



# AGRICULTURAL PRODUCE COMMISSION

*Encouraging Producer Initiative*

ANNUAL REPORT  
**FOR YEAR ENDED 30 JUNE 2008**

Agricultural Produce Commission  
3 Baron-Hay Court  
South Perth WA 6151

Phone: (08) 9368 3127  
Fax: (08) 9368 3128  
Email: [apc@agric.wa.gov.au](mailto:apc@agric.wa.gov.au)  
Web: [www.apcwa.org.au](http://www.apcwa.org.au)  
ABN 33 720 315 990

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## STATEMENT OF COMPLIANCE

For the year ended 30th June 2008

**Hon Kim Chance MLC**

**Minister for Agriculture and Food; Forestry; the Mid West and Wheatbelt; Great Southern**

In accordance with Section 61 of the Financial Management Act 2006, we hereby submit for your information and presentation to Parliament, the Annual Report of the Agricultural Produce Commission for the financial year ended 30 June 2008.

The Annual Report has been prepared in accordance with the provisions of the Financial Management Act 2006 and;

### **Enabling Legislation**

The Agricultural Produce Commission is established under the Agricultural Produce Commission Act 1988 and;

### **Legislation impacting on the Board's activities**

- Anti-Corruption Commission Act 1988
- Disability Services Act 1993
- Equal Opportunity Act 1984
- Freedom of Information Act 1992
- Government Employees Superannuation Act 1987
- Industrial Relations Act 1979
- Library Board of Western Australia Act 1951
- Occupational Safety and Health Act 1984
- Public Sector Management Act 1994
- Salaries and Allowances Act 1975
- State Records Act 2000
- State Supply Commission Act 1996
- Statutory Corporations (Liability of Directors) Act 1996
- Workers Compensation and Rehabilitation Act 1981
- Workers Compensation and Rehabilitation (Acts of Terrorism) Act 2001
- Work Place Agreements Act 1993



**P Wells**  
Chairman of Accountable Authority  
Date: 8 August 2008



**R L O'Dwyer**  
Member of Accountable Authority  
Date: 14 August 2008

## **Mission Statement**

*The Western Australian Agricultural Produce Commission facilitates the growth and prosperity of agricultural industries through Producer Committee initiated and funded research and development programmes.*

*APC Producers' Committees are established with the object of enhancing and protecting the producer's investment in their industry through facilitating and managing producer industry based programmes in a wide range of areas that include product and market development; improving production and handling systems and management of bio security risks.*

Statement of Compliance .....	iii
Chairman's Report .....	1
Agricultural Produce Commission Act.....	2
Mission Statement.....	2
Commission Functions .....	2
Operational Structure .....	2
Commission Funding.....	3
Commission Meetings .....	3
Commission Meeting Attendance 2007/2008.....	3
Committee Administration .....	3
Annual Meeting with Committee Chairs .....	3
APC Code of Conduct .....	4
Committee and Procedural Manual.....	4
Committee Protocol.....	4
Publicity and Communication .....	4
Confidentiality of Information held by the Commission.....	4
Insurance.....	4
Legal Protection of Commissioners.....	5
Legal Advice.....	5
Significant Events during the Year .....	5
Fee for Service Initiatives and Insurance Schemes .....	5
Fee for Service Compliance .....	5
Fee for Service Scales .....	6
Establishing Producer Committees .....	6
Industry Coverage by the APC .....	7
Established Producer Committees.....	7
Active APC Producers' Committees at Date of Publication.....	8
Committee Reports 2007/08 .....	9
APC Avocado Producers' Committee.....	9
APC Beekeepers Producers' Committee .....	9
APC Carnarvon Banana Producers' Committee .....	10
APC Egg Producers' Committee .....	11
APC Pome, Citrus and Stone Fruit Producers' Committee .....	11
APC Pork Producers' Committee .....	12
APC Potato Producers' Committee .....	13
APC Strawberry Producers' Committee .....	13
APC Table Grape Producers' Committee.....	14
Turf Producers' Voluntary Committee .....	15
APC Vegetable Producers' Committee .....	15
Scope of the Act.....	16
Prescribed Agricultural Industries to which the Act is to apply .....	16
Fee for Service Regulations .....	16
Service Functions of Section 12.1 of the APC Act .....	17
Estimates, Disclosures, Statements.....	18
Estimates for 2008/09.....	18
Disclosure Pursuant to Section 175ze(1) of the Electoral Act 1907 .....	18
Certification of Financial Statements .....	19
Certification of Performance Indicators .....	20
Audit Opinion.....	21
Financial Statements .....	23
Notes to the financial statements 2008 .....	27
Performance Indicators .....	39
Procedures to join the Agricultural Produce Commission .....	41



## CHAIRMAN'S REPORT

The Commission is continuing to work with the Western Australian horticultural industry along with a number of other sectors within the State's primary industries to provide wide-ranging services, including bio-security measures.

This report provides an outline of the Commission's role and activities, as well as the particular work being undertaken by the various Producers' Committees.

A very constructive future directions workshop was held during July 2008 in which all active Producers' Committees participated. In the vein of the Nelson Mandela quotation "*Education is the most powerful weapon which you can use to change the world*" an external facilitator lead the group through current and future issues and potential solutions, assisted by selected industry experts.

The workshop was part of the Commission's ongoing program of *encouraging producer initiative*, with Committees to undertake follow-up actions to ensure the planning process maintains momentum. The role of Producers' Committees is central to the delivery of services to those parts of the Western Australian primary industry covered by the Agricultural Produce Commission Act. Faced with an ever-changing marketplace Committee members represent the vital interface between the world of the producer and the markets they supply.

The role of the APC in collecting and managing funds used to provide such benefits as industry development officers, market promotion and research is the envy of many. The Commission is therefore encouraged that a number of industries are looking closely at adopting the APC Fee for Service model as a way of dealing with challenges faced by every sector of primary production.

The work of the Commission would not be possible without the dedication and commitment of the APC's Executive Officer, Ingrid Smith and the support team provided by the Department of Agriculture and Food. I extend our thanks to Ingrid and DAFWA staff.

I also place on the record an acknowledgment of the important contribution made to the functioning of the Commission by my fellow Commissioners Ken Boughton, Yvonne Fahl and Roger O'Dwyer.

*APC Workshop 2008*



*Left to right: Peter Wells, Chairman APC; Hon Kim Chance, MLC, Minister for Agriculture & Food; Commissioners Yvonne Fahl, Ken Boughton and Roger O'Dwyer*

## AGRICULTURAL PRODUCE COMMISSION ACT

The Agricultural Produce Commission (the "Commission") was established by the *Agricultural Produce Commission Act 1988* (the "Act") which was proclaimed on 1 September 1989.

The Commission is a body corporate with perpetual succession and a common seal. The Commission is not an agent of the Crown, nor is it part of the Public Service. The Commission reports to the Minister for Agriculture and Food.

### MISSION STATEMENT

The Western Australian Agricultural Produce Commission facilitates the growth and prosperity of agricultural industries through Producer Committee initiated and funded research and development programmes.

APC Producers' Committees are established with the object of enhancing and protecting the producer's investment in their industry through facilitating and managing producer industry based programmes in a wide range of areas that include product and market development; improving production and handling systems and management of bio security risks.

### COMMISSION FUNCTIONS

- a. Establish Producers' Committees in relation to agricultural produce.
- b. Appoint members to Producers' Committees.
- c. Advertise for the formation of Producers' Committees.
- d. Conduct polls as prescribed under the Act, for the purposes of the establishment and operation of Producers' Committees.
- e. Dissolve Producers' Committees and appoint liquidators for the winding up of Producers' Committees.
- f. Provide such services in relation to the functioning of Producers' Committees as are necessary from time to time.
- g. Direct, coordinate and supervise the functioning and expenditure of Producers' Committees.
- h. Provide such other service to producers' committees as the Minister may direct.

*Section 6.1 Agricultural Produce Commission Act*

### OPERATIONAL STRUCTURE

The Agricultural Produce Commission is comprised of four Commissioners appointed by the Minister for Agriculture and Food. The Minister appoints one member of the Commission to be the Chairperson. Appointments are for a period not exceeding three years, but on expiry of tenure the incumbent can apply for a further term.

Commissioners as at the date of this Report were:

Peter Wells	Chairperson	Yvonne Fahl	Member
Roger O'Dwyer	Member	Ken Boughton	Member

The term of office for all Commissioners expires on 9 January 2010.

The Commission's Executive Officer is engaged under a secondment agreement with the Department of Agriculture and Food.

As at 30 June 2008 there were:

- 10 active Producers' Committees;
- 1 voluntary Producers' Committee;
- 2 Producers' Committees in recess.

The total number of Committee Members was 65 persons.

Commissioners and Committee Members are remunerated in line with rates approved by the Minister. Travel and accommodation expenses incurred by Commissioners and Committee members in the course of official duties are reimbursed at approved rates.

*The first week as an adult worker honey bees clean the hive, by the second week they feed the young. The third week they make and repair wax cells in the hive, by the fourth week they have begun guarding the hive. Finally they will visit flowers for pollen and nectar from the fifth week until they die. Workers might live for six to eight weeks, while queens live up to five years. The total distance of the many trips that honey bees travel to produce a half a kilogram of honey is about equal to half the distance around the world.*



## COMMISSION FUNDING

The Commission is funded primarily by producers through Fee for Service, under section 14 of the Act and supporting Regulations.

All functions of the Commission and Producers' Committees, including general administration, financial management, accounting for Fee for Service collection, administration of the Act and legislative compliance, are funded on broad 'user pays' principles.

Fee for Service charges are determined by the respective Committee, and reviewed annually. The Committee takes into account the ability of producers to pay the Fee for Service measured against the benefits delivered through the provision of industry based services. The Fee for Service is applied to all produce of a particular commodity, usually at the first point of sale. Fee for Service returns also capture industry specific data enabling Committees to plot the changing production profile and needs of their industry. As an example, the Pome, Citrus & Stone Fruit Committee can monitor apple production by variety.

The Commission is responsible for collecting the Fee for Service from producers, wholesalers, exporters and retailers. Whilst the Act provides that the Fee for Service is to be remitted to the Commission by the purchaser/re-seller at the first point of sale, the buyer has the right to deduct the Fee for Service from the payment to the producer.

The Commission maintains separate accounts for each Producers' Committee, providing Committees with comprehensive quarterly management revenue and expenditure reports. A number of Committees receive funding from other sources, such as matching research funds from national bodies, which the Commission administers.

The Commission reviewed its administration charge to Committees in 2008, and rather than pass on increased Commission operating costs to Committees, reviewed its own operations, making cost savings where possible, thus keeping the charge to Committees at the 2007 rate. The Commission reviews cost recovery arrangements from time to time to ensure the outcome is equitable across all Committees. Should a Committee suspend Fee for Service collections, an annual fee is charged to cover APC fixed overheads and other costs associated with providing ongoing financial and support services.

## COMMISSION MEETINGS

The Commission meets as necessary. Most meetings are face to face, although telephone or video conference technology is also used. During the year under review Commissioners attended meetings as below:

### COMMISSION MEETING ATTENDANCE 2007/2008

Commissioner	Eligible to Attend	Attended
Yvonne Fahl	7	7
Ken Boughton	7	7
Peter Wells	7	7
Roger O'Dwyer	7	7

## COMMITTEE ADMINISTRATION

Committees, working within Regulations issued by the Commission, have the autonomy to meet as they determine necessary for the efficient running of their Committee. The primary focus of the Commission's oversight of Committee activities is to ensure due diligence is conducted on Committee projects and there is sound financial governance and compliance with the Act. The Commission encourages every Committee to seek input from producers and in turn communicate with all producers on Committee activities.

## ANNUAL MEETING WITH COMMITTEE CHAIRS

Commissioners meet with Producers' Committee Chairpersons annually to review the past year and discuss future needs. The last meeting was held on 16 October 2007.

The Commission considers the annual meeting a vital link in the communication between the Commission and Committees as it provides an open forum for discussion and identification of improvements and new initiatives that can enhance the effectiveness of both Commission and Committees. The Commission is currently looking at ways of building even stronger lines of year round communication between Commissioners and Committee members.

## **APC CODE OF CONDUCT**

In June 2007 the Commission adopted an enhanced and up-dated *Code of Conduct*. The APC Code of Conduct applies to Commissioners and Commission staff, as well as Producers' Committee members and officers.

## **COMMITTEE AND PROCEDURAL MANUAL**

The Commission has developed and published a Procedural Manual to assist Producers' Committee members in the effective operation of their Committee. The Manual is a "living document" being reviewed on a regular basis. The Manual details the responsibilities of Committees and provides guidance and instruction on the most efficient and ethical ways for Committees to conduct their business.

