

Submission no 041

11.1.5

2 July 2015



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Research Director  
Infrastructure, Planning and Natural Resources Committee  
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Dear Sir / Madam

### **Port of Townsville Submission on *Sustainable Ports Development Bill 2015***

Port of Townsville Limited (POTL) welcomes the opportunity to provide feedback to the Committee on the *Sustainable Ports Development Bill 2015* ("the Bill").

The intention of the Bill and the important role it is intended to play in protecting the Great Barrier Reef World Heritage Area (GBRWhA) is supported, and is an objective that all key stakeholders, including ports, take very seriously.

Ports must continue to operate and expand in a sustainable manner to support local, state and national economies and to service growing populations. Ports currently operate in one of the most stringently regulated environments in the world, and are genuinely committed to achieving best practice outcomes.

This submission is made to outline matters specific to POTL's ports (Townsville and Lucinda), noting some of these matters will also be relevant to other ports.

POTL has also contributed to and fully supports the Queensland Ports Association (QPA) submission. Where practical, matters raised in the QPA submission have not been duplicated.

#### POTL's Ports

The Port of Townsville is a multi-purpose seaport that serves a geographically large hinterland region of Northern and North West Queensland - supporting a regional population larger than that of Northern Territory and Tasmania. It is importantly and strategically positioned in terms of supply chain connectivity to Australia's rich mineral resources, and to key global destination markets. The port is well connected to existing catchment areas by road and rail. The port currently handles approximately 11 million tonnes per annum of diverse products. Mining resource commodities and agricultural products account for 80% of trade throughput by volume, with fuels, cement and general cargo accounting for the remaining 20%. The supply chain currently supports \$15 billion of commodity freight per year, making it a supply chain of national significance and is identified as one of the Priority Ports.

The Port of Lucinda is currently dedicated to the export of raw sugar from the Herbert River sugar-growing district, with minor general cargo to support local island communities. As one of Queensland's six bulk sugar terminals, the Port of Lucinda's primary role in the bulk sugar industry network is to receive, store and export around 500,000 tonnes of raw sugar to domestic and international customers. The Port of Lucinda is not defined as a Priority Port.

## Transitional Arrangements

A Master Plan is currently not proposed to be in place for Townsville Port until possibly 2017; the timeframe for creating the Master Plan rests with the responsible Minister.

At present the Bill's prohibitions on capital dredging (Section 33) and disposal of prescribed dredge material (Section 34) prohibit these activities, with the exemptions only relating to activities being within a "master planned area". Such an area does not exist until a Master Plan has been gazetted.

This will mean for Townsville Port, projects that involve capital dredging, and capital dredging projects alone, cannot be undertaken until such time as the State prepares the Master Plan for Townsville Port.

The transitional provisions do not allow for any such works to be permitted until a Master Plan is in place.

POTL has several projects planned for completion in 2015, 2016 and 2017 that involve capital dredging (either alone or as part of the project). In all of these projects, dredge material will be brought to land or beneficially re-used. Despite this, these projects appear to be prohibited until such time as they are within a "master planned area".

POTL believes this is an unintended consequence of the Bill. It is recommended that the Bill be amended to allow for such interim existing planned works to be undertaken, or otherwise the timeframe for development of a Master Plan for the Port of Townsville to be brought forward.

## Master Plans

Port of Townsville has a long history of working closely with our local council in aligning lands and planning schemes that cover city / port interface and see the Master Plan formalising and expanding this interaction to address all surrounding areas.

There is currently a large Priority Development Area (94 hectares) located immediately adjoining the operational port area (including current strategic port lands owned by POTL), as well as a State Development Area (4,900 hectares) located in close proximity to the port. In addition, planning and development over a large area of land and water immediately adjacent to the port is regulated under the *Breakwater Island Casino Agreement Act 1984*.

The Bill in its current form provides for master planning that appears to predominantly focus on 'externalities' around port owned lands – with the State run master planning process largely focussing on the coordination of State interests in this area. Given the port overlay is unable to regulate development in a Priority Development Area or a State Development Area, the applicability of this overlay for Port of Townsville may be limited.

This may have the unintended effect that the Bill will not be able to achieve the purpose of regulating development surrounding Townsville as a Priority Port, nor being able to identify and protect land and infrastructure critical to the effective operation of the Port network.

As each port and surrounding environment differs we wish to work proactively with Government in ensuring the 'Non-Statutory Guidelines' (Section 18) appropriately reflect of the operational realities of ports and the complexity of day-to-day port governance. We believe it is essential to establish these Guidelines as soon as possible to ensure full transparency and to ensure all stakeholders have the same expectations.


Key considerations for Townsville Port are:-

- Ensuring that transitional arrangements allow for capital projects to continue over the next few years until such time as a Master Plan is in place (or otherwise bringing forward the time for the Master Plan to be established) – noting all capital dredge material for these projects is being taken to land or otherwise beneficial re-use;
- Ensuring that the definitions and application of the Bill permit reclamation as a defined “beneficial re-use”, which is critical to any future growth of Townsville Port;
- Addressing the linkages between the Master Plan and PDA’s/SDA’s to ensure that the objectives of port protection can be practically and appropriately realised.

Specific comments on referenced sections of the Bill are attached for your consideration (Annexure A).

