



Tuesday, August 27, 2013

AGM to explore all sides of test weight debate

THE ongoing debate over changes to test weight will be one of the key issues facing grain growers discussed at next week's Grain Producers SA annual general meeting.

The meeting is open to all grain growers and will be held at the Mawson Lakes Hotel on Wednesday, September 4, starting at 9.30am and finishing at 3.30pm.

Other key issues on the agenda include updates on the Senate grain handling inquiry, the Wheat Export Taskforce, on-farm research and development and availability of grain stocks information.

GPSA chief executive Darren Arney says there will be a range of speakers talking on the test weight issue including Grain Trade Australia's Geoff Honey, Laucke Flour Mills' Mark Laucke and SA representative to Grain Producers' Australia Michael Schaefer.

"The AGM is a great opportunity for grain growers to learn about the impact of key policy issues on their farm's future as well as influencing how GPSA represents them, their business and their industry," Mr Arney said.

"The test weight issue is an excellent example of this and one growers need to know more about to be able to manage any impacts in their operation."

The test weight proposal involves Grain Trade Australia lifting the trade specification for milling grade weight from 74 kilograms per hectolitre to 76kg/hL.

The call for change has been driven by increasing reports from overseas grain customers regarding varying quality and consistency in Australian grain in the past few years.

At a GPSA board meeting last week, directors discussed the pros and cons of the proposed change to 74kg/hL.

GPSA believes the test weight should stay at 74kg/hL for growers delivering grain to receival centres. But the organisation supports an increase to 76kg/hL for traders accumulating grain who need to keep international customers satisfied.

Chief executive Darren Arney says these recommendations provide security both to growers and traders.

He says the recommendation that the receival standard stay at 74kg/hL was because growers did not have the capacity to manage the risk on-farm.

"Grain Trade Australia flagged the test weight change three years ago but growers have not had the opportunity to adopt strategies to manage a change to 76kg/hL," he said.

“Those strategies include selecting varieties that have a higher test weight average and developing on-farm storage to manage the blending of grain to different specifications if required.

“Growers haven’t had the chance to develop those systems and it would be unfair to impose a change on them that they haven’t had the opportunity to prepare for.”

Mr Arney says part of the board’s recommendation was that it could not support an increase in test weight for growers because of the lack of information on past delivery history.

He says in South Australia, Viterra as the bulk handler controls 95 per cent of deliveries and with 10 million tonnes of storage, has the capacity to manage blending of grain to meet customer requirements.

“It would be hard to recommend an increase to 76kg/hL in receivals because we do not have access to the information to determine how that is affecting growers,” Mr Arney said.

“Viterra has knowledge around the stocks and has capacity to manage that risk in South Australia. At the moment, it is hard for the grower to manage that risk.”

Mr Arney encouraged grain growers to attend the AGM to discuss the test weight issue and hear from industry speakers how the 74kg/hL versus 76kg/hL weight was a factor in their business.

HAVE YOUR SAY!

GPSA wants to hear from members about the test weight change and a range of other issues that will impact on growers’ profitability. Attend the AGM or contact GPSA:

Phone: 08 8391 6621

Fax: 08 8391 4901

Email: info@grainproducerssa.com.au

Online: www.grainproducerssa.com.au

ENDS

For interviews contact GPSA chief executive Darren Arney on 0448 186 707

