



28 July 2011

Committee Secretary
Senate Rural Affairs and Transport Reference Committee
PO Box 6100
Parliament House
CANBERRA ACT 2600

Inquiry into Biosecurity and Quarantine Arrangements
Management of removal of fee rebate for AQIS export certification functions

The Sunraysia Table Grape Growers Association Inc, represents approx. 70 table grape growers in the greater Sunraysia area.
The possible removal of the fee rebate on AQIS inspection Certificates will have a direct impact on our member base and as such, we wish the opportunity to make this submission to the Senate Committee.

Summary:

- September 2009 inquiry – AQIS was to reduce costs and improve efficiencies
- Competitive nature of industry against other countries

1. Senate Inquiry in 2009

The 2009 Senate inquiry into the removal of fee rebate concluded that it would look at the issue in 2011 and that AQIS was required to reduce operating costs and improve efficiency. Has this been accomplished? From our viewpoint, costs remain high with AQIS preferred option being to pass on costs to exporters. Is there a quantifiable improvement in operating efficiency? Our understanding is that there is not.

2. Competitive nature of Industry against other Countries and high \$A.

The Table Grape Industry is under mounting competitive pressure against other countries. South Africa and in particular Chile are major competitors in Australian target export markets. Given the relatively low labour cost and cost base of their product, Australian table grapes are at a disadvantage on the world stage. Adding further costs to exporters, and in reality, Growers, would further add to competitive woes.

The current high Australian Dollar compared against the US Dollar has also directly influenced Australia's ability to compete on the world stage. Given market conditions, growers do not need the burden of extra costs being levied upon them.

In summary, the possible reduction or removal of fee rebate for AQIS export certification functions would be detrimental to our industry. Growers and exporters are under enough competitive pressure, without adding the extra burden of funding the inefficiency of an Australian Government department.

Thank you for allowing us to make our points into your Inquiry. Should you need to further information, please do not hesitate to contact us on Mobile telephone

Regards

John De Luca
Secretary
Sunraysia Table Grape Growers Association Inc.