WOOL COMMODITY GROUP (AUSTRALIA) PTY LTD

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24 November 2004 WCGA-04015

Productivity Commission PO Box 80 **BELCONNEN ACT 2616**

Dear Sirs.

Review of Part X of the Trade Practices Act' 2004

I have to hand a copy. of the Commission's Review of Part X, 2004.

Wool Commodity Group Australia [WCG(A)] is jointly owned by the Australian Council of Wool Exporters Inc and the Australian Wool Processors Council Inc. WCG(A)'s role is to:

- Collate shipping information for wool travelling to Europe.
- Conduct annual negotiations with various shipping lines regarding the establishment of a maximum ocean freight rate for wool shipped to Europe.. This accounts for approximately 30% of all Australian wool exports. The total value of wool exports to Europe in the last two years was \$1;120,176,000 and \$826,629,000 respectively.

By establishing a maximum rate, WCG(A) has been able to:

- Secure favourable rates by comparison with other types of freight.
- Provide a service which ensures that the smaller wool exporters are not disadvantaged.

These negotiations are only possible while Part X remains in place. Any proposals to remove Part X would be to the disadvantage of the Australian wool industry and must be strenuously resisted.

As individual members of the Australian Peak Shippers Association (APSA) the Australian Council of Wool Exporters, Australian Wool Processors Council, Wool Commodity Group (Australia) and the Wool Commodity Group (Europe) representing the Wool Industry all strongly and fully support APSA's submission.

Please contact the undersigned should you require any further information.

[Scanned copy of letter]

Yours sincerely,

Peter Morgan **Executive Director**

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