



SOUTH AUSTRALIAN FREIGHT COUNCIL



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Attn: 2017 Ports Pricing and Access Review
ESCOSA
GPO Box 2605
Adelaide SA 5001

Dear Sir / Madam

RE: 2017 Ports Pricing and Access Review

On behalf of the South Australian Freight Council's (SAFC) Executive Committee and Membership I thank you for the opportunity to comment on the 2017 Ports Pricing and Access Review Draft Report.

As you may be aware, SAFC is the State's peak, multi-modal freight and logistics industry group that advises all levels of government on industry related issues. SAFC represents road, rail, sea and air freight modes and operations, freight services users and assists the industry on issues relating to freight logistics across all modes.

SAFC is comfortable with both the discussion within and conclusions of the draft report, noting that they closely align with recommendations made in our submission on the Issues Paper.

We do however note that the Ports Pricing and Access Regime has now been operating for an extended period of time, with no indication that any regulated party has ever attempted to exercise market power to gain an unfair or unreasonable advantage.

Should the same conditions be evident in 5 years' time, ESCOSA should be aware that SAFC intends to take a far closer look at whether the regime should continue. At some point, continued positive actions by the principal regulated entities (Flinders Ports and Viterra) should be rewarded with a reduction in regulatory oversight and the costs this imposes on their businesses – with the option to reinstitute regulatory oversight should corporate behaviour alter.

We further support the recommendations to examine possible enhancements to the regime(s); while noting that as there has been no evidence of the untoward exercise of market power by regulated entities, these possible enhancements should not impose any stricter control on currently regulated entities than currently exists.

SAFC stands ready to assist in any such investigation into the potential amalgamation of the rail and sea regimes.

Should you wish to discuss any element of this submission further, please feel free to contact me on (08) 8447 0664 or via email knapp.evan@safreightcouncil.com.au.

Yours Sincerely,



Evan Knapp

Executive Officer, SA Freight Council.