

CORRECTED VERSION

PORT OF MELBOURNE SELECT COMMITTEE

Inquiry into the proposed lease of the port of Melbourne

Geelong — 24 September 2015

Members

Mr Gordon Rich-Phillips — Chair

Mr Daniel Mulino — Deputy Chair

Mr Greg Barber

Mr Damian Drum

Mr Craig Ondarchie

Mr James Purcell

Ms Harriet Shing

Ms Gayle Tierney

Staff

Secretary: Mr Keir Delaney

Research officer: Mr Anthony Walsh

Witnesses

Ms Elaine Carbines, chief executive officer, and

Cr Helene Cameron, G21 Geelong Region Alliance.

The CHAIR — We will resume with the G21 Geelong Region Alliance. I welcome Ms Elaine Carbines, the chief executive officer, and Cr Helene Cameron, the mayor of the Borough of Queenscliffe.

The committee does not require witnesses to be sworn, but questions must be answered fully, accurately and truthfully. Witnesses found to be giving false or misleading evidence may be in contempt of Parliament and subject to penalty. All evidence taken at this hearing is protected by parliamentary privilege as provided under the Constitution Act 1975 and further subject to the protection of the Legislative Council standing orders. Therefore any information that you provide today is protected by law; however, any comments made outside the precinct of the hearing may not be so protected. All evidence is being recorded, and you will be provided with a proof version of the transcript in the next couple of days for any corrections.

The committee has allocated 45 minutes for this session, so I would invite you to make a brief opening statement if you would like, and the committee will then proceed to questions.

Ms CARBINES — Thank you very much, and thank you to the committee for allowing the G21 Geelong Region Alliance the opportunity to speak to our submission. I will be doing so, and also Cr Helene Cameron, the mayor of the Borough of Queenscliffe, which obviously is a member of G21, would also like to speak.

Just in case you are unaware of G21, G21 is the alliance of the five councils that make up the G21 region — the City of Greater Geelong, the Borough of Queenscliffe, Surf Coast Shire, Golden Plains Shire and Colac Otway Shire — plus we have approximately 185 member organisations from the region as well. They are businesses, industry and community associations from across the G21 region. The area spans about 10 000 square kilometres, and we have 300 000 people living in our region. We are Victoria's second city, and Geelong is the capital of the G21 region.

G21 has a formal designation as the regional strategic planning committee for the G21 region under both the state and federal governments. That means that we have an advisory role to both levels of government in terms of the priorities for the region and the issues affecting our region. Our foundation document is called the *Geelong Region Plan*. It is a 50-year visionary, high-level strategic document looking out to 2050 about how we want this region to look, how we want it to work, what actions we want to encourage and those that we wish to discourage over that time. Our mission is basically to improve the lives of the people who live in our region. That plan has the endorsement of all five councils, business and industry in the region, plus it has been endorsed by both the state and federal governments.

Sitting underneath the plan are a number of strategic documents which pertain to your interest in this inquiry — firstly, the *G21 Regional Growth Plan*, which looks at how we accommodate another 200 000 people who are predicted to live here over the next 30 years, and sitting under that is the *G21 Regional Growth Plan — Implementation Plan*, which is looking at the infrastructure that is required to service a population of 500 000 people.

We were pleased to be able to submit a submission on behalf of G21. We appreciated that opportunity. We decided, when we received a letter from the opposition asking us for our ideas and thoughts about this bill when it was going through Parliament, which we were pleased to receive, to respond by actually asking for a briefing from the Treasurer in relation to the bill. We were very pleased that the Treasurer was able to be present at a G21 board meeting in the last couple of months and take us through the legislation to have a look at the impact for our region, but most importantly for us, to explore the potential for perhaps a second container port in the future for Victoria, as of course we have an interest in this region in seeing it located close to the city of Geelong.

We requested a briefing from the Treasurer, and he accepted our invitation. He also came to speak to our G21 Transport Pillar. The transport pillar is made up of CEOs and general managers of councils and transport industry operators from our region, such as the CEO of Avalon Airport, the head of a taxi network and various freight and logistics companies. The Treasurer came and briefed our transport pillar as well. As a result, as our submission reflects, both the G21 board and our transport pillar were broadly supportive of the thrust of the legislation.

