



Wheat Growers' Action Group

MEDIA RELEASE

Burke's Wheat Bill screws farmers!

Wheat growers are demanding the federal government compensate them for loss of income and transfer of risk if its Wheat Export Marketing legislation is passed by parliament.

The legislation was introduced to parliament last Thursday and threatens the livelihood of thousands of growers and rural communities and removes the only advantage that Australian farmers have over heavily subsidised international competitors.

"The legislation will abolish the National Pool, which has been an effective and orderly marketing system. It also meant farmers were guaranteed a buyer of their wheat which will no longer be the case under the government's changes," WGAG chairman, Peter Cannon, said.

Mr Cannon says the new laws favour big business and multi-nationals by granting them licences to export Australian wheat. Growers are worried the export companies will drive down prices as they compete to secure overseas markets.

There's also grave concerns about regional monopolies controlling the movement of wheat, and bulk handling companies restricting grower access to up-country storage and port facilities.

"There's a likelihood that the bulk handlers may not apply for export permits but will accumulate wheat and act as a front for the multi-nationals," Mr Cannon said. "This will allow a situation where the mega-traders will avoid scrutiny by taking control of the wheat as it leaves the port.

"The American multi-national, Cargill, would under Rudd's system, through its link with the cash-strapped Graincorp, control the crop from paddock to customer. The champagne corks will be popping in Cargill's head office."

The WGAG also accuses the federal government of hypocrisy in its response the USA last week passing its Farm Bill to continue to pay \$US307 billion in subsidies to its farm sector, which is in direct conflict to the objectives in the Doha Round of multilateral trade negotiations.

"Mr Burke said the Rudd Government worked hard to seek a level playing field for Australian producers, yet it is moving to punish growers for the perceived misdemeanours of others," Mr Cannon said.

"How will this level playing field work with the proposed new wheat export marketing legislation that will see Australian wheat growers lose their only advantage - that is our single desk marketing system that has served Australia for well over 60 years?"

“The Trade Minister, Simon Crean, expressed his dismay at the increase in farm support in the US Farm Bill. How does he think the Australian wheat growers feel at our own government proposing to remove our only step on to this “level playing field,” and thus adding further to the delight of the US wheat growers!”

Mr Cannon says the Federal Labor Government will need to provide an industry adjustment package in excess of \$10 billion to allow growers any chance to operate and remain viable under the new legislation.

“To add to the insult, growers are likely to be hit with a levy to pay for the \$4 million dollars the government has pledged for the annual budget of Wheat Exports Australia – the industry’s new regulator,” he says. “And there’ll also be a tax-payer funded education scheme to teach growers how to market their grain under the changes. It’s more unnecessary waste of tax-payer funds when there’s already a proven marketing system in place, a system that more than 80 per cent of growers want to remain.”

WGAG members are deeply worried the new wheat export bill has the potential to send growers broke and family farms will disappear along with those communities that rely on them.

So too does the Country Women’s Association (CWA), which at its recent annual conference called on the federal government to retain the present wheat marketing system for the 2008/09 cropping season. They also called for growers to be surveyed on whether they want the current system retained, just as Kevin Rudd had always demanded of John Howard.

The WA Farmers Federation and the Wheat Growers Association (a national body) has also confirmed its support for WGAG.

“I call on Minister Burke to withdraw the bill immediately and allow the current national pool system to remain in place for the 08/09 harvest, to avoid a debacle which will see the collapse of the Australian grains industry,” Mr Cannon said.

“Growers will take direct action to ensure that their message gets through if this Government insists on pushing the Bill through and there is no doubt that it will suffer acute embarrassment as it attempts to justify this sell out of Australian interests.”

WGAG has launched a petition opposing the Wheat Export Marketing Legislation – go to its website: www.concernedwheatgrowers.com

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