

# Pig Industry Fund

Management Plan 2023-24 to 2027-28

*Primary Industry Funding Schemes (Pig Industry Fund) Regulations 2016*



Government  
of South Australia

# Pig Industry Fund Management Plan 2023-24 to 2027-28

## Enquiries

Tamara Rohrlach

Department of Primary Industries and Regions (PIRSA)

GPO Box 1671, Adelaide SA 5001

Level 16, 25 Grenfell Street, Adelaide SA 5001

P: (08) 8429 0408

E: [tamara.rohrlach@sa.gov.au](mailto:tamara.rohrlach@sa.gov.au)

## Further information:

[https://pir.sa.gov.au/primary\\_industry/livestock/pig\\_industry\\_fund](https://pir.sa.gov.au/primary_industry/livestock/pig_industry_fund)

## Document History

Version	Date
Revised plan released for consultation	30 January 2023
Approved by Minister	17 April 2023
Presented at public meeting	(TBC)

Objective ID: A5698440

# Contents

Introduction .....	4
Estimate of contributions to the fund .....	5
Investment of the fund .....	5
Purposes of the fund .....	6
Funding Guidelines .....	6
Eligible organisations .....	6
Eligible activities .....	6
Application process .....	7
Application approval .....	7
Amount available for payment .....	7
Payment Terms .....	8
Reporting requirements .....	8
Fund administration .....	8
Refunds .....	8
Changing the contribution rate .....	8
Updating the management plan .....	9

# Introduction

The [Primary Industry Funding Schemes Act 1998](#) (the Act) provides South Australian primary industries with a legislative based ability to raise money within their sector to deliver activities and services that support the sector.

Section 4 of the Act allows the Governor to make regulations to establish a fund for a particular primary industry sector.

The Minister for Primary Industries and Regional Development (the Minister) is the Administrator for funds established under the Act, which ensures appropriate accountability for the application of funds for the benefit of those industries. The Department of Primary Industries and Regions (PIRSA) manages the operations of the funds for the Minister. The Minister is required to report annually to Parliament on the operation of each fund and its accounts.

The Pig Industry Fund (the fund) is established by the [Primary Industry Funding Schemes \(Pig Industry Fund\) Regulations 2016 \(Regulations\)](#).

Contributions are payable at the rate prescribed in Regulation 5, which is 20 cents per pig sold for \$20 or more whether within or outside South Australia. Contributions are payable by the pig producer either directly, or via a collection agent (stock agent or abattoir operator) as a deduction from the amount payable to the producer. Contributions are paid into the fund account and managed by PIRSA on behalf of the Minister.

Contributions are to be remitted by collection agents on a monthly basis and producers on a quarterly basis.

Contributors may seek a refund of their contributions. If a refund is paid to a contributor, they are deemed to be *'in default'* of the Regulations and not entitled to receive benefits or services funded by payments from the fund.

Payments are made from the fund for purposes defined in the Regulations.

In accordance with section 9 of the Act, this management plan has been developed in consultation with the South Australian pig industry via Pork SA. It covers a five-year period and must be updated annually but may be updated at any time.

This management plan guides the operation of the fund and helps contributors understand how their contributions are to be used.

This management plan should be read in conjunction with the Act and Regulations.

# Estimate of contributions to the fund

The Regulations require pig producers to contribute to the fund.

The contribution rate for this fund is set in Regulation 5 and is 20 cents per pig sold for \$20 or more by a pig producer, whether within or outside South Australia.

The Regulations state contributions are collected by collection agents which means:

- For a pig that is sold by a stock agent – the stock agent
- For a pig that is sold to a person who operates an abattoir by a person other than a stock agent – the person who operates the abattoir.

Where there is no collection agent, or the collection agent does not deduct the contribution, the producer, is required to pay the contribution.

- Collection agents are required to pay contributions to PIRSA within 14 days of the end of each month.
- Producers are required pay contributions within 14 days of the end of each quarter.

The estimated contribution income for the most recent and the next five financial years is provided in Table 1. Estimates have been derived in consultation with the industry.

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	\$880,000	880,000	885,000	885,000	885,000
Estimated income	\$176,000	\$176,000	\$177,000	\$177,000	\$177,000

# Investment of the fund

PIRSA administers the financial operations of the fund on behalf of the Minister in accordance with the Regulations and the [Public Finance and Audit Act 1987](#).

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.

# Purposes of the fund

Payments from the fund must be made in accordance with the Regulations:

## 6—Application of Fund

- (1) Subject to this regulation, the Fund may be applied by the Minister for any of the following purposes:
  - (a) carrying out research, or investigative or other programs, relating to pigs, pig products or any other aspect of the pig industry recommended to the Minister by a body—
    - (i) that, in the opinion of the Minister, represents the pig industry; and
    - (ii) that has a membership base comprised predominantly of pig producers who are not in default in relation to contributions to the Fund;
  - (b) repayment of contributions to the Fund under regulation 5;
  - (c) payments to a body that, in the opinion of the Minister, represents pig producers for 1 or more of the following purposes:
    - (i) promoting the pig industry;
    - (ii) carrying out programs to investigate health problems in pigs;
    - (iii) carrying out or facilitating any other research and development, or collecting and disseminating information to pig producers, in relation to the improvement of practices in the pig industry or any other aspect of the pig industry;
    - (iv) fees for affiliation of the body with regional, State or national bodies representing or promoting the interests of the pig producers;
    - (v) participation of the body in regional, State or national pig industry forums;
    - (vi) the reasonable operating and management expenses of the body;
    - (vii) other purposes of the body;
  - (d) payment of the expenses of administering the Fund.
- (2) The Fund must not be applied for the purpose of subregulation (1)(c)(ii) if another funding source is available for that purpose.

