



**AGRICULTURAL
PRODUCE COMMISSION**
Supporting Producers' Initiative

A statutory authority that has been establishing producers' committees to support the growth and profitability of WA agricultural producers since 1989

**ANNUAL REPORT
FOR YEAR ENDED 30 JUNE 2019**

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Terms / abbreviations found in this report

Agricultural Produce Commission Act 1988	The Act
Agricultural Produce Commission	Commission/ APC
Department of Primary Industries and Regional Development	DPIRD / the Department
Fee for Service charge under section 14 of the Act	FFS
Functions a committee can provide under section 12.1 of the Act	Functions/ services
Minister for Regional Development, Agriculture and Food	The Minister
Producers' committee	committee
Western Australia	WA

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This report is available in alternative formats upon request to the Commission.

Comments and feedback on this report are encouraged – please use the contact details above.

AGRICULTURAL PRODUCE COMMISSION

STATEMENT OF COMPLIANCE

For year ended 30th June 2019

Hon Alannah MacTiernan MLC

Minister for Regional Development, Agriculture and Food

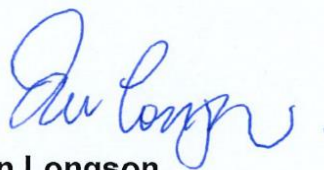
In accordance with Section 63 of the *Financial Management Act 2006*, we hereby submit for your information and presentation to Parliament, the Annual Report of the Agricultural Produce Commission for the financial year ended 30 June 2019.

The Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006* and any other relevant written law.



William Ryan
Chairperson
Agricultural Produce Commission

Date: 6 September 2019



Ian Longson
Member
Agricultural Produce Commission

Date: 6 September 2019

AGENCY OVERVIEW

EXECUTIVE SUMMARY/CHAIRPERSON'S REPORT

The primary role of the Agricultural produce Commission (APC) is to provide oversight, financial management and corporate governance to committees. The Commission has continued to provide these services throughout 2018/2019 year.

A major activity during the last year has been to assist the Minister with amendments to the APC Act. The Minister introduced the APC Act Amendment Bill 2019 into Parliament in August 2019.

The amendments being sought include the controversial amendment seeking the removal of the exclusion which prevents the establishment of APC committees for the broadacre cropping and grazing industries.

In relation to this amendment, Commission and staff have met with various stakeholders in the broadacre cropping and grazing industries to provide them with an understanding of the role of the APC, what the removal of the exclusion would mean to these industries and how APC operate.

Other amendments are more administrative and will enable both the Commission and producers' committees to operate more effectively and efficiently.

The Commission's operational focus is on providing a professional and cost-effective service to all producers' committees, whilst also ensuring the committees remain responsive and cost effective in their delivery of services to producers. Many of the requested amendments in the Act are intended to assist both the Commission and producers' committees to achieve these outcomes.

Other activities undertaken by the Commission during the past year have included -

- Working with the vegetable committee to identify and implement a new methodology for the collection of the vegetable fee for service. The new methodology is designed to improve accuracy and fairness to all vegetable producers. It is not intended or expected to increase the amount of money collected by the committee. The new methodology will also provide much needed industry statistics which will assist growers in their business decisions.
- In order to improve governance, the Commission has implemented a new online board governance package which will enhance security and Commission meeting procedures. The Commission will evaluate this over the next 12 months with the view of making the package available to the producers' committees if appropriate.
- Ensuring the best board governance for both the Commission and the committees is a priority for the Commission. To this end, professional development for the manager, Ingrid Behr included the Australian Institute of Company Directors' (AICD) course which Ingrid undertook and completed in the past year.
- There were changes to the makeup of the Commission during past year. I was reappointed to the position of the chair for another three years and Monica Radomiljac, a wine producer and potato grower from Manjimup, was appointed as a Commissioner. I would like to thank Cathy Bowen whose term on the Commission ended in January 2019 for her contribution to the Commission.
- The Commission visited growers in the Gingin, Moora area and held a meeting in the region. The Commission had resolved to hold one of its meetings last year in the region to enable it to understand the challenges and opportunities of the different industries in those regions.

- This years' general meeting of all APC committees focused on social licence and was privileged to be addressed by David Cater from Austral Fisheries. Austral Fisheries have been very proactive in relation to social licence and have even worked in conjunction with Sea Shepherd to help stamp out illegal fishing in the Southern Ocean.

Through the year the APC producers' committees have provided a wide range of services to their producers. The Commission continues to receive very positive feedback on these activities. This would not be possible without the ongoing contributions of all those growers who sit on their industry committees. Their contribution is greatly valued and appreciated by the Commission.

I would like to thank the contribution of my fellow commissioners who continue to make insightful and worthwhile contributions.

Finally, I would like to thank the staff of the Commission and in particular Ingrid Behr the manager for the professional manner in which they manage the day to day operations of the Commission. The very positive feedback I get from our committees about the Commission staff is a testament to how well they carry out their role.



Dr William Ryan
Chairperson
Agricultural Produce Commission

OPERATIONAL STRUCTURE

The Agricultural Produce Commission (the “Commission”) operates under Functions as provided for in Section 6.1 of the Agricultural Produce Commission Act 1988 (the Act).

- 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.

ENABLING LEGISLATION

The Commission was established by the Agricultural Produce Commission Act 1988 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 Agricultural Produce Commission is listed as a statutory authority on Schedule 1 of the Financial Management Act 2006.

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.

RESPONSIBLE MINISTER

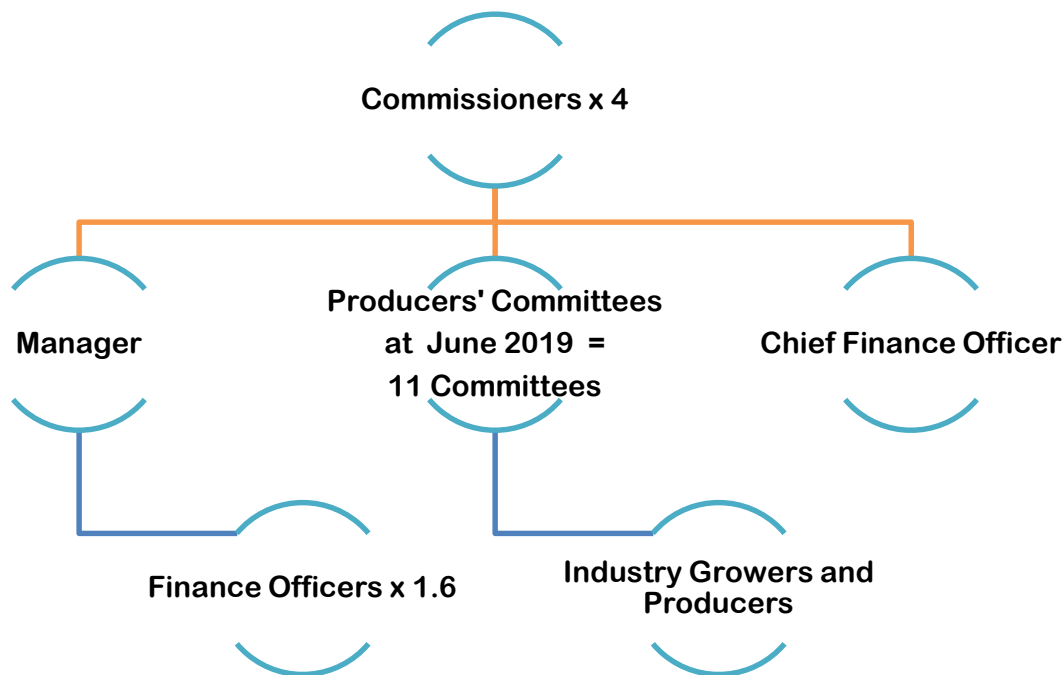
The Hon Alannah MacTiernan, MLC, Minister for Regional Development; Agriculture and Food; Minister Assisting the Minister for State Development, Jobs and Trade.

MISSION STATEMENT

The Western Australian Agricultural Produce Commission facilitates the growth and prosperity of agricultural industries through producers’ committee initiated and funded research and development programs.

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 programs in a wide range of areas that include product and market development; improving production and handling systems and management of biosecurity risks.

ORGANISATIONAL PLAN



The Act allows for the appointment of four Commissioners by the Minister with the Minister appointing one member of the Commission to be the Chairperson.

Appointments are for a period not exceeding three years, but members can re-apply for membership when their term expires.

The Commission employs a full-time manager and two finance officers at 1.6 full time equivalent.

STRATEGIC PLAN

The Commission has a strategic plan which is reviewed every three years with the most recent revision being in February 2018.

The Commission’s objective is to support and encourage the growth of WA agricultural industries, with the intention of resulting in increased profitability and sustainability for WA growers and producers. This objective is reflected in the APC’s outcome-based management framework.

The following is the Commission strategic plan for 2018 - 2021.

Agricultural Produce Commission Strategic Plan 2018 – 2021

OBJECTIVE		
Facilitate the growth and prosperity of Western Australian agricultural industries through the:		
Formation of APC Producers' Committees.	Provision of governance and leadership to APC producers' committees.	Provision of effective financial and administrative services to APC producers' committees.
Communication of the positive contribution and achievements of APC producers' committees to agriculture within Western Australia.		
STRATEGIES/GOALS		
Industries are aware of and understand the opportunity to establish committees to raise funds through the APC, and are encouraged / supported in that pursuit.	Commission and committee governance and conduct are of the highest standard.	Best practice and business improvement principles are applied within the Commission and producers' committees.
Comprehensive and effective communication with industries, government and stakeholders.		
TACTICS		
Identify, research and communicate with industries which may benefit from an APC Committee/FFS.	Committees are informed about and observe APC legislation and policies.	Financial management is efficient, prudent and meets government standards.
Ensure industries are fully aware of and understand APC benefits and legislative framework.	Committees implement and follow appropriate internal governance and management processes.	APC FFS database is up to date, effective and efficient.
Provide comprehensive assistance to industries already interested in establishment of committees.		FFS payments monitored and compliance activities undertaken.
		Commission KPI's are relevant / provide data on the Commission's effective level of service to committees.
		Communication plan with industries.
		Attend key industry events.
		Further develop and maintain relationship with DPIRD.
		Appropriate industry/government networks established and maintained.
		Develop relationships with the supply chain to facilitate their understanding of the FFS and activities of APC Committees.

LEGAL PROTECTION OF COMMISSIONERS

The Act provides that a person who is or was a member of the Commission or a producers' committee or an officer or employee is not personally liable for any act done or omitted to be done in good faith by the Commission or a producers' committee or as an officer or employee of the Commission or a producers' committee.

PUBLICITY AND COMMUNICATION

The APC website (www.apcwa.org.au) provides extensive information about the Commission, including current Fee for Service charge rates, how to join the APC, Annual Reports and the Act and Regulations.

Each producers' committee has its own page providing information about the Committee and related industry organisations. The Commission encourages Committees to utilise the website as a tool to communicate with their growers, producers and other interested parties.

CONFIDENTIALITY OF INFORMATION HELD BY THE COMMISSION

Data gathered by producers' committees through the payment of the FFS charge is utilised by committees to improve knowledge and decision making for industry as well as individual producer organisations.

Commissioners and members of producers' committees are bound by the APC Code of Conduct to protect any commercial sensitivity associated with data which is gathered. The Commission is cognisant of its obligations under the Privacy Act.

Members of producers' committees, as well as members of the Commission, are required to sign a confidentiality and conflict of interest declaration on an annual basis.

INSURANCE

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

APC PRODUCERS' COMMITTEES

APC producers' committees, working with their growers and producers collect in excess of \$3M of producer's funds annually. These funds are expended on services for the benefit of producers and their industries.

This reflects and requires vision and commitment, both individually and as united industries, by growers and producers.

As at 30 June 2019 the Commission had 11 active producers' committees, covering 13 major commodities.

MEMBERSHIP ON PRODUCERS' COMMITTEES

Appointments to producers' committees are made by the Commission. Each year, the Commission advertises committee vacancies in appropriate newspapers and industry newsletters, calling for nominations from industry producers. There is no limit to the number of terms which can be served, and committee members whose term of office is expiring can apply for appointment for a further term.

The Commission appoints the inaugural committee Chairperson for a three-year term; thereafter the committee nominates Chairpersons to the Commission for the Commission to endorse. To preserve continuity of service and experience, committee tenures are usually arranged so that not all terms fall due in the same year.

The Commission consults with committees during the appointment process.

Remuneration and expenses for committee members is available at approved rates. Committees use their discretion on whether to claim remuneration or not. A number of committees do not presently claim remuneration for their members.

Members on producers' committee at 30 June 2019 were:

Producers' Committee	Functions Adopted	Members
APC Avocado Producers' Committee (Established 1995)	(a) to (k)	Alan Blight (Chair) Ken Gwynne Stewart Ipsen
APC Beekeepers Producers' Committee (Established 2003)	(b), (c), (d), (h), (l), (la), (m)	Kim Fewster (Chair) Geoff Defrenne Rod Pavy Tiffane Bates Gary Templeman Tristan Campbell Wayne Ridley
APC Carnarvon Banana Producers' Committee (Established 1999)	(a) to (m)	Bruce Munro (Chair) Darryl Hardman John Thomas John Kearney Chris Collins Michael Andreoli
APC Egg Producers' Committee (Established 2002)	(a) to (m)	Ian Wilson (Chair) Katie Mason Brendan Bell
APC Pome, Citrus & Stone Fruit Producers' Committee (Established 1994). Pome Sub-Committee Citrus Sub-Committee Stone Fruit Sub-committee	(a) to (m)	Mark Scott (Chair) Mario Casotti Sam Licciardello Jason Jarvis Wayne Ghilarducci Mick Mann (Chair) Joseph Ling Andrew Pergoliti Danny DiMarco (Chair) Anthony Fullam Bruno DeSimone Mark Scott Anthony Caccetta Michael Padula Sebastian Fiolo
APC Potato Producers' Committee (Established 2001)	(a) to (m)	Glen Ryan (Chair) Sam Calameri Dom Della Vedova Mia Rose Terry Ackley Matthew Cocciolone
APC Pork Producers' Committee (Established 2002)	(a) to (m)	Neil Ferguson (Chair) Peter Spackman Graeme Dent Rebecca Wicks
APC Strawberry Producers' Committee (Established 1995)	(a) to (l) and (m)	Neil Handasyde (Chair) Jamie Michael Thai Tran Leonard Handasyde

Producers' Committee	Functions Adopted	Members
APC Table Grape Producers' Committee (Established 1991)	(a) to (l) and (m)	Tony Kundid (Chair) Roger Fahl Matt Katich Peter Nuich Kim Taylor David Bumbak
APC Vegetable Producers' Committee (Established 2005)	(a) to (m)	Maureen Dobra (Chair) Joyce Babun Peter Ivankovich James Wringe Lisa Tana Amanda Rodriguez
APC Wine Producers' Committee (Established 2015)	(a) to (m)	Jeff Burch (Chair) Nigel Gallop Kim Tyrer Jeff Dewar Garth Cliff Grant Brinklow

PRODUCERS' COMMITTEE ADMINISTRATION

Committees, working within directions issued by the Commission, have the autonomy to meet as they determine necessary for the efficient running of their committee.

