

Comments are made with reference to two statements made within the draft report in relation to wheat classification and industry good functions –

*“The commission acknowledges that wheat classification does have a public good element but considers it is predominantly a private good so that, on balance, it is appropriate for industry to take the lead on this issue.” Pp 288 And,*

*“There may be scope to secure some of the Industry Assistance Package funding – if any remains – for the establishment of an industry-led body. Alternatively, if WEA is abolished as per the Commission’s recommendation, the industry could choose to maintain the WEC levy on a voluntary basis and use the revenue from this levy to establish an industry-led body.”*

I acknowledge these draft findings of the commission but draw to your attention that recently, an industry meeting was held at which all of the major bulk handling and exporting organisations were represented, along with the domestic industry and wheat breeding organisations. The purpose of this meeting was to discuss and agree the future arrangements for wheat classification and any related industry good functions. The main outcomes of this meeting were –

- Wheat classification should continue
- A revised Wheat Classification Council should include in its remit the gathering of market data and information and the education of clients (domestic and international) about the classification process and its output. [in addition to setting Class criteria and classifying new varieties]
- Classification should be an accredited process
- Wheat Classification Council should be a discrete entity able to undertake these functions in an independent and transparent manner

Given the general support of industry and the agreement reached on the narrow scope of activities to be included in this function, there is a strong argument for input of government funding to assist in the formal establishment of this entity and its operating costs for a period of 2 years. During this time industry should be able to reorganise itself in order to cover the ongoing costs of the process.

In light of this I would ask that the Commission reviews its draft position in relation to the potential for provision of transitional funding for the formal establishment and initial operation of wheat classification activities.