Our particular area of interest, as I explained in our submission, is the opportunity for a second container port for Victoria at some stage in the future. We were very keen to make sure that the legislation did not preclude, at a future time, the consideration of a second container port, because we feel very strongly that our region, and in

particular the area of the region in between Melbourne and Geelong, could very well be a perfect site for a second container port for Victoria. Indeed that is referenced in our *G21 Regional Growth Plan — Implementation Plan*. So we were very pleased to see that the legislation does not preclude consideration of a second container port. We were also pleased to learn that the decision to build a second container port remains with the government of the day, and that it does not reside with the successful bidder for the port of Melbourne lease.

We are keen to see the establishment of Infrastructure Victoria; we are keen to see an independent body with the oversight to examine infrastructure needs for our state. We are very hopeful that the government will give as a very early reference to Infrastructure Victoria the issue of examining the site for a second container port. Obviously we have an interest in that because we will be submitting that the port should be located at Bay West. We will be very strongly articulating the advantages of our region, such as the excellent road and rail network the proximity to Avalon Airport and of course the port of Geelong.

We have vast tracts of employment land available for a second container port. Our economy is transitioning, as you know, from a heavy manufacturing base. We have a large amount of our workforce who, if they are not already looking for work, will be in the future. We need to make sure we have opportunities for our people going into the future. The other point that we would like to make is that most of Victoria's produce comes from the north and the west and enters Melbourne from the west. We are very keen to see Infrastructure Victoria established, and we will be submitting to Infrastructure Victoria that a second container port should be located at Bay West.

That is all that I wish to say in relation to our submission. With your agreement, I would like to hand over to Cr Helene Cameron from the Borough of Queenscliffe.

Cr CAMERON — Thank you very much for this opportunity to present today from the Borough of Queenscliffe. I would like to provide some information regarding the community groups in the Borough of Queenscliffe that are directly affected by their partnership with the Port of Melbourne Corporation. This information clearly demonstrates the importance of ensuring that community benefit is given due consideration in the process of the tendering of the port of Melbourne leasehold, so it is from quite a different perspective.

We have the Queenscliffe Maritime Museum. It was established in 1986. It is a regional maritime museum, and it contains historical displays, maritime artefacts and a hydrographic model of the Port Phillip rip — the shipping channel between Point Lonsdale and Point Nepean. The museum holds a fishermen's waiting shed with ship paintings, a deckhouse from the iron sailing ship *Shandon* and the buried hull of the Victorian torpedo boat, the *HMVS Lonsdale*.

The museum also organises tours of the Point Lonsdale lighthouse under an agreement with the Port of Melbourne Corporation. This relationship between the Queenscliffe Maritime Museum and the Port of Melbourne Corporation has been supportive and very close for many years. The partnership spans the Queenscliffe Maritime Museum taking lead responsibility for managing the Port of Melbourne Corporation's archive materials as well as the Port of Melbourne Corporation providing access to the Point Lonsdale lighthouse and, more importantly, allocating grants for facility improvement and sponsorship for events.

The museum holds some substantial artefacts, documents, maps and charts on permanent loan from the Port of Melbourne Corporation, including a telescope from the old signal station in the fort grounds. The museum undertook to build an archival store, assisted with funds from the Port of Melbourne Corporation. The museum has had an agreement with the Port of Melbourne Corporation to conduct public tours of the lighthouse. These tours are a significant part of the museum's annual income. As part of this lighthouse agreement, the Port of Melbourne Corporation financially supports first aid training of the museum tour guides. The Port of Melbourne is also the major sponsor of our Maritime Weekend and our International Lighthouse Weekend, where, with the permission from the Port of Melbourne Corporation to the maritime museum, they are allowed to sound the foghorn on this very special occasion — very loud and very exciting.

Ms SHING — A bit like this committee!

Cr CAMERON — Exactly. The Port of Melbourne Corporation has undertaken external maintenance on that foghorn shed.

