



Australian
Competition &
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Commission

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NEWS RELEASE

ACCC RELEASES STATEMENT OF ISSUES ON PROPOSED ACQUISITION BY SEA SWIFT OF TOLL MARINE LOGISTICS

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The Australian Competition and Consumer Commission has released a Statement of Issues (Sol) on the proposed acquisition by Sea Swift of the Northern Territory and far north Queensland marine freight business of Toll Marine Logistics, a subsidiary of Toll Holdings Limited (ASX: TOL).

The Sol seeks more information on competition issues which have arisen from the ACCC's review to date.

"The ACCC is concerned that the proposed acquisition is likely to substantially lessen competition in the supply of marine freight services in the Northern Territory and Queensland, including the Torres Strait Islands," ACCC Chairman Rod Sims said.

The ACCC has received many submissions indicating that the proposed acquisition would result in significantly higher prices and diminished service levels, which may harm standards of living in the remote communities that are dependent upon sea freight.

"The ACCC is examining this closely. Most of the businesses and communities affected are heavily reliant on the services that Sea Swift and Toll provide, and for some communities it is the only way that basic supplies such as food and fuel can be transported," Mr Sims said.

"The ACCC is concerned that the proposed acquisition is likely to lead to significant price increases as it will result in a monopoly on many routes."

Sea Swift and Toll Marine Logistics are both suppliers of scheduled and chartered marine freight services to the Northern Territory, far north Queensland and coastal communities including the Torres Strait Islands.

Customers and communities in these remote regions of NT and FNQ require regular replenishment of basic inputs and supplies, including fuel for electrical generators. Large and small retailers in the regions, ranging from a major supermarket chain to community-owned stores require regular, reliable deliveries, particularly for perishable food. Other customers require occasional freight services of items ranging from vehicles to household items. The communities are home to many disadvantaged and vulnerable consumers, often with very low incomes.

Some of these communities cannot receive freight by road at all or in any significant volume. This is either because they are located on islands or because the roads to them are routinely not in good enough condition to handle trucks.

The ACCC invites further submissions from interested parties in response to the Statement of Issues by Friday 13 March 2015. The ACCC's final decision will be announced on Thursday 16 April 2015.

Sea Swift Pty Ltd provides scheduled freight shipping services, cruise and marine transport, project logistics and mothershipping services in northern Australia (motherships deliver supplies to and collect catch from commercial fishing boats at sea). It was established in 1987 and is based in Cairns, Queensland. It recently expanded its services to Darwin, Gove and nearby communities in the Northern Territory where Toll Marine operates.

Toll Marine provides scheduled and charter shipping services in the NT and FNQ. It recently expanded its services into the Torres Strait where Sea Swift operates.

The Statement of Issues is available on the [public register](#).