



**Senator the Hon Bridget McKenzie**  
**Deputy Leader of The Nationals**  
Minister for Agriculture  
Senator for Victoria

Ref: MC19-008265

Ms Colette Garnsey OAM  
Chair  
Australian Wool Innovation Limited  
Level 6  
68 Harrington Street  
SYDNEY NSW 2000

**RRAT Legislation Committee**

**Tabled Document No. 7**  
**By: Senator the Hon Bridget McKenzie**  
**Date: 22/10/19 - 9.22pm**

Dear Ms Garnsey *Colette*

Thank you for your correspondence of 23 September 2019 regarding the Australian Wool Innovation (AWI) Annual General Meeting (AGM) on 22 November 2019 and AWI's implementation of the recommendations from the 2018 Review of Performance conducted by EY.

As I stated in our meeting shortly after my commencement as Minister for Agriculture, it is my expectation that AWI will demonstrate strong leadership in implementing the review and provide clear, regular and transparent communications to levy payers about its actions to deliver the recommendations. I expect the AWI Board to demonstrate to levy payers that the organisation is serious about change, including cultural change.

AWI's actions to date to implement the review have not met these expectations. I have been disappointed to hear the dissatisfaction expressed to me by levy payers both about AWI's implementation progress and the spirit in which it has gone about delivering the recommendations.

To provide me with assurance that AWI is working to implement the recommendations in a manner consistent with the findings of the review, I ask that you provide me with a detailed written update on progress against each of the individual recommendations and their components.

I also expect AWI to provide me, in response to this letter, with a communications strategy for how it will provide a greater level of transparency and assurance to levy payers about its implementation of the review and its broader operations. As part of this strategy, I expect AWI to publish on its website a comprehensive statement on its implementation progress to date.



Further, I request that you provide levy payers with an update on AWI's progress in implementing the review's recommendations at AWI's AGM. I expect AWI to provide levy payers with a timetable for how it intends to address any outstanding recommendations, including those relating to constitutional change that are not being presented to levy payers at this AGM.

In an increasingly globally competitive marketplace, it is critical that our rural research and development corporations (RDCs) are focused on delivering benefits to levy payers and enable our industries to jump ahead of our competitors. You would be aware that in September 2019 the Liberal and Nationals Government announced a plan to improve and modernise the RDC system. As part of this work I am considering whether alternative arrangements would better serve our agricultural industries.

The discussion paper - *Modernising the Research and Development Corporation system* - was released on 23 September 2019, inviting industry and community to submit ideas on how to improve and modernise the RDC system to better support the needs of industry. I encourage AWI to make a submission to this process and help outline how RDCs can be more transparent and responsive to levy payer concerns.

In addition to the written response to this letter I would also be keen to meet to discuss these matters further. Please contact my diary manager at [McKenzie.Diary@agriculture.gov.au](mailto:McKenzie.Diary@agriculture.gov.au) to arrange a suitable time.

Thank you for taking the time to write to me on this issue.

Yours sincerely



Bridget McKenzie