

**Chairman's opening comments – AGIC 2009
held on 28 and 29 July 2009**

The Honourable Tony Burke, MP, Minister of Agriculture Fisheries and Forestry, overseas visitors & members of the Australian grains industry, welcome to the Australian Grain Industry Conference of 2009.

There have been a lot of changes to our industry over the past 12 months, and I am honoured and excited to have been invited to be Chairman of Grain Trade Australia as we involve ourselves in such a period of opportunity.

At this Conference last year, NACMA, as GTA was then known, released its Strategic Plan which detailed its vision of the future, core functions and key objectives. This plan was predicated on changes to the wheat export arrangements, introduction of dryland GM crops and the continual production challenges which are an integral part of Australian agriculture.

I am pleased to announce that the Board of GTA and staff have, over the past 12 months, focussed on this Strategic Plan diligently and the key objectives have been completed ensuring all industry participants have had access to the appropriate commercial resources, be they a grain standard or contract, to enable "the efficient facilitation of trade".

However, that is the past 12 months and the future will be even more challenging for your organisation and the grain industry, particularly given the dynamic nature of current global economic circumstances and its impact on trade, commodity prices currency and certainly confidence. Let me take this opportunity now to reaffirm some key principles of Grain Trade Australia:

- Firstly, GTA is there for the benefit of the entire grain industry irrespective of sector; and
- Secondly, its core charter is "the efficient facilitation of trade".

GTA achieves these objectives by providing leadership, advocacy and commercial services to the Australian grain value chain.

The key tools are:

- The development and distribution of grain standards;
- The development of contracts for use within the Australian grain trade;
- The provision of trade rules; and
- The provision of an arbitration service for contract disputation.

Given these key features, yesterday's interactive GTA workshops that detailed the GTA Standards, GTA Location Differentials and other key commercial resources applicable for the 2009/2010 season was a great success. The GTA process of review and amendment is transparent and open to all industry participants. I would stress that the success of this process is reliant on input from industry.

Reform of wheat export arrangements during 2008 was a stake in the ground for Minister Burke and the Federal Government and they are to be complemented for the successful introduction of a competitive export wheat environment. However, Minister Burke isn't finished with the reform program. The Federal Government has supported the recommendations of the Beale Inquiry into the Australian Quarantine Inspection Service. The major recommendations that affected the grain industry were the;

1. Removal of the 40% subsidy; and
2. Establishment of a Joint Industry – AQIS Task Force to explore delivery arrangements for the AQIS grain exports service.

The removal of the subsidy will affect the grain industry, particularly those operators who handle small container consignments and hence are not able to amortise the cost over bulk tonnage.

However, the Minister has made it very clear that the savings from the removal of this subsidy will be devoted to a reform package that will enable AQIS to better meet the needs of its stakeholders. GTA and the industry look forward to working with the Minister and AQIS to ensure deliverables to the needs of industry in this critical commercially sensitive area by 30 June 2010.



Industry participants and visitors, this is the first time the AGIC Conference has been addressed by a Federal Minister. We all look forward to hearing from Minister Burke the Government's vision for the grain industry.

Ladies and gentlemen – please join me in welcoming The Honourable Tony Burke, MP, Minister of Agriculture Fisheries and Forestry and I now invite him to open this year's Conference.