



## MEDIA RELEASE

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### Asciano to continue with application for declaration of Queensland coal rail network

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The NCC today released a draft recommendation that the Queensland coal rail network not be declared, which would have allowed Asciano and other freight companies a legal right to negotiate access to the track with QR National, and seek arbitration from the Australian Competition and Consumer Commission (ACCC). The NCC has instead recommended in its draft that the network be certified and remain under the jurisdiction of the Queensland Competition Authority.

Asciano Managing Director and Chief Executive Officer Mark Rowsthorn said, "Today's draft recommendation is the first step in a multi-stage process, with the final certification decision to be taken by Federal Treasurer Wayne Swan. Asciano would then have various review rights including appeal to the Australian Competition Tribunal.

"We will remain focussed on securing a level playing field for above rail operators and continue with our application, as we believe that under the proposed vertically integrated structure of QR National, declaration is the best way to prevent the privatised entity from engaging in anti-competitive behaviour by using its track monopoly to benefit its freight business," he said.

"The Queensland Government has already made significant legislative concessions following our declaration application, including strengthening non-discrimination provisions, enhancing transparency and reporting obligations, an increased enforcement obligation on the QCA and changes to the QR Network board structure so that a majority of directors are non-executive.

"Without the threat of declaration, the Queensland Government would be proceeding with a very sub-standard float.

"However we strongly believe the vertically integrated structure of QR National is still highly anti-competitive and a risk to potential investors in the company, who may see the company separated in the future, in a similar manner to Telstra."

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