



WESTERN AUSTRALIAN PORT OPERATION TASK FORCE

Marine House - 3rd Floor
1 Essex Street (P.O. Box 1222) Fremantle WA 6959
Telephone (08) 9430 4755 Fax (08) 9430 8466

Darrell Channing
A/General Manager
Adjudication Branch
Australian Competition and Consumer Commission
GPO Box 3131
Canberra ACT 2601

Dear Mr Channing

Application for Authorisation lodged by DP World Australia Limited and Patrick Stevedores Operations Pty Ltd – Interim Authorisation

The WA Port Operation Task Force is an industry consultative body which was established in 1987 to provide a forum for identification, discussion and resolution of port-related issues. Membership is drawn from across industry and includes representatives of the road transport industry and customs brokers /freight forwarders, stevedores, container park operators, shipping lines, shippers, the Port Authority and relevant Government agencies. Its Terms of Reference are attached.

The Task Force incorporates all of the parties who have been involved in the development of the initiative to increase "dual running" which is the subject of the authorisation application. The matter has been discussed many times at Task Force meetings in the time since the initiative was originally conceived and has always been strongly supported by members.

The Task Force sees improvements in trucking productivity as critical to both managing impacts on the community and enhancing the efficiency of the container supply chain. Reduction in empty running by trucks, the primary aim of the "dual running" proposal, is considered to be central to productivity improvement.

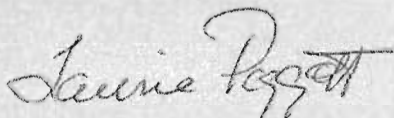
We note that with respect to interim authorisation the ACCC will consider a number of factors including whether the market would be able to return to substantially its pre-interim state if the ACCC should later deny authorisation. Our understanding from the stevedores is that, even if interim authorisation is granted, actual implementation of the dual running initiative will not occur before the ACCC expects to hand down its final determination (ie November/December 2010). This is due to the need for significant software development. Consequently the abovementioned consideration is unlikely to become a factor.

On the other hand, the benefit of interim authorisation is that it will provide sufficient confidence for the stevedores to proceed with system development, rather than having to wait for final authorisation (notwithstanding that a risk remains until that final authorisation is made). Without interim authorisation, implementation will be delayed for the period of the full authorisation process.

In short there are benefits to granting interim authorisation but no apparent downside and accordingly the application is fully supported by the Task Force.

The Task Force will provide a complete submission in respect of the substantive authorisation prior to the deadline of 6th August.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'Laurie Piggott', with a stylized, cursive script.

Laurie Piggott
Executive Officer
16 July 2010

Copy: Sharon Clancy



WESTERN AUSTRALIAN PORT OPERATION TASK FORCE

Terms of Reference

- 1. To identify operational impediments to the efficient passage of goods and vessels through Western Australian ports.**
- 2. To determine practical measures to overcome the identified impediments.**
- 3. To offer appropriate advice to the Government of Western Australia through the Minister for Transport**
- 4. To provide a forum for a two-way exchange of views between the industry and the Government of Western Australia on operational matters affecting the efficient passage of goods and vessels through Western Australian ports.**
- 5. To represent, as appropriate, the view of the Western Australian industry in national decision making forums.**
- 6. To investigate and report on specific issues in respect of port operations as raised by the Western Australian Minister for Transport.**