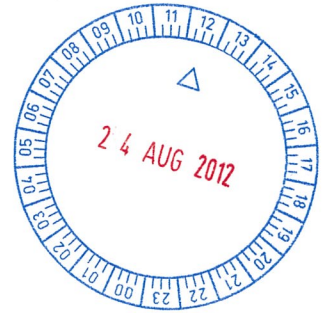




22 August 2012



Standing Committee on Estimates and Financial Operations
Parliament House
Perth WA 6000

Dear Members

2012/13 Annual Budget Estimates Hearing – Transcript of Evidence

Having carefully read the transcript of the hearing on Monday, 6 August 2012, I provide corrected factual information, which is limited to matters referred to in the transcript.

Page 1: METCALFE, MR PETER

Executive Director, Grains, sworn and examined:

Correction: METCALFE, MR PETER

Executive Director, Grains Industry, sworn and examined:

Page 3: Mr Metcalfe: Thank you for the question. In the grains industry...key destination that we are involved in.

Correction: Thank you for the question. In the grains industry...-and then developing a plan to improve those. How this came about was that we had a look at what the top 25 growers out of the Planfarm surveys are actually doing, and when you look at some of their achievements, these growers are accumulating a net profit of \$230 000 a year on average over the last six years. So we were keen to understand what the differences were between them and a lot of the other growers. Interestingly enough, these 25 top growers were not the early adopters, the farm size was the same and also the soil and rainfall were very similar. The thing that they were doing differently was achieving a 20 to 25 per cent increase in wheat yields, and so they were getting the timing of the operations right.

The Bridging the Yield Gap initiative focuses on creating a community of practice to support growers to develop their profit plans and then to implement those strategies.

In the post-farm gate area where we are doing work in identifying

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markets that have a high-value end use and opening up new markets. So you would have heard that we opened up the Saudi Arabian wheat market and now shipments of Western Australian wheat are exported to that market; and going forward, developing an initiative called AEGIC – the Australian Export Grains Innovation Centre. That will be a national centre of excellence and in fact it will actually be the front door for the export grains industry into Australia. So we are expecting that international delegations will come through to Perth and interact with the Western Australian grains industry. And vice versa: trade travelling out of Australia will arrange through AEGIC visits to key overseas users of Western Australian grain.

Page 12: Mr Metcalfe: Nineteen per cent.

Correction: Mr Metcalfe: Nineteen point eight nine per cent (19.89%).

Page 12: Mr Metcalfe: Nineteen per cent.

Correction: Mr Metcalfe: Nineteen point eight nine per cent (19.89%).

Page 13: Mr Metcalfe: No, that is correct.

Correction: Mr Metcalfe: The Monsanto share remains at nineteen point eight nine per cent (19.89%) and has not increased.

Page 13: Mr Metcalfe: Yes, there is nothing, other than it can only move to 26 per cent; it can move from 19 to 26 per cent, based on the performance of InterGrain and its cash flow and profit and loss statement at a point in time.

Correction: Mr Metcalfe: That is correct, there is nothing, other than Monsanto can only move to 26 per cent; it can move from 19.89 to 26 per cent, based on the performance of InterGrain and its cash flow and profit and loss statement at a future point in time.

I enclose the copy of the uncorrected transcript of evidence with hand written corrections on page 17 from the 2012/13 Annual Budget Estimates Hearing held on Monday, 6 August 2012. I have signed and dated the first page of the uncorrected transcript and then initialled each of the other pages as requested.


Peter Metcalfe
**EXECUTIVE DIRECTOR
GRAINS INDUSTRY**

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