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### **Grain Producers Australia response to the ACCC draft determinations**

Grain Producers Australia (GPA) thanks the ACCC for the opportunity to put forward a submission regarding the draft determination proposing to exempt Riordan Grain Services and Semaphore Container Services from certain parts of the mandatory Bulk Wheat Code, in relation to their respective operations at the Port of Geelong and Port Adelaide.

GPA strongly supports the granting of the exemptions. As noted by the ACCC both Riordan Grain Services and Semaphore Container Services are both substantially smaller operations than the groups currently operating similar services out of the same port zones, they will therefore already face substantial competitive pressure.

GPA recognises that ACCC have understood the hypocrisy they would be exhibiting if they did not grant the exemptions, given they have already provided exemptions from sections of the Port Access code to the larger grain handling bodies operating in the same port zones. The exemptions granted to Graincorp and Emerald in particular did not have support from grain producers, due in part to the lack of competition at the time of granting the exemptions and the lack of evidence provided that the requirements of the port access code were having a material impact on their businesses.

Therefore to not grant the same exemptions for the much smaller companies, already facing a highly competitive environment would place unfair restrictions on their ability to actually bring competition to the provision of services. The imposition of additional compliance expense upon them would also be unjustified. To subject Riordan Grain Services and Semaphore Container Services to a higher level of regulation than their much larger competitors is inappropriate.

GPA did not support the ACCC decision to grant exemptions to the Graincorp and Emerald facilities, we note with interest your intention of continuing to monitor Riordan Grain Services and Semaphore Container Services and consult industry to ensure the exemption remains appropriate. We would be interested in receiving a briefing from your team regarding the monitoring you have undertaken to ensure Graincorp and Emerald's exemptions also remain appropriate.

Unlike the ACCC decision to provide unnecessary special treatment to large duopoly service providers, providing support via sensible exemptions to smaller companies like Riordan Grain Services will actually foster competition and bring a level of openness to the provision of port services. We fully support the proposed draft determination and thank you for the opportunity to comment.

Regards,

A handwritten signature in black ink that reads 'Andrew N Weidemann'.

Andrew Weidemann  
Chairman

