

## **EXPLANATORY STATEMENT**

### **Issued by the Authority of the Minister for Finance**

#### *Financial Framework (Supplementary Powers) Act 1997*

#### *Financial Framework (Supplementary Powers) Amendment (Agriculture, Water and the Environment Measures No. 2) Regulations 2022*

The *Financial Framework (Supplementary Powers) Act 1997* (the FF(SP) Act) confers on the Commonwealth, in certain circumstances, powers to make arrangements under which money can be spent; or to make grants of financial assistance; and to form, or otherwise be involved in, companies. The arrangements, grants, programs and companies (or classes of arrangements or grants in relation to which the powers are conferred) are specified in the *Financial Framework (Supplementary Powers) Regulations 1997* (the Principal Regulations). The powers in the FF(SP) Act to make, vary or administer arrangements or grants may be exercised on behalf of the Commonwealth by Ministers and the accountable authorities of noncorporate Commonwealth entities, as defined under section 12 of the *Public Governance, Performance and Accountability Act 2013*.

The Principal Regulations are exempt from sunseting under section 12 of the *Legislation (Exemptions and Other Matters) Regulation 2015* (item 28A). If the Principal Regulations were subject to the sunseting regime under the *Legislation Act 2003*, this would generate uncertainty about the continuing operation of existing contracts and funding agreements between the Commonwealth and third parties (particularly those extending beyond 10 years), as well as the Commonwealth's legislative authority to continue making, varying or administering arrangements, grants and programs.

Additionally, the Principal Regulations authorise a number of activities that form part of intergovernmental schemes. It would not be appropriate for the Commonwealth to unilaterally sunset an instrument that provides authority for Commonwealth funding for activities that are underpinned by an intergovernmental arrangement. To ensure that the Principal Regulations continue to reflect government priorities and remain up to date, the Principal Regulations are subject to periodic review to identify and repeal items that are redundant or no longer required.

Section 32B of the FF(SP) Act authorises the Commonwealth to make, vary and administer arrangements and grants specified in the Principal Regulations. Section 32B also authorises the Commonwealth to make, vary and administer arrangements for the purposes of programs specified in the Principal Regulations. Section 32D of the FF(SP) Act confers powers of delegation on Ministers and the accountable authorities of non-corporate Commonwealth entities, including subsection 32B(1) of the Act. Schedule 1AA and Schedule 1AB to the Principal Regulations specify the arrangements, grants and programs.

Section 65 of the FF(SP) Act provides that the Governor-General may make regulations prescribing matters required or permitted by the Act to be prescribed, or necessary or convenient to be prescribed for carrying out or giving effect to the Act.

The *Financial Framework (Supplementary Powers) Amendment (Agriculture, Water and the Environment Measures No. 2) Regulations 2022* (the Regulations) amend Schedule 1AB to the Principal Regulations to establish legislative authority for government spending on certain activities administered by the Department of Agriculture, Water and the Environment.

Funding is provided for:

- the Koala Conservation and Protection package to support the long term recovery and conservation of koalas through the implementation of training in koala care, projects focusing on koala habitat restoration and protection, gaining greater knowledge and understanding of koala populations and their threats, and delivery of research and management activities to improve koala health outcomes (\$50.5 million over four years from 2021-22, with ongoing funding of \$2.5 million from 2025-26); and
- the Cultivating Australia's Traceability measure to support the ongoing development, implementation and improvement of supply chain traceability systems and arrangements for Australian agricultural exports, and to enable market access and premium pricing for such export (\$68.4 million over four years from 2021-22).

Details of the Regulations are set out at [Attachment A](#). A Statement of Compatibility with Human Rights is at [Attachment B](#).

The Regulations are a legislative instrument for the purposes of the *Legislation Act 2003*.

The Regulations commence on the day after the instrument is registered on the Federal Register of Legislation.

### **Consultation**

In accordance with section 17 of the *Legislation Act 2003*, consultation has taken place with the Department of Agriculture, Water and the Environment.

