

**MINISTER FOR TRANSPORT**PARLIAMENT HOUSE
CANBERRA, A.C.T. 2600

Mr L G Lightfoot
Chairman
Australia-United States
Container Line Association
Level 15
447 Kent Street
SYDNEY NSW 2000

Dear Mr Lightfoot

I am writing in response to your letter of 30 September 1994 regarding the complaint made by the Australian Peak Shippers Association (APSA) to the Trade Practices Commission (the Commission) under Part X of the Trade Practices Act 1974 (the Act). You sought approval for the Australia-United States Container Line Association (AUSCLA) lines to provide me with an undertaking under s10.49 to enable resumption of negotiations with APSA.

I am prepared to consider the offer of an undertaking by the parties to the AUSCLA to be made under s10.49 of the Act. The purpose of the undertaking would be to enable a commercial settlement to be achieved with respect to the matters subject to the complaint made by APSA against AUSCLA to the Commission.

In order for me to come to a favourable decision, any undertaking made must include, at the least, the items listed at the Attachment to this letter and be made to me within 7 calendar days of the date of this letter.

Should the undertaking be made in a form which meets with my approval I will request the Chairman of the Trade Practices Commission, Professor Fels, to suspend the Commission's investigation pending the outcome of the negotiations with APSA. An Authorised Officer of the Department would also be in attendance at all negotiations between the parties.

I am providing a copy of this letter to Professor Fels and Mr Frank Beaufort, Executive President of APSA, for their information.

Yours sincerely

SIGNED

8 NOV 1994

LAURIE BRERETON

Attachment

**PROPOSED ELEMENTS OF AN UNDERTAKING TO BE PROVIDED BY THE LINES
OF THE AUSTRALIA-UNITED STATES CONTAINER LINE ASSOCIATION
UNDER SECTION 10.49 OF THE TRADE PRACTICES ACT 1974**

1. Agreement to resume negotiations with the Australian Peak Shippers Association (APSA), said negotiations to be concluded within 45 calendar days of acceptance of the undertaking.
2. Provision of all information requested by APSA in accordance with s10.41 of the Act. This information is to include, but not be limited to:
 - . detailed justification for inclusion of a depreciation component in the Currency Adjustment Factor (CAF); and
 - . detailed justification for the inclusion of a terminal handling charge component in the CAF.
3. Justification detailed in 2 above is to include provision to APSA of copies of documents (such as contracts, invoices, accounting documents etc) on an individual line basis which detail both of the above costs.
4. Attendance of an Authorised Officer at all meetings held between the parties to the negotiation.
5. The AUSCLA parties to fully abide by all obligations arising from s10.41 of the Act.