

News

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Wheat price sparks food cost warning

GEORGIA LONEY

WA food producers have warned shoppers that the price of staple goods such as eggs, chicken and pork could rise soon as the impact of a higher wheat price flows from farms to the check-out.

Russia's ban on wheat exports after a severe drought and big fires has cut world wheat supplies and forced prices to hit a two-year high.

Milne AgriGroup, one of WA's biggest stockfeed producers and the owner of Mt Barker Free Range Chicken, has already increased feed prices for new customers.

Owner Graham Laitt predicted higher grain prices would have an impact across most meat products.

"If grain prices go up, obviously the farms will want to sell it at a higher price," he said. "When grain prices go up, the food cost to the consumer costs more."

But Mr Laitt warned there was a "touch of hysteria" in the grain market because most food producers had stockpiled grain when prices were low.

The Australian Egg Corporation has warned that consumers could pay an extra 40-50¢ for a dozen eggs

because of the increasing price of wheat.

Chicken Meat Australia WA chairman Len Brajkovich said if grain prices remained high, chicken prices would also have to rise. "But there is not going to be any major impact until December, when we know what the outcome of the harvest will be," he said.

David Lock, chief executive of WA's biggest pork producer, Craig Mostyn Group, said wheat prices were recovering from record lows.

"We're not too sure if this price rise is a long or short-term issue at the moment," he said.

Rabobank senior commodities analyst Wayne Gordon said there were signs wheat prices were starting to come back down. "It's a question that's more about durability of these prices. While the spike in prices has been dramatic, we have seen the Chicago wheat prices have actually come back about \$1 a bushel," he said.

Independent Grocers Association president John Cummings said he doubted whether higher wheat prices would have a big impact on groceries in Australia, noting big bakers such as Tip Top had 12-month contracts for wheat.



Barren to green again: Arnold Sahanna, left, and Ashton Lockyer tend a wastewater garden at Pandanus Park near Derby. Picture: Nic Ellis

Wastewater recycling brings in the green

FLIP PRIOR

A wastewater system developed in part by NASA scientists is being used by some WA Aboriginal communities, cutting water costs, reducing the threat of disease and turning barren land into gardens.

Two years ago, Pandanus Park Aboriginal Community, 50km south of Derby, was the first to install five "wastewater ecoscapes" to service eight houses and a childcare centre.

The system treats black and grey water in a septic tank for several days before feeding it into a garden bed, lined with a membrane and filled with pebbles and wetland plants.

The plants strip nutrients from the water and neutralise pathogens. The clean water is then fed into garden beds planted with tropical fruit trees, shrubs and "bush tucker" plants.

Pandanus chief executive Peter McCumstie said each garden cost up to \$30,000, paid for by community water grants and Department of Housing funding, but was cheaper and easier to maintain than traditional wastewater systems.

A Department of Housing spokeswoman said the project had increased water reuse and improved hygiene.

The system has its origins in Biosphere II — a 15,000sqm compound built in the Arizona desert in the US to test whether humans could survive in a "closed ecological system".