

Ports Corporation of Queensland

Ports, People and Projects Report 2003/04

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Port by Port Report

Port of Hay Point

Situated about 40 kilometres south of Mackay in Sarina Shire, the Port of Hay Point is one of the largest coal export ports in the world. It comprises two separate coal export terminals, Dalrymple Bay Coal Terminal (DBCT), leased from the State Government by the publicly listed company Prime Infrastructure Management Limited, and the Hay Point Coal Terminal (HPCT), owned by Central Queensland Coal Associates and operated by BHP Billiton Mitsubishi Alliance (BMA). Together the two terminals serve the mines of Central Queensland. The mines are linked to the port terminals through an integrated rail-port network. Ports Corporation of Queensland (PCQ) is the port authority for the port.

Both terminals have purpose-built rail in-loading facilities, on-shore stockpile yards and off-shore wharves. The off-shore wharves are serviced by conveyor systems, supported on jetties, which run out to sea and allow loading in deep water. The DBCT wharf is 3.8 km off-shore and HPCT 1.8km. DBCT is serviced by three shiploaders and HPCT by two.

DBCT supplying mines include Blair Athol, Goonyella – Riverside, German Creek, Oaky Creek, North Goonyella, Burton, Moranbah North, Foxleigh, Moorvale, Hail Creek and Coppabella. Mines supplying HPCT are Goonyella – Riverside, Peak Downs, Saraji, Gregory, Norwich Park and South Walker. DBCT has a nominal throughput capacity of about 56 mtpa and HPCT has a throughput capacity of about 34 mtpa.

(Note: Prime Infrastructure has indicated that DBCT is operating at about 95% capacity following a stockyard incident which will require replacement of reclaimer No.1)

Maritime Safety Queensland provides marine pilotage services for the terminals, with most transfers to and from ships via helicopter. Each terminal has its own towage arrangements in place.

Trade

In 2003/04, total throughput for the port was 77,546,002 tonnes, comprising 43,592,396 tonnes through DBCT and 33,953,606 tonnes through HPCT. The continued growth in Central Queensland coal production ensured the total port throughput was a record, up 3.85% over the previous best in 2002/03.

HPCT set an individual throughput record, up by 6.82% on the previous best ever in 2002/03. DBCT also set a new record, up by 1.64% on the previous year. A total of 965 bulk carriers visited the port.

Departure Path Dredging

The DBCT Master Plan 2003 identified possible benefits of dredging the departure path at Hay Point. PCQ has been working with BMA and Prime Infrastructure to develop a dredged departure path. Following simulation studies at the Australian Maritime College at Launceston in Tasmania a preferred path alignment from a ship handling perspective has been selected.

PCQ continues to work through the economic, environmental and geotechnical issues to finalise the project scope and costs.

Water Supply Pipeline

In 2003/04, agreement was reached on funding and sharing arrangements for an \$8.75 million water supply pipeline to Hay Point to supplement the two terminals' existing water supply. Water supply studies conducted a number of years ago for the terminals identified the need for provision of additional water supply to cope in times of lower than average rainfall, when the two terminals' existing supplies may not meet demand.

The agreements which have been reached allowed work to start in June 2004, with an expected completion in December 2004. The pipeline will draw from SunWater's Eton Irrigation Area about 18 km from Hay Point. The pipeline route follows the Bruce Highway and then Hay Point Road.

Maintenance Works

The Half Tide Tug Harbour consists of a causeway, breakwater, tug berthing facilities, navigational beacons, jetties, pontoons, administration and amenity buildings and car park. A Facilities Assets and Risk Management (FAARMS) audit has resulted in a 10-year prioritised maintenance plan and budget being developed.

A local project manager was engaged to manage the maintenance works, including electrical work, repairs to the administration and amenities building, overhauling the entrance security gate, clean-out of breakwater waste-cobblestone, minor jetty extension, repair of lifting beam and extensive repainting of various items.

Quarantine Waste Facility

PCQ will establish a quarantine waste disposal service at Hay Point. This service is required under the International Maritime Organisation's (IMO) MARPOL Annex V, a marine pollution reduction agreement to which Australia is a signatory. PCQ will provide the service by putting in place the necessary infrastructure, procedures and contracts to ensure that the service is available.

Work has started on the project to:

- construct a shed to house the equipment
- provide an autoclave to sterilise the waste
- provide an operations and maintenance contract to handle, transport, treat and dispose of the quarantine waste.

