



Queenscliff Harbour Forum Inc.

Reg No. A0038066E

52 Mercer Street Queenscliff Vic 3225

Ph 03 5258 1514

Mr Richard Willis
The Secretary
Select Committee on Public Land Development
Legislative Council
Parliament of Victoria
Spring Street
MELBOURNE Vic 3000

21 December 2007

Dear Sir

**Re: Inquiry into the Sale and Development of Public Land and Open Space
Queenscliff Harbour Privatisation**

I have enclosed for your information a copy of a letter dated 21 December 2007 sent to Mr David Davis MLC requesting that he enquire into the redevelopment and privatization of Queenscliff Harbour as a consequence of a meeting with Mr David Mitchell of our organisation on 19 December 2007.

The conduct of Government sponsored privatizations and the ultimate protection of the public interest in such arrangements goes to the heart of ensuring the best and most equitable outcomes are achieved in the management of public land.

Yours sincerely

Joan Lindros
President



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David Davis MLC
Shadow Minister responsible for Scrutiny of Government
173 Canterbury Road
CANTERBURY Vic 3126

21 December 2007

Dear Mr Davis

Re: QUEENSCLIFF HARBOUR PRIVATISATION

I refer to your recent meeting with Mr David Mitchell of our organization in your Canterbury Electorate office on Wednesday 19 December 2007.

During this meeting Mr Mitchell described the progress now belatedly being made on the redevelopment of the Queenscliff Harbour and asked that you might enquire into

1. whether or not additional financial assistance has been provided by Government to the private harbour operators to undertake the current works, and
2. whether or not the promises made to existing berth holders with regard to berthing fees have been incorporated into the harbour operators lease agreement.

Queenscliff Harbour was a significant public space representing an important port for commercial fishing, marine tourism, marine maintenance and a slipway facility, home of the Port Phillip Sea Pilots, a unique boating destination within Port Phillip Bay and safe land fall conveniently located inside the often treacherous Port Phillip Heads.

A redevelopment of Queenscliff Harbour was announced by the Brack's Government in June 2004. A private consortium known as Queenscliff Harbour Pty Ltd was provided with a 49 year Crown Land Lease and significant commercial concessions for private berths and retail outlets.

The redevelopment was originally promoted as aiming to maintain the harbour as a working port and community facility. Consequently significant promises were made by Government to assist existing users of the harbour with a 5 year moratorium on berthing fee increases beginning from the date construction commenced, and a cap on annual berthing fees of 2 to 3 times existing fees at the end of the moratorium.

We have long held the belief that Queenscliff Harbour should have been retained as a Government administered public facility and that the harbour was not a good privatization candidate due primarily to the nature of boating on the Bellarine Peninsula, the comparatively long distance from large residential centres and the very high seasonality that characterized trade in Queenscliff. The prospects of a successful privatization were not going to be improved with a long term lease and excessive commercial concessions.

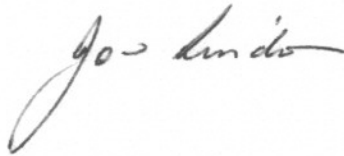
As time has passed the redevelopment is essentially translating into a gated private marina and commercial shopping precinct with the inevitable loss of local participation, broken promises and dispute over berthing arrangements and the alienation of public space.

As mentioned earlier the redevelopment was announced in June 2004 but substantial works have only recently been commenced in August of this year.

Consequently it is now important to establish whether or not the current works are in fact being privately funded as was originally intended, or are being supported by additional government funding in excess of the promised \$5.0m to avoid the embarrassing revelation of a delayed or even failed privatization.

We hope you might assist us to obtain the required information.

Yours sincerely

A handwritten signature in cursive script, appearing to read "Joan Lindros".

Joan Lindros
President

Cc *Mr Richard Willis*
The Secretary
Select Committee on Public Land Development
Legislative Council
Parliament of Victoria
Spring Street
MELBOURNE Vic 3000