

GRAINGROWERS GRAINS R&D FACT SHEET



MAY 2026

WHAT IS AN RO?

This stands for “Representative Organisation”. These organisations act as the official voice of the industry in relation to a Research Development Corporation (RDC). They provide input on levy arrangements and strategic priorities. They are part of the governance framework that balances accountability between government and industry.

In a formal sense, the ROs also have a role in establishing and amending industry levies; however, they are not able to tell the GRDC how to invest and do not have a formal role in performance management.

GRDC consults with ROs to seek approval for its annual operating plan and other reports. ROs are also able to nominate people for appointment to selection committees of RDCs for the appointment of directors to RDC boards.

WHO ARE THE ROs?

Grain Growers and Grain Producers Australia (GPA) have jointly undertaken responsibilities as Representative Organisations (ROs) to the Grains Research and Development Corporation (GRDC) since 2015.

The appointment was made by the then Minister for Agriculture, who considered the organisations were best suited to act in this capacity. As national, grower representative bodies, GrainGrowers and GPA were believed to have the membership, financial capability, and capacity to engage widely and impartially with growers and accurately and neutrally reflect grower views.

WHAT IS THE RO ROLE?

The RO role, as the name suggests, is to represent the interests of growers by engaging directly with the GRDC and working to ensure value is delivered for levy payers. The role requires doing this through consultation, guiding direction and representing members’ views on matters including the appropriate use of funds.

HOW ARE LEVIES COLLECTED?

GRDC funding comes from levies paid by grain growers. The levies are collected at the first point of sale and are a percentage of the sale value of 25 crops. The levy is usually paid via a collection agent. More information is available [here](#).

WHAT IS THE CURRENT LEVY RATE?

The grain levy applied to coarse grains, grain legumes, oilseeds and wheat is typically 1.02% of the value of the sale price or market value. The breakdown of the levies is:

- 0.99% of the sale price or market value is directed to research and development activities undertaken by the GRDC
- 0.01% of the sale price or market value is directed to biosecurity activity undertaken by Plant Health Australia
- 0.005% of the sale price or market value is directed to biosecurity response activity undertaken by Plant Health Australia
- 0.015% of the sale price or market value is directed to national residue testing undertaken by the National Residue Survey.

There are a number of grain commodities not included in the National Residue Survey (including millet, rye, canary seed) and these are not subject to the residue testing levy. Maize has a lower research and development levy (0.693%) and biosecurity activity component (0.007%) resulting in a total levy of 0.72%. A full breakdown of levies is available [here](#).

WHAT IS THE GOVERNMENT CO-CONTRIBUTION AND HOW DOES IT WORK?

GRDC funding comes from both levies paid by growers and from the government. The Australian Government matches the levy contributions up to a limit of 0.5 per cent of the three-year rolling average of the gross value of production of the 25 leviable crops.

SITUATIONAL UPDATE

Formal surveys, including the GrainGrowers Annual Policy Survey as well as the GRDC's survey of growers, highlight support for the work undertaken by the GRDC and the benefits delivered to industry through this work.

While GRDC is generally well regarded, concerns exist amongst growers about some aspects of the GRDC's performance. These concerns include the value of research delivered on-farm, grower engagement and service delivery, questions about investment decisions and dissatisfaction with costs and bureaucracy.

One point of recent discussion focuses on the level of reserves held by the GRDC, which have grown sharply since 2021/22 to over \$728 million. The reserves represent accumulated income from grower levies – reflecting strong prices and increased production – and Commonwealth matching funding.

The GRDC has undertaken a “Right-Sized” review to develop an R&D investment strategy to increase investment and bring these funds down to a more manageable level.

While the outcomes of this review are being implemented, discussion continues at a grower level over this issue, with questions raised as to the appropriateness of existing levy rates in the future.

ISSUES TO CONSIDER

GrainGrowers has been consulting directly with growers and industry members to understand their perspectives around the accumulation of reserves, as well as grower views on overall GRDC performance. The need to improve GRDC performance and engagement with growers has been highlighted on several occasions, and in line with its RO responsibilities, GrainGrowers will be taking these issues up with the GRDC and Government. While GRDC is generally well regarded, concerns exist amongst growers about some aspects of the GRDC's performance. These concerns include the value of research delivered on-farm, grower engagement and service delivery, questions about investment decisions and dissatisfaction with costs and bureaucracy.

