

Media Release



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Port efficiency all at sea says VFF

The Victorian Farmers Federation (VFF) is calling for urgent government action to strengthen port regulation and improve Australia's port efficiency with the Productivity Commission's Inquiry into Australia's Maritime Logistics Systems underway.

VFF Infrastructure and Transport Chair Ryan Milgate said the significant pressures facing the agriculture supply chain are being compounded by high port and stevedore costs, insufficient regulation and low productivity.

"We need both the Victorian and Federal Governments to work together to stop Australia becoming a destination of last resort."

"Even before the pandemic Australia had some of the least efficient ports in the world and this has only gotten worse during COVID-19."

"Not only are we facing massive delays and difficulty accessing ports, we continue to face escalating port and stevedore charges."

Mr Milgate added that insufficient port regulation is contributing to the high costs with aggregate rent per square metre at the Port of Melbourne more than double any other port in the country.

The Essential Services Commission's recent Inquiry into Port of Melbourne Compliance with the Pricing Order found there was significant and sustained non-compliance with regard to pricing.

"As a critical monopoly infrastructure that is central to the prosperity of Australians, it is imperative that there is greater regulatory oversight of port and stevedore pricing."

"These high costs and delays across port operations really risk doing long term damage to our vital export markets and makes Australia less attractive for international shipping lines."

"It makes it incredibly hard for Victorian farmers to maintain access to export markets under these conditions." Mr Milgate said.

Mr Milgate said says farmers need action as they face the inevitable flow-on costs.

"We are asking government to act to relieve pressure. The longstanding domestic port inefficiencies act as a real disincentive to visit Australian ports and add more cost to landside costs to shipping services."

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