



4th February 2013

M/s Patricia Scott
Presiding Commissioner
National Access Regime
Productivity Commission
Locked Bag 2
Collins Street East
MELBOURNE VIC 8003

Email: accessregime@pc.gov.au

Dear M/s Scott

National Access Regime – Issues Paper

Thank you for the opportunity to comment on the National Access Regime Issues Paper, released in November 2012.

The Association of Mining and Exploration Companies (AMEC) is the peak national industry representative body for over 360 explorers, miners and the companies servicing them.

AMEC's strategic objective is to secure an environment that provides clarity and certainty for mineral exploration and mining in Australia in a commercially, politically, socially and environmentally responsible manner. It is in this context that the following comments are made.

AMEC members have expressed concern with the timing of the release of the Issues Paper and the limited time (noting that the Christmas and New Year holiday breaks intervened) in which to digest the content of the paper and to provide considered responses.

Structured planning for regional transport, roads, rail, ports, water, airports, energy and communication is essential for the mining and mineral exploration sector, as is the provision of essential public services to encourage employment and growth in regional Australia.

AMEC notes the large number of stakeholders involved in regional infrastructure planning at the regional, state / territory and federal levels. Unfortunately, much of that planning appears to lack clear strategic leadership or a coherent and effective planning strategy to meet the increasing demands of the Australian resources sector, with the result that many remote regional resource projects and their assets are 'stranded' as they are uneconomical due to the lack of, or access to appropriate infrastructure.

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This is a critical issue that must be addressed, by government (through Infrastructure Australia) providing increased leadership and strategic planning to meet the infrastructure needs of the Australian mining industry.

In doing so, consideration should also be given to increased collaborative funding models involving 'public-private partnerships' and other alternatives (such as investment by superannuation funds, tax breaks for infrastructure bonds, incentives for public private partnerships).

AMEC also notes that the mechanisms by which small emerging miners may more efficiently and effectively access common user infrastructure (such as port and rail) are complex and do not appear to be meeting a 'third party use' objective.

This is despite the existence and role of the Trade Practices Act (Part IIIA) to promote the economically efficient operation of infrastructure promoting effective competition in upstream and downstream markets. The Pilbara Infrastructure Pty Ltd case study described on page 12 of the Issues Paper is an excellent example of the inefficiency of the current access regime.

There are also a number of stakeholders in relation to infrastructure matters and increased clarity is required around the role and relevance of parties such as the Australian Competition and Consumer Commission, National Competition Council, Australian Competition Tribunal, and National Transport Commission, particularly in relation to achieving third party access outcomes.

Despite the fact that the Productivity Commission has commenced an Inquiry into the National Access Regime, AMEC considers that the Terms of Reference do not go far enough, as these broader strategic issues should have been included.


It is essential that a full review be conducted on the current inefficient and ineffective infrastructure regulatory and approvals framework in conjunction with the mining industry and State and Territory Governments. Such a review should closely assess the effectiveness or otherwise of 'third party access'.

AMEC also considers that a National Infrastructure Plan should be developed with specific attention to regional areas supporting the resources sector through transport (including airports, road, rail and ports), water, energy and gas in remote areas.

In order for this to be developed, AMEC considers that a high level consultative group (including AMEC) should be established to develop a long term infrastructure strategy addressing the increasing needs of the resources sector.

If you have any queries please do not hesitate to contact myself or Graham Short.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Simon Bennison', with a long horizontal flourish extending to the right.

Simon Bennison
Chief Executive Officer