A regulation impact statement is not required as the Regulations only apply to noncorporate Commonwealth entities and do not adversely affect the private sector.

**Details of the *Financial Framework (Supplementary Powers) Amendment (Agriculture, Water and the Environment Measures No. 2) Regulations 2022***

**Section 1 – Name**

This section provides that the title of the Regulations is the *Financial Framework (Supplementary Powers) Amendment (Agriculture, Water and the Environment Measures No. 2) Regulations 2022*.

**Section 2 – Commencement**

This section provides that the Regulations commence on the day after the instrument is registered on the Federal Register of Legislation.

**Section 3 – Authority**

This section provides that the Regulations are made under the *Financial Framework (Supplementary Powers) Act 1997*.

**Section 4 – Schedules**

This section provides that the *Financial Framework (Supplementary Powers) Regulations 1997* are amended as set out in the Schedule to the Regulations.

**Schedule 1 – Amendments**

***Financial Framework (Supplementary Powers) Regulations 1997***

**Item 1 – In the appropriate position in Part 4 of Schedule 1AB (table)**

This item adds two new table items to Part 4 of Schedule 1AB to establish legislative authority for government spending on certain activities administered by the Department of Agriculture, Water and the Environment (the department).

New **table item 535** establishes legislative authority for government spending to support the Koala Conservation and Protection package (the package), which aims to continue the Australian Government’s support for the long term recovery and conservation of the koala.

The package builds on the Government’s initial \$18 million koala package announced in November 2020 to help protect Australia’s iconic species. Funding was provided to support habitat restoration projects, koala health research and veterinary support, and the establishment of a National Koala Monitoring Program to track population trends across the full range of the koala’s distribution.

The koala (combined populations of Queensland, New South Wales, and Australian Capital Territory) is currently listed as ‘endangered’ under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act). The major threats to koalas include habitat loss, fragmentation and degradation from land clearing, drought and heatwave exacerbated by climate change, fire, the consequences of urbanisation of koala habitat including dog attacks and vehicle strikes, and disease.

A number of koala populations were significantly impacted by the 2019-20 Black Summer bushfires. The Australian Government has responded by:

- re-assessing the listing status of the koala: following the review and recommendations by the Threatened Species Scientific Committee, the status of the koala (combined populations of Queensland, New South Wales and the Australian Capital Territory) was up-listed from ‘vulnerable’ to ‘endangered’ by the Minister for the Environment, the Hon Sussan Ley MP (the Environment Minister).
- finalising a national recovery plan for the koala to maximise the listed koala’s long term survival in the wild, reducing the risk of extinction and reversing the population declines. The National Koala Recovery Plan (the Recovery Plan) will provide a national, landscape-scale conservation framework which sets out research and management actions to support conservation of this species through collaborative action. It will coordinate existing fragmented actions across multiple disciplines and jurisdictions.

On 29 January 2022, the Prime Minister, the Hon Scott Morrison MP and the Environment Minister jointly announced an additional \$50 million package to boost the long-term protection and recovery efforts for Australia’s koalas. The media release is available at <https://minister.awe.gov.au/ley/media-releases/joint-media-release-record-50-million-koalas>.

As part of the total package of funding, administered funding of \$33 million will be provided to support the following key components of the package:

- koala habitat restoration (\$30 million): to support projects that prioritise, restore and protect critical koala habitat and support on-ground activities to reduce threats and improve health outcomes. There will be approximately \$10 million for small-scale (up to \$200,000) projects, and \$20 million for medium (\$200,000 - \$1 million) and large (above \$1 million) projects. Funds will be invested in habitat corridors, restoration activities, citizen science projects and other on-ground actions in partnership with states, Natural Resource Management organisations, industry, Indigenous groups, non-government organisations and communities. State and territory governments would be eligible for large and medium projects where they have a critical role in the work, agree to provide matching funding, and provide assurance that the projects will be additional and complementary to their existing work;
- improve koala health outcomes (\$2 million): to focus on applied research activities and practical application of research outcomes addressing fundamental koala health challenges. Projects may build on practical and applied research projects including a national disease risk assessment completed by June 2022 to improve understanding of koala health and enable better management of koalas in care. This could include supporting koala hospitals to implement new protocols for identifying retrovirus and herpes virus and developing a national vaccination strategy and vaccination trials in priority koala populations; and
- training in Koala care (\$1 million): this will support up to an additional 1,000 training places under the national vet and vet nurses training program in koala care, treatment and triage. Training will ensure practitioners are equipped to care for injured and diseased koalas. This continues a program that commenced in 2021 for vets and vet nurses, and will potentially broaden the training opportunity to include emergency management personnel, park rangers and wildlife carers.

