Senator

Mary Jo Fisher

Dear Senator

Further to our conversation In Canberra on Tuesday I spoke to you after the close of the hearing and would like to thank you for your endeavours. I must ask you to help discredit this shocking knee jerk and political minded legislation the government is trying to shove on the wheat industry, I am concerned that you and the Liberal party do not understand the shocking effect that this legalisation will have on the wheat industry.

I would like to expand on the issues I discussed with you.

- (1) The best thing for the wheat export legislation is to throw it out.
- (2) If this is not possible then two main areas that must be addressed by amending the bill; are.
 - The matters of access to port and up country storage and rail services, if passed as it is not only will we have no market power we will have no choice in who we sell to and no ability to be paid for the quality we produce. Even Senator Heffernan seems to be starting to understand this, so it must be very obvious to everyone else if he can see it.
 - Where some minor changes could be made, which would have a major effect on the legislation and give us the possibility of being paid for the quality wheat we produce and limiting the lies that the grain traders will tell us; are.

1

Put in the legislation that all holders of bulk export licences must offer "the Golden Rewards" payment system, on all major grades of wheat (ASW,APW,AH,APH) and that these grades be the standard that is used, this is for cash and pool wheat. I will detail more on this at the end.

That all holders of export licences must buy all wheat that is offered to them.

- It may not be possible to make cash buyers buy all that is offered to them,
 However
- By making the private traders operate their pools under some of the rules that AWB operated its national pool under, would make the traders be careful with what lies they tell us about their pools.

\mathbf{A}

They must declare pool closure dates (be it state, port area or regional area) before harvest.

They must open a Number 2 pool which would need to stop open until a set date.

\mathbf{C}

All pools must make an advance payment of at least 90% within 21 days of delivery

D

That all pools are examined and reported on in the same way that the AWB pools were reported on, with reports back to farmers. This would be carried out by the new WEA.

Explanation on the points above.

(1)

I and the rest of the growers see that there will soon only be one grade of wheat, lets call it Australian wheat. This will be the wheat that is priced and buyers will compete on, they will try to buy it as cheaply as possible. When they receive it they will separate in to their own segregations so that they can make the real money from having specific grades or blending, this is where the real money is (\$20-50per ton). By keeping this system we may keep our quality up, and be paid on quality produced. (Even Senator Heffernan mentioned the money made from blending). Wheat which does not make the quality will be paid a lesser price, and it may be blended up a quality level.

The value of the golden rewards increments would be set before harvest by ever who ends up doing the industry good services and "perish the thought" maybe even some of the traders, a minimum level could be set then buyers could compete by increasing the amount of the increments.

(2)

It may not be possible to make them buy wheat for cash however by putting some of the rules of the AWB pools in legislation we will have some idea of what will happen at harvest. One of the big things is traders giving false prediction on pool returns, by making them pay a 90% payment we can then only be ripped of for 10% of the value of the pool; this will also make any Cooperative systems that might spring up be responsible in their pricing.

Peter Mooney