



**Australian Horticultural
Exporters' Association Inc.**

National Offices:

P: 61+ (0) 3 9210 9380 |
1800 2EXPORT

Brisbane Offices:

Brisbane Markets, Level 2,
Building J1, Warehouse C
PO Box 346,
BRISBANE MARKETS QLD 4106
Mobile: 61+ (0) 413 200 404
Email: ahea@ahea.com.au
Website: www.ahea.com.au
ABN: 42141086602

7 November 2014

Committee Secretary
Senate Standing Committees on Rural and Regional Affairs and Transport
PO Box 6100
Parliament House
Canberra ACT 2600

Email: rrat.sen@aph.gov.au

Dear Sir / Madam,

Ref: Rural Research and Development Legislation Amendment Bill 2014

On 25 September 2014, the Senate referred the Rural Research and Development Legislation Amendment Bill 2014 for inquiry and report.

The purpose of the Rural Research and Development Legislation Amendment Bill 2014 is to amend legislation relating to research and development for primary industries, and for related purposes. The amendments would allow the government to recover the cost of membership fees to international commodity organisations and regional fisheries management organisations from the matching amounts paid to Rural Research and Development Corporations (RDCs).

The additional measures would also remove the requirement for the Minister to organise an annual co-ordination meeting for the chairs of RDCs and remove some parliamentary tabling requirements for some RDCs.

Thank you for the opportunity to submit, on behalf of the Australian Horticultural Exporters Association (AHEA), to the Senate enquiry into the Rural Research and Development Legislation Amendment bill 2014.

The AHEA was established in 1986. It is the peak industry body representing the interests of Australian exporters and importers of fresh horticultural produce. AHEA's objective is to promote and facilitate the development of horticulture trade. The AHEA represents over 80% of horticultural exports by volume.

RDC's are a pivotal source of funding for research and development activities across the country. The proposed changes appear to have potential impact on funding into certain RDCs at a time that funding is difficult to obtain from other sources. It is understood that the changes involve \$7M savings over 4 years, made via the retrieval of costs to international commodity organisations from the matched funding to the RDCs. These organisations/forums are considered very important by many commodities and without a full understanding of their purpose and benefit to industry, should not be disregarded. The AHEA recognises the need to maintain tight budgets, however does not believe the amendment has been properly assessed.

The future of the agriculture industry depends upon Research and Development. Without sufficient research, innovation is stifled, disabling industry to maintain competitiveness; develop varieties and overcome market issues that are necessary to meet global needs, eg disinfestation treatments, unique varieties etc.

The premise of industry levies is that they are used for industry benefit and many industry supported initiatives have been knocked back on the basis that they were either marginal in terms of the levy scope or out of the field totally.

The amendments proposed in the *Rural Research and Development Legislation Amendment Bill 2014* potentially opens up a loophole where Government Departments can arbitrarily vary the rules to shift costs to industry for their programs or administrative activity. The AHEA would like to seek some assurances that the amendments would not allow this to occur.

The AHEA also would like to table the lack of industry consultation in the amendments to the Rural Research Development Legislation.

Yours sincerely,

Michelle Christoe
Executive Director