Implementation of this package will involve engagement and participation from state and territory governments, scientists and researchers, landholders, Indigenous Australians, and non-government organisations involved in koala conservation across the species' range (South Australia, Victoria, Australian Capital Territory, New South Wales and Queensland).

The funding package aligns with, and will support delivery of the Government's new *Threatened Species Strategy 2021-2031* (the strategy). The koala is one of the 100 priority species identified under the strategy and is recognised as an 'umbrella' species, meaning work undertaken to protect and recover the koala will deliver broader benefits to other species.

The department will deliver the package through a mix of funding arrangements, including competitive grants, and procurements to service providers, such as Natural Resource Management organisations, in accordance with the Commonwealth resource management framework. A portion of funding may be delivered through closed non-competitive grants to organisations that can deliver specialised projects, for example relating to koala health research.

Financial assistance for koala habitat restoration is likely to be delivered using grant and procurement arrangements, while the koala health outcomes and additional training in koala care will be delivered using grants.

Procurements would be undertaken in accordance with the Commonwealth Procurement Rules. It is expected that any services will be procured through either limited tender consultancies (including using departmental panel arrangements) or through the existing Regional Land Partnership's program arrangements. The Environment Minister will decide on successful tenderers and the amounts to be allocated for each procurement. Details of the tenders will be published on AusTender at [www.tender.gov.au](http://www.tender.gov.au) as appropriate.

Grants will be administered in line with the *Commonwealth Grant Rules and Guidelines 2017* (CGRCs). Guidelines containing eligibility and assessment criteria will be developed and will be available on GrantConnect at <https://www.grants.gov.au/> if required. Grant recipients must demonstrate that a project meets the relevant criteria before receiving a grant. The department will make recommendations to the Environment Minister on the merits of each proposal and the Minister will make the final determination on funding.

Management of grants may be undertaken by one of the Commonwealth grants hubs. Information about awarded grants will be published on GrantConnect at <https://www.grants.gov.au/>.

Expenditure of funds under the package will not be subject to merits review. Merits review would not be appropriate because the decisions being made will relate to the allocation of finite resources between competing applicants and an allocation already made to another party would be affected by overturning the original decision. The Administrative Review Council (ARC) has recognised that it is justifiable to exclude merits review in relation to decisions of this nature (see paragraphs 4.11 to 4.14 of *What decisions should be subject to merit review?* (ARC guide)).

In addition, the review and audit process undertaken by the Australian National Audit Office (ANAO) provides a mechanism to review Australian Government spending decisions and

report any concerns to the Parliament. These requirements and mechanisms help to ensure the proper use of Commonwealth resources and appropriate transparency around decisions relating to making, varying or administering arrangements to spend relevant money.

Further, the right to review under section 75(v) of the Constitution and review under section 39B of the *Judiciary Act 1903* may be available. Persons affected by spending decisions would also have recourse to the Commonwealth Ombudsman where appropriate.

Funding decisions made in connection with procurements will not be subject to independent merits review, as they are decisions relating to the allocation of a finite resource, from which all potential claims for a share of the resource cannot be met. In addition, any funding that has already been allocated would be affected if the original decision was overturned. The ARC has recognised that it is justifiable to exclude merits review in relation to decisions of this nature (see paragraphs 4.11 to 4.19 of the ARC guide).