The shed is being constructed near PCQ's existing workshop and office in Horyu Maru Drive. It will handle ship waste including organic waste, paper, metals, glass, plastics, galley waste, hold sweepings, fish, animal or livestock waste and general garbage. The infrastructure and service will be in place by the end of 2004.

Dudgeon Point Land Development

A site known as Bally Keel or Dudgeon Point lies adjacent to Hay Point, having been originally acquired as a power station site by the Queensland Electricity Generating Board in the early 1980s. PCQ acquired the freehold and leasehold parcels to prevent possible future tourism or residential uses encroaching on port operations at Hay Point.

PCQ has identified the Dudgeon Point land as having potential for industrial land development, given its size and close location to rail, road and port infrastructure as well as its convenient distance from the towns of Sarina and Mackay.

PCQ has previously had a report prepared on the site's potential for development which suggested about 705ha of the total 1300ha as suitable for development as industrial land. A cultural heritage survey suggests that this area may be reduced by about 60ha.

Louisa Creek Land Purchases

Louisa Creek is a small community on the northwest boundary of DBCT. Because of its proximity to the port and being within the zone of the predominant winds, it experiences dust impacts in certain weather conditions and some noise. A range of environmental and community relations initiatives have been put in place by PCQ at the port.

Because of the use conflicts and the fact that dust problems will occur from time to time, PCQ initiated a property purchase program at Louisa Creek in 1996. This allowed residents who wished to leave the area to do so, with the knowledge that they had a potential purchaser for their properties. It also allowed an opportunity to return some of the purchased lots to a natural state, assisting in managing the dust events through increased vegetation.

Since 1996 PCQ has purchased about 100 houses and 22 vacant lots at Louisa Creek. Thirty-eight properties remain which are not owned by PCQ. PCQ intends to continue to purchase properties in order to provide an increased environmental buffer.

Since starting the program, PCQ has removed or demolished 58 of the acquired houses. The remainder are rented. Where houses have been removed or demolished, the land has either been cleared and trees planted or the areas left as grass. The community is consulted on an ongoing basis in regard to house removals/demolition and revegetation.

Bed Levelling

Monitoring survey results received by PCQ in October 2003 showed that numerous shoals had formed unexpectedly off the berths of both Hay Point coal terminals. These shoals were shallower than the natural seabed depth (-13.1m to lowest astronomical tide datum.) Shallower redeclaration of the port for departure of laden bulk carriers has a significant impact on shipping costs. Dredging is the usual method of deepening these areas back to the declared depths. However, for environmental reasons, dredging is allowed in the port only from 1 May to 30 September in any given year. This would mean that the port would experience reduced sailing drafts for an extended period if an alternative was not established.

After assessing the options, it was determined that a bed levelling process might achieve the required result. However, there were significant risks associated with the process which required mitigation strategies to be implemented. The approved budget for the project was \$495,000. All works were completed satisfactorily during early January, 2004, some four months before the first available date for the preferred method of dredging could have started. The works were also completed well below budget which, in turn, was significantly more cost-effective than dredging.

Port of Abbot Point

The Port of Abbot Point, 25 kilometres north of Bowen, is Australia's most northerly coal port. It comprises a rail in-loading facility, coal handling and stockpile areas and a single trestle jetty and conveyor connecting to an off-shore berth and shiploader 2.75km off-shore.

Coal is supplied to Abbot Point by rail from Newlands and Collinsville mines. The terminal is operated by Abbot Point BulkCoal Pty Ltd (APB), which is part of the NCA (Newlands-Collinsville-Abbot Point) Project.

The port is serviced by two tugs which are based in Bowen and pilotage is provided by Maritime Safety Queensland. PCQ is the port authority for the port and has three staff based in Bowen who primarily maintain the Bowen Wharves and provide assistance at other PCQ ports.

The Port of Abbot Point is of strategic value to PCQ and the State as there are very few locations along Queensland's eastern seaboard where deep water (>15m) is close in-shore and adjacent to undeveloped, non-urban land.

Trade

In 2003/04, total throughput at Abbot Point was 12,094,893 tonnes, down marginally on the record in the previous year. The port handled 121 ships during the financial year.

