

GRAINMatters



EDITION 74 - APRIL 2023

UPCOMING EVENTS

- Grain Export Execution & Risk Management — 17-18 May (Melbourne & Zoom)
- GTA Member Event in Adelaide — 29 May (Strathmore Hotel, North Terrace)
- Australian Grain Storage & Protection Conference — 7-8 June (Melbourne)
- Arbitrator Training — 15 June (Zoom)
- Australian Grains Industry Conference — 26-27 July (Melbourne)

In this Issue:

- Goyders Line
- Cross Contamination (TGD No. 18)
- Coming to the Canola Supply Chain – New Herbicide Tolerant Trait Technology
- Bulk Vessel Inspection
- EU to Reduce its MRL for Haloxypop
- Submission – DAFF Fees for Biosecurity Activities
- Upcoming workshops
- Vietnamese Workers – Agricultural Visas
- Further Container Terminal Fee Increases

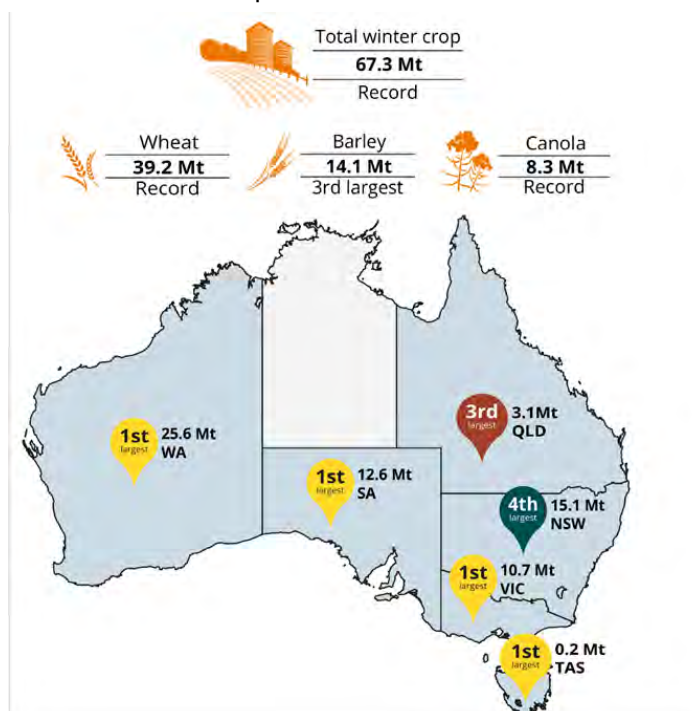


Dear GTA Members,

The 2022/2023 ABARES winter crop production continues to be revised higher with the new record now estimated by ABARES of 67.3 million tonnes now surpassing the previous record by 4 million tonnes.

However, the most recent ABARES current year (2023-24) forecast is for production to be close to average. This is based on statistical analysis and current climate model projections and includes an assumption the agricultural sector will be affected by a flip into El Niño or positive IOD led drought like conditions in 2023–24 under both climate scenarios.

Figure 1. Australian 2022/2023 Winter Wheat Crop Production



After some good recent rainfall and excellent sub-soil moisture conditions in most of the national cropping areas the 2023-24 planting is now well underway and fingers crossed, we get adequate in-crop and finishing rains.

Whatever the outcome the logistical challenge of moving current stocks into export markets continues with shipping and freight movement records toppling around the country.

However, even with these records being achieved records the grain industry and the trade are still being unfairly criticised by groups such as Grain Growers Limited who recently made a rush to the media with unsubstantiated claims of a \$65 a tonne anomaly in Australian grain prices.

GTA, responded to these opportunistic claims with a detailed press release refuting them and highlighting:

- the supply chain actual performance and ABARES are forecast of a record 48.6 Mt of exports for the full 2022/23 season which is 13% greater than the previous record set only last year in 2021/22 at a then record 47 Mt and significantly above the 10-year average of 29.7 Mt.
- There has been significant increase in competition through private investment and expansion in export capacity since deregulation of wheat exports in 2008. In 2008 there were 18 bulk grain export terminals operated by 4 companies. In 2023 there are 32 bulk grain export terminals operated by 18 companies, in addition to significant growth in the number of container packing facilities for export.

GTA's view is market forces continue to generate export records and supply chain investment and calls for supply chain reviews are not required!

GOYDER'S LINE (Cont.)

One thing I am happy to report about is that progress is being made between China and Australia to review the **Anti-dumping (AD) and Countervailing Duties (CVD)** imposed on Australian barley exports to China.

A recent announcement is an important step forward in seeking resolution of these issues. The announcement details an agreement which may see the timely removal of the import duties on Australian barley.