The Commission's oversight of committee activities includes ensuring that the services provided by committees are those supported by the producers paying the FFS charge, that due diligence is conducted with relation to expenditure and that committees are compliant with the Act. The Commission requires every committee to seek input from producers and in turn communicate with all producers on committee activities.

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, these funds can also be administered by the Commission.

PRODUCERS' COMMITTEE DIRECTIONS

The Commission, under section 11.3 of the APC Act, provides producers' committees with Directions which assist in the governance of committee operations.

PERFORMANCE MANAGEMENT FRAMEWORK

OUTCOME BASED MANAGEMENT FRAMEWORK

Government Goal	Desired Outcome	Services	Effectiveness Indicators	Efficiency Indicators
Future jobs and skills: Grow and diversity the economy, create jobs and support skills development.	Facilitation of growth and prosperity of agricultural industries covered by the APC.	Establishment of, and support for, producers' committees.	APC producers' committee's satisfaction with services provided by the Commission.	APC Administration Charge paid by committees as % of fee for service income.

CHANGES TO OUTCOME BASED MANAGEMENT FRAMEWORK

The Commission reviewed its Government Goal in 2018. A new government goal, in line with current government goals, was adopted by the Commission. This is reflected in the framework above.

COMMISSION PERFORMANCE AND ISSUES OF SIGNIFICANT IMPACT

ACTUAL RESULTS VS BUDGET ESTIMATES 2018/19 AND BUDGET ESTIMATES 2019/20

In accordance with the Financial Management Act 2006, the Agricultural Produce Commission hereby provides budget comparatives for the 2018/19 year and budget estimates for the 2019/20 financial year.

This table is unaudited

AGRICULTURAL PRODUCE COMMISSION (APC) BUDGET ESTIMATES FOR 19/20			
EXPENDITURE	2018/19 Budget	2018/19 Actual	2019/20 Budget
Employee Benefits	280,548	302,109	275,295
Commissioners Sitting Fees	58,195	52,982	58,195
Other Expenses	121,665	114,350	132,000
Total Expenditure	460,408	469,441	465,490
REVENUE			
Administration Charge from Committees	362,790	387,411	365,608
Contributions	33,000	33,000	33,000
Interest	7,667	5,507	8,070
Total Revenue	403,457	425,918	406,678
Net Cost of Services	-56,951	-43,523	-58,812
INCOME FROM STATE GOVERNMENT			
Resources Received Free of Charge/Income from State Government	75,000	65,976	75,000
SURPLUS/(DEFICIT) FOR THE PERIOD	18,049	22,453	16,188

In 2019, the Commission's operating result was very close to budget, with no significant over or under budget items. Actual income from the charge to producers' committees was slightly higher than budgeted as a result of some industries achieving over budget income.

The Commission's income and expenditure has remained close to constant in recent years (Expenditure 2018: \$441,303) (Income 2018: \$412,982) and is expected to remain so into the 2020 year.

COMMISSION ADMINISTRATION CHARGE TO PRODUCERS' COMMITTEES

The Commission is principally funded through an administration charge to its producers' committees. This charge is reviewed annually and is based on a broad full cost recovery methodology.

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. Should a committee suspend Fee for Service collections, an annual fee is

charged to cover Commission fixed overheads and other costs associated with providing ongoing financial and support services.

The Commission did not make any changes to the administration charge in the 2019 year.

This table is unaudited

Committee	Admin Charge 18/19	Change from 17/18
Avocado	\$5,050	No change
Beekeepers	14%	No change
Carnarvon Banana	12%	No change
Eggs	\$5,050	No change
Pome, citrus, stone fruit	10%	No change
Pork	10%	No change
Potato	9%	No change
Strawberry	15%	No change
Table Grapes	15%	No change
Vegetables	10%	No change
Wine	10%	No change

COMMISSION MEETINGS 2018/19

The Commission meets as necessary during the year. Most meetings are face to face, although telephone or conferencing technology is also used. During the year under review Commissioners participated in meetings as below:

Commissioner	Eligible to Attend	Attended	Leave of Absence
William Ryan (Chair)	4	4	-
Elizabeth Brennan	4	4	-
Ian Longson	4	3	1
Cathie Bowen	2	2	-
Monica Radomiljac	2	2	-

During the 2019 year, the Commission conducted one meeting in the Moora – Gingin region. This included site visits to local agricultural businesses and meetings with producers in the area. In carrying out the annual 'site visit' meeting the Commission is seeking to improve consultation with producers and encouraging an open communication process which allows producers to provide feedback to the Commission in a one-to-one relationship. This empowers the Commission to be better informed on producer satisfaction with the APC committees as well as identifying and addressing matters as they arise.

ANNUAL MEETING WITH COMMITTEES

Commissioners meet with producers' committees annually in order to review the past year and discuss future activities. The 2019 annual meeting was held at Technology Park in Bentley on Friday 17 May 2019.

The meeting was open to all members of producers' committees, with all active producers' committees other than the pork committee being represented at the meeting.

The Commission focus for this year was social license which is an important and evolving consideration for all producers.

AMENDMENTS TO THE APC ACT 1988

The APC Act Amendment Bill 2019 was introduced into Parliament by the Minister on 7 August 2019.

The bill contains a number of administrative amendments which will improve the abilities of the Commission and producers' committees but also contains the more controversial amendment to remove the exclusion on broadacre cropping and grazing.

Removing this exclusion provides these industries with the option of establishing producers' committees should they wish to do so. Any of these industries requesting the establishment of a committee would need to follow the establishment process as required under the Act – committees are not 'automatically' established.

Amendments allowing for weighted voting and a regulatory power allowing for the circumstances in which the charge can be waived or refunded were also included.

The Commission has been seeking these amendments since the 2006 review of the Act. Some amendments are in response to the 2006 review, other were identified by the Commission in the intervening years.

ESTABLISHING PRODUCERS' COMMITTEES

During the 2019 year the main focus of the Commission in relation to establishment of committees was to provide education and briefings to organisations and growers who might be affected should the exclusion within the Act on broadacre cropping and grazing industries be removed.

The Commission attended meetings with WA Farmers (WAF), the Pastoralists and Graziers Association of WA (PGAofWA) and other interested parties.

No new requests for the formation of producers' committees were received in the 2019 year.

FEE FOR SERVICE COMPLIANCE

To ensure producers and their respective industries can maximise service benefits, where an APC producers' committee has been established for an industry, the Act requires all producers to pay Fee for Service on relevant produce grown or raised in Western Australia.

Non-compliance by producers is of concern to all committees as it limits an industry's capacity to undertake and support initiatives identified as required by FFS paying producers. Non-compliance also places those who are compliant at a disadvantage as they are funding services intended to benefit all producers.

During the year under review the Commission maintained its processes in ensuring Fee for Service compliance.

The Commission continues to promote to committees the importance of consultation with producers and of maintaining producer and industry knowledge of committee activities and service provision.

PRODUCERS' COMMITTEE FEE FOR SERVICE INITIATIVES

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

Committees provide services to their industries, as allowed in Section 12.1 of the Act and as approved at the committee establishment poll, in the form of:

- Industry Development and Training Officers who are available to producers to assist them on grower, biosecurity or industry issues.
- Research projects (some jointly funded with other organisations).
- Funding to Industry Associations – West Australian Pork Producers Association (WAPPA), Potato Growers Association (PGA), Vegetable Growers Association (vegWA), Commercial Egg Producers Association (CEPA) and state and regional Wine Associations. These associations carry out functions on behalf of the producers' committees, as allowed by the s 12.1 functions of the Act.
- Promotion, marketing, advertising and quality assurance.
- Compensation in identified instances.

The following are individual reports from producers' committees.

PRODUCERS' COMMITTEE REPORTS 2019

Any figures quoted in producers' committee reports are unaudited

APC Avocado Producers' Committee

Chairperson: Alan Blight

The Avocado Producers' Committee did not collect Fee for Service during the 2018/19 year and no services were undertaken.

APC Beekeepers Producers' Committee

Chairperson: Kim Fewster

Secretary: Tarsh Bates

Industry Fee for Service – Following industry consultation, the base registration fee remained at \$25 and the per hive fee at \$1.20 for the 2019 year. The service fee enables publication of the industry magazine and the Committee to continue to support research projects and activities that benefit the WA bee industry.

Disease and Pest Surveillance & Monitoring – The Committee continues to assist in the development of government bee policy in WA, including participation in the Department of Primary Industries and Regional Development's (DPIRD) initiatives, such as the Varroa Simulation Exercise. The committee has also continued to liaise with other APC horticulture industry committees to maintain awareness of the importance of bees to these industries.

Bee Informed Newsletter – Bee Informed, the industry newsletter is sent out three times per year to all registered beekeepers and continues to supply valuable information to industry of all events and biosecurity issues that ensure beekeepers are kept up to date. Editor Geoff Croker has continued to produce a varied and informative publication. Contributions from interested parties are encouraged and welcomed.

Reimbursement Scheme - The Committee continues to put aside funds for the purpose of reimbursement to beekeepers for hives destroyed in the event of an eradication attempt of an exotic pest or disease. The Evidence Framework for Owner Replacement Costs is included in the DPIRD Industry Biosecurity Plan.

Industry Unity – Tristan Campbell and Tiffane Bates have represented the Committee as Directors on the board of the Bee Industry Council of Western Australia. The Committee was also a sponsor of the United Industry conference hosted by Bee Industry Consultative Committee of WA (BICWA) in May 2019.

Registration – Signs explaining the importance of having beehives registered continue to be displayed at major bee equipment suppliers, Symond Seeds, John Guilfoyle and The Honey Shop.

Support Funding – The Committee provided funding in support of biosecurity training for WA beekeepers and sponsored the annual Beekeepers Conference.

APC Carnarvon Banana Producers' Committee

Chairperson: Bruce Munro

Secretary: Alexandra Maslen

Compensation - There were no significant weather events in the 2019 year and therefore no call on the APC compensation fund.

Biosecurity - Carnarvon banana growers have exceptionally low biosecurity awareness in relation to our counterparts over east. A recent Australian Banana Growers Council (ABGC) roadshow in Carnarvon highlighted the limited biosecurity measures that are in place here and the devastating consequences that this can have to a grower's bottom line and livelihood. A grant was applied for through Plant Biosecurity science foundation so that growers can visit Queensland growers to look at their on-farm biosecurity, however the application was unsuccessful.

The committee are now working with DPIRD on looking at providing monetary assistance towards the Horticulture Biosecurity Officer pilot which will see a number of APC committees co-funding with DPIRD a biosecurity officer to carry out industry biosecurity services. The committee is currently identifying how much the growers (through the committee) will contribute and where our main biosecurity priorities lie.

A DPIRD project in which we are participating, regarding trialling banana varieties for disease resistance and cold tolerance, is currently stalled due to expenses and staff time restrictions at DPIRD. However, there is hope that this project will start in 2020.

Other banana projects - Include the banana reject review with DPIRD and Carnarvon Growers Association, funded through HIA. This project is looking at the rejected bananas at the end of the daily pack out and talking to growers about why they have been rejected.

Industry overview - Based on annual (rather than financial) data, 2018 commenced with 44 growers and ended with 44 growers. The total area of banana crops (producing and non-producing) at the end of 2018 was 168 hectares, which was consistent with 2017.

Total production was 4,156 tonnes of bananas for 2018, which was up by over 500 tonnes from 2017. The district average was 30.85 tonnes per hectare.

APC Egg Producers' Committee

Chairperson: Ian Wilson

Secretary: Rachel Wilson

The Committee does not currently collect a FFS on egg production but has services provided to the industry from residual funds held in the committee account.

It was a very busy past 12 months for the egg industry management committee, with in-going involvement on a number of new and continuing initiatives at both a State and National level.

The management committee have been consulting with the State Government and stakeholders for a variety of industries, also with representatives from the Department

of Primary Industries and Regional Development (DPIRD) the Commercial Egg Producers' Association (CEPA) as well as continuing to work alongside our national peak body Egg Farmers of Australia (EFA).

Some of the areas that the management committee have focussed on include:

- Ongoing consultation on the National Poultry Welfare standards and Guidelines. The committee continue to work with EFA on developments with Government, stakeholder and animal welfare group consultation with the continued hope that the final draft will be presented to all state and territory Ministers at the end of the year.
- State representation on a national Working group focusing on food safety and handling of eggs after the recent outbreaks of *Salmonella Enteritidis* (SE) on the East Coast. On a local level the management committee continue to liaise with the WA Department of Health on addressing the reduction of food borne illnesses within WA.
- CEPA is actively involved and providing industry feedback for Australian Eggs Sustainability framework launched last year. The committee continue to liaise with Australian Eggs to ensure that R&D activities undertaken/funded by the organisation are reflective of WA industry needs.
- CEPA continues to work alongside the DPIRD on biosecurity matters of emergency preparedness and response.
- CEPA has provided submissions into the public inquiry into 'Private Property Rights' and WA Department of Health's review into the 'Offensive Trades Act'.
- CEPA hosted an industry sundowner on the 31 July 2019 at the Pan Pacific Hotel with guest speakers. The Hon Alannah MacTiernan, Minister for Agriculture and Regional Development, Rowan McMonnies, Australian Eggs and Melinda Hashimoto, Egg Farmers of Australia.

