agriculture and Water Resources 2017, R*eport to levies stakeholders 2016*–*17*, Canberra, October.

This publication is available at **agriculture.gov.au/ag-farm-food/levies/publications**

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Contents

[1 Executive summary 1](#_Toc496890259)

[2 Financial management 2](#_Toc496890260)

[3 Levies performance and operations 3](#_Toc496890261)

[3.1 Levies and charges disbursed in 2016–17 3](#_Toc496890262)

[3.2 Returns and payments 3](#_Toc496890263)

[3.3 Website redevelopment 5](#_Toc496890264)

[3.4 Client service 5](#_Toc496890265)

[3.5 Stakeholder communications 6](#_Toc496890266)

[3.6 Cost recovery 6](#_Toc496890267)

[3.7 Levy efficiency and feasibility (LEAF) rating 9](#_Toc496890268)

[4 National Compliance Program 11](#_Toc496890269)

[4.1 Compliance activities in 2016–17 11](#_Toc496890270)

[5 Levy payer registers 14](#_Toc496890271)

[6 Levy changes in 2016–17 15](#_Toc496890272)

[1 July 2016 15](#_Toc496890273)

[1 January 2017 15](#_Toc496890274)

[1 April 2017 16](#_Toc496890275)

[Appendix A Cost recovery charges by LRB 17](#_Toc496890276)

[Appendix B Cost recovery charges by commodity 18](#_Toc496890277)

[Appendix C Levy disbursed by LRB 21](#_Toc496890278)

[Appendix D Levy disbursed by commodity 22](#_Toc496890279)

[Appendix E LRB analytical data 25](#_Toc496890280)

[Appendix F Commodity analytical data 26](#_Toc496890281)

[Glossary 29](#_Toc496890282)

# LEVIES AT A GLANCE 2016-17

A series of infographics present a summary of the department’s 2016–17 performance for the collection of levies and charges, as at 30 June 2017.
Section one presents the 2016–17 disbursement statistics. The amount of levies and charges disbursed in 2016–17 was 790.8 million dollars. Of the 790.8 million dollars, 493.2 million dollars is invested in marketing and research and development, 14.5 million dollars invested in biosecurity, 10.5 million dollars invested in residue testing and 272.6 million dollars as matched Commonwealth contributions for research and development.
Section two presents the 2016–17 processing statistics. The number of levy returns lodged in 2016–17 was 46,086. Of the 46,086 returns, 31,709 were lodged online and 14,377 were lodged manually. The average cost per return was 105 dollars and the average levy amount per return was 11,245 dollars.
Section three presents a summary about the 8,003 levy collection points that are registered with the department to lodge levy returns. The summary explains that 69 per cent of the collection points lodge their levy returns online and 83 per cent pay their levy via electronic funds transfer. On average, the cost to the department to collect levies and charges is 312 dollars per collection point.
Section four presents the department’s 2016–17 administration costs. The cost to the department to administer the levies program was 4.8 million dollars in 2016–17. This is approximately 0.93 per cent of levies and charges that were collected and disbursed in 2016–17. The department disbursed approximately 3.2 million dollars to levy recipient bodies per day. The department employs 27 staff that support the collection, administration and disbursement of levies and charges on behalf of Australia’s primary industries.
Section five presents a summary of the 2016–17 National Compliance Program. 530 collection points were selected for a record inspection in 2016–17 and 100 per cent of the scheduled record inspections have been completed. The compliance rate for the 2016–17 record inspection results currently stands at 69 per cent, with approximately 3.6 million dollars recorded in findings. Each record inspection costs, on average, 3,449 dollars to complete.
Section six presents a breakdown of the levy collection points by State. Of the 8,003 collection points, 2,051 are in New South Wales, 1,781 are in Victoria, 1,324 are in Queensland, 1,646 are in South Australia, 874 are in Western Australia, 295 are in Tasmania, and 32 are in the Northern Territory.

## Executive summary

The *Report to levies stakeholders 2016–17* provides a summary of the Department of Agriculture and Water Resources management of the agricultural levies system for 2016–17. The report focuses on the activities performed by our staff and how those activities drive the financial performance of the levies team.

In 2016–17 the department disbursed $790.8 million in levies and charges (levies) and Commonwealth matching payments to levy recipient bodies (LRBs). The cost to the department to administer the levies system was $4.83 million, representing 0.93 per cent of the total amount of levies disbursed. This was a decrease of $0.06 million or 1.29 per cent from the 2015–16 cost recovery charges. The department continues to streamline its processes and adjust the way levies are administered to ensure costs are kept to a minimum.

In 2016–17 adjustments of $3.6 million were made and the overall compliance rate was 69 per cent, an improvement of 4 per cent from 2015–16. The department boasts a robust compliance program that continues to deliver positive results for industry. A significant proportion of an industry’s cost recovery charges are for compliance. As a result, the department employs multiple strategies to ensure compliance while maintaining cost effectiveness. This includes a significant education program, targeting high-risk transactions, using third-party data and actively engaging with industry to share information, trends and intelligence.

In the 2016–17 levy year the department delivered a number of developments to the way it will collect and store levy information in the future. A significant priority for the department has been to progress the levy payer register project, resulting in a pilot project with the grains industry. Consultation that occurred in 2016–17, including with grain traders, has produced positive results and the concept of a levy payer register has been well received. Grain traders are confident that enhancements to the usability and functionality of the online system will add value to how levies are managed and that lodging levy returns online will remain simple.

A number of levies were established or amended in 2016–17. The collaborative working relationships that have been built between industry representative bodies and the department are critical to implementing legislative change, and the department recognises the significant effort that industry bodies contribute to the levies process. Industries are encouraged to continue their early engagement with the department to discuss how best they can meet the Australian Government’s [*Levy Principles and*](http://www.agriculture.gov.au/SiteCollectionDocuments/ag-food/levies/documentsandreports/levy-principles-guidelines.pdf)[*Guidelines*](http://www.agriculture.gov.au/SiteCollectionDocuments/ag-food/levies/documentsandreports/levy-principles-guidelines.pdf). Detailed information about the levies that were affected by legislative change in 2016–17 is in Chapter 7 and on the [department’s website](http://agriculture.gov.au/ag-farm-food/levies/commodities).

## Financial management

The financial position of the department’s levies program is expected to remain stable through to 2017–18. The levies statement of operations (Table 1) shows that overall expenditure for 2016–17 was $5.05 million, a year-on-year reduction of 1.4 per cent from $5.12 million in 2015–16. The decrease in expenditure reflected a decrease in total revenue of 2.2 per cent, driven mostly by a decrease in cost recovery charges (Figure 1). Disbursements for the period increased by $49.77 million, an increase of 6.7 per cent from 2015–16

Table 1 Levies operating statement, 2015–16 to 2017–18

| Operating statement | 2015–16 ($) | 2016–17 ($) | Variance ($) | Variance (%) | 2017–18 estimate ($) |
| --- | --- | --- | --- | --- | --- |
| Revenues from government | 188,000 | 188,000 | – | 0% | 188,000 |
| Other revenue | 35,415 | 19,937 | (15,478) | –43.7% | 9,924 |
| Cost recovery charges | 4,896,450 | 4,833,104 | (63,346) | –1.3% | 4,948,522 |
| **Total revenue** | **5,119,865** | **5,041,041** | **(78,824)** | **–1.5%** | **5,146,446** |
| Employee expenses | 3,117,839 | 2,556,809 | (561,030) | –18.0% | 3,070,692 |
| Supplier expenses | 476,044 | 486,008 | 9,964 | 2.1% | 290,328 |
| Other expenses | 7,312 | 6,262 | (1,050) | –14.4% | 19,100 |
| Depreciation and amortisation | 176,023 | 303,159 | 127,136 | 72.2% | 303,039 |
| Departmental overheads | 1,342,654 | 1,697,104 | 354,450 | 26.4% | 1,463,328 |
| **Total expenses** | **5,119,873** | **5,049,341** | **(70,531)** | **–1.4%** | **5,146,487** |
| Net surplus/(deficit) | (8) | (8,300) | (8,292) | +/– 1000% | (41) |
| Levy disbursed | 486,580,008 | 518,248,799 | 31,668,791 | 6.5% | 506,188,000 |
| Commonwealth matching | 254,492,230 | 272,592,038 | 18,099,808 | 7.1% | 302,755,000 |
| **Total disbursed** | **741,072,238** | **790,840,836** | **49,768,598** | **6.7%** | **808,943,000** |

Figure Cost recovery charges and levy disbursed, 2012–13 to 2016–17

## Levies performance and operations

### Levies and charges disbursed in 2016–17

The department disbursed $518.2 million in levies and charges in 2016–17, an increase of 6.51 per cent from 2015–16. The Australian Bureau of Statistics reported a record year for agricultural production, which has been reflected through an increase in levies and charges collected. The department also disbursed $272.6 million in Commonwealth matching contributions for eligible research and development expenses (Figure 2).

