

27 November 2018

Mr David Hatfield  
Director  
Adjudication  
Australian Competition and  
Consumer Commission  
Via email: adjudication@acc.gov.au



Dear Mr Hatfield

**Re: Draft determination – Authorisation AA1000429**

Thank you for the briefing you provided via teleconference to the NFF's Farming Systems Committee on 19 November 2018.

As highlighted in our initial submission to this process, as an organisation we are very supportive of the drumMUSTER and ChemClear programs and are members of Agstewardship.

As you would have noted during the teleconference there are still reservations about the increase in the levy from four cents to six cents.

Following extensive discussion our membership agreed the following points;

- As a membership we are very supportive of the drumMUSTER and Chemclear programs continuing and in turn very supportive of the four cent levy continuing.
- We do feel that further detail needs to be provided in the business plan to justify the increase to six cents and would welcome further opportunity to work through this process with Agstewardship Australia.

You will recall in our initial submission that our members have expressed a desire to understand the strategic direction for the program over the next 5 years, and that I wrote to the Agstewardship Australia Board seeking advice about the development of a strategic plan.

In line with the above positions we propose that the Australian Competition and Consumer Commission (ACCC) delays its final determination until NFF's members can be satisfied with the strategic direction and a solid justification for an increase in the levy.

We put this proposal forward noting that;

- The proposed levy is not due to come into effect until 1 July 2019;
- Agstewardship Australia have proposed continuation of the authorisation for a four cent levy should six cents not be agreed as an interim measure; and
- The financial statements provided by Agstewardship Australia indicates sufficient reserve for the program to continue in its current form for at least three years.

In the intervening period, NFF and its membership undertakes to articulate its expectations to Agstewardship Australia clearly and also to approach such a process constructively.

An activity under the drumMUSTER Business Plan 2019 – 2024 is re-establishing the drumMUSTER Advisory Committee. As a consequence of this submission, we will also be writing to Agstewardship Australia requesting that the advisory committee be established immediately and become the forum through which the business plan is refined.

We would anticipate this process between NFF, its members and Agstewardship Australia could be worked through in a matter of months and would suggest that the delay will have minimum impact on the timeframes of the ACCC authorisation process for making a final determination. We would be in a position to articulate more specific timeframes in the coming weeks.

For further information, or if you would like to discuss this submission further, please contact Mark Harvey-Sutton, General Manager for Rural Affairs on [REDACTED] or at [REDACTED].

Yours Sincerely



**TONY MAHAR**  
Chief Executive Officer