**Wheat Marketing Amendment Bill 1988**

**Date Introduced:** 19 October 1988  
**House:** House of Representatives  
**Presented by:** Hon. John Kerin, M.P.; Minister for Primary Industries and Energy

**Digest of Bill**

**Purpose**
To allow the Australian Wheat Board (AWB) to enter into multiple contracts for wheat storage, handling, carriage and port services.

**Background**
The AWB is a marketing co-operative whose primary objective is to secure, develop and maintain markets for Australian wheat and to maximise the return to growers. Among the AWB's other objectives are the development of an efficient marketing framework, the establishment of efficient management and the encouragement of planning and co-ordination in the wheat industry.

The *Wheat Marketing Act 1984* (the Principal Act) in conjunction with the various State Wheat and Marketing Acts grants the AWB a monopoly over the marketing of wheat, both internationally and domestically. In 1986–87 Australia exported 15.6 million tonnes of wheat to 47 countries. Income from export sales in 1986–87 was $2.3 billion, almost a third less than the previous year ($3.2 billion). The Australian market accounted for 1.6 million tonnes in 1986–87 generating income of $326 million, down $37 million on the previous year.¹

Bulk handling authorities (BHAs) in each State receive, handle and store wheat on behalf of the AWB according to commercially negotiated agreements. In 1986–87 more than 95% of growers were paid within 21 days of delivery of their wheat to BHAs. The AWB employed 390 full time staff in 1986–87.²

In April 1986, a Royal Commission (the Commission) was established to inquire into the most efficient and cost-effective grain storage, handling and transport system. The general thrust of the Commission's findings was that efficiency in the storage, handling and transport system would best be achieved by a mixture of administered efficiency and deregulation. The Commission recommended that Commonwealth and State wheat marketing boards be required to minimise storage, handling and transport costs and reflect in returns to each grower the actual charges incurred by that grower for storage, handling and transport services. In addition, it was recommended that wheat marketing boards should not be restricted to only one licensed receiver in each State.³
Main Provisions

The AWB will be given power to enter into multiple contracts for grain storage, handling, carriage and port services. As well, wherever practicable, the AWB is to specify in accounts to growers, charges made for grain storage, handling, carriage and port services (clause 4).

References

2. Ibid., pp. 19 – 22.

For further information, if required, contact the Economics and Commerce Group.

17 January 1989

Bills Digest Service
Legislative Research Service

This Digest does not have any official legal status. Other sources should be consulted to determine the subsequent official status of the Bill.

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