



Mr Bruce Layman
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Economic Regulation Authority
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Dear Bruce,

Regarding The WA Seed Potato Producers submission to the ERA inquiry discussion our paper stated emphatically that the Potato Marketing Corporation has no negative effects on the Western Australia Seed Potato industry. Indeed in our submission we pointed out there were many benefits to the seed industry from the activities of the PMC.

It is therefore unfathomable how the ERA concluded that the activities of the PMC restrict this industry. The ERA draft report claims to base its conclusions on discussions between the ERA and Seed Potato producers that supply the international market (p278). We are at a loss as to which Seed producers were consulted. Certainly this is not the view of WA Seed Potato Producers or its members. In any event the ERA has been misled by any such comments.

The PMC **do not** regulate the production of seed potatoes. Growing of seed potatoes and their export is not subject to any controls by the PMC.

The ERA report claims that restricted access to the DME is the main reason the seed potato industry has not expanded more.

I would challenge ERA draft report author to substantiate this claim.

Many of our members have had DME, and in the past have tried to place out of spec seed potatoes on the domestic market. The end result is that over a 10 year period, up until today, almost all seed growers have relinquished their DME because of the out of spec seed potatoes that may be generated are simply not acceptable quality to place on the local fresh potato market.



Western Australian fresh market is a very sophisticated washed potato market with very high quality standards.

It is interesting to note that a majority of seed exports to South East Asia are for crisping potatoes which are of the Atlantic variety and these are unable to be placed on the ware market as this variety is not suitable for fresh potato use.

THE WASPP reiterates its position that the PMC has no negative effects on the WA Seed Potato Industry and rejects that any substantiated evidence to the contrary has been revealed in the ERA Draft report.

Regards,

Colin Ayres
President

7th May 2014