

THE SENATE

STANDING COMMITTEE ON RURAL AND REGIONAL AFFAIRS AND TRANSPORT

MEDIA RELEASE

Senate Committee Reports on proposed Wheat Export Marketing Bill

The Senate Rural and Regional Affairs and Transport Legislation Committee today reported on its inquiry into the exposure draft of the Wheat Export Marketing Bill 2008 and a related Bill.

The main purpose of the Wheat Export Marketing Bill 2008 is to implement reforms to Australia's export wheat marketing arrangements.

The bill will establish a statutory entity, Wheat Exports Australia (WEA), to regulate the export of bulk wheat from Australia though a wheat export accreditation scheme.

Under the bill wheat exporters who own and control bulk handling facilities will have to meet an access test before they can be accredited to export wheat.

In tabling the report, the Chair of the Committee, Senator Glenn Sterle, said "The committee has heard strong arguments for and against the passage of these bills."

"Some of the key concerns raised about the legislation relate to the provision for accreditation of exporters, the provision of access to storage and handling facilities and access to information."

Senator Sterle said that "the committee has received a clear message that the Wheat Marketing Bill should be amended to address these concerns and so we have made recommendations that we believe will facilitate that."

"Under the current draft of the bill, owners of port infrastructure must enter into an access undertaking approved by the ACCC before they can become accredited exporters. There is no similar requirement for owners of bulk handling and storage facilities at the up-country point of receival."

"We have recommended that this be amended so that all bulk handling and storage facilities owned by an accredited exporter will be subject to the same access requirements."

Senator Sterle said "The three major bulk handling companies have put forward a Supply Chain Code of Conduct as an alternative to lodging an access undertaking with the ACCC."

The committee heard evidence from a number of witnesses, including representatives from government departments and agencies, grower groups, industry organisations, peak bodies and farming groups as well as individual growers.

The committee received 48 submissions (including four supplementary submissions).

The committee appreciates the time and work of all those who provided both written and oral submissions to the inquiry.

The committee's report, the submissions and the Hansard transcripts of the committee's hearings are available on the parliament's homepage at <u>http://www.aph.gov.au</u>.

A list of the committee's recommendations are listed at Appendix A.

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30 April 2008

Appendix A

The committee made the following specific recommendations:

Recommendation 1

That the Wheat Export Marketing Bill 2008 when introduced into the Parliament address the issues noted in this report with respect to the accreditation of exporters and access to bulk storage and handling infrastructure as set out in paragraphs 3.45 to 3.146 and 4.14 to 4.30 of this report and that the other amendments suggested as follows also be reflected, namely:

- clarification of Wheat Exports Australia's (WEA) objectives;
- clarification and guidance in relation to the range of powers and discretions available to WEA;
- clarification and guidance in relation to the proposed process for renewal of accreditation;
- clarification of the process for review of decisions; and
- legislative provision for review of the legislation.

Recommendation 2

That the bill be introduced into parliament as soon as practicable to facilitate its passage prior to 30 June 2008.

Recommendation 3

The committee recommends that transitional financial education and counselling (particularly in marketing and risk management) should be provided through appropriate existing farmer organisations for a period of three to four years to help existing producers effectively transition to the new market operating environment.