## Funding Guidelines

### Eligible organisations

An eligible organisation is a body which, in the opinion of the Minister, represents the South Australian pig industry. It is characterised by having a membership base comprised predominantly of pig producers who are not in default in relation to contributions to the Fund.

The Minister has recognised Pork SA as an organisation eligible to receive payments from the Pig Industry Fund.

### Eligible activities

Eligible activities are those consistent with Regulation 6. An eligible organisation may deliver projects or services to the industry directly or engage service providers to deliver those activities on their behalf.

## Application process

Eligible organisations are invited to submit applications to the Minister in May each year. Under extenuating circumstances, the Minister may consider applications for funds at other times.

Eligible organisations are encouraged to liaise with PIRSA in the development of any application. (Contact details on page 2)

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

- demonstrates how the organisation represents the pig industry
- requests a payment from the fund
- attaches an operational plan, which includes for each activity:
  - the name of the activity and service provider
  - a brief description of the activity and intended outcome
  - alignment to purpose outlined in Regulation 6(1)(c)
  - budgeted cost for each program activity.

To be eligible for consideration, applicants must ensure that they have completed all reporting requirements of any previous agreement with the Minister.

## Application approval

The Minister will assess applications in line with the regulations and this management plan. This will include checking that the proposed activities comply with regulation 6 and verifying that the requested amount is within the Expenditure Authority for the fund.

Approval for payment from the fund to the eligible organisation is deemed to be an agreement with the Minister that the eligible organisation will undertake the activities outlined in the application and comply with any requirements in the regulations and this management plan.

The organisation will be required to sign and return an acknowledgement of these conditions, provided with the letter of approval from the Minister, prior to payment being made.

Once approved, details of each activity/project to be funded by payments from the fund should be posted on the organisation's website so that it is publicly available for contributors to view.

## Amount available for payment

To ensure prudent management of the fund, industry has agreed to:

- Always retain a minimum of two years annual contributions to ensure appropriate moneys are available for refund requests
- Retain an additional \$1,000,000 in funds for extreme animal disease outbreak activities.

As a result, the amount available for payment under regulation 6(1)(c) equals ( ) fund balance at the time minus (-) 2 years annual contributions (Table 1) minus (-) \$1,000,000 for disease outbreak activities minus (-) an amount which is considered sufficient to cover audit and administrative costs (Regulation 6.(1)(d).

## Payment Terms

Payments from the fund to the eligible organisation may be made in accordance with the schedule in Table 2.

Table 2 – Payment Terms	
July	January
70%	30%

## Reporting requirements

At the end of each financial year the fund recipient is required to provide an annual report. The second payment will be contingent on receipt of the report.

The annual report should be aligned to the approved operational plan and should articulate activities undertaken and outcomes achieved. The annual report should also include a statement of acquittal to demonstrate that all moneys provided to the fund recipient were expended and/or committed. The report should also explain any deviations from the original submission; and be posted on the Pork SA website for communication to contributors.

In addition to the above reports, the person or body administering the fund may be required to provide the following information under section 11 and 14 of the PIFS Act.

- a copy of the financial statements of the organisation and
- a copy of the annual report of the organisation and
- a copy of the business plan of the organisation and
- any other information reasonably required for the purposes of the fund.

## Fund administration

### Refunds

A pig producer may, by notice in writing to the Minister, within the 12 months following a financial year in respect of which contributions have been paid, make a claim for a refund in respect of those contributions using the process outlined in [Regulation 6](#).

A person claiming a refund is declared to be in default of the Fund and is not entitled to receive direct benefits or services funded by payments from the Fund ([Regulation 6](#)). The Minister may provide the fund recipient with information identifying pig producers in default.

### Changing the contribution rate

The contribution rate is established in the Regulations.

A change to the contribution rate may be initiated by the Minister or by industry but can only be made following consultation with the industry. Consultation is expected to be coordinated by the eligible organisation. Acceptable evidence of support for a variation to the contribution rate includes results of any contributor survey held for the purpose and any other consultation conducted with industry. The evidence must demonstrate a genuine attempt to engage with the majority of contributors.



The new contribution rate would normally be implemented at the start of the financial year or at another appropriate point in the production cycle. Sufficient notice will be provided to the industry of the new rate.

## Updating the management plan

Section 9 of the Act requires that this management plan is updated annually; that industry is consulted when preparing the management plan; that the revised plan is presented at a public meeting at least once per year; that it is available for public inspection; and that it may be updated at any time.

The updated management plan will be presented at a public meeting, which will be advertised and facilitated by PIRSA, and can be attended by all fund contributors. The management plan will then be posted on the PIRSA website to meet the requirements of section 9 (7) of the Act, in a manner permitted by section 8(3) of the [Legislation Interpretation Act 2021](#), which provides for the 'inclusion of digital material'.

Timing (estimate)	Activity
January/ February	Consultation on revised management plan
March	Minister approves management plan
March	Advertise public meeting
April	Public meeting to present management plan