



NSW ROAD TRANSPORT ASSOCIATION INC.
Your Road to Success is our Expertise

hm1119/05
7 January 2005

Professor Judith Sloan
Productivity Commission
P O Box 80
BELCONNEN ACT 2616

Dear Professor Sloan,

Mr Andrew Adam, Port Services Manager, P&O Ports, Sydney, has formally raised with me concerns regarding evidence presented by Mike Moylan and myself to the current Inquiry into Part X of the Trade Practices Act 1974: International Cargo Line Shipping.

The New South Wales Road Transport Association (NSWRTA) wants to place on the record its support for vehicle booking systems (VBS). In the case of the P&O Ports VBS, there are three carrier classes, 'B', 'A' or 'AB'. 'B' carriers pay the highest subscription rate and are entitled, at least theoretically, to access more slots than carriers in the other two carrier classes. 'AB' carriers pay the lowest subscription rate and are entitled to the least access to individual slots when compared to the other two carrier classes. 'A' carriers pay a subscription level and are entitled to access slots at a level between these two extremes. 'B' carriers are also entitled to backload (known as two way running) and can be compensated by P&O Ports for poor terminal performance within limits that represent a very small proportion of the annual subscription that is paid by these carriers. NSWRTA's view is that all carriers should be entitled to backload and to compensation for poor terminal performance as part of a service level agreement.

A VBS has advantages over alternatives because it promotes the orderly arrival of vehicles. However the P&O VBS offers no guarantees regarding their company performance once the truck in question queues and is inside their terminal.

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It is NSWRTA's view that an independent non-aligned body is in the best position to manage a VBS.

NSWRTA representatives reiterate the views expressed at 1 December hearing.

Please contact me by telephone (02) 9267 8222 or mobile 0412 880861 if any assistance is required.

Yours sincerely

(signed by) Hugh McMaster

Hugh McMaster
Government & Commercial Services Manager

cc. Andrew Adam, P&O Ports Pty Ltd
Michael Moylan, Johnstons Transport Industries