



30 April 2021

Mr George Christensen MP
Chair – Joint Standing Committee on Trade and Investment Growth
PO Box 6021
Parliament House
Canberra ACT 2600, Australia
By email: jsctig@aph.gov.au

Dear Mr Christensen,

Joint Standing Committee Inquiry into the prudential regulation of investment in Australia's export industries

Port of Melbourne Operations Pty Ltd (PoM) is pleased to provide a response to the Joint Standing Committee on Trade and Investment Growth Inquiry into the prudential regulation of investment in Australia's export industries. As Australia's largest container port, the Port of Melbourne is a vital trading hub for south-eastern Australia, facilitating more than one-third of the nation's container trade and playing a critical role as a key driver of economic activity.

PoM has invested more than \$280 million towards supporting trade growth and the Victorian economy. We are focused on providing world-class port facilities and services, and committed to investing in Australia's supply chain infrastructure to drive efficiencies and productivity that support our economic future and respond to trade needs across the short to long-term.

As has been the case during other supply chain disruptions (such as industrial action, natural and seasonal events such as bushfires or international biosecurity threats), PoM has worked closely with port users across the entire supply chain, to ensure goods continued to be moved with minimal disruption during the COVID-19 crisis. And, as we look toward the future and seek to rebuild our economy, PoM has a vital role to play.

As a major Victorian trade gateway, an economic asset of State significance and an important contributor to Victoria's economic prosperity, it is essential that current and future operations of the Port are both sustained and enhanced. In return the Port plays a vital role in underpinning economic growth in Victoria, and securing the port supply chain for all stakeholders. The Port directly contributes 19,600 jobs and \$6 billion to the Victorian economy each year and is committed to servicing the Victorian economy in the current city location for the duration of our current lease, (to at least 2067) and beyond.

While the focus of the inquiry is the financing of export industries, it is importance to appreciate the extent to which Australia's export industries are dependent on the quality and reliability of the import supply chain such that import disruptions can negatively impact the export supply chain. PoM invites the Joint Standing Committee to consider more broadly the economic and investment conditions needed to ensure strong trade activity for Australia's economic recovery. The Committee can play a significant role in highlighting the complexities of the supply chain, and supporting the efforts of supply chain participants in maintaining a sustainable, reliable and competitive freight sector, by:

- **Advocating for a reduction in red tape to exporter finance** – Although recovery is occurring, exporters' relationships with financial markets continue to shape the level of risk they are willing to take on;
- **Working with governments at all levels** to facilitate regulatory and operating environments that encourage sustained capital investment in export markets, especially in the regions;
- **Recognising the economic importance of ports and the connected supply chain** – Ports are critical economic assets and need to be recognised as being integral to the strategic land use and transport planning undertaken within Australia;



- **Ensuring appropriate industrial land allocation and transport connections** – Ports, land transport networks (road and rail) and industrial land in combination, form an integrated port related logistics system and need to be considered together to ensure that the system as a whole is not constrained (including providing modal choice for importers and exporters);
- **Advocating for further investment in road and rail networks to support freight** – Melbourne metropolitan transport congestion will continue to grow – pegged to Melbourne's population and, as a result, continued investment in the arterial road and rail network complemented by systems to ensure best use of the infrastructure is important for the delivery of productive and efficient freight transport;
- **Ensuring public transport investment recognises and supports freight activities** – Investment in public transport can also support freight activities by liberating road network capacity for port and other freight users; and
- **Promoting the need for rail to play an increased role in the port freight task** - All existing port rail freight is associated with regional exports, however with the current investment program in rail, consistent with Government policy, there are significant efforts at play to improve rail mode share. International container volumes at PoM are expected to grow from 3 million twenty foot equivalent units (TEU) in 2019 to around 8.9 million TEU by 2050. If the state is to achieve any significant rail mode share for this growing freight task, the Principal Freight Network must ensure appropriate rail network capacity is preserved for freight.

Should you have any questions please don't hesitate to contact me [REDACTED]



Caryn Anderson
Executive General Manager
Port Of Melbourne Operations