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Mr David Barrett,

The Victorian Farmers Federation (VFF) again welcomes the opportunity to make a submission to the ACCC regarding their draft determination of the Port of Portland Pty Limited's (POPL) exemption assessment of port terminal services. The outcome of this determination if an exemption is provided will be the POPL no longer being required to comply with Part 3 & 6 of the *Port Terminal Access (Bulk Wheat) Code of Conduct*.

The VFF maintains that this outcome will lead to a less competitive environment that will ultimately disadvantage producers of the port. As the primary agricultural representative organisation for grains farmers within the Portland grain catchment area, the VFF is obligated to raise concerns by growers of the risks to a fair and transparent operation of Port Terminal Service Providers (PTSPs).

The VFF continues to reiterate the organisational view that transparency must be prioritised as a function of business where sufficient competition cannot be demonstrated. This view is formed on the basis that inflated costs from a lack of competition usually fall back to the farmer in most instances. The VFF holds the view that there is in fact an insufficient level of competition at the Port of Portland to justify their PTSPs receiving an exemption from the Wheat Code.

The VFF recognises the financial strain of transparency to the POPL as onerous. However, the consequence of removing the exemption status of POPL will likely have a substantial impact on the grain farming community's financial sustainability in the corresponding catchment area. The proposed removal of transparency is likely to expose grain farmers to potential anti-competitive behaviour and subsequently worse economic outcomes.

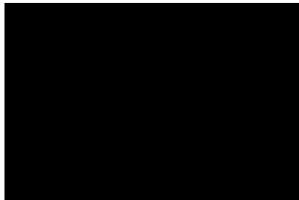


In addition, the VFF continues to voice concerns over the impact of exempt service providers no longer being required to publish information on port capacity under an exemption from Parts 3 & 6 of the Wheat Code. A likely outcome from this change is grain traders exploiting perceived terminal capacity to the detriment of prompt vessel loading. This can result in sales not being finalised, leading to a riskier grains market for farmers. The additional element of volatility and uncertainty introduced to the market, which may lead to adverse financial outcomes for the grain farmers in the Portland catchment area, is both unnecessary and detrimental to a continually improving local industry.

The VFF wants to reiterate the substantial risk of providing an exemption to the POPL from Parts 3 & 6 of the Wheat Code in regard to the local grain industry.

Thank you for the opportunity to make this submission. The VFF remains committed to assisting the Australian Competition and Consumer Commission in ensuring markets remain fair and transparent. Should you wish to discuss these matters further, please contact VFF Grain Commodity Manager, Vincent Britnell via email [vbritnell@vff.org.au](mailto:vbritnell@vff.org.au).

Yours sincerely,



Ashley Fraser  
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Victorian Farmers Federation