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Rural Industries Research
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8 April 2016

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

Dear Mr Watling

Inquiry into the Primary Industries Levies and Charges Collection Amendment Bill 2016

The Council of Rural RDCs welcomes the opportunity to make a submission into this inquiry into proposed amendments to the *Primary Industries Levies and Charges Collection Act 1991* and related acts. The Council makes this submission on behalf of the 15 Rural Research and Development Corporations (RDCs). Some of the RDCs may also make specific submissions that relate to their respective operations and industries.

Australia's rural producers and industries face a range of unique biophysical, environmental and societal challenges while also being highly exposed to global competition. A major element of the national response to these challenges is an effective rural innovation system, and a cornerstone of this system is a unique industry-government investment partnership delivered through the Rural RDCs.

Each RDC is tasked with delivering tangible and practical improvements for their industries with benefits for productivity and profitability, sustainability, and the community. They do this through strategic and targeted investments in and partnerships for research, development and adoption, and in some cases, market access, market development and promotion. Funding for the RDCs combines contributions from industry, usually collected as levies on production, and funding from the Australian Government. The government only provides funding for research, development and adoption activities, and the functions needed to support the research investment program. Everything else is fully-funded by industry.

Engagement with levy payers and other industry stakeholders is a core activity for the Rural RDCs, and it is critical across a number of functions including determining research priorities, communicating results of investments and assessing R&D impact. All RDCs have extensive databases of producers used for these activities. However, the lack of accurate and up-to-date lists of levy-payers has been noted as an impediment for those industries that haven't had access to this information. This is especially so when the need arises to ensure an entire levy-paying group is given an opportunity to have input into a levy decision or identifying strategic priorities. By enabling the establishment of levy-payer registers, this Bill removes a legislative barrier to greater engagement between the RDCs and the levy payers who fund the system.



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Accurate levy-payer registers are also important for determining voting systems and allocating voter entitlements that appropriately balance the number of producers against the scale of production. At the moment levy-payer information is available only to two of the RDCs, Australian Wool Innovation and Dairy Australia. Passage of the Bill will provide the same opportunity to the remaining 13 organisations.

The Council notes that the Bill imposes some restrictions on the information that is available, who that information is available to and how it can be used. The Council believes these restrictions are sensible and reasonable.

We have also noted that the Explanatory Memorandum for the Bill suggests that distribution of levy-payer information to the RDCs will only occur upon request to and approval from the Minister, and that requests for the information need to be made in consultation with industry. The Bill and Explanatory Memorandum are silent on the processes through which this consultation, request and approval are to occur. We understand additional detail will be provided through administrative arrangements established by the Department of Agriculture and Water Resources, and look forward to working with the Department as the opportunity arises.

High quality statistical information about agricultural production in Australia and the number of active enterprises has also been an issue of concern for some time. Making information available as appropriate to support the functions of the Australian Bureau of Statistics, consistent with the government's Public Data Policy Statement, is also expected to help improve this situation.

Through the levies arrangements, agricultural, fisheries and forestry industries contribute to their own research and development needs and can have significant influence on the research effort. The Council of Rural RDCs fully supports the principles of open, transparent and accountable processes for informing and engaging with levy payers. This Bill enables the establishment and use of levy-payer registers which in turn will mean the RDCs can have accurate, up-to-date information about levy payers. The Council supports the Bill being passed.

If you have any questions regarding this submission, please feel free to contact the Council of Rural RDCs Secretariat on 02 6270 8875 or by email to secretariat@crrdc.com.au.

Yours sincerely

Richard Clark
Chairman