

Pig Industry Fund Public Meeting 2023

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1pm Thursday 18 May 2023 via MS Teams



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Department of Primary
Industries and Regions



Agenda

1. About the Fund
2. Management Plan
 - a) Estimate of Contributions
 - b) Proposals for Investment of the Fund
 - c) Proposals for the Application of the Fund
 - d) Process for Payments from the Fund
3. Reporting
4. Next Steps



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1. About the Fund

The Primary Industries Funding Scheme Act permits the collection of contributions from industry to support industry development

Legislation

- Primary Industries Funding Scheme Act 1998
- 14 funds operating under the Act

- Grains x2
- Livestock x2
- Wine x7
- Pork
- Apiary
- Citrus

- Each fund is established under its own regulations
- Each requires development of a 5 year management plan



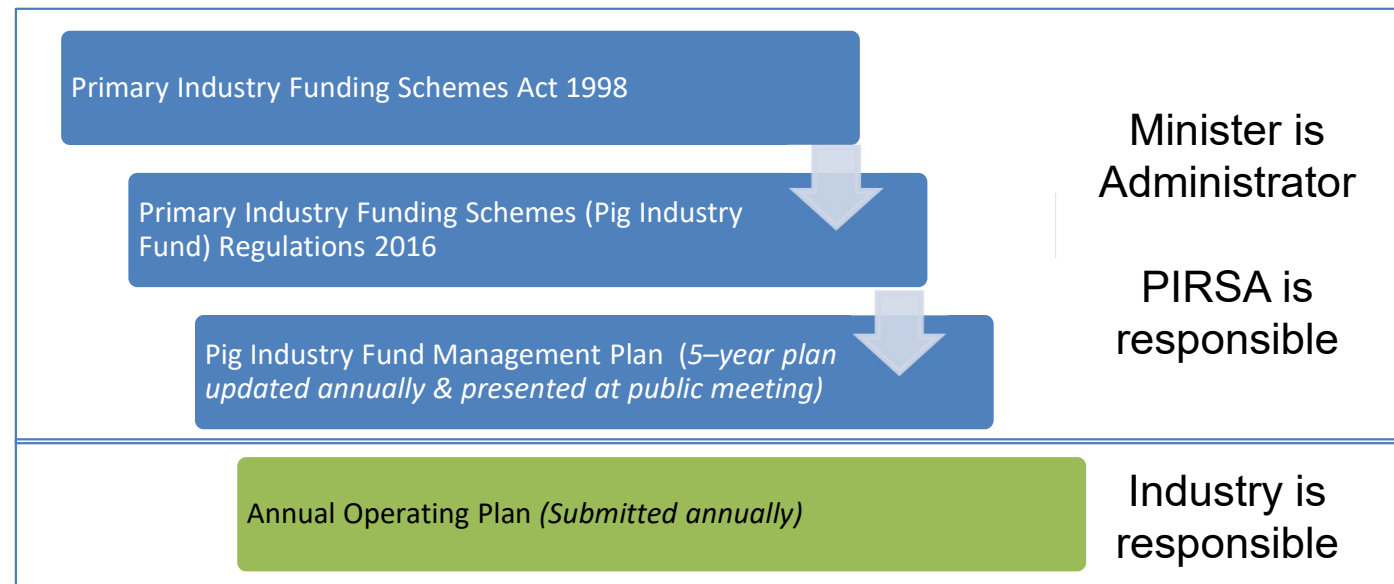
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1. About the Fund

Primary Industries Funding Scheme (PIFS) permits the collection of contributions from industry to support industry development



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1. About the Fund - Roles

Pig Producer (Contributor)	Stock Agent / Abattoir / Producer (Collection Agent)	Minister / PIRSA (Administrator)	Industry Association (Fund Recipient)
<p>Sells pigs to collection agent</p> <p>Responsible for checking deduction has been made.</p> <p>*Can request refund if not happy with how funds are being spent</p>	<p>Deducts \$0.20 per pig sold for \$20 or more whether within or outside South Australia</p> <p>Collection Agents to forward this contribution to PIRSA on monthly basis (producers on quarterly basis)</p>	<p>Processes contributions</p> <p>Processes requests for refunds</p> <p>Facilitates applications to the fund</p> <p>Makes payments from the fund</p> <p>Manages legislative requirements</p>	<p>Consults with Industry on priorities for coming year</p> <p>Develop application to fund</p> <p>Deliver services to industry as per application to fund/regulated approved purposes</p> <p>Reports to industry and Minister on how funds have been spent and outcomes</p>



2. Management Plan

- Management Plans are public documents.
- Provide the Funds Administrator (Minister) with directions on how the fund contributors want their funds managed.
- Must provide minimum details as required in the *Primary Industry Funding Scheme Act 2008*.
- Can cover other issues as required.
- These plans were drafted, consulted and have been approved by Minister.



