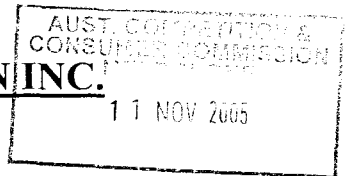


AUSTRALIAN PEAK SHIPPERS ASSOCIATION INC.



Cert No. A0044418W
1ST FLOOR, 68-72 YORK STREET
SOUTH MELBOURNE 3205
ABN 20 947 496 918

PO BOX 244
SOUTH MELBOURNE 3205

Phone: (03) 9690 9080
Fax: (03) 9690 9087

07 November 2005

506/1894.9

FILE No:	C2006/607
DOC:	D205/69558
MARS/PRISM:	

Mr David Salisbury
Director – Rail and Waterfront
Transport and Prices Oversight
Australian Competition and Consumer Commission
GPO Box 520 J
MELBOURNE VIC 3001

Dear David,

RE: APSA / AELA – OTHCs

Thank you for your fax of 4 November 2005 in relation to the above.

ACCC has requested responses to a number of questions and these responses follow:

- 1) APSA considers the account of the facts as set out in your fax to be correct and complete.
- 2) APSA considers it was vital to sight the contract between AELA and the Terminal so that APSA could understand the full extent of the Contract i.e verification of the charges and what bonus's, discounts and penalties are built into the Contract.

Normally Shipping Conferences provide APSA with new charges only despite APSA's request for the sighting of contracts which are always deemed confidential. APSA believes that Shipping Conferences including AELA have a statutory obligation under S.10.41 of the TPA to provide any information requested by APSA including that deemed to be confidential.

In this case the information requested was vital for APSA to understand what arrangements have been agreed between Terminal and AELA.

Shippers have not been allowed to sit in on negotiations between Terminals and Shipping Conferences and therefore have no influence on the outcome of the negotiations.

However Shippers are expected to simply accept the outcome and pay up!

- 3) APSA has requested sighting of contracts between AELA and the Terminal on an earlier occasion and has been refused on the basis that the contract was confidential.
- 4) In every case when Shipping Conferences generally plan to increase OTHCs APSA has requested sighting of contracts between the Conference and the Terminal and these requests have been refused on the basis of confidentiality.
The only information APSA has ever received is a list of the new charges which may or may not reflect the content of the Agreement between the Terminal and the Conferences. These charges have been accepted under protest!

APSA has no knowledge that the figures provided to it are part of the contract between Terminal and Conference or are some fabrication to suit the Conference.

Attached are copies of all correspondence between APSA and AELA on this subject.

There were no verbal discussions, from memory, between APSA and AELA on the subject.

Yours Sincerely,

A handwritten signature in black ink, appearing to read "Frank Beaufort". The signature is written in a cursive, somewhat stylized script.

Frank Beaufort
Executive President

AUSTRALIA TO EUROPE LINER ASSOCIATION

LEVEL 6, 131 YORK STREET, SYDNEY, NSW, 2000, AUSTRALIA

POSTAL ADDRESS: PO BOX Q388, SYDNEY, NSW, 1230

TELEPHONE: (02) 9266 9905 FACSIMILE: (02) 9268 0230 EMAIL: morchard@shippingaustralia.com.au

FACSIMILE

Circ. No. 0424

13 July 2005

To: Mr. F. Beaufort
Executive President
APSA
Melbourne

From: K Ale-Davoodi

Dear Frank,

Two Pages

AELA – INCREASED OTHC's

Following protracted negotiations with Lines Stevedore, Members have recently signed a contract with stevedores in Brisbane, Sydney, Melbourne and Fremantle which resulted in increased handling charges of 2.6% from 1 April, 2005. Member Lines have been absorbing these costs since 1 April, but in order to recover future costs Lines will be increasing their current OTHC's to the following levels from 28 July, 2005.

