

21 July 2008  
Submissions – Goldsworthy, Hamersley and Robe  
National Competition Council  
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Dear Sir,

**ROBE RAILWAY / HAMERSLEY RAILWAY / GOLDSWORTHY RAILWAY**  
**APPLICATIONS FOR DECLARATIONS UNDER SECTION 44F(1) OF THE TRADE PRACTICES**  
**ACT 1974**

Thank you for the opportunity to comment on the draft National Competition Council (NCC) recommendations in relation to The Pilbara Infrastructure Pty Ltd's (TPI) application for declaration of the Goldsworthy, Hamersley and Robe railways in the Pilbara region of Western Australia.

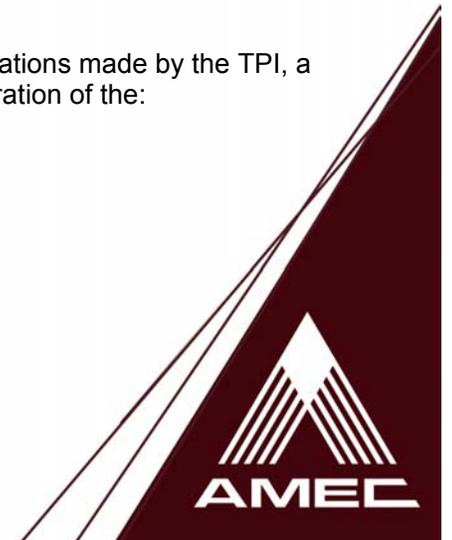
The Association of Mining and Exploration Companies (AMEC) is the national representative body for junior and mid-sized mineral exploration and mining companies all of whom are represented by AMEC at both the national and state level on matters pertaining to encouraging mineral exploration in Australia.

As such, AMEC continues to advocate strongly for the principle of third party access to infrastructure services, equitable competition in the marketplace and the maximization of economic benefits - all of which are considered to be in the public interest. This was made evident in previous submissions by AMEC to the NCC on this same matter.

In keeping with this position, AMEC supports the NCC recommendations to declare the Goldsworthy, Hamersley and Robe railway services. However, AMEC also notes that the recommendation to declare these railways services for a period of 20 years may afford insufficient time for potential users of the railway services. Based on a presumption that the average life of a mine is approximately 20 years and recognizing that potential users of the rail service will need to undertake negotiations with the track owner and procure the rolling stock needed to utilize the railway service, it seems far more appropriate to declare the railway services for at least a 25 year period.

With the exception above noted, AMEC reiterates its support for the NCC recommendations and notes that they are provided in the following context:

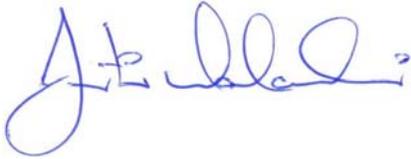
1. The NCC's draft recommendations are in response to three applications made by the TPI, a wholly owned subsidiary of Fortescue Metals Group, for the declaration of the:
  - Robe Service,
  - Hamersley Service, and
  - Goldsworthy Service.



2. AMEC notes that a final decision will provide TPI, and other third parties with a legally enforceable right to negotiate access to the railway lines; and that a decision to declare the respective services will not automatically result in TPI, or other parties gaining access as such access will be subject to negotiated agreement with the provider or through arbitration by the Australian Competition and Consumer Commission (ACCC).
3. AMEC notes the declaration criteria used by the NCC in making its recommendation that a service be declared.
4. The NCC considers “...*that access regulation governing services, including the right granted by declaration, should be reviewed periodically*” (page 134, Goldsworthy Railway draft recommendations refers), and that the expiry of the proposed declaration will provide such an opportunity.
5. In addition to TPI, many other prospective Australian mineral producers may require access to these and similar services in the short / medium term.

Should you have any queries in respect of this submission please do not hesitate to contact us.

Yours sincerely,



Dr Justin Walawski FCPA  
Chief Executive