Figure Disbursements by levy recipient body, 2016–17

**AHA** Animal Health Australia. **Aus Eggs** Australian Eggs Limited. **AgriFutures** AgriFutures Australia. **AMPC** Australian Meat Processors Corporation. **APL** Australian Pork Limited. **AWI** Australian Wool Innovation Limited. **CRDC** Cotton Research and Development Corporation. **Dairy Aus** Dairy Australia Limited. **FRDC** Fisheries Research and Development Corporation. **FWPA** Forest and Wood Products Australia Limited. **GRDC** Grains Research and Development Corporation. **HIA** Horticulture Innovation Australia Limited. **LiveCorp** Australian Livestock Export Corporation Limited. **MLA** Meat & Livestock Australia. **NRS** National Residue Survey. **PHA** Plant Health Australia Limited. **SRA** Sugar Research Australia Limited. **Wine Aus** Wine Australia.

### Returns and payments

The number of returns lodged through [Levies Online](http://www.agriculture.gov.au/ag-farm-food/levies/lodging_returns_and_paying_levies/leviesonline) in 2016–17 increased by 4.7 per cent from 2015–16. Figure 3 shows this has been a continuing trend over the past five years indicating that improvements to the system have encouraged more people to lodge their returns via the online portal.

The department is committed to delivering a cost-effective levies collection service. Online submissions reduce the amount of processing effort required by staff. Returns submitted through the portal are less likely to contain errors because calculations are made and feedback is provided in real time. These factors reduce cost recovery charges for industry and increasing adoption of the online portal remains to be a major focus for the department. We will continue to work with our stakeholders to further automate and enhance the system.

Electronic funds transfer (EFT) continues to be the department’s preferred payment method because these types of transactions allow the levies management information system to automatically match payments with levy returns that are lodged. The number of payments processed via EFT in 2016–17 increased by 2.6 per cent from 2015–16 and the percentage of payments processed via EFT increased year-on-year by an average of 3.6 per cent per year since 2012–13 (Figure 4).

Figure Returns lodged, 2012–13 to 2016–17

Figure Receipts processed, 2012–13 to 2016–17

### Website redevelopment

In 2016–17 the levies team completed a webpage redevelopment project following feedback from stakeholders about their experiences while visiting the website. Information on the website was reviewed to ensure it was relevant and accessible, easy to understand and reflected current legislation.

The website now provides visitors with direct links to levy rates, commodity information pages and guidance about how to lodge a return and make a payment. The department will continue to analyse data on visitors to the website to measure user experiences and content accessibility. This analysis will be provided to stakeholders in subsequent reports.

### Client service

The department has made it easier for stakeholders to communicate directly with the levies team. Stakeholders can seek guidance about general levy matters, calculating levies, lodging returns and making payments via:

* [levies.management@agriculture.gov.au](mailto:levies.management@agriculture.gov.au)
* Levies Management on free call 1800 020 619
* Levies Online on free call 1800 022 384.

In 2016–17 a total of 5,609 calls were made to the levy hotlines and a breakdown of the length of each call and to which hotline is shown in Table 2.

Table Logged calls to levies hotlines, 2016–17

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Levies Management (Ph: 1800 020 619) | Levies Online (Ph: 1800 022 384) | Levies Compliance helpdesks | | | Total |
| NSW | SA | Vic. |
| Less than 1 min | 194 | 430 | 114 | 181 | 102 | 1,021 |
| 1 to 5 mins | 1,248 | 608 | 272 | 626 | 412 | 3,166 |
| 5 to 10 mins | 318 | 63 | 113 | 293 | 200 | 987 |
| 10 to 15 mins | 84 | 12 | 44 | 83 | 55 | 278 |
| 15 to 20 mins | 19 | 7 | 12 | 33 | 23 | 94 |
| More than 20 mins | 20 | 4 | 4 | 22 | 13 | 63 |
| Total | 1,883 | 1,124 | 559 | 1,238 | 805 | 5,609 |

### Stakeholder communications

In 2016–17 the department adopted a new email notification application to provide our levy stakeholders, particularly levy agents, with timely information about important changes to levy rates, reminders to lodge returns and information about the levy payer register pilot project.

Adopting the new email notification application was, in part, in response to some stakeholders expressing concern that they did not receive critical information before a levy rate was implemented. The application has improved our ability to communicate effectively because it has allowed us to monitor, in real time, recipients receiving correspondence. The department can now be proactive in updating contact details and can also better target our communications based on data from the application.

To ensure the department has correct contact details, levy agents should login to their [Levies Online](http://www.agriculture.gov.au/ag-farm-food/levies/lodging_returns_and_paying_levies/leviesonline) account and check their details are up-to-date. Levy agents not yet registered online can email [levies.management@agriculture.gov.au](mailto:levies.management@agriculture.gov.au) or phone our free call number on 1800 020 619.

### Cost recovery

The administration and collection of levies is managed by the department under a cost recovery arrangement. Costs are allocated to each industry proportionately, based on the effort required by the department to manage the particular levy. This is measured by staff allocating their time against activities in five minute blocks.

In 2016–17 the cost to the department to administer the levies program was $4.83 million or 0.93 per cent of the total levies collected, representing a decrease of 1.29 per cent from the amount recovered from industry in 2015–16. The department will continue to streamline its services and implement regulatory reform that will complement the Australian Government’s red tape reduction initiatives.

The cost recovery arrangement that the department operates under promote the transparent, sustainable and efficient allocation of resources. To support these principles, Table 3 outlines the department’s 2016–17 administrative costs, by activity, and provides a comparison between the 2015–16 and 2016–17 results. The department’s 2017–18 cost recovery estimate is also shown in Table 3. The department’s cost recovery charges in 2016–17, as a percentage of levy disbursed by LRB, are shown in Figure 5. Detailed information about the cost recovery charges that are attributed to a specific commodity is in Appendix B.

Table Levy administration costs, by activity, 2016–17

| Activity | 2015–16 ($) | 2016–17 ($) | Variance ($) | Variance (%) | 2017–18  estimate ($) |
| --- | --- | --- | --- | --- | --- |
| Direct charges (e.g. legal services, IT costs) | 55,420 | 36,900 | (18,520) | -33.4% | 10,000 |
| Agent management (e.g. levy–payer and/or intermediary liaison) | 432,918 | 451,714 | 18,796 | 4.3% | 429,897 |
| Queries (e.g. generated from incorrect returns and/or payments) | 192,597 | 213,015 | 20,418 | 10.6% | 211,663 |
| Processing (e.g. returns and payments) | 261,842 | 228,712 | (33,130) | -12.7% | 304,045 |
| Statistics (e.g. statistical information entered alongside returns) | 112,378 | 155,956 | 43,578 | 38.8% | 114,160 |
| Targeted compliance (e.g. OCP) | 964,376 | 1,102,811 | 138,435 | 14.4% | 1,049,776 |
| Non–targeted compliance (e.g. missing returns and debt management) | 400,196 | 483,688 | 83,492 | 20.9% | 469,865 |
| Other actions (e.g. reports, commodity specific requests for support) | 220,321 | 185,265 | (35,056) | -15.9% | 177,312 |
| Program management (e.g. non-attributable activities) | 2,256,404 | 1,975,043 | (281,361) | -12.5% | 2,181,804 |
| **Total** | **4,896,452** | **4,833,104** | **(63,348)** | **-1.3%** | **4,948,522** |

Figure Cost recovery charges as a percentage of levy disbursed by levy recipient body, 2016–17

**AHA** Animal Health Australia. **Aus Eggs** Australian Eggs Limited. **AgriFutures** AgriFutures Australia. **AMPC** Australian Meat Processors Corporation. **APL** Australian Pork Limited. **AWI** Australian Wool Innovation Limited. **CRDC** Cotton Research and Development Corporation. **Dairy Aus** Dairy Australia Limited. **FRDC** Fisheries Research and Development Corporation. **FWPA** Forest and Wood Products Australia Limited. **GRDC** Grains Research and Development Corporation. **HIA** Horticulture Innovation Australia Limited. **LiveCorp** Australian Livestock Export Corporation Limited. **MLA** Meat & Livestock Australia. **NRS** National Residue Survey. **PHA** Plant Health Australia Limited. **SRA** Sugar Research Australia Limited. **Wine Aus** Wine Australia.

