



Speech by

**Hon. STEVE BREDHAUER**

**MEMBER FOR COOK**

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Hansard 18 August 1999

**MINISTERIAL STATEMENT**

**Gladstone Port Authority Lease; Navari Pty Ltd**

**Hon. S. D. BREDHAUER** (Cook—ALP) (Minister for Transport and Minister for Main Roads) (5.52 p.m.), by leave: I refer to the statement I made in the House this morning with respect to the lease from the Gladstone Port Authority. As I indicated, this statement was based on preliminary advice received from my department. I have now had further advice from my department.

Between 1986 and 1994, Skipper Nominees Pty Ltd held the lease in question. In 1994, Skipper Nominees sought to sell its interest in the lease. The Gladstone Port Authority has advised me that the sale of Skipper Nominees' interest in the lease to Navari Pty Ltd was brokered through the L. J. Hooker real estate agency. That was a purely commercial arrangement between the parties to the sale.

In 1989, the then Minister responsible for the administration of the Harbours Act, Don Neal, had given a general approval for the port authority to assign or sublet this and several other leases. I table a copy of a document that sets out transactions in respect of this lease prior to 1994.

That company was not using the lease held by Skipper Nominees in strict accordance with the purpose of the lease, which was for "receipt, treatment and export of mineral products and the necessary works in connection therewith." At the time of the sale, Skipper Nominees had subleased land to Boyne Smelters for storage purposes. As part of the sale transaction brokered by L. J. Hooker between Skipper Nominees and Navari, the landlord, the Gladstone Port Authority, was requested to amend the purpose of the lease to reflect its actual use up to that time. The request to change the purpose of the lease required the approval of the port authority and the Minister administering the Harbours Act at that time.

In December 1994, the Department of Transport sought the approval of the then Minister David Hamill to the assignment and change of purpose of the lease. The advice from the department stated—

"A general approval to assign or sublet the lease was given by the then Hon. the Minister on 22 Feb. 1989. However, in this instance the Deed of Assignment incorporates a condition which changes the purpose of the lease as indicated.

In the circumstances it was considered prudent to seek your specific approval to the assignment and change of purpose of the lease. The area is presently sub-leased to Boyne Smelters Ltd. for a 3 year period until 31 December 1995 and is used for storage purposes."

The departmental advice recommended that "approval, pursuant to section 64 of the Harbours Act, be given to assignment and change of purpose of the lease." The departmental advice also notes that the Marine and Ports Division raised no objection to the proposal. I table a copy of this advice.

Based on the recommendation provided by the department, the then Minister granted his prior approval to the assignment and change of purpose of the lease from 19 December 1994. Following this approval, the parties to the assignment executed the deed of assignment. Formal execution of the document was completed on 23 February 1995. As required by the legislation, the executed document was then forwarded for the then Minister to record his endorsement that the assignment had been approved pursuant to section 64 of the Harbours Act 1955. This did not occur until April 1995, by which time the responsible Minister was Ken Hayward.