The Queenscliff volunteer coastguard plays an extremely important role in the safety of the mariners around the Port Phillip coastline and the waterways. Each year the Queenscliff coastguard assists sinking vessels, vessels with flat batteries and vessels that have run aground, towing vessels back to the safe harbour. The Queenscliff volunteer coastguard vessels must be maintained to commercial standards and be ready to respond 24 hours per day, every day.

The relationship between the Port of Melbourne Corporation and the Queenscliff volunteer coastguard has been with the supply of equipment or by allowing the Queenscliff coastguard to use facilities and equipment at no cost. The Port of Melbourne Corporation has also extended shared use of their facilities and equipment located in the communications area of that Point Lonsdale lighthouse. This has enabled the Queenscliff coastguard volunteers to man the lighthouse during coastguard duty and importantly during search and rescue operations to provide a radio watch for coastguard and recreational vessels on Port Phillip and Bass Strait.

Point Lonsdale Surf Life Saving Club was founded in 1947, making it the fourth oldest coastal surf lifesaving club in Victoria. The surf lifesaving club provides life-saving patrols at the beaches at Point Lonsdale back beach and the Santa Casa Beach in Queenscliff. The relationship between them and the Port of Melbourne Corporation has focused on the sponsorship and supply of infrastructure for the annual Rip View Swim Classic, a 1.4-kilometre open water swim at Port Phillip Heads held every year between Christmas and the new year. The surf lifesaving club and the Port of Melbourne Corporation via the Point Lonsdale lighthouse surveillance share communications during emergency events.

Then we have Queenscliff YMCA at Camp Wyuna. They are located at the entrance of the coastal town of Queenscliff at the heads of Port Phillip. Camp Wyuna sleeps 104 campers in four lodges. It provides a comprehensive program for school and youth groups with qualified instructors and a range of activities, including marine environmental education, outdoor education, various sports activities and rock pool rambling in the local rock platforms at low tide. The relationship between the Port of Melbourne Corporation and the Queenscliff YMCA has been based around ease of access to the Port of Melbourne Corporation tower and provision of education materials for camp goers. A significant proportion of camping groups include a tour of the Point Lonsdale lighthouse as part of their camp program. Camp Wyuna also allows management of the Port of Melbourne to access camp power for any of their tower servicing requirements.

As people who live in the Borough of Queenscliffe, we sort of consider ourselves the keepers of the lighthouses when you consider that we have four lighthouses within the Borough of Queenscliffe as well as numerous navigational aids, with having one of the most dangerous waterways in Victoria at our doorstep. The Port of Melbourne Corporation plays a large role in maintaining these lighthouses, our navigational aids in helping keep our entrance to the bay safe. It also includes us having a wonderful black lighthouse. There are only four in the world, and we have the opportunity of having one here in the Borough of Queenscliffe inside our four walls. Thank you.

The CHAIR — Thank you, Cr Cameron, for highlighting an aspect that has not been brought to the committee before in respect of the support the Port of Melbourne Corporation provides in your borough and the associated activities. Can I start by asking Ms Carbines: in respect of the G21 submission and your comments earlier, your submission states that ‘I wish to advise that G21 — Geelong Region Alliance is generally supportive’ of the legislation, and you referred to that in your opening comments.

Ms CARBINES — Yes.

The CHAIR — Implicit in that is that there are some reservations or concerns among your members. Can you outline what they are, please?

Ms CARBINES — I think that is an assumption that I would not agree with. The G21 board, when it was briefed by the Treasurer, was most keen to understand what that meant in relation to a second container port, and that was the tenor of the briefing that we received from the Treasurer. The board was supportive of advice that is contained in the legislation, or the drift of the legislation, in relation to that does not preclude a second container port. It certainly would not be fair to say that the board was not supportive of some aspects of it. The key area of interest for our board was what it meant in relation to the potential to have a second container port potentially located in close proximity to Geelong.

The CHAIR — So G21 is comfortable with the legislation as it stands now?

Ms CARBINES — Yes.

The CHAIR — And is supporting it?