With regards to the state of the industry, high grain prices have caused many producers to operate below cost price for the last 18 months and the major supermarkets have provided no reprieve for farmers by way of a price increase. The further contributing factors of ongoing drought and the outbreak of SE on the east coast have resulted in a shortage of eggs nationally since Easter 2019.

APC Pome, Citrus and Stone Fruit Producers' Committee

In September 2014, the manner of operation for the Pome Citrus and Stone Fruit producers' committee changed. This change resulted in the establishment of three 'sub-committees', one for each of the industries for which this committee collects the FFS charge. A report is provided below for each of the sub-committees.

Pome Fruit sub-committee

Chairperson: Harvey Giblett / Mark Scott

Executive Manager: Nardia Stacy

During the 2019 year Pomewest (the pome fruit sub-committee) has continued its focus on building opportunities to increase consumption of WA apples and pears, and growing profitability and sustainability for WA pome growers. This is in alignment with the industry agreed Strategic and Biosecurity plan.

Committee and Staff Changes - In May, Harvey Giblett retired from his position as Chair, succeeded by Deputy Chair Mark Scott. Harvey's dedication to the pome industry over many years has been nothing short of exceptional and would be difficult to find an equal in any other sector. As such, he was publicly recognised in June

winning the National Apple and Pear Australia Ltd Lifetime Achievement Award in appreciation of his contribution to the pome industry.

In July 2019 the Executive Manager Nardia Stacy will return to her role full time with Pomewest, leaving her dual role as the Executive Officer of the Fruit West Co-operative Ltd. The Co-operative is the body involved in the commercialisation of the ANABP 01 (Bravo™) apple.

Projects - Pomewest supported and funded 13 separate projects during the year. These projects were all selected and supported to enhance the current criteria of export development, and increasing consumer demand for pome products in the domestic market.

The committee was able to provide increased value for every FFS dollar by leveraging external funding from Horticulture Innovation Australia, the Department of Primary Industries and Regional Development, and the Fruit West Co-operative Ltd.

Some of the most influential projects this year were:

Maturity Standards - Working towards the ultimate goal of having industry quality standards approved within WA legislation, the committee was proactive by initiating a self-regulation process and program. The key message we are working to promote is 'when you buy a WA apple it will be a great apple'.

Maturity standards were recently set for three apple varieties - Gala, Granny Smith and Pink Lady. These standards measure taste profiles not appearance – under the philosophy, if it tastes good people will continue to re-purchase.

Prior to the 2019 harvest, workshops were rolled out to educate and demonstrate to growers how to test their own fruit. A step-by-step guide to maturity testing was also produced and distributed.

External purpose-built pre-season and seasonal testing was undertaken in order to capture outcomes. Growers and the committee had access to the resultant data to assist them to gauge the success and commitment of the exercise.

So far, the results have been very encouraging. The committee and the industry are committed to continue the project in 2020.

Markers Markets and validated nutritional qualities of Australian Apples - Pomewest continues to value and support the DPIRD owned Manjimup Horticulture Research Institute's breeding program.

This project has been involved in evaluating the flavonoid content in new selections for the purpose of breeding healthier Australian apples.

Both the Bravo™ and Pink Lady apples (bred in the WA breeding program) present high flavonoid levels. Flavonoids have been identified as improving arterial function for cardiovascular health.

We are now starting to get the message across to consumers that it is in fact true 'an apple a day does keep the doctor away'. Some avenues being utilised to disseminate the message are local radio interviews and international health conferences - one of which will be held in Bunker Bay WA later this year.

Market Access - Three projects, Fruit Fly Surveillance Trapping, Apple Disinfestation and Quality Control in the Cold Chain for the Bravo™ apple and the Systems approach for market access continued this year working towards apples gaining access to export markets such as China, Korea, Taiwan, Japan, USA and NZ.

Reportable outcomes are expected soon and it is hoped that these results will be able to be shared in the near future.

The Innovative Orchardist - Project Manager Susie Murphy White ran this popular project throughout this year. The aim was to maintain and build on the enthusiasm and momentum gained through the previous year's young growers' tour of New Zealand.

This project, not limited by age, is intended to inspire like-minded innovative growers to attend and participate in events and activities such as - tours of breeding programs, following fruit for quality in the supply chain, orchard walks and workshops and sponsorships to local and national conferences.

The outcome being sought is to expose growers to the most up to date information, new technologies in orchard management and value adding opportunities.

Biosecurity - The biosecurity fund, which the committee established has now reached approximately \$270,000. One of the activities funded through this is the surveillance program for the maintenance of codling moth area freedom status.

In addition, for the 2020 year \$15,000 has been budgeted to employ a biosecurity liaison officer in collaboration with DPIRD and the APC Banana, Pome, Citrus and Stone Fruit committees. This alliance provides another opportunity to value add the FFS dollar.

The officer/s will provide industries with biosecurity representation, assessment of risk contact points, preparedness for biosecurity incidents including pest lists and guidelines, grower interaction and communication sessions and publications.

Other projects supported and which will continue into the 2019/20 year are:

- Adoption of new technology projects, which will ensure that national levied funds are returned to WA growers by advising about on-ground adoption activities including crop estimates, value adding, communications, integrated pest, disease and weed management programs.
- Promotional program running year-round promotional activities focused at raising the profile of the category. This includes school programs, media and PR support, events such as the Royal Show and social media.
- Sponsorships to promote the industry at various events both in the metropolitan and regional areas.

The committee is looking forward to another busy and productive year in 2019/20.

Citrus sub-committee

Chairperson: Mick Mann

Industry Development Manager: Bronwyn Walsh

The Citrus Sub Committee currently has three members with the membership representing:

- A small, medium and large production citrus producer.
- A producer from the northern and southern citrus production areas.
- One producer with significant export market focus.
- One producer from the citrus industry biosecurity working group.
- Producers with different levels of experience in the industry.

The sub-Committee is supported by, and has services provide to producers through, the state industry body, WA Citrus. This creates an arm's length perspective from funding decision, links with the national industry body and is largely the implementer for the WA citrus industry.

Citrus FFS rates - The citrus FFS is collected for two areas, General FFS and Biosecurity FFS, and comes from sales of different types of citrus produce (fresh, processing and export). Overall this means there are four FFS rates;

- General FFS
- Export FFS
- Processing FFS
- Biosecurity FFS

FFS modeling is used to assist in the setting of future FFS rates. A reduced export FFS rate was again approved as an incentive for industry members to export fruit. This benefits the whole of the industry by diversifying into new markets and alleviating pressure on the domestic market. The volume of exported fruit increases year on year.

The FFS investment by WA citrus FFS payers is used to leverage, and is complemented by, funds from the Department of Primary Industries and Regional Development (DPIRD) and State Government for activities benefitting the WA citrus industry. This is complemented by other projects with funding from the national citrus levy and Horticulture Industry Australia (HIA), the Australian Centre for International Agricultural Research (ACIAR) and other projects for investigating Chinese rootstocks and export markets.

Thanks to the Agricultural Produce Commission and its staff, and related Act, there is a way for industry to invest in strategic priorities for WA citrus producers.

Meeting industry strategic objectives - The WA citrus industry strategy is important as it helps guide the Committee on where the citrus FFS will be allocated. The citrus FFS allocation to industry strategic objectives for the 2018/2019 budget period was:

- Quality improvement and product development 32%
- Production efficiencies 40%
- Industry leadership and biosecurity 16%
- Growing domestic consumption 8%
- Developing and accessing markets 4%

Services for these objectives were spread across five grants this year.

Industry Leadership - Progressing an industry is not possible without oversight of the industry strategy and the related activities. WA Citrus arranges and provides services such as the strategy review, producer consultation, industry spokesperson and project management. The WA Citrus Committee and administrative staff are important in ensuring good governance and clear messages from industry. This year it has provided feedback on treasury regulatory mapping, water licencing and biosecurity R&D.

The Industry Development Manager (IDM - Bronwyn Walsh) has provided excellent support to leadership. After successful negotiation with DPIRD her position was extended for another three years from this financial year. Part of her duties also includes stakeholder engagement such as with government, other industries, universities and private companies. This year some of our collaborators are the DPIRD, the University of Western Australia, NSW DPI, ArborCarbon, Fresh Finesse, Citrus Australia, University of New England, VegetablesWA, Pomewest, West Midlands Group and the APC Banana, Table grape, Strawberries and Stonefruit committees.

Communication - The industry communication plan, led by WA Citrus, keeps WA citrus fee for service payers informed on R&D and industry activities. Communication is via personal interactions such as industry days, teleconferences and phone conversations;

paper-based media such as industry magazine and other mailouts and lastly digital via email and the website.

Industry days are held regularly through the year. This year the interstate National Techforum was attended by WA producers with support from the fee-for-service. Participants received the most up-to-date information available on all aspects of citrus production as well as experiencing networking opportunities to build better relationships within the industry.

Citrus producers have commented on the excellent quality of WA Grower magazine and the value of the citrus content as well as articles from other WA horticulture industries in the magazine, so this was continued this financial year.

Lastly, weekly to fortnightly eNews are used for timely communication of time sensitive information.

Biosecurity - Protecting WA citrus orchards this financial year has been intense.

In May 2018 citrus canker was discovered in northern WA as well as the Northern Territory. What followed was an extensive calendar of daily meetings with DPIRD and meetings with growers and industry stakeholders – locally and in Kununurra.

The WA Citrus Biosecurity Working group were instrumental in supporting our IDM in her role working with DPIRD and affected growers. The National Response is ongoing as evidence is gathered for Area Freedom.

From this experience we are grateful for knowledge and experience in the IDM, our relationship with DPIRD and the experience of producers in biosecurity language. The industry has also provided feedback on the strengths and challenges of the Response system to State and National bodies.

The citrus industry led the continued development of WA horticulture biosecurity and negotiation with DPIRD. It continues to pursue citrus specific biosecurity objectives such as a WA Citrus biosecurity response plan and community engagement on citrus gall wasp. WA Citrus biosecurity representative, Helen Newman, employed using Biosecurity FFS, has been a great asset to the industry team. Helen and Bronwyn also participated in the national *Huanglongbing* study tour to the USA in March. Bronwyn was also successful in nominating to the national citrus pest and disease prevention Committee formed by Citrus Australia.

Research and development - Led by the IDM, research and development activities have been part of meeting the industry objectives of improving production efficiencies, quality and product development and markets.

- Benchmarking cost of production and profitability and variation in orchard blocks
- Improving market performance by testing of internal quality of fruit
- Increasing the volume of premium fruit for export by investigating;
 - Occurrence and management of wind blemish
 - Variation of internal quality
 - Variation internal quality variation within tree for Imperial mandarins
 - Albedo breakdown
- Developing new markets and products for WA citrus fruit by;
 - Domestic and export market research
 - Seedless mandarins and lemon product development research

Growing consumption of WA citrus fruit - To promote and advertise WA citrus fruit, a small promotional budget provides an umbrella program that smaller businesses can use or complements individual business's own marketing program.

The promotional activities include in-store tasting and producing point of sale material for identifying WA citrus fruit in retail outlets. This year, developing media that can be used on multiple platforms for promoting the industry and WA fruit was a new initiative.

In conclusion, the extent of the activities undertaken and the achievements, by the WA citrus industry in the past 12 months, have been more extensive than normal given extra funding opportunities from the State government and interstate. Producer participation at the committee level, commitment to the industry and in R&D, beyond their business and the current season is considerable and appreciated.

Stonefruit sub-committee

Chairperson: Danny DiMarco

Value Chain Facilitator: Shay Crouch

The recent 2018/2019 Western Australian stonefruit season saw a slightly smaller crop, resulting in an average of a small uplift in price.

It was an exciting year with many developments for the industry, we were able to update our industry logo, participate in the WA Grower magazine, complete a Strategic Plan for the industry, hold a season launch, produce some point of sale posters for distribution, cross-promote with Buy West Eat Best, secure funding to further explore exporting opportunities into Indonesia and we had new additions to the committee.

The year still came with its challenges with some growers having to deal with the effects of hail, rainbow lorikeets, ink staining, the transition to data bar labelling and increases in labour force costs. The major events of the year are expanded on below.

Promotions - We are aware that our best market is our domestic market, where we aim to encourage our local consumers to eat and buy more stonefruit, through avenues where we educate and raise awareness of how the fruit is grown, handled, eaten and used in recipes.

This year we were able to reach out to tens of thousands of buyers through our social media handles, @WAStonefruit and #WAStonefruit. This audience expands each time we engage through promotional activities including the season launch, which saw the Minister for Agriculture, the Hon. Alannah MacTiernan attend to chat with local growers about the season. Consumers were interested in asking questions about local produce and enjoyed being able to taste the different varieties on offer. Partnering with Buy West Eat Best through this as well as other events to cross-promote has been great for reaching a wider audience of people who are interested in local produce.

A series of in-store tastings were held in the first week of February as students were heading back to school. This is a prime time of the year for the industry as the market has a plethora of local quality stonefruit varieties including plums. We held these tastings across retailers, including Farmer Jacks, Woolworths, IGA, Spud Shed, Gilberts Fresh and an independent. We find these in-store tastings give us a great opportunity to engage directly with consumers and discuss how they feel about the current season and fruit quality. Going forward the committee is working with Buy West Eat Best on their Good Choice campaign.

Strategic direction for the WA Stonefruit Industry - This season there was considerable effort put towards having a Strategic Plan for the committee on behalf of the industry. This started out with a survey of all the growers, to capture where their priorities lay as growers, where they saw the industry currently and into the future. The Committee then

worked with Perth NRM to establish a strategic plan which outlined a vision to double the demand of WA stonefruit by 2029.