### Levy efficiency and feasibility (LEAF) rating

The levy efficiency and feasibility (LEAF) rating was developed by the department in 2014–15 to demonstrate the efficiency and practicality of a levy or charge and to make comparisons between each leviable or chargeable commodity. The rating system was designed to be quantitative not qualitative (Table 4). Figure 6 shows each commodity’s LEAF rating.

Table How LEAF factors are calculated

|  |  |  |  |
| --- | --- | --- | --- |
| **LEAF factor** | **Measure** | **High score typified by:** | **Low score typified by:** |
| Levy effectiveness  (#/10) | Levy ($)/return (#) | High levy ($)/return | Low levy ($)/return |
| Levy ($)/collection point (#) | High levy ($)/collection point | Low levy ($)/collection point |
| Total levy ($) | High levy ($) | Low levy ($) |
| Cost effectiveness  (#/10) | Cost ($)/return | Low cost ($)/return | High cost ($)/return |
| Cost ($)/collection point | Low cost ($)/collection point | High cost ($)/collection point |
| Cost (%) of total levy | Low cost as % of total levy | High cost as % of total levy |

The cost drivers associated with collecting each commodity levy inform how it falls in one of four categories:

* **Leader**—high cost effectiveness/high levy effectiveness
* **Challenge**—high cost effectiveness/low levy effectiveness
* **Bolter—**low cost effectiveness/high levy effectiveness
* **Developer**—low cost effectiveness/low levy effectiveness.

Figure LEAF matrix, 2016–17

## National Compliance Program

The National Compliance Program (NCP) targets levy agents and commodities of operational or strategic risk to provide assurance to our stakeholders about the accuracy of the levies and charges collected.

The department would like to encourage LRBs and industry representative bodies to continue their engagement through the Commodity Liaison Program, or directly with levies officers, to discuss emerging trends within their industries and to share information that will assist the department to deliver a materially compliant levies system.

### Compliance activities in 2016–17

The NCP comprises three risk-based programs:

* Operational compliance program (OCP)—a national record inspection program that certifies the accuracy of levies and charges being paid by business type or commodity
* Strategic compliance program (SCP)—delivering projects to address specific areas of non-compliance
* Targeted compliance assessment program (TCAP)—focusing on agents not selected in the OCP.

Non-targeted compliance activities are also carried out under the NCP, as required.

The department recognises the top three levy payers for each commodity as the key industry agents, regardless of their risk category. The three levy agents are selected for inspection on a three-year cycle. High risk agents are selected on a 50 per cent basis and should expect a record inspection every two years. The remaining selections are made up of a random sample of 75 per cent medium risk and 25 per cent low risk agents. A maximum of 15 per cent of an industry can be selected in any one OCP. Risk ratings by industry category are shown in Figure 7.

Figure Risk ratings by industry category

In 2016–17, 530 scheduled OCP inspections were completed across Australia with a compliance rate recorded of 69 per cent. When taking financial findings into account, this rate increases to 73 per cent.

Overall, the NCP found approximately $3.6 million in incorrect levy payments in 2016–17. Of this, underpaid levy totalled $2.6 million and overpaid levy totalled $1 million. Table 5 provides further information about the results of the inspection program and Table 6 shows the breakdown of the 530 OCP inspections that were carried out, by state. Figure 8 shows the number of record inspections and the average cost per inspection by industry category.

Table Compliance program outcomes, 2012–13 to 2016–17

|  | Unit | 2012–13 | 2013–14 | 2014–15 | 2015–16 | 2016–17 |
| --- | --- | --- | --- | --- | --- | --- |
| OCP inspections completed | % | 100 | 100 | 100 | 100 | 100 |
| Compliance rate | % | 58 | 66 | 65 | 65 | 69 |
| New agents identified **a** | no. | 48 | 32 | 33 | 83 | 63 |
| Levy underpayments | $ | 519,916 | 426,046 | 3,552,273 | 4,280,711 | 2,608,413 |
| Levy overpayments | $ | (9,831) | (103,871) | (73,401) | (166,434) | (1,027,552) |
| Net adjustment **b** | $ | 510,085 | 322,175 | 3,478,872 | 4,114,277 | 1,580,861 |
| **Total adjustment c** | **$** | **529,747** | **529,917** | **3,625,674** | **4,447,145** | **3,635,965** |

**a** The number of new agents identified from the OCP inspections. Several new agents may be identified from one record inspection. **b** Net adjustment reflects the difference between the levy underpayments collected from levy payers and levy overpayments returned to levy payers. **c** Total adjustment includes the total levy underpayments collected from levy payers and total levy overpayments returned to levy payers.

Table OCP inspections by risk category and state, 2016–17

| Risk category | ACT/NSW | NT | Qld | SA | Tas. | Vic. | WA | Total |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Key industry | 9 | 1 | 20 | 7 | 1 | 16 | 4 | 58 |
| High risk | 80 | 0 | 49 | 18 | 6 | 68 | 28 | 249 |
| Medium risk | 56 | 0 | 28 | 36 | 2 | 37 | 9 | 168 |
| Low risk | 17 | 1 | 18 | 6 | 0 | 8 | 5 | 55 |
| **Total** | **162** | **2** | **115** | **67** | **9** | **129** | **46** | **530** |

Figure Record inspections, by industry category, 2016–17

## Levy payer registers

Closing the loop between primary producers and the organisations that invest levy on their behalf is a priority for the Australian Government. This is why the Commonwealth Parliament passed legislation to allow the creation of levy payer registers. This was only the first step; the department is working to create a sophisticated and efficient levy payer register system capable of collecting and storing levy payer information. The department must also legislate regulations to govern collection of this information from levy payers and intermediaries.

The department will soon test the design of a levy payer register with the grains industry through the Grains Research and Development Corporation. The four grain levies are ideal for a pilot project because they are relatively simple to calculate. However, the complexities in the grain supply chain present a unique opportunity to design an efficient collection system that can be rolled out to other industries.

Targeted consultation with grain trading organisations has identified that successfully transitioning levy agents from the existing system is a major driver of success for the new system. It will also need to be automated, flexible and secure. The department anticipates that a functional grain levy payer register will be in place by early 2018. However, the system will not go live until regulations are made that compel the collection of this data. The department will continue to seek input from industry and levy recipient bodies to create an efficient regulatory environment to support the new system.

Enhancements to the department’s levy management information system and [Levies Online](http://www.agriculture.gov.au/ag-farm-food/levies/lodging_returns_and_paying_levies/leviesonline) will be implemented to support levy payer registers and lead to greater transparency in client interactions with the department. Features of the new [Levies Online](http://www.agriculture.gov.au/ag-farm-food/levies/lodging_returns_and_paying_levies/leviesonline) system will include a modern look and feel and will result in improvements to:

* login and account management—users will be able to reset their own passwords, effectively manage their levy returns and payments, and track information and generate reports in real time
* returns and payments—flexible forms and online payments will improve automation of transactions for intermediaries and levy payers
* new file upload capability to lodge returns, specifically designed for levy payer registers.

The department is aware of the significant value that would be gained from establishing levy payer registers. By working with a modernised levies system, our primary industries should benefit from downward pressure on cost recovery charges. We anticipate that costs to comply will also fall for levy agents that use the full capability of the system.

