



countries, and the rest of the world Australia will stand alone in not having :

Intervention stocks

Strategic reserves

Loan reserves

Set aside programs

Carryover facilities

Other forms of supply and demand management schemes.

The AWB has been progressively stripped of its abilities and powers to manage any problems associated with keeping, financing, and managing a reserve stockpile. Australia's present position is that there is no carry over to 2008/9.

However in future years we would hope and expect that Australia will grow surplus wheat that can be exported to the world and also fill a domestic shortfall in years of low production. With the continuing advent of climate change Australia's ability to grow our own wheat needs and reliably supply wheat to export markets is becoming less certain.

In years of exportable surplus it is not realistic to expect wheat growers to be able to finance the cost of a carryover of say 6 to 10 million tonnes of wheat, [a completely realistic possibility.] This should become a responsibility of government. In the absence of government the greed of wheat traders and wheat exporters [many of them foreign owned] would rule the day.

I ask the senate committee to recommend to government that experts such as professor Garnault, be appointed to recommend ways and means of addressing these problems.

Wheat marketing in Australia both domestic and export has a long history of ups and downs. The AWB incorporated most of the best marketing features and a lot of safety features for the benefit of domestic consumers and Australian wheat growers.

In deregulating the wheat exporting marketing system it is essential to keep and improve the best features of the old system and not "throw the baby out with the bath water".

Malcolm E McLeod