Sydney	Dry	From A\$180/container to A\$185/container
	Reefer	From A\$310/container to A\$318/container
Melbourne	Dry	From A\$180/container to A\$185/container
	Reefer	From A\$310/container to A\$318/container
Brisbane	Dry	From A\$180/container to A\$185/container
	Reefer	From A\$310/container to A\$318/container
Fremantle	Dry	From A\$180/container to A\$185/container
	Reefer	From A\$310/container to A\$318/container

Informatively, the stevedoring costs have not changed in the last 5 years.

We attach a copy of a 'Notice to Shippers' which we will be placing with LL DCN advising the Trade of increased OTHC charges on full containers being introduced by the Stevedores in Sydney, Melbourne, Brisbane and Fremantle from 28 July, 2005.

Members would be prepared to arrange a meeting so that you could sight the new stevedoring charges and we would appreciate if you could confirm your acceptance of the above increases at your earliest opportunity.

Kind Regards,

K Ale-Davoodi
AELA Trade Administrator

V. 819

AUSTRALIA TO EUROPE LINER ASSOCIATION (AELA)

NOTICE TO SHIPPERS

AUSTRALIAN ORIGIN TERMINAL HANDLING CHARGE (OTHC)

The AELA Member Lines announce that the following increased Origin Terminal Handling Charges will apply to all dry and refrigerated containers of cargo received into the carrying Line's control on/from 28 July, 2005 -

Sydney	Dry	A\$185/container
	Reefer	A\$318/container
Melbourne	Dry	A\$185/container
	Reefer	A\$318/container
Brisbane	Dry	A\$185/container
	Reefer	A\$318/container
Fremantle	Dry	A\$185/container
	Reefer	A\$318/container

These revised charges reflect increased costs implemented by the Lines' stevedores, from 1 April, 2005.

The first vessels to attract these revised charges will be:

P&ONL Remuera (Voy. 5127)	ETA Melbourne 1 August, 2005
PONL Yara Valley (Voy. 5525)	ETA Sydney 2 August, 2005

The Australian Peak Shippers' Association (APSA) has been advised of these increased OTHC's.

For and on behalf of: AELA Member Lines: CMA CGM, Compagnie Maritime Marfret, Consortium Hispania Lines, Contship Container Lines (a division of CP Ships [UK] Ltd), Hamburg Sud, Hapag-Lloyd Container Line GmbH, P&O Nedlloyd Ltd.

Shipping Australia
Sydney
13 July, 2005

AUSTRALIAN PEAK SHIPPERS ASSOCIATION INC.

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ABN 20 947 496 918

PO BOX-244
SOUTH MELBOURNE 3205

Phone: (03) 9690 9080
Fax: (03) 9690 9087

Facsimile No: (02) 9268 0230	Attention: K A DAVOSI
Company: AELA	
Sender: FRANK BEAUFORT	Date: 14-7-05 am/pm
Number of Pages including cover sheet: 1	IF YOU DO NOT RECEIVE ALL PAGES IN LEGIBLE CONDITION, PLEASE CONTACT THE SENDER
Subject: AELA OTHERS.	

YRS OF 13/7 THANKS.

APSA WILL NEED TO SIGHT CURRENT AND THE PREVIOUS CONTRACT FOR COMPARISON PURPOSES. THESE CONTRACTS NEED TO BE PRESENTED IN FULL AND NOT IN ABRIDGED VERSIONS.

A MEETING DURING W/COMM. 18/7 WOULD BE APPROPRIATE, am wed. 20/7 EXCLUDED.

Rgs.

