



NATIONAL COMPETITION COUNCIL

**MEDIA
RELEASE**

Embargo until 12:01am, Wednesday 3 March 1999

NCC RELEASES DISCUSSION PAPER

**APPLICATION BY ROBE RIVER IRON ASSOCIATES FOR DECLARATION
OF A RAIL SERVICE PROVIDED BY HAMERSLEY IRON PTY LIMITED.**

The Council has released a Discussion Paper seeking additional comment from interested parties, including those who have already made a submission, on several specific issues that have arisen during the Council's assessment of a declaration application received from Robe River Iron Associates (RRIA).

RRIA is seeking access to a rail service provided by Hamersley Iron Pty Ltd (Hamersley) in the Pilbara region of Western Australia and has applied to the Council under Part IIIA of the *Trade Practices Act 1974* that it recommend the declaration of that rail service.

RRIA intends to commence iron ore production at its West Angelas mine, about 100 km west of Newman, in early 2001, and is seeking access to that part of Hamersley's rail service so it can transport the iron ore to its port at Cape Lambert.

The Council must assess RRIA's application against six criteria under Part IIIA of the *Trade Practices Act 1974* before it can make a recommendation to the designated Minister – in this case, the Commonwealth Treasurer – who is responsible for deciding whether the service should be declared. In its assessment of three of these criteria, (criteria (a), (b) and (f)) some specific issues have arisen on which the Council seeks further comment:

- criterion (a) requires the Council to be satisfied that access (or increased access) to the service would promote competition in at least one market (whether or not in Australia), other than the market for the service;
- criterion (b) requires the Council to be satisfied that it would be uneconomical for anyone to develop another facility to provide the service;
- criterion (f) requires the Council to be satisfied that access (or increased access) to the service would not be contrary to the public interest.

The Discussion Paper broadly sets out the Council's approach to its assessment of the application. It does not, however, incorporate all the analysis on each criterion but is limited to those areas in which specific questions have arisen.

The Council has received submissions from five parties (see attached list). However, the Council needs further information before making its recommendation.

The Discussion Paper is available through the Council's web site at <http://www.ncc.gov.au>. Hard copies are available from the Council.

The Council is seeking responses to the Discussion Paper by no later than 30 April 1999. These should be addressed to Mr Ed Willett, Executive Director, National Competition Council, GPO Box 250B, Melbourne VIC 3001.

Should you have any queries, please contact Ms Angela Houpis (administrative matters) on 03 9285 7089 or Ms Jane Ellis (media queries and other matters) on 03 9285 7780.

Submissions

Submissions have been received from:

BHP Iron Ore Pty Ltd

Department of Resource Development

Hamersley Iron Ore Pty Ltd

Hope Downs Management Services Pty Ltd

Wright Prospecting Pty Ltd

Copies of these submissions and Robe River's application are available from Kwik Kopy, 242 Exhibition Street, Melbourne. ph 03 9663 2522 or fax 03 9663 2622. Copying and postage charges apply.