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2a Est. Contributions

Table 1 – Contribution Rates and Estimated Income

	2023-24	2024-25	2025-26	2026-27	2027-28
Contribution rate	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20
Estimated sales (pigs)	880,000	880,000	885,000	885,000	885,000
Estimated income	\$176,000	\$176,000	\$177,000	\$177,000	\$177,000

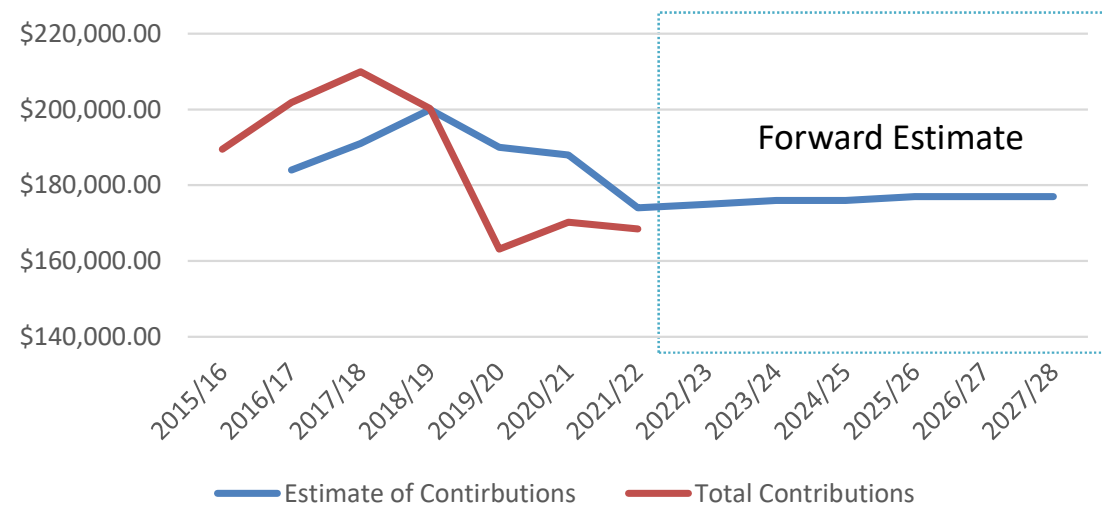
- Contribution rate is set at 20c per pig sold for \$20 or more by a pig producer, whether within or outside South Australia.
- Pork SA assists with forward estimate figures



2a Est. Contributions - GIF

Historical and forward estimates

Comparison of Estimates v Actual Contributions
to Pig Industry Fund





2b Investment of the Funds

- PIRSA administers the financial operations of the fund on behalf of the Minister
- Contributions are invested in an interest-bearing account in accordance with the Department of Treasury and Finance.
- Interest paid on monies held is treated as income to the fund consistent with the regulations. Interest currently paid monthly on balance of the fund at 3.7%.
- Annual report to parliament delivered annually on income and expenditure



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2c. Application of the Funds

The Fund may be applied by the Minister for any of the following purposes:

- Payments to a body that, in the opinion of the Minister, represents pig producers (Pork SA)
 - Pork SA to submit annual Operational Plan requesting funding amount and detailing how funds will be expended
- Payment of the expenses of administering the Fund
- Repayment of contributions to the Fund under regulation 5
 - those who request refunds are ineligible to receive benefits from the fund



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2d Payments from the Funds

The application should be in the form of a letter to the Minister which:

- a) Confirms the organisation represents South Australian pig growers
- b) Requests a nominated payment from the fund
- c) An operational plan, which includes
 - brief description of activity + intended outcome
 - alignment to a approved purpose
 - budgeted cost.

The proposed activities in the operational plan

- should align with the national, and state strategic objectives and regional priorities
- may extend over multiple years
- collaborative projects are encouraged

Payments from the fund may be used as industry co-contribution for other grant programs

Applicants should ensure that they have completed reporting requirements of any previous agreement



2d Payments from the Funds

Table 2 – Payment Terms

July	January
70%	30%

- Fund Balance was **\$2,758,789** as of 1 May 2023
- Industry has agreed to:
 - Always retain a minimum of two years annual contributions to ensure appropriate moneys are available for refund requests (\$334,000)
 - Retain an additional \$1,000,000 in funds for extreme animal disease outbreak activities.
- Application for 2022-23 from Pork SA was for
 $\$109,713 + \$175,000 = \$284,713$





3. Reporting

For transparency

- PIRSA produce an Annual Report to Parliament
 - https://www.pir.sa.gov.au/primary_industry/livestock/pig_industry_fund
- Industry report on Annual Operating Plan
 - <https://www.porksa.com.au/pig-industry-fund/>
 - Important for transparency to producers on how funds are spent
 - All underspends are to be reported on with proposed contingency plans outlined.
- Pork Industry Fund webpage
 - For more information:
https://pir.sa.gov.au/primary_industry/livestock/pig_industry_fund



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4. Next Steps

Management Plans

- Management Plans are for 5 year period commencing 2023-24.
- They will be made available on the PIRSA Website after this public meeting.
- These plans must be updated annually.
- A review of these plans and appropriate consultation activity will occur Q4 2023.

Priorities for 2023-24

- Review purpose and role of the public meeting to ensure relevant to current technology and industry needs



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Questions and Discussion



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**Thank You
Meeting Closed**