

Clancy, Sharon

From: Neil Chambers [neil@vta.com.au]
Sent: Thursday, 15 July 2010 5:55 PM
To: Clancy, Sharon; Adjudication
Cc: Phil Lovel
Subject: APPLICATION FOR AUTHORISATION LODGED BY DP WORLD AUSTRALIA AND PATRICK STEVEDORES OPERATIONS - INTERESTED PARTY CONSULTATION

Dear Sharon,

We refer to the Applications for Authorisation lodged by DP World Australia Limited and Patrick Stevedores Operations Pty. Ltd. regarding the proposed arrangement to make available preferential treatment to transport operators engaged in "dual runs" at container terminals at the Port of Fremantle.

The Victorian Transport Association (VTA) is a prime contractor / employer organisation representing transport operators and other businesses in the transport & logistics industry in Victoria, but also with operational interests in other jurisdictions across Australia. The VTA has as its members a sizable number of transport operators engaged in container transport operations through the Port of Melbourne, the combined volume of which represents over 70 percent of container road transport movements to/from the Port.

The predecessor to the VTA (the Victorian Road Transport Association (VRTA)), together with the (then) Port of Melbourne Authority (PMA, now the Port of Melbourne Corporation) were the architects of the original Vehicle Booking Systems (VBS) implemented in the Port of Melbourne in the early 1990s. Therefore, we have a long history in representing our members' interests in relation to the functionality and operational efficiency of VBS, as well as in working collaboratively with other stakeholders in the international container handling chain, and governments, to achieve efficient and cost-effective transport outcomes.

The VTA strongly supports the application by DP World and Patrick to seek interim authorisation. Such authorisation will allow DP World and Patrick, together with their joint-venture technology provider, 1-Stop Connections Pty. Ltd., to proceed with the development of the port-wide time-slot matching functionality. This, in turn, will allow individual transport operators to make better operational decisions about the optimal use of their road transport assets through two-way loading opportunities.

While the authorisation sought relates to the implementation of such a system in the Port of Fremantle, once developed, we are of the view that it should be implemented in the Port of Melbourne as soon as possible.

The Port of Melbourne is the largest container port in Australia, with over 1.7 million international TEU (twenty-foot equivalent units) handled through the international container terminals controlled by Patrick and DP World at East and West Swanson Docks in 2008/09. This international container trade through the Port of Melbourne is forecast to grow four-fold in the coming decades.

Currently in the Port of Melbourne, Patrick and DP World operate two separate Vehicle Booking Systems (VBS). However, in the very near future, it is our understanding that DP World will migrate to the 1-Stop VBS platform for truck timeslot bookings through West Swanson Terminal.

However, even once a single technology service provider (1-Stop) is delivering VBS services to the stevedores and the road transport industry, the functionality will not be available for readily-accessible information visibility of container / vehicle bookings across both stevedore terminals. In order to optimize the use of trucks and trailing equipment, such visibility would be welcomed. If available, it would allow operational staff in transport companies the opportunity to match export and import time slots not only within one container terminal, but between both of the existing international stevedore terminals. This will reduce empty truck running, and thereby reducing the number of trucks required to meet the growing freight demand.

Therefore, once built, the VTA would welcome the implementation of such port-wide time-slot matching functionality in the Port of Melbourne.

Such support is predicated on the additional functionality being made available to transport operators on fair & reasonable terms and conditions, and at an appropriate price.

We would be happy to provide additional information or submissions to the ACCC related to the application for interim authorisation, as well as during consideration of the substantive application for authorisation in the second half of this year (as per your advertised timetable for assessment).

Regards,

Neil Chambers

16/07/2010

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