



No More Animal Cruelty

Party:

Australian Greens

Summary of proposal:

This proposal has 3 components.

Component 1 would place a temporary levy of 1% on all betting turnover related to commercial horse racing with effect from 1 July 2022 to 30 June 2024.

Component 2 would establish a taskforce within the Department of Agriculture, Water and the Environment over a period of four years from 1 July 2022.

The taskforce would be responsible for:

- designing and implementing a national ban on commercial horse racing, including the shutdown of all commercial horse racing activities
- developing a plan to transition commercial horse racing facilities to open green spaces
- developing a transition plan for workers currently employed in the industry to transition out of the industry and find new work
- assisting in the rehabilitation and rehoming of horses
- designing and implementing a levy on all wagering related to horse racing.

Component 3 would commence from 1 July 2022 and would:

- end intensive factory farming in Australia by:
 - banning cage egg production and sow stalls
 - enforcing free range standards for all animals
 - improving food labelling laws to help identify free range and cruelty free products.
- provide transitional funding to assist workers impacted by the end of intensive factory farming.

The total amount of transitional funding provided would be equivalent to the net impact from Components 1 and 2.

Costing overview

This proposal would be expected to have nil impact on the fiscal and underlying cash balance over the 2022-23 Budget forward estimates period. This impact reflects an increase in revenue of \$523 million and a corresponding increase in expenses of \$523 million.

The departmental expenses associated with this proposal reflect the cost of implementing the temporary levy and the cost of establishing the taskforce.

The proposal would not have an ongoing impact beyond the 2022-23 Budget forward estimates period. A breakdown of the financial implications (including separate public debt interest (PDI) tables) over the period to 2032-33 is provided at Attachment A.

Table 1: Financial implications (\$m)^{(a)(b)}

	2022-23	2023-24	2024-25	2025-26	Total to 2025-26
Fiscal balance	-	-	2.6	-2.6	-
Underlying cash balance	-	-	2.6	-2.6	-

(a) A positive number represents an increase in the relevant budget balance; a negative number represents a decrease.

(b) PDI impacts are not included in the totals.

- Indicates nil.

Key assumptions

The Parliamentary Budget Office (PBO) has made the following assumptions in costing this proposal.

- The levy would be passed through to consumers in full.
- The levy would not have a material impact on the total value of thoroughbred wagering turnover.
- The total value of thoroughbred wagering turnover would grow at 4% per annum.
- Affected businesses would report and pay the levy monthly via the business activity statement.
- The levy would be deductible for the purpose of calculating gambling sales margins for GST.
- Any behavioural responses arising from Component 3 would not have a material impact on the budget.

Methodology

The levy revenue is calculated by multiplying the estimated total value of thoroughbred wagering turnover by the proposed levy rate. The estimates consider the timing of receipts.

Departmental expenses were estimated using the departmental cost calculator provided by the Department of Finance and were within the range of budget estimates for taskforces of similar scope and size announced in recent years.

The transitional funding amount to assist workers impacted by the end of intensive factory farming was based on the net financial impact of Components 1 and 2.

Financial implications were rounded consistent with the PBO's rounding rules as outlined on the PBO Costings and budget information webpage.¹

Data sources

Australian Government, *2022-23 Budget*, Australian Government, 2022.

Australian Government, *2021-22 Budget*, Australian Government, 2021.

Australian Government, *2020-21 Budget*, Australian Government 2020.

Racing Australia, [Fact Book 2021 – Racing Season Ended 31 July 2021](#), Racing Australia, 2021.

¹ https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Budget_Office/Costings_and_budget_information

Attachment A – No More Animal Cruelty – financial implications

Table A1: No More Animal Cruelty – Fiscal and underlying cash balances (\$m)^(a)

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	Total to 2025-26	Total to 2032-33
Revenue													
<i>Wagering levy</i>	235.0	266.0	22.0	-	-	-	-	-	-	-	-	523.0	523.0
Total – revenue	235.0	266.0	22.0	-	-	-	-	-	-	-	-	523.0	523.0
Expenses													
Administered													
<i>Transitional funding for factory farm workers</i>	-226.4	-262.4	-16.8	-	-	-	-	-	-	-	-	-505.6	-505.6
Total – administered	-226.4	-262.4	-16.8	-	-	-	-	-	-	-	-	-505.6	-505.6
Departmental													
<i>Australian Taxation Office</i>	-6.0	-1.0	-	-	-	-	-	-	-	-	-	-7.0	-7.0
<i>Department of Agriculture, Water and the Environment</i>	-2.6	-2.6	-2.6	-2.6	-	-	-	-	-	-	-	-10.4	-10.4
Total – departmental	-8.6	-3.6	-2.6	-2.6	-	-	-	-	-	-	-	-17.4	-17.4
Total – expenses	-235.0	-266.0	-19.4	-2.6	-	-	-	-	-	-	-	-523.0	-523.0
Total (excluding PDI)	-	-	2.6	-2.6	-	-	-	-	-	-	-	-	-

(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

- Indicates nil.

Table A2: No More Animal Cruelty – Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)^{(a)(b)}

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	Total to 2025-26	Total to 2032-33
Fiscal balance	-	-	0.03	0.03	..	..	..	..	..	..	..	0.1	0.1
Underlying cash balance	-	-	0.03	0.03	0.01	..	..	..	..	..	..	0.1	0.1

(a) As this table is presented as a memorandum item, these figures are not reflected in the totals in the table above. This is consistent with the approach taken in the budget where the budget impact of most measures is presented excluding the impact on PDI. If the reader would like a complete picture of the total aggregate, then these figures would need to be added to the figures above. For further information on government borrowing and financing please refer to the PBO's Online budget glossary².

(b) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

.. Not zero but rounded to zero.

- Indicates nil.

² [Online budget glossary – Parliament of Australia \(aph.gov.au\)](https://aph.gov.au)