
Regulatory issues

Rail

The rail industry is currently making use of access provisions under Part IIIA. There are several applications before the NCC to have specific rail services declared. If any of the services before the NCC come to be declared, and should the ensuing commercial negotiations break down, the Commission will have an arbitration role.

While as yet the Commission does not have a particular matter before it, there is increasing interest from the industry in the Commission's position on a number of access issues, including the application of the Commission's draft access guide as it would apply to rail undertakings.

Concurrent with these cases before the NCC the Federal Government has embarked upon the privatisation of Australian National. Australian National's track access authority will not be privatised.

The Federal Government, through the Department of Transport and Regional Development, is working towards the development of an interstate access regime through the Ministers comprising the Australian Transport Advisory Council. Alternative models of interstate access are being developed. The Commission is keeping abreast these developments and will provide advice as required.

National Competition Council

The following items were extracted from the August and September 1997 issues of the National Competition Council's newsletter, NCC Update, and from its Internet home page at <http://www.ncc.gov.au>

Review of Postal Act

The Commonwealth Government has asked the National Competition Council (NCC) to review the way postal services are provided in Australia.

By agreement with the State and Territory Governments, the Commonwealth Treasurer directed the NCC to review the *Australian Postal Corporation Act 1989*. The Act is being reviewed as part of the Commonwealth's legislation review program as required under the Competition Principles Agreement.

The terms of reference direct the NCC to 'advise on practical courses of action to improve competition, efficiency, and consumer welfare in the postal services sector'.

To assist the NCC in its task it has contracted three consultancies to cover:

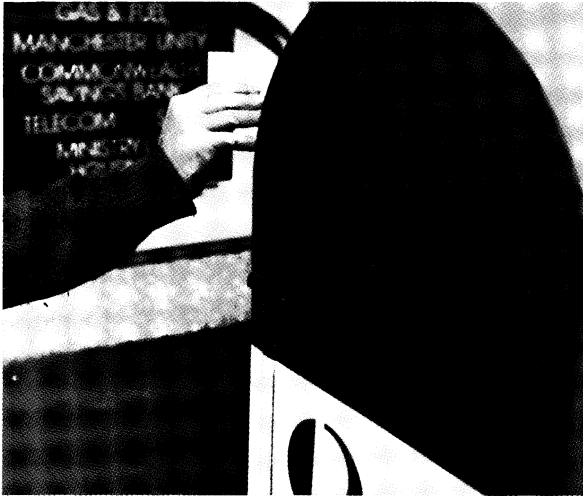
- future technological developments in the communications market, and potential for such developments to have an impact on the services offered by Australia Post;
- the financial impact on Australia Post and its ability to provide services in rural and remote areas, and of reducing the scope of the services reserved to Australia Post; and
- overseas experience with reform of postal services in countries such as Sweden, Finland, Canada, the UK and New Zealand.

The NCC released an issues paper calling for the first round of submissions by 4 August 1997.

At the end of September 1997 it plans to release a draft paper, which will set out options and seek public comments on the strengths and weaknesses of these options. It will also hold meetings with interested parties after the

release of the paper. The closing date for submissions will be 21 November 1997.

The NCC will present its final report to the Government in February 1998.



Rail

The NCC has had five applications for declarations of rail facilities. These include:

- an application by Specialised Container Transport for declaration of services relating to the Sydney-Broken Hill rail track provided by the Rail Access Corporation;
- an application from the NSW Minerals Council Limited for declaration of services relating to the use of the Hunter Railway Line provided by the Rail Access Corporation;
- an application from Carpentaria Transport Pty Ltd (wholly owned by TNT) for declaration of services relating to the use of the Brisbane-Cairns railway owned by Queensland Rail; and
- two applications from Specialized Container Transport for declaration of rail services in Western Australia. One application covers the use of the rail line between Kalgoorlie and Perth. The other covers rail freight support services.

The NCC has recommended against declaration in the case of Carpentaria Transport.

Carpentaria lodged an appeal to the Australian Competition Tribunal on 21 August 1997.

In the case of SCT's application for services relating to Sydney-Broken Hill rail track the NCC recommended in favour of declaration. The NSW Government has not adopted the NCC's recommendation.

NSW gas

On 9 October 1996 the NCC received an application from the NSW Government to certify the effectiveness of the NSW Access Regime for third party access to the services of the natural gas distribution works.

On 20 August 1997 the Commonwealth Treasurer announced his decision to certify the regime in line with the NCC's recommendation.

The regime is certified as effective for the shorter of five years from 20 August 1997 or 12 months from the date of enactment of the National Gas Pipelines Access Law.

Australian Cargo Terminal Operators

The Australian Cargo Terminal Operators (ACTO) applied to the NCC on 6 November 1996 to declare a number of services provided through facilities owned by the Federal Airports Corporation (FAC), Ansett and Qantas at Tullamarine International Airport (Melbourne) and Kingsford Smith International Airport (Sydney).

On 1 July 1997 the Commonwealth Treasurer announced that services provided through the use of freight aprons and stands, and areas for moving and handling freight and storing equipment at Sydney and Melbourne international airports, will be declared.

Services provided by the use of areas to construct cargo terminals have not been declared.

FAC has appealed the Treasurer's decision in relation to services provided at Sydney to the Australian Competition Tribunal.

Declaration of services at the Melbourne airport took effect from 1 August 1997.

Victorian shipping channels

On 24 December 1996 the NCC received an application from the Victorian Government to certify as effective an access regime to Victorian shipping channels.

On 18 August 1997 the Commonwealth Treasurer announced his decision to certify the regime as effective as recommended by the NCC.

The certification is effective for five years from 1 August 1997.

First tranche payments

The NCC has completed its first assessment of State and Territory progress in implementing the National Competition Policy and related reforms. The Commonwealth Treasurer accepted the NCC's recommendations and all States and Territories received the first part of their payments on 15 July 1997.

The recommendations recognised the progress that individual jurisdictions had made in implementing the necessary reforms, and also reflected some agreements that the NCC reached with individual jurisdictions in relation to particular reforms where it was not satisfied with the progress made.

The NCC also recommended that payments in 1998-99 be subject to further assessment of jurisdictions in implementing certain reforms.