

1<sup>st</sup> March 2016

Dear fellow tea tree grower,

The Australian tea tree industry is at a crossroads. Research, development and extension (RD&E) have been front and centre of tea tree producer's minds for the past two decades. More recently the appearance of Myrtle Rust was our first major biosecurity scare.

As you are aware, the tea tree industry is strongly focussed on and driven by research. Without a compulsory levy the recent changes in RD&E funding models, which is occurring in all agricultural industries, will soon prevent us from accessing matched Federal funding. These changes have already had a severe impact on our ability to continue RD&E activities; this will continue to decline unless we collectively do something about it.

We are fortunate that ATTIA members agreed to, and successfully implemented, a voluntary administration levy in 2009 which has allowed us to continue with some activities including:

- the tea tree breeding program
- research into the adulteration of oil
- agronomy and plant nutrition
- sustainable export market development
- applying for minor use permits
- holding industry meetings and field days
- having the services of an industry focused CEO
- the ATTIA website
- the continuation of some research activities

Although these R&D activities have been severely curtailed in the past few years; our industry has, until recently, been able to fund continued research into areas of critical importance.

**None of these activities can continue from mid-2017 unless we take positive action to address it.**

Biosecurity incidents, such as the 2010/11 Myrtle Rust incursion into NSW which quickly spread to the entire east coast of Australia, have demonstrated the risk that is posed by exotic plant pests. Biosecurity planning by our industry has to date been rudimentary and only recently, with the Myrtle Rust incursion, has any serious thought been given to these risks. I believe this must be improved to ensure that any future incursions are managed more effectively to reduce the risk of enormous economic damage that is still being experienced by others such as the Lemon Myrtle industry. Our industry must be better prepared for future incursions.

The loss of research funding from RIRDC and the Myrtle Rust incursion highlight the urgency and need for the tea tree industry to be proactive in contributing to both RD&E and biosecurity issues.

Our industry cannot continue to under-invest in these areas if we want to support the profitability of our current and expanding grower base or provide the information and support that growers require to run their businesses. If we continue to under-prepare and under-invest in our industry, not only will we lose capacity to fund critical RD&E that can continue to improve the profitability and sustainability of our industry as a whole, we will remain vulnerable to exotic pest incursions beyond our control.

Both RD&E and biosecurity issues have changed considerably over the past decade and we need to continually adapt and improve operations to ensure that we do not get left behind. While we may feel

that these are purely government roles or that our own farm will be okay, the unfortunate truth is that governments at all levels are withdrawing from funding research. This is matched by an increasing expectation from all governments that agricultural industries will make a contribution to the costs of their own RD&E and biosecurity planning and management.

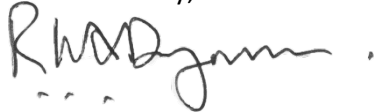
The Federal, NSW and QLD Governments have funded, and will continue to fund, some monitoring of Myrtle Rust but this may not happen next time and most importantly the tea tree industry will continue to have no say in how this funding is spent if we fail to commit to sharing some of the costs.

Please read through the enclosed levy information material and carefully consider the levies that ATTIA Ltd is proposing to implement.

I firmly believe it is the responsibility of all tea tree growers to vote 'yes' for these levies. Both the RD&E Levy and the Biosecurity Levy, in the form of an EPPRD, complement one another. Without them, our industry will have no research, no biosecurity protection and limited ability to assist growers in the future.

The Board of Directors of ATTIA Ltd and I urge you emphatically to vote 'yes' for both levies.

Yours sincerely,



Robert Dyason

**President - ATTIA Ltd**