## Levy changes in 2016–17

### 1 July 2016

* The pig slaughter marketing levy rate increased by 30 cents, taking the overall levy rate from $3.125 per head to $3.425 per head. This 30 cent per head increase was the final increment in a 90 cent per head marketing levy increase that was approved on 24 May 2012.
* The forest industry introduced an Emergency Plant Pest Response levy of 5 cents per cubic metre of logs for exotic softwood trees of the genus *Pinus sp.* This increased the overall rate for exotic softwood trees to 10.5 cents per cubic metre of logs.
* The deer velvet and deer export industry reduced the deer velvet levy and charge set at 1 per cent of the sale value of the velvet to zero and reduced the export charge on live deer set at $5.00 per head to zero.
* The research and development (R&D) and Plant Health Australia (PHA) components of the citrus levy were increased. The overall rate for oranges in bulk increased from $2.75 per tonne to $4.25 per tonne; oranges not in bulk from 5.5 cents per box to 8.5 cents per box; other citrus in bulk from $2.00 per tonne to $3.50 per tonne; and other citrus not in bulk from 4 cents per box to 7 cents per box.
* The fodder industry introduced an R&D charge on exported fodder at 50 cent per tonne.

### 1 January 2017

* The beef production R&D levy rate was set to zero until 30 June 2018 and the marketing levy rate will be set to 0.6 cents per kilogram. From 1 July 2018 the beef production marketing levy rate will decrease to 0.24 cents per kilogram and the R&D levy rate will increase to 0.36 cents per kilogram, with no change to the overall levy rate of 0.6 cents per kilogram.
* The livestock slaughter levy rate splits between R&D and marketing were also amended, comprising sheep, lambs and goats, to provide the Australian Meat Processor Corporation with the opportunity to undertake marketing programs on behalf of the industry. Changes to the levy rates include:
* The sheep R&D levy rate was set to zero and the marketing levy rate was activated to 15 cents per head until 30 June 2018. From 1 July 2018 the sheep marketing levy rate will decrease to 6 cents per head and the R&D levy rate will increase to 9 cents per head, with no change to the overall levy rate of 15 cents per head.
* The lamb R&D levy rate was also set to zero and the marketing levy rate was activated to 16 cents per head. From 1 July 2018 the lamb marketing levy rate will decrease to 6.4 cents per head and the R&D levy rate will be increased to 9.6 cents per head, with no change to the overall levy rate of 16 cents per head.
* The goat R&D levy rate was set to zero and the marketing levy rate was activated to 10 cents per head. From 1 July 2018 the goat marketing levy rate will decrease to 4 cents per head and the R&D levy rate will increase to 6 cents per head, with no change to the overall levy rate of 10 cents per head.
* A melon levy and charge of 0.4 cents per kilogram was introduced for melons that are produced in Australia and sold by a producer or that are exported. However, a melon producer is not liable to pay the levy or charge if they sold or exported less than 20 tonnes of melons by retail sale in a financial year.

### 1 April 2017

* The avocado industry introduced a PHA membership levy component of 0.1 cent per kilogram, which was offset by a 0.1 cent per kilogram reduction to the R&D component.
* The banana industry increased its PHA membership levy component, taking the overall banana levy rate from 2.45 cents per kilogram to 2.94 cents per kilogram.
* The cotton industry introduced a $4.06 per tonne levy and charge on seed cotton. The levy applies to harvested seed cotton intended for export and the charge applies to exported seed cotton. However, the charge is not payable if the levy has already been applied to the harvested seed cotton.

## Appendix A Cost recovery charges by LRB

| Levy recipient body | 2013–14 ($) | 2014–15 ($) | 2015–16 ($) | 2016–17 ($) | 2017–18 estimate ($) a |
| --- | --- | --- | --- | --- | --- |
| Animal Health Australia | 98,472 | 62,792 | 56,384 | 43,462 | 48,439 |
| Australian Eggs Limited | 33,117 | 27,400 | 23,280 | 28,940 | 23,079 |
| AgriFutures Australia | 109,901 | 107,777 | 77,646 | 79,133 | 91,679 |
| Australian Meat Processors Corporation | 161,124 | 165,347 | 173,010 | 219,863 | 209,647 |
| Australian Pork Limited | 53,011 | 43,646 | 55,572 | 36,190 | 50,917 |
| Australian Wool Innovation | 346,267 | 480,936 | 438,966 | 444,255 | 435,721 |
| Cotton Research and Development Corporation | 13,254 | 17,612 | 14,590 | 29,029 | 21,576 |
| Dairy Australia Limited | 96,288 | 85,439 | 94,694 | 97,928 | 105,968 |
| Fisheries Research and Development Corporation | 11,503 | 14,877 | 9,559 | 17,242 | 8,184 |
| Forest and Wood Products Australia Limited | 205,975 | 227,652 | 200,059 | 108,079 | 160,604 |
| Grains Research and Development Corporation | 544,347 | 583,386 | 545,487 | 742,214 | 693,573 |
| Horticulture Innovation Australia Limited | 1,316,357 | 1,309,765 | 1,234,561 | 1,462,117 | 1,357,563 |
| LiveCorp | 46,451 | 44,184 | 48,242 | 51,364 | 51,187 |
| Meat & Livestock Australia | 737,698 | 688,293 | 781,129 | 555,598 | 650,542 |
| National Residue Survey | 169,042 | 90,821 | 91,343 | 83,167 | 87,304 |
| Plant Health Australia Limited | 7,882 | 38,124 | 98,870 | 108,773 | 124,201 |
| Sugar Research Australia | 19,804 | 16,250 | 16,439 | 9,086 | 7,858 |
| Wine Australia **b** | 1,056,530 | 974,167 | 936,622 | 716,661 | 820,479 |
| **Total** | **5,027,023** | **4,978,468** | **4,896,450** | **4,833,104** | **4,948,522** |

**a** The 2017–18 estimate is based on departmental officer’s timesheet activity between 1 May 2016 and 30 April 2017. **b** Wine Australia, formally known as the Australian Grape and Wine Authority, was formed on 1 July 2014. The estimates include the combined historical costs for the Grape and Wine Research Development Corporation and the Wine Australia Corporation.

