



Riordan
Grain Transport Storage

26 August 2015

Keir Delaney
Secretary
Council Committees
Port of Melbourne Select Committee
Parliament House
Spring Street
Melbourne Vic 3002

Dear Secretary

INQUIRY INTO PROPOSED LEASE OF PORT OF MELBOURNE

Thank you for writing to me on 18 August 2015 inviting me to make a submission to the Select Committee to inquire into the proposed lease of the Port of Melbourne.

In addition to this response I enclose a letter dated 15 July 2015, which was written to Minister The Hon Luke Donnellan MP, Minister for Roads, Road Safety and Ports by my colleague Michael Dowling. Michael has advised me that he has not received a reply to his letter and further he has given me permission to submit his letter to the Select Committee.

My submission is that a lease should not be entered into. It is totally inappropriate to sell/enter into a long-term lease an asset as important as the Port of Melbourne. This asset is critically important to the State of Victoria and the nation and to place it in the hands of others for an extended period is inappropriate. Further I understand that there are conditions in the proposed lease which will make it very difficult (if not impossible) to establish another port in Victorian waters for several decades – which is not in the State's best interests.

I understand that the Government is proposing to use the funds raised from the "lease" to fund road crossings over metropolitan rail lines. We should not raise funds from a long-term lease to fund internal projects which should be funded from borrowings. If there is a shortage of hospitals then it is not appropriate to sell schools to fund the necessary expenditure in the health sector so it is not appropriate to lease the port to build internal infrastructure.

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Riordan Group Pty Ltd trading as Riordan Grain Services

A.B.N. 35 076 271 148

Correspondence:

LARA: PO Box 27 Lara, VIC 3212 Telephone: (03) 5220 8888 Facsimile: (03) 5282 3543

E-mail: reception@riordangrains.com.au Website: www.riordangrains.com.au

The Select Committee should accept that the current Port of Melbourne is in the wrong location and that the current location causes many problems and adversely impacts the economics of the trade exposed sectors of the Victorian economy. A long-term lease of the existing Port of Melbourne does nothing to address fundamental problems (some of which are referred to in the attached letter). Entering into a long-term lease will only extend and exacerbate this problem.

Before the last election I understood that the Australian Labor Party was to have an inquiry (via an infrastructure body) in relation to future port matters and as such I (and many others) looked forward to the opportunity to make submissions in relation to this important matter. Unfortunately the current lease proposal appears to mean that this opportunity is not to be provided.

As can be seen from the attached letter there is a better and more satisfactory long-term solution to the question of the Victorian port and that is to build a new port at Point Wilson/Avalon, establish a major inland port, develop better rail systems, relieve the congestion caused by the current location of the Port of Melbourne and over time close the existing Port of Melbourne and make it available for better uses while at the same time enhancing the area for the City of Melbourne, bay locations and the community.

My colleague and I would be pleased to provide further information in support of this submission.

Yours sincerely



Jim Riordan

Copy Michael Dowling

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