The re-making of a procurement decision after entry into a contractual arrangement with a successful provider is legally complex and could result in delays to providing services. The *Government Procurement (Judicial Review) Act 2018* enables suppliers to challenge some procurement processes for alleged breaches of certain procurement rules. This legislation might provide an additional avenue of redress (compensation or injunction) for dissatisfied providers or potential providers, depending on the circumstances.

The package was developed having regard to consultations which were held during the design and implementation of the initial \$18 million koala conservation package. This included consultation with scientific experts, state and territory government agencies, non-government organisations, natural resource management organisations, and key koala stakeholder groups. It was generally acknowledged that additional investment in improving habitat extent, quality and connectivity, better understanding and knowledge of koala populations and their threats, and improved koala health outcomes would be beneficial for protecting and recovering the koala.

Funding of \$50.5 million over four years from 2021-22 will be included in the 2022-23 Budget. Funding will come from Program 1.1: Sustainable Management of Natural Resources and the Environment, which is part of Outcome 1. Details are included in the *Portfolio Additional Estimates Statements 2021-22, Agriculture, Water and the Environment Portfolio* at page 24.

Noting that it is not a comprehensive statement of relevant constitutional considerations, the objective of the item references the following powers of the Constitution:

- the external affairs power (section 51(xxix));
- the power to grant financial assistance to States (section 96); and
- the territories power (section 122).

#### External affairs power

Section 51(xxix) of the Constitution empowers the Parliament to make laws with respect to 'external affairs'. The external affairs power supports legislation implementing Australia's international obligations under treaties to which it is a party.

Australia has obligations under the *Convention on Biological Diversity* to, as far as possible and appropriate:

- Promote the protection of ecosystems, natural habitats and the maintenance of viable populations of species in natural surroundings (Article 8(d));
- Rehabilitate and restore degraded ecosystems (Article 8(f));
- Support local populations to develop and implement remedial action in degraded areas where biological diversity has been reduced (Article 10(d));
- Promote and encourage research which contributes to the conservation and sustainable use of biological diversity (Article 12(b)).

The package will support activities that are directed at the conservation and protection of koalas and their habitats.

*Grants of financial assistance to states and territories powers*

Section 96 of the Constitution empowers the Parliament to ‘grant financial assistance to any State on such terms and conditions as the Parliament thinks fit’.

Section 122 of the Constitution empowers the Parliament to ‘make laws for the government of any territory’.

The habitat restoration component may involve the Commonwealth providing grants of financial assistance to the states on terms and conditions where the states have a critical role in the work, agree to provide matching funding and provide assurance that projects will be additional and complementary to their existing work. The Commonwealth may also provide grants for projects and to organisations in the territories that are successful through the grant application process.

New **table item 536** establishes legislative authority for government spending on the Cultivating Australia’s Traceability measure.

The Cultivating Australia’s Traceability – Promoting and Protecting Australian Premium Agriculture measure (the measure) comprises a number of initiatives to harmonise traceability standards and data, maximising the ability of agricultural producers to meet market demands and receive premium prices for their quality products. This will build a streamlined and efficient approach to traceability that will maximise the ability of agricultural producers to meet emerging credential requirements and receive premium prices for their products. The vision is to work with industry to leverage regulatory systems and processes to create economic value for agricultural industries.

This measure forms part of the Government’s commitments for the Simplified Trade System agenda to support Australian exporters, modernise Australia’s trade system and streamline border clearance services. These measures will streamline trade to strengthen economic resilience and bolster Australia’s COVID-19 economic comeback.

On 16 December 2021, the Minister for Agriculture and Northern Australia, the Hon David Littleproud MP (the Agriculture Minister) made a stronger foundations for agriculture announcement, which included \$68.4 million to harmonise traceability standards and data, maximising the ability of producers to meet market demands and receive premium prices for their quality produce, through the Simplified Trade System agenda. The media

release is available at <https://minister.ave.gov.au/littleproud/media-releases/myefo-2021-22>. The Agriculture Minister subsequently issued a media release on 24 January 2022 with further details about the initiatives to be funded under the measure. The media release is available at <https://minister.ave.gov.au/littleproud/media-releases/stepping-up-ag-traceability>. Work under the measure has commenced and will continue until 30 June 2025.

