WESTERN GRAINGROWERS



NewsFax Issue 3

12 November 2010

The Grain Commodity Group of the PGA of WA (Inc)

Multi-Peril Crop Insurance

Pressure is being brought to bear on both State and Federal Governments to implement a Multi-Peril Crop Insurance Scheme that is Government-funded or at least Government Subsidised. Our position as stated to Senator the Honourable Joe Ludwig is:

"PGA supports a commercial development of multi-peril crop insurance. We support the Government's reform of the EC funding arrangements, subject to them being proven up.

"It is vital that farmers, like every other business person, innovate and adapt to ever-changing conditions. With Government subsidies of crop insurance, the incentive to do things differently is lost, and the rewards to excellence are watered down.

"We certainly recognise the pain that exists throughout our state at this point in time, and we believe that Government can make a big difference to producers by decreasing the amount of overregulation that exists. This would at least lead us to be more competitive with other exporting countries.

"The largest threat facing farmers is not the weather, which we in agriculture know to be an everpresent challenge. The largest threat we face is our own Government implementing legislation, policies and regulations that further hamstring our ability to respond to ever-changing conditions."

Strategic Grain Freight Network

On behalf of PGA, Gary McGill, Leon Bradley, Sheldon Mumby and Janet Thompson attended the meeting of 21 October. We endorsed the thrust of the SGFN final report. Our primary concern was that scarce funding for transport would be wasted.

It appears that common sense will prevail, and the Tier 3 lines that are economically unviable will not continue to be propped up.

WA Local Government Association (WALGA) is currently conducting a survey about the extent and cost of roads that will need to be improved when the lines close, and will be reporting on or before 4 December.

The Committee will reconvene in midto late-January to discuss the WALGA report in context of Government announcements to occur between now and then.

Productivity Commission Draft Report on RRDCs

A 309-page draft report has been released on the inquiry into Rural Research & Development Corporations. We made a substantial submission, and will be appearing at the Commission's Perth hearings on 25 and 26 November.

The upshot of the report is that Government matching contributions to levy-funded R&D will be halved over the next 10 years. We support a complete de-coupling of funding, as the pursuit of Government funding causes our own levy dollars to be misspent.

The report and submission (#115) can be found at

http://www.pc.gov.au/projects/inquiry/rural-research

Grain Producers Australia (GPA)

Grain Producers Australia has been appointed by the Minister to succeed Grains Council of Australia (GCA) in oversight of GRDC. On 12 & 13 October, meetings were held between GPA and SFOs and between GPA and GRDC. Our chairman was encouraged that general direction seemed very positive.

(Keith Perrott was appointed for an additional 3 years as Chairman of

GRDC by the new Ag Minister, Joe Ludwig.)

We are encouraging members to voluntarily join GPA in order to have a weighted vote (based on production) in this new organisation.

Another vote of thanks goes to Barry Large who has spent significant amounts of his own time and money in getting GPA off the ground.

Farm Management Deposits

Rick Wilson and John Snooke travelled to Canberra for the GPA/GRDC meetings last month, and had the opportunity to meet with our new Federal Minister for Agriculture, Senator Joe Ludwig.

The issue of increasing the limit on Farm Management Deposits was raised with Senator Ludwig, who has asked for a more substantial submission on the matter.

Should you have any ideas for reform that will add to flexibility in operating your farm business, please contact Janet Thompson.

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