

Important information for Raspberry & Blackberry levy payers

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After significant deliberation, the RABA committee is proposing to industry to significantly cut the Rubus R&D levy to 2c/kg, set the marketing levy to 0 and raise a 2c/kg Plant Health Australia levy. This will mean the total levy paid by growers is proposed to be 4c/kg instead of 12c/kg.

This may seem like a drastic cut, but due to the \$3 million worth of unmatched funds currently sitting in the Hort Innovation Research and Development account this will still mean there are more than enough funds to pay for the industries' R&D needs even if the tonnage does not increase.

To put this in perspective, in the first year of the levy (2006) it raised \$90,000 and in the 20/21 financial year the levy income was more than \$1 million. We have done forward estimates using conservative tonnage numbers and an increased R&D investment and after 10 years there will still be more than \$1.5 million of unmatched funds in the Rubus fund. The RABA committee considers that setting the levy at 2c/kg will put more dollars in growers' pockets whilst still enabling industry to invest in R&D. Hort Innovation supports the move to cut the R&D levy.

In terms of the marketing levy, the current year income was \$207,225. Advice from marketing experts was that for a marketing program to have impact it should have a budget of at least \$500,000/year.

The two options the committee considered were to raise the marketing levy to 5c/kg or set it at 0 and potentially explore a voluntary levy to be spent alongside the voluntary blueberry marketing levy. The committee opted to propose to set the levy at 0 as they considered that the marketing program had not delivered much value to the industry and that a voluntary berry basket approach would give more bang for buck.

Finally, the committee reviewed the industry's biosecurity commitments to the Australian government and determined that a levy rate of 2c/kg would enable the industry to pay off their existing debt and raise funds to directly fund suitable biosecurity activities. In addition, any funds raised through the PHA levy can be transferred to Hort Innovation where they can be matched and used for R&D.

This article represents the first step in the formal consultation process. We will send out an individual information pack to every Rubus levy payer we can track down and host webinars to give you a chance to ask any questions.

According to the levy guidelines, we need to be able to demonstrate that a majority of levy payers support the proposal so in early February 2022 we will hold a secure online ballot. If the proposal is accepted, then we will lodge with government and there will be a 6-week objection period taking us to late March. We are then subject to the timelines of government, but it is our hope that the new levy will come into place for the 2022/23 financial year.

It is really important that all Rubus levy payers engage in this process

It is your money & your levy so please contact Rachel Mackenzie at rachelmackenzie@berries.net.au if you have any questions.