



from the

# PRESIDENT'S DESK



## THE COST OF GETTING ALONG

CIVILITY is an important concept in the marketplace of ideas, but it should never undermine one's conviction – especially in order to get along with others.

There have been some calls for the PGA to just 'get along' in the current debate over Grains Express. Some calls for getting along go beyond mere civility to the idea of 'unity' for the protection of the WA grains industry

There are those who believe that the WA grains industry will be better served by demanding the PGA keep quiet about an open, competitive and efficient freight system and just allow CBH to continue to control the entire grain freight task. While giving in to this demand would produce a unified voice - unity in the marketplace of ideas is nothing more than another monopoly.

It should come as no surprise that those calling for 'unity' in the WA grains industry are pretty much the same people who were opposed to the deregulation of the wheat market. And as it was with the single desk debate, the same scare tactics and fear mongering that the introduction of any competition will lead to the collapse of the Western Australian grain industry is once again being espoused in order to protect the interests of those few who wield market power against so many.

What is surprising though is that one of the biggest supporters of the removal of the single desk – CBH – is now spending growers' funds on protecting its monopoly and preventing competition from entering the WA grain freight market.

CBH's latest ploy to purchase its own train sets and tender out operations to US based WATCO had nothing to do with protecting the interests of its members, providing competitive freight rates, or maximising the amount of grain on rail. It is solely about protecting its monopoly – as the ACCC is well aware.

There are many who disagree with the PGA's views on the corporatisation of CBH, however one thing no one can disagree with is honesty in the market.

Dishonesty in the market destroys its integrity, much like slander or gossip undermines free speech. The very best way to impose honesty in the market is to require transparency. However transparency does not exist within a monopoly because without competing interests, there is no alternative 'voice'.

The PGA believes in a Free Market – and it also believes in an 'honest' market. Where people deal honestly, they deal in the open, not in the dark. But an 'honest' market cannot exist where there is only one voice. There is one path to unity in agricultural production – competition.

*Rob Gillam*

THE PGA REPRESENTS THE INTERESTS OF FARMERS AND PASTORALISTS FROM ALL AGRICULTURAL AREAS OF WA, FROM ESPERANCE TO THE KIMBERLEY. PGA MEMBERS ARE MAJOR PRODUCERS OF AGRICULTURAL EXPORT COMMODITIES – INCLUDING GRAIN, BEEF, SHEEP AND WOOL – AND BELIEVE IN FREE TRADE, OPEN MARKETS, PROPERTY RIGHTS AND PRIVATE ENTERPRISE.

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