

Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2014

Agriculture

Question: 16

Division/Agency: Animal Health Australia

Topic: Agency cost to run

Proof Hansard page: 111 (28/05/2014)

Senator BACK asked:

Senator BACK: You are a not-for-profit public company. Your shareholders are the Commonwealth government, the state and territory governments and the major national livestock industry organisations. Do you have available the gross dollars as to what your agency costs to run? Are you able to give us now—if not, on notice—the breakdown of contributions by each of those various parties?

Ms Plowman: Yes. I could give you a general cost, but I would like to provide it more specifically at a later date. Essentially, we do not accumulate reserves. It is very much in our organisation. This financial year is costing us approximately \$12.7 million to run. That is made up of what we call 'core programs' such as the Emergency Animal Disease Response Agreement training. This is something of interest to all our members. It is only approximately \$4 million to run the company. The other component of that is through special funded programs, which I have noticed over the last five years of the company have grown significantly. That is because our members are using the expertise, the technical knowledge and the project management skills of the company and leveraging off those to bring about special funded projects, which they are specifically interested in.

Answer:

Expenditure: The costs of running Animal Health Australia have been relatively consistent for a number of years. Using the actual audited financial statements for the year ended 30 June 2013 (latest available full year), these costs can be broken down as follows:

Question: 16 (continued)

Core funded projects	\$4 242 120	(projects funded by GVP based subscription from all members/industries)
Special funded projects	\$6 723 406	(projects funded by affected members/industries only)
Industry contracts and initiatives	\$1 720 440	(funded by affected industries only)
Levy collection costs	\$89 378	(funded by affected industries only)
Total	\$12 774 344	

This total includes staff costs (\$2 713 784) and operational overheads (\$772 888) which have been collectively allocated across all projects based on staff timesheet allocations. The total of \$12 774 344 does not include transfers/payments to industry based trust funds of \$2 151 934.

Funding: The funding of Animal Health Australia for the year ended 30 June 2013 can be broken down as follows:

Funding by Australian Government (member)	\$2 221 771	subscription funding and special funding – paid direct by members
Funding by states and territories (members)	\$1 883 342	subscription funding and special funding – paid direct by members
Funding from other parties	\$2 090 931	other members/associate members, other stakeholders, industry trust funds etc
Funding from industry levies	\$6 432 251	paid to company under <i>Australian Animal Health Council (Livestock Industries) Funding Act 1996</i>
Funding from interest	\$835 487	Interest on term deposits
Other funding	\$40 253	miscellaneous
Total	\$13 504 035	

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Budget Estimates May 2014

Agriculture

Question: 17

Division/Agency: Animal Health Australia

Topic: Grass-fed beef levy

Proof Hansard page: 112 (28/05/2014)

Senator GALLACHER asked:

Senator GALLACHER: Just to follow the same line of questioning as Senator Back, I am aware of the grass-fed beef levy, and I do know that \$3.66 went to marketing. How much went to Animal Health Australia? Is it 15c?

Ms Plowman: Approximately. I think it might actually be more in the range of 17c. And it has changed. I would have to go back and look at my notes.

Senator STERLE: Up or down?

Ms Plowman: Down.

Answer:

The grass fed beef levy paid to Animal Health Australia is currently 13 cents per head.