

Grain Trade Australia Limited PO Box R1829 Royal Exchange NSW 1225

Phone: +61 2 9235 2155 Fax: +61 2 9235 0194

Email: admin@graintrade.org.au Web: www.graintrade.org.au

GTA Trading Standards Committee Industry Consultation Paper AWW Class New Wheat Grades

1. Background & Purpose for Consultation

Wheat Quality Australia (now Grains Australia (GA)) has introduced a new wheat Hard Class – Australian White Hard Wheat (AWW). Following a formal Submission to the GTA Trading Standards Committee, this Class has now been released to industry.

A range of information has been released by GA regarding this new Class, in summary being:

- The introduction of AWW is proposed to target customers who purchase Australian White Hard wheats for general purpose requirements. GA anticipate international buyer's preference is to purchase this general purpose AWW rather than Hard wheat Classes and their varieties that after assessment are graded as ASW or as down-grades.
- The aim of AWW is to provide scope for high yielding wheat varieties with a reduced focus on protein levels.
- It is considered that AWW represents a Class below APW requirements and like the ASW Class will not be subject to a protein minimum.
- As AWW varieties will not be subject to 'end-product' testing they will not be acceptable into any current Hard classifications and grades. Its parameters include:
 - White wheat only (excludes red wheat)
 - Hard wheat (confirmed via PSI)
 - Colour Minolta b: Trojan +2* or Chief +2*
 - Flour yield Kennedy -3% or Elmore -3%
 - LMA RAC655 as the cut off

Industry has been advised in various communiques (Member Update No.30 of 21) of the progress of introduction of this new Class. The GTA Trading Standards Committee is now required to develop Trading Standards and Cascading Rules for this new Class for use by industry should they choose to receive, store and market grades under this Class.

In undertaking this review, the Trading Standards Committee has consulted with an AWW Working Group comprised of representatives from various sectors of the supply chain that may be engaged in this new Class, including breeders, growers, storage providers, domestic end-users and marketers.

Following that consultation, the Trading Standards Committee has proposed a number of matters relating to this new Class, each of which is required to be considered by the Committee prior to implementation of any new grade(s). Following receipt of industry feedback, the Committee will **consider the adoption of any new grade(s) in 2023/24 and/or beyon**d, at which time industry will be further consulted.

2. Process for Industry Feedback

Industry comment (and Submissions) is sought on the draft Trading Standards, Cascading Rules and any other matters related to the introduction of this new wheat Class and proposed grades. Specifically, comment is sought on:

- The need for one or both (or more) grades
- The proposed tolerances
- The proposed Cascade Rules

Submissions should be received by COB Friday 30th September 2022.

Please lodge your submissions by sending to $\underline{submissions@graintrade.org.au}$ and title your email – AWW Class.

Industry is encouraged to provide supporting evidence for their views on the proposed new grades as outlined in this consultation paper.

Unless marked "confidential" and appropriate supporting reasons are provided, all submissions will be placed on the GTA website for industry review.

3. Proposed Grade Name & Tolerances

The attached spreadsheet outlines two new proposed grades for this AWW Class:

- AWW1 main grade
- AWW2 for grain failing the main grade

For comparison with other grades and to assist in determining the appropriate tolerances for each grade, a number of similar milling and down-grades have been included in the table.

a) AWW1 Grade

The following specifications have been recommended by the Committee.

Grade Name

• The proposed name is AWW1.

Varietal Restrictions

- These apply, as specific varieties meeting functional characteristics as listed in point 1 above will only be included in the AWW Class.
- These varieties will be included in the GA Wheat Master List released annually on 1 August.

Protein

• No minimum or maximum as suggested by GA for the AWW Class.

Test Weight

- As per milling wheat, given the AWW Class is intended for human consumption.
- A lower test weight was not supported as it was noted some buyers place an emphasis on this parameter.

Falling Number

- As per milling wheat, given the AWW Class is intended for human consumption.
- A lower Falling Number was not supported given the potential impact on flour and proposed enduse functional quality.

Defective Grains

• As per milling wheat, given the AWW Class is intended for human consumption.

Foreign Seeds

• As per milling wheat, given the AWW Class is intended for human consumption.

Other Contaminants

- As per milling wheat, given the AWW Class is intended for human consumption.
- b) AWW2 Grade

Need for the Grade

For deliveries failing AWW1 specifications two options exist:

- Create a down-grade (i.e., AWW2), based on an existing grade or create new specifications.
 - o This may enable the downgrade to be utilised for those markets requiring even lower quality for noodle manufacture, depending on price etc.
 - o This would require an additional segregation.

- Would be an option for growers who are growing AWW Class varieties to not be downgraded further (i.e., from AWW1 to SFW1/Fed1).
- The grade would be utilised in a season if the market sees value in this grade over and above SFW1/Fed1.
- Do not create a downgrade.
 - Allow deliveries that fail AWW1 to be cascaded into SFW1 or Fed1 if permitted by the stockfeed sector (see point 4 Cascade Rules below).
 - Note that SFW1 has significantly tighter specifications than Fed1, but the proposed AWW1 has tighter specifications than SFW1.

Pricing signals for an AWW2 grade are unclear given very few AWW varieties have been released as yet and the market pull for AWW1 or AWW2 is not known at present.

Tolerances to Apply

- As noted above, assuming industry supports the introduction of this AWW2 grade, the Committee has recommended the specifications for AWW2 be based on AUH2.
- The exception would be:
 - Approved AWW varieties only
 - o No minimum protein would apply.

4. Cascade Rules

The Committee needs to set Cascade Rules for the AWW Class. These should be set to cover all new grades that are developed under this Class, rather than create a separate set of Cascade Rules for each new grade.

As stated by GA in relation to AWW variety characteristics:

- AWW varieties cannot be accepted into existing Prime Hard or Hard grades.
- AWW varieties cannot be accepted into APW or ASW Classes given the quality functional requirements to meet those Classes are higher than for the AWW Class.
- Similarly, AWW varieties cannot meet specifications for the ASF1, ANW, ASWS, ADR or APWN Classes as these Classes have specific quality requirements.

Based on the above AWW1 cannot cascade into those grades that contain downgraded Hard varieties and are used by industry to blend back into "APH/Hard" consignments i.e., (AUH2, AGP1). Feedback from industry to date is that:

- Some domestic flour millers will not accept AWW varieties/grade cascading into AUH2.
- AGP1 is extensively used in export consignments as a milling grade depending on the seasonal impact on its quality.
- It is unclear if industry will permit AWW varieties to cascade into the HPS1 grade.

Assuming industry supports the introduction of the AWW1 and AWW2 grades, the Committee has recommended that the option for deliveries failing AWW1 specifications is to:

1. Cascade to AWW2 prior to stockfeed i.e., AWW1 / AWW2 / SFW1 / Fed1