The actions over the next 10 years will work towards achieving this and include the establishment of an Export Plan, the continual expansion of marketing on the local market, and working towards reducing pest pressure on our crops. The Plan was then presented back to the growers for review at the committee's annual general meeting where it was accepted by all. The Value Chain Facilitator will now work with the committee to ensure this strategic plan is used as guide going forward for the industry.

Next Season - The committee has had two new members join, Sebastian Fiolo and Michael Padula, these new members are excited to help play a part in progressing the industry, especially with the upcoming activities. These include participation in the Good Choice campaign by Buy West Eat Best, the Indonesian Grower Tour to Jakarta, further grower and consumer development and driving grower engagement with the committee and as an industry.

The committee, chaired by Danny Di Marco, have dedicated many hours to progressing the industry and are excited to see some of this work come together over the next 12 months and beyond.

APC Pork Producers' Committee

Chairperson: Neil Ferguson

Fee-for-Service Funded Activities – The APC Pork Producers' Committee is charged with the responsibility of ensuring funds generated from the industry on a fee for service basis support activities or programs that directly benefit Western Australian pork producers. The committee focuses on four key funding areas: Research and Development; Industry Administration; Technology Transfer; and Industry Training and Education.

This year the committee in collaboration with the Western Australian Pork Producers Association (WAPPA) and Australian Pork Limited (APL), contributed marketing funds to help the local industry to deal with the major downturn in pork prices.

Technology Transfer & Research Development – Pork Innovation Western Australia (PIWA) is the local research body providing research services to the pork industry in Western Australia.

June 2019 marked three years since PIWA commenced operation. 2018/19 saw the completion of the Grower Group R&D projects; *Establishing WA as the Australian centre for the production of high quality free range pork*, and *Pork raised without antibiotics: new opportunities for WA's pork industry*. The free-range project was the first proposal developed by PIWA.

PIWA also conducted research into *Feeding a single diet to pigs in the grower/finisher stage to reduce feed costs and improve feed efficiency*.

The APC Pork Committee supports PIWA by contributing towards the operational capacity of the organisation and funding individual research experiments. The committee has committed to funding a portion of PIWA's joint proposal with Murdoch University and the State Government on a new purpose-built R&D facility to be located at Murdoch University.

Industry Representation – The committee provides funding towards the West Australian Pork Producers' Association (WAPPA) which is the peak industry body representing the pork sector in Western Australia.

WAPPA's role in advocacy and service is ever evolving as it continues to work cohesively with various government agencies in the areas of:

- Animal Welfare/Livestock Compliance Unit (DPIRD)
- Animal Welfare/Pig Industry Regulations (DPIRD)
- Environmental Regulations (DWER)
- Land Transport of Pigs/WA Regulations
- Veterinary Surgeons Board
- Department of Immigration & Citizenship/Workforce Planning & Development.

Pork Training – Funding is also provided to Pork Industry Training (WA) which continues to deliver the Certificate III in Pork Production. Under the Industry's Model Code, all pork producers are required to have competent people caring for their pigs, with competency being assessed at Certificate III level.

Marketing Support – 2018/19 was a very difficult year for all pork producers with low prices not seen in the industry for over 25 years. The committee took a proactive approach to this severe industry downturn, by partnering with Australian Pork Limited to leverage APL's successful pork marketing program. An increase in the frequency of advertising was funded, thereby increasing consumer exposure to pork marketing material.

This was a conscious effort by the pork committee to drive demand and pull the industry out of the downturn. As we enter 2019/20, it is pleasing to note that the market fundamentals are now back in balance and producers are seeing prices recover to profitable levels.

Financial Position – The fee for service has remained stable since the inception of the APC pork producers' committee. The current fee stands at 0.08c/kg dressed weight and will remain so for the 2019/20 financial year. In terms of overall collection, the current practice is for the buyer to submit the growers' returns to the APC. It is pleasing to report the level of collection within the industry is almost 100%.

With Gratitude – The APC Pork Producers' Committee is funded by the fee for service paid by every producer in Western Australia. The Committee wishes to thank each and every producer for their ongoing support of the APC which enables us to support locally based projects and initiatives which directly affect Western Australian pork producers.

APC Potato Producers' Committee

Chairperson: Glen Ryan

Executive Officer: Simon Moltoni

As the potato industry continues to suffer the effects of deregulation and biosecurity incursions the APC Fee for Service becomes even more crucial. These funds ensure that the industry remains organised and effective and provides the resources to fully maximise the funding opportunities we've been able to procure, such as the Industry Grants for International Competitiveness (IGIC) and the Industry Adjustment Grant.

The recently completed Export Development Plan has identified the shortcomings of the current industry structure and recommended areas that can be improved to develop the export market in a way that provides a much-needed viable option for our growers. The development of a profitable, sustainable export-based industry is key to growth for the future

Establishing export opportunities and continuing high quality domestic supply are major priorities for the industry. As such, the committee has continued to support the Potato

Seed Scheme which ensures the basis for potato production is sound using seed potatoes with a *disease-free status* that are sought after throughout Australia and overseas. The funding supports DPIRD's cost of administering the seed scheme, virus testing of all certified G2 seed, testing for Potato Spindle Tuber Viroid disease.

In parallel, the *Towards International Competitiveness in the WA Seed Potato Industry* project focusing on developing seed exports to Egypt is progressing. The Egyptian delegation for the reciprocal visit were unable to complete the biometric process for their visa application on time. A WA delegation will be returning to Egypt in September/October 2019. The project should be completed by the end of the year with market access negotiations ongoing. The committee have supported this project with a cash contribution and in-kind costs for staff from the Potato Growers Association office.

The committee also funds the Potato Growers Association (PGA) trading as WA Potatoes to provide services to FFS paying producers. This includes providing internal and external communications, capacity building of staff, developing industry-driven projects, advocacy and stakeholder management, amongst other key activities.

The generic marketing campaign for fresh potatoes is one of the key activities and has continued with the main focus being on digital marketing. This project is funded by FFS as well as funds from the Industry Adjustment Grant. Further activity will be undertaken once the new rate which has been requested for the promotional FFS is approved. In the meantime, the last 12 months activities have included:

Digital Media Advertising (ongoing)

- Social media promotion results in over 100,000 unique views (reach) per month
- Facebook has over 20,000 followers
- Instagram has over 1,200 followers (and growing steadily)
- Website results show an average of 1,500 visits per month, primarily to the variety selection and recipe content pages.

Retail Engagement (ongoing) - Since reinvigorating the generic marketing program, WA Potatoes has worked to build closer relationships with retailers across the board including, Coles, Woolworths, Metcash and Farmer Jacks. These relationships will be leveraged in due course, particularly in the Point of Sale space, where consumers need access to simple information to assist in making purchase decisions. Moving forward, an in-store Retail Display Competition has been flagged for further development, as well as creation of updated variety information and further recipe content.

Community Engagement (ongoing) - WA Potatoes have committed to supporting community events where possible. Since the campaign recommenced in 2017 the team have supported the following (in addition to the Perth Royal Show and Seed for Schools):

- David Catalyst Dietician 2018
- Perth Ladies College Farm to Fork Event 2018
- Provided potatoes to the Zenith Search cycling team via
- Warren Districts Agriculture Show 2019
- Potato themed dinner at Must Winebar 2019, hosting industry, retail and washpackers

Buy West Eat Best

WA Potatoes are members of the Buy West Eat Best program and have worked closely with the team on a range of activities including the potato dinner at Must Winebar in 2019, and plan to collaborate further on major events.

Perth Royal Show - WA Potatoes has been promoting agriculture in the Silver Jubilee Pavilion for many years. The focus of the activities is to improve education about how potatoes are grown and engage the next generation to support local producers. Each year WA Potatoes develops:

- Social media promotion
- Educational materials (ie; recipe booklets)
- Giveaways
- An educational display on the supply chain of potatoes
- Prizes and competitions
- Collaborations with industry (ie; cross-promotions with Beta Spuds and Harvey Beef in 2018)

Seed for Schools - The Seed for Schools program has continued to grow, year on year. In 2019, we have achieved the highest registrations yet with 570 educational packs being delivered to schools across the whole of Western Australia. This activity reaches around 17,000 school children and also teachers and parents/guardians.

Imagine a World Without Potatoes - WA Potatoes has joined a global campaign *Imagine a World Without Potatoes*. The program is coordinated by the International Potato Center (known by its Spanish acronym CIP) in Peru and aims to lift the profile of the humble potato and remind consumers not to take it for granted with the overarching goal to increase consumption.

As the only member of the program in Australia currently, WA Potatoes is working on a range of activities utilising the campaign to benefit the WA industry. Including developing a strong international network to support future activities, especially related to exports, as well as using the program to initiate discussions within Australia around marketing and promotion of potatoes.

APC Strawberry Producers' Committee

Chairperson: Neil Handasyde

Industry Development: Aileen Reid

Activities for 2018-19 - Maximum residue level (MRL) testing was again carried out on strawberries over the 2018 season. This was uneventful.

The Industry Development Officer and industry members attended a number of forums over the year:

- Regulatory reform meeting in August 2018
- Department of Water in September 2018
- Needle tampering teleconferences in October 2018 and May 2019
- A talk to Rural Development Department of Primary Industries and Regional Development (DPIRD) in October 2018
- Market access workshop DPIRD in April 2019

Submissions were written to:

- Standards Australia on the black economy in November 2018
- Department of Commerce on wages theft in March 2019

Other industry activities included a workshop in Wanneroo in February on soil borne diseases as part of a national project and a meeting with the strawberry breeding team from Queensland also at Wanneroo in March.

A meeting with DPIRD staff in late March 2019 is also trying to progress some longstanding biosecurity issues.

State of the industry - The height of the season for the Wanneroo and northern growers in 2018 was marred by the needle tampering incident. Although largely a Queensland issue, WA was also involved due to a large number of reports from private individuals about needles in punnets of fruit found in retailers or at the time of consumption at home. An almost equal number of reports involved other commodities. None in WA were found to have occurred at growers or market agents' premises and several were hoaxes. There were also reports of WA fruit with needles interstate and overseas but again they were either hoaxes or tampering at retail level. Despite this, trade was in fact interrupted for a period of time.

By the end of the season, thanks to public support, many growers who persisted throughout that period, made up for lost ground. However, after the Tomato Potato Psyllid (TPP) incursion in 2017 and green snail in 2016, for some, needles proved the final straw and they have left the industry.

The incident has resulted in longer term costs to growers. Many growers and market agents have had to purchase metal detection equipment which was demanded by some retailers' importing countries. Much emphasis was placed on the need for traceability in post incident discussions and this will no doubt result in changes to quality assurance processes throughout the supply chain.

Two other major issues affecting industry are labour and the droughts in the eastern states. Labour issues reared their head towards the latter part of last year and resulted in some growers cutting their season short or leaving sections unpicked due to the lack of legal labour. So far this season it no better. One grower has cited labour issues as a reason for not planting this year and others have had trouble getting labour to plant. If the recent enquiry by the state government into wage theft (for which the Strawberry Growers Association of WA wrote a submission) is indicative of a push towards compliance for growers this year, then we can expect problems given that 80% of growers come under state and not federal legislation.

The other issue which we are so far lucky to escape is drought in the eastern states impacting on runner production. One of the two Queensland growers was down by about 50% (fortunately he doesn't supply WA as of the last couple of years). Even Toolangi's production in Victoria was affected by the lack of rain and plants were delivered late in an effort to get more growth prior to dispatch. Indications so far, are that plant quality is down and plant deaths are higher than usual.

Other important industry news - The past year has seen a restructuring of Strawberries Australia. A new committee has been appointed. Simon Dornauf from Hillwood Berries in Tasmania is now Chairman with Jamie Michael and Neil Handasyde being the WA representatives. This is a very positive move.

In addition, Strawberries Australia Inc. (SAI) has become affiliated with Berries Australia (a joint venture company, limited by guarantee \$10) owned by the peak industry bodies equally. That is two shares each to Australian Blueberry Growers

Association (ABGA), Raspberries and Blackberries Australia (RABA) and SAI. Simon Dornauf and Jamie Michael (WA) have been made Directors of Berries Australia for SAI.

The current Industry Development Officer (IDO) project for strawberries is about to conclude. Negotiations are now taking place to replace this project with an overall Berry IDO project. Horticulture Innovation Australia (HIA) has agreed to fund two days a week for a WA berry IDO which will be in addition to the day a week Aileen Reid is currently employed from out of the APC strawberry FFS. This will provide a succession plan for Aileen.

APC Table Grape Producers' Committee

Chairperson: Tony Kundid

The table grape committee collects a fee for service charge of 0.7 cents per kilogram. This is primarily used to fund our fruit maturity testing programme which is carried out by Total Quality Assurance (TQAS). The maturity standards for the year are set by the Department of Primary Industries and Regional Development in accordance with regulation 46 of the Biosecurity and Agriculture Management (Agriculture Standards) Regulations 2013.

The committee has also allocated, and will continue to allocate on an annual basis, towards a biosecurity fund. This will be for utilisation in response to biosecurity events or industry needs such as surveillance.

It is interesting to observe the increasing momentum that fruit maturity protocols are gaining in the eastern states of Australia, where currently there are no formalised testing regimes. The WA table grape industry considers itself fortunate to have this ability in place as it has been demonstrated to provide improved returns to growers whilst also ensuring that our consumers can rely on a consistent, quality product.

The 2018/19 table grape season started in Carnarvon in late November 2018 progressing down to the South West of the state and concluding with the completion of picking from the South West growing region in May 2019. Generally, Carnarvon yields were down on the prior season, with Swan Valley and South West yields up.

This year's fee for service collection indicates a total yield of 852,585 equivalent 10kg cartons. The prior season by comparison was 683,357 cartons reflecting a 20% increase in production for the 18/19 year. The increased production this year can be largely attributed to favourable weather conditions in the south of the state, plus the increased plantings in the south west region reaching production capability.