## **COMMITTEE PROTOCOL**

The Commission has a protocol in regard to the relationship between an APC Producers' Committee and related industry organisations which reads as follows:

*'Producers' Committees for particular Agricultural Industries are formed after extensive discussions with producers within the industry and a poll of all producers, and provided a majority of those producers voting are in favour a Producers' Committee may be formed by the Agricultural Produce Commission (APC).'*

The Producers' Committee must then function in accordance with the Act and within the scope of Section 12.1 agreed to in the poll. Producers appointed to the Committee are representatives of the industry in their own right and do not represent individual sectional interests. The Committee may however seek advice from these interests.

It is the Committee's responsibility to:

- determine services to be provided for the benefit of producers;
- estimate the cost of the services;
- take into account the ability of producers to meet the costs; and
- recommend a "Fee for Service" to the Commission.

The APC encourages co-operation between the various sectional interests within the respective industries to ensure maximum benefits flow to all producers from the functions financed by the Fee for Service. However, the APC Code of Conduct specifically states that Committee Members must act on behalf of all industry members, not just those with sectional or affiliated interests.

## **PUBLICITY AND COMMUNICATION**

The APC web site ([www.apcwa.org.au](http://www.apcwa.org.au)) provides extensive information about the Commission i.e. current Fee for Service rates, how to join the APC, Annual Reports and the Act and Regulations. Each Producers' Committee has its own web page providing information about the Committee and related industry organizations. The Commission encourages Committees to utilize the web site as a tool to communicate with their industry and interested parties.

## **CONFIDENTIALITY OF INFORMATION HELD BY THE COMMISSION**

To give effect to the objects of the Act and Producers' Committee Charters, the Commission applies the information relating to Fee for Service for the benefit of the industry. Commissioners and members of Producers' Committees are bound by the APC Code of Conduct to protect any commercial sensitivity associated with that information. The Commission is cognisant of its obligations under the Privacy Act.

The Commission publishes aggregated information relating to the quantity of produce on which the Fee for Service has been collected.

Requests for information should be addressed to: The Chairman, Agricultural Produce Commission, 3 Baron-Hay Court, South Perth WA 6151.

## **INSURANCE**

Commissioners, Chairpersons and members of Producers' Committees, and Commission staff are covered against accidents that may occur during performance of official business.

*The potato was the first vegetable grown in outer space.*

*A new potato peeler will become easier to use over time. The starch in the potato reacts with the blade making it sharper each time it is used.*

## LEGAL PROTECTION OF COMMISSIONERS

Section 24 of the Act provides that a person who is or was a member of the Commission or an employee is not personally liable for any act done or omitted to be done in good faith by the Commission.

## LEGAL ADVICE

The Commission is not entitled to obtain advice from the Crown Solicitors Office and therefore seeks legal advice, when and as required, from the private sector.

## SIGNIFICANT EVENTS DURING THE YEAR

### FEE FOR SERVICE INITIATIVES AND INSURANCE SCHEMES

Details of individual Committee Fee for Service initiatives are provided in the section 'Committee Reports'.

Overall, Committees provided services to their industries in the form of:

- Industry Development Officers and Industry Training Officers who are available to producers to assist them on a variety of industry issues.
- Research projects (some jointly funded with other organisations) in such varied areas as *National Potato Breeding Program*, *Skin-Browning of White Table Grapes*, *Pork CRC* and *Increasing the Shelf Life of Australian Strawberries*.
- Funding for Industry Associations – West Australian Pork Producers Association (WAPPA), Western Australian Fruit Growers Association (WAFGA), Potato Growers Association (PGA), Vegetable Growers Association (vegWA), Commercial Egg Producers Association (CEPA). These associations carry out functions on behalf of the Producers' Committee, as allowed by the Service Functions of the APC Act.
- Promotion and advertising of produce via such avenues as in store-taste testing, recipe cards, advertising on buses, support for community events (eg Donnybrook Apple Festival) and use of stickers on produce that identifies it as WA grown.
- Ensuring the quality of produce that reaches consumers, through the *Table Grape Maturity Testing* process.
- Industry newsletters that keep producers informed and up to date on industry issues (*BeelInformed*, *WA Fruit Grower*, *WA Grower*).
- Compensation for Carnarvon banana producers as a result of Cyclone Nicholas which caused wind damage to Carnarvon banana plantations.
- Support for the beekeeping industry in the fight to contain an outbreak of small hive beetle in Western Australia keeping the South West of Western Australia free of small hive beetle.

### FEE FOR SERVICE COMPLIANCE

To ensure producers and their respective industry can maximise the service benefits, the Act requires all producers to pay the Fee for Service on produce grown in Western Australia. Non-compliance by producers is of concern to all Committees as it limits an industry's capacity to extract maximum return from research and development into improved production techniques, bio security systems, product and market development

During the year under review the Commission maintained its investigation into Fee for Service compliance levels. The Commission reinforced with Committees the importance of promoting producer and industry knowledge, and appreciation of, Producers' Committee activities and funding initiatives.

In order to ensure the fairness and equity in Fee for Service collections, the Commission pursues non compliance to the full extent of its resources and abilities. Committee initiatives benefit the producers' industry as a whole, with non compliance placing an unfair burden on those producers who do comply. Non compliance can also lead to Committees being forced to cancel – permanently or temporarily – vital industry projects.

## FEE FOR SERVICE SCALES

<u>Avocados</u>	Per kilogram: \$0.0150					
<u>Beekeepers</u>	\$15.00 per beekeeper per annum (calendar year 2008) plus \$1.10 per hive per annum (calendar year 2008)					
<u>Carnarvon Bananas</u>	<u>13 kg ctn</u>	<u>15 kg tub</u>				
	23 cents	26 cents				
	<i>Converts to \$0.0177 per kilogram</i>					
<u>Citrus (Mandarins)</u>	<u>15 litre</u> packed 10kg	<u>18 litre loose</u> filled 10 kg	<u>22 litre crate</u> 10 kg	<u>Tonne</u>		
				\$13.00		
	<i>All \$0.0130 per kilogram</i>					
<u>Citrus (Other)</u>	<u>3kg net bag</u>	<u>Tray</u>	<u>22 Litre</u>	<u>36 Litre</u>	<u>Bins</u>	<u>Tonne</u>
	3 cents	5 cents	14 cents	20 cents	\$4.00	\$10.00
	<i>Converts to \$0.0100 per kilogram</i>					
<u>Pome (eating)</u> (apples, pears, nashis)	<u>Tray</u>	<u>22 Litre</u>	<u>36 Litre</u>	<u>Bins</u>	<u>Tonne</u>	
	2.7 cents	8 cents	12 cents	\$2.88	\$6.70	
	<i>Converts to \$0.0067 per kilogram</i>					
<u>Pome (processing)</u>	\$5.00 per tonne					
<u>Pork</u>	\$0.008 cents per kilogram carcass weight					
<u>Potatoes</u>	Processing, seed and ware export potatoes \$5.00 per tonne Domestic ware potatoes \$25.75 per tonne					
<u>Strawberries</u>	<u>Tray</u>	<u>Tray</u>	<u>Tray</u>	<u>Std Tray</u>		
	2 kg loose	4 kg loose	Euro punnet	12 punnet		
	2 cents	4 cents	3 cents	3 cents		
	<i>Converts to \$0.0100 per kilogram</i>					
<u>Stone fruit (eating)</u>	<u>Tray</u>	<u>22 Litre</u>	<u>Bins (plums)</u>	<u>Tonne</u>		
	3 cents	9 cents	\$3.17	\$9.00		
	<i>Converts to: \$0.0090 per kilogram</i>					
<u>Stone Fruit (processing)</u>	\$6.00 per tonne					
<u>Table grapes</u>	<u>18 litre</u>	<u>22 litre</u>	<u>36 litre</u>			
	7 cents	9 cents	14 cents			
	<i>Converts to \$0.0070 per kilogram</i>					
<u>Turf (Voluntary Cttee)</u>	Annual fee: \$100 per hectare of turf under production.					
<u>Vegetables</u>	\$0.04 per individual package of vegetable product of 100kg or less \$0.15 per individual package of vegetable product 101kg to 500kg \$0.30 per individual package of vegetable product 501kg to 1000kg \$0.45 per individual package of vegetable product 1001kg to 1500kg and in 15c increments per 500kgs upwards. <i>Applies to all vegetables sold by producers except herb, potato, mushroom, tomato and Kununurra vegetables</i>					

As at 20 August 2008

## ESTABLISHING PRODUCER COMMITTEES

The Commission has continued its discussions with representatives in the wine industry on the possible formation of a producers committee for the industry, with the industry advising the Commission that they are nearing a decision.

In the coming year the Commission will be in contact with tomato growers, and producers of vegetables not serviced by a Producers' Committee with a view to providing research and development and other assistance through APC Fee for Service arrangements.

*Half the foods eaten throughout the world today were developed by farmers in the Andes mountains. Potatoes, maize, sweet potatoes, squash, all varieties of beans, peanuts, manioc, cashews, pineapple, chocolate, avocado, tomato, peppers, papayas, strawberries, mulberries and many other foods were first grown in this region.*

## INDUSTRY COVERAGE BY THE APC

Industry/sector	Gross value of Production (\$m)	Percentage
<b>Member industries coverage:</b>		
Avocado	8.9	1.2
Carnarvon Banana	13.0	1.8
Fruit	81.1	11.3
Potatoes	40.5	5.6
Strawberries	26.9	3.7
Table grapes	9.0	1.3
Turf (voluntary 80% of industry)	60.3	8.4
Vegetables ( <i>Excluding potato, mushrooms, tomatoes, herbs</i> )	233.3	32.6
<b>Total:</b>	<b>473</b>	<b>66.0</b>
<b>Potential industry coverage:</b>		
Olives	15.6	2.2
Wine Grapes	84.0	11.7
Floriculture – cut flowers	49.0	6.8
Floriculture – nurseries	66.6	9.3
Fruit – Other ( <i>including kiwi fruit and tropical fruits other than that grown in Kununurra &amp; Carnarvon bananas</i> )	9.5	1.3
Vegetables – Other ( <i>herbs, mushrooms &amp; tomatoes</i> )	18.6	2.6
<b>Total:</b>	<b>258.3</b>	<b>34.0</b>
<b>Grand Total:</b>	<b>716.3</b>	<b>100%</b>

Source: Australian Bureau of Statistics 2005/6 and DAFWA

## ESTABLISHED PRODUCER COMMITTEES

To preserve continuity of service and experience, Committee tenures are usually arranged so only about half of the members retire in any given year. This is achieved by varying first round appointments for new Committees between two and three year terms, the subsequent appointments are for three year terms that commence 1 June and expire 31 May in the final year of tenure. The Commission appoints the inaugural Committee Chairperson for a three-year term; the Committee appoints subsequent Chairpersons.

The Commission advertises Committee vacancies in appropriate newspapers and industry newsletters. Committee Members whose term of office is expiring can, if qualified, apply for appointment for a further term.

The Commission actively encourages producers to nominate for Committee positions. It is through participation, the sharing of ideas and the combining of different skills that Committees will deliver the best outcome for their producers.

