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Committee Secretary
Senate Standing Committees on Rural and Regional Affairs and Transport
PO Box 6100
Parliament House
CANBERRA ACT 2600

AgForce is the peak representative body for rural broad acre producers in the cattle, grain and sheep and wool sectors of Queensland. AgForce has established a vast regional and rural network in Queensland and represents a comprehensive geographical coverage of the Queensland rural industry.

Through the combined strength of our members, AgForce is an extremely effective lobby group for Queensland rural producers and we continue to work closely with government, industry and the community to ensure the viewpoints and concerns of farmers are professionally represented at the highest level.

We would like to propose that instead of abolishing the WEC that the function and role of the WEC be changed. We would like to see the funding mechanism and the organisational shell be retained for industry oversight and good purposes.

Primarily the restructured WEC would be industry an funded body responsible for ensuring the quality of Australian wheat and undertaking industry good functions.

The deregulated wheat export market is really only 3 years old, and there is a real need for oversight of the export market. There are many other industries that most would consider to be very mature, for example the ASX and the banking industry, which have regulatory bodies.

Both APRA and ASIC are regularly involved in reprimands and proceedings against organisations under their jurisdiction despite overseeing a very mature industry.

The restructured WEC would oversee exporters, for example issuing ‘a licence to export’ to all exporters. They would also have the power to revoke the licence should an exporter breach the conditions.

It would also complete many industry good functions that the single desk undertook that industry believes need to return. The biggest one being data collection. There are currently three major players in grain storage and logistics and each basically has a monopoly in their operating area and as a result, do not divulge any information about stocks held.

The ASX for example, due to their regulated environment, has mandatory full information flow, rather than allowing the rumour and innuendo that currently occurs in the grain industry.

We are not seeking the WEC duties to be as exhaustive as say the United States and Canadian bodies. However activities such as random audits of grain, for example to ensure that it is meeting the specifications detailed in the contract would be sufficient.

The restructured WEC would continue to be funded by the industry, using the current funding mechanism. Decision about the levy, to increase or decrease for instance, would be conducted the same way as any other levy collected on behalf of industry. i.e. The research levy.

We believe that by not have a regulating body we are putting the future of the Australian wheat industry in jeopardy. Given the size of our crop compared to the rest of the world quality and integrity are two of our most important competitive edges and a regulatory body is need to keep this.

Should you require any further information please do not hesitate to contact us.

Yours faithfully

Nina Murray
AgForce Grains Policy Director