



Australian  
Competition &  
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# NEWS RELEASE

## **ACCC ALLOWS MORE TIME TO DEVELOP WHEAT PORT CAPACITY AUCTION IN SOUTH AUSTRALIA**

The Australian Competition and Consumer Commission has agreed to Viterra varying its port terminal services access undertaking.

The variation will allow Viterra more time to work with industry to improve the proposed auction system for port terminal services in South Australia for the export of bulk wheat.

The original timeframe of May 2012 to introduce an auction system will be extended to November 2012.

Viterra, the port terminal operator, is required by the undertaking to introduce an auction system in South Australia. Viterra has applied for more time to develop an auction system that addresses the problems that were highlighted by recent auctions in Western Australia.

ACCC chairman Rod Sims said the extended timeframe will provide Viterra and the industry with the opportunity to thoroughly consider and address complex problems that may have arisen with the proposed auction system.

"The South Australian wheat industry needs time to develop an auction system in order to avoid the inefficient outcomes experienced in WA.

"The introduction of an effective auction system will promote competition across the South Australian wheat industry to the benefit of Australian wheat farmers," Mr Sims said.

The variations to the access undertaking provide that in the event that an auction system is not ready by August, then Viterra will accept bookings on a first-in, first served basis for shipping capacity between 1 October 2012 and 31 January 2013. The variation allows for an auction to be held in November for shipping capacity from 1 February 2013, unless further extended by agreement.

The ACCC has a role in approving access undertakings for wheat exporters as part of the deregulation of the wheat industry. Access undertakings are intended to ensure that third party exporters are able to access the port terminals operated by businesses that compete with them, ensuring fair competition in the market for the export of bulk wheat.

The ACCC accepted an access undertaking from Viterra on 28 September 2011. Part of this undertaking is an obligation to introduce an auction system as the primary means of allocating port terminal capacity by May 2012.

Viterra's varied port terminal services access undertaking and the ACCC's full reasons for the decision will be available at [www.accc.gov.au/viterra](http://www.accc.gov.au/viterra)

**Media inquiries**

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