

Hort Innovation Levy Payer Workshop Outcome

Robinvale Golf Club, Robinvale, NSW

Wednesday 3 February 2016

Background

Horticulture Innovation Australia (Hort Innovation) has held Levy Payer Workshops nationally to assist with the development of the company's inaugural Strategic Plan, setting the strategy to 2018. The purpose of the workshops was to consult with horticulture levy payers to gain their input in shaping the company's strategy and its implementation. The strategy is also underpinned strongly by Hort Innovation's constitution and the Deed of Agreement with the Commonwealth.

Presentations were delivered at each workshop regarding company operations, particularly in relation to levy investments (Pool 1) and the Strategic Co-investment Funding Pool (Pool 2). Feedback was received at each workshop and collated into a summary. All workshop summaries will contribute towards the compilation of the company's inaugural Strategic Plan.

The summary below outlines the feedback received from attendees at the Robinvale workshop.

Main discussion points

Hort Innovation in general

There was concern that the strategic plan from Hort Innovation took too long. This was acknowledged by the presenter and it was noted that the company has been operating on an interim plan during the transition from Horticulture Australia Limited (HAL) to Hort Innovation.

A point was raised that growers have strong relationships with their Industry Representative Bodies (IRBs) and that they would like to build the same relationship with Hort Innovation.

There was consensus that growers are time poor and the IRBs play an important role in keeping growers up to date with matters that concern their industries. There was also discussion that being part of an IRB takes up a lot of time and therefore costs a lot of money so there needs to be some linkage between growers and Hort Innovation. It was acknowledged by the presenter that communications to growers from Hort Innovation can also come through the IRBs and particularly their regional representative groups.

It was also raised that it is important to support the good people in industry who help farmers. As growers have limited good staff and would like to keep them, so too IRBs have good people and should not lose them due to funding issues as they help farmers.

It was agreed that fruit fly is still an issue. Growers would also like to see more market access for exporting. Hort Innovation discussed the current projects for fruit fly, and that this area would be covered in more depth in the Pool 2 discussions.

Finally, it was agreed that all industries should be working together, not against each other. Hort Innovation agreed with this statement noting that multi-industry projects in the previous model had been very difficult to deliver for various reasons. It was stated the new funding model, in particular Pool 2, may help to make this easier with the fruit fly fund given as an example.

Advisory mechanism

There was agreement that the advisory panels need to be made up of the right people, as there have been issues with conflicts of interest in the past. This was acknowledged by the presenter. Hort Innovation explained that the expression of interest process was open and transparent and allowed any grower to apply to participate on the panels. Although the panels are skills based, the selection process also aims to ensure that there is good representation of different sectors and geographic areas. It was noted that interviews for the panels were conducted by Hort Innovation director, an IRB director and an independent.

Questions were asked regarding the end of HAL, where the old projects funded by HAL now sit and can be accessed from, and when HAL ended and Hort Innovation began. There was also question as to how the Green Paper fits into the new process. Hort Innovation advised that projects funded by HAL were continued as legacy projects and reviewed for their alignment with the new Statutory Funding Agreement (SFA). A few required variations to bring them in line with the new SFA but all projects were reviewed.

There were comments regarding the old VC process, that it was "handled badly" at the beginning. It was also asked what VCs now look like under the Hort Innovation structure. This was noted by Hort Innovation. The new Collective Industry Fund process was explained as well as noting that the Pool 2 Strategic Co-Investment process will be discussed later in the meeting. It was confirmed that the VC mechanism no longer existed in the new model.

It was raised that processes need to be streamlined in order for Hort Innovation to operate efficiently. The presenter agreed with this statement.

Regarding the innovation concept pipeline, attendees wanted to know what concepts currently sit within it and how the ideas coming through can be accessed. Hort Innovation explained that concepts are processed in stages and the progress of each concept is initially assessed internally by the Hort Innovation R&D team. The concepts are then reviewed for the general alignment with their respective industry strategic investment plan before being reviewed by the Strategic Industry Advisory Panel (SIAP).

It was queried as to how individuals are able to take part in the advisory panels, how many advisory panels are in place, and the time frame for them all to be completed. There was concern that the old Industry Advisory Committees (IACs) sometimes had individuals who

were not relevant to industry on the panels. Hort Innovation explained that the panels are being implemented in waves with wave 1 nearing completion and wave two open at the moment. The process allows anyone to apply and the applicants are then shortlisted for interviews. The panels are designed to ensure there is a good mix of skills and experience as well as a spread of geography and different sectors.

Finally, those in attendance questioned the innovation concept pipeline process regarding the ownership of IP. Hort Innovation explained that IP is considered when concepts are received and managed accordingly.

Communications

There was consensus that the new funding/investment model for Hort Innovation appears to be more complex than the former HAL process.

It was also agreed that communication from government to growers needs to be easier.

Pool 2 investment

A process was undertaken in which each participant 'invested' a nominal \$100 across the five established and further 14 proposed funds under 'Pool 2' (the Strategic Co-investment Fund Pool).

It was noted that this process was not the only process being used to prioritise investment and that other factors would be considered when determining the final investment funds. The results were as follows:

Theme/Fund	'Investment'
Building capacity	
Leadership and people development (established)	\$40
Industry data	\$0
Discovery research	\$25
Contingency research	\$0
Driving growth	
Asian markets (established)	\$810
Health, nutrition and food safety (established)	\$0
Consumer and market insights	\$25
New product development	\$25
Stimulating productivity	
Intensive and protected cropping	\$0
Emerging and advanced technologies	\$25
Genetic improvement and breeding	\$45
Food waste	\$15
Managing risk	
Fruit fly (established)	\$195
Pest and disease management	\$45
Chemical access and registration	\$55
Enabling sustainability	

Green cities (established)	\$0
Pollination capacity	\$0
Land, soil, water and climate	\$145
Northern Australia	\$0

Key takeouts for Hort Innovation

Company operations

- Hort Innovation should endeavour to work closer with growers and IRBs to establish stronger relationships and a greater flow of communication.
- The transition from HAL to Hort Innovation was not well communicated and communication from Hort Innovation needs to enhance transparency, including R&D outputs in general and individual projects.
- Growers require communication that targets multiple touch points including industry events.
- Communication needs to be about research and issues that are important to growers and projects and value.

Levy investment (Pool 1)

- Hort Innovation should be more transparent around the advisory panel process and each panels' recruitment to ensure the best people are represented on the panels.

Strategic Co-investment (Pool 2)

- There was a very strong bias in the allocations towards export and Asian Markets reflecting the industries present.
- There was also a strong investment appetite for Land, Soil, Water and Climate, perhaps reflecting the geography of Robinvale.

Attendees

Approximately 18

Industry sectors represented

Citrus, Nursery, Summerfruit, Table Grape, Vegetable