

## Spat Levy Proposal

I own and operate a small oyster hatchery in South Australia.

While I have no problem with the work ASI proposes to do to breed POMS resistant oysters, I am wary of taxes and levies being raised to fund non government activities. This is because organisations funded by private taxes are not subject to market discipline to produce useful results in a timely manner at an acceptable cost. It also adds to the cost of doing business.

The current contribution of \$1 per thousand spat sold, already used to fund SAORC, inflates the price of spat by varying amounts depending on each hatchery's selling price. In my case, this amount is 4.3% on top of the base price of spat. While this increase is acceptable provided SAORC has industry support, the addition of a further \$2.80 to fund ASI would bring this add-on to \$3.80 per thousand, or 14.7% of my base price of spat. Such an increase is an unreasonable distortion of spat prices.

Therefore I think the levy should be separated from the price of spat and collected independently by ASI or its agent as indicated in paragraph 5.4 of the submission, rather than appearing on spat invoices.

If ASI requests spat sales figures to prepare its invoices, and the proposal has customer support, I am willing to provide sales information on a confidential basis to an independent agent to do this.

Yours faithfully

Rod Grove-Jones

EP Shellfish