The measure will receive \$68.4 million over four years from 2021-22 to deliver the following initiatives:

- Establish the National Agricultural Traceability Alliance (Alliance) which will create ongoing engagement, information sharing and mechanisms that enable collaboration by:
  - hosting a traceability summit for industry and government;
  - establishing a new Agricultural Traceability Industry Advisory Board;
  - developing an Agricultural Traceability Strategy to detail an ideal future state;
  - establishing a new traceability Community of Practice (CoP) between industry and government to share knowledge; and
  - commissioning and undertaking research and modelling for the benefit of the CoP to improve and expand traceability systems, identify innovative technologies, and showcase models beneficial to producers, informed by specialist legal advice.
- Establish the National Agricultural Traceability Hub which will enable government and industry to improve the capability of traceability systems through:
  - developing a National Agricultural Traceability Roadmap to harmonise and simplify traceability systems;
  - developing an agricultural supply chain data standard, informed by specialist legal advice to enable the standardise of data collection;
  - digitising export legislation to identify opportunities to streamline proactive compliance processes;
  - distributing grants to encourage industry to invest in the proposed traceability data standard and to ensure alignment with the Roadmap; and
  - distributing grants for regulatory technology (RegTech) Proof of Concept pilot projects to develop machine learning systems that connect with digitised export legislation.
- Establish the Agricultural Credential Initiative (ACI) which will support the development of favourable and evidence based traceability systems and credentials and aid industry in increasing access to premium prices for export goods through:
  - developing an online tool to provide industry with access to research on emerging traceability trends and market intelligence to identify premium value opportunities, informed by specialist legal advice; and
  - distributing grants to industry and research organisations for projects that demonstrate the benefits of adhering to credential requirements and to develop industry-specific plans to improve uptake of credentialing requirements.

Beneficiaries of the measure will include primary agricultural producers, other actors in agricultural supply chains which utilise the data collected as part of traceability systems, and Commonwealth and state and territory governments which undertake audits of agricultural producers and certify products through improved efficiencies and the possibility of access to premium value markets. Consumers will benefit from the initiative by having greater access to information about the agricultural goods they buy.



The department will deliver the initiatives through various grant processes in accordance with the requirements of the Commonwealth grants policy framework including the *Public Governance, Performance and Accountability Act 2013* and the CGRGs. Decisions regarding expenditure under the initiatives will be made by the Agriculture Minister or a Senior Executive Service Officer of the department, as the delegate of the Agriculture Minister, following recommendations made by an assessment panel. The delegate of the Agriculture Minister would have relevant expertise in, and understanding of, traceability of agricultural products, and be able to perform relevant functions in accordance with the Commonwealth resource framework.

The National Agricultural Traceability Standard and Roadmap Alignment grants, National Agricultural Traceability RegTech Proof of Concepts grants, and Agricultural Credentials Frameworks grants will be delivered as grants programs through open competitive funding rounds which have open and closed nominated dates, with eligible applications being assessed against the nominated selection criteria.

Information about these programs including grant opportunity guidelines will be available at [grants.gov.au](https://grants.gov.au). An assessment panel will be responsible for shortlisting successful applicants and making recommendations to the decision-maker.

The CoP stakeholder engagement grant will be delivered as a grants program through a targeted or restricted competitive funding round which is open to a small number of potential grantees based on the specialised requirements of the grant activity under consideration.

Information about this program including grant opportunity guidelines will be made available via email to a number of prospective grantees identified as non-government research organisations which are not aligned with specific agricultural industries.

The selection process and the program delivery for the grants under the measure will be administered by the department, with some components delivered by the Community Grants Hub within the Department of Social Services as necessary as part of a manage only arrangement.