The Swan Valley, South West and Carnarvon/Midwest regions contribute approximately 47%, 32% and 21% of the total yield respectively.

Many Swan Valley table grape growers are approaching retirement age this, coupled with the increasing uncertainty about the future direction of the Swan Valley, due to urbanisation and competing land use practices placing pressure on existing vineyards, indicates that these proportions are likely to change in the next 5-10 years.

The South West region exports a significant proportion of its production, whereas the Swan Valley largely supplies local consumption. decrease in production from the Swan Valley will, in all likelihood be met by an expansion of plantings in the South West.

Of note is the trend by existing as well as new growers to varieties covered by Plant Breeders Rights (PBR). There are four main players in this field, being Sunworld, IFG, Sheehan and Arra.

It would be safe to estimate that any new plantings are varieties from one of these four companies.

Whilst it is difficult to know the exact ratio of PBR varieties to "free to air" varieties it is likely approaching a 60/40 split in favour of the PBR varieties. Free to air varieties that are still grown in any significant quantities are Flame Seedless, Dawn Seedless, Red Globe and Crimson Seedless.

Of the PBR varieties Autumn Crisp is likely to be the variety with the greatest volume when recent and proposed plantings reach maturity.

APC Vegetable Producers' Committee

Chairperson: Maureen Dobra

Executive Officer: John Shannon

The APC Vegetable Producers' Committee (APC-VPC) supported seven projects in the financial year ending 30th June 2019. The main project funding went to vegetablesWA in order for the Association to provide services to Fee for Service (FFS) paying vegetable producers on behalf of the Committee.

Services delivered by the APC-VPC through **vegetablesWA** were:

Labour - a significant ongoing issue for vegetable growers. vegetablesWA worked on behalf of growers to seek changes to the regulatory environment. To this end, vegetablesWA made a submission to the West Australian government Wage Theft Inquiry, and has provided input for changes to the visa at the national level. vegetablesWA gained membership of the National Farmers Federation (NFF) Horticulture Council as a primary horticultural representative body in WA where we now look to also leverage national policy changes. Significantly, vegetablesWA also gained a commitment from state government for better regulation of the labour hire sector.

Water - There are three key issues with water at the moment: irrigation development projects; water entitlement reductions; and a new Water Act.

vegetablesWA has continued to provide a conduit between government, growers and the proponent for the Wellington Dam/Myalup irrigation scheme proposal, although with the formation of a Myalup grower group to deal with this issue a more overarching role has been assumed. Some significant work was undertaken in Geraldton to assess and formally report to government the future requirements for irrigation scheme water amongst WA growers. vegetablesWA have been active in progressing government consideration of an irrigation scheme for Wanneroo/Carabooda on the Gnangara Mound.

Work by vegetablesWA and others resulted in the government announcing that growers on the Gnangara Mound would suffer only a 10% reduction to their water entitlement rather than the slated 25%, as well as government investment in water use efficiency programs. This in part was achieved through membership on the North Wanneroo Agriculture Taskforce.

vegetablesWA has also continued to represent growers on the government Water Reform Regulatory Reference Group which is looking to advance a new water Act which has now gone to the parliamentary draftsman.

Biosecurity - vegetablesWA, representing FFS paying growers, participated in discussions on cost sharing for biosecurity matters. Views have been put forward that other supply chain participants, including consumers, are getting benefits and other risk creators, such as airline passengers, are not contributing to the cost of biosecurity measures. It is the grower's opinion that they should not carry the sole responsibility for costs associated with biosecurity incursions and prevention measures. Given the learnings from the Tomato Potato Psyllid, the APC-VPC also put away funds for additional grower communications and engagement in the event of any new incursion.

Business Improvement – using state government and Hort Innovation funding, vegetablesWA is delivering Australia’s first vegetable industry benchmarking program to assist growers improve their business. This project has more than doubled the participation rate in its second year and has delivered significant value to the industry and promises much into the future. It commenced due to the funding provided by the APC-VPC to scope the project.

Export Development- vegetablesWA has also provided export and market development services using funding from state government and Hort Innovation. New producers are participating in export as a result.

This report captures high level vegetablesWA projects but cannot capture the multitude of other activities undertaken on a day-to-day basis. These other activities are as wide and varied as: engaging with the Treasury Horticulture Regulatory Mapping project; dealing with media in the wake of events such as the strawberry industry incident and illegal workers; helping DPIRD implement their water use efficiency project; implementing HortConnectWA which links younger people across all of horticulture both growers and supply and value chain participants; and work in the horticulture training area.

Other projects undertaken by the APC-VPC were as follows:

Visa Research Project - A visa research project was jointly funded with another ten organisations Australia wide to look into options which will put together an evidence base for policy change at a national level and potentially look at a low skilled visa. This project gave the national industry an intellectually justified basis for making policy change, which national groups are now pursuing. This project also opened communication channels between government, industry and unions which hadn’t previously existed.

Industry Extension Officers – funding was jointly provided with Hort Innovation for an English and Vietnamese Industry Extension Officers for half of their time. The main role of the industry liaison officers is to liaise with growers, disseminate research and development and provide additional help and resources to growers.

As part of this project the Leadership Summit for vegetable growers, in conjunction with a young grower’s tour, was held at Crown Perth.

Over 120 growers and stakeholders attended the event. The grower feedback for the leadership summit has been overwhelmingly positive.

Review of the Fee for Service – The committee has been reviewing the FFS charge over a number of years. During 2019, the final phase of this review included engaging an economist from the University of Western Australia to further consider ways to improve the equity and performance of the vegetable industry fee for service collection mechanism. Prior to seeking approval for the implementation of the proposed changes extensive consultation was carried out with vegetable growers. As a result, a more equitable methodology was approved to commence as of the 2019-2020 financial year. This change includes moving the charge from a ‘per container’ to a ‘per kilogram’ rate. Caution was taken to structure the change in such a way as to avoid any material increase in the charge, however, as there were some variables in the change, the charges will be reviewed at six and twelve month intervals to identify and address any unexpected results.

The Great Aussie Crunch - Funding was provided to the Council Cancer to once again run the Great Aussie Crunch program throughout primary schools in WA. The project is aimed at raising awareness and understanding of vegetables amongst school age children as well as encouraging them to eat more vegetables. This project was successful and generated a number of positive media opportunities.

Quality Assurance – This project provides growers with a part time human resource to assist with better implementation of on-farm food safety. This has been particularly useful given the introduction of the new HARPS system and in the context of a listeria outbreak in New South Wales.

Export Readiness - leveraging the services of the our government/Hort Innovation Market Development program, an export readiness seminar and other materials were developed and provided, along with a range of export workshop opportunities, for growers. This has resulted in growers now exporting for the first time and other growers strengthening their export programs.

As we move into the 2019-20 year the committee continues to move forward and fund service projects which will help WA vegetable growers with their businesses and the overall market.

APC Wine Producers' Committee

Chairperson: Jeff Burch

Executive Officer: Larry Jorgensen

The APC Wine FFS was collected for the third year with the 2018 Vintage.

The total tonnes across all regions for the 2018 vintage came very close to predictions (Actual: 62,070, Predicted: 63,500).

A biosecurity charge was collected from all producers for the first time in 2019. All funds collected via the charge will be retained in a biosecurity account to be accessed in the circumstances of an event which affects the industry.

Additionally this year, federal funding to support the growth of regional wine tourism has been received through the International Wine Tourism Grant (IWTG) which is a part of the \$50M Export and Regional Wine Support Package. In total \$1.5M has been allocated to WA with matching funding from a variety of sources including Regional Associations (being primarily through the APC FFS), Tourism WA, Department of Primary Industries and Regional Development (DPIRD) and local governments and tourism organisations. The program will extend into the 2019-20 financial year.

With the IWTG program now being implemented, Wines of WA is focusing on confirming a partnership with DPIRD and Wine Australia to provide better resourcing and funding for export market development. The project has the aim to increase the aggregated volume of wine exported while also increasing the average value per litre. Additionally, the program will increase the number of WA wine producers who successfully export wine. The aim is to assist producers at every level of production.

Services which associations were funded to carry out in 2018/19 included:

- State – Working with Regional Associations, successful application for Federal \$1M International Wine Tourism Grant (IWTG)
- State - Working with regions and Wine Tourism Alliance, implement IWTG program.
- State – Working with DPIRD, develop business case for a partnership with state and federal government to fund and resource a WA Export Growth Partnership
- State – Develop draft policy position paper for further wine tax reform. Currently available for industry comment.
- State – Provide WA representative for Australian Grape and Wine Small Winemakers' Committee and Vignerons' Committee
- State – Monitor Progress of Draft National Alcohol Strategy
- State – Monitor progress of mandatory pregnancy labelling implementation
- State – Attend Australian Grape and Wine health strategy meeting

- Facilitate Regional workshops by Drinkwise to promote moderation messaging strategies
- State – Monitor changes to Liquor Control Act legislation/regulation
- State – Host State Parliament House event for Regions and producers
- State - Work with State Government Agencies and Regional Associations to manage smoke-taint risk related to autumn prescribed burning program
- State - Manage Research and Development projects across the value chain including: AGWA Regional Program; Vinsites; State RDE Growers' Group Grant
- State - Provide secretariat services to the APC Wine Producers' Committee
- State - Provide secretariat services to the Wine Industry Technical Committee
- Blackwood Valley - Strategic Plan completed (IWTG project)
- Blackwood Valley - Promotion of Blackwood Valley wines and region through the Blackwood Valley & WA Boutique Wine Show
- Blackwood Valley - Promotion of Blackwood Valley wines and region through the Taste of the Blackwood Festival
- Blackwood Valley - Informing members of issues impacting on the wine and grape industries.
- Blackwood Valley – Work locally to manage smoke-taint risk related to autumn prescribed burning program
- Geographe - Strategic Plan completed (IWTG project)
- Geographe – Geographe wine show and general coordination
- Geographe – Geographe wine show and Association website – completion of branding and redesign
- Geographe - Work locally to manage smoke-taint risk related to autumn prescribed burning program
- Geographe – Development of the Bunbury Geographe regional map
- Geographe – Redevelopment of Geographe regional entry road signs (IWTG project)
- Geographe – Update website and adopt Scoop Digital guide (IWTG project)
- Geographe – Support to producers and representation on relevant industry matters and boards
- Great Southern – Work locally to manage smoke-taint risk related to autumn prescribed burning program
- Great Southern - Strategic Plan completed (IWTG Project)
- Great Southern – Taste Great Southern
- Great Southern – International Market Development
- Margaret River - International Market Development
- Margaret River - Domestic Market Development
- Margaret River - Working closely with local shires on programs impacting the local wine industry, including working with DPAW on mitigating impact from the Autumn burning season / working with Nature Conservation MR
- Margaret River - Masterclass & consumer tasting at Singapore Dinner, /
- Margaret River - Two flagship events during Gourmet Escape
- Margaret River - National publicity support with East Coast publicity agency
- Margaret River – Successful application for IWTG competitive grant stream
- Margaret River – Implement IWTG program
- Peel – produced and manufactured Regional Peel Wine Association banners for all local members and Visitor centres in each town
- Perth Hills – funding carried over to next year to enable more targeted activities.
- Swan Valley – Strategic Plan completed (IWTG Project)

- Swan Valley - Successful application for IWTG competitive grant stream
- Swan Valley - Implement IWTG program
- Swan Valley – Wine Show Co-ordination
- Wine Industry Southern Forest (WISF) (Pemberton/ Manjimup) – Strategic Plan completed (IWTG Project)
- WISF - Support provided for industry events - Timber Towns Wine show and Truffle Kerfuffle
- WISF – Allocated funding towards participation in Wine Australia’ s Export and Regional Wine Support Package Grants through the Wines of Western Australia submission.
- Perth Hills - Strategic Plan completed (IWTG Project)
- Perth Hills - Promotion of Perth Hills wines and region through the Blackwood Valley & WA Boutique Wine Show

DISCLOSURES AND LEGAL COMPLIANCE

MINISTERIAL DIRECTIVES

No Ministerial directives were received during the financial year under review.

ADMINISTERED LEGISLATION

SCOPE OF THE AGRICULTURAL PRODUCE COMMISSION 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) *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.*

The Commission has subsidiary legislation in the form of:

Agricultural Produce (Beekeeping Industry) Regulations 2003
Agricultural Produce (Egg Production Industry) Regulations 2006
Agricultural Produce (Horticultural Industry) Regulations 2001
Agricultural Produce (Pork Production Industry) Regulations 2004
Agricultural Produce (Prescribed Agricultural Industries and Services) Regulations 2001
Agricultural Produce (Wine Industry) Regulations 2016
Producers Committees (Polling) Regulations 1990

SERVICE FUNCTIONS OF SECTION 12.1 OF THE APC ACT

A producers' committee can provide, or cause to be provided, any of the following services in relation to the agricultural produce for which it was established —

- (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 agricultural 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 Commission, 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 organization or in conjunction with the Commission or any other person or organization.

Source: Agricultural Produce Commission Act 1988, Section 12.1

AGRICULTURAL INDUSTRIES PRESCRIBED UNDER THE ACT

- **pork production industry** - prescribed as an agricultural industry under section 3.1 of the Act with all section 12.1 services being 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 being 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 being services that a Producers' Committee may provide in relation to the egg production industry (Gazetted 17 May 2002).

DECLARED PESTS AND DISEASES

Section 19a of the Act allows for pests and diseases to be declared a pest or disease in relation to the control of certain pests or diseases, and applies to commercial and non-commercial producers.

- *Mediterranean fruit fly (Ceratitis Capitata)* is a pest to which Section 19a of the Act is to apply. Notice gazetted on 19 September 2000.
- *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)*. Notice gazetted on 9 January 2004.
- *American foul brood and European foul brood*. Notice gazetted on 9 January 2004.

