

KARADOC

31 July 2014

Committee Secretary
Senate Standing Committees on Rural and Regional Affairs & Transport
PO Box 6100
Parliament House
Canberra ACT 2600

To whom it may concern,

We are another grain growing business from Western Victoria who has recently been failed by the grain traders of Australia.

After farming for 20 years without any trading losses, a particular trader from interstate entered into the local buying establishments and had a field day. He knew he was not going to pay for one single grain, even before he started purchasing in the area.

What more, when he went into voluntary administration with one company, he continued to trade on, with one of his many other companies. It appears he also redirected payments and hid money from the authorities.

The problem with this lack of governance is that, eventually, due to the unscrupulous actions of some, all smaller traders will disappear. This will occur because farmers will not take the risk selling to them. This will reduce competition in the market, and ultimately, prices.

We suggest that there needs to be an industry insurance scheme to make sure that all growers get paid. We also need a body with enforcing powers to rid the industry of dishonest traders.

ASIC seems uninterested or incapable of doing anything for us. As you all well know, this is not a 'one off' occurrence and will continue to happen unless something is done. The farmer is always the one left without the payment.

We thank you for accepting this submission.

Yours sincerely

Duncan & Anna Giles