

17 November 2014

Competition Policy Review Secretariat
The Treasury
Langton Crescent
PARKES ACT 2600

Dear Sir/Madam

RE: Competition Policy Review Draft Report

The Australian Sugar Milling Council (ASMC) is the peak industry organization for sugar milling in Australia. ASMC membership represents some 95 per cent of raw sugar production in Australia, and 6 of the 8 milling companies. ASMC is an advocacy-based organization, operating in the best interests of Members and the broader Australian sugar industry. ASMC works in the pre-competitive environment on a range of policy and programs that impact the profitability and sustainability of mill businesses and the Australian sugar industry.

The ASMC generally supports the recommendations in the Competition Policy Review Draft Report September 2014. Deregulation of the sugar industry in Australia has enabled the industry to mature into an efficient, innovative, commercially driven and internationally competitive industry. It occurred progressively from 1982 to 2006 and involved more than 30 reviews and inquiries into the regulatory and competitive position of the sugar industry, and several legislative and regulatory changes. The Federal Government commissioned Hildebrand Report in 2002 found that the industry needed a regionally-focused, business-oriented approach to the majority of industry matters.

Attached is our submission to the current Senate inquiry into the current and future arrangements for the marketing of Australian sugar, which also provides some commentary on the range of statutory provisions under the *Competition and Consumer Act 2010* designed to protect competition and the misuse of market power that have relevance to the circumstances of the Australian sugar industry.

The ASMC supports the findings of the Competition Policy Review Draft Report that there is no case for special treatment for the sugarcane industry versus any other agricultural industry, or indeed any other industry and that the provisions of the Competition and Consumer Laws generally work as intended.

The ASMC acknowledges the desire for small businesses to have access to collective bargaining, and supports the current Recommendation 50 from the Draft Report. The ASMC does not support a strengthening of collective bargaining in the sugar industry or a return to a state-wide 'region' for the purposes of collective



bargaining, because this would be a move away from the regional focus that was integral to deregulation, and which continues to assist the industry remain competitive internationally.

Yours sincerely

A handwritten signature in black ink, appearing to read "Dominic V Nolan".

Dominic V Nolan
Chief Executive Officer