Trade Growth and Available Capacity

The terminal is coming under intense pressure to expand to meet the unexpected international demand for Australian coal. A combination of increased demand from the existing users, new mines, possible new trades and renewed interest to build the missing rail link from the Goonyella rail network have all contributed to completely changing the outlook for Abbot Point in the short to medium term. In response, a master planning exercise is underway to understand how the facility and port could be expanded to meet demands.

Port of Lucinda

The Port of Lucinda, 100 kilometres north of Townsville and on the coast north-east of Ingham, is dedicated to the export of raw sugar from the Ingham sugar-growing district. It comprises on-shore sugar handling and storage facilities and a single trestle jetty and conveyor running out to an off-shore berth and shiploader.

The jetty is one of the longest of its type in the world, extending for 5.6 kilometres and dipping 1.2 metres over its length as it follows the curvature of the earth. Sugar takes 22 minutes to travel along the conveyor from the on-shore storage sheds to the shiploader.

The terminal is operated by Lucinda Bulk Sugar Terminal, a subsidiary of Queensland Sugar Limited (QSL). Supplying mills are Victoria and Macknade. The Port of Lucinda is serviced by North Queensland Marine Towage Pty Ltd tugs based in Mourilyan, while pilotage is provided by Maritime Safety Queensland.

Trade

The port handled 15 ships in 2003/04 with sugar exports of 522,893 tonnes, down by about 12% on the previous year. A total of 3,738 tonnes of general cargo was also handled during the year.

Port of Mourilyan

The Port of Mourilyan is on the coast near Innisfail. Its main trade is the export of raw sugar and molasses from the Innisfail, Babinda, Tully and Atherton Tablelands sugar-growing districts. It comprises on-shore sugar and molasses handling and storage facilities and a single sugar loader and associated wharf located within a sheltered natural harbour.

The terminal is operated by Mourilyan Bulk Sugar Terminal, a subsidiary of Queensland Sugar Limited (QSL). Mills supplying the terminal are South Johnstone, Mourilyan, Tully and Babinda.

Tug requirements are provided by North Queensland Marine Towage Pty Ltd tugs based in Mourilyan, while pilotage is provided by Maritime Safety Queensland.

Molasses is exported through the port by Australian Molasses Trading Pty Ltd and live cattle exports also take place.

Trade

In 2003/04, the Port of Mourilyan handled 32 ships carrying 683,405 tonnes of sugar, just short of the previous record. A total of 88,992 tonnes of molasses (up by about 1.5% on the previous year) and 3,372 head of live cattle (up by 21.65% on the previous year) were also shipped.

Rebate Assistance

PCQ last year introduced a rebate scheme for sugar and molasses exports through Mourilyan. Under the scheme, PCQ provided a rebate for sugar exports exceeding 575,000 tonnes and for molasses exports exceeded 70,000 tonnes.

As a result of strong exports through the port, PCQ has refunded over \$86,000 back to the sugar industry port users of the port.

The rebate has effectively resulted in the sugar industry paying an average harbour due during 2003/04 which was 6.7% lower than the pre-rebate rate.

The average harbour due rate paid by the sugar industry for 2003/04 was also less than the harbour dues charged at Mourilyan during 2001/02 and 2002/03.

New Trades

Discussions are continuing with several proponents of new trades considering using Mourilyan Port for exports. At this point live cattle and timber are possibilities.

PCQ has signed a Heads of Agreement with Sugarbag Station for the development of a livestock export marshalling yard at the port. The proponent is hoping to start constructing the facilities in early 2005 and exports by August 2005. It is anticipated that initially 5,000 head will be exported annually, with an expectation that this number can be increased dramatically over time.

PCQ is also exploring trade development opportunities in timber exports. Over the past 18 months PCQ has been working with a number of potential exporters seeking to export timber from a new resource at Cardwell. Queensland Department of Primary Industries and Fisheries (QDPIF) has released a tender for the harvesting of an estimated 250,000 cubic metres of timber per annum for 15 years. PCQ expects that the successful tenderers will be notified of the outcome soon.

Dredging and Bed Levelling

On-shore disposal is not currently available in Mourilyan Harbour because of limited suitable land. To reduce the volumes that have to be disposed at sea (this would be in the Great Barrier Reef Marine Park) and extend the periods between dredging campaigns, PCQ has been using a technique called bed levelling to maintain navigable depths. Bed levelling involves dragging a large, heavy bar across the seabed to move sediment from shallow areas into deeper areas. Bed levelling was carried out in the port in June/July 2004, removing about 6,000m³ of material from the wharf berth pocket and swing basin.