OTHER KEY LEGISLATION IMPACTING ON THE APC'S ACTIVITIES

- Auditor General Act 2006
- Disability Services Act 1993
- Equal Opportunity Act 1984
- Financial Management Act 2006
- Freedom of Information Act 1992
- Industrial Relations Act 1979
- Minimum Conditions of Employment Act 1993
- Occupational Safety and Health Act 1984
- Public Sector Management Act 1994
- Salaries and Allowances Act 1975
- State Records Act 2000
- Workers Compensation and Injury Management Act 1981

COMMISSION MEMBERSHIP AND REMUNERATION

Commissioners are remunerated at rates set by the Public Sector Commission and approved by the Minister.

There were no changes in the remuneration rates for Commissioners in the 2019 year. Commission remuneration is not funded by the Government.

This table is unaudited

Position	Name	Period of Membership 2019	Type of Remuneration	Gross Remuneration 2019
Chairman	Dr William Ryan	10 months	Annual	19,286
Member	Mr Ian Longson	12 months	Annual	11,807
Member	Dr Cathie Bowen	6 months	Annual	6,312
Member	Ms Elizabeth Brennan	12 months	Annual	11,807
Member	Ms Monica Radomiljac	4 months	Annual	3,769
TOTAL				52,982

FEE FOR SERVICE CHARGE REGULATIONS

Agricultural Produce (Horticultural Industry) Regulations 2001.

Regulation 5 notifies of the liability for producers to pay charges. Regulation 8 allows for the submission of returns by dealers and producers. For APC community fruit fly baiting committees, regulation 6 provides for local government authority to collect fees. Penalties apply for non-compliance.

Agricultural Produce (Beekeeping Industry) Regulations 2003. Under the Regulations, the Department of Primary Industries and Regional Development collects the FFS charge on behalf of the Commission in conjunction with the beekeeper registration fees collected under the The Biosecurity and Agriculture Management (Identification and Movement of Stock and Apiaries) Regulations 2013.

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.

Agricultural Produce (Egg Production Industry) Regulations 2006 provide for Fee for Service collection direct from egg producers. However, as at 30 June 2018, the industry had not instituted a Fee for Service charge for eggs.

Agricultural Produce (Wine Industry) Regulations 2016 provide for the wine producers to pay such charges as are imposed by the Commission under section 14(1) of the Act.

Voluntary Fee for Service – Horticultural groups can institute a voluntary Fee for Service under Section 19 of the Act, however Section 14 of the Act and the *Agricultural Produce (Horticultural Industry) Regulations 2001* do not apply.

FEE FOR SERVICE CHARGE RATES FOR 2018/19

Fee for Service (FFS) 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 by the services. The charge is applied to all produce of a particular commodity, usually at the first point of sale.

Fee for Service returns also capture grower and industry specific data enabling Committees to plot the changing production profile and needs of their growers or producers. As an example, the wine committee is able to identify the grape varieties grown in WA and the tonnes grown of each variety.

The Commission is responsible for administering collection and expenditure of the FFS.

The following tables provide the FFS charge rates for 18/19:

This table is unaudited

APC Industry Committee	Rate
Avocado	\$0.00 per kilogram
Beekeepers	\$25.00 per beekeeper per annum (calendar year 2019) plus \$1.20 per hive per annum (calendar year 2019)
Carnarvon bananas	\$0.0230 per kilogram
Citrus	\$0.022 per kilogram
Citrus - Export (fresh or processing)	\$0.0047
Citrus – processing	\$0.012 per kilogram
Pome Fruit	\$0.017 per kilogram
Pome Fruit - processing	\$0.006 per kilogram
Pork	\$0.008 per kilogram carcass weight
Potatoes	
Processing	\$6.00 per tonne
Ware export	\$6.00 per tonne
Domestic ware	\$8.00 per tonne
Seed	\$6.00 per tonne (\$150 per hectare based on average yield of 25 tonnes per hectare)
Strawberries	\$0.01 per kilogram
Stone Fruit	\$0.015 per kilogram
Stone Fruit - processing	\$0.006 per kilogram
Table Grapes	\$0.007 per kilogram
Vegetables incl tomatoes	
Vegetables applies to all vegetables sold by producers except herb, potato, mushroom, and Kununurra vegetables	\$0.05 per individual package of 100kg or less \$0.40 per individual package of 101kg to 1,000kg \$0.70 per tonne contained within trailers/trucks
Wine	See tables following

Tonnage Range	State Services Base Rate	State Services Volume Rate (per tonne)	Blackwood Base Rate	Geographe Base Rate	Geographe Volume Rate (per tonne)	Great Southern Base Rate	Great Southern Volume Rate (per tonne)
Up to 2	\$ 75.00	\$ -	\$ 140.00	\$ 200.00	\$ -	\$ 75.00	\$ -
Over 2 - 5	\$ 100.00	\$ -	\$ 140.00	\$ 200.00	\$ -	\$ 100.00	\$ -
Over 5 - 10	\$ 165.00	\$ -	\$ 140.00	\$ 250.00	\$ -	\$ 160.00	\$ -
11-29	\$ 225.00	\$13.1579	\$ 140.00	\$ 250.00	\$ 3.9474	\$ 225.00	\$13.8889
30-49	\$ 475.00	\$11.8750	\$ 140.00	\$ 350.00	\$ 1.3158	\$ 475.00	\$11.8421
50-99	\$ 712.00	\$ 7.6000	\$ 140.00	\$ 400.00	\$ 0.4016	\$ 700.00	\$ 1.0204
100-199	\$ 1,092.50	\$ 5.7000	\$ 140.00	\$ 400.00	\$ 0.4016	\$ 750.00	\$ 0.5050
200-299	\$ 1,662.50	\$ 4.2750	\$ 140.00	\$ 500.00	\$ 0.2145	\$ 800.00	\$ 0.5051
300-499	\$ 2,090.00	\$ 3.8000	\$ 140.00	\$ 500.00	\$ 0.2146	\$ 850.00	\$ 0.7537
500-749	\$ 2,850.00	\$ 1.9000	\$ 140.00	\$ 500.00	\$ 0.2146	\$1,000.00	\$ 0.4016
750-999	\$ 3,325.00	\$ 1.5200	\$ 140.00	\$ 500.00	\$ 0.2146	\$1,100.00	\$ 1.6064
1000-1999	\$ 3,705.00	\$ 1.0450	\$ 140.00	\$ 650.00	\$ 0.0500	\$1,500.00	\$ 0.5005
2000-3999	\$ 4,750.00	\$ 0.9500	\$ 140.00	\$ 650.00	\$ 0.0500	\$2,000.00	\$ 0.5003
4000-5999	\$ 6,650.00	\$ 0.7125	\$ 140.00	\$ 800.00	\$ 0.0334	\$3,000.00	\$ 0.5003
6000-9999	\$ 8,075.00	\$ 0.3563	\$ 140.00	\$ 800.00	\$ 0.0334	\$4,000.00	\$ 0.2501
10000+	\$ 9,500.00	Nil	\$ 140.00	\$ 1,000.00	\$ -	\$5,000.00	\$ -

Tonnage Range	Margaret River Base Rate	Margaret River Volume Rate (per tonne)	Peel Base Rate	Perth Hills Voume Rate (per tonne)	Swan Volume Rate (per tonne)	Pemberton / Manjimup (Wine Industry Southern Forests) Base Rate	Pemberton / Manjimup (Wine Industry Southern Forests) Volume Rate (per	Biosecurity per tonne
Up to 2	\$ 130.00	\$ -	\$ 125.00	\$ 10.00	\$ 1.50	\$ 50.00	\$ 11.00	.05 cents per tonne
Over 2 - 5	\$ 130.00	\$ -	\$ 125.00	\$ 10.00	\$ 1.50	\$ 50.00	\$ 9.00	
Over 5 - 10	\$ 292.50	\$ -	\$ 125.00	\$ 10.00	\$ 1.50	\$ 60.00	\$ 8.50	
11-29	\$ 292.50	\$ 17.110	\$ 125.00	\$ 10.00	\$ 1.50	\$ 150.00	\$ 2.00	
30-49	\$ 617.50	\$ 15.440	\$ 125.00	\$ 10.00	\$ 1.50	\$ 150.00	\$ 1.70	
50-99	\$ 926.25	\$ 9.880	\$ 125.00	\$ 10.00	\$ 1.50	\$ 150.00	\$ 1.50	
100-199	\$1,420.25	\$ 7.410	\$ 125.00	\$ 10.00	\$ 1.50	\$ 150.00	\$ 1.20	
200-299	\$2,161.25	\$ 5.560	\$ 125.00	\$ 10.00	\$ 1.50	\$ 150.00	\$ 1.00	
300-499	\$2,717.00	\$ 4.940	\$ 125.00	\$ 10.00	\$ 1.50	\$ 150.00	\$ 0.50	
500-749	\$3,705.00	\$ 2.470	\$ 125.00	\$ 10.00	\$ 1.50	\$ 150.00	\$ 0.33	
750-999	\$4,322.50	\$ 1.980	\$ 125.00	\$ 10.00	\$ 1.50	Nil	Nil	
1000-1999	\$4,816.50	\$ 1.360	\$ 125.00	\$ 10.00	\$ 1.50	Nil	Nil	
2000-3999	\$6,175.00	\$ 1.240	\$ 125.00	\$ 10.00	\$ 1.50	Nil	Nil	
4000-5999	\$8,645.00	\$ 0.930	\$ 125.00	\$ 10.00	\$ 1.50	Nil	Nil	
6000-9999	Nil	Nil	\$ 125.00	\$ 10.00	\$ 1.50	Nil	Nil	
10000+	Nil	Nil	\$ 125.00	\$ 10.00	\$ 1.50	Nil	Nil	

COMPLIANCE WITH PUBLIC SECTOR STANDARDS AND ETHICAL CODES

The APC Code of Conduct uses the WA Code of Ethics as its basis. The APC Code of Conduct applies to Commissioners and Commission staff, as well as producers’ committee members and officers and is incorporated into the APC Code of Conduct and Committee Manual.

The APC manual assists producers’ committee members in the effective operation of their committee. It details the responsibilities of committees and provides guidance and instruction on the most efficient and ethical ways for committees to conduct their business.

The Commission manager regularly attends committee meetings to provide advice, and ensure compliance with, ethical conduct and ethical decision making.

SHARED RESPONSIBILITIES WITH OTHER AGENCIES

The APC did not share any responsibilities with other agencies during the year under review.

At the date of reporting, no senior officers, or firms of which senior officers are members, or entities in which senior officers have substantial interests, had any interest in existing or proposed contracts with the Agricultural Produce Commission other than normal contracts of employment of service.

EMPLOYMENT AND INDUSTRIAL RELATIONS

This table is unaudited

Staff Profile	2018/19 FTE @ 30 June 2019	2017/18 FTE
Seconded to APC or an APC committee from Department of Primary Industries and Regional Development	1	1
Full time contract employed by APC	3	3
Full time contract employed by APC and seconded to an APC Committee	1.6	1.6

STAFF DEVELOPMENT

During the year under review the manager completed the Australian Institute of Company Directors qualification. Internal professional development was undertaken by other staff members.

Commission staff seconded to a producers’ committee participated in staff development through that particular producers’ committee.

OCCUPATIONAL SAFETY, HEALTH AND INJURY MANAGEMENT

Performance against targets

This table is unaudited

Measures	16/17	17/18	18/19	Target	Comments towards targets
Number of fatalities	0	0	0	0	Target achieved.
Lost time injury and disease incidence rate	0	0	0	0 or 10% reduction in incidence rate	Target achieved
Lost time injury and severity rate	0	0	0	0 or 10% reduction in severity rate	Target achieved
Percentage of injured workers returned to work within (1) 13 Weeks (2) 26 Weeks	N/A	N/A	N/A	Greater than or equal to 80%	Not applicable
Percentage of managers trained in occupational safety, health and injury management responsibilities including refresher training within 3 years	100%	100%	100%	Greater than or equal to 80%	Target achieved.

The Commission, under its MOU arrangement with the Department of Primary Industries and Regional Development (DPIRD), utilised and applied the occupational safety, health and injury management training, policies and procedures of the DPIRD. The DPIRD reviews its occupational safety and health policies at least every three years.

The DPIRD has an injury management system and return to work program which are documented in an injury management policy. The DPIRD's early intervention injury management program exceeds the requirements of the *Workers Compensation and Injury Management Act 1981*.

The Commission is committed to the education of its officers in occupational safety health and injury management and mandatory training is provided through the DPIRD. The consultation process for Commission staff is through the Commission's manager, who then accesses the DPIRD's system for OSH management and consultation.

WORKERS COMPENSATION

No compensation claims were submitted during the 2019 year.

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 reports that during the 2019 financial year, the Commission incurred advertising expenditure in the following areas.

This table is unaudited

Commission	Expenditure 2018/19
Advertising agencies	\$ Nil
Media advertising organisations	\$ Nil
Market research organisations	\$ Nil
Polling organisations	\$ Nil
Direct mail organisations	\$ Nil
Total Expenditure	\$ Nil

DISABILITY ACCESS AND INCLUSION PLAN

The Agricultural Produce Commission is not an entity on Schedule 2 of the Public Sector Commission and is therefore not required to develop a Disability Access and Inclusion Plan.

The Commission however commits to affording equal opportunity to all people to access the services, buildings, information (providing information in a format which enables all to access the information), quality of service, employment opportunities and public consultation opportunities.

GOVERNMENT BUILDING TRAINING POLICY

This is not applicable to the Commission as the Commission did not issue any in-scope contracts during the reporting period.

RECORDKEEPING PLANS

During the 2019 year the Commission utilised the Objective recordkeeping system via the Department of Primary Industries and Regional Development’s system.

The Commission relies on the evaluations undertaken by the Department of Primary Industries and Regional Development in relation to the efficiency and effectiveness of the Objective recordkeeping system.

All Commission employees have undertaken full training into the Objective recordkeeping system via the Department’s training program.

All Commission employees are provided with an induction into the Commission’s recordkeeping procedures on commencement of employment.