## Appendix B Cost recovery charges by commodity

| Industry group | Commodity | 2013–14 ($) | 2014–15 ($) | 2015–16 ($) | 2016–17 ($) | 2017–18 estimate ($) |
| --- | --- | --- | --- | --- | --- | --- |
| Animal products | Bees | 5,810 | 85 | 445 | 273 | – |
| Dairy produce | 105,811 | 87,143 | 96,583 | 99,853 | 108,082 |
| Goat fibre | 1,182 | 6,069 | 684 | 4,949 | 1,726 |
| Honey | 59,684 | 50,815 | 65,674 | 50,373 | 53,493 |
| Wool | 346,267 | 480,936 | 438,966 | 444,255 | 435,721 |
| **Total animal products** | | **518,753** | **625,048** | **602,351** | **599,703** | **599,023** |
| Field crops | Coarse grains | 247,885 | 209,814 | 211,207 | 266,458 | 248,076 |
| Cotton | 13,300 | 17,762 | 14,755 | 29,370 | 21,820 |
| Fodder export | – | – | 4,178 | 8,716 | 8,735 |
| Grain legumes | 94,466 | 126,278 | 95,826 | 149,854 | 159,328 |
| Oilseeds | 53,214 | 55,300 | 54,125 | 81,588 | 64,586 |
| Pasture seeds | 3,246 | 5,643 | 3,962 | 4,443 | 1,463 |
| Rice | 5,659 | 7,125 | 6,803 | 741 | 992 |
| Sugar cane | 19,804 | 16,250 | 16,439 | 9,086 | 7,858 |
| Wheat | 207,256 | 209,512 | 200,865 | 266,099 | 242,593 |
| Wheat export | – | – | – | – | – |
| **Total field crops** | | **644,829** | **647,684** | **608,159** | **816,354** | **755,451** |
| Fisheries | Farmed prawns | 11,503 | 14,877 | 9,559 | 17,242 | 8,184 |
| **Total fisheries** | | **11,503** | **14,877** | **9,559** | **17,242** | **8,184** |
| Forestry | Forest growers | 84,444 | 102,514 | 95,986 | 49,409 | 94,375 |
| Forest products | 121,531 | 128,591 | 119,062 | 69,553 | 83,036 |
| **Total forestry** | | **205,975** | **231,105** | **215,047** | **118,961** | **177,411** |
| Game animals | Deer slaughter | 3,911 | 5,211 | 3,304 | 3,169 | 4,301 |
| Deer velvet | 2,048 | 5,356 | 1,508 | – | – |
| Game goats | 349 | 1,193 | 100 | – | 774 |
| Game pigs | 2,013 | 2,786 | 1,311 | 2,956 | 2,506 |
| Horse slaughter | 481 | 1,517 | 2,892 | 1,934 | 1,026 |
| Macropods | 12,846 | 8,395 | 8,118 | 10,148 | 10,358 |
| Ratites | 677 | 1,122 | 520 | 3,850 | 942 |
| **Total game animals** | | **22,326** | **25,581** | **17,753** | **22,056** | **19,909** |
| Horticulture | Almonds | 8,520 | 12,738 | 3,913 | 16,834 | 12,240 |
| Apples | 70,376 | 64,705 | 75,959 | 103,466 | 99,383 |
| Avocados | 42,741 | 31,831 | 38,255 | 71,314 | 54,859 |
| Bananas | 43,983 | 44,532 | 61,033 | 62,543 | 73,902 |
| Cherries | 57,566 | 50,873 | 47,057 | 64,450 | 57,911 |
| Chestnuts | 10,604 | 13,586 | 8,772 | 7,716 | 11,570 |
| Citrus | 109,222 | 80,688 | 89,666 | 109,988 | 115,792 |
| Custard apples | 5,097 | 5,989 | 8,065 | 11,513 | 5,523 |
| Dried fruits | 12,681 | 18,700 | 22,080 | 25,346 | 22,168 |
| Ginger | 11,098 | 24,651 | 13,447 | 16,191 | 10,449 |
| Lychees | 6,086 | 7,003 | 6,556 | 12,303 | 9,444 |
| Macadamia nuts | 22,495 | 31,865 | 20,856 | 37,916 | 19,912 |
| Mangoes | 30,423 | 35,220 | 39,818 | 47,118 | 38,945 |
| Melon | – | – | – | 22,538 | 12,901 |
| Mushrooms | 14,103 | 14,986 | 7,173 | 7,546 | 5,824 |
| Nursery products | 64,676 | 51,449 | 47,435 | 56,345 | 58,214 |
| Olives | 60,266 | 51,791 | 17,393 | 22,843 | 15,649 |
| Onions | 35,907 | 42,013 | 41,537 | 47,353 | 32,236 |
| Papaya | 11,092 | 9,620 | 9,060 | 14,452 | 12,993 |
| Passionfruit | 9,641 | 10,308 | 13,291 | 13,211 | 12,953 |
| Pears | 43,499 | 34,027 | 38,567 | 46,675 | 52,618 |
| Persimmons | 11,387 | 11,199 | 10,406 | 12,638 | 10,396 |
| Pineapples | 9,154 | 9,540 | 10,759 | 11,923 | 17,839 |
| Potatoes | 78,842 | 56,944 | 51,201 | 53,966 | 57,370 |
| Rubus | 6,086 | 8,521 | 7,301 | 14,721 | 13,415 |
| Stone fruit | 54,334 | 47,454 | 34,791 | 52,387 | 43,377 |
| Strawberries | 8,254 | 6,333 | 6,240 | 18,548 | 11,295 |
| Sweet potato | – | – | 25,157 | 26,777 | 29,885 |
| Table grapes | 63,072 | 71,281 | 61,789 | 94,567 | 70,355 |
| Turf | 136,855 | 105,890 | 88,370 | 54,851 | 56,239 |
| Vegetables | 307,964 | 411,383 | 383,674 | 379,499 | 387,999 |
| **Total horticulture** | | **1,346,024** | **1,365,119** | **1,289,622** | **1,537,538** | **1,433,658** |
| Live animal export | Buffalo export | 1,277 | 1,484 | 677 | 2,211 | 1,352 |
| Cattle live export | 25,399 | 24,401 | 21,351 | 31,178 | 32,710 |
| Deer export | 1,170 | 428 | 1,086 | – | – |
| Goat live export | 7,923 | 5,784 | 8,547 | 6,712 | 5,231 |
| Lamb live export | 3,067 | 2,325 | 4,206 | 2,844 | 2,923 |
| Sheep live export | 10,062 | 11,674 | 14,137 | 10,630 | 10,323 |
| **Total live animal export** | | **48,898** | **46,096** | **50,004** | **53,576** | **52,539** |
| Livestock processing | Beef production | 68,397 | 82,512 | 76,133 | 101,012 | 89,222 |
| Buffalo slaughter | 692 | 1,140 | 1,481 | 2,594 | 3,257 |
| Goat slaughter | 17,436 | 21,091 | 17,440 | 19,545 | 20,517 |
| Lamb slaughter | 40,342 | 32,127 | 41,985 | 64,414 | 59,542 |
| Pig slaughter | 58,254 | 46,273 | 58,868 | 38,170 | 53,937 |
| Sheep slaughter | 34,948 | 29,617 | 37,451 | 34,892 | 40,365 |
| **Total livestock processing** | | **220,070** | **212,759** | **233,358** | **260,626** | **266,841** |
| Livestock transaction | Cattle transaction | 559,807 | 475,028 | 567,507 | 376,772 | 446,561 |
| Goat transaction | 61,487 | 54,804 | 53,833 | 46,335 | 45,197 |
| Lamb transaction | 178,139 | 153,427 | 161,400 | 137,342 | 171,148 |
| Sheep transaction | 100,199 | 102,759 | 105,260 | 74,465 | 78,473 |
| **Total livestock transaction** | | **899,632** | **786,019** | **888,000** | **634,914** | **741,379** |
| Other rural industries | Tea tree oil | **–** | **–** | **–** | **–** | 19,933 |
| **Total other rural industries** | | **–** | **–** | **–** | **–** | **19,933** |
| Poultry | Egg promotion | 22,941 | 15,857 | 14,190 | 16,724 | 15,398 |
| Laying chickens | 12,409 | 12,180 | 10,485 | 14,090 | 8,063 |
| Meat chickens | 16,600 | 20,475 | 18,952 | 22,578 | 27,776 |
| **Total poultry** | | **51,950** | **48,513** | **43,626** | **53,392** | **51,236** |
| Wine | Grape research | 152,094 | 185,098 | 181,700 | 167,495 | 188,784 |
| Wine export | 370,273 | 277,653 | 190,181 | 19,334 | 21,695 |
| Wine grapes | 534,695 | 512,917 | 567,090 | 531,914 | 612,480 |
| **Total wine** | | **1,057,063** | **975,668** | **938,971** | **718,743** | **822,958** |
| **Total** | | **5,027,023** | **4,978,468** | **4,896,450** | **4,833,104** | **4,948,522** |

## Appendix C Levy disbursed by LRB

| Levy recipient body | 2013–14 ($) | 2014–15 ($) | 2015–16 ($) | 2016–17 ($) | 2017–18 estimate ($) a |
| --- | --- | --- | --- | --- | --- |
| Animal Health Australia | 7,138,856 | 7,630,079 | 7,886,556 | 7,518,577 | 7,694,000 |
| Australian Eggs Limited | 7,045,342 | 6,424,048 | 7,654,720 | 7,794,839 | 7,785,000 |
| AgriFutures Australia | 5,475,688 | 4,479,362 | 3,974,195 | 3,143,393 | 5,580,000 |
| Australian Meat Processors Corporation | 20,202,353 | 22,034,673 | 19,664,293 | 17,305,419 | 16,763,000 |
| Australian Pork Limited | 12,423,453 | 15,077,293 | 14,379,323 | 16,322,100 | 16,985,000 |
| Australian Wool Innovation | 43,308,614 | 48,303,558 | 50,330,876 | 58,984,569 | 56,100,000 |
| Cotton Research and Development Corporation | 10,977,077 | 7,298,282 | 6,054,115 | 5,529,683 | 10,820,000 |
| Dairy Australia Limited | 32,981,436 | 35,372,937 | 35,369,207 | 32,130,361 | 32,221,000 |
| Fisheries Research and Development Corporation | 148,956 | 189,250 | 161,515 | 174,802 | 250,000 |
| Forest and Wood Products Australia Limited | 3,991,812 | 4,352,385 | 4,568,525 | 4,914,300 | 6,037,000 |
| Grains Research and Development Corporation | 120,416,725 | 117,590,342 | 110,520,065 | 139,012,956 | 114,692,000 |
| Horticulture Innovation Australia Limited | 42,110,614 | 45,958,821 | 51,819,514 | 55,373,955 | 53,374,000 |
| LiveCorp | 4,305,821 | 5,612,011 | 5,194,447 | 4,107,106 | 4,555,000 |
| Meat & Livestock Australia | 106,000,399 | 114,766,843 | 111,382,631 | 102,991,586 | 110,295,000 |
| National Residue Survey | 10,442,360 | 10,980,124 | 10,579,782 | 10,466,881 | 10,577,000 |
| Plant Health Australia Limited | 2,229,210 | 2,509,499 | 5,108,870 | 7,026,110 | 9,960,000 |
| Sugar Research Australia | 19,560,494 | 22,679,009 | 24,333,149 | 25,569,691 | 23,800,000 |
| Wheat Exports Australia **b** | 22 | - | - | - | - |
| Wine Australia **c** | 18,486,133 | 17,525,053 | 17,598,226 | 19,882,474 | 18,700,000 |
| **Total** | **467,245,363** | **488,783,571** | **486,580,008** | **518,248,799** | **506,188,000** |

