



Our ref: CS1048175  
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28 March 2018

Mr Paul Zalai  
Director  
Freight & Trade Alliance Pty Ltd  
68 Brooker Avenue  
BEACON HILL, NSW, 2100

By email: [pzalai@FTAlliance.com.au](mailto:pzalai@FTAlliance.com.au)

Dear Mr Zalai

### **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](mailto: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. Do your members transport containerised goods by road, rail or both? If you or your members use both road and rail transport:
  - a. would both road and rail typically be used in a single journey?
  - b. on the basis of overall distance travelled, roughly what proportion of goods are transported by each of road and rail?
  - c. would you or your members prefer to transport containerised goods over land differently and if so, what prevents you from doing this?
4. Do your members containerise goods at the point of production or are goods containerised after being transported to another location? At what point in the supply chain (including location) does containerisation occur?

### *Port access questions*

5. Please describe any road and/or rail access issues that impact on the transport of containerised goods to, or from Port Botany.
6. Do you foresee any road or rail access issues in transporting high volumes of containers to or from Port Kembla in the future?
7. 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?
8. 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?

### *Freight specific questions*

9. Please state the major origins and destinations for containerised freight in New South Wales.
10. If a container terminal operated at the Port of Newcastle, what freight routes would be used? Do you consider these effective for handling high volumes of containerised freight?
11. What is the approximate cost per TEU of transporting a container by rail and road to western Sydney and other important destinations in New South Wales from:
  - a. the Port of Newcastle;
  - b. Port Botany;
  - c. Port Kembla;
  - d. the Port of Brisbane; and
  - e. the Port of Melbourne.

Please state whether your answer would change if the volume of containerised imports at the Port of Newcastle increased significantly.

12. On a per TEU basis, what is the approximate cost per kilometre to transport containerised goods in New South Wales, outside of metropolitan Sydney?
13. 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.