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7/10/2016

Sent via email

Dear Sir / Madam

# Queensland Cane Growers Organisation Ltd (Canegrowers) application for authorisation (A91558) — interested party consultation

The Australian Competition and Consumer Commission (the ACCC) is currently conducting a public consultation process on a collective bargaining application for authorisation received from Canegrowers on 23 September 2016.

The purpose of this letter is to invite you, as a potentially interested party, to comment on the application. Please see the ACCC's publication <u>Authorisation process - the basics</u> for a summary of the authorisation process and how to make a submission to the ACCC.

# Canegrowers' application for authorisation

Canegrowers seeks authorisation on behalf of local Canegrower organisations to collectively bargain and make cane supply and related contracts between sugarcane growers, processors and sugar marketers.

The proposed terms and conditions of cane supply for collective bargaining include:

- harvesting of cane
- delivering cane to the mill or delivery points
- transport and handling of cane by the mill
- acceptance and crushing of cane by the mill
- payment to growers by the mill owner
- forward pricing terms
- essential terms governing the supply of GEI ('grower economic interest') sugar to the GEI sugar marketers
- capturing the value of the by-products and related products from the sugarcane and
- any other contracts or arrangements relating to the supply of or processing of sugar cane.

Canegrowers seeks authorisation for Canegrowers and the relevant local Canegrowers organisations to collectively bargain across three levels:

- a) within each district with the local mill owner and marketer
- b) across and between each district that has common mill ownership with the common mill owner and sugar marketer and
- c) across and between each district with any and all mill owners and sugar marketers.

Authorisation is sought for ten years.

Further information about the proposed arrangements and a copy of Canegrowers' application for authorisation is available on the ACCC's website <a href="https://www.accc.gov.au/AuthorisationsRegister">www.accc.gov.au/AuthorisationsRegister</a>.

#### **Request for submissions**

The ACCC invites you to make a submission on the likely public benefits and effect on competition, or any other public detriment, from the proposed arrangements.

If you intend to provide a submission in relation to Canegrowers' application for authorisation, please do so by **28 October 2016**.

Submissions should be emailed to <u>adjudication@accc.gov.au</u> with the subject 'A91558 – Queensland Cane Growers Organisation Ltd – submission'.

Alternatively, if you would like to provide comments orally, please contact Jaime Martin on (03) 9290 1477 to organise a suitable time.

Submissions, including oral submissions, will be placed on the ACCC's public register subject to any request for exclusion (guidelines are <u>attached</u>).

## Timetable

The ACCC will progress its assessment of the application in a timely manner. An indicative timetable is set out below for your information.

23 September 2016	Lodgement of application and supporting submission.
7 October 2016	Public consultation process begins.
28 October 2016	Closing date for submissions from interested parties.
11 November 2016	Applicant responds to issues raised in the public consultation process.
December 2016	Draft determination.
January/February 2017	Public consultation on draft determination including any conference if called.
February/March 2017	Final determination.

Please advise if you do not wish to make a submission at this time, but would like to be informed of the progress of the application at the draft and final determination stages. If you are able to, please provide a nominated contact email address for future correspondence.

You can also forward this letter to any other party who may wish to make a submission to the ACCC regarding the application.

This letter has been placed on the ACCC's public register. If you have any questions, please contact Jaime Martin on (03) 9290 1477 (or at <u>jaime.martin@accc.gov.au</u>) or myself on (02) 6243 1266 (or at <u>david.hatfield@accc.gov.au</u>).

Yours sincerely

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David Hatfield Director Adjudication Branch

# Queensland Cane Growers Organisation Ltd – collective bargaining application for authorisation A91558

### List of interested parties - initial consultation

#### 7 October 2016

- 1. Wilmar Sugar Australia Ltd
- 2. Tully Sugar Ltd
- 3. MSF Sugar Ltd
- 4. Isis Central Sugar Mill Co Ltd
- 5. W.H. Heck & Sons
- 6. Mackay Sugar Ltd
- 7. Bundaberg Sugar Ltd
- 8. Queensland Sugar Ltd (QSL)
- 9. Wilmar Sugar Australia Trading Pty Ltd
- 10. MSF Sugar Limited
- 11. Tully Sugar Ltd
- 12. Queensland Department of Agriculture and Fisheries
- 13. Queensland Productivity Commission
- 14. Productivity Commission
- 15. Australian Government Department of Agriculture and Water Resources
- 16. The Treasury
- 17. Australian Sugar Milling Council (ASMC)
- 18. Australian Cane Farmers Association
- 19. Australian Sugar Industry Alliance
- 20. Invicta Cane Growers Organisation Limited
- 21. Pioneer Cane Growers Organisation Limited
- 22. Kalamia Cane Growers Organisation Limited
- 23. Bundaberg Sugar Services Ltd
- 24. Sunshine Sugar
- 25. Sugar Terminals Limited
- 26. Queensland Farmers Federation
- 27. Sugar Research Australia