

7 September 2015

Mr Keir Delaney Secretary Port of Melbourne Select Committee Parliament House Spring Street EAST MELBOURNE VIC 3002

Dear Mr Delaney

INQUIRY INTO THE PROPOSED LEASE OF THE PORT OF MELBOURNE – SUBMISSION

Thank you for the opportunity to provide a submission to the Inquiry into the Proposed Lease of the Port of Melbourne.

The Port of Melbourne is critical to exported goods sourced from Greater Shepparton and it is imperative that prices and access remains competitive to ensure that operators within our region can compete on a global scale. The value of Greater Shepparton's international exports has progressively increased and in 2013/2014 was valued at \$580 million; manufacturing valued at \$390m and agriculture valued at \$118m.

A move to privatise the port must provide greater efficiency and also improved productivity for its users to enable Greater Shepparton industry to be globally competitive. In discussions with frequent users of the port within our region, concerns are raised regarding the potential for access prices to increase and also in regards to the potential monopolising of such a crucial and major asset. Competing on a global scale already comes with great challenges within Australia and a greater cost associated with accessing the port would prove problematic economically throughout Victoria which would ultimately negatively impact investment and jobs within regional Victoria.

It is also widely believed throughout the Greater Shepparton region that income sourced from the sale of the Port of Melbourne should be directed back to the regions to improve infrastructure and current access to the port. Exports from Greater Shepparton have contributed to the current viability and success of the port. It is therefore imperative that the regional contributors are rewarded with regional investment greater than the proposed \$200 million.

Projects that could be funded within the Greater Shepparton region that would contribute to improving freight transport include introducing inland rail to Greater Shepparton which would increase productivity and provide an improved service to business and industry. Additional projects include infrastructure that would allow for High Productivity Vehicles to travel to and from the region which would create greater efficiencies for freight companies. The upgrade of Shepparton's alternate route (SAR) should too be mentioned as it is also a pertinent project to the region. The SAR currently carries an average of 1,000 articulated freight movements per day between the Midland Highway and Dookie Shepparton Road. It is a vital piece of freight connectivity infrastructure for Shepparton and the Goulburn Valley however the current design is not suitable for the scale and types of vehicles that utilise the route.

As you would be aware, AQIS have a requirement that certain shipping containers intended for export need to be externally and internally inspected to meet overseas importation requirements. There is an opportunity for State Government to invest in a regional AQIS to speed the inspection process and make it much more convenient and cost effective for regional freight companies when transporting goods to the port. A regional AQIS based in Greater Shepparton would complement the Food Bowl of Victoria, create additional jobs and support Greater Shepparton's reputation as the transport hub of Victoria.

I once again thank you for the opportunity to provide comment and should you wish to discuss further please make contact with Manager Investment Attraction, Geraldine Christou on

Yours sincerely

Chris Teitzel
ACTING CHIEF EXECUTIVE OFFICER

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