Ms CARBINES — Yes.

The CHAIR — You referred in your earlier comments to jobs being lost in Geelong and now going through that process. What does G21 see as the likely impact of this lease proposal and the long-term impacts from a second port on that job scenario here in Geelong, given the time frame of the lease of the port of Melbourne and what that will mean around the timing of the second port and what that means for the Geelong economy and indeed the Geelong community?

Ms CARBINES — Certainly our economy is undergoing a lot of transition at the moment, but it has been doing so for probably over a decade now as the large manufacturing industries have downsized and some ultimately have closed. We know that Alcoa closed last year and of course Ford is scheduled to close in October next year. They have been in the past major employers, and they still are large employers but they are not the major employers in our region now. The health sector, education sector, retail and construction are now up there in terms of the large sectors of employment providers for the people who live in this region.

In relation to a future port potentially being located in our region, of course there could be lots of job opportunities for our people into the future. But we are very realistic; we know that that is a long way away. We are not expecting a new port to be even finalised — the discussions in relation to it — in the next couple of years, so it is not going to provide an immediate solution to job opportunities in our region. But we can see the potential in the long term long. Remember that G21 is looking at the future of our region; we have a horizon out to 2050 looking at future opportunities for the employment of our people.

The state government and the federal government seem very interested in encouraging growth in regional cities, so we have to look for opportunities for our people in the future, as we know that there will be another 200 000 people, at least, coming to live in our region over the next 20, 30, 40 years. So we see the potential of having a second container port located in close proximity to our region, as possibly a major employer of our people in the future. That is why we are so interested in it.

The CHAIR — You referred earlier to your 50-year high-level strategy. What does it outline with respect to port infrastructure for the Geelong region? What was the G21 vision around port infrastructure over that time frame?

Ms CARBINES — In relation to the high-level strategic plan, it obviously does not canvass a second container port being located at Bay West. That plan was written in the mid-2000s and was released at the end of 2007. It is a high-level strategic document that has a number of key directions, one of which is to refocus the economy of the region, recognising even then that the economy was changing rapidly. We needed to make sure that there was a diversification of our economy so it was not so heavily based on one sector, as it had been in the past. The high-level strategic plan is looking at: how do we diversify the economy? What areas of the economy do we need to encourage to assist them to, I suppose, provide job opportunities into the future?

But if you look beneath that plan to the regional growth plan, which looks at accommodating another 200 000 people in our region by 2050, that starts to look at where those people are going to live and where they are going to work. It identifies employment areas, or employment zones, and sitting underneath that is the *G21 Regional Growth Plan Implementation Plan*, which looks at the infrastructure that is required to support a population of half a million people. It is there that you see the canvassing of the possibility of locating a port complementary to the port of Geelong and the port of Melbourne in the area in between Wyndham and Geelong. It is canvassed in that regional growth plan implementation plan, which was released in late 2013.

The CHAIR — Does that plan articulate a time frame for that port infrastructure to happen?

Ms CARBINES — Not that I recall, no.

The CHAIR — Thank you.

Mr MULINO — You have indicated that you are supportive of a new body [inaudible] this complicated issue. You have flagged a couple of the reasons why you think a port should be located at Bay West — the

second port that was needed. Do you mind expanding on that? What would be the kinds of arguments that you will put to Infrastructure Victoria on the lease?

Ms CARBINES — We are certainly extremely supportive of the establishment of Infrastructure Victoria. We think it is long overdue, having an impartial body to look at the infrastructure needs of our state. It will be, I suppose, complementary to the work that Infrastructure Australia does, which is a very useful organisation to us as well. We look forward to Infrastructure Victoria being established, and I think I am correct in saying the legislation has now gone through Parliament in relation to that.

We are very keen to see a reference in relation to the consideration of a second container port. Our board, comprising our five mayors, our five CEOs and representatives of our broader membership of G21, has long articulated support for having a second container port located at Bay West, as it has been called — I suppose it has different names — somewhere in between Wyndham and Geelong. We see it as a great employment opportunity for our region and a real driver of the economy for our region into the future.