## ACTIVE APC PRODUCERS' COMMITTEES AT DATE OF PUBLICATION

Producers' Committee	Functions Adopted	Members	Term Expires
APC Avocado Producers' Committee (Established 1991)	(a) to (k)	Alan Blight(Chair) Ron Hansen Phil Minchin Dave Duncan Wayne Franceschi	31/5/09 31/5/09 31/5/10 31/5/10 31/5/10
APC Beekeepers Producers' Committee (Established 2003)	(b), (c), (d), (h), (l), (la), (m)	Harry East (Chair) Afon Edwards Dan Dowsett Colin Fleay Roxanne Fewster	31/5/09 31/5/11 31/5/09 31/5/11 31/5/09
APC Carnarvon Banana Producers' Committee (Established 1999)	(a) to (m)	Bruce Munro (Chair) Michael Andreoli Ivan Bilcich Tom Day Darryl Hardman John Thomas	31/5/08 31/5/10 31/5/11 31/5/10 31/5/11 31/5/10
APC Egg Producers' Committee (Established 2002)	(a) to (m)	Ian Wilson (Chair) Kevin McLeod Joe Sacca Terry Woodard John Simpson	31/5/10 31/5/11 31/5/11 31/5/10 31/5/11
APC Pome, Citrus & Stone Fruit Producers' Committee (Established 1994)	(a) to (m)	Angelo Logiudice (Chair) Geoff Fawcett Steven Guimelli Peter Gubler Henry Jarvis Richard Eckersley Vic Grozotis Vacancy (2)	31/5/10 31/5/10 31/5/10 31/5/10 31/5/11 31/5/11 31/5/10
APC Potato Producers' Committee (Established 2001)	(a) to (m)	Sam Calameri (Chair) Dom Della Vedova Herbert Russell Ross Ryan Darryl Smith Vacancy (2)	31/5/10 31/5/10 31/5/10 31/5/09 31/5/09 31/5/09
APC Pork Producers' Committee (Established 2002)	(a) to (m)	Neil Ferguson (Chair) Dr Rob Wilson Dr. Chris Brennan Graeme Dent Errol Howard	31/5/11 31/5/09 31/5/09 31/5/10 31/5/10
APC Strawberry Producers' Committee (Established 1995)	(a) to (l) and (m)	Gerry Verheyen (Chair) Neil Handasyde Kerry Langlands Wes Tweedie Anthony Yewers	31/3/09 31/5/09 31/5/10 31/5/09 31/5/10
APC Table Grape Producers' Committee (Established 1991)	(a) to (l) and (m)	Roger Fahl (Chair) Vlade Skroza Matt Katich Tony Lovreta Peter Nuich Kim Taylor Allan Price	31/5/11 31/5/09 31/5/09 31/5/09 31/5/11 31/5/09 31/5/09
APC Vegetable Producers' Committee (Established 2005)	(a) to (m)	Maureen Dobra (Chair) David Anderson Rod Copeland Paul Humble Jason Neave Greg Jones Brett Metcalfe	31/5/11 31/5/11 31/5/10 31/5/11 31/5/10 31/5/11 31/5/11
Turf Producers' Voluntary Committee (Established 1999 by the Turf Growers Association)	(a) to (m)	Adrian Pitsikas(Chair) Tony Dimasi Peter Paino David Parker	31/8/08 31/8/08 31/8/08 31/8/08

**Though most people think of salt as a seasoning, only 2.5 out of every 50kgs produced each year go to the dinner table. The rest is used for such diverse purposes as packing meat, building roads, feeding livestock, tanning leather and manufacturing glass, soap, ash and washing compounds.**

## COMMITTEE REPORTS 2007/08

### APC AVOCADO PRODUCERS' COMMITTEE

*Chairperson: Alan Blight*

The avocado crop of 2007/early 2008 was very poor. Yields across the state were well down due to frosts in 2006 affecting the flower development. Most growers picked between 25 and 50% of their average crop. The 2008 spring harvest has begun and yields look much better – hopefully a profitable year is close by. The collection of Fee for Service appears to be consistent with the size of the crop and leakage is probably small.

Our industry development project officer initiative, funded by Fee for Service, was interrupted by the resignation of the development officer – Jonathon Cutting. Jonathon was only in the position for a little over six months. A new officer – Cenzig Erol started in July 2008 and is working with the Committee on getting this project back on track.

Fee for Service funds are also used to fund an irrigation project into avocado water use in the southwest. This is being carried out by the Department of Agriculture and Food – Alec McCarthy. With a large crop forecast this year, Fee for Service funds are also funding an increase in market promotions with Fresh Finesse.

Our industry lost a grower this year with the death of Alan Radich of Carabooda, in a farm accident. The Committee acknowledges, with thanks, the local growers who have been supporting Norma Radich since the untimely passing of Alan.

The avocado industry looks forward to a better 2008/09 season.

### APC BEEKEEPERS PRODUCERS' COMMITTEE

*Chairperson: Harry East*

*Secretary: Lucy Radzikowska*

The APC Beekeepers Committee continued with the usual three services to the industry in 2007/8, these being:

**BeelInformed newsletter** – Produced three times a year, the BeelInformed newsletter is provided to every registered beekeeper.

**Pest and disease surveillance and monitoring program** – Each year the Committee reviews where the surveillance and monitoring work is carried out, to provide industry with some confidence that a pest or disease is either not present or is not becoming established in WA (for example Small Hive Beetle).

The funds budgeted for enhanced pest and disease monitoring program this year will be targeted towards areas of risk around the southwest, checking for any signs of small hive beetle and other pest or disease.

The discovery in 2007 of small hive beetle in Kununurra proved to be a significant incident both to industry and the APC Committee. Fortunately, the Committee had a small contingency fund to financially support industry decisions made to keep the southwest of WA free of small hive beetle and to protect the majority of beekeepers.

Learning from this incursion, the Committee has requested that a formal pest and disease incursion response plan be developed in WA, with funding arrangements to be managed through the Committee to support such a plan. This funding could be raised by a small set fee per hive (over a number of years) to be set aside as a contingency fund for any incident in future years.

**Research** – We have continued to budget a small amount for research, however no applications have been forthcoming from industry for assistance with research funding for this year.

Budget also has to include administration costs, and with costs rising to provide services, the Committee after careful consideration (in light of the poor year beekeepers have experienced) adjusted the Fee for Service in order to maintain our financial position.

**The Committee** – John Davies, who has served on the Committee since its establishment in 2003, decided not to apply for re-election when his term came up in May 2008. During his two terms John has chaired the BeelInformed subcommittee, acting as editor, and represented the Committee at the Department of Agriculture and Food BICC meetings.

On behalf of industry I would like to thank John for his positive contributions into industry decisions over the last five and a half years on the Committee.

Finally, the Committee and myself would like to thank industry members for their continued support during this difficult production period.

#### **APC CARNARVON BANANA PRODUCERS' COMMITTEE**

*Chairperson: Bruce Munro*

*Executive Officer: David Parr*

**The Industry** - The banana industry has stabilised at 57 growers over the year and the area under production increased by 14% to 152ha at December 2007. District average production was 33 tonnes per hectare and was a small decrease on 2006 despite the losses in March 2006.

The gross value of production decreased by 50% in comparison with 2006.

There were good flows of the Gascoyne River commencing in January and continuing to mid June 2007 and another reasonable flow commenced in January 2008 and continues as a very small flow in June. All riverbed aquifers should now be recharged.

Banana production in 2007 calendar year was 5,250 tonnes and is valued at \$12.11 million (\$25.66million in 2006) with an average carton gross value of \$31.23. The north Queensland industry is now back in production and oversupply has lowered prices to no profit levels.

The Sweeter Banana Co-operative packed and marketed approximately 65% of the total Carnarvon production in 2007/08.

**Compensation event** - Cyclone Nicholas (rated category 2) passed just to the west of NW Cape. The cyclone then moved south and slowly weakened. It crossed the coast between Coral Bay and Cape Couvier at category 1/tropical low status on 19 February 2008. The low passed about 60km east of Carnarvon on 20 February 2008.

On 20 February 2008 the maximum wind gust recorded by the Bureau of Meteorology at Carnarvon airport was 37 knots (69kph) from the SE, with 57mm of rain being recorded.

Three properties claimed for production loss and were compensated a total of \$5,100.

**Review of Scheme Rules, Fee for Service, Compensation Rate** - The three yearly review of the compensation rate and Fee for Service charge was conducted in accordance with the agreed method. The Committee concluded that no increase in rates was warranted.

The review of the scheme rules is ongoing with most items now resolved by the Committee and the Commission. One item involving the definition of a storm/cyclone is still to be resolved.

**Committee** - There have been no changes to the Committee membership, with all retiring members being re-appointed unopposed.

**Committee meetings** - Two ordinary meetings were held during the year and three short meetings were required to resolve compensation issues.

**Newsletter** - A newsletter, informing members of committee activities, was sent to all members in February 2008.

The annual production statistics and planting plan for each property were distributed to members in February 2008

**Crop Insurance** - Affordable storm cover is still unavailable.

**Fee for Service** - The balance of the Compensation fund was \$4.487million at 30 April 2008.

**Biosecurity Project** - The delivery of the modified biosecurity plan has continued with publicity directed at tourists who are considered a major potential source of unwanted pests, diseases and weeds.

The review of legislation affecting the banana industry has still not been conducted as only part of the Biosecurity and Agricultural Management Act has been proclaimed.



The aim of the new legislation is to condense several acts into one and until the details are known the review is on hold.

A new submission, on behalf of the Carnarvon industry, commenting on the latest attempt at an Import Risk Analysis for the import of bananas from the Philippines has been compiled and forwarded to Biosecurity Australia.

A survey of banana production areas to determine nematode species and numbers is in the planning stage and will be conducted next summer. Nematodes can have a severe impact on yield and field observations indicate the widespread occurrence of the burrowing nematode. The severity of infestation needs to be quantified.

A survey of plantings, to confirm that the area remains free of several damaging leaf fungal diseases, will be conducted to confirm our disease free status and to provide proof for the need for ongoing quarantine.

#### **APC EGG PRODUCERS' COMMITTEE**

*Chairperson: Ian Wilson*

*Secretary: Lucy Radzikowska*

**Generic Promotion** - Golden Egg Farms were contracted to develop a TV advert and press media campaign aimed at consumers to 1) make consumers aware that increasing volumes of eggs from the Eastern States are being sold in WA, 2) encourage consumers to become more vigilant by looking more closely at the egg carton to ascertain whether they are WA or Eastern State eggs 3) increase awareness that WA eggs are fresher, healthier and travelled less (lower carbon footprint) to get from the farm to the consumer. The TV and press campaign were used to inform, educate and influence consumers to purchase fresh WA eggs.

**World Poultry Conference (Poultry Information Exchange)** - Australia hosted the 2008 World Poultry Conference which saw scientists, veterinarians, inventors, service providers and producers travel across the world for the event. The Poultry Information Exchange (PIX) was held concurrently with the World Poultry Conference allowing egg producers the opportunity to participate in some of the joint activities and presentations. Funds in a form of a "PIX Registration Fee" reimbursement were provided to any egg producer from Western Australia who attended the PIX Conference. The information on the latest nutrition, genetics and inventions was of a high standard and the networking provided participants endless opportunities for the future.

**Biosecurity Equipment** - The Committee has invested funds in purchasing biosecurity Personal Protective Equipment (PPE) to be stored and utilised in the event of an emergency pest or disease incursion within the egg industry.

**The Commercial Egg Producers' Association of WA Inc.(CEPA)** - CEPA continues to be this States premier producer organisation representing and promoting the best interests of Commercial Egg Producers in dealings with Government, non-government bodies and their representatives. The Association provides the APC Egg Producers' Committee Secretariat and continues to secure uniformity of action of matters affecting the common interests of egg producers. It has promoted and upheld industry codes of practice for Quality Assurance, Bio-Security, Environmental, Labelling and Transport of Live Poultry. It has also been involved in promoting the consumption of WA laid eggs to WA consumers through various activities.

**Committee** - John Simpson and Joe Sacca were re-appointed to the Committee, while Kevin McLeod replaced retiring member Terry Rae.

#### **APC POME, CITRUS AND STONE FRUIT PRODUCERS' COMMITTEE**

*Chairperson: Angelo Logiudice*

*Secretary: Alan Hill*

**Fee for Service** - The total Fee for Service collection 2006/07 was \$443 699. This was an increase on collection in 2005/06, a reflection of the change to the pome fruit rate, which was increased on 1 July 2006. Pome fruit collection was \$245,196 in 2006/07, up from \$161,417 in 2005/06.

The Committee received two applications under the Expression of Interest process, one was funded, the other has been asked to review and resubmit its application.

**Western Australian Fruit Growers' Association Report** - In 2007/08 the Western Australian Fruit Growers' Association (WAFGA) conducted a number of communication, research, promotional and industry development activities on behalf of fee-for-service paying growers.

WAFGA continues to employ two Industry Development Officers (Pome and Citrus), who in the last year have continued as the primary method of managing industry change. The IDOs continue to work closely with growers to assist them in cultural practices which will lead to a more effective and efficient fruit industry.

The third and final year of a required state-wide surveillance program for apple scab was completed this year, and WAFGA was pleased to note that no trace of the disease has been found since 2005. Working closely with the Department of Agriculture and Food, WAFGA has provided technical support to growers to ensure a full program of orchard maintenance has occurred, and both parties are preparing an application to return Western Australia's area freedom status. This investment has been significant and demonstrates the industry's commitment to maintaining Western Australia's unique disease free environment.

This year saw the continuation of the blue-coloured birthmark sticker with a variety of programs conducted at a consumer level to highlight the many benefits of purchasing 'locally' produced fruit. Our greatest acknowledgment of the program to date has been from the State Government. Last year the Legislative Assembly's Economic and Industry Standing Committee in their Report on the 'Inquiry into the Production and Marketing of Foodstuffs' found that 'the WA citrus industry provides a particularly persuasive example of the potential market benefits to be gained from an effective State of Origin campaign'.

**Issues and Challenges** - This has been my first full year in the role and I must thank the Committee members for their service. Over the last year we have worked closely with the Commissioner and Executive Officer and staff of the Agricultural Produce Commission in a cooperative and cohesive manner.

The industry continues to undergo structural change with some large plantings occurring in non-traditional growing areas. The Committee faces a number of challenges, the most important of which is in determining a more accurate assessment of likely Fee for Service payment.