**a** The 2017–18 estimate is from information provided by LRBs for the 2017–18 federal budget process. **b** Wheat Exports Australia was abolished on 31 December 2012. **c** Wine Australia, formally known as the Australian Grape and Wine Authority, was formed on 1 July 2014. The estimates include the combined historical costs for the Grape and Wine Research Development Corporation and the Wine Australia Corporation.

## Appendix D Levy disbursed by commodity

| Industry group | Commodity | 2013–14 ($) | 2014–15 ($) | 2015–16 ($) | 2016–17 ($) |
| --- | --- | --- | --- | --- | --- |
| Animal products | Bees | 6,938 | 8,622 | 722 | 53 |
| Dairy produce | 33,639,308 | 36,078,511 | 36,074,690 | 32,761,928 |
| Goat fibre | 34,393 | 20,680 | 28,582 | 25,215 |
| Honey | 536,027 | 434,678 | 646,310 | 789,341 |
| Wool | 43,308,614 | 48,303,558 | 50,330,876 | 58,984,569 |
| **Total animal products** | | **518,753** | **77,525,280** | **84,846,049** | **87,081,180** |
| Field crops | Coarse grains | 26,667,797 | 28,120,104 | 25,774,322 | 27,048,985 |
| Cotton | 11,020,528 | 7,360,240 | 6,122,676 | 5,594,544 |
| Fodder export | – | – | – | 367,328 |
| Grain legumes | 8,518,488 | 10,590,236 | 17,405,898 | 25,904,331 |
| Oilseeds | 22,183,647 | 16,604,264 | 18,071,809 | 26,362,246 |
| Pasture seeds | 187,270 | 172,294 | 133,410 | 146,857 |
| Rice | 3,492,660 | 2,492,627 | 2,085,358 | 755,995 |
| Sugar cane | 19,560,494 | 22,679,009 | 24,333,149 | 25,569,691 |
| Wheat | 66,657,835 | 65,828,282 | 52,615,473 | 63,732,737 |
| Wheat export | 22 | – | – | – |
| **Total field crops** | | **158,288,740** | **153,847,056** | **146,542,093** | **175,482,714** |
| Fisheries | Farmed prawns | 148,956 | 189,250 | 161,515 | 174,802 |
| **Total fisheries** | | **148,956** | **189,250** | **161,515** | **174,802** |
| Forestry | Forest growers | 1,201,822 | 1,400,324 | 1,511,898 | 2,010,869 |
| Forest products | 2,789,990 | 3,001,153 | 3,101,129 | 3,346,312 |
| **Total forestry** | | **3,991,812** | **4,401,477** | **4,613,027** | **5,357,181** |
| Game animals | Deer slaughter | 26,315 | 23,259 | 21,701 | 18,317 |
| Deer velvet | 8,696 | 12,414 | 12,871 | – |
| Game goats | 16 | 18 | – | – |
| Game pigs | 4,762 | 9,457 | 15,717 | 5,503 |
| Horse slaughter | 51,030 | 41,762 | 53,261 | 38,659 |
| Macropods | 96,898 | 87,357 | 91,818 | 74,283 |
| Ratites | 9,378 | 11,592 | 11,069 | 10,205 |
| **Total game animals** | | **22,326** | **197,095** | **185,860** | **206,437** |
| Horticulture | Almonds | 1,359,559 | 1,388,775 | 1,542,450 | 1,551,775 |
| Apples | 4,049,366 | 3,846,594 | 4,019,106 | 4,363,086 |
| Avocados | 3,652,284 | 4,151,817 | 5,142,969 | 5,648,429 |
| Bananas | 6,305,183 | 6,345,198 | 9,031,600 | 10,254,075 |
| Cherries | 711,635 | 962,717 | 1,094,477 | 688,982 |
| Chestnuts | 88,415 | 110,472 | 96,353 | 82,738 |
| Citrus | 1,724,755 | 1,648,672 | 1,874,496 | 2,718,135 |
| Custard apples | 72,655 | 73,656 | 84,833 | 89,362 |
| Dried fruits | 369,568 | 322,476 | 368,141 | 303,420 |
| Ginger | 160,004 | 174,307 | 160,871 | 147,755 |
| Lychees | 117,956 | 139,747 | 170,299 | 149,106 |
| Macadamia nuts | 3,243,817 | 3,465,318 | 4,050,725 | 4,061,363 |
| Mangoes | 904,761 | 1,227,523 | 1,211,245 | 1,188,099 |
| Melon | – | – | – | 323,286 |
| Mushrooms | 2,476,956 | 4,296,349 | 4,819,417 | 5,267,823 |
| Nashi | (158) | – | – | – |
| Nursery products | 1,944,998 | 2,124,520 | 2,388,718 | 2,306,123 |
| Olives | 283,100 | 250,134 | 339,500 | 274,046 |
| Onions | 479,741 | 705,920 | 1,018,999 | 926,699 |
| Papaya | 302,761 | 278,985 | 333,296 | 368,530 |
| Passionfruit | 209,539 | 210,423 | 251,408 | 241,979 |
| Pears | 1,428,345 | 1,400,853 | 1,565,851 | 1,501,240 |
| Persimmons | 134,053 | 123,173 | 100,944 | 133,096 |
| Pineapples | 241,368 | 280,114 | 260,601 | 297,384 |
| Potatoes | 957,730 | 1,026,351 | 1,038,398 | 1,015,041 |
| Rubus | 240,080 | 327,363 | 444,391 | 573,689 |
| Stone fruit | 927,459 | 948,196 | 991,649 | 947,131 |
| Strawberries | 697,731 | 734,722 | 761,083 | 1,018,501 |
| Sweet potato | – | – | 243,036 | 1,368,001 |
| Table grapes | 1,635,998 | 1,601,681 | 1,783,911 | 1,317,120 |
| Turf | 503,974 | 516,012 | 587,326 | 581,937 |
| Vegetables | 7,802,565 | 8,367,293 | 9,442,185 | 10,156,615 |
| **Total horticulture** | | **1,346,024** | **43,026,201** | **47,049,360** | **55,218,275** |
| Live animal export | Buffalo export | 9,339 | 19,497 | 25,051 | 32,416 |
| Cattle live export | 3,068,768 | 4,221,723 | 3,978,898 | 3,044,331 |
| Deer export | 30 | – | 515 | – |
| Goat live export | 43,357 | 47,821 | 37,652 | 13,346 |
| Lamb live export | 195,402 | 202,652 | 251,393 | 237,225 |
| Sheep live export | 998,294 | 1,139,815 | 926,504 | 812,204 |
| **Total live animal export** | | **4,315,190** | **5,631,508** | **5,220,013** | **4,139,522** |
| Livestock processing | Beef production | 14,722,217 | 16,533,486 | 14,464,252 | 12,513,836 |
| Buffalo slaughter | 1,173 | 1,562 | 1,049 | 5,289 |
| Goat slaughter | 251,082 | 264,567 | 228,666 | 203,992 |
| Lamb slaughter | 3,600,937 | 3,790,719 | 3,701,983 | 3,583,767 |
| Pig slaughter | 13,243,880 | 15,984,490 | 15,232,114 | 17,214,723 |
| Sheep slaughter | 1,628,116 | 1,445,902 | 1,269,392 | 1,003,824 |
| **Total livestock processing** | | **220,070** | **33,447,406** | **38,020,725** | **34,897,456** |
| Livestock transaction | Cattle transaction | 77,613,091 | 84,660,198 | 80,206,603 | 72,041,070 |
| Goat transaction | 1,160,990 | 1,267,777 | 1,102,167 | 990,060 |
| Lamb transaction | 36,848,407 | 39,759,656 | 40,969,485 | 40,297,452 |
| Sheep transaction | 3,610,788 | 3,319,544 | 3,036,008 | 2,705,757 |
| **Total livestock transaction** | | **899,632** | **119,233,276** | **129,007,176** | **125,314,264** |
| Poultry | Egg promotion | 4,851,217 | 4,394,571 | 5,270,073 | 5,327,621 |
| Laying chickens | 2,303,019 | 2,141,674 | 2,750,282 | 2,845,525 |
| Meat chickens | 1,401,347 | 1,516,459 | 1,661,053 | 1,856,455 |
| **Total poultry** | | **8,555,582** | **8,052,704** | **9,681,408** | **10,029,600** |
| Wine | Grape research | 3,633,862 | 3,419,307 | 3,471,619 | 3,850,163 |
| Wine export | 2,183,689 | 2,338,182 | 2,590,386 | 2,867,859 |
| Wine grapes | 12,698,273 | 11,794,918 | 11,582,334 | 13,214,550 |
| **Total wine** | | **18,515,824** | **17,552,407** | **17,644,339** | **19,932,572** |
| **Total** | | **467,245,363** | **488,783,571** | **486,580,008** | **518,248,799** |