Obviously we do have close proximity to the Princes Highway, which is the major connector between the west of the state and Melbourne. We have the Geelong Ring Road, which is fabulous infrastructure as well. We have the rail in close proximity to that. We have Avalon Airport and the port of Geelong, so we will be espousing and articulating the infrastructure that is already here that could support a future port at Bay West.

We have very large tracts of unencumbered land in between Wyndham and Geelong, and we have large employment land at the Geelong Ring Road employment precinct, which is obviously adjacent to the Geelong Ring Road. We are keen to protect the interests of Avalon Airport; therefore the City of Greater Geelong has made sure that there is no residential encumbrance on the land around Avalon Airport. So we see that as also a bonus for any future port if it were located close to Geelong. We will be articulating the need to employ our people into the future. We are already Victoria's second city, but we will be a city or region of half a million people, and we need a very diversified economy in order to provide the employment opportunities for our people into the future. That will be a strong argument we will be making.

We will also be articulating the fact that most of Victoria's produce comes from the west and north of the state. It travels and enters Melbourne through the west, so we think it makes sense to have the second container port located west of Melbourne. We also want to make sure that Infrastructure Victoria is very cognisant of the need to upgrade the congestion around the West Gate Bridge. That is a considerable issue for our region, and we would be wanting Infrastructure Victoria to take a special interest in that issue also. They are the sorts of issues we will be exploring and obviously going into a lot more detail on when we make a submission to Infrastructure Victoria.

Mr BARBER — Which of the major employing businesses in Geelong are current customers of the port of Melbourne?

Ms CARBINES — That is a very good question. I am not sure I can answer all of that for you. I think that is beyond the scope of my submission. That is not addressed in my submission.

Mr BARBER — It is just that a lot of your submission was about employment and economic transition, and I was wondering if you had any view on what current businesses who use the port of Melbourne might think about this lease.

Ms CARBINES — I do not have information that I can supply to you on that.

Mr BARBER — On a different topic and a question for Cr Cameron, your council is extraordinarily vulnerable to the impacts of sea-level rise, never mind extra wave action and so forth that has been talked about in terms of current and future dredging in the bay. Have you been given any information about that as it might relate to the Bay West proposal?

Cr CAMERON — No, we have not.

Mr PURCELL — I may as well stay with Cr Cameron while we are there. It was great to hear the community support that the Port of Melbourne actually does give to Queenscliffe and a number of others. With the lease, not the privatisation, have there been any assurances given that that will continue?

Cr CAMERON — No, not that I am aware of, so not that we have received any notification of.

Mr PURCELL — Right, so you would be looking for those assurances to be given prior to if not in the legislation?

Cr CAMERON — Yes.

Mr PURCELL — On to Ms Carbines: in your submission you said you are generally supportive of the lease, and I understand your reasoning is that it does not preclude the second container port. If we look at it at the moment, we would say Bay West and Hastings are 50-50, so it may be this side or it may be the other side. If you also look at the proceeds, the vast majority of the proceeds are going to go to 50 level crossing removals effectively in Melbourne and I think there is one in Werribee, so not too much in the G21 area. If you look at it on that basis, the lease may not see too much coming to this side as far as G21 is concerned. So I can understand why you would not oppose the lease, but I just have a little bit of a problem understanding why you are generally supportive of the lease.

Ms CARBINES — I think it would be fair to say our board is supportive of the infrastructure needs of our capital city, and we are very cognisant that Melbourne is the capital city of Victoria. It is in close proximity to the G21 region — it is only 80 kilometres from Geelong. Everyone in our region utilises the capital city. We are very well aware of the congestion problems in the city, and we are supportive of the use of any proceeds from the sale of the lease for the port of Melbourne into investing in infrastructure that will improve the connectivity of the capital city of our state. I do recognise that none of that is going to be used to address congestion issues in the G21 region. There are not any of the rail crossings that are going to be improved as a result of the lease, but we do recognise that there is a \$200 million agriculture infrastructure fund for regional and rural Victoria. I have not heard the details of what that is going to be used for, but we are very cognisant that we are part of the whole. Melbourne is our capital city and we all, as residents of this region, utilise the capital city of our state.

