

Media Release

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The Australian grains industry is facing a new and dangerous threat according to the Grains Research Foundation Limited (GRFL).

GRFL Director and spokesman on the issue, Pete Mailler said the regulatory environment around research and development (R&D) in the grains industry has become uncertain following an admission by the Grains Council of Australia (GCA) on June 12 that the organisation is experiencing financial difficulties and facing closure.

He said the industry is now experiencing a crisis of confidence in the R&D arena since GCA is the legislated representative organisation for the grains industry on consultation about levies and on the accountability of the Grains Research and Development Corporation (GRDC) to growers.

Mr Mailler said grower groups right around Australia are voicing concerns about GRDC's accountability to growers with some suggesting the industry should scrap the compulsory grower research levy.

"If growers reduce the amount of levy they pay then the co-contribution by the government reduces with it and there is a real risk of killing what is probably the best model for co-contribution for grains R&D in the world," he said.

"I know most growers would like to see some improvement in the system and that's why we need a strong advocate and accountability mechanism that is independently funded and can guarantee that growers concerns are heard."

GRFL has released a Discussion Paper that proposes a major change in grower advocacy with the establishment of a new Grains Levy Payers' Association (LPA) funded by a voluntary grower levy of 0.01% of GVP.

The LPA would be a representative body with a direct membership of all grains levy payers and would deliver a robust mechanism for R&D advocacy and accountability.

Mr Mailler said the LPA should have a weighted voting system linked to the total levy paid by each member, similar to the voting system used by Meat and Livestock Australia (MLA).

He believes there would be strong support for the LPA among growers right around Australia.

"Most growers acknowledge that we need to maintain or increase our spending on R&D but they are questioning their contribution to the current system where there is no sense of accountability or ownership," Mr Mailler said.

“Times of change present risks and opportunities. The Australian grains industry has a really good opportunity to move forward with a new advocacy model delivering renewed ownership and accountability.”

Mr Mailler is encouraging the GCA to embrace the LPA proposal and provide a succession plan for growers and GRDC alike.

“GRFL is committed to a robust discussion about advocacy and accountability to stabilise the R&D environment and re-engage growers in the future of the industry.” he said.

For a full copy of the Discussion Paper on the Grains Levy Payers’ Association please follow this link to the GRFL website: <http://www.grf.org.au/CustomContentRetrieve.aspx?ID=273140> .

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