August 2026

Port of Melbourne

Understanding the Pricing Order Inquiry 2026

The Pricing Order Inquiry (the Inquiry) is a standard five-yearly regulatory review undertaken by the Essential Services Commission (ESC) under the Port Management Act 1995 (Vic).

As part of the review, the ESC will assess Port of Melbourne’s (PoM) compliance with the Pricing Order and determine whether any non-compliance has occured. This oversight supports efficient investment while protecting port users and Victorian consumers.

The ESC completed its first Pricing Order Inquiry in 2021. The current Inquiry is the ESC’s second review and covers **1 July 2021 to 30 June 2026**. The ESC is required to complete the Inquiry by 31 December 2026 and provide its findings to the ESC Minister.

What is the Pricing Order?

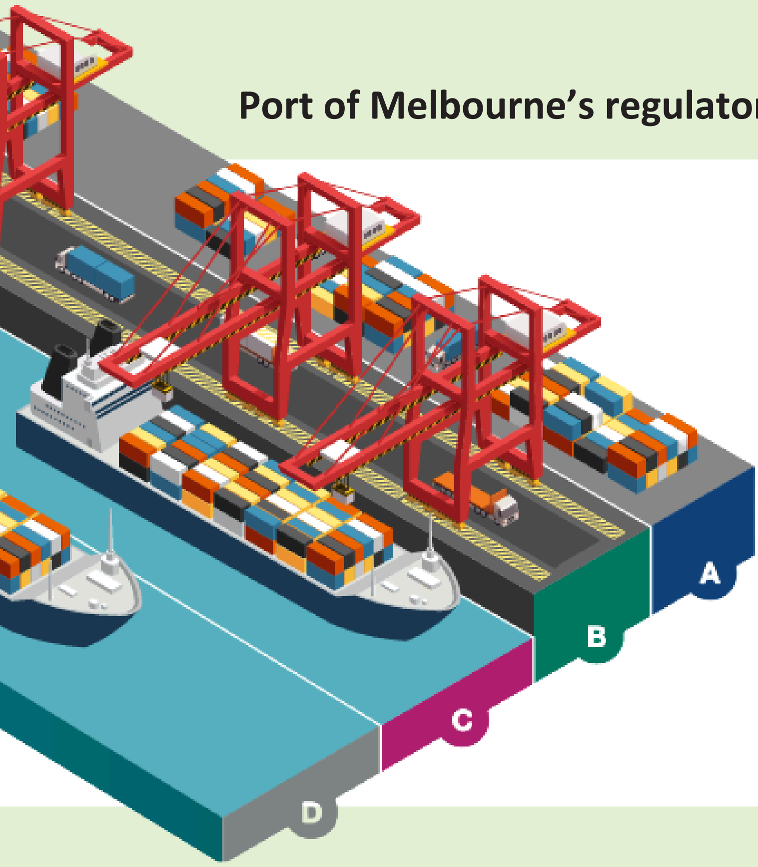
The Pricing Order is a regulatory instrument made under the Port Management Act 1995 (Vic). It establishes the requirements PoM must follow when setting prices for prescribed services.

The Pricing Order sets out:

- how prices for prescribed services are calculated
- the extent to which prices can change between years
- when PoM must apply to the ESC for approval of pricing variations

The Pricing Order is designed to provide PoM with a reasonable opportunity to recover the efficient costs of providing prescribed services while ensuring appropriate regulatory oversight of pricing outcomes.

Port of Melbourne’s regulatory framework - Prescribed services



Fees we charge

Tariffs for prescribed services include fees such as wharfage fees, berth hire fees, and channel fees. Charges for leasing of space and facilities are separate from these tariffs.

A Leasing of space and facilities (Non-prescribed)

PoM negotiates rental agreements for access to land and facilities directly with tenants. Many leases are long term, providing certainty for tenants. The Tenancy Customer Charter is designed to explain the processes which apply to different types of lease negotiations for port land. The Charter applies to eligible leases that were negotiated and executed after 31 October 2016.

B Wharfage fees (Prescribed)

The wharf is an area for loading and unloading cargo. Wharfage fees are charged per unit of quantity, volume or weight for all cargoes, including empty containers, loaded or unloaded from or between vessels.

C Berth hire fees (Prescribed)

The berth is where vessels are secured at the waterfront edge. Berth hire for Common User berths is a time-based fee.

D Channel fees (Prescribed)

The channel provides port access for commercial vessels. Fees are levied once per ship visit, on a gross tonne basis, for use of the channel and associated services.

August 2026

Port fees and regulatory framework

PoM operates under an economic regulatory framework overseen by the ESC. In place since 1 July 2016, it governs how tariffs are set to recover the cost of port facilities and assets needed to provide prescribed services.

The framework is designed to ensure investment is prudent and efficient. Only capital expenditure that is both prudent and efficient can be recovered through regulated port prices. Charges relating to leases, property and commercial agreements are separate from prescribed service tariffs and are not regulated under the Pricing Order.

In June 2026, the Pricing Order was updated to include an upfront (ex ante) assessment of strategic projects by the ESC. Following this Inquiry, these amendments reduce investment risk and provide a better basis for decision-making. Port stakeholders would also benefit from engaging with the ESC earlier on proposals, before significant major investment is made.

What does the Inquiry involve?

The Inquiry is part of the established oversight of Australia's largest container and general cargo port. Over six months, the ESC will assess whether PoM complied with the Pricing Order during the review period.

More detail on the ESC's process and legislative framework is available in its Statement of Regulatory Approach (SoRA).

Statement of Regulatory Approach (SoRA): demonstrating compliance with the Pricing Order

The SoRA sets out the ESC's role and provides guidance to the Port of Melbourne on how it may demonstrate compliance with the Pricing Order, including through information provided in Tariff Compliance Statements.

The SoRA (version 4.0) is informed by the first Pricing Order Inquiry (for the period 2016–2021), other findings, ESC interim commentary, and consultation with PoM. To ensure relevance, the SoRA is updated as key issues and new information arise.

Port of Melbourne's approach

PoM welcomes the Inquiry and is committed to supporting a transparent, evidence-based review.

Since the previous Inquiry, PoM has made significant improvements to its approach to pricing, engagement and governance. This includes strengthening internal capability, enhancing expenditure forecasting processes and embedding more structured and consistent stakeholder engagement practices.

These improvements reflect PoM's commitment to continuous improvement and compliance with its regulatory obligations.

PoM encourages port users and stakeholders to participate directly through the ESC process via Engage Vic. Written submissions must be received by 5pm on 28 August 2026.

For more information, email CorporateAffairs@portofmelbourne.com or click the buttons below

Port of Melbourne | Essential Services Commission | Engage Vic | Statement of Regulatory Approach