



8 March 2012

Mr David Salisbury
A/g General Manager
Transport and General Prices Oversight
ACCC
GPO Box 520
MELBOURNE VIC 3001

(email: transport@acc.gov.au)

Dear Mr Salisbury

Re: Viterra's auction proposal

The South Australian Farmers Federation (SAFF) appreciates the opportunity to comment.

As SAFF represents a part of the grains industry that is not involved directly in the export of grain and therefore will not be involved in bidding for shipping slots, it is felt that we are only able to make general comments.

It would appear that the auction system will be an improvement on the previous first-come-first-served system. However the real effect will not be known until after a couple of harvests with the auction system in place.

The SAFF Grains Industry Committee has given in principle support for the auction system with a number of provisos. Being able to see the auction system actually in operation will determine whether these have been met.

SAFF appreciates the effort that Viterra has made to provide details on the auction proposal. In addition to the two consultation meetings, a Viterra representative also attended and spoke at the January 2012 meeting of the SAFF Grains Industry Committee on the proposal.

SAFF is aware that some grain traders believe the auction system is only a "stop gap" measure designed to meet the ACCC deadline, and that the Australian Grains Exporters Association is hoping for adjustments.

There still remains the need for more disclosure and greater transparency with the industry information that Viterra holds as well as equitable access to competitor storage providers and more transparency of "upcountry fees."

Yours sincerely



Carol Vincent
CHIEF EXECUTIVE OFFICER