

Productivity Commission Inquiry – Wheat Export Marketing Arrangements

The Productivity Commission released its 390-page draft report in March. The report can be downloaded here: <http://www.pc.gov.au/projects/inquiry/wheatexport/draft> In short, the PC recommends that accreditation cease as of Sept 2011 and that port access oversight by ACCC end as of Sept 2014.

PGA Grains Committee is concerned about the monopolistic behaviour of CBH, linked to the ability of bulk handlers to also be traders. Because of the remnants of past regulation, lack of oversight of this issue is a threat to true market conditions in our state's wheat trade. We have made another submission to the Commission, and will be appearing before the commissioners on 3 May in Perth.

If you have comments, relevant information or stories that will assist in giving relevant information to the commissioners, please contact Janet Thompson 9881 5595 / 0417 815 595 or grains@pgaofwa.org.au

Productivity Commission Inquiry into RRDCs

The issues paper for the inquiry into Rural Research and Development Corporations (RRDCs), including GRDC, has been released, and a submission is being prepared. While it appears that producers can be kept busy at all times responding to inquiries, investigations, and reports, PGA Grains Committee deems it vital that we engage in these activities, as the prospect of what the outcome might be without our input is often scary.

Of particular concern in the issues paper was the recommendation that

Government money that might be saved, if federal matching funds for levy R&D were abolished, could go to CSIRO instead. While CSIRO was an excellent centre of scientific research in the past, it is now a political machine, largely devoid of adherence to scientific method. Any proposal as it relates to Rural Research and Development Corporations that involves increasing funding to departments or CSIRO will be heartily fought by this committee.

Fertiliser Contract Reneging

The instances of SuperFert renegeing on contracts to supply farmers are of grave concern to PGA. Advice we've received is that contracts are binding, and can be followed up by court action.

Many members have expressed alarm that, because SuperFert was subjected to its own supplier renegeing, the company could be forced into bankruptcy because of their unfortunate position. It is understood that SuperFert has offered new pricing to farmers that still is less than market price available from other suppliers, but this is little comfort to those who will face tens of thousands of dollars in higher than expected fertiliser bills this year.

At the same time, some members are distressed that if companies are not held to account on contracts, then the same problem might continue to be encountered in future. PGA will stand up for members in general when it comes to companies honouring contracts. Please contact us if you have been affected, so that instances can be properly documented.

National Representative Body

WAFF and New South Wales Farmers Association (NSWFA) have announced plans for a new national representative body for the grains

industry. The plans appear to revolve around increasing the influence of the NFF in the grain industry.

<http://theland.farmonline.com.au/news/nationalrural/grains-and-cropping/general/national-grains-body-one-step-closer/1807615.aspx>

PGA's Barry Large has been involved with Grain Producers Australia (GPA) in forming a replacement representative body that would operate on voluntary levies in the realm of 0.02 to 0.035%. The proposal of GPA is available upon request.

PGA is highly supportive of a voluntary-based organisation with voting rights based on tonnage delivered. We will continue to advocate for more grower control over both representation and levy dollars spending through this debate and the Productivity Commission's inquiry into the RRDCs.

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