



STAYING PUT: Viterra's head office for its Australian and New Zealand operations will remain in Adelaide, contrary to reports last week that it would be moved to Melbourne. Grain Producers SA chief executive Darren Arney (inset) says any consolidation of Viterra and Glencore might benefit growers.

'We are not moving'

Viterra shuts down Melbourne relocation rumours

By **PAULA THOMPSON**

RUMOURS that Viterra's head office on South Terrace in Adelaide could be moved to Melbourne, Victoria, have been dismissed by State Agriculture Minister Gail Gago.

The rumours were circulated in both metropolitan and regional media last week, raising fears hundreds of jobs could be lost from the company's South Australian operation.

Industry sources have confirmed that Adelaide will remain the head office for the company's Australian and New Zealand operations with all the grain storage and handling, malt business, grower services and corporate service functions operating from SA.

But Melbourne will be the grain trading hub for the company.

Glencore completed its acquisition of Viterra in December, nine months after the takeover was initially flagged.

The Viterra brand will be retained for all storage and handling activities, while

KeyPoints

- Adelaide office business as usual
- Melbourne businesses' trading hub
- 140 regional vacancies but job cuts not ruled out

grain marketing will occur under the Glencore name.

Ms Gago said the rumour that the Viterra head office was relocating to Melbourne was incorrect.

"I have met with Glencore, who have briefed me on their position as they proceed through their restructure and I have been advised that the head office, which is largely made up of the grains division, is not being relocated to Melbourne," she said.

"The Adelaide office is the largest in Australia and is more than double the size of the Melbourne office. Glencore has said that it also filled its senior positions with local staff."

While job cuts have not been completely ruled out, Ms Gago said Viterra had identified 140 vacancies in regional areas.

"Glencore has also indicated that they are exploring growth opportunities in other sectors where there may be synergies, such as through bulk commodity handling," she said.

Shadow Agriculture Minister Adrian Pederick said it was essential SA's graingrowers were kept in the loop about what was happening with the company.

"The grains industry is the biggest financial contributor from primary production to the State's economy," he said.

"It is worth multiples of billions of dollars every year. Depending on the season, it can be worth up to \$10b.

"So I think growers deserve and have a right to know what's going on.

"They don't need to know every fine detail, just a broad outline of what's going on."

Grain Producers SA chief executive officer Darren Arney said it made sense to have one grain marketing division in Melbourne, rather than two in different cities.

"As long as any consoli-

dation results in lower costs and better returns for growers," he said.

"As long as service levels don't suffer and growers share in their savings, there's no doubt there could actually be advantages for growers."

Mr Arney also urged Glencore to keep the lines of communication open about what was happening in the business.

"We'd like to have more information on what's proposed for the storage and handling system and making sure we attract a fair bit of competition into SA to compete for grain," he said.

"At the end of the day, we have a company with a market share of more than 50 per cent of the State's grain and a stranglehold on the storage and handling system, so we're hoping to sit down with them and run through what their plans are."

Viterra has declined to make comment on any possible job losses and the number of Adelaide staff who could be moved to the grain trading hub in Melbourne.