

development and extension is most needed, and prioritise the GRDC's investments accordingly each year with an annual investment plan. The GRDC also operates on a five-year strategic plan which sets out high-level research and development goals, and is developed in consultation with growers and the industry.

Growers also directly influence priorities through independent regional Research Advisory Committees (RACs) – sometimes called Linkage Groups – in every state. Growers, industry personnel and researchers become members of RACs through a formal nomination and selection process conducted by producer organisations such as the NSW Farmers Association. RACs meet formally twice a year with GRDC regional panels to discuss and prioritise research and development.

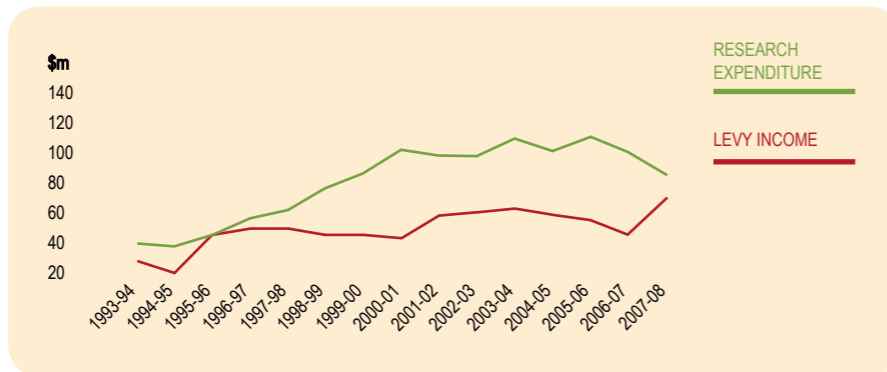
It's important to note that in prioritising activities, the GRDC must also meet the Australian Government's National Research Priorities and its Rural R&D priorities, and must also follow directions on priorities by the Minister for Agriculture, Fisheries and Forestry.

How is the GRDC accountable for the spending of my levy?

The GRDC is required to report formally to the Grains Council of Australia as the nation's peak representative body for grain growers. It is also required to regularly meet with and report to the Minister for Agriculture, Fisheries and Forestry. Like other statutory corporations, the GRDC is required to publish a formal Annual Report which details all of its expenditure and operations for the financial year, along with providing interim reports and budget estimates.

The GRDC is required to have its performance – in terms of efficiency and research outcomes – monitored and assessed independently by

GRDC's expenditure on R&D and grower levies received 1993-94 to 2007-08



NOTE: As part of its Drought Response Strategy, the GRDC reduced expenditure from 2006-07.

the Council of Rural Research and Development Corporations Chairs. The GRDC is also responsible to a Board of Directors appointed by the Australian Government. Like panels and RACs, the Board is comprised of growers, researchers and industry experts.

The GRDC's accountability requirements are set out in the *Primary Industries and Energy Research and Development Act 1989*, the *Commonwealth Authorities and Companies Act 1997* and other legislation.

How can I take part?

The GRDC strongly encourages growers to take an interest in the activities they support through their levies, and to play a role in prioritising expenditure.

How can I find out more?

If you would like to obtain more information about anything in this fact sheet, contact the GRDC on (02) 6166 4500 or visit the GRDC website at www.grdc.com.au.

You are also invited to discuss these issues with your local regional panel chairman:

- Northern Region (northern NSW and Queensland):
James Clark 0427 545 212
- Southern Region (southern NSW, Victoria, SA and Tasmania):
David Shannon 0419 830 700
- Western Region (Western Australia):
Neil Young 0428 918 766

There are various ways you can have your say about anything to do with the GRDC, including general or specific research direction.

New ideas are the lifeblood of the grains industry. The GRDC's capacity to deliver achievements on your behalf depend on the effective and timely implementation of the Corporation's strategies, which in turn depends on the cooperation of its Board, panel members and staff, and strong relationships with growers and research partners.

Regional panel members are always happy to hear from you. If you would like to take part in RACs or meet with panel members, contact a local representative from your relevant producer organisation or call the GRDC on (02) 6166 4500 and we'll tell you how to get involved.

YOUR GRDC LEVY

FACT SHEET

At harvest, you are levied 0.99% of the value of grains you sell or use on a commercial basis. This levy is used to fund research, development and extension aimed at increasing the productivity and profitability of Australian grain growers, and to improve the competitiveness and sustainability of the Australian grains industry.

Research and the Australian grains industry

The Australian grains industry is one of the most advanced and competitive in the world, with a well-earned reputation for products of premium quality. It is an important sector of Australian agriculture which has consistently delivered growth despite rising input costs, a challenging environment, market volatility and increasing overseas competition.

