

1. In relation to Senator Cameron's request for the terms of reference, the following terms of reference were provided to DAE for them to respond with a proposal. The detailed approach to the analysis and the overview to the report are outlined in sections 1.1 and 1.2.

The terms of reference, as outlined in the initial correspondence from the Cement Industry Federation to Deloitte Access economics seeking are as follows:

- (1) Provide a brief overview of the proposed changes being proposed by the Australian Government to 'reform' Australian shipping services and how these changes relate to current and historical arrangements for coastal shipping.
- (2) Measure the impact of the proposed changes on the cost and availability of coastal shipping services to Australian users of bulk coastal sea freight and the impact on their international competitiveness. It will be important to compare these results against the DIT Regulation Impact Statement (August 2011).
- (3) Measure and discuss the economic and environmental impacts of the Australian Government's proposed shipping reform package taking into account the likely effects of the package on Australian businesses dependent on domestic bulk coastal sea freight.
- (4) Provide advice on what amendments are required to the Coastal Shipping Bill 2012 (and other related bills) to ensure 'bulk coastal sea freight users' are not disadvantaged.

2. In terms of the data requested by Senator Cameron:

"Whether you can get Deloitte to provide what they took on point 2 of page 31 of their analysis?"

It is not possible for me to provide data provided to Deloitte by individual companies as this data was provided on a commercial in confidence basis and contains particularly sensitive commercial information from individual companies who have competitors both domestically and overseas who may be advantaged by access to such data.

Part of the reason for asking a reputable economic analysis firm such as DAE to conduct this work is to avoid this kind sensitive information from needing to be shared. The data in aggregate tells the story of the impact. A reputable economic analysis firm regularly used by the Government ought to be trusted to present the findings truthfully.

Kind regards

Margie Thomson

Chief Executive

