

20 May 2015

Mr Stephen Sheridan  
VFF Grains Group Manager  
Victorian Farmers Federation  
Farrer House  
24 – 28 Collins Street  
Melbourne VIC 3000

Email: [SSheridan@vff.org.au](mailto:SSheridan@vff.org.au)

Dear Stephen

**Re: GTA Trading Standards Review 2015/16**

Thank you for the submission from Victorian Farmers Federation (VFF) on the first call for submissions on the 2015/16 season Trading Standards. GTA considers the Industry submission process to be an important part of the consultation and Industry sub-committee process.

The Grain Trade Australia (GTA) Standards Committee (Committee) has recently met to discuss all submissions received from industry.

During those deliberations, the Committee noted the objections of the VFF to several of the proposed changes on a number of issues, mainly related to weed seeds. Following the discussion GTA was asked to respond on a number of specific issues raised in your submission as outlined below.

**1. Lack of Transparency & Rationale - Weed Seed Changes**

In relation to the proposed weed seed changes, we note your concerns regarding a perceived lack of transparency and rationale.

When considering decisions, the GTA Technical Committee Charter applies. Specifically that Charter states:

- Members shall be drawn from the grain industry and be individuals with specialist skills in production, storage, quality or trading; and
- Committee members do not represent the interests of a specific sector or member organisation but rather act in the best interests of the Australian grain supply chain.

As noted the members of the Committee are selected from all areas of the grain supply chain. Decisions are made on a consensus basis, taking into account the views of all Committee members. Please note that there are currently three grower members on the Committee, one from NSWFA, one from GGL and the other from GPA (SA). The suggestion that *“the standards have been largely set by a collective committee dominated by grain companies”* does not reflect the real make up of the committee and does not recognise the effort and commitment of the grower based committee members. .

While not all decisions are unanimous, decisions are made based on consensus and the overall positive impact on industry. Where decisions are not unanimous, debate ensues in order to reach a decision that can be supported by the Committee.

Depending on the issue being reviewed, a range of material may be available to assist the Committee in its deliberations. While the complexity and breath of this material varies for each issue, the same decision making process is undertaken by the Committee, that is, the outcome must be in the best interests of the industry and not favour one sector at the behest of another.

Decisions of the Committee are made for the benefit of the industry, not for “net economic gain to the value chain and in particular farmers”.

As noted in your response, there are several criteria for listing a weed seed as outlined in the current and prior weed seed consultation papers. These criteria were considered by the Committee in reaching their decision on individual weed seeds. The impact on growers is just one criterion and is not solely a factor in a decision. In making decisions the Committee takes into account a range of factors including:

- Grower ability to produce the quality desired; and
- The ability of the supply chain to test, store the grain; and
- The requirements of the market (quality and/or quarantine).

All three factors listed above were considered in proposing the weed seed changes, as they were in developing the previous (current) tolerances that apply. As noted in the paper outlining the proposed changes to the weed seed categories and tolerances, the review has been underway for several years. As far back as early 2010, a Weed Seed sub-committee was formed to develop, consider and if necessary revise the proposal on an annual basis. Membership of that sub-committee was drawn from the Committee and initially included a NSWFA representative.

Since that time, extensive consultation between the Committee and industry has occurred. During that review process a number of trials have been conducted and the outcomes used to revise the weed seed proposal where required. Industry submissions on the impact of those changes have been called for on a number of occasions.

Importantly when making decisions on the proposed changes, the Committee has reviewed the trial data. That trial data is unable to be provided to the wider industry for a number of reasons, with the main one being the data was supplied from “live” receival and outturned grain. This data was supplied on a confidential basis and release of that data publicly would not only compromise Australia’s position in relation to weed seeds in grain, but potentially limit future access to such data for the Committee in making decisions.

We re-iterate that decisions are made for the benefit of the industry, not for “net economic gain to the value chain and in particular farmers”. Those decisions may also not be for one specific market. For example weed seeds such as those listed under “quarantine” may be restricted by a number of markets. The majority of those weed seeds have been placed under that category for many years and remain so under the current proposal (e.g., Johnsons Grass).

Restrictions by market for all weeds can be seen on the Department of Agriculture website, where for some, a nil tolerance applies. Recognising the practicalities of a nil tolerance in grain, low level tolerances may be set for some of these weed seeds. This situation has not changed in the current review process and recommendations for weed seeds in the 2015/16 standards.