This performance has been underpinned by the industry's strong commitment to research, development and extension, much of which has been funded by growers and the Australian Government through the Grains Research and Development Corporation (GRDC).

What is the GRDC levy?

The 0.99% levy is collected on 25 different crops produced in Australia: wheat, barley, oats, sorghum, cereal rye, triticale, maize (0.693% levy), canary seed, millets/panicum, canola, linseed, safflower, soybeans, sunflowers, chickpeas, cowpeas, faba beans, field peas, lentils, lupins, mung beans, navy beans, peanuts, pigeon peas and vetch.

The levy provides funding for grains research, development and extension coordinated and facilitated by GRDC. This includes:



- Investigating and evaluating the requirements for R&D in the grains industry
- Coordinating or funding R&D activities
- Facilitating the dissemination, adoption and commercialisation of the results of R&D.

What is the GRDC?

The Grains Research and Development Corporation (GRDC) is a statutory corporation established in 1990 under the *Primary Industries and Energy Research and Development Act 1989*. Its primary objective is to support effective competition by Australian grain growers in global grain markets through enhanced profitability and sustainability, and its primary activity is the allocation and management of investments in grains research, development and extension.

Where do the GRDC's funds come from?

In addition to growers' contribution via the GRDC levy, a sliding scale of matching contributions is paid by taxpayers via the Australian Government. This means the Government contributes about 30-40% of total levies collected. The Government provides a contribution of up to 0.5% of the gross value of Australian grains production.

How is my levy calculated and collected?

Your levy is determined by the amount of grain (from those crops mentioned above) you sell to another party, or use yourself on a commercial basis (as in a feedlot or piggery) each year. Your levy is imposed and collected under the *Primary Industries (Excise) Levies Act 1999* and related legislation.

“All grain growers are levied to ensure they have equal ownership of GRDC-funded research and its outcomes, and an equal share in the benefits.”

Your levy is not collected directly by the GRDC. This is a role undertaken by the Australian Government's Levies Revenue Service (LRS), which is responsible for both collection and distribution of your levy to the GRDC, and also for the distribution of the Government's contribution to the GRDC.

Why is the levy compulsory?

Research funded by growers and the Australian Government through the GRDC benefits all grain growers, and the GRDC is obliged to make all research outcomes available to all growers. All grain growers are therefore levied to ensure they have equal ownership of GRDC-funded research and its outcomes, and an equal share in the benefits.

The scope of research, development and extension investment and collaboration produces significantly improved returns for levy payers and the government, and large-scale nation-wide outcomes and benefits, that could not be achieved with a voluntary levy. A major strength of RDCs and the unique contribution these organisations make to rural Australia is the systematic collaboration between industry, government and the providers of research, development and extension services.

How is my levy spent by the GRDC?

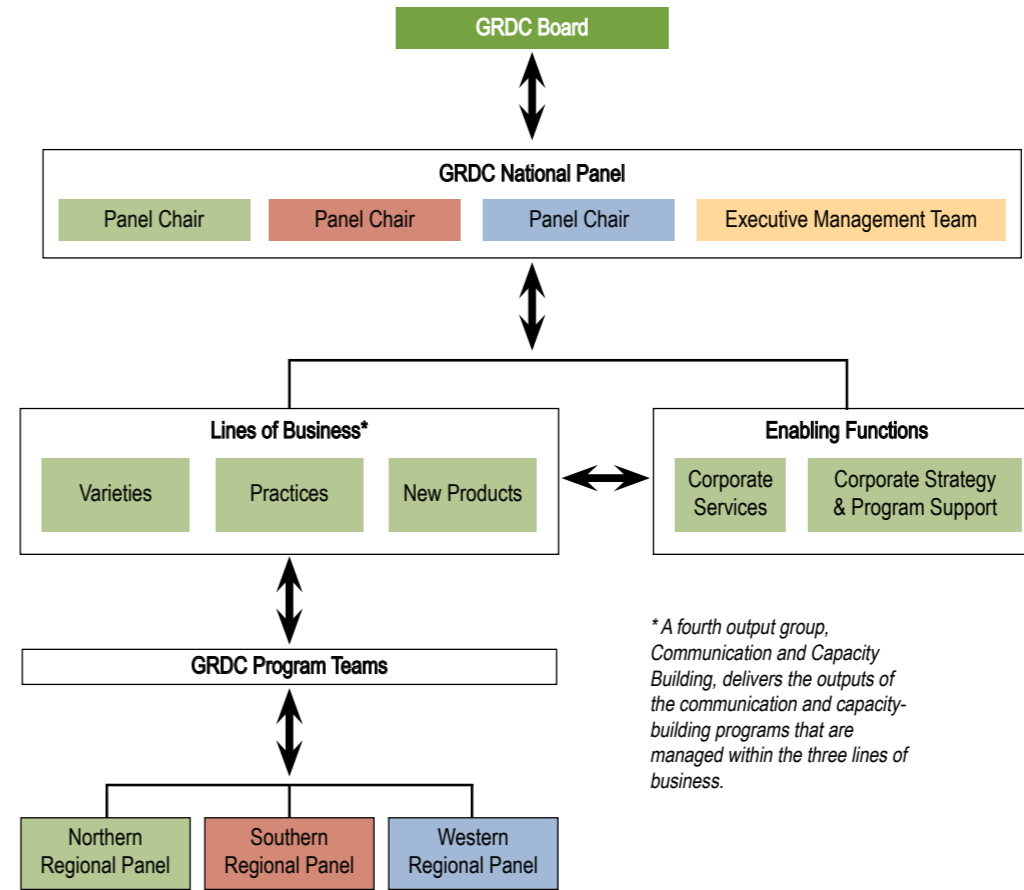
The GRDC invests around \$100 million per year in research, development and extension. Since the establishment of the GRDC in 1990, the value of the Australian grains industry has risen from \$4.7 billion to more than \$7.5 billion in 2007-08 thanks to the adoption of new varieties, improved pest and disease control, improved