SUBSTANTIVE EQUALITY

The Commission is not required to report against this Framework as it is not a Department listed in the relevant Schedule. The Commission however is aware of the intent and substance of the Framework and observes the principles of the Framework.

UNAUTHORISED USE OF CREDIT CARDS

During the 2019 year there were no instances in which a credit card was used for personal use.

FINANCIAL STATEMENTS

AGRICULTURAL PRODUCE COMMISSION

CERTIFICATION OF FINANCIAL STATEMENTS

For the year ended 30 June 2019

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 present fairly the financial transactions for the financial year ending 30 June 2019 and the financial position as at 30 June 2019.

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.



Mandy Taylor
Chief Financial Officer
Agricultural Produce Commission

Date: 1 August 2019



William Ryan
Chairperson
Agricultural Produce Commission

Date: 1 August 2019



Ian Longson
Member
Agricultural Produce Commission

Date: 1 August 2019

AUDIT OPINION



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

AGRICULTURAL PRODUCE COMMISSION

Report on the Financial Statements

Opinion

I have audited the financial statements of the Agricultural Produce Commission which comprise the Statement of Financial Position as at 30 June 2019 the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Agricultural Produce Commission for the year ended 30 June 2019 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for Opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Commission in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial statements. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibility of the Commission for the Financial Statements

The Commission is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions, and for such internal control as the Commission determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Commission is responsible for assessing the agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Commission.

Auditor's Responsibility for the Audit of the Financial Statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the agency's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commission.
- Conclude on the appropriateness of the Commission's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the agency's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Commission regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on Controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Agricultural Produce Commission. The controls exercised by the Commission are those policies and procedures established by the Commission to ensure 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 (the overall control objectives).

My opinion has been formed on the basis of the matters outlined in this report.

In my opinion, in all material respects, the controls exercised by the Agricultural Produce Commission are sufficiently adequate to 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 during the year ended 30 June 2019.

The Commission's Responsibilities

The Commission is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, the Treasurer's Instructions and other relevant written law.

Auditor General's Responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and the controls, necessary to achieve the overall control objectives, were implemented as designed.

An assurance engagement to report on the design and implementation of controls involves performing procedures to obtain evidence about the suitability of the design of controls to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including the assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Limitations of Controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and implemented as designed, once the controls are in operation, the overall control objectives may not be achieved so that fraud, error, or noncompliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the Key Performance Indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Agricultural Produce Commission for the year ended 30 June 2019. The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Agricultural Produce Commission are relevant and appropriate to assist users to assess the Commission's performance and fairly represent indicated performance for the year ended 30 June 2019.

The Commission's Responsibility for the Key Performance Indicators

The Commission is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal control as the Commission determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Commission is responsible for identifying key performance indicators that are relevant and appropriate having regard to their purpose in accordance with Treasurer's Instruction 904 *Key Performance Indicators*

Auditor General's Responsibility

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the agency's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

My Independence and Quality Control Relating to the Reports on Controls and Key Performance Indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Matters Relating to the Electronic Publication of the Audited Financial Statements and Key Performance Indicators

This auditor's report relates to the financial statements and key performance indicators of the Agricultural Produce Commission for the year ended 30 June 2019 included on the Commission's website. The Commission's management is responsible for the integrity of the Commission's website. This audit does not provide assurance on the integrity of the Commission's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



JORDAN LANGFORD-SMITH
ACTING ASSISTANT AUDITOR GENERAL FINANCIAL AUDIT
Delegate of the Auditor General for Western
Australia Perth, Western Australia

6 August 2019

AGRICULTURAL PRODUCE COMMISSION
Index of Notes to the Financial Statements
for the year ended 30 June 2019

Subject	Disclosure Note	Title of the Policy and/or disclosure note
Financial statements		Statement of comprehensive income
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		Statement of changes in equity
		Statement of cash flows
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	7.10	Explanatory statement (controlled operations)

AGRICULTURAL PRODUCE COMMISSION
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2019

	Notes	2019 \$	2018 \$
COST OF SERVICES			
Expenses			
Employee benefits expense	2.1.1	302,109	288,042
Other expenses	2.2	<u>167,332</u>	<u>153,261</u>
Total cost of services		<u>469,441</u>	<u>441,303</u>
Income			
<i>Revenue</i>			
Administration Charge Producers' Committees	3.2	387,411	390,744
Grants received	3.3	33,000	15,000
Interest revenue		<u>5,507</u>	<u>7,238</u>
Total Revenue		<u>425,918</u>	<u>412,982</u>
Total income other than income from State Government		<u>425,918</u>	<u>412,982</u>
NET COST OF SERVICES		<u>43,523</u>	<u>28,321</u>
Income from State Government			
Services received free of charge	3.1	<u>65,976</u>	<u>68,887</u>
Total income from State Government		<u>65,976</u>	<u>68,887</u>
(DEFICIT) / SURPLUS FOR THE PERIOD		<u>22,453</u>	<u>40,566</u>
TOTAL COMPREHENSIVE INCOME/ (LOSS) FOR THE PERIOD		<u>22,453</u>	<u>40,566</u>

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

AGRICULTURAL PRODUCE COMMISSION
STATEMENT OF FINANCIAL POSITION
as at 30 June 2019

		2019	2018
	Notes	\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	5.1	336,854	280,871
Receivables	4.1	22,830	20,837
Other current assets		1,287	1,169
Total Current Assets		<u>360,971</u>	<u>302,877</u>
TOTAL ASSETS		<u>360,971</u>	<u>302,877</u>
LIABILITIES			
Current Liabilities			
Payables	4.2	1,662	4,593
Employee related provisions	2.1.2	194,734	123,714
Total Current Liabilities		<u>196,396</u>	<u>128,307</u>
Non-Current Liabilities			
Employee related provisions	2.1.2	18,533	50,981
Total Non-Current Liabilities		<u>18,533</u>	<u>50,981</u>
TOTAL LIABILITIES		<u>214,929</u>	<u>179,288</u>
NET ASSETS		<u>146,042</u>	<u>123,589</u>
EQUITY			
Accumulated surplus		146,042	123,589
TOTAL EQUITY		<u>146,042</u>	<u>123,589</u>

AGRICULTURAL PRODUCE COMMISSION
STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2019

	Contributed equity	Accumulated surplus	Total equity
	\$	\$	\$
Balance at 1 July 2017	-	83,023	83,023
Surplus/(deficit)	-	40,566	40,566
Total comprehensive income/(loss) for the year	-	40,566	40,566
Balance at 30 June 2018	-	123,589	123,589
Balance at 1 July 2018	-	123,589	123,589
Surplus/(deficit)	-	22,453	22,453
Total comprehensive income/(loss) for the year	-	22,453	22,453
Balance at 30 June 2019	-	146,042	146,042

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

AGRICULTURAL PRODUCE COMMISSION
STATEMENT OF CASH FLOWS
for the year ended 30 June 2019

	Notes	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(264,307)	(329,590)
Supplies and services		(103,517)	(135,907)
Receipts			
Receipts from producer committees		387,411	390,744
Receipts from others		31,007	77,363
Interest received		5,389	7,238
Net cash (used in)/provided by operating activities		<u>55,983</u>	<u>9,848</u>
Net increase/(decrease) in cash and cash equivalents		55,983	9,848
Cash and cash equivalents at the beginning of the period		280,871	271,023
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD	5.1	<u>336,854</u>	<u>280,871</u>

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

Note 1: Basis of preparation

The Agricultural Produce Commission is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. The entity is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units. A description of the nature of its operations and its principal activities has been included in the 'Overview' which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Commission on 1 August 2019.

Statement of compliance

These general purpose financial statements have been prepared in accordance with:

1. The Financial Management Act 2006 (FMA)
2. The Treasurer's Instructions (the Instructions or TI)
3. Australian Accounting Standards (AASs) – Reduced Disclosure Requirements
4. Where appropriate, those AAS paragraphs applicable for not-for-profit entities have been applied.

The *Financial Management Act 2006* and the Treasurer's Instructions (the Instructions) take precedence over AAS. Several AAS are modified by the Instructions to vary application, disclosure format and wording. Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note.

Judgements and estimates

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements and estimates made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances.

Comparative figures

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

Contributed equity

AASB Interpretation *1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, 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 appropriations have been designated as contributions by owners by TI 955 *Contributions by Owners made to Wholly Owned Public Sector Entities* and have been credited directly to Contributed Equity.

AGRICULTURAL PRODUCE COMMISSION

Notes to the financial statements

for the year ended 30 June 2019

The transfers of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal.

Note 2: Use of our funding

Expenses incurred in the delivery of services

This section provides additional information about how the Commission's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by the Commission in achieving its objectives and the relevant notes are:

	Notes	2019	2018
		\$	\$
Employee benefits expense	2.1.1	302,109	288,042
Employee related provisions	2.1.2	213,267	174,695
Other expenses	2.2	167,332	153,261

2.1.1 Employee benefits expenses

	2019	2018
	\$	\$
Wages and salaries ^(a)	236,255	224,496
Change in employee entitlement provision	38,138	35,945
Superannuation - defined contribution plans ^(b)	<u>27,716</u>	<u>27,601</u>
Total employee expenses	<u>302,109</u>	<u>288,042</u>

^(a) Includes the value of the fringe benefit to the employee plus the fringe benefits tax component, leave entitlement including superannuation contribution component.

^(b) Defined contribution plans include West State, Gold State, GESB and other eligible funds.

Wages and salaries: Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, termination payments and WorkCover premiums.

Superannuation: The amount recognised in profit or loss of the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, the GESBs, or other superannuation funds. The employer contribution paid to the Government Employees Superannuation Board (GESB) in respect of the GSS is paid back into the Consolidated Account by the GESB.

GSS (concurrent contributions) is a defined benefit scheme for the purposes of employees and whole-of-government reporting. It is however a defined contribution plan for agency purposes because the concurrent contributions (defined contributions) made by the Commission to GESB extinguishes the Commission's obligations to the related superannuation liability.

The Commission does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. The Liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS obligations are funded by concurrent contributions made by the agency to the GESB. The GESB and other fund providers administer public sector superannuation arrangements in Western Australia in

AGRICULTURAL PRODUCE COMMISSION

Notes to the financial statements

for the year ended 30 June 2019

accordance with legislative requirements. Eligibility criteria for membership in particular schemes for public sector employees vary according to commencement and implementation dates.

2.1.2 Employee related provisions

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

	2019	2018
Current	\$	\$
<i>Employee benefits provision</i>		
Annual leave ^(a)	81,105	60,591
Long service leave ^(b)	97,627	51,444
<i>Other provision</i>		
Employment on-costs ^(c)	<u>16,002</u>	<u>11,679</u>
	<u>194,734</u>	<u>123,714</u>
Non-current		
<i>Employee benefits provision</i>		
Long service leave ^(b)	16,554	45,676
<i>Other provision</i>		
Employment on-costs ^(c)	<u>1,979</u>	<u>5,305</u>
	<u>18,533</u>	<u>50,981</u>
	<u>213,267</u>	<u>174,695</u>

- (a) **Annual leave liabilities** have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the reporting date.

The provision for annual leave is calculated at the present value of expected payments to be made in relation to services provided by employees up to the reporting date.

- (b) **Long service leave liabilities:** 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 end of the reporting period.

Pre-conditional and conditional long service leave provisions are classified as **non-current** liabilities because the Commission has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

The provision for long service leave is calculated at present value as the Commission does not expect to wholly settle the amounts within 12 months. The present value is measured taking into account the present value of expected future payments to be made in relation to services provided by employees up to the reporting date. These payments are estimated using the remuneration rate expected to apply at the time of settlement, discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

AGRICULTURAL PRODUCE COMMISSION

Notes to the financial statements

for the year ended 30 June 2019

- (c) **Employment on-costs:** 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.

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 'Other expenses, Note 2.2 (apart from the unwinding of the discount (finance cost))' and are not included as part of the Commission's 'employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

	2019	2018
	\$	\$
<u>Employment on-cost provision</u>		
Carrying amount at start of period	16,984	19,269
Additional/(reversal of) provisions recognised	<u>997</u>	<u>(2,285)</u>
Carrying amount at end of period	<u>17,981</u>	<u>16,984</u>

Key sources of estimation uncertainty – long service leave

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Several estimates and assumptions are used in calculating the Commission's long service leave provision. These include:

- Expected future salary rates
- Discount rates
- Employee retention rates; and
- Expected future payments

Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

Any gain or loss following revaluation of the present value of long service leave liabilities is recognised as employee benefits expense

2.2 Other expenditure

	2019	2018
	\$	\$
Audit Fees	14,540	-
Employment on-costs	4,801	4,360
Commissioner fees and related costs	52,982	56,557
Travel expenses	1,569	1,488
Administration services provided by DPIRD	65,976	68,887
Other expenses	<u>27,464</u>	<u>21,969</u>
	<u>167,332</u>	<u>153,261</u>

Employment on-cost: Employment on-costs include workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liabilities is included at Note 2.1.2 Employee benefit provision. Superannuation

AGRICULTURAL PRODUCE COMMISSION

Notes to the financial statements

for the year ended 30 June 2019

contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

Other expenses: Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

Note 3: Our funding sources

How we obtain our funding

This section provides additional information about how the Commission obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by the Commission and the relevant notes are:

	Notes	2019	2018
		\$	\$
Income from State Government	3.1	65,976	68,887
Administration Charge Producers' Committees	3.2	387,411	390,744
Grants received	3.3	33,000	15,000

3.1 Income from State Government

Services received free of charge from other State government agencies during the period:

	2019	2018
	\$	\$
Department of Primary Industries and Regional Development	<u>65,976</u>	<u>68,887</u>

3.2 Administration Charge Producers' Committees

	2019	2018
	\$	\$
Administration Charge Producers' Committees	<u>387,411</u>	<u>390,744</u>

The Commission receives its primary funding from the administration charge to Producers' Committees. Committees are charged a percentage on the fee for service collected during the year. The percentage charged varies between Producers' Committees and is based on a 'full cost recovery' methodology. The charge is reviewed on an annual basis.