Mr PURCELL — Thank you for that. In regard to the port, a number of figures have been thrown up in regard to what revenue it will raise — \$6 billion, \$7 billion, \$8 billion — and for a new port the figures that are being thrown around are effectively double that. Do you have any idea about how that would be funded if we are going to use the funds from the sale to remove 50 level crossings?

Ms CARBINES — I am sorry, that is beyond the capacity of the submission that I made, and it is beyond the interests of the G21 board.

Mr PURCELL — Okay. So basically they generally support it.

Ms CARBINES — Yes.

Mr ONDARCHIE — Elaine and Helene, thanks for coming in. I might just say firstly that I spend the occasional time off down in your borough. It is a beautiful place in Victoria.

Cr CAMERON — Thank you.

Mr ONDARCHIE — I note that the board of G21 and the transport pillar of G21 have received a briefing from the Treasurer. You are doing better than us; we have not had one from the Treasurer. But I also notice that in both your contributions today you highlight the fact that jobs are very important for the region — very, very important — and I think you talked about your great plans around jobs and also you acknowledge the fact that the decision around a second container port remains with the government and you are pleased about that. Under this 70-year monopoly, this — —

Ms SHING — It is a 50-year lease. We are just going to keep going around like this if you keep doing it.

Mr ONDARCHIE — Tragically the government cannot add 50 and 20, but anyway. Around this 70-year monopoly that restricts a second port, I want to alert you to the fact that in August 2009 Tim Pallas, the now Treasurer, who was then Minister for Ports, said this:

The port of Hastings is well positioned to serve as Melbourne's second container port.

...

No other port location offers the same overall advantage as Hastings and it holds major economic potential for the state of Victoria.

Given that you have agreed that this decision of the second container port is best left to the government, how do you feel about the opportunities that may or may not arise for Bay West now, given that it seems the Treasurer has already made his decision?

Mr MULINO — That is ridiculous.

Ms SHING — That is fundamentally untrue.

Mr MULINO — That is an unbelievable statement.

The CHAIR — Order!

Mr ONDARCHIE — I am quoting from the Treasurer.

Ms SHING — You are selectively quoting the Treasurer because he has indicated a preference for Bay West.

Members interjecting.

The CHAIR — Order! Mr Ondarchie has asked the question. Ms Shing — enough!

Ms CARBINES — Thank you for the question. I note that both the opposition and the government went into the election with the promise of privatising the port of Melbourne.

Ms SHING — Yes.

Ms CARBINES — We also note at G21 that the now opposition when it was in government totally supported the second container port at Hastings, and we oppose that. We strongly have articulated right from the start that the second container port should be at Bay West. I cannot help politics and what politicians say. Our board is committed to articulating the aspirations of our region in relation to Bay West.

Mr ONDARCHIE — So you therefore disagree with the Treasurer where he says: ‘No other port location offers the same overall advantages as Hastings’.

Ms CARBINES — I have answered my question.

Mr ONDARCHIE — So you think Bay West is better than the port of Hastings, do you?

Ms CARBINES — The G21 board supports the second container port being located at Bay West.

Mr ONDARCHIE — All right. The Treasurer does not.

Ms SHING — No, that is incorrect. You know about Infrastructure Victoria’s role in this.

Ms TIERNEY — Helene, thank you very much for reminding us about all of the activities that are undertaken in Queenscliff that the Port of Melbourne supports, whether it be making sure that our maritime navigation history, the environment, training and lighthouses are supported, as well as the community grants. I do recall that at the G21 pillar meeting, which we actually had in this room, Bob Merriman was passionate about this whole thing, because we know how much is provided through these grants and this sort of financial support as well as general environmental support that is expended in this area, and he did get a commitment from the Treasurer. He took that on board and said that he will make sure that this is an activity that is supported by the new operator.

Ms CAMERON — Good. Thank you very much.

Ms TIERNEY — I know that for a fact. In terms of that being followed up with written advice, I am sure that that will be provided. And I do understand that the borough has written directly to the Treasurer on this issue.

