

30 September 2021

## Submission to the Victorian Commercial Ports Strategy

Offshore & Specialist Ships Australia (OSSA) and the Melbourne Maritime Heritage Network (MMHN) thank you for this opportunity to submit our thoughts in regard to the Victorian Commercial Ports Strategy 2021.

Overall we consider this to be a good commercial strategy. However we wish to raise and comment upon several issues. We look forward to discussing these matters with you in due course

### Maritime Skills and Training

Throughout the strategy the focus is clearly (and wisely) supporting the needs for skills and safety. Yet nowhere in the Strategy is there any reference to the necessity of a stronger focus upon skills training. Our initial paper highlighted the lack of maritime skills in Australia. This is an issue, which is recognised as a critical issue across all areas of government, and business, The MIAL Skills Survey (2018) clearly identified this lack of maritime sector skills, which obviously worsens as the current workforce ages and replaced by trained workers. MIAL are currently updating this Survey Report and all indications are that our maritime skills capabilities have fallen away further.

The Queensland Government has also recognised this and sensibly has set about developing a Fund to address the looming shortages. In a recent release they advise:” *A key part of our plan will be growing skills through maritime cadetships and training, with \$1 million committed to support Queenslanders to enter the industry or upskill. We will also work with the Federal Government to achieve a better balance between foreign and locally-crewed vessels, to get better trained and locally experienced crew operating in the Great Barrier Reef. The Federal Government has responsibility for interstate and international ships, and we will continue to work with them to improve safety, we all saw what can go wrong when the foreign crewed Shen Neng 1 ran aground in 2010 causing significant damage to the GBR*”

OSSA and MMHN have identified that Victorian Commercial Ports Strategy is an opportune time for Ports Victoria and the Victorian Government to adopt a similar forward-looking approach to enable the maritime freight industry. Skills are key component and, we argue that the Victorian Commercial Ports Strategy should proactively support the development of maritime skills training in Victoria and collaborate with the TAFE sector to bring this about. Both MMHN and OSSA

commenced discussions with the TAFE Sector and with AMC over recent months. Considerable preparatory work has been done. We would welcome the opportunity to discuss this with the view to Victorian Ports lending its expertise. Advocacy at the highest level is

Required to achieve an urgent prioritisation of maritime skills development in Victoria.

## **Piers in Victoria - commercial infrastructure**

Maintenance of Maritime infrastructure and in particular piers is not an optional investment by the Victorian Government. Piers maintenance is crucial across the maritime sector – and attention to keeping piers viable and safe should be recognized as compulsory publicly funded expenditure. In Victoria MMHN and OSSA have identified a dereliction of duty of care by the responsible agencies. Systemic pier negligence has two aspects.

Obviously mitigating risk and ensuring safety are key consideration. However MMHN and OSSA have identified another long-term adverse impact. There are demonstrable economic ramifications when responsible agencies (in this instance Parks Victoria) make decisions around pier viability, which in essence fail to comprehensively and deliberately ignore economic impact. A clear example may be found in relation to the ferry industry. Ferries can drive tourism around the coast. And this would happen – if it were not that Parks Victoria have appeared to reject use by ferries (even small vessels) of suitable piers around Port Phillip Bay and beyond. Parks Victoria made decisions on capital works funding allocation rendering some piers incapable of use by Ferries. (MMHN Forum of Ferries 2020). In relation to maritime infrastructure, Parks Victoria appear to see their primary role as mitigating public risk, without any regard for the broader picture of economic activation.

## **Governance Reform**

The public perception is that Piers are the maritime ‘face’ of the Victorian government – and recent justifiably negative media reports about neglected piers have highlighted the problem. Parks Victoria has been found wanting. Perceptions, detrimental to other related maritime agencies arise. Ports Victoria has the expertise to properly manage them. A separate funding and plan should be incorporated into future arrangements

We take the view that The Victorian Commercial Ports Strategy has an important role to play in supporting commercial ferries and other water-based businesses in Victoria. The new Strategy should address the necessity of maintaining and growing maritime industries. OSSA and MMHN see that the new Strategy provides an opportunity for policy reform. It is obvious to us that Ports Victoria should be assigned responsibility for Victorian piers- rivers, harbours, bays and coast.

## Bay West / Port of Geelong

We were heartened to see the future orientation, in particular new emphasis on the need for the development at Bay West. We note a *key direction of the Victorian Commercial Ports Strategy is the “establishment of protections to ensure future capacity, refinement of landside and waterside port options, relationship with Port of Melbourne capacity, and baseline data collection”*. In addition, emphasis on the need for optimization of Port of Geelong channel.

These recommendations address some of the major flaws evident in past analysis of future port in options for Melbourne. For example, the Infrastructure Victoria “*Second Container Port Advice - Evidence Base Discussion Paper*” published in 2017 [at pages 42 to 66]:

- Acknowledged the current and future pressures on port requirements resulting from burgeoning container ship sizes;
- Highlighted capacity constraints and limitations on capacity growth options relating to current port facilities, including Swanson Dock constraints, constraints relating to maritime approaches (width, swinging basin, West Gate Bridge, and speed and beam channel restrictions), quay line issues and limitations of landside transport networks;
- Identified possible enhancements which could lift theoretical port capacity (while acknowledged that some options were merely theoretical);
- But limited its analysis to the idea that a new future terminal would “*supplement or replace capacity at the Port of Melbourne, rather than a transfer of all Port of Melbourne activities to a new port*”;
- And then concluded “*we do not think Government will need to invest in a second port for decades*” [at page 49].

We question the logical underpinnings supporting in this series of statements above. We have a different view as to the predictions put forward.

## Urban Planning

There is little doubt that the Appleton and Swanston Docks will eventually reach a point where they will be unable to handle the shipping traffic of the future. We believe this area will at a future time become the subject of a major urban renewal project akin to what occurred at the turn of this century with Victoria Harbour (a Docklands Project #2). It is likely this will result in the waterways of inner Melbourne regenerate as a key civic feature of a city shifting its focus further west. We predict that the time frame for this shift occurring may be less than three decades. As Melbourne grows so will port usage - potentially doubling throughput over coming years.

Against this backdrop, we welcome the intelligent insights in the recent Government response to the Independent Review of the Victorian Ports System, in particular Recommendations:

- #50 – “... measures to improve protections for commercial trading ports from encroachment of incompatible uses ...”
- #51 – “That the Government, in consultation with Melbourne water and Wyndham City council, settle and implement an approach to identifying and securing the necessary land for Bay West in the State’s planning system as soon as practicable”

To take no action on these recommendations would be both irresponsible and would jeopardise the potential that currently exists for Bay West to become Victoria’s “*Port of the Future*”. Bay West risks being encircled by new, gentrified suburbs which may render the areas incompatible with industrial uses. Landside infrastructure, including road and rail links to Bay West, must be reserved and designed with a view to the requirements of the 22<sup>nd</sup>. Century.

## **Security**

A further key point is that, given current global security issues, we are dismayed to find there is no reference in the Strategy of identifying and managing security issues as major strategic risks. We drew this to the attention of the Port Discussion Paper in our response dated September 2020. This is a serious omission.

## **Conclusion**

OSSA and MMHN would welcome the opportunity of discussing the strategy with you and in particular the points we have raised above.

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