Expenditure decisions under the initiatives would not be subject to merits review. Merits review would be considered as inappropriate for these expenditure decisions, as they are decisions relating to the allocation of a finite resource, from which all potential claims for a share of the resource cannot be met. In addition, any funding that has already been allocated would be affected if the original decision was overturned. The ARC has recognised that it is justifiable to exclude merits review in relation to decisions of this nature (see paragraphs 4.11 to 4.19 of the ARC guide).

In addition, the review and audit process undertaken by the ANAO provides a mechanism to review Australian Government spending decisions and report any concerns to the Parliament. These requirements and mechanisms help to ensure the proper use of Commonwealth resources and appropriate transparency around decisions relating to making, varying or administering arrangements to spend relevant money.

Further the right to review under section 75(v) of the Constitution and review under section 39B of the *Judiciary Act 1903* may be available. Persons affected by spending decisions would also have recourse to the Commonwealth Ombudsman where appropriate.

The department consulted 55 key industry stakeholders to inform the development of the measure. The industry stakeholders consulted had expertise in a wide range of industries including the red meat, wool, seafood, horticulture, and grain industries, and Indigenous agricultural products. A number of research bodies were also consulted. The stakeholders represented industry peak bodies as well as businesses from across the supply chain who are involved in domestic production and exporting products. The stakeholders consulted have direct experience with Australia's traceability systems and represented a large number of agricultural producers who would be affected by the development of a simplified and data-led approach to improving traceability systems.

The majority of stakeholders consulted were supportive of the need for the department to take a leadership role in developing a cohesive national traceability framework. This consultation process highlighted the opportunity for enhanced traceability to create greater certainty for export products and reduce regulatory burden. Interviews were carefully designed to understand the 'ideal state' for industry to maintain and expand market access and create economic benefit, and the measures necessary to achieve this. Comments from stakeholders were incorporated into the proposal through using practical examples provided demonstrating how different credentials could achieve a higher price at market, and in identifying preliminary weaknesses in traceability frameworks. This measure will establish ongoing consultation mechanisms between industry and government to support co design of the associated initiatives and ensure they are fit-for-purpose.

Funding of \$68.4 million was included in the 2021-22 Mid-Year Economic and Fiscal Outlook under the measure 'Australian Trade System Support' for a period of four years commencing in 2021-22. Details are set out in the *Mid-Year Economic and Fiscal Outlook 2021-22, Appendix A: Policy decisions taken since the 2021-22 Budget* at page 213.

Funding for this item will come from Program 3.13: International Market Access, which is part of Outcome 3. Details are included in the *Portfolio Additional Estimates Statements 2021-22, Agriculture, Water and the Environment Portfolio* at page 69.

Noting that it is not a comprehensive statement of relevant constitutional considerations, the objective of the item references the following powers of the Constitution:

- the trade and commerce power (section 51(i)); and
- the communications power (section 51(v)).

#### Trade and commerce power

Section 51(i) of the Constitution empowers the Parliament to make laws with respect to 'trade and commerce with other countries, and among the States'. The measure will provide funding to protect and foster Australia's agricultural exports.

#### Communications power

Section 51(v) of the Constitution empowers the Parliament to make laws with respect to 'postal, telegraphic, telephonic, and other like services'. The ACI component of the measure will provide an online tool to deliver research and modelling to producers to predict consumer trends and requirements of trading partners.

## **Statement of Compatibility with Human Rights**

Prepared in accordance with Part 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*

### ***Financial Framework (Supplementary Powers) Amendment (Agriculture, Water and the Environment Measures No. 2) Regulations 2022***

This disallowable legislative instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

#### **Overview of the legislative instrument**

Section 32B of the *Financial Framework (Supplementary Powers) Act 1997* (the FF(SP) Act) authorises the Commonwealth to make, vary and administer arrangements and grants specified in the *Financial Framework (Supplementary Powers) Regulations 1997* (the FF(SP) Regulations) and to make, vary and administer arrangements and grants for the purposes of programs specified in the Regulations. Schedule 1AA and Schedule 1AB to the FF(SP) Regulations specify the arrangements, grants and programs. The powers in the FF(SP) Act to make, vary or administer arrangements or grants may be exercised on behalf of the Commonwealth by Ministers and the accountable authorities of noncorporate Commonwealth entities, as defined under section 12 of the *Public Governance, Performance and Accountability Act 2013*.

