



Foreign Agricultural Service

**GAIN Report**

Global Agriculture Information Network

Voluntary Report - public distribution

Date: 10/16/2000

GAIN Report #AS0039

## Australia

### Grain and Feed

# Draft Review of Single Desk Wheat Marketing 2000

Approved by:

**Randolph H. Zeitner**

**U.S. Embassy**

Prepared by:

Randolph H. Zeitner

---

#### Report Highlights:

**The draft review of the Wheat Marketing Act of 1989 was released on Friday, October 13, 2000. Preliminary recommendations include - maintain single desk until 2004 and deregulate exports of bulk durum and wheat in containers and bags.**

---

Includes PSD changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Canberra [AS1], AS

The draft report on the National Competition Policy (NCP) Review of the Wheat Marketing Act of 1989 was released on Friday, October 13, 2000 for public comment. Under the NCP, Australian Governments are reviewing legislation that restricts competition. The review of the Wheat Marketing Act announced by the Federal Minister for Agriculture, Fisheries, and Forestry, Warren Truss, on April 4, 2000 is part of that process. Minister Truss directed the committee to focus on those parts of the legislation which restrict competition, and/or impose costs and/or benefits on businesses involved in the wheat industry and/or the community generally.

The draft report presents "preliminary views rather than recommendations." Among the preliminary views are: maintaining single desk selling of Australian wheat until 2004; deregulate for a trial period until the end of 2004 the export of all wheat in "containers and bags"; deregulate, for a trial period of three years, the export of durum wheat in bulk.

The Review Committee also invites comments on the following suggestion:

The single desk be retained for all markets except designated export markets that satisfy a number of special conditions, including: there is no demonstrated capacity to capture a single desk price premium and imports of wheat are not controlled by a State Trading Enterprise or other monopsony; the freight cost of exporting wheat from Australia is greater than that for at least one other major exporting country; and the primary mechanism for purchasing wheat is competitive (e.g. open tenders). The export of wheat in bulk to designated markets that satisfy the above conditions should be deregulated for a trial period of three years.

The committee received over 3,100 submissions from stakeholders and summaries of the major submissions are included in the report. One note of special interest is the claim by the AWB International Limited that it had gained an overall price premium of \$A8.72 per ton on exported wheat.

A series of public forums will be held in wheat growing areas during November and December. These forums are designed to encourage discussion and feedback on the draft report. Written comments from stakeholders on the draft report must be submitted by 17:00 on November 13, 2000 and the report will be finalized by the end of December.

The full report can be found on: [www.affa.gov.au/wma](http://www.affa.gov.au/wma).