

Rob Imray
Standards Committee Chairman
Grain Trade Australia

16/05/2017

Dear Rob,

Viterra's response to the member's update 2nd industry call for submissions on 2017/18 GTA standards is as follows;

3.1.1 Visual Recognition Standards

As per the 1st round of submissions, Viterra is in support of the agreed change to remove the cause of grain defects and focus on the effect to the grain in the standard definitions and the Visual Standards Recognition Guide (VSRG).

In review of the VRSG draft we propose the following minor changes to the wording of the definitions:

Quality Parameter	Draft Definition	Proposed Change
Wheat		
White Grain Disorder / Head Scab	Grains appear white to light grey but may also contain a pink discolouration. Grains are only to be classified as "White Grain Disorder/Head Scab" if the discolouration is over more than approximately 50% of the seed coat surface. If the discolouration is less than approximately 50% of the seed coat surface, grains may be classified as sound.	Grains appear white to light grey but may also contain a pink discolouration. Grains are only to be classified as "White Grain Disorder/Head Scab" if the discolouration is over more than approximately 50% of the seed coat surface. If the discolouration is less than approximately 50% of the seed coat surface, grains may be classified as sound.



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	Grains may also appear flaky with a white discolouration or resemble tombstones.	Grains may also appear flaky with a white discolouration or resemble tombstones.
Severely Damaged	<p>Mould, heat damaged / burnt, or other serious visual defects. Refers to those grains that have become severely discoloured. Affected grains appear reddish brown, dark brown or in severe cases, blackened.</p> <p>Does not include Field Fungi affected grains.</p>	<p>Mould, heat damaged / burnt, or other serious visual defects. Refers to those grains that have become severely discoloured. Affected grains appear reddish brown, dark brown or in severe cases, blackened.</p> <p>Does not include Field Fungi affected grains, refer to Field Fungi common defect.</p>
Barley		
Field Fungi	<p>Field Fungi refers to individual kernels where the seed coat has the appearance of black spotting occurring anywhere on the grain. Coverage greater than approximately 10% of the grain surface is considered defective. Grains that show a coverage of approximately 10% or less are to be classified as sound.</p> <p>This includes a grey surface discolouration of the kernel.</p>	<p>Field Fungi refers to individual kernels where the seed coat has the appearance of black spotting occurring anywhere on the grain. This includes or a grey surface discolouration of the kernel. Coverage greater than approximately 10% of the grain surface is considered defective. Grains that show a coverage of approximately 10% or less are to be classified as sound.</p>
Severely Damaged	Mould, heat damaged / burnt, diseased or other serious visual defects. Refers to those grains that have become	Mould, heat damaged / burnt, diseased or other serious visual defects. Refers to those grains that have become

	<p>severely discoloured. Affected grains appear dark brown or in severe cases, blackened. May also appear discoloured under the husk on the kernel.</p> <p>Does not include Field Fungi affected grains.</p>	<p>severely discoloured. Affected grains appear dark brown or in severe cases, blackened. May also appear discoloured under the husk on the kernel.</p> <p>Does not include Field Fungi affected grains, refer to Field Fungi common defect.</p>
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3.1.8 Agreed Change: *Distorted* - Wheat, Barley

Viterra supports the revised terminology from *Frost* to *Distorted* to focus on the visual affect, not cause of defect.

3.2 Agreed Changes: Wheat Standards

Viterra agrees with the following;

- *Heat Damaged, Bin Burnt and Storage Mould* category name change to *Severely Damaged* (to focus on the visual affect, not cause of defect),
- *Severely Discoloured* grains being added to the category *Severely Damaged*,
- Delete “of which” in the standards for *Stained, Pink Staining* and *White Grain Disorder / Head Scab*, and
- The current tolerances to remain unchanged.

3.3.1 Agreed Change: *Field Fungi* – Barley

Viterra agrees with the following;

- Grey kernel grains being added to the category *Field Fungi*,
- Delete “of which” in the standards for *Dark Tipped* and *Field Fungi*, and
- The current tolerances to remain unchanged.

4.1 Potential Change: Durum / Red / Spring Feed Wheat in SFW1 / FED1 – Wheat

Viterra proposes no change in SFW1 and FED1 grades for Durum varieties.

