



Our ref: CS1048175
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28 March 2018

Mr Travis Brooks-Garrett
APSA Secretariat
Australian Peak Shippers Association Inc.
Level 11, 63 Exhibition Street
MELBOURNE, VIC, 3000

By email: secretariat@auspsa.com

Dear Mr Brooks-Garrett

Arrangements affecting container terminals at New South Wales ports

The Australian Competition and Consumer Commission (ACCC) has concerns about arrangements that may limit or prevent the development of a container terminal at the Port of Newcastle.

The purpose of this letter is to seek information relating to the viability of a container terminal at the Port of Newcastle and the impact of such a terminal on competition. The ACCC is making inquiries into:

- the movement of containerised goods throughout New South Wales;
- the import and export of containerised goods on the east coast of Australia; and
- the delivery of landside services at ports on the east coast of Australia.

The ACCC will use this information to assist with our assessment of whether competition issues may arise under the *Competition and Consumer Act 2010*.

The *Competition and Consumer Act 2010*

The ACCC promotes competition and fair trade in markets to benefit consumers, businesses, and the community. Our primary responsibility is to ensure that individuals and businesses comply with Australian competition, fair trading, and consumer protection laws of the *Competition and Consumer Act 2010* (CCA) and the Australian Consumer Law.

Of relevance to the concerns raised in this letter, section 45 of the CCA prohibits contracts, arrangements or understandings which have the purpose or effect of substantially lessening competition.

Information requested

To assist the ACCC with its inquiries, we would appreciate you providing the information requested in Attachment A by 13 April 2018.

In addition to the requested information, you are welcome to provide any further comments and documentation that you feel would assist the ACCC. Please email your response to robert.albertsonkill@acc.gov.au by 13 April 2018. If you would prefer to discuss your response, please call Robert Albertson Kill on (02) 6243 1277.

The ACCC will treat information received through these market inquiries as confidential. We are committed to treating confidential information responsibly and in accordance with the law. If we are legally required to disclose confidential information, such as when ordered by a court, we will generally endeavour to notify and consult the person who provided confidential information about the proposed release of that information.

Thank you for your attention to this matter. If you have any queries about this letter, please contact me on (02) 6243 1217 or Mr Albertson Kill on the details above.

Yours sincerely



Sharon Clancy
Director
Enforcement NSW & ACT

Attachment A

Request for information

1. Do you have any general comments about the viability of a container terminal at the Port of Newcastle?
2. Did you make a submission in relation to the NSW Draft Freight and Ports Plan? If so, please provide a copy of your submission.
3. Are you involved in the import or export of containerised goods on the east coast of Australia? If so, which port(s) do you predominantly use and why?
4. Please state the major origins and destinations for containerised goods in New South Wales.
5. If you are aware of it, please state the cost (preferably on a per TEU basis) of transporting containerised goods by road and/or rail to major destinations in New South Wales from the Port of Newcastle, Port Botany, Port Kembla, the Port of Brisbane and the Port of Melbourne.
6. If a container terminal were developed at the Port of Newcastle, how do you expect it would affect the transport options for importers and exporters of containerised goods on the east coast of Australia, and the transport costs they face? Please explain your answer.

Port access questions

7. Please describe any road and/or rail access issues that impact on the transport of containerised goods to, or from Port Botany.
8. Do you foresee any road or rail access issues in transporting high volumes of containers to or from Port Kembla in the future?
9. Are you aware of any road and/or rail access issues that would hinder container transport to the Port of Newcastle? Would further infrastructure be necessary to make container transportation to and from the Port of Newcastle viable?
10. Are you aware of any logistical or location specific problems at any of the existing container ports on the east coast of Australia that cause delays, or increased cost in the transportation of containerised goods?
11. Have your members used ports outside of New South Wales for the import of containerised goods to, or export from, New South Wales? If yes, did this decision relate to road or rail access issues that you identified above?

Shipping questions

12. At how many ports would a container vessel typically call when exporting from, or delivering goods to, the east coast of Australia?
13. Would it be cost effective for a container vessel to, in a single voyage call at both
 - a container port at the Port of Newcastle; and
 - either or both Port Botany or Port Kembla?

Please explain your answer.

14. Please list the most important considerations for a shipping line when deciding whether to export containerised goods from, or deliver them to a particular port.
15. Are you aware of any features that would limit efficient maritime access by container vessels to the Port of Newcastle?

16. If a container terminal operated at the Port of Newcastle, would your members consider calling there? Please explain your answer.