#### **APC PORK PRODUCERS' COMMITTEE**

*Chairperson: Neil Ferguson*

**Fee for Service funded activities** - Once again the APC Pork Producers' Committee supported a diverse range of activities including technology transfer, industry training, production research, veterinary research, nutritional research and industry administration.

**Production Research** - When the Pork CRC was established the APC Pork Committee became a supporting participant through its commitment of \$50,000 per annum for the lifetime of the CRC. Please refer to the Pork CRC web site [www.porkcrc.com.au](http://www.porkcrc.com.au) for a full list of the project and activities that the Pork CRC supports.

**Nutritional Research** - The School of Veterinary & Biomedical Sciences at Murdoch University finalized its investigation into the "Effect of Lupin inclusion levels and enzyme supplementation on the performance, carcass composition and meat quality of grow/finish pigs." This study concluded that performance, carcass composition and meat quality were not affected by the inclusion of lupins as high as 35%. This study demonstrated that producers can use lupins at higher levels than what is currently considered safe.

The results from this trial have been circulated to nutritionist/feed mills within Western Australia and will be published in Pigtales. This trial is a classic example of how the APC Pork Committee can support small locally based research projects that ultimately deliver savings to Western Australia pig producers.

**Industry Administration** - The West Australian Pork Producers Association (WAPPA) continues to represent the interest of all WA pig producers on issues such as: The Model

Code of Practice; APIQ and Pigpass; the Biosecurity Agricultural Management Bill; and “The Fit to Load Guide”.

WAPPA facilitated two industry workshops (“Staying Competitive in the Australian Pork Industry” and “Pig Industry’s Healthy Future in WA”) within its General Meeting framework. The APC Pork Committee is proud of the support it gives via WAPPA for the Perth Royal Show Pig Display. Two industry stalwarts Bill Scott and Alan Webse do a fantastic job each year in putting the display together on behalf of the pig industry.

**Veterinary Research** - Portec presented an interim report on “The normal superficial inguinal lymph node” project that they undertook. Preliminary results were presented to the International Pig Veterinary Society. This study has provided information on the normal structure and anatomy of the superficial inguinal lymph node at different stages of the growing cycle.

This investigation has proven to be extremely valuable to the Western Australian pig industry as a baseline in the investigation into mortality studies and has protected the health status of Western Australia and Australia as a whole.

**Technology Transfer** - Department of Agriculture and Food Western Australia has extensive experience in the effective dissemination of R&D results to the WA pork industry. DAFWA assisted WA producers obtain R&D funds from APL; they delivered a range of courses aimed at improving the skills of WA producers; they held three major workshops during the course of the year that encouraged the exchange of ideas between producers, and with other sectors of the industry; and assisted producers overcome specific issues that limited productivity and profitability.

**With Gratitude** - The APC Pork committee would once again like to thank all WA producers for their continuing support of the programs we undertake on their behalf.

#### **APC POTATO PRODUCERS’ COMMITTEE**

*Chairperson: Sam Calameri*

*Executive Officer: Jim Turley*

**Fee for Service Funding 2007/08** - Once again the Committee, through the general account has supported the seed potato scheme, virus testing and evaluation of new seed potato varieties.

The APC Potato Producers’ Committee funding for the above has produced a very high standard of disease free seed potato varieties in Western Australia. So much so, that there has been unprecedented demand from the eastern states for potato seed from our state.

Support for the Western Australian peak industry body – the Potato Growers Association of WA (Inc) continues, and the Potato Cyst Nematode (PCN) area freedom project.

There is no doubt that once the PCN project has been successfully completed in Western Australia, to where it is known to not exist, in other words –“area freedom”, this will contribute significantly to the demand for Western Australian seed potatoes.

**Domestic Fresh Potato Marketing and Promotion** - Over \$900,000 was invested by the APC Potato Producers’ Committee into the Marketing and Promotion campaign of fresh potatoes in Western Australia.

The campaign concentrated on advertising, general promotion, consumer relations, food services and annual tracking research, retail sales, two Development Officers and supplier services.

All of the above have certainly produced a successful marketing and promotional campaign that has continued to promote the potato to the consumers.

#### **APC STRAWBERRY PRODUCERS’ COMMITTEE**

*Chairperson: Gerry Verheyen*

**Season** - This year the season was slightly better than the previous one. The total number of plantings were the same but the prices were higher in the eastern states because of a poorer crop in Queensland while Victoria had a slower start to the season.

The export market was affected by the stronger dollar and saw a downward trend.

Workers were still in short supply with some growers hiring labour contractors with mixed results.

This year total plantings are similar to 2007 and so far this harvest looks promising.

**Research Projects - Facilitating the development of the strawberry industry in W.A.**

This three year project was completed on May 31 2008 and the final report was submitted to Horticulture Australia on 25 June 2008. A summary of the work done over the three year term of the project, including key findings with some good results, should be available soon.

*Increasing the shelf life of Australian strawberries* - Commencement of this project was significantly delayed due to staffing issues, but two staff have now been recruited to undertake the project at Albany, Rachel Golledge a trainee technical officer funded by the project and Vivek Bhat a research officer funded by the Department of Agriculture and Food WA.

Due to the staffing issue, little time was left for the commencement of research activities this season, however, all the growers in the Great Southern region have now been visited, and familiarised with monitoring equipment that will be used in field experiments in the 2008/09 season.

**APC TABLE GRAPE PRODUCERS' COMMITTEE**

*Chairperson: Roger Fahl*

*Secretary: Lucy Radzikowska*

**Table Grape Season at a Glance** - The weather was not kind this season. Significant crop losses were reported, as a result of the heat-wave on Christmas and Boxing Day 2007. Further losses were also incurred as a result of summer rains. However, the table grape "Fee for Service" uptake was at record high, with revenue collected representing over 689,000 x 10kg units of grapes sold.

**Table Grape Maturity Inspection Service** - McAlpine Management Services Pty Ltd were once again contracted to undertake table grape maturity testing which commenced in mid November 2007, as first table grapes were offered from Carnarvon. Testing was conducted at Market City Canning Vale, wholesales/distribution centres and retail outlets throughout the greater Perth region and country towns Busselton, Bunbury, Donnybrook, Bridgetown, Manjimup, Mandurah, Carnarvon and Kununurra. The season presented with some high acids in initial picks but generally became an unremarkable low acid year that saw grape acceptance and throughput high with few faults. With only one line rejected throughout the season the program continues to show its success in ensuring that only mature fruit is marketed. The ongoing provision of an efficient regulatory maturity inspection service still remains the primary concern of the Committee and the industry at large.

**Table Grape Promotion** - A bus poster campaign began in early December 2007 coinciding with the first table grapes of the season being offered for sale to promote the



fact that grapes are a good snack, *anytime*. Forty five Twin 8 footer buses in the Perth metropolitan centre as well as the more regional areas of Mandurah, Rockingham, Joondalup and the Eastern Corridor were chosen to display the white and red table grape posters featuring the "Grape time anytime" message on them.

The Committee again donated grapes for the "Bike to Work" breakfast to encourage people to eat more healthy foods, including fresh table grapes.

The Committee again successfully applied to the Australian Table Grape Association, (through Horticulture Australia Ltd), for funding assistance towards our promotional activities, and \$30,000 was again received.

***The nutritional value of squash and pumpkin seeds improves with age. These seeds are among the few foods that increase in nutritive value as they decompose. According to tests at the Massachusetts Experimental Station in the USA, squash and pumpkin seeds stored for more than five months show a marked increase in protein content.***

**Research and Development** - The Department of Agriculture and Food Western Australia was contracted to undertake research into “*Skin-Browning of White Table Grape Dawn Seedless: Towards a Solution.*” The purpose of the study was to investigate the role of enzymes and substrates, and nutritional associations, in skin-browning of Dawn Seedless table grapes, in order to gain a better understanding of the underlying cause of this disorder and provide a foundation for developing a management plan to prevent its occurrence. The results indicated that the browning problem appears to be membrane-bound in the skins of brown berries but that its acidity is altered, perhaps due to changes in membrane properties resulting from the abnormal levels of aluminium, magnesium, manganese and calcium. It has been recommended that further interventional studies on the role of soil acidity and the latter cations in skin-browning be pursued.

**Committee** - Peter Nuich was renominated and appointed to the Committee for another three year term, whilst Roger Fahl replaced Phil Moyle. Vlade Skroza stepped down from the Chair after serving in this capacity since October 1997. The Committee unanimously appointed Roger Fahl as the new Chairperson.

The Committee extends their thanks to Vlade for his many years of dedicated work on behalf of both the Committee and the industry.

#### **TURF PRODUCERS’ VOLUNTARY COMMITTEE**

*Chairperson: Adrian Pitsikas*

Two research projects were co-funded during 2008/09, these being *Adaptation and management of turfgrass varieties* and *Identifying and managing water repellency*.

With the introduction of the Federal Turf Levy the Committee is considering its options into the future.

#### **APC VEGETABLE PRODUCERS’ COMMITTEE**

*Chairperson: Maureen Dobra*

*Secretary: Jim Turley*

The APC Vegetable Producers’ Committee adopted another cautious approach towards approving projects, and therefore having to raise the Fee for Service in our early years.

The Committee approved three projects:

- Nutritional Value of West Australian Carrots.
- Screening of herbicides for lettuce production.
- The vegetable industry peak body “vegetablesWA”.

Compliance to paying the Fee for Service by industry stakeholders was of concern to the Committee of Management, therefore the Committee decided to hold monthly meetings to track who is actually paying. This has proven to be very beneficial.

There are many varieties of vegetable products sold all over Western Australia. Bearing in mind that Fee for Service collection has only applied for two years the Committee is working to raise compliance levels. To that end, the Chairman and Committee members have been very pleased with the cooperation we have received from Ms Ingrid Smith and her team at the APC in helping improve overall compliance.

## SCOPE OF THE ACT

For the purposes of the Act 'agricultural industry' means a horticultural industry and such other agricultural industry as may be prescribed but excluding broadacre cropping and grazing industries (section 3.1).

Regulations to the Act define horticulture as:

- a) *Wine, fruit and the juices of fruit, whether fresh or processed.*
- b) *Vegetables and the juices of vegetables, whether fresh or processed.*
- c) *Nuts including processed nuts.*
- d) *Flowers, whether fresh or dried.*
- e) *Plants, including grass and other herbaceous plants, grown for sale as living plants.*

## PRESCRIBED AGRICULTURAL INDUSTRIES TO WHICH THE ACT IS TO APPLY

- **pork production industry** - prescribed as an agricultural industry under section 3.1 of the Act with all section 12.1 services, services that a Producers' Committee may provide in relation to the pork production industry (Gazetted 3 July 2001).
- **beekeeping industry** - prescribed as an agricultural industry under section 3.1 of the Act with section 12.1 (b), (c), (d), (h), (l), (la) and (m) services, services that a producers' committee may provide in relation to the beekeeping industry (Gazetted 23 October 2001).
- **egg production industry** - prescribed as an agricultural industry under section 3.1 of the Act with all section 12.1 services, services that a Producers' Committee may provide in relation to the egg production industry (Gazetted 17 May 2002).

## Pests and Diseases declared under Section 19a of the Act

*Application to commercial and non-commercial producers of provisions relating to the control of certain pests or diseases:*

- Notice gazetted on 19 September 2000 under Section 19a of the Act declaring *that Mediterranean fruit fly (Ceratitis Capitata) is a pest to which Section 19a of the Act is to apply.*
- Notice gazetted on 9 January 2004 under Section 19a of the Act declaring that Section 19a of the Act is to apply to the following bee pests and diseases:
  - *Pests – Acarine (Tracheal mite, Acarapis Woodi), Africanised honey bee, Asian honey bee, Tropilaelaps mite (Tropilaelaps clareae), Bruala fly, Small hive beetle and Varroasis (Varroa destructor and Varroa jacobsoni).*
  - *Diseases – American foul brood and European foul brood.*

## FEE FOR SERVICE REGULATIONS

**Horticulture Industry** - *Agricultural Produce (Horticultural Industry) Regulations 2001.*

Regulations 2 to 5 provide for the collection of Fee for Service from producers by any person who is a dealer (producer, market agent, wholesaler, retailer or exporter). Regulation 8 requires dealers to remit Fee for Service collections to the Commission not later than 14 days after the end of the month that the transaction has occurred. For APC community fruit fly baiting committees Regulations 6 provides for local government authority to collect fees. Penalties apply for non-compliance.

**Beekeeping Industry** - *Agricultural Produce (Beekeeping Industry) Regulations 2003.* Under the Regulations, the Department of Agriculture and Food collects the Fee for Service on behalf of the APC in conjunction with the beekeeper registration fees collected under the *Beekeepers Act 1963.*

**Pork Industry** – *Agricultural Produce (Pork Production Industry) Regulations 2004* require abattoirs to collect and remit Fee for Service to the Commission not later than 14 days after the end of the month.