It is Viterra's preference to retain the current SFW1 grade specifications. Industry consideration should be given to a SFW1 red / spring wheat only grade if there is enough domestic demand to warrant. This will mean that these varieties will not automatically be downgraded to FED1 or lower depending on other quality parameters.

Viterra currently restricts Red / Spring wheat into FED1 segregations to maintain 'bright white' wheat required by our current domestic and export markets. However we understand that Red / Spring wheat varieties are grown in Australia and there are domestic markets that can handle these varieties, therefore we support a separate grade being added to the GTA standards.

4.2 Potential Change: *Pink Fungal Staining* – Barley

Viterra supports a separate category for pink discolouration named *Pink Fungal Staining* (in line with wheat) and the definition proposed.

Viterra also supports the proposed tolerances for *pink fungal staining* which differs from our 1st round submission. This is due to diseased / fusarium being added to the category *severely damaged* and a tolerance applying (refer 4.3 Potential change: Severely Damaged – Barley). We consider fusarium to be a greater risk to market. Therefore if a low level tolerance applies to *severely damaged*, *pink fungal staining* should also allow a low level presence not a nil tolerance in malt grades.

4.3 Potential change: *Severely Damaged* – Barley

Viterra supports the following;

- *Heat Damaged, Bin Burnt and Storage Mould* category name change to *Severely Damaged* (to focus on the visual affect, not cause of defect),
- *Blackened grains* being added to the category *Severely Damaged*,
- *Diseased grains* being added to the *Severely Damaged* (including Fusarium), and
- The current tolerance to remain unchanged.



We agree that the blackened weather damaged grains experienced in the 2016/17 harvest have a similar impact to appearance of the existing category and therefore the same market expectation of tolerances, regardless of the cause of defect.

Our support for the addition of *Diseased* including Fusarium differs from our 1st round submission requesting a nil tolerance to remain. This is due to consideration that mould and other toxins maybe present in the existing category and that adding *diseased* will provide greater clarity for classification.

4.4 Potential Change: Protein – Barley

Viterra supports an increase in the maximum protein for malt 1 malt 2 grades from 12.0% to 12.5%. There has been some ongoing negative comments from clients and end-users regarding low protein malt. This could be due to selection of high yielding varieties being grown over varieties that trend higher in protein.

Our view is that an increase to 12.5% protein may encourage growers to increase nitrogen rates and this combined with the additional tonnes captured in the protein bracket of 12.01% to 12.5% would increase the stack average.

4.5 Potential Change: *Skinnings*

Viterra believes the proposed changes to *skinings* in barley is a significant industry change. We are concerned that this change will have an impact with the processing of malting barley. However, if supported by Barley Australia and their member's (including domestic maltsters), Viterra views the change as a positive with improved classification and the potential increase in malt volume.

4.6 Potential Change: *Broken* – Barley

Viterra does not support the change in definition of *broken* grain from $\frac{1}{4}$ to $\frac{1}{3}$ of the grain without supporting information from end users that this change does not have an impact on processing or the end product.



We question whether there is data available to determine impact to grading as classification records would only record if a grain is broken, not the amount of grain that is missing.

5.2 Snails, On-going Communication and Proposed Tolerance Change

Barley

Viterra agrees with the reduction in maximum snail counts from 2 to 1 per ½ litre for malt and F1 grades and requests that the standards committee determine a position in this round of submissions for implementation in 2017/18.

The current GTA malt and F1 barley maximum snail counts are 4.5 times greater than the Australian tolerance on export of 2 snails per 2.25ltrs as defined in the Plant Export Operations Manual. In addition, major export markets have advised the Department of Agriculture and Water Resources that snails are a pest of quarantine concern and have warned that exports from Australia could be restricted if snails are found in cargoes.

The industry implemented a management plan to export barley and wheat to China in November 2014. The plan specifically mentions that standard reviews will consider market requirements. In conjunction with this plan, industry has invested in research for snail reduction in the production sector. Viterra is planning grower meetings in South Australia with SA Grain Market Access Group to highlight market access issues and facilitate research information being delivered to growers.

Yours sincerely,

Julie O'Dea
Senior Inventory Manager