This project was completed ahead of schedule and under budget for a cost of \$130,000.

Port of Cape Flattery

The Port of Cape Flattery is situated more than 200 kilometres north of Cairns on the east coast of Cape York Peninsula. It is used for the export of silica sand from the Cape Flattery mine, the facility being operated by Cape Flattery Silica Mines Pty Ltd (CFSM).

The port has on-shore silica sand handling and stockpile facilities and a single trestle jetty and conveyor running from the mine to an off-shore berth and shiploader. There is also a general purpose wharf for the import of fuel and other supplies for the mine and for mooring of two line boats which assist in ship berthing. No tugs are required at the port. Pilotage services are provided by Maritime Safety Queensland.

Trade

In 2003/04, the Port of Cape Flattery handled 37 ships carrying 1,816,661 tonnes of silica sand. This was up by 9.56% on the previous year.

Port of Weipa

Located on the north-west coast of Cape York Peninsula, the Port of Weipa's main activity is the export of bauxite (aluminium ore) from the Comalco mine. Comalco also operates the port facilities and has on-shore bauxite handling, processing and stockpiling facilities and conveyors running to Lorim Point Wharf for shiploading.

The port also has general purpose and fuel wharves with tugs operated by Weipa Tug Services Pty Ltd. Pilotage services are provided by Maritime Safety Queensland. PCQ provides a key service in the port by maintaining a shipping channel through a regular maintenance dredging program.

Trade

The Port of Weipa handled 256 ships in 2003/04, carrying 13,665,876 tonnes of bauxite, 63,959 tonnes of fuel and 22,399 tonnes of general cargo. In previous years there have also been exports of live cattle. The bauxite figure was a record, up by almost 6% on the previous year. Fuel was up by almost 20% on the previous year and general cargo jumped by over 80%.

Weipa Capital Dredging

PCQ in conjunction with Rio Tinto Shipping and Maritime Safety Queensland conducted a review of the Weipa maritime operations and infrastructure towards the end of 2002. Given that the new Comalco Alumina Refinery was soon to be constructed in Gladstone, it was evident that there would be a significant increase in export tonnages from Weipa. As a result, the review determined that in order to accommodate the increased tonnages the South Channel need to be widened and possibly deepened, at a time to accommodate Comalco's requirement.

To accommodate this, preliminary engineering investigations have been carried out including:

- hydrographic surveys to determine the depth of the seabed to be dredged
- geotechnical investigation and seismic surveys to assess the type of material that will be dredged.

In addition, hydrodynamic and geomorphological modelling as well as ship simulation modelling have been carried out.

Maintenance Dredging

Maintenance dredging utilising the Port of Brisbane's dredge, *Brisbane*, was completed in September 2003, with about 440,000m³ of silt and sand removed from the South Channel and Inner Harbour. Total cost of the project was \$2.2 million. Normally the channel is dredged every two years, however, as Comalco does not want to risk any channel depth re-declarations which could result in shipping restrictions and adversely affect operations, in recent years maintenance dredging has been completed annually and maintenance dredging will again be undertaken in 2004.

The *Brisbane* is scheduled to start work in mid-July 2004 and is expected to remove about 450,000m³ of material from the South Channel and 50,000m³ from the Inner Harbour area. The project is expected to be completed by mid-August at a total budgeted cost of \$3.1 million.

Upgrade of the Humbug Wharf Cathodic Protection System

As part of the ongoing upkeep of facilities in the port, an upgrade of the cathodic protection system at Humbug Wharf is required.

The Humbug Wharf facility was originally built in 1970 as a heavy equipment and basic cargo wharf. The wharf cathodic protection system first underwent a reconstruction during 1984, with a further upgrade in 1994/95 to provide protection to the cast concrete piles and beams.

A survey in May 1999 established that the internal areas and land side of the caissons were not fully protected.

The upgrade will provide improved corrosion protection to the existing caissons and reinforced concrete piles and beams.

A local contractor was engaged in April 2004 and the construction is expected to be completed by September 2004. The majority of the civil works have been completed, with major risk areas passed without incident or disruption to ongoing wharf operations.

