



Bruce Layman
Chief Economist
Economic Regulation Authority

cc Paul Mattingley

Dear Bruce,

Please find our submission to the ERA (Economic Regulation Authority) in regards to the regulated Potato Marketing Corporation system on what effects it has on the Seed Potato industry in Western Australia.

The Potato Marketing Corporation has no negative effects on the Western Australia Seed Potato Industry, however the PMC have many benefits including:

1. Western Australia has less viruses and no PCN (Potato Cyst Nematode) due to the PMC measuring and recording of every potato grown in WA on a year in, year out basis. This is in stark contrast to the non-regulated system in other states where PCN and Virus Y are rampant.
2. The PMC guarantee payment to the ware growers who then in turn pay the seed growers. This minimises the complete disaster that had unravelled after the collapse of Mondello Farms leaving many growers and consequently seed growers left being owed substantial amount of money with little or no chance of receiving the money owed.
3. Cowboy Ware/Organic growers in the Potato Seed industry are not a good mix. There is a high risk of introducing diseases and infecting soils due to them not performing WASPPs Aphid Protocol.
4. The PMC is underwriting the introduction of certain new varieties.
5. Through the regulated system, all fees and charges are collected and therefore monies are going back into the Potato Industry for further research and development.

We value the Potato Marketing Corporation operation in Western Australia and we look forward in continuing our relationship with them for many years to come.

Regards,

Colin Ayres
President

12th March 2014

*Chairman: Colin Ayres
Secretary: Kate Westcott*