

MEDIA RELEASE

Infrastructure Investment Critical Now Port of Melbourne Lease Finalised

[The long-term lease of the Port of Melbourne for \\$9.7 billion](#) must be accompanied by significant investment in road and rail infrastructure linking the port to the wider transport network to maximise its economic contribution to Victoria and the nation.

“Now that an agreement has been reached on the long term lease of the Port, ALC encourages the State and Commonwealth Governments to prioritise infrastructure investment to the port to ensure it can meet its economic potential,” said Michael Kilgariff, ALC Managing Director.

“This includes an appropriate investment of the \$58 million set aside for the port rail shuttle, which has been on hold while the Port lease transaction was being finalised.

“An [appropriately regulated port](#), supported by efficient road and rail links, is vital to sustaining the Victorian economy and driving productivity improvements across the supply chain.

“Today’s confirmation that the Port has been leased for 50 years to a consortium comprising of the Future Fund, QIC, GIP and OMERS provides certainty to the logistics industry and unlocks significant funds for reinvestment.

“ALC looks forward to the Government prioritising logistics infrastructure investment from the proceeds of the sale, and from the 15% dividend to be provided to the state under the Federal Government’s Asset Recycling Scheme.

“Infrastructure Australia has predicted the volume of containerised trade going through our ports and airports will increase by 165% from 2011 to 2031.

“This significant growth underscores the need for all governments, including Victoria, to invest in appropriate national infrastructure to ensure our landside infrastructure can keep pace with waterside growth.

“This investment must incorporate all modes of transport, including short haul rail, which needs to play a greater role into the future as our ports continue to move greater number of containers each year.

“This point was reinforced in a new ALC video launched last week [Now is the Time to Get the Supply Chain Right](#), which highlighted the importance of efficient port supply chains to the national economy.

“With the Victorian Government securing a record \$9.7 billion windfall from the Port of Melbourne lease, now is the time to get Victoria’s supply chains right by investing in the state’s logistics infrastructure to maximise the port’s future potential,” he concluded.

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