

**Media are welcome to attend the AARES annual conference at the Grand Chancellor Hotel Brisbane. Please contact [Cathy Reade](mailto:Cathy.Reade@AARES.org.au) 0413 575 934 to arrange interviews or to register to attend. The conference program is [here](#), with Australian and international specialists making over 200 presentations across a broad range of energy, agriculture, development and environment issues.**

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## **BUILDING A BETTER GRAIN INDUSTRY FUTURE: Making Australian grains and grain-based foods more affordable**

Australian farmers are world leaders in producing grain. In 2022 Australia was the world's leading wheat exporter. But can we do better in supplying Australian grain that is even more affordable to local and overseas consumers?

This challenge is explored in a keynote presentation by Professor Ross Kingwell, AARES Distinguished Fellow and recent winner of the prestigious *Seed of Light* award from the Grains R&D Corporation for his outstanding contribution to Australia's grains industry.

Professor Kingwell will be speaking at *Meeting the Challenges of Transition to a Sustainable Future*, the Australasian Agricultural and Resource Economics Society (AARES) Conference, 11-14 February in Brisbane. AARES is the pre-eminent society promoting research relevant to Australasia in agricultural, environmental, food, and resource economics and agribusiness.

In outlining the challenges and opportunities facing Australia's grain supply chains, Professor Kingwell notes that the impact of not taking action will only exacerbate local food prices, and lower export revenues and farmers' incomes.

"It's a strategic imperative for Australian governments and industry to coordinate their investment and policy actions to ensure grain supply chains are efficient and effective," said Professor Kingwell, chief economist in the Department of Primary Industries and Regional Development WA, and former chief economist in the Australian Export Grains Innovation Centre.

"Despite the vagaries of seasons, Australia's production of grains, oilseeds and pulses is trending upwards. Efficiently moving that increasing volume of grain is a challenge but also an opportunity for improvement by everyone involved in Australia's grain supply chains."

"It's a good challenge to have; and we shouldn't shy away from the opportunity it creates", he said.

"The action list is clear and will resonate in rural and regional Australia. Reform regulations to create more cost-efficient road and rail transport and enhance port operations. Transport corridors need protection. Targeted investments in road maintenance and road improvements are required, along with coordinated investments in rail infrastructure. Automation and information-based technologies need to be assessed or developed and rolled out in supply chains," he explained.

Professor Kingwell warned that the need for action will become urgent.

"Already there are limitations on supply chain capacity in some regions, especially from farm to port. There are limitations on boat sizes that many ports can accommodate. Many key assets, such as bridges, are reaching their end-of-life. Road damage and capacity limitations are prevalent."

"Yet red and green tape issues constrain new investments and many state governments have expenditure constraints due to their string of budget deficits. Also, in the shadow of elections many governments are risk averse in applying policy solutions that challenge special interest groups," he cautioned.

"The vagaries of seasonal production in Australia mean that its grain supply chains need to be capable of cost-effectively flexing up and down. In bumper years, farmers and bulk handlers need to quickly move large

volumes of grain into storage. But complicating grain receipt is the wider array of grain types and qualities that need segregation and sometimes identity preservation,” he said.

“Australia is increasing the volume of grain it produces. In recent years between 40 mmt to 50 mmt of grains, oilseeds and pulses have been exported by Australia. That places enormous pressure on grain handling, transport and ship-loading systems.”

“But to receive attractive international prices, often grain needs to be shipped out in the first half of each year before the frequently large northern hemisphere crops become available, reducing price premiums for Australian grain,” he added.

“Not taking action will impact the costliness and efficiency of Australia’s grain supply chains with resultant adverse flow on effects for local food prices, export revenues and farmers’ incomes,” he concluded.