**Egg Industry** – *Agricultural Produce (Egg Production Industry) Regulations 2006* provide for Fee for Service collection direct from egg producers. However, as at 30 June 2008 the industry was still to decide on a commencement date for Fee for Service charges for eggs.

**Voluntary Fee for Service** – Fee for Service can be provided for voluntary horticultural groups under Section 19 of the Act, however Section 14 and Regulations do not apply.

## SERVICE FUNCTIONS OF SECTION 12.1 OF THE APC ACT

- a) Advertise and promote the agricultural produce;
- b) Control or develop the means of controlling pests and diseases if there is a likelihood of those pests or diseases affecting the quality or volume of output of the agricultural produce;
- c) Conduct research in relation to any matter, if in the opinion of the Producers' Committee that research is of advantage to producers of the agricultural produce;
- d) Conduct educational or instructional programmes relating to the production of agricultural produce;
- e) Develop and expand markets for the agricultural produce in Western Australia and elsewhere;
- f) Establish a voluntary insurance scheme for the benefit of producers of the agricultural produce including insurance relating to crops;
- g) Undertake and provide market forecasting for the agricultural produce;
- h) Establish systems of inspection for the agricultural produce for the purpose of quality control or pest and disease control;
- i) Formulate schemes for declaring producers of the agricultural produce to be accredited producers;
- j) Establish systems to facilitate inspection of grading, packaging and storage of the horticultural produce including weight and uniformity (including uniformity of ripeness) within packages;
- k) Support, with or without grant of financial aid, and whether or not initiated by the committee or the Commissions, any scheme or activity which in the committee's opinion is capable of assisting in the promotion or sale of the agricultural produce;
- l) Provide such other services for the agricultural produce as may be prescribed;
- la) Establish a compensation scheme for the benefit of producers whose agricultural produce is destroyed as a result of action taken to control a pest or disease of that produce;
- m) Arrange for the provision of all or any of the services or the exercise of any of the functions referred to in paragraphs (a) to (la) in whole or in part by another person or organisation or in conjunction with the Commission or any other person or organisation.

*Source: Agricultural Produce Commission Act 1988, Section 12.1*

## ESTIMATES, DISCLOSURES, STATEMENTS

### ESTIMATES FOR 2008/09

In accordance with the Financial Management Act 2006, the Agricultural Produce Commission hereby provides its estimates for the 2008/9 financial year. Due to the Government being subject to Caretaker Conventions in respect of the 2008 State Election these estimates have not yet been approved by the Minister.

<b>Expenses</b>	<b>2007/8 Budget</b>	<b>2007/8 Actual</b>	<b>2008/9 Budget</b>
DAFWA contracted services – Commission Administration	99,283	94,204	60,000
Producers' Committee Operating Costs	3,152,119	2,597,257	2,858,217
Employee benefits	70,000	70,013	78,713
Doubtful debts			
Other expenses	54,500	74,778	84,950
<b>Total Expenses</b>	<b>3,375,902</b>	<b>2,836,252</b>	<b>3,081,880</b>
<b>Revenue</b>			
Fee for Service	2,503,690	2,331,692	2,672,000
Interest	444,818	510,689	401,814
Other revenue	63,000		32,000
<b>Total Revenue</b>	<b>3,011,508</b>	<b>2,842,382</b>	<b>3,105,814</b>
<b>Net cost of services</b>	<b>(364,394)</b>	<b>6,130</b>	<b>23,934</b>
<b>Income from State Government</b>			
Resources received free of charge	6,575	7,659	7,700
<b>Total income from State Government</b>	<b>6,575</b>	<b>7,659</b>	<b>7,700</b>
<b>SURPLUS/DEFICIT FOR THE PERIOD</b>	<b>(357,819)</b>	<b>13,788</b>	<b>31,634</b>

### DISCLOSURE PURSUANT TO SECTION 175ZE(1) OF THE ELECTORAL ACT 1907

In accordance with the disclosure requirements of Section 175ZE of the Electoral Act 1907, the Agricultural Produce Commission of Western Australia reports that during the 2007/08 financial year, the Commission incurred expenditure in the following areas.

Advertising agencies	\$66,592
Media advertising organizations	
<b>Total Expenditure</b>	<b>\$66,592</b>

### Financial Statements

Full details of the Commission's financial statements are given in:

Income Statement	Page 23
Balance Sheet	Page 24
Changes in Equity	Page 25
Cash Flow Statement	Page 26
Notes to Financial Statements	Page 27



# AGRICULTURAL PRODUCE COMMISSION

## CERTIFICATION OF FINANCIAL STATEMENTS

For year ended 30 June 2008

The accompanying financial statements of the Agricultural Produce Commission have been prepared in compliance with the provisions of the Financial Management Act 2006 from proper accounts and records to fairly represent the financial transactions for the financial year ending 30 June 2008.

At the date of signing we are not aware of any circumstances which would render any particulars included in the financial statements misleading or inaccurate.



P Wells  
Chairman of Accountable Authority

Date: 8 August 2008



R L O'Dwyer  
Member of Accountable Authority

Date: 14 August 2008



Ron Lucas  
Chief Finance Officer

Date: 25 August 2008

**AGRICULTURAL PRODUCE COMMISSION**

**CERTIFICATION OF PERFORMANCE INDICATORS**

**For year ended 30 June 2008**

We hereby certify that the Performance Indicators are based on proper records, are relevant and appropriate for assisting users to assess the Agricultural Produce Commission's performance, and fairly represent the performance of the Agricultural Produce Commission for the financial year ended 30 June 2008



P Wells  
Chairman of Accountable Authority

Date: 8 August 2008



R L O'Dwyer  
Member of Accountable Authority

Date: 14 August 2008



## Auditor General

### INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

### AGRICULTURAL PRODUCE COMMISSION FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2008

I have audited the accounts, financial statements, controls and key performance indicators of the Agricultural Produce Commission.

The financial statements comprise the Balance Sheet as at 30 June 2008, and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year then ended, a summary of significant accounting policies and other explanatory Notes.

The key performance indicators consist of key indicators of effectiveness and efficiency.

#### **Commission's Responsibility for the Financial Statements and Key Performance Indicators**

The Commission is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions, and the key performance indicators. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements and key performance indicators that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, making accounting estimates that are reasonable in the circumstances, and complying with the Financial Management Act 2006 and other relevant written law.

#### **Summary of my Role**

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements, controls and key performance indicators based on my audit. This was done by testing selected samples of the audit evidence. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion. Further information on my audit approach is provided in my audit practice statement. Refer "<http://www.audit.wa.gov.au/pubs/Audit-Practice-Statement.pdf>".

An audit does not guarantee that every amount and disclosure in the financial statements and key performance indicators is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements and key performance indicators.

**Agricultural Produce Commission**

**Financial Statements and Key Performance Indicators for the year ended 30 June 2008**

**Audit Opinion**

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the Agricultural Produce Commission at 30 June 2008 and its financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions,
- (ii) the controls exercised by the Commission provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions, and
- (iii) the key performance indicators of the Commission are relevant and appropriate to help users assess the Commission's performance and fairly represent the indicated performance for the year ended 30 June 2008.



COLIN MURPHY  
AUDITOR GENERAL  
12 September 2008

**FINANCIAL STATEMENTS**

**AGRICULTURAL PRODUCE COMMISSION  
INCOME STATEMENT  
FOR YEAR ENDED 30 JUNE 2008**

	Note	2008 \$	2007 \$
<b>COST OF SERVICES</b>			
<b>Expenses</b>			
Department of Agriculture and Food contracted services			
- Administration	4	94,204	75,693
Producers' Committee operating costs	5	2,597,257	3,687,001
Employee benefits	6	70,013	91,297
Doubtful debts	10	-	3,478
Other expenses	7	74,778	79,610
<b>Total cost of services</b>		2,836,252	3,937,079
<b>Revenue</b>			
<i>Revenue from operating activities</i>			
Fee for Service	8	2,331,692	2,281,098
Interest		510,689	509,421
<b>Total Revenue</b>		2,842,381	2,790,519
<b>Total income other than income from State Government</b>		2,842,381	2,790,519
<b>NET COST OF SERVICES</b>		(6,129)	1,146,560
<b>INCOME FROM STATE GOVERNMENT</b>			
Resources received free of charge	9	7,659	7,468
<b>Total income from State Government</b>		7,659	7,468
<b>SURPLUS/(DEFICIT) FOR THE PERIOD</b>		13,788	(1,139,092)

The Income Statement should be read in conjunction with the accompanying notes.

**AGRICULTURAL PRODUCE COMMISSION  
BALANCE SHEET  
AS AT 30 JUNE 2008**

	Note	2008 \$	2007 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	16	7,569,717	8,239,708
Receivables	10	203,004	218,757
Other current assets	11	145,313	129,687
<b>Total Current Assets</b>		<b>7,918,034</b>	<b>8,588,152</b>
<b>TOTAL ASSETS</b>		<b>7,918,034</b>	<b>8,588,152</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	12	28,834	710,236
Accrued Salaries	13	430	6,909
Provisions	14(a)	9,300	7,571
<b>Total Current Liabilities</b>		<b>38,564</b>	<b>724,716</b>
<b>Non Current Liabilities</b>			
Provisions	14(b)	7,432	5,186
<b>Total Current Liabilities</b>		<b>7,432</b>	<b>5,186</b>
<b>TOTAL LIABILITIES</b>		<b>45,996</b>	<b>729,902</b>
<b>NET ASSETS</b>		<b>7,872,038</b>	<b>7,858,250</b>
<b>EQUITY</b>			
Contributed equity	15(a)	3,596,697	3,596,697
Accumulated surplus/(deficit)	15(b)	4,275,341	4,261,553
<b>TOTAL EQUITY</b>		<b>7,872,038</b>	<b>7,858,250</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>7,918,034</b>	<b>8,588,152</b>

The Balance Sheet should be read in conjunction with the accompanying notes.

**AGRICULTURAL PRODUCE COMMISSION  
STATEMENT OF CHANGES IN EQUITY  
FOR YEAR ENDED 30 JUNE 2008**

	Note	2008 \$	2007 \$
<b>Balance of equity at start of period</b>		7,858,250	8,997,342
<b>CONTRIBUTED EQUITY</b>			
Balance at start of period	15(a)	3,596,697	3,596,697
Balance at end of period		3,596,697	3,596,697
Balance at end of period		-	-
<b>ACCUMULATED SURPLUS</b>			
Balance at start of period	15(b)	4,261,553	5,400,645
Surplus / (Deficit) for the period		13,788	(1,139,092)
Balance at end of period		4,275,341	4,261,553
<b>Balance of equity at end of period</b>		7,872,038	7,858,250
<b>Total income and expense for the period <sup>(a)</sup></b>		13,788	(1,139,092)

(a) The aggregate net amount attributable to each category of equity is:  
- surplus \$13,788 (2007: deficit \$1,139,092)

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

**AGRICULTURAL PRODUCE COMMISSION  
CASH FLOW STATEMENT  
FOR YEAR ENDED 30 JUNE 2008**

	<b>Note</b>	<b>2008</b> \$	<b>2007</b> \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Employee benefits		(72,517)	(80,503)
Supplies and services		(3,439,982)	(3,212,176)
<b>Receipts</b>			
Receipts from producers		2,347,445	2,335,427
Interest		495,063	634,663
<b>Net cash (used in)/provided by operating activities</b>	16(b)	(669,991)	(322,589)
<b>Net increase/(decrease) in cash and cash equivalent</b>		(669,991)	(322,589)
Cash and cash equivalent at the beginning of period		8,239,708	8,562,297
<b>CASH AND CASH EQUIVALENT AT THE END OF PERIOD</b>	16(b)	<b>7,569,717</b>	<b>8,239,708</b>

The Cash Flow Statement should be read in conjunction with the accompanying notes.



## NOTES TO THE FINANCIAL STATEMENTS 2008

### 1. Australian equivalents to International Financial Reporting Standards

#### (a) General

The Commission's financial statements for the year ended 30 June 2008 have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), which comprise a Framework for the Preparation and Presentation of Financial Statements (the Framework) and Australian Accounting Standards (including the Australian Accounting Interpretations).

In preparing these financial statements the Authority has adopted, where relevant to its operations, new and revised Standards and Interpretations from their operative dates as issued by the AASB and formerly the Urgent Issues Group (UIG).

The Commission reports on its accounts at a consolidated level and in accordance with the requirements of the Financial Management Act (FMA) 2006, however the Commission maintains separate accounts for management and provides quarterly financial reports to each Producers' Committee.