Please do not hesitate to contact Melinda Loudon [REDACTED] if you have any questions.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Raneë Crosby', with a stylized flourish at the end.

**Raneë Crosby**  
**Chief Executive Officer**

## ANNEXURE A

Section	Comments
<p><b>Section 6</b> <b>Master Planned Areas</b></p>	<p>POTL is concerned with the wording of Section 6(3) due to the complexities, and array, of marine boundaries:</p> <p><i>6(3) However, the master planned area for a priority port cannot include the following areas -</i></p> <p><i>(a) an area covered by tidal water that is outside the port’s port limits under the Transport Infrastructure Act;</i></p> <p><i>(b) an area within a marine park, even if the area is within the port’s port limits under the Transport Infrastructure Act.</i></p> <p>At the Port of Townsville, shipping anchorage areas are outside of port limits, as is part of the Dredge Material Placement Area (which will continue to be used for maintenance dredging). These key port assets are critical for port operations. Clause 6(3)(a) would seem to exclude these areas from inclusion in the master planning process.</p> <p>POTL considers that Reef 2050 Plan requires ‘port master planning that considers potential marine-based impacts as well as land-based environmental impacts’ (p26). As such channels and anchorage areas regardless of location should be considered in terms of potential marine-based impacts – and any necessary management frameworks.</p>
<p><b>Division 3</b> <b>Port Overlays and Master Planned Areas</b></p>	<p>Subdivision 1 and 2 seem to suggest that a port overlay will be developed after a master plan is finalised. POTL considers that it is critical for technical overlays to be developed <b>as a part of</b> the master planning process not only does this increase transparency but ensures that there is no gap between 13(4) and 19(1).</p> <p>Creating an additional process for the port overlay after the master plan process may add complexity and result in duplication.</p> <p>The applicability of this overlay around the Port of Townsville is extremely limited given that the majority of the area around Townsville Port is either included in the Townsville Waterfront PDA, the Townsville State Development Area or covered by the <i>Breakwater Island Casino Agreement Act 1984</i>.</p> <p>There is no reference to this latter Act in Section 35 which will need to be considered further and clarified, as that Act regulates planning and development activities relevant to the Port of Townsville.</p>
<p><b>Section 14</b> <b>Request to Review Master Plans</b></p>	<p>Ports are trade gateways – they respond to changes in global and domestic economic conditions. It is recommended that a mechanism be included for priority ports to be able to request the Minister to review or amend a port master plan.</p>

Section	Comments
<p><b>Section 19 Port Overlay Required</b></p>	<p>Section 19 (4) suggests that the port overlay cannot over-ride development in a <i>Priority Development Area</i> or <i>State Development Area</i>.</p> <p>In Townsville there is a PDA that extends over a larger area of land immediately adjacent to the Port, and an SDA that lies in close proximity to the Port. POTL has no statutory role in the planning or assessment of developments in these areas which could have potential impacts on port operations.</p> <p>Given that the port overlay results from a comprehensive master planning process across all jurisdictions, it would seem appropriate that it should regulate development in a PDA and SDA – both of which are controlled by the State.</p> <p>The port overlay needs to represent the State’s interests – in one transparent instrument. For port overlays to be truly effective, they must be enforceable and instructive across various jurisdictions.</p> <p>Any issues or inconsistencies should preferably be resolved during the master planning process when the port overlay is being developed or amended.</p>
<p><b>Sections 33, 34 Capital Dredging and Disposal of Dredge Material</b></p>	<p>A Master Plan is currently not proposed to be in place for Townsville Port until possibly 2017, and the timeframe for creating the Master Plan rests with the Minister.</p> <p>At present the Bill’s prohibitions on capital dredging, even for priority ports, have the effect that works cannot be undertaken until such time as they are “within a master planned area”.</p> <p>This will mean for Townsville Port, projects that involve capital dredging, and capital dredging projects along, cannot be undertaken until such time as the State prepares the Master Plan for Townsville Port (as they are not within the defined “master planned area”). The transitional provisions do not allow for any such works pending the completion of a Master Plan.</p> <p>POTL has several projects planned for completion in 2015-2016 that involve capital dredging (as part of the project) where such material will be brought to land. Despite this, these projects cannot occur until such time as they are within a “master planned area”. POTL believes this is an unintended consequence of the Bill.</p> <p>It is recommended that the Bill be amended to allow for such works to be undertaken.</p>
<p><b>Section 34 Restriction on granting approvals for disposal of prescribed dredge material</b></p>	<p>Amendments / clarification of definitions is required to provide assurance that beneficial re-use of dredge material includes taking material into reclamation areas, which are within tidal land and the coastal zone.</p> <p>In the case of Port of Townsville, any capital dredge material will be required to be taken to either an extended reclaim area (which is a tidal area), or alternative to land within the Townsville State Development Area, which has vast areas of tidal land.</p> <p>Definitions of land and tidal land in this regard will need to be further considered.</p>
<p><b>Definition of ‘Capital Dredging’</b></p>	<p>The applicability and legal interaction of this definition with a range of other pieces of legislation and historical approvals should be carefully reviewed (e.g. Section 86 approvals and tidal work approvals). POTL has a number of existing approvals based on historical definitions and legal frameworks (noting POTL has operated for more than 150 years). Care must be taken to ensure that a new definition does not have any unintended consequences.</p>