## **2. Tolerance for Seed Pods Removed - Weed Seed Changes**

We note your concerns regarding “*Proposal that Weed Seed Pods be broken open and individual weed seeds counted. This appears a significant issue with potential to downgrade producers deliveries with subsequent impacts on pricing.*”

Other industry submissions have also commented that this change has the potential to have a significant impact on deliveries. Based on this feedback and as outlined in the second call for industry submissions, the Committee has agreed to once again review this proposal. We request specific weed seeds be listed in order for the Committee to consider the individual circumstances where the change may not be considered justified by the VFF.

Regarding in your submission “*Especially for Heliotrope where tolerance for weed seed pods has been removed and pods are proposed to be broken up*”. Note that previous standards such as barley listed the equivalent weed seed/pods category i.e., maximum of 1 pod or a total of 4 seeds. We will review this situation for all commodities to ensure consistency.

## **3. Photos used for interpretation distributed for comment**

We note your request that “*Proposed changes to photos should be made available for comment.*” Unfortunately it is not practical to undertake that process for all of industry. The process of reviewing

the photos and definitions for existing commodities and for developing ones for a new commodity is complex, requiring expertise from industry members of the Committee or their proxies. Where material changes are proposed, these are outlined to industry in the call for submissions.

As with all decisions, where major changes are proposed, industry may be given a lead-time to consider those changes. Where decisions are minor the Committee may decide that implementation in that year will not have a significant impact on industry.

While the process for developing the terminology and photos as outlined in the Visual Recognition Standards Guide (VRSG) is deemed currently as adequate, we note your concerns and are willing to provide direct feedback to staff within VFF who may be able to provide valued input into the development of the revised VRSG. Therefore we would appreciate your advice on suitable staff who may be able to provide that input. A meeting will then be arranged at our Sydney offices to review the current draft. Note however that this must occur before 1 June in order for any feedback to be provided to the next meeting of the Committee and to enable it to reach a decision on the VRSG for 2015/16.

#### **4. Questions re Specific Weed Seeds & Agronomic Input & assessment**

We note your concerns regarding specific weed seeds. As outlined above, these specific examples will be again reviewed by the Committee following further industry feedback during the second round of submissions from industry.

Should you have any other weed seeds of concern not listed in your recent submission or in submissions called for since 2010, please feel free to submit them prior to the 1 June 2015 deadline.

While Committee encourages, welcomes and in fact has a consultative process to draw industry feedback, the Committee is not able, nor responsible for contacting all industry for feedback on changes, this is a much from a practical perspective. For example as cited in your submission, the Committee is not able to *“seek direct feedback from all agronomy sectors covering all regional areas and all commodities”*. As said, the Committee relies on a process of extensive communication to disseminate the proposed standards to those relevant industry sectors. To date that process has appeared to be satisfactory and has enabled Australian grain to be grown, stored and marketed to the benefit of the entire Australian grain industry.

Please note also that feedback is able to be made to the Committee at any time during the year, and not just when the call for submissions is made.

Further, to bring to your attention that the process of receiving industry submissions has recently altered and all submissions, where received and unless confidential are provided on the GTA website. To ensure transparency of the process to industry, this response will also be made available to industry from the GTA website.

Nevertheless the Committee continually strives to meet the needs of industry and receive feedback from all sectors of industry. To that extent GTA plans to implement a communication strategy to industry on the changes and this letter is the first of such communication methods. We also extend the invitation for GTA Standards Committee representatives to further discuss this response with your Grains Committee via teleconference if you believe this would be of value and would provide further clarity.

At that meeting it is hoped that with your input, further communication to grass-roots growers and other sectors such as the “agronomy sector” can be discussed and developed. GTA sees an active role for organisations such as VFF to strengthen communication across the industry including growers and other sectors.

Please note a second call for submissions from industry on the proposed 2015/16 standards has been recently released by GTA. The Committee would welcome additional input should you consider it warranted.

Thank you once again for your response.

Kind regards,

A handwritten signature in blue ink, appearing to read 'POShannassy', with a long horizontal flourish extending to the right.

Mr Pat O'Shannassy  
GTA Director / Standards Committee Chair