#### (b) Early adoption of standards

The Commission cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. No Standards and Interpretations that have been issued or amended but are not yet effective have been early adopted by the Authority for the annual reporting period ended 30 June 2008.

### 2. Summary of Significant Accounting Policies

#### (a) General Statement

These financial statements constitute a general purpose financial report prepared in accordance with the Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary application, disclosure, format and wording.

The Financial Management Act and the Treasurer's Instructions are legislative provisions governing the preparation of the Commission's financial statements and take precedence over the Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board.

Where modification is required and has a material or significant financial affect upon the reported results, details of that modification and the resulting financial affect are disclosed in the Notes to the financial statements.

#### (b) Basis of preparation

These financial statements have been prepared on the accrual basis of accounting using the historical cost convention, modified by the revaluation of land, buildings and infrastructure which have been measured at fair value.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars and all values are rounded to the nearest dollar.

#### (c) Reporting Entity

The reporting entity comprises the Commission and entities listed at Note 22 "Related bodies".

#### (d) Contributed Equity

UIG Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities' requires transfers in the nature of equity contributions to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions. Capital contributions (appropriations) have been designated as contributions by owners by Treasurer's Instruction (TI) 955 'Contributions by Owners made to Wholly-owned Public Sector Entities' and have been credited directly to Contributed Equity.

Transfer of net assets to/from other agencies are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal. See Note 15 'Equity'.

**(e) Income**

**Revenue recognition**

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities as follows:

*Rendering of Services*

Revenue is recognised on delivery of the service or by reference to the stage of completion of the transaction.

*Interest*

Revenue is recognised as the interest accrues.

Interest is calculated on a daily balance and credited to the Commission quarterly.

Committees are then credited with their interest on a quarterly basis.

*Grants, donations, gifts and other non-reciprocal contributions*

Revenue is recognised at fair value when the Commission obtains control over the assets comprising the contributions, usually when cash is received.

Other non-reciprocal contributions that are not contributions by owners are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Where contributions recognised as revenue during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of, and amounts pertaining to, those undischarged conditions are disclosed in the Notes.

*Gains*

Gains may be realized or unrealized and are usually recognised on a net basis. These include gains arising on the disposal of non current assets and some revaluations of non current assets.

**(f) Cash and cash equivalents**

For the purpose of the Cash Flow Statement cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk or changes in value, and bank overdrafts.

**(g) Receivables**

Receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables on an ongoing basis and any receivable identified as uncollectable are written-off against the allowance account. The allowance for uncollectable amounts (doubtful debts) where there is objective evidence that the Commission will not be able to collect the debts. The carrying amount is equivalent to the fair value as it is due for settlement within 30 days. See Note 2(p) 'Financial Instruments' and Note 10 'Receivables'.

**(h) Payables**

Payables are recognised at the amounts payable when the Commission becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as they are generally settled within 30 days. See Note 2(p) 'Financial Instruments' and Note 12 'Payables'.

**(i) Provisions**

Provisions are liabilities of uncertain timing and amount and are recognised where there is a present legal, equitable or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date. See Note 14 'Provisions'.

## **(a) Provisions – Employee Benefits**

### *(i) Annual Leave and Long Service Leave*

The liability for annual leave and long service leave expected to be settled within 12 months after the balance sheet date is recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled. Annual and long service leave expected to be settled more than 12 months after the end of the balance sheet date is measured at the present value of amounts expected to be paid when the liabilities are settled. Leave liabilities are in respect of services provided by employees up to the balance sheet date. When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions. In addition, the long service leave liability also considers the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

All annual leave and unconditional long service leave provisions are classified as current liabilities as the Commission does not have an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

### *(ii) Superannuation*

The Government Employees Superannuation Board (GESB) administers the following superannuation schemes.

Employees may contribute to the Pension Scheme, a defined benefit pension scheme now closed to new members or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme also closed to new members.

The Commission has no liabilities under the Pension or the GSS Schemes. The liabilities for the unfunded Pension Scheme and the unfunded GSS Scheme transfer benefits due to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS Scheme obligations are funded by concurrent contributions made by the Commission to the GESB. The concurrently funded part of the GSS Scheme is a defined contribution scheme as these contributions extinguish all liabilities in respect of the concurrently funded GSS Scheme obligations.

Employees commencing employment prior to 16 April 2007 who are not members of either the Pension or the GSS Schemes became non contributory members of the West State Superannuation Scheme (WSS). Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). Both of these schemes are accumulation schemes. The Commission makes concurrent contributions to GESB on behalf of employees in compliance with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992. These contributions extinguish the liability for superannuation charges in respect of the WSS and GESBS Schemes.

The GESB makes all benefit payments in respect of the Pension and GSS Schemes, and is recouped by the Treasurer for the employer's share.

## **(b) Provisions – Other**

### *Employee benefit on-costs*

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of the Commission's 'Employee benefits expense'. See Note 6 'Employee benefit expense'

### *Deferred Leave*

The provision for deferred leave relates to Public Service employees who have entered into an agreement to self-fund an additional twelve months leave in the fifth year of the agreement. The provision recognises the value of salary set aside for employees to be used in the fifth year. This liability is measured on the same basis as annual leave. Deferred leave is reported as a non-current provision until the fifth year.

### *Purchased Leave*

The provision for purchased leave relates to Public Service employees who have entered into an agreement to self-fund up to an additional four weeks leave per calendar year. The provision recognises the value of salary set aside for employees and is measured at the nominal amounts expected to be paid when the liabilities are settled. This liability is measured on the same basis as annual leave.

### **(j) Superannuation Expense**

The following elements are included in calculating the superannuation expense in the Income Statement:

- (a) Defined benefit plans* - Change in the unfunded employer's liability (i.e. current service cost and, actuarial gains and losses) assumed by the Treasurer in respect of current employees who are members of the Pension Scheme and current employees who accrued a benefit on transfer from that Scheme to the Gold State Superannuation Scheme (GSS); and
- (b) Defined contribution plans* - Employer contributions paid to the GSS (concurrent contributions), the West State Superannuation Scheme (WSS), and the GESB Super Scheme (GESBS) .

Defined benefit plans - in order to reflect the true cost of services, the movements (i.e. current service cost and, actuarial gains and losses) in the liabilities in respect of the Pension Scheme and the GSS transfer benefits are recognised as expenses. As these liabilities are assumed by the Treasurer a revenue titled 'Liabilities assumed by the Treasurer' equivalent to the expense is recognised under Income from State Government in the Income Statement.

The superannuation expense does not include payment of pensions to retirees, as this does not constitute part of the cost of services provided in the current year.

The GSS Scheme is a defined benefit scheme for the purposes of employees and whole of government reporting. However, apart from the transfer benefit, it is a defined contribution plan for agency purposes because the concurrent contributions (defined contributions) made by the Commission to GESB extinguishes the agency's obligations to the related superannuation liability.

### **(k) Accrued salaries**

Accrued salaries (see **Note 13** 'Accrued Salaries') represent the amount due to staff but unpaid at the end of the financial year, as the pay date for the last pay period for that financial year does not coincide with the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. The Commission considers the carrying amount of accrued salaries to be equivalent to the net fair value.

### **(l) Inventories**

Inventories are measured at the lower of cost and net realisable value. Costs are assigned by the method most appropriate to each particular class of inventory, with the majority being valued on a first in first out basis.

Inventories not held for resale are valued at cost unless they are no longer required, in which case they are valued at net realisable value. See Note 15 'Inventories'.

### **(m) Resources Received free of Charge or for Nominal Cost**

Resources received free of charge or for nominal cost that can be reliably measured are recognised as revenues and as assets or expenses as appropriate at fair value.

### **(n) Administration Expense**

Each Producer's Committee pays a percentage of the 'Fee for Service' collected to the administration account which is eliminated on consolidation for reporting purposes. The administration account bears all the administration expenses.

### **(o) Goods and Services Tax**

In accordance with the grouping provisions the right to receive GST and the obligation to pay GST rests with the Department of Agriculture and Food Western Australia in regard to all GST transactions incurred by members of the group. As a result separate GST transactions are not recognised within the individual Commission financial statements as they are all brought to account in the Department of Agriculture and Food financial statements.

The Commission is GST exempt, a determination issued by the Federal Treasurer in March 2000 listed the Agricultural Produce Commission GST free under Section 81-5 of the A New Tax System (Goods and Services) Act 1999.

**(p) Financial Instruments**

In addition to cash and bank overdraft, the Commission has two categories of financial instrument:

- Loans and receivables; and
- Financial liabilities measured at amortised cost.

These have been disaggregated into the following classes:

*Financial Assets*

- Cash and cash equivalents
- Receivables

*Financial Liabilities*

- Payables

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

**(q) Comparative Figures**

Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current financial year.

**3 Initial Application of an Australian Accounting Standard**

The Commission has applied the following Australian Accounting Standards and Australian Accounting Interpretations effective for annual reporting periods beginning on or after 1 July 2007 that impacted on the Authority.

1. AASB 7 'Financial Instruments: Disclosures' (including consequential amendments in AASB 2005-10 'Amendments to Australian Accounting Standards [AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 & AASB 1038]'). This Standard requires new disclosures in relation to financial instruments and while there is no financial impact, the changes have resulted in increased disclosures, both quantitative and qualitative, of the Commission's exposure to risks, including enhanced disclosure regarding components of the Commission's financial position and performance, and changes to the way of presenting certain items in the notes to the financial statements.

The Commission at the balance sheet date does not currently undertake these types of transactions and there is no financial impact in applying the Standard.

The following Australian Accounting Standards and Interpretations are not applicable to the Commission as they have no impact or do not apply to not for profit entities:

*AASB Standards and Interpretations*

101	'Presentation of Financial Statements'
2005-10	'Amendments to Australian Accounting Standards'
2007-1	'Amendments to Australian Accounting Standards arising from AASB Interpretation 11 [AASB 2]'
2007-4	'Amendments to Australian Accounting Standards arising from ED 151 and Other Amendments'
2007-5	'Amendments to Australian Accounting Standard – Inventories Held for Distribution by Not-for-Profit Entities [AASB 102]'
2007-7	'Amendments to Australian Accounting Standards [AASB 1, AASB 2, AASB 4, AASB 5, AASB 107 & AASB 128]'
ERR Erratum	'Proportionate Consolidation [AASB 101, AASB 107, AASB 121, AASB 127, Interpretation 113]'
Interpretation 10	'Interim Financial Reporting and Impairment'

## Future Impact of Australian Accounting Standards not yet operative

The Commission cannot adopt Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. Consequently, the Commission has not applied the following Australian Accounting Standards and Australian Accounting Interpretations and Australian Accounting Interpretations that have been issued and which may impact the Department but are not yet effective. Where applicable, the Commission plans to apply these Standards and Interpretations from their application date:

The following standards are:

*(a) to be applied to annual reporting periods beginning on or after 1 July 2008:*

- AASB 1004 'Contributions' (December 2007).
- AASB 1050 'Administered Items' (December 2007).
- AASB 1052 'Disaggregated Disclosures' (December 2007).
- AASB 2007-9 'Amendments to Australian Accounting Standards arising from the review of AASs 27, 29 and 31 [AASB 3, AASB 5, AASB 8, AASB 101, AASB 114, AASB 116, AASB 127 & AASB 137] (December 2007).
- Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities (December 2007).

*(b) to be applied to annual reporting periods beginning on or after 1 January 2009:*

- AASB 101 'Presentation of Financial Statements' (September 2007).

The following amendments are not applicable to the Commission as they will have no impact:

AASB Amendment	Affected Standards
AASB 3	'Business Combinations'
AASB 8	'Operating Segments'
AASB 123	'Borrowing Costs'
AASB 127	'Consolidated and Separate Financial Statements'
AASB 1049	'Financial Reporting of General Government Sectors by Governments'
AASB 2007-2	'Amendments to Australian Accounting Standards arising from AASB Interpretation 12'
AASB 2007-3	'Amendments to Australian Accounting Standards arising from AASB 8'
AASB 2007-6	'Amendments to Australian Accounting Standards arising from AASB 123'
AASB 2007-8	'Amendments to Australian Accounting Standards arising from AASB 101'
AASB 2008-1	'Amendments to Australian Accounting Standard - Share-based Payments: Vesting Conditions and Cancellations'
AASB 2008-2	'Amendments to Australian Accounting Standards – Puttable Financial Instruments and Obligations arising on Liquidation'
AASB 2008-3	'Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127'
Interpretation 4	'Determining whether an Arrangement contains a Lease' (February 2007)
Interpretation 12	'Service Concession Arrangements'
Interpretation 13	'Customer Loyalty Programmes'
Interpretation 14	'AASB 119 -The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction'
Interpretation 129	'Service Concession Arrangements: Disclosures'

## 4 Department of Agriculture and Food Contracted Service Costs

Effective 1 July 2000 the Agricultural Produce Commission ("the Commission") entered into a Memorandum of Understanding with the Department of Agriculture and Food (the Department) which is reviewed annually. The objective of this arrangement is to establish the types and standards of services to be provided, the basis for determining the level and the costs of the services and the responsibilities of the Commission and the Department.

