





23 June 2010

Mr Philip Weickhardt Commissioner Locked Bag 2 Collins Street East Melbourne Vic 8003 AUSTRALIA

Dear Mr Weickhardt

Research and Development Corporations

I recently met members of the Grain Research and Development Corporation of Australia here in Great Britain and they asked me to contact you to express my view of the importance of industry/Government funded R&D organisations.

I work for the Home Grown Cereals Authority of the United Kingdom. We are funded by a levy raised from growers and processors as well as being paid by government to deliver certain services direct to industry. We are part of the wider Agriculture and Horticulture Development Board which also covers red meat, potatoes, dairy and horticulture.

All the organisations within AHDB primarily provide R&D, with some in addition providing market intelligence, marketing and education services. A very large part of the R&D includes knowledge transfer and exchange, some delivered through a KT group, others using a central communications group.

UK agriculture and horticulture comprises large numbers of businesses, many family farms and small and medium sized enterprises with none having the capacity to undertake much significant R&D. Cooperatives are few and there are a couple of membership organisations that undertake R&D for their members. This is mainly problem solving type activity.

The RDC's therefore provide a vital role undertaking research, mainly filling in gaps not covered by universities and research institutes, and in development, turning research outputs into practical solutions and communicating them to achieve maximum output.

However, there is another vital role played by RDC's and that is to influence and guide other research and development activity. Through the resources of the whole organisation, HGCA is well equipped to identify priorities for the industry as well as advising on the best routes for communication. HGCA is also very adept at pulling together interested parties whether across a sector through trade organisations or up and down supply chains. HGCA acts as a natural link between Government and the industry.

HGCA is a division of the Agriculture and Horticulture Development Board

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Finally, HGCA does have a good feel for the day to day activities of the businesses that funds it. Where there has been increasing activity in non-production issues such as environmental schemes, HGCA has been very able to advise on how these dovetail with crop production. Advising on the management of sustainability has become a major part of AHDB's role, and just as its now forms a major plant of Government policy here in the UK, so too does it feature highly in AHDB's corporate plan.

I hope these thoughts illustrate the importance we give to RDC's in the UK and the vital role which would not be replaced should the levy bodies be closed down.

Yours sincerely

Martin Grantley-Smith Head of Business Development HGCA-AHDB