

FLETCHER INTERNATIONAL EXPORTS PTY LTD



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To Whom it May Concern,

Fletcher International Exports would like to submit a letter of acknowledgement and agreement for the submission on the Productivity Commission responses from Freight Trade Alliance (FTA) and Australian Peak Shippers Association (APSA).

They have submitted responses to seven recommendations from the PC report and all of which Fletcher strongly agree with their response. We have a number of issues with the ports, in particular Port Botany, and the three stevedores operating at Port Botany.

Infrastructure Levies now known as Terminal Access charges have an enormous financial impact on our business. These terminal access charges within Port Botany have increased since 2017 with negligible association to productivity improvements. As a rail operator we have seen minimal improvements to rail productivity (lifts per hour) at these terminals. As a rural exporter, these increases in TAC's increase the export cost for grain and meat products, and ultimately is passed onto the primary producers. Any increases in terminal access charges, need a direct correlation to measurable efficiency gains or infrastructure investment, rather than the current flat fee to access port terminals.

These charges are non-negotiable to transport operators, and with shipping lines being in a better position to negotiate with the ports, these costs should be charged out to shipping lines inclusive in the stevedoring/wharf charges where it is possible for negotiations to take place. We believe that these imposed imposts need to be regulated.

We also strongly support the proposed introduction of regulatory framework for notification periods. Regulating notice periods need to be introduced to the following practices within the ports and stevedores;

- Vessel receipt windows
- Terminal Access Fees being amended/increased
- Vessel arrivals and departures
- Industrial Action

These need to be regulated to assist us and other exporters in particular to be able to manage our supply chain and assist us to run our business at the highest level of efficiency. Instead of the current situation which we are dealing with which is a constant moving target. Should shipping lines require compensation for poor quayside performance, causing congestion as it has in the past three years, this should be re-couped direct from their contracted stevedore rather than the imposition of "congestion" surcharges onto customers like us as exporters who are not only feeling the effect of the congestion in our supply chain but then being penalised for it.

Fletcher International agree that there needs to be a change to the Part X (10) of the Competition and Consumer Act 2010 (CCA).

Fletcher International Exports and our regional customers have lost opportunities, experienced significant financial and operational disruptions and lack of access at time due to the inefficiencies and issues at the port.

Regards,

Fletcher International Exports Pty Ltd