Mechanicos, Kyriaki (SEN)

From: Mucjanko, Karlie [Karlie.Mucjanko@cbh.com.au]

Sent: Thursday, 24 April 2008 12:30 PM

To: Mechanicos, Kyriaki (SEN)

Subject: RE: Wheat Export Marketing Bill Inquiry

Good morning Jeanette

Thank you for your email. I can confirm that the CBH Group supports the proposed Bulk Wheat Supply Chain Code of Conduct that Mr Ginns refers to. I have attached a letter signed by our Chairman Mr Neil Wandel to this effect.

I can also confirm that where the 'undertaking' mentioned in your transcript below refers to the proposed Code of Conduct, the CBH Group does support the concept of removal of accreditation as a consequence of a proven breach of said undertaking (Code of Conduct).

The CBH Group would be happy to provide any further information the Committee requires on this matter.

Kind regards Karlie

Karlie Mucjanko

Manager Corporate Affairs CBH Group 30 Delhi Street, West Perth WA 6005 M: 0427 192 443 P: (08) 9237 9728



Bulkwest | CBH Grain | Grain Pool | Grain Operations

From: Mechanicos, Kyriaki (SEN) [mailto:Kyriaki.Mechanicos@aph.gov.au]

Sent: Wednesday, 23 April 2008 2:48 PM

To: Mucianko, Karlie

Subject: Wheat Export Marketing Bill Inquiry

Importance: High



STANDING COMMITTEE ON RURAL AND REGIONAL AFFAIRS AND TRANSPORT

Ms Karlie Mucjanko Manager Corporate Affairs CBH Group 30 Delhi Street WEST PERTH WA 6005

Dear Ms Mucjanko

Inquiry into the exposure drafts of the Wheat Export Marketing Bill 2008 and the Wheat Export Marketing (Repeal and Consequential Amendments) Bill 2008

As you may be aware, the Senate Standing Committee on Rural and Regional Affairs and Transport held a public hearing on the above inquiry yesterday, Tuesday 22 April 2008. A proof transcript of the evidence provided by Mr David Ginns, the Manager of Corporate Relations of GrainCorp Operations Ltd, at yesterday's hearing has been attached for your information.

Please note that in response to a question asked by Senator O'Brien at the hearing, Mr David Ginns made the following statement:

Senator O'BRIEN—You were saying, if I can follow up on your last answer, that the entities who would make the undertaking are entirely happy with the concept of removal of accreditation as a consequence of a breach of the undertaking.

Mr Ginns—In answer to your first question, yes, clearly the three major organisations who would be covered by this code are happy to have that sanction in place.

The committee would like to confirm that CBH is in fact happy with 'the concept of removal of accreditation as a consequence of a breach of the undertaking'. Further, if CBH wishes to comment on or clarify any of the evidence provided at the hearing, the committee would appreciate a response by 1.00pm Thursday 24 April 2008, to facilitate the consideration of all relevant information in the committee's report.

Yours sincerely

Jeanette Radcliffe Secretary

23 April 2008

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21 April 2008

Senator Glenn Sterle Chairman Senate Rural and Regional Affairs and Transport Committee Parliament House CANBERRA ACT 2600

Dear Senator Sterle

On behalf of the CBH Group, I write to inform you of our strong support for the proposed Bulk Wheat Supply Chain Code of Conduct that has been put forward by GrainCorp Limited.

As a co-operative that has invested close to \$1 billion in bulk grain handling facilities in the past 10 years on behalf our Western Australian grain grower shareholders, we hold a keen interest in ensuring that we have the ability to demonstrate our commitment to providing fair and reasonable access to bulk handling infrastructure in a proactive manner.

The CBH Group therefore strongly supports the adoption of the proposed Bulk Wheat Supply Chain Code of Conduct over Section 20 in the proposed Wheat Export Marketing Act 2008 and we urge the Senate Rural and Regional Affairs and Transport Committee to give this due consideration.

The Code of Conduct allays concerns of access restrictions without posing a regulatory burden on the commercial activities of the CBH Group. I note that these concerns regarding access have to date been based on rumour and speculation and that the CBH Group's behaviour in the supply chain has demonstrated its willingness to provide access to its infrastructure. We are, after all, a volume dependent business.

While Section 20 places requirement for an access undertaking in relation to port facilities, the Code of Conduct will ensure that all bulk grain terminal providers are bound to provide fair and reasonable access to both port and up-country facilities. It provides bulk handlers with the ability to demonstrate the appropriate behaviour in the supply chain, rather than regulate behaviour before it has been demonstrated as necessary and appropriate.

I trust that you will give the Bulk Wheat Supply Chain Code of Conduct due consideration as an alternative that delivers the desired outcome in terms of ensuring access to infrastructure without the need for burdensome regulation. I would be happy to discuss this matter further at any time.

Yours faithfully

For: Co-operative Bulk Handling Limited

Neil Wandel Chairman