This two-step process will see China initiate an expedited review of these duties on Australian barley. This review over three months will include an option to extend, and also time to implement the review's findings. Australia will also suspend the WTO dispute and if the duties are removed (from the China review) the case will be withdrawn. Further information is available in this [GTA media release](#).

There are some other important comments I would like to make:

- **GTA Grain Trading Standards**
 - The GTA Grain Trading Standards process continues and there will soon be released the 2nd call for consultation seeking input into proposed and future proposed changes to the Trading Standards.
 - This annual Trading Standards process is a critical industry activity, and you are encouraged to engage and participate in this review process.
- **Congratulations to Julia O'Keeffe/Love**
 - GTA members who have the pleasure of interacting with GTA's Finance & Administration Manager and Company Secretary should be aware as a result of recent nuptials Julia O'Keeffe has undergone a name change and is now Julia Love. Our congratulations and best wishes to Julia and Dave!

Andrew Goyder
Chair—Grain Trade Australia



CROSS CONTAMINATION (TDG NO. 18)

FertCare an initiative of Fertilizer Australia lifts the skills and knowledge of anyone involved in the supply of fertilizer and soil ameliorant products. It ensures that high quality advice is passed on to farmers, allowing them to optimise productivity while minimising environment and food safety risks.

FertCare and GTA work together to promote the safe carriage of grain in road trucks that have previously been used to haul fertiliser treated with fungicide, inhibitors and/or bio-stimulants.

Maximum Residue Limit (MRL) violations have arisen when marketing grain carried in trucks that previously carried fertiliser treated with the fungicide flutriafol. Risks also arise with other similarly treated fertilisers.

The FertCare and GTA message is:

- If fertiliser treated with an agricultural chemical has been hauled in a truck the truck following discharge must be thoroughly cleaned using various methods to prevent cross contamination.

Fertiliser retailers are provided a helpful [FertCare fact sheet](#) as a reminder to staff, transport contractors and farmers about this risk and encourage them to adequately clean equipment after the carriage of treated fertiliser.

The FertCare fact sheet includes a link to GTA information available here: [GTA TGD No. 18 Truck Cleaning Procedures - Treated Fertiliser](#).

It would be appreciated if GTA members who regularly provide information to grain producers could share this information and Fact Sheets.

COMING TO THE CANOLA SUPPLY CHAIN – NEW HERBICIDE TOLERANT TRAIT

GTA's Market Choice Framework, is an industry framework managed by GTA that outlines the industry agreed process for the implementation of new GM traits into the supply chain and markets.

Corteva agriscience in February announced plans for the commercial launch of Optimum® GLY canola – an advanced herbicide-tolerant trait technology for canola farmers. In 2023, Optimum GLY canola will be available through Pioneer Seeds for demonstration trials and bulking up prior to being commercially available in 2024.

Optimum GLY herbicide tolerance trait canola is a new glyphosate-tolerant GM technology.

Whilst not widely available during the 2023 season it is forecast small amounts of Optimum GLY canola **will enter the supply chain in 2023**. Information on likely areas of production whilst being sought is not yet available to GTA.

As this is a new and separate trait to prior technology it requires a **new rapid test to be undertaken at receipt sites** (in addition to the existing RoundUp® Ready Test) where the delivered canola is declared as non-GM.

- Agdia Inc has commercialized an ImmunoStrip intended for the qualitative determination of Optimum GLY in canola.
- This [Agdia test User Guide](#) has some differences to the existing Test Strips in use:
 - Ground sample must be from a 1000 canola seeds sample.
 - ImmunoStrips should be refrigerated when stored.
 - Kit contents should be warmed to room temperature prior to use.
 - Ground seed and PBS mixture must sit for 5 minutes prior to testing with ImmunoStrip.
 - ImmunoStrip must incubate in the extract for more than 10 minutes.

Optimum GLY has arrived. GTA is conscious there is more information and detail that is required to manage its integration into the supply chain and will work with Corteva, Pioneer Seeds and the AOF to ensure all grain storage companies and trade participants are fully briefed on the requirements for accepting and testing prior to any Optimum GLY canola entering the post farm gate grain supply chain this year.



Canola Trials Wagga Wagga NSW

BULK VESSEL INSPECTION

An industry Working Group of GTA, DAFF and the Australian Institute of Marine Surveyors has been considering opportunities to combining some of the roles of the Bulk Vessel Inspection Authorised Officer (AO) and the Marine Surveyors (MS) performing bulk vessel survey. There are benefits that can be achieved through the process of reviewing the roles to remove duplication.

