



ForestrySA

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30 May 2007

The Secretary
Rural and Regional Affairs and Transport Legislation Committee
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Secretary

**Re: Forestry Marketing and Research and Development Services Bill 2007 Forestry
Marketing and Research and Development Services (Transitional and Consequential
Provisions) Bill 2007**

Please find attached my submission in regard to the above bills to the Standing Committee on Rural and Regional Affairs and Transport.

Please note that the contents of this submission are not confidential.

I have prepared the document in dot point format for ease of communicating my points.

Should you have further enquiries please do not hesitate to contact me personally.

Yours faithfully

Brian Farmer
**CHIEF EXECUTIVE
FORESTRYSA**



SUBMISSION TO STANDING COMMITTEE

Forestry Marketing and Research and Development Services Bill 2007 Forestry Marketing and Research and Development Services (Transitional and Consequential Provisions) Bill 2007

- ForestrySA is a South Australian Government wholly owned Government Enterprise with a number of key responsibilities including:
 - Foster and support the growth of an internationally competitive forestry industry within South Australia;
 - Encourage and facilitate regionally based economic activities based on forestry and other industries;
 - Support regional resource protection initiatives and programs;
 - Support the concept of environmental sustainability which assists in the protection of natural assets and market accessibility; and
 - Support cooperative research activities within the forestry industry.

- ForestrySA supports the principles underpinning the proposed Bills including:
 - The raising of levies for research purposes which are matched by the Commonwealth;
 - The raising of levies for marketing purposes;
 - The development of a business entity which has a broader association with industry;
 - Clarification of funding and contributions; and
 - Broad communication within the industry leading up to this point.

- ForestrySA is prepared to back the proposed development of the current Forest and Wood Products Research and Development Corporation by entering into a mutually satisfactory agreement which would then require ForestrySA to voluntarily pay an equivalent levy (commensurate with private forest owners).

- ForestrySA considers such an agreeable position to be sound for a number of reasons including:
 1. The dollar for dollar investment commitment from the Commonwealth Government;
 2. The greater capacity to efficiently and effectively invest limited research funds;
 3. The opportunity to maximise input from a broad funding source where benefit will be delivered to the whole of industry;
 4. To achieve a critical mass of intellectual and scientific application and achieve the synergistic benefits of such management arrangements; and
 5. To achieve a structured approach to marketing and market development.

- There may be some angst in regard to this matter from "small" businesses. My view is that this is a key opportunity for them to realise benefits (from science, engineering or other fields) that can potentially add value to their business and markets beyond their (limited) capacity to fund and influence research and development.