

Australian Competition & Consumer Commission

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Our Ref:

Your Ref: 16 March 2000

Contact Officer: Anne Plympton Contact Phone: 92901861

6 April 2000

The Hon John Anderson Minister for Transport and Regional Development Parliament House Canberra ACT 2000

Dear Minister

Thank you for your letter of 16 March 2000 referring to the Australian Competition and Consumer Commission ('the Commission') a complaint under section 10.47 of Part X of the Trade Practices Act, 1974. I understand that the complaint is from the Australian Peak Shippers Association and is with regard to the operation of the Australia/South East Asia Trade Facilitation Agreement ('the Agreement')

I understand that the terms of reference which you have given to the Commission request that an investigation and report be undertaken by the Commission of the matters referred to in subparagraph 10.45(a)(iv)(A). In essence, this would require the Commission to examine whether the Agreement has been applied in such a way as to give due regard to the need for outwards liner cargo services provided under the Agreement being efficient and economical. I note that you have also set out a number of matters, concerning the objects of Part X and possible responses under Division 8 Part X, that the Commission should give special consideration to while completing it's investigation and report in relation to this Agreement.

Having regard to the matters you have identified for special consideration, it would seem appropriate that the Commission's investigation and report consider all the matters referred to in paragraph 10.45 (a)(iv). In practical terms, this means that the Commission will also investigate and report on the capacity and frequency of services (in accordance with subparagraph 10.45(a)(iv)(B)) in addition to the matters already referred to in subparagraph 10.45(a)(iv)(A). Your Department's confirmation of this point would be appreciated.

The Commission has made initial contacts with Australian Peak Shippers Association and is now preparing to contact individual complainants in order to further the investigation. The



Commission also intends to maintain close contact with your Department during the course of the investigation.

Yours sincerely

Professor Allan Fels

Chairman