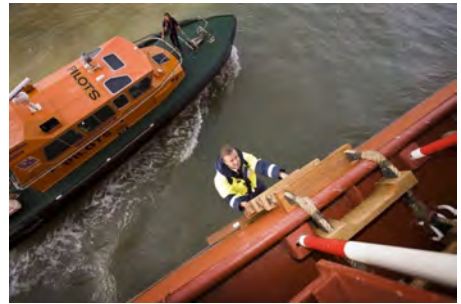
The AOs and MS whilst doing similar roles are employed and reimbursed by different parties. As in any commercial relationship there are points of conflict and competing interest that generate slightly different priorities and potential outcomes. However, these can be examined, isolated and potentially procedures installed to mitigate any associated risk. The use of Technology including body cameras (already used for DAFF audits) will be considered as a means to support any initiatives.

A major impediment in the dual process is due to DAFF safety restrictions for Government employees and contractors to **inspect vessels at anchor**. At ports where there are no safe anchorage DAFF AO inspections are required to be performed at the loading berth. This impacts on export efficiency and when a vessel fails the AO inspection may shut the supply chain down for days.

As an adjunct to the Working Group work has also been progressing to increase the number of seaport terminals that are qualified as having **protected anchorage** and therefore allow AO inspection to occur whilst the vessel is at anchor.

GTA is pleased to announce DAFF has now advised they have approved a new protected anchorage for the inspection of bulk vessels by AO inspectors to include Port Phillip Bay (Victoria). This approval benefits bulk grain vessels scheduled to load at bulk seaport terminals and mobile loading sites in Melbourne and Geelong.

This approval is greatly welcomed by the Working Group as it will improve the efficiency for all supply chain participants using these ports.



EU TO REDUCE ITS MRL FOR HALOXYFOP

The European Union (EU) has announced it intends to reduce the maximum residue limit (MRL) for the herbicide haloxyfop.

To meet this changing MRL, 2023/24 canola treated with herbicides that contain Haloxyfop should not be delivered or received into the Australian grain handling system for canola segregations (grades) destined for export.

GTA and other industry associations and the GRDC has released an [Information Sheet](#) to provide the background on the EU's decision and to be proactive and help inform growers, agronomists and industry about these important changes.

This change is necessary as, if delivered, it will jeopardise market access to the EU for Australian canola. This applies to canola received in the 2023/24 season. It also applies to pulses.

GTA also wishes to thank the GRDC, DAFF (specifically the NRS) and the National Working Party on Grain Protection (NWPGP) for their efforts and attempts over recent years to prevent and delay this EU decision.

The NWPGP:

- Is the body responsible for providing management and leadership to the entire grain industry in the areas of:
 - post-harvest grain storage and hygiene, and chemical use,
 - outturn tolerances,
 - international and domestic market requirements and chemical regulations.

The NWPGP is celebrating the amazing milestone of the 50th NWPGP conference in Melbourne on the 7th and 8th June 2023. Please join industry at this conference to acknowledge and applaud 50 continuous years of service to the grain industry.

AUSTRALIAN GRAIN STORAGE & PROTECTION CONFERENCE

NWPGP

National Working Party on Grain Protection

Celebrating **50** years



REGISTER TODAY TO SECURE YOUR TICKET!



MEETING MARKET REQUIREMENTS

BROUGHT TO YOU BY THE NATIONAL WORKING PARTY ON GRAIN PROTECTION

7-8 JUNE 2023

727 COLLINS ST, DOCKLANDS VIC



SUBMISSION – DAFF FEES FOR BIOSECURITY ACTIVITIES

As discussed in the March Goyder's Line **Government funding and budgets** are a hot topic now within the Department of Agriculture, Fisheries and Forestry (DAFF).

Much of the DAFF funding comes from charging cost recovery fees to cover its activities. As a result, **grain exporters are charged fees on a user pays/cost recovered basis** for the DAFF government services that are utilised when exporting grain. **In short, grain exporters pay for the industry's access to export markets.**

Given the grain industry has seen some of the best seasons of production and consequently exports excess funds have been collected from grain exporters, i.e., GTA members.



However, publicly reported budgetary issues across DAFF's portfolio has resulted in a range of unilateral cost saving measures being introduced across DAFF including restrictions on travel and training, re-prioritising projects and a reduction in contract workforce numbers.

DAFF is now also in the process of reviewing its fee structures and is proposing changes to regulatory fees and charges for the biosecurity cost recovery arrangement. The biosecurity process on imported products is reportedly under-collecting. GTA has been informed a project to review the export DAFF fee structures for grain and other plant products is underway.

GTA has provided a [Submission](#) into the Proposed Changes in Regulatory Charging for Biosecurity Activities.