The *Financial Framework (Supplementary Powers) Amendment (Agriculture, Water and the Environment Measures No. 2) Regulations 2022* amend Schedule 1AB to the FF(SP) Regulations to establish legislative authority for government spending on certain activities administered by the Department of Agriculture, Water and the Environment.

This disallowable legislative instrument adds the following table items to Part 4 of Schedule 1AB:

- table item 535 ‘Koala Conservation and Protection’; and
- table item 536 ‘Cultivating Australia’s Traceability’.

#### **Table item 535 – Koala Conservation and Protection**

New table item 535 establishes legislative authority for government spending to support the Koala Conservation and Protection package (the package), which aims to continue the Australian Government’s support for the long term recovery and conservation of the koala.

The package builds on the Government’s initial \$18 million koala package announced in November 2020 to help protect Australia’s iconic species. Funding was provided to support habitat restoration projects, koala health research and veterinary support, and the establishment of a National Koala Monitoring Program to track population trends across the full range of the koala’s distribution.

As part of the total package of funding, additional administered funding of \$33 million will be provided to support the following key components of the package:

- koala habitat restoration, which supports projects that prioritise, restore and protect critical koala habitat and support on-ground activities to reduce threats and improve health outcomes.
- improve koala health outcomes, which focus on applied research activities and practical application of research outcomes addressing fundamental koala health challenges. Projects may build on practical and applied research projects including a national disease risk assessment completed by June 2022 to improve understanding of koala health and enable better management of koalas in care; and
- training in koala care, which supports an additional 1,000 training places under the national vet and vet nurses training program in koala care, treatment and triage. Training will ensure practitioners are equipped to care for injured and diseased koalas.

### **Human rights implications**

Table item 535 does not engage any of the applicable rights or freedoms.

### **Conclusion**

Table item 535 is compatible with human rights because it does not raise any human rights issues.

### *Table item 536 – Cultivating Australia’s Traceability*

New table item 536 establishes legislative authority for government spending on the Cultivating Australia’s Traceability measure.

The Cultivating Australia’s Traceability – Promoting and Protecting Australian Premium Agriculture measure (the measure) aims to support the ongoing development, implementation and improvement of supply chain traceability systems and arrangements for Australian agricultural products, and to enable market access and premium pricing for such products.

The measure comprises a number of initiatives to improve traceability for agricultural products. This includes through harmonising traceability standards and data, and implementing credential frameworks, to increase premium market access, and to reduce duplication in information collection and provision. This will build a streamlined and efficient approach to traceability that will maximise the ability of agricultural producers to meet emerging credential requirements and receive premium prices for their products. The vision is to work with industry to leverage regulatory systems and processes to create economic value for agricultural industries.

The measure forms part of the Government’s commitments under the Simplified Trade System agenda to support Australian exporters, modernise Australia’s trade system and streamline border clearance services. These measures will streamline trade to strengthen economic resilience and bolster Australia’s COVID-19 economic comeback.

Funding of \$68.4 million over four years from 2021-22 will be provided to establish:

- the National Agricultural Traceability Alliance which will create ongoing engagement, information sharing and mechanisms that enable collaboration between industry and government;

- the National Agricultural Traceability Hub which will enable government and industry to improve the capability of traceability systems; and
- the Agricultural Credential Initiative which will support the development of favourable and evidence based traceability systems and credentials and aid industry in increasing access to premium prices for export goods.

### **Human rights implications**

Table item 536 does not engage any of the applicable rights or freedoms.

### **Conclusion**

Table item 536 is compatible with human rights because it does not raise any human rights issues.

**Senator the Hon Simon Birmingham  
Minister for Finance**