AUSTRALIA TO EUROPE LINER ASSOCIATION

LEVEL 6, 131 YORK STREET, SYDNEY, NSW, 2000, AUSTRALIA
POSTAL ADDRESS: PO BOX Q388, SYDNEY, NSW, 1230
TELEPHONE: (02) 9266 9905 FACSIMILE: (02) 9268 0230 EMAIL: morchard@shippingaustralia.com.au

FACSIMILE

M0120075

To: Mr F Beaufort
Executive President
APSA
Melbourne

22 July 2005

CC: Mr N Kelso
Registrar of Liner Shipping
DOTARS
Canberra

From: M K Orchard

Three pages

Dear Frank,

AELA - BUNKER SURCHARGES/GRI/OTHCs

CONFIDENTIALITY
GRANTED

CONFIDENTIALITY
GRANTED

3. OTHCs

Member Lines have noted from APSA's fax of 14 July that they need to sight current and previous contracts. From the attached letter from P&O Ports, you will see that the contract terms and conditions are confidential which prevents Member Lines from meeting APSA's request. However, P&O Ports' letter confirms a 2.6% increase on their previous charges contained in their base and ancillary tariffs.

Regards,


M K Orchard
AELA Manager



P&O Ports Limited

ABN 52 000 049 301
160 Sussex Street
Sydney NSW 2000

GPO Box 4084
Sydney NSW 2001

21 July 2005

Mr Martin Orchard
Shipping Australia Limited
Level 6, 131 York Street
Sydney
NSW 2000

Dear Martin,

Contract Renewal – ANZ Alliance Consortium

We have been requested by the members of the ANZ Alliance Consortium to confirm to you the details of their recent contract renewal, in order for discussions to be held with APSA.

Without disclosing the contract terms and conditions, which are confidential, I can confirm that an increase of 2.6% has been agreed across all tariff items, effective from 1 April 2005.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'S Barrett', written over a faint grid or lines.

Sean Barrett
Commercial Director – Container Services
P&O Ports Australia & New Zealand

Tel: (612) 9364 8797
Fax: (612) 9364 8855
Email: sean.barrett@poports.com.au

Cc: Mr Peter D'Arcy – P&O Nedlloyd (on behalf of ANZ Alliance members)

NOTICE TO SHIPPERS**AUSTRALIA TO EUROPE LINER
ASSOCIATION****NOTICE TO SHIPPERS
BUNKER SURCHARGE - EUROPE**

As a result of the weekly Bunker review conducted in accordance with Tariff procedures, Member Lines wish to announce the introduction of a revised Bunker Surcharge to Europe of positive 30.65% with effect from 21 July, 2005.

The first vessels currently to attract the Bunker Surcharge will be:

Sydney Express	V5126
Contship Rome	V5523

And all subsequent /substitute sailings from the Australian ports.

The Australian Peak Shippers Association has been informed accordingly.

For and behalf of AELA Member Lines: CMA CGM, Compagnie Maritime Marfret, Consortium Hispania Lines, Contship Container Lines, a division of CP Ships (UK) Ltd., Hapag-Lloyd Container Line GmbH, P&O Nedlloyd Ltd., Hamburg Sud.

AELA Secretariat
July, 2005.

14-7-05

NOTICE TO SHIPPERS**AUSTRALIA TO EUROPE LINER
ASSOCIATION (AELA)
NOTICE TO SHIPPERS
AUSTRALIAN ORIGIN TERMINAL
HANDLING CHARGE (OTHC)**

The AELA Member Lines announce that the following increased Origin Terminal Handling Charges will apply to all dry and refrigerated containers of cargo received into the carrying Line's control on/from 28 July, 2005 -

Sydney	Dry	A\$185/container
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Melbourne	Dry	A\$185/container
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Brisbane	Dry	A\$185/container
	Reefer	A\$318/container
Fremantle	Dry	A\$185/container
	Reefer	A\$318/container

These revised charges reflect increased costs implemented by the Lines' stevedores, from 1 April, 2005.

The first vessels to attract these revised charges will be:

PONL Remuera (Voy. 5127)	ETA Melbourne 1 August, 2005
PONL Yara Valley (Voy. 5525)	ETA Sydney 2 August, 2005

The Australian Peak Shippers' Association (APSA) has been advised of these increased OTHC's.

For and on behalf of: AELA Member Lines: CMA CGM, Compagnie Maritime Marfret, Consortium Hispania Lines, Contship Container Lines (a division of CP Ships [UK] Ltd), Hamburg Sud, Hapag-Lloyd Container Line GmbH, P&O Nedlloyd Ltd.