RIGHT-SIZED REVIEW

The GRDC Right-sized Review examined additional research opportunities and areas of value from R&D that can be undertaken for industry. The review found that for every \$1 invested, work undertaken by GRDC generated an average \$6-9 return. A key recommendation of the review was for GRDC to invest an additional \$60 million per year over the next decade into strategic research and capacity building to find new solutions and build the next generation of research talent.

A GRDC Fact sheet on the review can be downloaded [here](#).

LEVY REVIEW

There is currently significant discussion about a review of the R&D levy rate and the implications for industry. While the size of the current reserve provides a financial buffer in the short term, a reduced levy will lower grower payments in the short term. However, if future harvests and prices return to historic levels it will potentially also impact overall industry investment in R&D in the long term.

GrainGrowers has developed a proposal for undertaking a levy review. Details can be found [here](#).

CAPACITY BUILDING RESEARCH

The GRDC has completed a deep-dive into Australia's research capacity to identify where there may be “cliff faces” in terms of technical skills and expertise. Information on this review can be accessed [here](#).

WHO PAYS FOR LEVY REVIEWS?

GrainGrowers is working GPA and the Department of Agriculture, Fisheries and Forestry (DAFF) to understand if levy funds can be used for undertaking a levy poll, using the levy payer register. It is generally not possible to use levy funds for this purpose, however this varies across RDCs based on their structure and their statutory funding agreements.

ISSUES TO CONSIDER (CONTINUED)

INDUSTRY OWNED COMPANY

Another issue under discussion centres around the opportunity to move the GRDC structure to an industry-owned company. Supporters of this approach suggest that an industry-owned company structure would provide the opportunity to create greater accountability to growers and a subsequent increased focus on grower performance.

Counter to this is the prospect that a change is likely to cause disruption and carries risks as well as opportunities. Having been raised previously, any move to change the structure requires careful consideration and a complete assessment of the longer-term value to industry.

Examples in agriculture of industry owned companies include Meat and Livestock Australia and Australian Wool Innovation.

IMPROVED PERFORMANCE MEASURES

GrainGrowers has reviewed feedback from growers on their experiences with the GRDC. To gather specific feedback, a series of industry consultation meetings were held in 18 regional centres across five states.

Following this consultation, GrainGrowers developed grower-relevant performance measures to better hold the GRDC to account and ensure that the GRDC is meeting grower expectations. Areas identified include;

- Grower engagement and responsiveness
- Accountability to growers
- Transparency around investment and procurement
- Governance and management performance.

HOW THE MINISTER ASSESSES

The Federal Minister for Agriculture, Fisheries and Forestry is responsible for any decision to change the levy rates. Before making this decision, the Minister is required to consider the advice of the ROs.

The Minister needs to be sure that there has been appropriate consultation with levy payers, transparent, clear information regarding any potential changes and that all potential levy payers have had an opportunity to know about, examine, discuss, question and give their views about any levy proposal that affects them.

The government considers a majority to be 50% plus one of the levy payers who choose to vote when voting on a levy rate takes place. However, the Minister will also seek to understand the context of the vote, including the consultation that occurred with industry on the proposal during the process.

TIMINGS FOR A DECISION

As outlined above a process has been set out for ROs to follow in developing a levy proposal and consulting with levy payers. These processes do not have set timelines but require the Minister to be satisfied with the consultation process undertaken and the outcome of the vote. Provided the Minister is satisfied these conditions are met a decision could be made relatively quickly.

For more information on a proposed approach see [here](#).



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NEXT STEPS FOR GRAINGROWERS

GrainGrowers is undertaking the following:

- Assessing the GRDC's [capacity review](#).
- Working with GPA and DAFF to clarify how a levy poll can be funded.
- Obtaining support from key organisations (GPA and state farming organisations) to commence a levy review process. See details [here](#).

KEEN TO SHARE YOUR THOUGHTS?

All growers are still encouraged to send through their views. Email enquiry@graingrowers.com.au or you can share a voice memo or text with your thoughts to 0479 052 734.

 1800 620 519

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