## Appendix E LRB analytical data

| Levy recipient body | Collection points  a (#) | Cost/ collection point ($) | Levy/ collection point ($) | Returns processed  b (#) | Cost/ return ($) | Levy/ return ($) | Record inspections (no.) | OCP costs  c ($) | Average inspection cost ($) |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Animal Health Australia | 162 | 269 | 46,448 | 1,034 | 42 | 7,274 | 5 | 15,053 | 3,228 |
| Australian Eggs | 41 | 707 | 190,413 | 153 | 190 | 51,070 | 4 | 14,354 | 3,989 |
| AgriFutures Australia | 253 | 313 | 12,448 | 783 | 101 | 4,016 | 8 | 27,017 | 3,242 |
| Australian Meat Processors Corporation | 506 | 435 | 34,200 | 4,593 | 48 | 3,768 | 29 | 107,457 | 3,752 |
| Australian Pork Limited | 73 | 496 | 223,568 | 722 | 50 | 22,592 | 4 | 12,319 | 2,796 |
| Australian Wool Innovation Limited | 151 | 2,942 | 390,626 | 1,543 | 288 | 38,227 | 6 | 14,269 | 2,462 |
| Cotton Research and Development Corporation | 19 | 1,546 | 294,450 | 81 | 358 | 68,226 | 4 | 13,863 | 3,507 |
| Dairy Australia Limited | 87 | 1,122 | 368,112 | 970 | 101 | 33,126 | 8 | 20,041 | 2,661 |
| Fisheries Research and Development Corporation | 18 | 958 | 9,711 | 49 | 352 | 3,567 | 3 | 12,030 | 4,010 |
| Forest and Wood Products Australia Limited | 328 | 329 | 14,970 | 991 | 109 | 4,960 | 7 | 27,665 | 3,776 |
| Grains Research and Development Corporation | 2,155 | 344 | 64,520 | 5,020 | 148 | 27,690 | 137 | 491,470 | 3,592 |
| Horticulture Innovation Australia Limited | 5,249 | 279 | 10,550 | 11,638 | 126 | 4,758 | 200 | 681,128 | 3,428 |
| LiveCorp | 79 | 650 | 51,989 | 304 | 169 | 13,510 | 5 | 13,787 | 2,681 |
| Meat & Livestock Australia | 2,145 | 259 | 48,010 | 12,804 | 43 | 8,044 | 61 | 194,638 | 3,214 |
| National Residue Survey | 282 | 295 | 37,064 | 1,442 | 58 | 7,258 | 10 | 34,577 | 3,302 |
| Plant Health Australia Limited | 359 | 303 | 19,584 | 729 | 149 | 9,640 | 12 | 40,469 | 3,425 |
| Sugar Research Australia Limited | 14 | 649 | 1,826,406 | 92 | 99 | 277,931 | 1 | 5,146 | 5,118 |
| Wine Australia | 3,563 | 201 | 5,581 | 3,139 | 228 | 6,335 | 27 | 99,460 | 3,649 |
| **TOTAL** | **15,483** | **312** | **33,472** | **46,086** | **105** | **11,245** | **530** | **1,824,743** | **3,449** |

**a** Collection points can be counted more than once if they deal in multiple commodities and LRBs. The active levy agent base as at 30 June 2017 is 8,003. **b** Some returns contain multiple commodities and, therefore, could be counted multiple times against different LRBs. **c** The Operational Compliance Program selects levy agents for a record inspection annually using a risk based algorithm against the likelihood and consequence of non-compliance.

