



GM Holden Ltd

Trading as Holden
191 Salmon Street Port Melbourne
Victoria 3207 Australia
ABN 84 006 893 232
All correspondence to:
GPO Box 1714 Melbourne
Victoria 3001 Australia
Telephone (03) 9647 1111
Facsimile (03) 9647 2550

ACCC Ref: C2009/1097

23 July 2009

BY POST

Ms Joanne Palisi
Director Adjudication Branch
Australian Competition and Consumer Commission
GPO Box 3131
CANBERRA ACT 2601

Dear Ms Palisi

Australian Amalgamated Terminals Pty Limited – applications for authorisation A91141 & A91142 – interested party consultation

GM Holden writes in support of the Federal Chamber of Automotive Industry's submission on AAT's applications for authorisation. GM Holden is particularly concerned about the adequacy of the current mechanisms for ensuring that competitive port infrastructure and services are available to the automotive industry.

The Australian vehicle market is small by world standards. In the case of automotive port infrastructure operated by AAT, there is an imbalance of the economies of scale, and market forces alone are not sufficient to drive appropriate commercial outcomes. In the absence of other available cost-effective options, importers must invariably accept the charges imposed by AAT.

As a result, GM Holden considers there to be a need for independent regulatory scrutiny over proposed changes to either the scope of AAT's operating footprint or increases to its infrastructure and service charges. For example, we suggest that the ACCC consider:

1. Requiring AAT to make new applications for authorisation if it wishes to operate in a new port or expand its footprint in a current port; and
2. Establishing an independent umpire or authority to mediate or arbitrate an appropriate outcome where AAT and members of the FCAI are unable to agree to a fee increase or a new service fee. Without such a mechanism AAT will be able to continue to unilaterally impose price increases or new charges on the automotive industry (please refer to FCAI submission for specific examples).

We appreciate the opportunity to provide our views on AAT's applications and would be happy to participate in further discussions on this matter. If you have any questions, please contact me on (03) 9647 7710.

Yours sincerely

Trevor Boys
Logistics Manager
GM Holden Ltd