Lorim Point Wharf Mooring Hook Upgrade

A major upgrade of the Lorim Point Wharf mooring system is currently underway. This will reduce the risk of injury due to the possible rapid movement of the hooks or lines under tension when releasing a mooring line. It will also reduce the risk of falling or being knocked off a dolphin. The work will allow the mooring hooks on the east and west berths to be remotely released from centralised control consoles.

At the completion of the upgrade works, the benefits planned are:

- all commonly used mooring points will have remote release capability
- electric winches will be located on all dolphins
- operational safety during deberthing will be improved
- reduced manpower will be required for moorings
- the cycle time for deberthing ships will be reduced.

Detailed scheduling of the construction and installation work is necessary to ensure the Comalco shipping program is not disrupted.

A local contractor was engaged in April 2004 and the program includes a 19 week supply period followed by an eight week construction and installation period. During the supply period, preparatory site works have been completed.

The work is expected to be completed by November 2004 at a budget of \$1.125 million.

Lorim Point Wharf Fender Upgrade

Planning is well advanced on the upgrading of fenders on Lorim Point Wharf, some dating back to the 1960s, to accommodate increased trade throughput. This system will provide a uniform quay line for the full length of the two berths.

The work will be scheduled so that the construction and installation work can be completed in early 2005 with minimal disruption to berth operations.

Port of Karumba

Located at the mouth of the Norman River in the south-east corner of the Gulf of Carpentaria, the Port of Karumba has serviced remote Gulf communities since the late 1800s. The Zinifex Century Mine started exporting zinc concentrate through the port in December 1999.

Zinc slurry is piped 304km to the port from the mine, dewatered and loaded on to a 5,000 tonne transfer vessel for the 40 km journey to the export ships that anchor in deep water in the Gulf of Carpentaria.

Other facilities in the port provide for general cargo, fuel, fisheries products and the export of live cattle. PCQ provides maintenance dredging to maintain the necessary channel depth, usually about every two years. Pilotage services are provided by Maritime Safety Queensland, but no tugs are required at the port.

Trade

In 2003/04, the Port of Karumba handled 131 ships carrying 939,166 tonnes of zinc, 149,765 tonnes of lead and 11,371 head of livestock. The Zinifex Century Mine has continued to set new shipment records since operations started in late 1999. This year's zinc throughput was up by 0.54%, while lead was up by 43.76%. Live cattle numbers were down by 75%.

Karumba is also a transshipment port for the Port of Weipa, Mornington Island and other Gulf communities, with refrigerated semi-trailers bringing goods north to Karumba for transshipment.

Maintenance Dredging

Maintenance dredging is required to remove siltation from the channel to ensure channel depths are maintained in the Norman River and approaches for Zinifex Century Mine's vessel, *Wunma*. PCQ surveyed the channel depths following the last wet season, with the eventual program expected to require some 240,000 cubic metres of material to be removed to the relocation site 16km out to sea.

The dredging program is being undertaken in conjunction with Zinifex Century Mine, which will fund the work, at a total cost of about \$2.5 million. Dredging started in June 2004 and is being undertaken by Port of Brisbane Corporation's dredger *Brisbane* and is expected to be completed over a five-week period.

Port of Skardon River

Skardon River was declared a port in February 2002, with PCQ as the port authority. The Skardon River project, located about 100km north of Weipa, is owned by Minerals Corporation Limited (MCL) through its subsidiary Skardon River Kaolin.

The current owners bought the mine from Australian Kaolin after it went into liquidation and have upgraded and commissioned the plant

The port facilities are located upstream on the Skardon River. The river is shallow in certain areas and PCQ is working with the mine owners to determine the most cost-effective solution to transport the product.

PCQ obtained an approval in December 2002 from the Environmental Protection Agency (EPA) for the operation of the Port of Skardon River.

Port of Thursday Island

The Port of Thursday Island is a community port located in a natural harbour in the Torres Strait in the northernmost part of Australia. PCQ-owned wharf facilities are established on both Thursday Island and Horn Island.

The port services the needs of these two islands and also operates as a major transshipment point for the supply of essential cargoes to other islands of the Torres Strait. The port's strategic location means that a number of government agencies, including Customs and Fisheries patrols, are based there.

Trade

In 2003/04 general cargo trade of 92,191 tonnes passed through the port. This was up by over 21% on the previous year.

Fuel Wharf Upgrade

The Fuel Wharf on Thursday Island has deteriorated over the past several years with the outer half of the facility closed to vehicle traffic. PCQ and lessee have been considering redevelopment options for the facility.