Shipping Australia
Sydney
13 July, 2005

21-7-05

NOTICE TO CUSTOMERS

WALLENIUS WILHELMSEN

**NOTICE TO CUSTOMERS
UNITED STATES TO OCEANIA
EMERGENCY FUEL ADJUSTMENT FACTOR**

As a consequence of a sustained increase in Bunker fuel prices, Wallenius Wilhelmsen Lines wishes to advise of an adjustment to the Emergency Fuel Adjustment Factor (EFAF) on cargo loaded from the United States into Australia, New Zealand, Tahiti and New Caledonia.

The revised EFAF will be applied at 12.50% for Auto, Ro/Ro and Break Bulk cargo. The EFAF for 20' containers will now be set at US\$254 per unit and for 40' containers at US\$508 per unit until further notice.

The effective date will be August 5th 2005 and will apply on cargo received on/after this date.

For further information regarding this advice, please contact Customer Service on the numbers listed below;

Australia: Phone 1300 885 995

New Zealand: Phone 9356 2370

July 8th 2005

21/7/05

NOTICE TO SHIPPERS**AUSTRALIA TO EUROPE LINER
ASSOCIATION (AELA)
NOTICE TO SHIPPERS
AUSTRALIAN ORIGIN TERMINAL
HANDLING CHARGE (OTHC)**

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The Australian Peak Shippers' Association (APSA) has been advised of these increased OTHC's.

For and on behalf of: AELA Member Lines: CMA CGM, Compagnie Maritime Marfret, Consortium Hispania Lines, Contship Container Lines (a division of CP Ships [UK] Ltd), Hamburg Sud, Hapag-Lloyd Container Line GmbH, P&O Nedlloyd Ltd.

Shipping Australia
Sydney
13 July, 2005

21-7-05

AUSTRALIAN PEAK SHIPPERS ASSOCIATION INC.

Cert No. A0044418W

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ABN 20 947 496 918

Phone: (03) 9690 9080

Fax: (03) 9690 9087

PO BOX 244
SOUTH MELBOURNE 3205

10 August
3 June 2005

M Orchard
AELA Sydney

Fax: (02) 9268 0230

Dear Martin

RE: AELA OTHCs

Your fax of 22/7/05 refers. AELA has a statutory obligation to provide the information requested by APSA.

However as AELA is not prepared to provide the information to APSA you can provide it to the ACCC.

Regards



Frank Beaufort
Executive President

AUSTRALIA TO EUROPE LINER ASSOCIATION

LEVEL 6, 131 YORK STREET, SYDNEY, NSW, 2000, AUSTRALIA

POSTAL ADDRESS: PO BOX Q388, SYDNEY, NSW, 1230

TELEPHONE: (02) 9266 9905 FACSIMILE: (02) 9268 0230 EMAIL: morchard@shippingaustralia.com.au

FACSIMILE

M0111085

To: Mr F Beaufort
Executive President
APSA
Melbourne

15 August 2005

CC: Mr N Kelso
Registrar of Liner Shipping
DOTARS
Canberra

From: M K Orchard

Two pages

Dear Frank,

AELA OTHCs

We acknowledge your fax received in this Office on 10 August.

Member Lines believe that under Part X they are obliged to provide APSA with information which is considered 'reasonable' for a negotiation, and with this in mind we attach a summary of P&O Ports' Base Tariff costs charged to AELA Members in 2004 and the increased charges that commenced to be charged on Member Lines from 1 April, 2005.

From this attached summary, you will note that the increase to all charges is the equivalent to a 2.6% increase.

Member Lines wish to highlight the fact that this 2.6% increase to their OTHCs is the first increase since August 2000 and when taking into account the overall cost increases that have occurred during this five year period, has to be viewed as being within the bounds of reasonableness.

Regards,


M K Orchard
AELA Manager

V.857