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16th March 2011

Mr Adam Wilson
Acting Chief Executive Officer
Essential Services Commission of South Australia
GPO Box 2605
Adelaide SA 5001

Dear Mr Wilson,

Thanks for inviting Shipping Australia Limited (SAL) to comment on the 2012 Port Pricing and Access Review.

It is the opinion of Shipping Australia Limited that the status quo should be retained and the Ports Pricing and Access Review should continue for a further five - year period. The reason is that in SAL's view, the current system of regulation has been effective in constraining price rises due to the threat of regulation.

Reference to Page 5 of the Issues Paper, Para: 2.1.2 "Inquiry into Other At-Port Industries"; SAL questions whether the towage companies that currently service South Australian ports can be bought in under ESCOSA powers. We have a situation where some ports are serviced by only one operator and costs have risen well beyond industry standards over recent years. Due to the lack of competition in this area it is very difficult to oppose such increases.

If ESCOSA wishes to discuss any of the above further, or wish to raise any other matters in relation to this issue, please contact the undersigned to organise a meeting with members, if considered necessary.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Geoffrey S Rose", is written over a large, stylized blue scribble that extends across the page.

Geoffrey S Rose
On behalf of Shipping Australia Limited.