

# **AUSTRALIAN PEAK SHIPPERS ASSOCIATION**

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Ms Lisa Gropp  
Assistant Commissioner  
Productivity Commission  
LB2 Collins Street East  
MELBOURNE VIC 8003

Dear Ms Gropp,

## **Review of Part X of the Trade Practices Act.**

You will recall I gave an undertaking to Commissioners Byron and Stewardson at the Public Hearings on 29 July 1999 to provide information on two issues.

### **1. Section 10.14 of the Act**

Section 10.14 of Part X of the Trade Practices Act should be amended so as to give effect to a policy intent along the following lines:

- a) as far as practicable, and consistent with meeting the objects of Part X, the exemptions granted to shipping conferences should be limited to the transport of cargo by sea ("blue water" sector); or the setting of all inclusive freight rates covering a terminal to terminal service;
- b) a terminal to terminal service should be taken to include depots and inland facilities for the consolidation and distribution of cargo in containers or other forms used for transportation by sea;

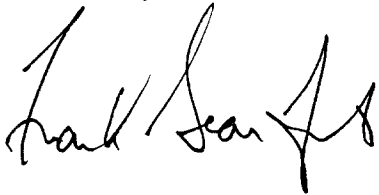
2. Discussion Agreements

Discussion agreements should be subject to additional conditions similar to those imposed by the USA's Ocean Shipping Reform Act of 1998, Section 6 (g). Such conditions would provide for something along the following lines:

If, within three months after the provisional registration of a "Discussion Agreement" the ACCC determines that such an agreement is likely, by a reduction in competition, to produce an unreasonable reduction in transportation service or an unreasonable increase in transportation cost, the ACCC may inform the Registrar that the said agreement should not be finally registered. Under such circumstances the Registrar shall not finally register the agreement. Such a decision may be appealed against.

I trust our comments are helpful.

Yours sincerely



Frank Beaufort

Executive Director 

0508Gropp

9/8/95