Revenue is recognised and measured at the fair value of consideration received or receivable.

3.3 Grants received

	2019	2018
	\$	\$
Grant received from Department of Primary Industries and Regional Development	<u>33,000</u>	<u>15,000</u>

The Commission receives a grant from the Department of Primary Industries and Regional Development on an annual basis for support for activities undertaken by the Commission, which are considered to be of benefit to Government in general, as well as to wider agricultural industries.

AGRICULTURAL PRODUCE COMMISSION

Notes to the financial statements

for the year ended 30 June 2019

Note 4: Other assets and liabilities

This section sets out those assets and liabilities that arose from the Commission's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

	Notes	2019	2018
		\$	\$
Receivables	4.1	22,830	20,837
Payables	4.2	1,662	4,593

4.1 Receivables

	2019	2018
	\$	\$
Trade receivables	-	15,000
GST receivable	<u>22,830</u>	<u>5,837</u>
	<u>22,830</u>	<u>20,837</u>

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

4.2 Payables

	2019	2018
	\$	\$
Trade payables	528	615
Accrued expenses	223	2,860
Accrued salaries	<u>911</u>	<u>1,118</u>
	<u>1,662</u>	<u>4,593</u>

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 settlement is generally within 30 days.

Accrued salaries: Accrued salaries represent the amount due to staff but unpaid at the end of the reporting period. Accrued salaries are settled within a fortnight of the reporting period end. The Commission considers the carrying amount of accrued salaries to be equivalent to its fair value.

Note 5: Financing

This section sets out the material balances and disclosures associated with the financing and cash flows of the Commission.

	Notes
Cash and cash equivalents	5.1
Commitments	5.2
Non-cancellable operating lease commitments	5.2.1
Capital commitments	5.2.2
Other expenditure commitments	5.2.3

5.1 Cash and cash equivalents

	2019	2018
	\$	\$
Cash and cash equivalents	<u>336,854</u>	<u>280,871</u>

For the purpose of the Statement of Cash Flows, 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 of changes in value.

5.2 Commitments

5.2.1 Non-cancellable operating lease commitments

There are no known non-cancellable operating lease commitments.

5.2.2 Capital commitments

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

5.2.3 Other expenditure commitments

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

Note 6: Financial instruments and contingencies

	Notes
Financial instruments	6.1
Contingent assets and contingent liabilities	6.2

6.1 Financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	2019	2018
	\$	\$
<u>Financial assets</u>		
Cash and cash equivalents	336,854	280,871
Receivables ^(a)	-	15,000
Total financial assets	<u>336,854</u>	<u>295,871</u>
<u>Financial liabilities</u>		
Payables	<u>1,662</u>	<u>4,593</u>
Total financial liability	<u>1,662</u>	<u>4,593</u>

^(a) The amount of loans and receivables excludes GST recoverable from the ATO (statutory receivable).

6.2 Contingent assets and contingent liabilities

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

Note 7: Other disclosures

This section includes additional material disclosures required by accounting standards or other pronouncements, for the understanding of this financial report.

	Notes
Events occurring after the end of the reporting period	7.1
Initial application of Australian Accounting Standards	7.2
Compensation of key management personnel	7.3
Related parties	7.4
Related bodies	7.5
Affiliated bodies	7.6
Producers' Committees - monies held in trust	7.7
Remuneration of auditors	7.8
Supplementary financial information	7.9
Explanatory statement	7.10

7.1 Events occurring after the end of the reporting period

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

7.2 Initial application of Australian Accounting Standards**AASB 9 *Financial instruments***

AASB 9 *Financial instruments* replaces AASB 139 *Financial instruments: Recognition and Measurements* for annual reporting periods beginning on or after 1 January 2018, bringing together

all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Commission applied AASB 9 prospectively, with an initial application date of 1 July 2018. Although the adoption of AASB 9 has resulted in changes in accounting policies, there are no adjustments to the amounts recognised in the financial statements. The transition to AASB 9 has therefore no impact on the opening balance of retained earnings. In accordance with AASB 9.7.2.15, the Commission has not restated the comparative information which continues to be reported under AASB 139.

Classification and measurement

Under AASB 9, financial assets are subsequently measured at amortised cost, fair value through other comprehensive income (fair value through OCI) or fair value through profit or loss (fair value through P/L). The classification is based on two criteria: the Commission's business model for managing the assets; and whether the assets' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

The assessment of the Commission's business model was made as of the date of initial application, 1 July 2018. The assessment of whether contractual cash flows on financial assets are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The classification and measurement requirements of AASB 9 had no impact on the Commission.

AGRICULTURAL PRODUCE COMMISSION

Notes to the financial statements

for the year ended 30 June 2019

Impairment

The adoption of AASB 9 has fundamentally changed the Commission's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach with a forward-looking expected credit loss (ECL) approach. AASB 9 requires the Commission to recognise an allowance for ECLs for all financial assets not held at fair value through P/L.

The Commission has determined that the application of AASB 9's impairment requirements at 1 July 2018 results in no allowance for impairment.

7.3 Compensation of key management personnel

The Commission has determined that key management personnel include cabinet ministers and members of the Commission. The Commission does not incur expenditures to compensate Ministers and those disclosures may be found in the *Annual Report on State Finances*.

The total fees, salaries, superannuation, non-monetary benefits and other benefits for senior officers of the Commission for the reporting period are presented within the following bands:

Compensation Band of members of accountable authority (\$)	2019	2018
20,001 - 30,000	1	1
10,001 - 20,000	2	3
0 - 10,000	2	1
	\$	\$
Total compensation of senior officers	58,260	61,930

Total compensation includes the superannuation expense incurred by the Commission in respect of senior officers.

7.4 Related parties

The Commission is a wholly-owned public sector entity that is controlled by the State of Western Australia.

Related parties of the Commission include:

- all Ministers and their close family members, and their controlled or jointly controlled entities;
- all senior officers and their close family members, and their controlled or jointly controlled entities;
- other departments and statutory authorities, including their related bodies, that are included in the whole of government consolidated financial statements (i.e. wholly-owned public sector entities) ;
- associates and joint ventures of a wholly-owned public sector entity; and
- the Government Employees Superannuation Board (GESB).

Material transactions with related parties

Outside of normal citizen type transactions with the Commission, there were no other related party transactions that involved key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

7.5 Related bodies

There were no related bodies with the Commission.

7.6 Affiliated bodies

There are no affiliated bodies with the Commission.

7.7 Special purpose accounts

Producers' Committees - monies held on trust

The Commission has 11 (2018:11) active Producers' Committees and one in recess, being Kununurra. Separate accounts are maintained for each Producers' Committee. The purpose of the account is to manage the cash for each Producers' Committee. The cash balance held for each Producers' Committee and the receipts and payments for the year are disclosed below.

APC Avocado Producers' Committee	2019	2018
	\$	\$
Balance at beginning of year	117,057	126,890
Receipts	2,570	2,419
Payments	(5,052)	(12,252)
Balance at end of year	114,575	117,057
APC Beekeepers Producers' Committee	2019	2018
	\$	\$
Balance at beginning of year	154,446	167,179
Receipts	118,551	90,654
Payments	(56,816)	(103,387)
Balance at end of year	216,181	154,446
APC Carnarvon Banana Producers' Committee	2019	2018
	\$	\$
Balance at beginning of year	2,718,611	2,611,072
Receipts	149,922	156,465
Payments	(42,784)	(48,926)
Balance at end of year	2,825,749	2,718,611
APC Egg Producers' Committee	2019	2018
	\$	\$
Balance at beginning of year	104,221	141,985
Receipts	1,998	2,288
Payments	(40,052)	(40,052)
Balance at end of year	66,167	104,221
APC Pome, Citrus & Stone Producers' Committee	2019	2018
	\$	\$
Balance at beginning of year	1,096,642	892,988
Receipts	1,292,343	1,257,167
Payments	(1,219,614)	(1,053,513)
Balance at end of year	1,169,371	1,096,642

AGRICULTURAL PRODUCE COMMISSION
Notes to the financial statements
for the year ended 30 June 2019

APC Potato Producers' Committee	2019	2018
	\$	\$
Balance at beginning of year	177,458	198,488
Receipts	490,649	451,189
Payments	(383,935)	(472,219)
Balance at end of year	284,172	177,458
APC Pork Producers' Committee	2019	2018
	\$	\$
Balance at beginning of year as previously reported	1,561,802	1,413,916
Receipts	477,608	475,445
Payments	(398,514)	(327,559)
Balance at end of year	1,640,896	1,561,802
APC Strawberry Producers' Committee	2019	2018
	\$	\$
Balance at beginning of year	325,353	297,092
Receipts	93,553	97,212
Payments	(49,922)	(68,951)
Balance at end of year	368,984	325,353
APC Table Grape Producers' Committee	2019	2018
	\$	\$
Balance at beginning of year	186,419	198,185
Receipts	162,304	57,568
Payments	(163,581)	(69,334)
Balance at end of year	185,142	186,419
APC Vegetable Producers' Committee	2019	2018
	\$	\$
Balance at beginning of year	591,187	706,947
Receipts	909,522	890,866
Payments	(891,069)	(1,006,626)
Balance at end of year	609,640	591,187
APC Kununurra Producers' Committee	2019	2018
	\$	\$
Balance at beginning of year	1,337	1,312
Receipts	30	25
Payments	-	-
Balance at end of year	1,367	1,337

AGRICULTURAL PRODUCE COMMISSION
Notes to the financial statements
for the year ended 30 June 2019

APC Wine Producers' Committee	2019	2018
	\$	\$
Balance at beginning of year	42,261	8,223
Receipts	658,352	665,395
Payments	<u>(658,279)</u>	<u>(631,357)</u>
Balance at end of year	<u>42,334</u>	<u>42,261</u>

7.8 Remuneration of auditors

Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:

	2019	2018
	\$	\$
Auditing the accounts, financial statements and performance indicators	<u>14,540</u>	<u>14,540</u>

7.9 Supplementary financial information

(a) Write-offs

During the financial year, nil (2018: nil) was written off the Commission's asset register.

(b) Losses through theft, defaults and other causes

There were no reported losses through theft, defaults and other causes during the financial year (2018: nil).

(c) Gifts of public property

There were no reported gifts of public property during the financial year (2018: nil).

7.10 Explanatory statement

The Commission is exempt from TI 945 Explanatory Statement as their Total Cost of Services is below \$3 million for the two most recent consecutive comparative periods.

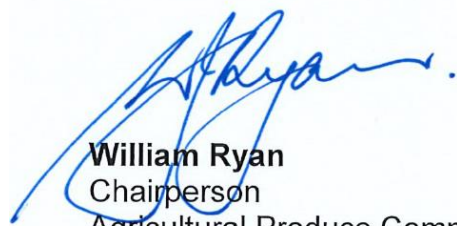
AGRICULTURAL PRODUCE COMMISSION

KEY PERFORMANCE INDICATORS

CERTIFICATION OF KEY PERFORMANCE INDICATORS

For the year ended 30 June 2019

We hereby certify that the Key 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 2019.



William Ryan
Chairperson
Agricultural Produce Commission

Date: 1 August 2019



Ian Longson
Member
Agricultural Produce Commission

Date: 1 August 2019

AGRICULTURAL PRODUCE COMMISSION

Key Performance Indicators 2019

GOVERNMENT GOAL

Future jobs and skills: Grow and diversity the economy, create jobs and support skills development.

DESIRED OUTCOME

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

SERVICES

Establishment of, and support for, Producers' Committees.

EFFECTIVENESS INDICATOR

Key Performance Indicator 1

Commission Effectiveness - APC Producers' Committee's satisfaction with services provided by the Commission

The satisfaction of producers' committees with the service provided by the Commission, to its producers' committees, demonstrates the effectiveness of the Commission in meeting its obligation in the establishment and dissolution of producers' committees and of directing, coordinating and supervising the functions and expenditure of producers' committees.

Producers' committees are requested to complete an annual score card survey.

The survey asks all committee members and their executive staff to rate a range of essential services which are provided by the Commission to the producers' committee. These services are directly related to the functions of the Commission as set out in the APC Act.

The score card results are then aggregated into an overall satisfaction rating for all APC producers' committees. A score of 'acceptable' or above is deemed as meeting the overall satisfaction rating.

Target: An overall satisfaction rating of \geq to 85%.

APC PRODUCERS' COMMITTEES	Target	2018-19	2017-18	2016-17	2015-16
Overall satisfaction rating	85%	100%	99%	98%	100%

	2018-19	2017-18	2016-17	2015-16
Total Committees Surveyed	11	11	11	11
Total Members Surveyed	77	83	83	83
Total Responses Received	46	46	42	41
Percentage Response Rate	60%	55%	51%	49%

The satisfaction rating from producers' committee with regard to the Commission's provision of services remained constant with no significant change in satisfaction by committees in Commission performance. The response rate to the survey has improved year on year.

EFFICIENCY INDICATOR

Key Performance Indicator 2

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

This indicator measures the annual administration charge paid to the Commission, by committees, as a proportion of the producers' committees total annual Fee for Service income.

The services provided by the Commission to committees are funded through the administration charge received from committees.

To ensure that funds received by the Commission from committees are appropriate and do not exceed Commission requirements, the Commission reviews its administration charge to committees on an annual basis. The Commission uses a broadly based 'user pays' methodology to identify the administration charge to individual committees.

Target – Commission overall administration charge as % of FFS income <= 15%.

	2018-19	2017-18	2016-17	2015-16
Admin Charge paid by Committees to Commission	387,411	390,744	314,867	272,969
Fee for Service charge collected by Committees	3,681,753	3,728,487	3,273,046	2,892,899
Admin Charge as % of FFS Income	11%	10%	10%	9.44%

In the year under review the Commission met the set target, with an overall charge of 11% of FFS income.

This is a 1% increase over the prior year, however an actual decrease in administration charge received (2018: 390,744) reflective of a lower collection in the FFS charge over the prior year (2018: 3,728,487).

NOTES