## Appendix F Commodity analytical data

| Commodity | Collection points  a (#) | Cost / collection point ($) | Levy / collection point ($) | Returns processed  b (#) | Cost / return ($) | Levy / return ($) | Record inspections  c (#) | OCP costs  d ($) | Average inspection cost ($) |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Almonds | 23 | 732 | 67,468 | 49 | 344 | 31,669 | 3.2 | 11,193 | 3,503 |
| Apples | 307 | 337 | 14,212 | 739 | 140 | 5,904 | 16.4 | 56,735 | 3,452 |
| Avocados | 244 | 292 | 23,149 | 554 | 129 | 10,196 | 16.3 | 54,338 | 3,336 |
| Bananas | 161 | 388 | 63,690 | 429 | 146 | 23,902 | 12.5 | 40,084 | 3,209 |
| Beef production | 169 | 598 | 74,046 | 1,734 | 58 | 7,217 | 14.6 | 53,487 | 3,672 |
| Bees | 1 | 273 | 53 | 1 | 273 | 53 | - | - | - |
| Buffalo export | 5 | 442 | 6,483 | 17 | 130 | 1,907 | 0.2 | 436 | 1,786 |
| Buffalo slaughter | 7 | 371 | 756 | 31 | 84 | 171 | 0.0 | 29 | 3,364 |
| Cattle live export | 27 | 1,155 | 112,753 | 142 | 220 | 21,439 | 3.2 | 9,636 | 3,020 |
| Cattle transaction | 1,260 | 299 | 57,175 | 6,859 | 55 | 10,503 | 41.8 | 133,025 | 3,185 |
| Cherries | 292 | 221 | 2,360 | 239 | 270 | 2,883 | 8.7 | 31,431 | 3,615 |
| Chestnuts | 78 | 99 | 1,061 | 79 | 98 | 1,047 | 0.7 | 3,012 | 4,418 |
| Citrus | 391 | 281 | 6,952 | 1,116 | 99 | 2,436 | 15.3 | 44,971 | 2,935 |
| Coarse grains | 800 | 333 | 33,811 | 2,056 | 130 | 13,156 | 48.9 | 169,730 | 3,468 |
| Cotton | 19 | 1,546 | 294,450 | 82 | 358 | 68,226 | 4.0 | 14,026 | 3,507 |
| Custard apples | 111 | 104 | 805 | 164 | 70 | 545 | 2.0 | 8,051 | 3,985 |
| Dairy produce | 89 | 1,122 | 368,112 | 989 | 101 | 33,126 | 7.7 | 20,435 | 2,661 |
| Deer slaughter | 17 | 186 | 1,077 | 84 | 38 | 218 | 0.2 | 552 | 3,097 |
| Dried fruits | 26 | 975 | 11,670 | 59 | 430 | 5,143 | 2.0 | 4,952 | 2,472 |
| Egg promotion | 34 | 492 | 156,695 | 85 | 197 | 62,678 | 2.4 | 8,650 | 3,680 |
| Farmed prawns | 18 | 958 | 9,711 | 49 | 352 | 3,567 | 3.0 | 12,030 | 4,010 |
| Fodder export | 22 | 396 | 16,697 | 48 | 182 | 7,653 | - | - | - |
| Forest growers | 144 | 343 | 13,964 | 391 | 126 | 5,143 | 3.1 | 11,897 | 3,892 |
| Forest products | 216 | 322 | 15,492 | 686 | 101 | 4,878 | 4.9 | 18,388 | 3,720 |
| Game pigs | 3 | 985 | 1,834 | 20 | 148 | 275 | 0.3 | 1,252 | 4,649 |
| Ginger | 120 | 135 | 1,231 | 317 | 51 | 466 | 3.0 | 8,987 | 2,980 |
| Goat fibre | 3 | 1,650 | 8,405 | 7 | 707 | 3,602 | 1.0 | 3,493 | 3,493 |
| Goat live export | 16 | 420 | 834 | 45 | 149 | 297 | 0.5 | 1,323 | 2,584 |
| Goat slaughter | 89 | 220 | 2,292 | 577 | 34 | 354 | 2.0 | 4,796 | 2,452 |
| Goat transaction | 260 | 178 | 3,808 | 1,052 | 44 | 941 | 5.8 | 13,566 | 2,325 |
| Grain legumes | 474 | 316 | 54,650 | 973 | 154 | 26,623 | 26.0 | 101,710 | 3,912 |
| Grape research | 788 | 213 | 4,886 | 745 | 225 | 5,168 | 10.4 | 34,347 | 3,288 |
| Honey | 182 | 277 | 4,337 | 265 | 190 | 2,979 | 2.0 | 7,276 | 3,638 |
| Horse slaughter | 2 | 967 | 19,330 | 22 | 88 | 1,757 | 0.4 | 1,419 | 3,598 |
| Lamb live export | 12 | 237 | 19,769 | 23 | 124 | 10,314 | 0.3 | 209 | 719 |
| Lamb slaughter | 122 | 528 | 29,375 | 1,173 | 55 | 3,055 | 8.9 | 37,372 | 4,178 |
| Lamb transaction | 463 | 297 | 87,036 | 3,519 | 39 | 11,451 | 16.9 | 60,915 | 3,594 |
| Laying chickens | 8 | 1,761 | 355,691 | 78 | 181 | 36,481 | 1.4 | 6,579 | 4,569 |
| Lychees | 105 | 117 | 1,420 | 110 | 112 | 1,356 | 1.7 | 7,180 | 4,190 |
| Macadamia nuts | 27 | 1,404 | 150,421 | 155 | 245 | 26,202 | 8.0 | 28,052 | 3,507 |
| Macropods | 18 | 564 | 4,127 | 109 | 93 | 681 | 0.7 | 3,398 | 4,649 |
| Mangoes | 260 | 181 | 4,570 | 413 | 114 | 2,877 | 7.7 | 30,001 | 3,901 |
| Meat chickens | 20 | 1,129 | 92,823 | 249 | 91 | 7,456 | 2.6 | 8,274 | 3,242 |
| Melon | 112 | 201 | 2,886 | 125 | 180 | 2,586 | 0.4 | 1,058 | 2,674 |
| Mushrooms | 11 | 686 | 478,893 | 20 | 377 | 263,391 | 1.0 | 2,495 | 2,495 |
| Nursery products | 71 | 794 | 32,481 | 213 | 265 | 10,827 | 6.0 | 15,366 | 2,561 |
| Oilseeds | 249 | 328 | 105,872 | 444 | 184 | 59,374 | 15.0 | 50,458 | 3,366 |
| Olives | 82 | 279 | 3,342 | 63 | 363 | 4,350 | 3.0 | 10,766 | 3,605 |
| Onions | 209 | 227 | 4,434 | 432 | 110 | 2,145 | 7.1 | 26,250 | 3,699 |
| Papaya | 129 | 112 | 2,857 | 323 | 45 | 1,141 | 1.4 | 6,345 | 4,632 |
| Passionfruit | 128 | 103 | 1,890 | 310 | 43 | 781 | 1.7 | 6,291 | 3,613 |
| Pasture seeds | 4 | 1,111 | 36,714 | 10 | 444 | 14,686 | 1.0 | 3,331 | 3,236 |
| Pears | 250 | 187 | 6,005 | 595 | 78 | 2,523 | 5.9 | 21,246 | 3,577 |
| Persimmons | 147 | 86 | 905 | 144 | 88 | 924 | 1.6 | 6,633 | 4,062 |
| Pig slaughter | 77 | 496 | 223,568 | 762 | 50 | 22,592 | 4.6 | 12,992 | 2,796 |
| Pineapples | 111 | 107 | 2,679 | 257 | 46 | 1,157 | 1.3 | 5,435 | 4,059 |
| Potatoes | 251 | 215 | 4,044 | 562 | 96 | 1,806 | 6.5 | 16,907 | 2,585 |
| Ratites | 4 | 962 | 2,551 | 16 | 241 | 638 | 1.0 | 2,832 | 2,794 |
| Rice | 4 | 185 | 188,999 | 8 | 93 | 94,499 | - | - | - |
| Rubus | 58 | 254 | 9,891 | 98 | 150 | 5,854 | 2.1 | 7,915 | 3,838 |
| Sheep live export | 24 | 443 | 33,842 | 94 | 113 | 8,640 | 1.1 | 2,620 | 2,281 |
| Sheep slaughter | 126 | 277 | 7,967 | 1,109 | 31 | 905 | 3.2 | 11,802 | 3,720 |
| Sheep transaction | 503 | 148 | 5,379 | 3,399 | 22 | 796 | 4.6 | 14,053 | 3,049 |
| Stone fruit | 369 | 142 | 2,567 | 628 | 83 | 1,508 | 6.3 | 22,157 | 3,490 |
| Strawberries | 7 | 2,650 | 145,500 | 12 | 1,546 | 84,875 | 2.0 | 10,244 | 5,122 |
| Sugar cane | 14 | 649 | 1,826,406 | 92 | 99 | 277,931 | 1.0 | 5,146 | 5,118 |
| Sweet potato | 133 | 201 | 10,286 | 406 | 66 | 3,369 | 3.7 | 12,177 | 3,280 |
| Table grapes | 288 | 328 | 4,573 | 519 | 182 | 2,538 | 12.0 | 34,738 | 2,905 |
| Turf | 210 | 261 | 2,771 | 667 | 82 | 872 | 5.0 | 12,240 | 2,448 |
| Vegetables | 848 | 448 | 11,977 | 2,603 | 146 | 3,902 | 46.9 | 172,322 | 3,755 |
| Wheat | 695 | 383 | 91,702 | 1,695 | 157 | 37,600 | 50.9 | 183,980 | 3,616 |
| Wine export | 7 | 2,762 | 409,694 | 40 | 483 | 71,696 | 0.0 | 3 | 3,152 |
| Wine grapes | 2,778 | 191 | 4,757 | 2,363 | 225 | 5,592 | 16.9 | 65,437 | 3,872 |
| Wool | 151 | 2,942 | 390,626 | 1,543 | 288 | 38,227 | 5.8 | 14,269 | 2,462 |
| **Total** | **15,483** | **312** | **33,472** | **46,086** | **105** | **11,245** | **530** | **1,824,743** | **3,449** |

**a** Collection points can be counted more than once if they deal in multiple commodities and LRBs. The active levy agent base as at 30 June 2017 is 8,003. **b** Some returns contain multiple commodities and, therefore, could be counted multiple times against different LRBs. **c** Agents that deal in multiple commodities and are selected for a record inspection may be listed more than once. **d** The Operational Compliance Program selects levy agents for a record inspection annually using a risk based algorithm against the likelihood and consequence of non-compliance.

## Glossary

| Term | Definition |
| --- | --- |
| Agent management | The department’s engagement with levy payers |
| Direct charges | Costs incurred by the department on behalf of industry |
| EFT | Electronic funds transfer |
| FTE | Full-time equivalent |
| IOC | Industry-owned corporation |
| IRB | Industry representative body |
| Levies Online | Web-based platform for levy payers to calculate, lodge and track returns |
| LiveCorp | Australian Livestock Export Corporation Limited |
| LRB | Levy recipient body |
| Non-targeted compliance | Behaviour-driven compliance program activities |
| OCP | Operational compliance program |
| Phoenix | The department’s levies management information system |
| Processing | Receiving and processing levy returns and receipts |
| Program management | Administration of levies and charges |
| Statistics | Analysis of statistical information to inform levy returns |
| SCP | Strategic compliance program |
| Targeted compliance | Operational compliance program activities |