AWGA - News Update

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Leyonhjelm slams agriculture levy system



PHOTO David Leyonhjelm from the Liberal Democrats speaking on the ABC's 7.30 program.

Liberal Democratic Party Senator David Leyonhjelm wants the government to review the entire marketing and research levy system for agriculture.

Senator Leyonhjelm plans to move a disallowance motion to stop increases in the levies paid for marketing and research on mushrooms, mangoes and onions.

The current levies have doubled, and the increase in the mushroom levy has attracted <u>fierce opposition</u> from the country's largest mushroom grower.

A disallowance motion means the legislation, which the Australian Mushroom Growers Association says a <u>'strong majority'</u> of growers are in favour of, could be struck down.

Senator Leyonhjelm says all growers deserve the right to vote on whether levies should stay or be scrapped.

"What I would like is for the government to have a serious review of all of those R and D and marketing levies," he said.

"R and D levies are easier to justify. Marketing levies are hard to justify.

"And I would like a serious examination of these things - an overview of whether levies are a good idea.

"When are levies a good idea? How should they be introduced? Should the levy payers get to vote on them and how often?

Previously, mango growers have <u>been divided</u> on the issue of a levy increase, while Onions Australia <u>welcomed the</u> recent rise.

Mr Leyonhjelm says levies are no different to taxes and therefore shouldn't be increased without proper scrutiny.

"Just because they're hypothecated and used by R and D corporations and other organisations for R and D and marketing, they are taxes, so there has to be a very compelling reason to increase [them]," he said.

"So what I have moved is the disallowance of some regulations which will increase those taxes."

http://mobile.abc.net.au/news/2014-07-15/leyonhjelm-levies-disallowance/5597308