

## DRAFT SECOND READING SPEECH

HON GUY BARNETT MP

### *Fruit and Nut (Research Development and Extension Trust Fund) Repeal Bill*

*\*check Hansard for delivery\**

Madam Speaker

The purpose of this Bill is to repeal the *Fruit and Nut (Research Development and Extension Trust Fund) Act 2012*.

This Act was created to continue to distribute residual funds from the Tasmanian Fruit Crop Insurance Scheme to the State's fruit and nut growers.

The residual funds from the scheme have been fully dispersed to industry thereby fulfilling the object of the Act. It is a formality to repeal the Act and wind-up the Trust Fund.

Madam Speaker, the Tasmanian Fruit Crop Insurance Scheme was established in 1982 to provide apple and pear growers with crop insurance, funded through a compulsory industry levy.

In 1999, following a review of the National Competition Policy, the insurance scheme was dismantled.

All remaining funds from the insurance scheme were deposited in a statutory trust account, to be used on projects of benefit to the apple and pear industry.

A Board of Management, comprising of four industry representatives and one government, was created to oversee distribution of the funds.

In 2012, the current Act commenced allowing the funds to be available to not only apple and pear growers, but the broader fruit and nut industry, reflecting how the sector had evolved and expanded.

The purpose of the Trust Fund was to benefit Tasmania's fruit and nut industry by funding activities in research, development, extension, marketing and promotion.

The Trust Fund has been used to finance research scholarships, contributions to Horticulture Australia projects, as well as support the activities of a Business Development Manager for Fruit Growers Tasmania.

The Government was regularly updated on expenditure from the Trust Fund.

In September 2017, the Board of Management paid out the balance of the Trust Fund to Fruit Growers Tasmania to develop market opportunities for the Tasmanian fruit and nut industry.

The Board of Management also agreed to cease operation.

As the Trust Fund has been fully expended, it is a formality to wind up operations and repeal the Act.

This leads to the detail of the Bill. It includes standard provisions to wind up the Trust Fund and Board of Management. As the Trust Fund has been fully distributed, and there are no other assets or liabilities, transitional provisions are not required and this is a simple process.

The Crown will assume responsibility for any unresolved or future proceedings (legal or other) brought against or initiated by the Board of Management.

Fruit Growers Tasmania, the State's peak industry body for fruit and nut growers, fully supports the Bill and has been consulted on the draft legislation.

The Government is continuing to collaborate with Fruit Growers Tasmania to provide support to the State's fruit and nut industry.

The sector is a key contributor to the Tasmanian economy - it had a farm gate value of close to \$154 million in 2016-17 - and we are working on many collaborative initiatives.

The 2017-18 State Budget committed \$1.2 million for a new Strategic Industry Partnerships Program to support regional communities and businesses by investing in peak industry bodies to drive growth and innovation across the Tasmanian agri-food sector.

As part of the Strategic Industry Partnerships Program, the Government is providing Fruit Growers Tasmania with \$120 000 over three years to deliver a fruit industry development program that provides on-ground extension support for growers. This includes assisting in grower export preparation and communication around biosecurity and quarantine protocols.

In addition, as part of our Taking Agriculture to the Next Level policy, the Government is providing the State's fruit and vegetable industry with \$550 000 over four years for horticulture market and trade development.

I commend the Bill to the House.