

Review of Current Port Competition and Regulation in Queensland

Port Specific Information Addendum to Discussion Paper





1.0 Port of Gladstone

1.1. Potential conflict of interest

The Central Queensland Ports Authority (CQPA) has two key roles; as port authority for the ports of Gladstone and Port Alma (Rockhampton) and as the operator of the two coal terminals, RG Tanna Coal Terminal and Barney Point Coal Terminal, along with some other bulk handling facilities at the Auckland Point wharf, in the Port of Gladstone.

Under the *Transport Infrastructure Act 1994*, specifically sections 275 and 282A, the CQPA has the power to control shipping movements in its ports subject to the overarching safety management of the Regional Harbour Master. In a situation where vessels are competing for a limited number of tidal based sailing and departure windows the port authority has the power to determine the sequence of those shipping movements provided all movements are undertaken within the safety framework.

Where the CQPA is both port authority and terminal operator a potential conflict of interest can be perceived to exist in that CQPA may be seen as giving priority to the tide constrained deep laden ships at its own terminals.

It can be argued that there may be a number of key operational, commercial and efficiency reasons to justify CQPA holding the dual roles of port authority and operator of port facilities.

CQPA advises as a general principle, it has determined that vessels departing the port at critical maximum draft will be given priority use of the port's channels to ensure their safe and effective passage to the Fairway Buoy. The CQPA further advises that where two or more vessels of similar critical maximum draft wish to move at the same time, the priority is determined by the CQPA having regard to the safe, secure and efficient operation of the port.

- » *Does CQPA's operational structure provide the expected competitive outcomes?*
- » *Is there sufficient separation of CQPA's "commercial" operations from its core role as a port authority at the Port of Gladstone?*
- » *Are there clear benefits to Port users from CQPA's operating structure?*

- » *Do you have any comment on the operation of the existing Port Rule at the Port of Gladstone which aims to ensure equitable use of the navigational channel where a potential conflict of interest exists between different commodity shippers.*
- » *Do you have a view on the effectiveness of the existing port rule/protocols used to manage the movement of tide constrained vessels?*





2.0 Port of Weipa

2.1. Third party access

Operations in Weipa are substantially managed through Ports Services Agreement between Ports Corporation of Queensland (PCQ) and Rio Tinto Aluminium Limited (Rio Tinto).

The current agreement allows for the day to day operations of the Rio Tinto interests whilst recognising the port authority and associated statutory responsibilities of PCQ.

Even though its major facilities are operated by a single user, access to the Port of Weipa is subject to PCQ's Multi User Access Policy which seeks to facilitate access sought by any potential new user of the port.

» *Do the current arrangements in Weipa provide for the equitable treatment of existing and future port users and stakeholders?*



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**Prepared by:
Rail Ports and Freight Division
Queensland Transport**

**www.transport.qld.gov.au
railports&freight@transport.qld.gov.au**