



Australian
Competition &
Consumer
Commission

Our Ref: C2007/610-02
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23 April 2007

Dave Poddar
Partner
Mallesons Stephen Jaques
Level 60
Governor Phillip Tower
1 Farrer Place
SYDNEY NSW 2000

By email: dave.poddar@mallesons.com

Dear Mr Poddar

**Re: Port Waratah Coal Services application for re-authorisation
- interested party submissions**

I refer to the above application for authorisation lodged with the Australian Competition and Consumer Commission (the ACCC) on 27 February 2007.

As you are aware, on 4 April 2007 the ACCC wrote to interested parties seeking submissions in relation to the draft determination proposing to grant authorisation to Port Waratah Coal Services Ltd (PWCS) to reinstate the amended Medium Term CBS until 31 December 2007. The ACCC requested submissions be provided by **cob 20 April 2007**.

The ACCC has received one public submission from the United Mineworkers' Federation of Australia (the Mineworkers' Federation). A copy of this submission is attached and will also be available from the ACCC internet site at www.accc.gov.au.

The Mineworkers' Federation opposes the re-authorisation of the amended Medium Term CBS. It believes that, in its current form, the Medium Term CBS has resulted in significant public detriment in the form of loss of employment. In particular, it submits that Austar Coal Mine has announced the retrenchment of 79 full time equivalent employees as a result of the introduction of the Medium Term CBS.

Further, the Mineworkers' Federation submits the monthly allocation system gives large producers a better ability to move around production, and therefore the scheme operates disproportionately and unfairly on small mines. It submits there should be a mechanism built into the Medium Term CBS to accommodate greater capacity and allocation for the smaller players where the proposed Medium Term CBS will result in a reduction of employees.



The ACCC invites PWCS' comments on the issues raised by the Mineworkers' Federation, including the impact of the amended Medium Term CBS on individual mine production levels. We would appreciate if you could arrange for the ACCC to receive PWCS' response by 7 May 2007.

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please do not hesitate to contact Jaime Martin on (02) 6243 1477.

Yours sincerely

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

Scott Gregson
General Manager
Adjudication Branch