

JB & CJ Holmes

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Smoky Bay

SA 5680

June 11<sup>th</sup> 2010

The Director

Adjudication Branch

Australian Competition and Consumer Commission

GPO BOX 520

Melbourne

VIC 3000

Dear Sir

We are writing in regard to the application from SAOGA for re-authorisation of the spat levy.

We don't believe it is necessary to raise the levy for the following reasons.

- Since 1999 our spat purchases has more than doubled therefore doubling our contribution to the levy kitty. It would be fair and reasonable to say most growers are the same. Therefore since 1999 the amount growers pay would be doubled.
- We don't believe in the selective breeding program (genetics). In 2004 when there was a shortage in spat we purchased 100,000 of a rapid growth line and every time we graded it we had a 30% loss on the top line. We declared then never to buy genetically modified stock again. We have always purchased ordinary stock.
- There is also research done on marketing. We don't feel that SSAOGA and SOROC was there for marketing purposes more so for political and research reasons.
- The costs of SAOGA membership, PIRSA lease and licences, running cost have all gone up and the price of oysters continue to stay the same. For us to make a small margin of profit we need to sell more oysters.
- We feel that SAOGA and SAORC need to be smarter with the money received from the spat levy instead of increasing the levy .
- Just in case is not a good enough reason to raise the levy.

We will be asking for a detailed list of all research programs for the year and if the levy is raised then we will be asking for a return of the levy we pay taking into consideration of the research benefited for that year.

We do feel that research and development is a good thing and we need to have monies available for it we just feel that the increase would not be a good thing.

Regards

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