

NOTICE

Review of the *Grain Marketing Act 2002*

DRAFT REPORT

The Economic Regulation Authority today published a Draft Report on its Review of the *Grain Marketing Act 2002*. A copy of the report may be accessed on the Authority's [web site](#).

The Terms of Reference require the Economic Regulation Authority (**Authority**) to conduct an inquiry into the operation and effectiveness of grain marketing in Western Australia, as prescribed by the *Grain Marketing Act 2002*. The Final Report for the inquiry will be delivered to the Treasurer by 27 June 2008.

The Draft Report presents the preliminary findings and recommendations of the Authority regarding the *Grain Marketing Act 2002*. The key findings are as follows:

- The introduction of the Grain Licensing Authority (**GLA**) has been effective at increasing grain market competition, which has provided a greater range of selling options for growers of prescribed grains, including access to higher priced cash contracts;
- On the available evidence:
 - there is no indication that single desk marketing results in price premiums for barley, canola or lupins; and
 - there does not appear to be a net public benefit in retaining restrictions on the bulk export of barley, canola or lupins;
- The removal of the current licensing requirements is likely to lead to greater competition in the WA grain market;
- The introduction of a South Australian-type accreditation system for prescribed grains is unlikely to deliver significant benefits; and
- Access to infrastructure is an important element in ensuring competition in the accumulation of Western Australian grains.

The Authority's draft recommendations for future grain marketing arrangements in WA are that:

- barley, canola and lupins should no longer be prescribed;
- the GLA is no longer required to assess export licences; and
- the *Grain Marketing Act 2002* should be repealed.

Given the introduction of the new Federal wheat export scheme, the Authority considers that it would be preferable that the recommended arrangements for barley, canola and lupins exports be in place for the 2008/09 harvest.

The Authority welcomes submissions on these recommendations and the other preliminary views presented in the Draft Report. Submissions should be received no later than **4:00pm WST 16 May 2008**.

Submissions can be emailed to grainmarketing@era.wa.gov.au or addressed to:

Review of the *Grain Marketing Act 2002*
Economic Regulation Authority
PO Box 8469
Perth Business Centre
PERTH WA 6849
Fax: (08) 9213 1999

Submissions made to the Authority will be treated as in the public domain and placed on the Authority's web site unless confidentiality is claimed. The submission or parts of the submission in relation to which confidentiality is claimed should be clearly marked. Any claim of confidentiality will be dealt with in the same way as is provided for in section 55 of the *Economic Regulation Authority Act 2003*.

For further information contact:

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7 April 2008