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## **Business Hunter Welcomes IPART's Port Determination**

The regions peak business industry group, **Business Hunter** has welcomed IPART's determination of the value of the Port of Newcastle's one-off compensation payment.

Business Hunter CEO, Bob Hawes said "Business Hunter has always advocated for a level playing field for the Port of Newcastle. If there is an opportunity for the Port to offer container freight services, it should be left to the market to determine where it's cheaper and more efficient option to freight materials. This determination brings us significantly closer to realising that goal."

"The IPART determination would appear to set a reasonable hurdle price for the Port to consider, and we sincerely hope they confirm their long held ambition to diversify activity in the port and proceed with further development of their capacity to handle container freight," Mr Hawes added.

"In time, the diversification of trade in the port will form a significant part of the transition story for the Hunter region, with the promise of jobs and economic activity to help balance the decline in coal trade they might experience in the medium to long term."

Approximately twelve months ago the Productivity Commission released a report that noted inefficiencies in our nations ports were costing the Australian economy about \$600 million and indicated that "*lack of competition in some parts of the marine logistics system*" was contributing to the inefficiency and costs.

Mr Hawes said businesses were experiencing pressure from sharp increases in freight costs, which ultimately dampen economic growth.

"A container facility in Newcastle will increase competition and give the market more choice and potentially address this concern. That's got to be good for the economy, business and consumers," Mr Hawes said.

"It's an issue greatly magnified for industries producing at scale, such as the agriculture sector stretching up into the states northwest and particularly the grain growers. It's a matter of national importance," he added.

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