

29/04/2022

MIR RAT 2022/23 Tariff Review

Dear Terminal User,

As per clause 6, Schedule 1 of MIR RAT's section 87B Undertaking with the Australian Competition and Consumer Commission (ACCC), the published tariff review process for FY 2022/2023 is complete. The outcomes of this review will be implemented effective from July 1st 2022.

Our pricing model has been developed in consultation with an independent economist. It considers several market forces, including volume forecasts, operational costs, and overheads, to calculate a tariff that allows us to earn a fair and reasonable rate of return on our investment in Melbourne while providing a sustainable service to the industry.

The last 12 months have continued to present challenges for our business and the industries we support. The lingering effects of the COVID-19 pandemic, capacity issues, supply shortages, and, more recently, natural disasters have impacted volumes and efficiency. Despite all this, volumes for most commodity types have been increasing, albeit off a low base due to the pandemic.

While we have seen growth in volume year on year into our terminal, we have also seen significant cost increases to ensure we have maintained our service levels with minimum disruptions. MIR RAT's cost base is primarily fixed, and critical inputs such as rent, rates, land tax, and insurance have all increased at a rate that has outpaced the positive volume trend. This fact means we cannot fully offset the rising fixed costs. While the gap between these two critical variables remains, we must adjust our tariffs to ensure sustainable operations.

With this in mind, effective July 1st, the Stevedore Access Charge (SAC) will increase by 2%. In addition, facility Access Charge (FAC), Receival and Delivery (R&D), and all other services across our published tariff will rise by 5%.

Tariff Increase						
Cargo Type	FAC Increase (%)	FAC Change	SAC Increase (%)	SAC Change	R&D Increase (%)	R&D Change
Wheeled Vehicles	5.0 %	\$ 0.18 per cbm	2.0%	\$ 0.27 per unit	N/A	N/A
BBulk/General	5.0%	\$ 0.37 per r/t	2.0%	\$ 0.08 per r/t	5.0%	\$ 0.27 per r/t

The rise in SAC will contribute to recovering increasing equipment and maintenance costs.

The Increase in FAC will help recover an 11% jump in property-related expenses, representing 58% of total costs. While R&D will increase to recoup rising labour costs

A full copy of the tariff schedule containing the proposed increases is available on our website www.mirrat.com.au for review.

Tariff reviews will occur annually, with the next review scheduled for May 1st, 2023.

**Melbourne International RoRo &
Automotive Terminal Pty Ltd**
ABN: 43 163 814 364

Webb Dock West
Port Melbourne VIC 3207
www.mirrat.com.au



MIRRAT has appointed Economic Insights Pty Ltd as our Independent Price Expert (IPE).

Any objections with reasoning should be submitted to MIRRAT via email jed.smith@mirrat.com.au and Economic Insights Pty Ltd john@economicinsights.com.au no later than the 18th of May 2022. The IPE will then assess the proposed tariff increases.

Further information regarding our Price Dispute Resolution process can be found on our website.

Regards,



Jed Smith
Interim Terminal Manager