

# Have your say on levy cut for raspberry & blackberry growers

Rachel Mackenzie, Executive Director

The Raspberry and Blackberry Association (RABA) has formally initiated the process to reduce the overall levy burden on Rubus growers.

## The committee is investigating options to:

- Significantly lower the research & development levy
- Set a Plant Health Australia (PHA) & Exotic Plant Pest Response (EPPR) levy
- Review the marketing levy

Once the committee has decided on the preferred levy split, then all levy payers will have a chance to give formal feedback on the proposal. The changes will only go through if the majority of growers support them.

**For more information on the process of changing a levy please refer to: <https://bit.ly/Ag-levy>**

Currently Rubus growers pay 10c/kg in research and development (R&D) levies and 2c/kg in marketing levies. In the 2020/21 financial year the R&D levy alone brought in more than \$1million and there is more than \$2million being held on behalf of the industry by Hort Innovation. To put that in context, when the Rubus levy was established in 2006, the total income from the R&D levy was \$90,000. The funds raised by the R&D levy are matched by the Australian government up to a cap of 0.5% of the gross value of production (GVP) of the industry, but the marketing levy is 100% grower funds.

It is well known that the Rubus industry has seen considerable growth in the last few years with a 12-fold increase in tonnage and 21-fold increase in value since 2004. Household penetration for raspberries has doubled to 41% and blackberries now have 29% of Australian households purchasing at least once a year\*. The fantastic growth of the sector is something to be proud of, but it is also important to take stock of things like the levy to make sure it continues to be fit-for-purpose and is not an undue burden on growers.

Whilst it can be said that with the investment in the industry development and communications project delivered by Berries Australia there is an increased effort to invest the levy wisely, the rate at which it is accumulating far exceeds the RD&E needs of the sector.

RABA is proposing to reduce the R&D levy significantly to set it at a rate that will allow the current level of investment to be maintained and ensure a significant buffer should new issues arise. In addition, RABA is seeking to change the split of the levy to be more reflective of the needs of the sector.

The intention of this process is very much to reduce the levy overall, but RABA has also identified the need to set a PHA levy to repay the Australian government for our contribution to controlling exotic pests such as Varroa Mite and provide a mechanism to directly fund biosecurity activities. RABA is also proposing setting an EPPR levy at zero which can be activated in case of any major pest incursion such as spotted-wing drosophila.

The committee is also considering whether the marketing levy is still needed or whether these funds would be better spent by individual growers and brands.

**If you are a Rubus levy payer and would like to know more about the process or give preliminary feedback, please contact Rachel Mackenzie: [rachelmackenzie@berries.net.au](mailto:rachelmackenzie@berries.net.au)**

Please note that there will be lots of opportunities to provide input including video conferences and face-to-face meetings (if possible).

\* **Harvest to Home** Data for year ending 19 April 2020. [www.harvesttohome.net.au/fruitmushroomnuts/latest-highlights/blackberries](http://www.harvesttohome.net.au/fruitmushroomnuts/latest-highlights/blackberries)