

Gilbert, Jewel

From: Hatfield, David
Sent: Wednesday, 6 October 2004 10:40 AM
To: Gilbert, Jewel
Cc: Grimwade, Tim; Hutchison, Paul
Subject: FW: AWB GrainCorp JV

Jewel - another submission on the grains matter.

thanks

David

-----Original Message-----

From: Jeff Lock [mailto:Jeff.Lock@agforceqld.org.au]
Sent: Wednesday, 6 October 2004 9:09 AM
To: Hatfield, David
Subject: AWB GrainCorp JV

David,

Please find attached a short letter regarding AgForce Grains views on the need to quickly grant the JV the ability to begin operations.

Also attached is a news release from AgForce Grains at the time the announcement of the JV was made.

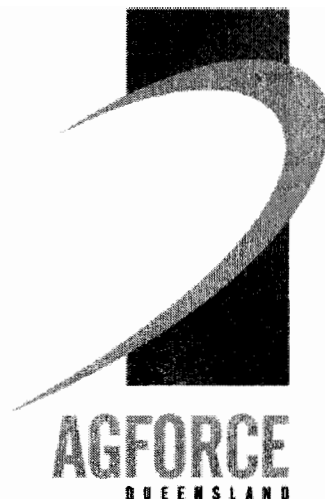
If you have any questions please don't hesitate to get in contact with me.

Regards

Jeff Lock
Grains Policy Director

AgForce Grains Ltd.

A commodity council of AgForce Queensland ABN: 212 416 791 71



Tuesday, 5 October 2004

Mr Tim Grimwade
General Manager
Adjudication Branch
Australian Competition & Consumer Commission
PO Box 1199
DICKSON ACT 2602

Dear Tim

Applications for Authorisation A30233, A30234 and A30235 by GrainCorp Operations Limited and AWB Limited: export freight and logistics joint venture

Thankyou for the opportunity to respond to this immediate application for authorisation by the above mentioned companies regarding the export grain logistics Joint Venture.

AgForce Grains as the representative of Queensland grain producers strongly supports the immediate granting of the interim authorisation by the ACCC, or any means to expedite the approval to allow the go ahead for the proposed Joint Venture.

Attached with this letter is a media release issued by AgForce Grains at the time of the Joint Venture announcement for export grain between GrainCorp and AWB Limited.

AgForce Grains views this Joint Venture as a key step in creating critical efficiencies within the export grain supply chain, with the potential to reduce the current expense incurred by our growers in accessing premium export markets.

This proposal is in line with the AgForce Grains Board agreed core priority policy as one of the most important areas to achieve benefits on behalf of our membership:

***“AgForce Grains encourage participants in the grain industry to work towards least cost pathways for grain movement.*”**

The flow of grain from country storage to port must work to minimise cost and avoid inefficient use of resources and double handling.”

AgForce Grains was of the opinion that the early planning of the JV would ensure its capability of beginning any efforts increase efficiencies in the supply chain for this harvest. Usually all systems are necessary to be in order for the Queensland harvest in earnest by 1 September each year. With the current season impacting heavily on the crop the 1 September deadline has not been as critical as in other years, however it is imperative that all harvest systems be in place Queensland growers ASAP.

As I mentioned AgForce Grains believes that this proposal is definitely a step in the right direction to address efficiencies and savings within the supply chain for export grain.

Yours sincerely

Murray Jones
President - AgForce Grains

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A d v a n c i n g R u r a l Q u e e n s l a n d

MEDIA RELEASE

June 28, 2004



Grains handling joint venture a boon for growers

Today's announcement of a joint venture between AWB and GrainCorp should lower grain grower export costs, according to leading rural lobby group AgForce.

AgForce Grains president Murray Jones said AgForce had been pushing for greater co-ordination between companies in the supply chain to reduce costs for growers.

"Queensland has historically had some of the highest storage and handling costs in Australia," he said.

"These costs have always included an allocation for 'Carry' - a storage and handling charge for warehoused grain waiting to be shipped.

"The announcement of this joint venture to better co-ordinate export grains should go a long way towards achieving those savings for growers that AgForce has been championing."

Mr Jones said the introduction of competition in Queensland's grains industry had already seen some savings for growers located in the surrounding locations where new storage and handling sites have been built.

"Today's joint venture announcement should mean all Queensland growers will benefit from the savings in storage and handling, through more efficient co-ordination," he said.

Mr Jones said one of the issues that AgForce Grains had raised, on behalf of members, during the recent merger of Grainco and GrainCorp was the need for efficiencies and savings in storage and handling.

"This announcement should go some way in creating those efficiencies and savings for growers because there will be better co-ordination between the two companies and the use of existing facilities," he said.

Ends

For further information, contact Murray Jones on (07) 4984 4540 or 0429 893 667, or AgForce Grains policy director Jeff Lock on (07) 3236 3100 or 0408 786 010.

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A d v a n c i n g R u r a l Q u e e n s l a n d