Ms CAMERON — We have.

Ms TIERNEY — I just want to allay concerns in respect to that. I think they are very important points that you have raised. I also hear from Elaine about the general support that the G21 has in relation to the government's approach to how we take the steps towards Infrastructure Victoria and a consideration of the second port and being very clear about support for Bay West, because of its geographic location close to Geelong. From my assessment from those discussions that we have had here locally, I would have expected probably more people to have put their hands up, given an expectation leading up to the election. But my serious assessment of the situation is that people understand the proposition, they understand the process and they think that it is a better, more transparent way of thoroughly examining the projects that come before Infrastructure Victoria. But having said that, we put our hand up and say, 'We want to support Bay West'. Is that a correct assessment?

Ms CARBINES — I think so. I think the community and certainly the G21 board is looking forward to the establishment of Infrastructure Victoria, not just in relation to the second container port but other key infrastructure issues that affect our region. We are looking forward to the independent consideration of infrastructure needs. Too often infrastructure needs have been at the whim of either side of politics and the community has been the loser. I think if we have had an opportunity to have a proper independent, transparent analysis of the location for the second container port, the results of this will be accepted by the community. That means not just at the whim of a political party — and for any infrastructure needs, not just the container port. We are looking forward to that. We hope it gets established soon. We hope the government sticks to its earlier commitment to give it an early reference in relation to a second container port. We will be disappointed if that does not happen. So we are looking forward to that, and we will embrace that opportunity when it arises.

Mr DRUM — Helene, first of all we have been told that for the port to reach its capacity there is going to have to be about a tripling of the traffic through to the port. Your people in the Borough of Queenscliffe will be happy with that?

Cr CAMERON — We do not get the heavy traffic going through the Borough of Queenscliffe.

Mr DRUM — That often goes around to Portsea.

Cr CAMERON — Primarily most of the traffic that comes through us — we get about a million people — comes across on the sea road ferry that comes across. We have more the visitation of people coming to go around Queenscliff, down to the Great Ocean Road, or heading up to continue their journey from the other side, coming across from the Mornington Peninsula to extend their trip up to Melbourne. We do not get the heavy transport. I do not see how there would be a real increase for our traffic through the Borough of Queenscliffe.

Mr DRUM — Elaine, we have a growing list now of experts in the shipping, port and trade field that have given evidence, and there is a growing list now that is effectively saying the building of the second port as an add-on and for overflow, as a complementary port to the port of Melbourne, just cannot happen under the legislation for the lease as we now see it.

Mr MULINO — That is not right.

Mr DRUM — Okay, my question would be: Elaine, do you have a vision and do your members have a vision in a practical sense as to how a second port, irrespective of where it is built, could come to fruition, could come to practicality, given the arrangements and the restrictions around this lease?

Ms CARBINES — My understanding from the briefing that we have had in relation to this lease is that when the port of Melbourne reaches capacity, hopefully Infrastructure Victoria will have already by then determined where the second container port should be, and it will be an opportunity to establish that port. That is my understanding of the legislation.

Mr DRUM — The clearest evidence we hear that sort of runs contrary to that is that when you build two ports within close proximity to each other the shipping companies will never call into two ports — they do not do it anywhere around the world. So if you were to build one 30 kilometres away from another, the shipping companies will call into one or the other. So, very clearly, how do you see it happening that the port of Melbourne can continue to operate at its capacity of 7 million, 8 million TEUs and then how do you and your members, who have given their support to this lease, see the second, complementary port operating when the practicalities and the experts are saying they will call into one but they will never call into two?

Ms CARBINES — That is beyond the capacity of the submission that the G21 board has made, and it is not an issue that the G21 board has considered.

Mr DRUM — But you are giving your support to this on the very strong proviso that it does not hinder the development of a second port, predominantly at Bay West, and our evidence is saying that with the way this lease is framed within the legislation it directly precludes the building, the establishment and the operation of a second — —

Ms SHING — Are you saying we should not have a second container port?

Mr DRUM — This is not me — this is the evidence.

