

SHIRE OF BEVERLEY

Submission to

**Senate Rural and Regional Affairs and
Transport Committee**

**Inquiry into the Wheat Export
Marketing Bill 2008 and Wheat Export
Marketing (Repeal and Consequential
Amendments) Bill 2008**

March 2008

THE SHIRE OF BEVERLEY

THE SHIRE OF BEVERLEY HAS AN AREA OF 2,310 SQUARE KILOMETRES, WITH A POPULATION OF APPROXIMATELY 1,600. THE BEVERLEY TOWNSITE IS SITUATED 130KMS EACH OF PERTH. THE EXISTING ROAD NETWORK COVERS 760KMS. 240KMS, WHICH IS SEALED AND 520 KMS UNSEALED.

BEVERLEY IS PREDOMINANTLY A WHEAT AND WOOL GROWING AREA. HOWEVER, SHEEP NUMBERS HAVE REDUCED SIGNIFICANTLY IN RECENT YEARS, LEAVING THE WHEAT INDUSTRY AS THE MAIN DRIVER OF BEVERLEY ECONOMY.

SHOULD DEREGULATION OF WHEAT MARKETING OCCUR THE SHIRE OF BEVERLEY IS GRAVELY CONCERNED THAT THERE WILL BE A SIGNIFICANT DECLINE IN THE NUMBER OF PRIMARY PRODUCERS WITHIN THE DISTRICT. THIS FEAR IS BASED UPON THE DROP IN SHEEP NUMBERS THROUGHOUT RURAL WESTERN AUSTRALIA (40 MILLION TO 17 MILLION) SINCE DEREGULATION. THE NUMBER OF DAIRY FARMERS HAS ALSO HALVED OVER THE LAST EIGHT YEARS WHEN THAT INDUSTRY WAS DEREGULATED.

THE SHIRE OF BEVERLEY IS EXTREMELY CONCERNED THAT THE DEREGULATION OF WHEAT MARKETING WILL HAVE A SEVERE IMPACT UPON THE ROAD NETWORK. IN RECENT TIMES CO-OPERATIVE BULK HANDLING (C.B.H.) HAS DOWN GRADED FROM GRAIN RECEIVAL POINTS WITHIN THE SHIRE TO SATELITE BINS AND HAVE DESIGNATED BINS AT BROOKTON, YORK AND QUAIRADING AS STRATEGIC BINS. TO CATER FOR THIS ARRANGEMENT COUNCIL IS EXPENDING LARGE SUMS OF MONEY SO THAT ROADS ARE CAPABLE OF HANDLING HEAVY HAULAGE

TRAFFIC TO THE STRATEGIC RECEIVAL POINTS. THE C.B.H. POLICY HAS ALSO PLACED ADDITIONAL FINANCIAL PRESSURES ON LOCAL FARMERS AS THEY HAVE BEEN FORCED TO PURCHASE SILOS FOR ON FARM STORAGE CAPACITY AND MUCH LARGER VEHICLES FOR TRANSPORTING GRAIN. SHOULD THE DEREGULATION OF THE MARKETING OF WHEAT PROCEED THE GOLDEN REWARD INITIATIVE WILL DISAPPEAR. IT IS HIGHLY LIKELY THAT THE GRAIN FLOW WILL RETURN TO THE NON STRATEGIC BINS. THIS LIKELIHOOD WILL MEAN THAT THE ENTIRE ROAD NETGWORK WILL AGAIN CHANGE ADDING TO THE ALREADY OVER STRETCHED BUDGET OF COUNCIL. THIS COMES AT A TIME WHEN ROAD PRICE INDEX FOR WESTERN AUSTRALIA HAS INCREASED BY 20% WHILST STATE GOVERNMENT FUNDING HAS REDUCED BY 15.1%

DEREGULATION OF WHEAT MARKETING WILL HAVE A DRAMATIC IMPACT ON THE NUMBERS OF FARMERS WITHIN THE DISTRICT, WHICH WILL NOT ONLY AFFECT THE FINANCIAL VIABILITY OF BEVERLEY, BUT WILL DESTROY THE SOCIAL FABRIC OF THE COMMUNITY. THE FLOW ON AFFECT WILL BE FELT BY THE SCHOOL, HOSPITAL AND LOCAL RETAILERS.

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