The costs of the above mentioned services are disclosed below:

	2008	2007
Administration	\$	\$
Dept of Agriculture & Food Contracted Services	94,204	75,693

<b>5 APC – Producers’ Committee Operating Costs</b>	<b>2008</b>	<b>2007</b>
Compensation payments	32,603	917,967
Promotion, publicity and advertising	61,042	97,361
Research Grants	703,118	836,659
Grant Funding	1,702,917	1,747,740
Committee Sitting Fees and Allowances	13,087	39,169
Other	84,490	48,105
<b>Total Producers’ Committee Operating Costs</b>	<b>2,597,257</b>	<b>3,687,001</b>
<b>6 Employee Benefits</b>		
Wages & Salaries	57,052	88,395
Change in employee entitlement provision	3,975	(11,586)
Superannuation	8,540	2,522
Annual Leave & Long Service Leave Expense	446	11,966
<b>Total Employee expenses</b>	<b>70,013</b>	<b>91,297</b>

Employment on-costs such as workers’ compensation insurance are included at Note 7 ‘Other Expenses’. The employment on-costs liability is included in Note 13 ‘Provisions’.

#### **Other expenses from ordinary activities**

<b>7 Other expenses</b>		
Audit fees	14,000	12,200
Employment on-costs <sup>(a)</sup>	782	1,951
Commissioner fees and related costs	39,895	29,535
Administration costs	12,442	28,456
Resources received free of charge	7,659	7,468
<b>Total other expenses</b>	<b>74,778</b>	<b>79,610</b>

<sup>(a)</sup>Includes workers’ compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liability is included at Note 14 ‘Provisions’. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

<b>8 APC Fee for Service revenue</b>		
Fee for Service	2,331,692	2,281,098
<b>Total APC Fee for Service</b>	<b>2,331,692</b>	<b>2,281,098</b>
<b>9 Income from State Government</b>		
Resources received free of charge determined on the basis of the following estimates provided by agencies:		
<b>Department of Agriculture and Food</b>	<b>7,659</b>	<b>7,468</b>

Where assets or services have been received free of charge or for nominal cost, the Commission recognises revenues (except where the contribution of assets or services is in the nature of contributions by owners, in which case the Commission makes a direct adjustment to equity) equivalent to the fair value of the assets and/or the fair value of those services that can be reliably determined and which would have been purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable. The exception occurs where the contribution of assets or services are in the nature of contributions by owners, in which case the Authority makes the adjustment direct to equity.

<b>10 Receivables</b>		
Current		222,235
Receivables	173,004	(3,478)
Less: Allowance for impairment of receivables		
Accrued revenue	30,000	
	<b>203,004</b>	<b>218,757</b>

See also Note 2(g) ‘Receivables’ and Note 19 ‘Financial Instruments’

#### **Reconciliation of changes in the allowance for impairment of receivables:**

Balance at start of year	(3,478)	
Doubtful debts expense recognized in the income statement		(3,478)
Amounts written off during the year	3,478	
Balance at end of year		(3,478)

<b>Credit Risk</b>	<b>2008</b>	<b>2007</b>
Ageing of receivables past due but not impaired based on the information provided to senior management at the balance sheet date:		
Not more than 3 months	173,004	217,294
More than 3 months but less than 6 months		
More than 6 months but less than 1 year		1,463
<b>11 Other current assets</b>		
Current		
Accrued interest	145,313	129,687
	<b>145,313</b>	<b>129,687</b>
<sup>(a)</sup> 2006/07 APC funding of services provided by the WA Fruit Growers Association and Western Potatoes Ltd, reported on a cash basis. Previous year reports treated comparable outgoings as prepayments.		
<b>12 Payables</b>		
Current		
Trade payables	28,834	710,236
<b>Total payables</b>	<b>28,834</b>	<b>710,236</b>
<b>13 Accrued salaries</b>		
Commission's fees		6,650
Employee Entitlement	430	259
<b>Total accrued salaries</b>	<b>430</b>	<b>6,909</b>
<b>14 Provisions</b>		
(a) Current		
Employee benefits provision		
Annual Leave <sup>(a)</sup>	9,300	7,571
<b>Total current provision</b>	<b>9,300</b>	<b>7,571</b>
(b) Non-current		
Employee benefits provision		
Long service leave <sup>(b)</sup>	6,651	4,641
Other provisions		
Employment on-costs <sup>(b)</sup>	781	545
<b>Total non-current provision</b>	<b>7,432</b>	<b>5,186</b>
<b>Total employee provision</b>	<b>16,732</b>	<b>12,757</b>
Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after balance sheet date. Assessments indicate that actual settlement of the liabilities will occur as follows:		
Within 12 months of balance sheet date	4,802	6,417
More than 12 months after balance sheet date	4,498	1,154
	<b>9,300</b>	<b>7,571</b>
Long service leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after balance sheet date. Assessments indicate that actual settlement of the liabilities will occur as follows:		
More than 12 months after balance sheet date	7,432	5,186
	<b>7,432</b>	<b>5,186</b>
The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments		



<b>15 Equity</b>	<b>2008</b>	<b>2007</b>
(a) Equity represents the residual interest in the net assets of the Commission. The Government holds the equity interest in the Commission on behalf of the community		
Contributed equity		
Balance at start of year	3,596,697	3,596,697
<b>Balance at end of year</b>	<b>3,596,697</b>	<b>3,596,697</b>
(b) Accumulated surplus/(deficit)(Retained earnings)		
Balance at start of year	4,261,553	5,400,645
Result for the period	13,788	(1,139,092)
<b>Balance at end of year</b>	<b>4,275,341</b>	<b>4,261,553</b>
<b>16 Notes to the Cash Flow Statement</b>		
(a) Reconciliation of cash		
Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:		
Cash and cash equivalents	7,569,717	8,239,708
(b) Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities		
Net cost of services	6,129	(1,146,560)
<b>Non-cash items</b>		
Resources received free of charge	7,659	7,468
(Decrease)/Increase provision for doubtful debts	(3,478)	3,478
(Increase).decrease in assets		
Current receivables		
Receivables	19,231	54,328
Inventories		6,520
Other current assets	(15,626)	125,243
Increase/(decrease) in liabilities		
Current payables	(681,402)	640,949
Accrued salaries	(6,479)	(2,431)
Current provisions	1,729	(7,075)
Non current provisions	2,246	(4,510)
<b>Net cash provided by/(used in) operating activities</b>	<b>(669,991)</b>	<b>(322,590)</b>

**17 Remuneration of members of the Commission**  
The number of members of the Commission, whose total of fees, salaries, superannuation and other benefits for the financial year fall within the following bands are:

	Number of Members	
	2008	2007
\$0 - \$10,000	2	5
\$10,001 - \$20,000	1	1

<b>The total remuneration of the members of the Commission is:</b>	<b>39,895</b>	<b>29,535</b>
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The superannuation included here represents the superannuation expense incurred in respect of members of the Commission.

No members of the Commission are members of the Pension Scheme.

## 18 Commitments

### (a) Capital expenditure commitments

There are no known capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements.

### (b) Other expenditure commitments

There are no known other expenditure commitments contracted for at the reporting date, not otherwise provided for in these financial statements.

### (c) Guarantees and undertakings

There are no guarantees and undertakings at the reporting date, not otherwise provided for in these financial statements.

## 19 Financial Instruments

### (a) Financial Risk Management Objectives and Policies

Financial instruments held by the Commission are cash and cash equivalents, receivables, and payables. The Authority has limited exposure to financial risks. The Commission's overall risk management program focuses on managing the risks identified below.

#### *Credit risk*

Credit risk arises when there is the possibility of the Commission's receivables defaulting on their contractual obligations resulting in financial loss to the Authority. The Commission measures credit risk on a fair value basis and monitors risk on a regular basis.

The maximum exposure to credit risk at balance sheet date in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment as shown in the table at Note 19 (b).

Credit risk associated with the Commission's financial assets is minimal because the main receivable is the amounts receivable for services (holding account). For receivables other than government, the Commission trades only with recognised, creditworthy third parties. The Commission has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Commission's exposure to bad debts is minimal. There are no significant concentrations of credit risk.

#### *Liquidity risk*

The Commission is exposed to liquidity risk through its trading in the normal course of business. Liquidity risk arises when the Commission is unable to meet its financial obligations as they fall due.

The Commission has appropriate procedures to manage cash flows including drawdowns of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

#### *Market risk*

The Authority does not trade in foreign currency and is not materially exposed to other price risks (for example, equity securities or commodity prices changes).

### (b) Financial instrument disclosures

#### *Categories of financial instruments*

In addition to cash and bank overdraft, the carrying amounts of each of the categories of financial assets and financial liabilities at balance sheet date are detailed in the table below.

Credit risk, Liquidity risk and interest rate risk exposure

The exposure to liquidity risk and interest rate risk as at the balance sheet date are detailed in the table below. The Commission's maximum exposure to credit risk at the balance sheet date is the carrying amount of the financial assets as shown on the following table. The table is based on information provided to senior management of the Commission. The contractual maturity amounts in the table are representative of the undiscounted amounts at the balance sheet date.

An adjustment for discounting has been made where material.

The Commission does not hold any collateral as security or other credit enhancements relating to the financial assets it holds. The Commission does not hold any financial assets that had to have their terms renegotiated that would have otherwise resulted in them being past due or impaired.

	Weighted average effective interest rate	Contract Maturity Dates						Total
		Variable interest rate	Non-interest bearing	Within 1 Year	Within 1 to 5 Years	Over 5 Years		
<b>2008</b>	%	\$	\$	\$	\$	\$	\$	
<b>Financial Assets</b>								
Cash and cash equivalents	7.03%	7,569,717	-	-	-	-	7,569,717	
Receivables		-	348,317	-	-	-	348,317	
		7,569,717	348,317	-	-	-	7,918,034	
<b>Financial Liabilities</b>								
Payables			28,834				28,834	
Accrued salaries			430				430	
		-	29,264	-	-	-	29,264	
<b>2007</b>								
<b>Financial Assets</b>								
Cash and cash equivalents	5.98%	8,239,708	-	-	-	-	8,239,708	
Receivables		-	348,444	-	-	-	348,444	
		8,239,708	348,444	-	-	-	8,588,152	
<b>Financial Liabilities</b>								
Payables			710,236				710,236	
Accrued salaries			6,909				6,909	
		-	717,145	-	-	-	717,145	

### Interest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of the Commission's financial assets and liabilities at the balance sheet date on the surplus for the period and equity for a 1% change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

Financial Assets	Carrying amount \$'000	-1% change		+1% change	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial Assets 2008	7,569,717	(75,697)	(75,697)	75,697	75,697
	7,569,717	(75,697)	(75,697)	75,697	75,697
Financial Assets 2007	8,239,708	(82,397)	(82,397)	82,397	82,397
	8,239,708	(82,397)	(82,397)	82,397	82,397

### Fair value

All financial assets and liabilities recognised in the balance sheet, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

### 20 Contingent liabilities and contingent assets

There were no contingent liabilities or contingent assets which would affect the Commission

### 21 Events occurring after reporting date

There were no events after reporting date which would cause the financial statements to be misleading.

### 22 Related bodies

There are no related bodies with the Commission.