The Submission stated:

- Government should be accountable for the efficient use of industry funds.
- The appropriation and allocation of cost and the accounting for each sector is important.
- It is important this reform process does more justify an increase of the fees of the Export Cost Recovery fees.
- It should have a focus of providing industry the services that they require and have been effectively paid for through regulatory charges.
- The reform should also consider investment in strategic and transformative projects to create efficiency and improve the DAFF capability to meet current and future biosecurity and trade challenges.



UPCOMING WORKSHOPS

May 2023

17-18 May 2023 — **Grain Export Execution & Risk Management**
Various presenters in Melbourne and via zoom

[Register for Grain Export Execution Workshop](#)

Early Bird
closing
tomorrow!

June 2023

15 June 2023 — [Arbitrator Training](#), Presented by Geoff Farnsworth via zoom
21-22 June 2023 — **Grain Trading for non-traders**, Presented by Lloyd George in Melbourne
28-29 June 2023 — **Grain Merchandising** Presented by Lloyd George via zoom

[Register for June Workshops](#)

VIETNAMESE WORKERS – AGRICULTURAL VISAS

In January 2023 Vietnam and the Australian Government agreed to proceed with an agreement to supply Vietnamese workers under the AAV (agriculture visa) program.

A Vietnamese consortium is currently finalising a pilot for this Australian visa program.

The consortium is exploring the value of working with industry groups and their members including GTA.

They are of the belief there may be greater value through the development of an appropriate model for medium to long term provision of skilled and unskilled labour from Vietnam capable of filling roles in the Australian agricultural industry.

GTA will meet with the consortium to gain an understanding of the proposed pilot and the key players and consortium participants. They are particularly interested to get input into the skills most in demand by GTA members, as well as identifying in the short term suitable Australian employers who may want to be involved in our pilot.

The consortium is working with three reputable Vietnamese labour companies within Vietnam and plan to develop training and skills transfer suitable to the Australian agricultural sector. Once the training program is developed the task of identifying, recruiting, and training suitable candidates will commence to assist with placement in Australia.

Their business model seeks to identify suitable employers in Australia, assess by survey required skill level, train in Vietnamese based technical colleges (language, culture, skills), place in destination countries for 2-4 years placements.

Once a placement is completed skilled and unskilled, experienced workers return back to Vietnam to bolster the market there as well as encouraging businesses in the destination countries to develop closer trade relations with Vietnam.

GTA has reached out to its members with large workforce requirements and will engage with the consortium to understand if this program is of value to its members.



FURTHER CONTAINER TERMINAL FEE INCREASES

Hutchinson Ports Australia has released Notice of intentions on 17 March 2023 informing its clients of the intention to increase their landside fee tariffs & charges at its container terminals in Brisbane and Sydney. These new fees are effective from the 22nd of May 2023.

- Hutchison Ports Sydney Terminal – [Notice of Intention](#)
- Hutchison Ports Brisbane Terminal – [Notice of Intention](#)

GTA continue to work with other import and export associations to ensure the federal Government considers the details and the recommendations of the recent [Productivity Commission report](#) into Australia's Maritime Logistics System.

Key components of the report recommendations include:

- Higher productivity at Australia's container ports is achievable and would deliver significant benefits.
- Workplace arrangements lower productivity — incremental changes to the Fair Work Act are needed.
- Disruptions during recent enterprise bargaining imposed large costs on businesses dependent on maritime freight. The Government has amended the Fair Work Act to seek to limit intractable bargaining, but more effective remedies are needed to reduce industrial action that harms consumers, importers and exporters.
- Lack of competition in some parts of the maritime logistics system means consumers pay too much.
 - Transport operators have no choice about which terminal they use when picking up or dropping off a container, so must pay whatever price a terminal operator sets. Recent rapid increases in terminal access charges (TACs) have flowed through to cargo owners (and consumers). Voluntary protocols to address terminal operators' abuse of market power should be strengthened.
 - Transport operators and cargo owners are paying fees to shipping lines for the late return of containers even where the delay is because empty container parks are full. The exemption for shipping contracts, which means that these fees fall outside the scope of the Australian consumer law, should be removed.
- The resilience of Australia's maritime supply chain could be improved by reforms to coastal shipping and repealing Part X of the Competition and Consumer Act.

GTA on behalf of the approximately 18 associations are drafting a letter to the federal Treasurer seeking engagement on these Productivity Commission recommendations.





GRAIN TRADE AUSTRALIA

STRATHMORE HOTEL

GARDEN BAR

GTA MEMBER EVENT

29 MAY 2023

5.30pm-7.30pm

STRATHMORE HOTEL

129 NORTH TERRACE, ADELAIDE SA 5000

JOIN US FOR A DRINKS NIGHT AND MEET
GTA BOARD & TEAM

RSVP: admin@graintrade.org.au