Ms CARBINES — But I do not have access to any of that evidence. We are basing our submission on the briefing that we have received.

Mr DRUM — This evidence is now available to the public. It has been given to this inquiry. We have heard two of the three witnesses before you reinforce this exact view.

Ms CARBINES — With respect, this inquiry surely should be allowing witnesses to give evidence in relation to their own submission. As to what you are telling me those people have done, I am giving you evidence in relation to the G21 board's view in relation to this bill. I am not here to argue a point in relation to evidence that other people have given.

The CHAIR — I think Mr Drum is certainly providing an opportunity for G21 to comment on other evidence.

Ms CARBINES — I do not have any of that evidence. I have not seen any of it. I am not privy to it. I am speaking on behalf of our board's view, and we feel confident from the explanations we have been given that it does not preclude the option of a second container port, and potentially that could be located at Bay West. It is on that basis that we are supportive of this bill.

Mr DRUM — Who in your view would be paying for the development of that second port?

Ms CARBINES — We do not have that information. That will be something that Infrastructure Victoria will work through when it is given a reference, surely. Isn't that beyond the whole capacity of this inquiry? All I can speak to is the submission that I have made on behalf of the G21 board.

Mr DRUM — Okay. If your board was to look at this evidence, they might go back and have another look at where they see the future of this whole arrangement.

Ms CARBINES — I do not think it is appropriate to put words in my mouth.

Mr DRUM — Just one last thing: Daniel Andrews when in opposition was brilliantly eloquent when he advocated for a second port at Bay West. He was very passionate about the jobs it would create for this area that needs a bit of a kick along. After the election he is now saying, 'This is not a decision that needs to be made for quite some time'. Do you marry up those two comments?

Ms CARBINES — I do not think that the issue regarding Bay West played a pivotal role in the state election in Geelong. There were much more local issues that people focused on. That being said, we were very clear prior to the election, because we had a briefing from the then shadow Treasurer, who told us that Infrastructure Victoria would be set up if a new government came into place and that an early reference would be the consideration of a second container port and that if that party made government, they would be presenting to Infrastructure Victoria that the second container port should be located at Bay West. We had a briefing from the then shadow Treasurer about three months prior to the election, and when the government changed and we sought a briefing in relation to this bill, it seemed to us that he was carrying out what he promised us, the G21 board, ahead of the election last year.

Ms SHING — Thank you very much for your evidence and for the contributions you have made in response to questions from the committee today. Noting that we have been through your support of the bill and your support for a second container port to be located at Bay West when and as Infrastructure Victoria determines

that that should be the preferred location, I would like to get a sense from you as to whether G21 — and Helene, you might also wish to comment on this as well from the perspective of the Borough of Queenscliffe — had expressed any public positions or preferences around the lease transaction as it was proposed by the former government, the extent to which there is any variation in the positions that you may have adopted then and the position that you have now, as set out in your correspondence around support for the 50-year lease.

Ms CARBINES — When the former government was in power, it was very clear that the former government supported a second container port at Hastings and not at Bay West. We were obviously opposed to that. We strongly advocated for a long period of time that consideration should be given to having a second container port at Bay West, so, yes, we were public in our support for that. Obviously we are always very conscious of not playing a political game. We want the best outcome for our region, and the best outcome for that region is not having a second container port at Hastings, it is having it at Bay West. So that is why we have articulated on behalf of the G21 region our support for this legislation and for the consideration that Infrastructure Victoria will hopefully give to Bay West. We are looking forward to that.

Ms SHING — So it is your view that the form of the bill and the proposed lease, as it has been put to the house and as is the subject of this inquiry, meets those priorities that G21 — and also perhaps you, Helene, with the Borough of Queenscliffe — have identified as being at the top of your list.

Ms CARBINES — Yes.

Cr CAMERON — Yes.

The CHAIR — Thank you. Ms Carbines and Cr Cameron, thank you very much for your evidence this afternoon and for your submission on behalf of G21. The committee appreciates your evidence. We will have a draft transcript to you in the next couple of days. Thank you very much.

Witnesses withdrew.

