

Mr Rick Wilson PO Box 33 KATANNING W.A. 6317

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The Secretariat Senate Rural & Regional Affairs And Transport Committee Room SG.62 Parliament House CANBERRA ACT 3560



Dear Sirs

Wheat Marketing Amendment Bill 2002

I welcome the opportunity to make a submission to this Senate enquiry. farm in partnership with my brother at Katanning in the Great Southern region of W.A. We have a major investment in the grains industry cropping 8000 acres annually and I believe that our profitability is directly and adversely affected by the activities of AWB Ltd.

The Wheat Export Authority has not performed over the three and a half years of its existence and if the government chooses to keep that Authority in existence, it should be funded from public funds. Whilst the Federal government continues to restrict my business opportunities through the regulation of the wheat industry, I do not believe I should have to pay a levy to fund the operations of what is a government authority.

The WEA has proven to be largely a defender of the status quo and is heavily influenced by the Grains Council of Australia and AWB Ltd. It should be truly independent of both of these organisations. The GCA even receives consultative funding from the WEA. The Wheat Marketing Act should be amended to cease this arrangement immediately. If a grower levy were to fund the WEA, my money would be used to subsidise the operations of the Grains Council of Australia, an organisation that does not represent me in any way.

The grower reports that WEA release are completely useless to wheat growers who want to assess the performance of AWB International. There is no analysis or economic modelling of any kind that can be used to tell me if AWB International is earning premiums over wheat from competing export countries.

The Wheat Marketing Act should be amended in some way to make AWB International accountable and the operations of the AWB Ltd group more transparent. The WEA should be made to report back to wheat growers with simple performance indicators of how AWB I is performing. This should be on a quarterly basis and available freely to anyone who wishes to access it.

The AWB Ltd group of companies generate much of their income from supplying services to the pools. This is done in a non-competitive arrangement which means these rates are not tested in the marketplace. The WEA has no mandate to examine this activity but it impacts negatively on my income as in W.A., I have little choice other than to deliver my export wheat to the AWB pools.

I trust that the Senate will take notice of this deplorable state of affairs and amend this bill where appropriate.

Yours faithfully

Fick Wilson