

14 July 2021

Statement on increase to the forest growers levy rates

The Australian Forest Products Association (AFPA) has submitted a proposal to the Assistant Minister for Forestry and Fisheries Senator Jonno Duniham for an increase to the forest growers levy rates and the introduction of a new threshold.

At the request of forest growers, AFPA undertook extensive consultations in accordance with the *Levy guidelines: How to establish or amend agricultural levies (2020)* with potential forest grower levy payers. The issues covered were a new RD&E levy, increasing the PHA biosecurity levy and the introduction of a 20,000m³ exemption threshold.

Over 95% of forest growers levy payers by log volume supported:

- A new RD&E levy component to be set at \$0.035 per m³ in the first year of introduction, \$0.06 per m³ in year two and \$0.085 per m³ in the third and subsequent years;
- an increase to the Plant Health Australia biosecurity levy component of \$0.045 per m³; and
- the creation of a volume-based levy exemption threshold for growers producing less than 20,000 m³.

In addition to the above, AFPA is also seeking the removal of the regulatory cap on voluntary matched funding. Since 2015, the forest and wood products industry has been the only rural industry subject to a regulatory cap on voluntary matching funding, currently set at \$1.659 million per annum. AFPA members are seeking to have this cap removed so that additional research, development, and extension projects can be funded within the limits of the 0.5 per cent of Gross Value of Production of the sector, in line with other primary industries.

30 Day objection period

As part of the process to increase the levy, AFPA must hold a minimum 30-business day objection period.

This period will run from the 14 July to 28 August 2021.

If you are a potential forest growers levy payer and you have any objections to the proposal, you can provide your feedback via three options below:

- AFPA (02) 6285 3833 or forestgrowerslevy@ausfpa.com.au
- Department of Agriculture, Water and the Environment leviestaskforce@awe.gov.au
- Assistant Minister Duniham duniam@aph.gov.au

Any feedback can be provided anonymously if preferred or it will be responded to directly. If submitting an objection include the reasons for an objection to part or all of a proposal. The submission can be found [here](#).

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