

Dear Committee Secretary,

Thankyou for the opportunity to submit my views to the Rural and Regional Affairs and Transport References Committee concerning the Terms of Reference for the imposition of and disbursement of marketing and research and development (R&D) levies in the agricultural sector.

My involvement in such matters relates to the FRDC.

There are many good things about the way that the FRDC has operated for many years in Australia. My agency has benefited from FRDC funding over the past two decades to assist us to achieve some of our aims in supporting our industry and so I do not want my comments to be interpreted as a criticism of them. Rather as a recommendation for improvement.

Over recent year the FRDC contracts have become very restrictive for the smaller research groups. A 'standard' FRDC contract for example is now 77 pages long and requires agencies to meet a plethora of 'standards' that smaller research groups and in particular industry groups struggle to meet. This has resulted in the numerous large state and Federal government institutions (including Universities) primarily competing for the funds, often for projects that should be part of their core business. These large institutions are also the ones with large overheads – so close to and sometimes exceeding 50% of the available funds for research and development end up as 'overheads' supporting other government organisations. For some years the FRDC supported smaller projects with short timeframes through a program called the Tactical Research Fund. The TRF has been cancelled for 2014-15 reportedly due to reduced funding.

I do not believe that providing high overhead costs to other government organisations or cancelling the TRF is in the best interests of the Federal Government or the industry that the Research and Development Corporations are there to support.

Thankyou for your time.

Best regards

Greg Jenkins
Secretary/Treasurer Marine Fishfarmers Association WA