environmental management, new products, technologies and services.

Much of this has been researched and developed with funding contributed by growers through the GRDC.

The GRDC invests your levy in research, development and extension that benefits you and your fellow grain growers. Broadly, the GRDC invests your levy in the following areas:

- **Varieties** (\$41.4m in 2007-08) – the GRDC provides funding to the pre-breeding sector to identify, isolate and enhance genetic traits such as disease resistance or frost tolerance which are desired for new varieties, and to breeders for the development of new varieties; the GRDC has also provided 'seed' funding to establish wheat breeding companies
- **Practices** (\$32.7m in 2007-08) – the GRDC provides funding to a range of research partners (universities, farming systems groups and the private sector) for research on agronomy and soils; protecting crops from diseases, weeds and invertebrate pests; validating and integrating practices; and for extension programs which communicate the outcomes of research to grain growers so they are aware of them and can adopt them on the farm (eg GRDC Updates)
- **New products** (\$7.9m in 2007-08) – the GRDC provides funding for the research and development of new products that can be used by growers to improve production (for example, soil inoculants or on-farm grain storage technology), and new products made from grain



* A fourth output group, Communication and Capacity Building, delivers the outputs of the communication and capacity-building programs that are managed within the three lines of business.

“...the GRDC consults with growers and the industry through a system of national and regional panels comprised of growers, researchers and industry experts.”

- **Communication and capacity building** (\$4.8m in 2007-08) – the GRDC provides funding to build Australia's grains research capacity (eg for university students to become grains researchers, or for growers to travel and learn more about grain production) to ensure that talented people and fresh ideas continue to improve and invigorate our industry.

- The release of more than 40 new grain varieties, including 16 wheat varieties and 15 canola varieties with improved yields
- Contingency plans for potential incursions by a range of exotic pests and diseases such as barley stripe rust
- 570 trials undertaken by National Variety Trials (NVT)
- 37 GRDC Adviser and Grower Updates, attended by a total of 4089 people.

An independent consultant engaged in 2007-08 to assess the impact of major GRDC-funded projects under a method approved by the Australian Government's Productivity Commission found:

- That the net present value of investments by GRDC and research partners in combating rust diseases is \$632 million over 17 years with a benefit cost analysis of \$23 for every dollar invested; and
- For every dollar invested by the GRDC in precision agriculture research (a total of \$5.9 million), the benefit was \$9 (a total of \$56.5 million).

Highlights of outcomes from GRDC-funded activities in 2007-08 include:

What role do growers have in prioritising GRDC research?

Essentially, the GRDC consults with growers, industry, government and research partners - and acts in partnership with public and private researchers, other R&D funding organisations, agribusiness and grower groups - to decide what activities it will fund on behalf of growers and the grains industry. It does this through a system of national and regional panels comprised of growers, researchers and industry experts.

The panels liaise directly with growers and the industry to find out what research,

Where your 2007-08 dollars were invested (\$m) across key grain commodities