### 23 Supplementary financial information

<b>2008</b>	<b>2007</b>
\$	\$

#### Write-offs –irrecoverable amounts

During the financial year \$4,941 (2007: \$6,250) was written off in bad debts under the authority of:

#### The accountable authority

<b>4,941</b>	<b>6,250</b>
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**24 Remuneration of auditor****2008****2007**

Remuneration payable to the Auditor General for the financial year is as follows:

**Auditing the accounts, financial statements and performance indicators****14,000****12,200**

The expense is included in Note 7 'Other expenses'

**25 Explanatory statement**

Explanation of significant variations are considered to be those greater than 10% and \$20,000

	Budget 2008	Actual 2008	Variance Between 2008 Budget & 2008 Actual	Note	Actual 2007	Variance Between 2007 Actual & 2008 Actual	Note
	\$	\$	\$		\$	\$	
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Dept of Agriculture and Food contracted services							
- Administration	99,283	94,204	(5,079)		75,693	18,511	
Producers committees' operating costs	3,152,119	2,597,257	(554,862)	25.3	3,687,001	(1,089,744)	25.1
Employee benefits	70,000	70,013	13		91,297	(21,284)	25.2
Doubtful debts		-	-		3,478	(3,478)	
Other expenses	54,500	74,778	20,278	25.4	79,610	(4,832)	
<b>Total cost of services</b>	<b>3,375,902</b>	<b>2,836,252</b>	<b>(539,650)</b>		<b>3,937,079</b>	<b>(1,100,827)</b>	
<b>Revenues</b>							
Fee for service	2,503,690	2,331,692	(171,998)		2,281,098	50,595	
Interest	444,818	510,689	65,871	25.5	509,421	1,268	
Other revenue	63,000	-	(63,000)	25.6	-	-	
<b>Total revenue</b>	<b>3,011,508</b>	<b>2,842,381</b>	<b>(169,127)</b>		<b>2,790,519</b>	<b>51,862</b>	
<b>NET COST OF SERVICES</b>	<b>(364,394)</b>	<b>6,129</b>	<b>370,522</b>		<b>(1,146,559)</b>	<b>1,152,688</b>	
<b>INCOME FROM STATE GOVERNMENT</b>							
Resources received free of charge							
<b>Total Income from State Government</b>	<b>6,575</b>	<b>7,659</b>	<b>1,084</b>		<b>7,468</b>	<b>191</b>	
<b>SURPLUS/(DEFICIT) FOR THE PERIOD</b>	<b>(357,819)</b>	<b>13,787</b>	<b>371,606</b>		<b>(1,139,092)</b>	<b>1,152,879</b>	

(i) **Significant variations between actual revenues and expenditures for the financial year and revenues and expenditures for the immediately preceding financial year.**

Explanations for significant variations between actual results versus the corresponding results for the preceding year are provided below. Significant variations are considered to be those greater than 10% and \$20,000.

**25.1 Producers Committees' operating costs**

(a) Carnarvon Banana Producer' Committee paid out a large compensation payment in 2007 (\$917k)

(b) Potato Producers' Committee ran fewer projects in 2008, reducing their expenditure by \$152k.

(c) Table Grape Producers' Committee reduced their expenditure on promotion and research.

**25.2 Employee Benefits**

2007 Included the retirement payout for the then Executive Officer as well as the engagement of extra staff for the implementation of the APC Oracle system, 2008 shows a return to normal staffing expenditure in this area.

(ii) **Significant variations between 2008 estimates and 2008 actual results for the financial year.**

Explanations for significant variations between estimates and actual results are provided below. Significant variations are considered to be those greater than 10% and \$20,000.

**25.3 Producers' Committee Operating Costs**

Producers' Committees adjusted their expenditure in line with Fee for Service income.

**25.4 Other Expenses**

The Beekeepers Producers' Committee suffered a bio security incursion, demanding a response which required expenditure outside of the budget estimate.

**25.5 Interest**

Interest rates for 2008 exceeded those used to calculate the 2008 budget, leading to a larger than estimated interest return.

**25.6 Other Revenue**

The budget provided an estimate for the transfer of funds between Producer Committees for which the actual is eliminated for financial statement purposes and for the receipt of a grant which was reported under the revenue item Fee for Service.

## PERFORMANCE INDICATORS

### GOVERNMENT GOAL

Jobs and Economic Development – creating conditions that foster a strong economy delivering more jobs, opportunities and greater wealth for all Western Australians.

### DESIRED OUTCOME

Facilitation of growth and prosperity of agricultural industries covered by the Agricultural Produce Commission Act.

### SERVICES

Establishment of, and support for, Producer Committees.

### EFFECTIVENESS INDICATORS

#### ***PI1 - Commission Effectiveness – APC Producers’ Committees coverage of the horticultural industry***

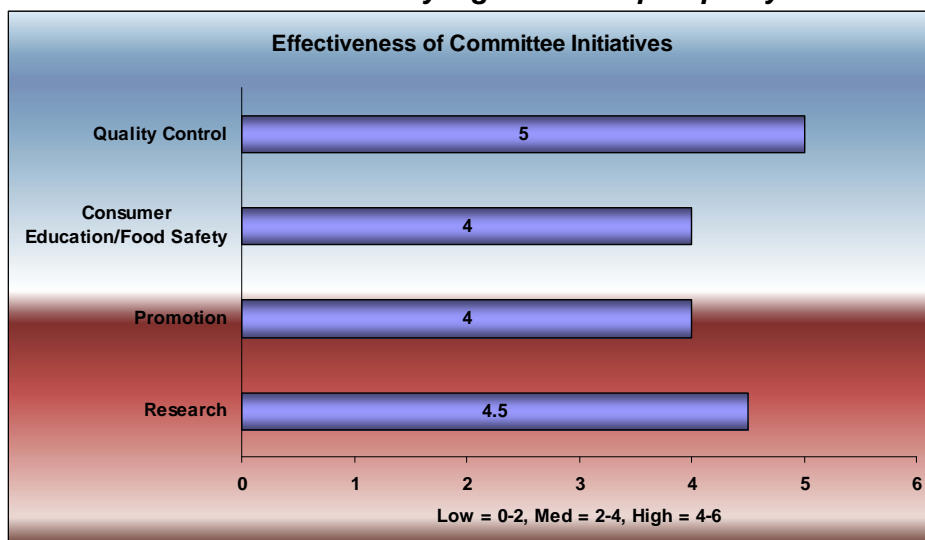
The % of horticultural industry serviced by the APC based on production value.	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08
	38.8	46.1	41.5	43	46.5	64.0	63.1	61.6	66

**NOTE:** The APC’s coverage of the Western Australian horticultural industry demonstrates the ‘market share’ held by the APC in the overall horticultural industry in Western Australia. By maintaining, and aiming to increase, its coverage of the industry the APC affirms its value to the greater industry through enabling growth and prosperity of the industry via the investment of producer funds.

Prescribed industries for the purposes of the APC are not included in the data set. Prescribed industries are eggs, pork and beekeeping. Horticultural industries that have APC Committees include apple, avocado, Carnarvon banana, pear, citrus, stone fruit, strawberry, table grapes and most vegetable commodities.

**Target:** Maintain current and further increase percentage of industry serviced by APC Producers’ Committees to 66 - 70%.

#### ***PI2 - Committee Effectiveness – APC Producers’ Committees focus and impact on key areas that contribute to their industry’s growth and prosperity***



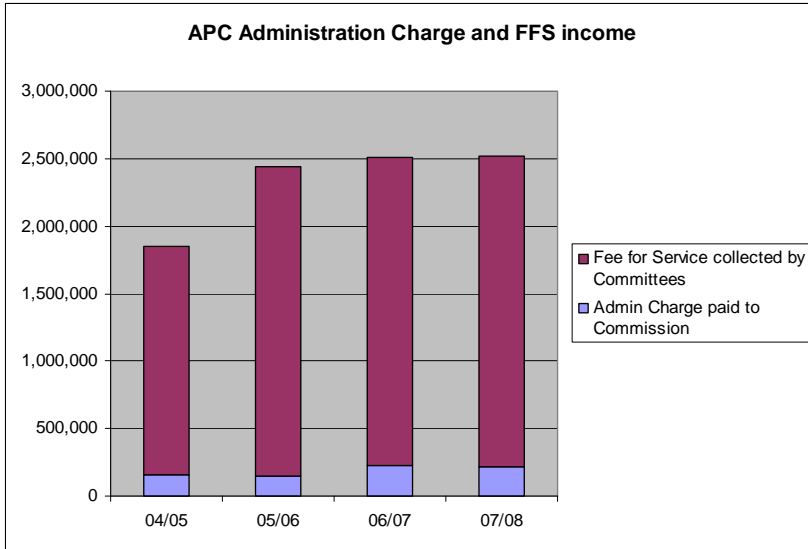
Results based on aggregated responses to survey of Committee activities for the 07/08 financial year, conducted with APC Committee members.

Results are based on a ‘yes’ response to surveys, where Committees have responded that they are undertaking the process being measured.

**Target:** To have Committees undertake initiatives in all targeted areas where their industry would benefit from the APC Producers’ Committee activities, and to have the impact for each initiative undertaken deliver a success rate of at least 4-5 (moderate to high success).

**EFFICIENCY INDICATORS**

**PI3 – Commission Efficiency - APC Administration Charge as % of Fee for Service (FFS) Income**

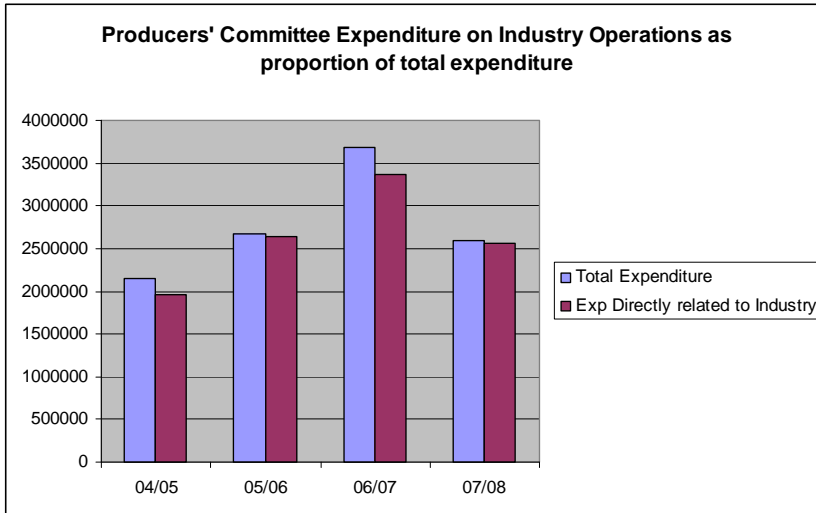


Year	04/05	05/06	06/07	07/08
<b>Admin Charge as % of Fee for Service Income</b>	9.21%	6.66%	10.05%	9.29%

**Note:** This indicator measures the administration charge paid to the Commission by Committees as a proportion of their total income. This income to the Commission is the sole funding the Commission receives to carry out its operations.

**Target –** Commission operating costs kept within the 10 - 15% expenditure range in relation to overall FFS income.

**PI4 - Committee Effectiveness – Producer Committee expenditure on industry operations as proportion of total Committee expenditure.**



Year	04/05	05/06	06/07	07/08
<b>Producers' Committee Expenditure on Industry Operations as proportion of total expenditure</b>	91%	99%	92%	99%

**Note:** Cash outflow directly related to industry operations includes research, compensation, support for industry associations, promotion activities, bio-security operations.

Expenditure not considered directly related to industry operations are funds expended on Committee meetings, sitting fees, travel or any expenditure directly related to the administrative operations of the Committee.

The APC Administration charge is excluded from this data.

**Target –** Committees are able to return 85 to 90% of collected FFS to industry

## **PROCEDURES TO JOIN THE AGRICULTURAL PRODUCE COMMISSION**

The procedure to set up a Producers' Committee under the Agricultural Produce Commission Act is as follows:

1. The APC receives a request from producers or an industry group to establish a Producers Committee (the formal request is usually made after a period of consultation with the APC and the industry concerned.).
2. The APC considers the request and clarifies with the applicant(s) the Section 12.1 service functions to be provided by the proposed Committee, the agricultural produce covered, the area of the State involved and the poll type (postal or general meeting).
3. The APC passes a formal motion to initiate proceedings.
4. The APC notifies the Minister of Agriculture of the intention to establish the Producers' Committee and requests direction as to how the Notice of Intention should be published.
5. The Minister issues direction and the APC then publishes a Notice of Intention to establish the Producers' Committee. The notice is published in newspapers and industry newsletters – producers maybe advised by direct mail if this is considered necessary. The notice explains in simple terms the function(s) of the Committee, specific agricultural commodity involved, the region, and submissions are invited for and against the proposal from affected producers.
6. The Commission considers the submissions received regarding setting up the proposed Committee. The Commissioners may invite producers to facilitate its consideration of submissions.
7. If the Commission decides to proceed the applicant(s) pay a deposit to cover the cost of the poll. This deposit is refundable if the poll is successful.
8. The Commissioners appoint a returning officer to conduct the poll.
9. The APC compiles a list of producers to be polled.
10. The APC publishes a Notice of Intention to conduct a poll in relevant newspapers, industry newsletter or direct mail if there is no industry newsletter. Producers are invited to submit a case for or against establishing the Committee.
11. The APC summarises any submissions and prepares a summary to go out with the polling papers.
12. The returning officer appoints scrutineers.
13. The poll is conducted and the returning officer publishes the result in appropriate newspaper.
14. The Commissioners consider the results of the poll and if in favour decides whether to establish a Committee. Approval to establish the Committee is given by formal motion.
15. The Commission publishes the establishment of the Committee in the Government Gazette and appropriate newspapers and producers are invited to nominate themselves for appointment to the Committee.