PCQ's preferred position is to retain and repair the inner stem, demolish the outer stem and keep the wharf head safe from collapse from by carrying out minor maintenance works. This would cost in excess of \$500,000.

PCQ has reached agreement with Rebel Marine to proceed with the upgrade and PCQ is awaiting approvals before awarding the contract.

Horn Island Cargo Wharf Berthing Dolphin Upgrade

In December 2003 a vessel collided with the Cargo Wharf on Horn Island. During the incident a number of mooring piles were destroyed, as well as the newly installed walkway and part of the refueling facilities.

Following the investigation into the incident it was determined that additional mooring dolphins are required and PCQ has engaged consultants to design them.

PCQ has also started negotiations with the Horn Island facility lessee, Sea Swift, to seek a new agreement which will result in a simplified leasing arrangement and port pricing regime.

Horn Island Passenger Facilities

PCQ has started discussions with the Kaiwalagah Aboriginal Corporation and the Horn Island Ratepayers Association regarding the potential beautification of the foreshore at Horn Island adjacent to the public facilities.

Horn Island residents have indicated a desire to improve the public facilities and visual aspect of the area. PCQ has agreed to organise a workshop in August 2004 to discuss this issue with other stakeholders such as Torres Shire Council and the Torres Strait Regional Authority (TSRA).

Port of Quintell Beach

Quintell Beach is a community port with a barge facility located on the east coast of northern Cape York, servicing the needs of the Lockhart River community and remote grazing properties. No tug or pilotage services are required.

Trade

The Port of Quintell Beach handled 2,389 tonnes of cargo in 2003/04, up by almost 65% on the previous year.

The port receives its income from the trade over the barge ramp. The introduction of a road transport service to the area has meant a general reduction in the volume of cargo. However, the Lockhart River community that is serviced by the Quintell Beach ramp is not accessible by road for 4-5 months of the year.

Our People

PCQ's Team

PCQ is managed by a small, expert, functionally organised management group of 38 people, with 26 based in Brisbane. Twelve field staff are based in seven of the operating ports managed by PCQ.

Human Resource Objectives

PCQ seeks to develop a supportive, self-managing culture, free from discrimination and harassment, in which personnel are trained, equipped and organised to efficiently achieve the current and future goals of the Corporation.

Strategic Advantage

The small size of PCQ's structure is considered a strategic advantage. Having a small team of competent professionals allows for the maintenance of close communication within the organisation, a clear understanding of every employee's role and the ability to respond quickly to changed circumstances. PCQ manages resource demands by engaging consultants to extend the organisation's capabilities for short-term, one-off projects and for specialist skills. Permanent staff numbers will be increased only if the benefits (including any

strategic consequences for the organisation) of internalising functions outweigh the cost of obtaining the services externally.

Training and Development

PCQ recognises the importance of staff training and development as an essential part of the corporate improvement process.

Current policy and developmental practice is in three broad areas:

- improving performance (involves cross-skilling, remedial and additional training)
- developing for future needs (involves the planned acquisition of skills based on the Corporation's future requirements)
- developing employees' career goals by providing access to training, even when that training is not of direct benefit to PCQ.

PCQ's Performance Planning and Review system (PP&R) assists in the identification and documentation of individuals' training and development needs. This provides a firm basis for making decisions on the appropriateness of various training and development opportunities.

During 2003/2004, officers attended courses and conferences covering business studies, purchasing, leadership skills, IT skills, tax and GST, workplace health and safety, port and industry associations, commodity forecasting, competition policy, planning and development, environmental issues and marketing and corporate communication.

Industrial Relations

No time was lost due to industrial action during the year.

PCQ Projects

Port Pricing

PCQ has been implementing a program to manage costs and improve revenues in all of its trading ports to ensure appropriate returns on investment are being earned. The Corporation has been successful in obtaining a satisfactory profit position in the majority of its ports.

PCQ will continue to work with all port customers on gaining maximum efficiencies and on satisfactory port pricing arrangements. Initial work has started on new agreements at Weipa, with the existing arrangements coming to a close.

Local Industry Policy

PCQ's role as an owner and developer of some of the facilities within its ports results in it directly generating employment. In addition, there is the flow-on effect on employment from

port and other associated operations. PCQ complies with all requirements in relation to the State Government's Local Industry Policy and Local Industry Participation Plans are now prepared for large projects.

Hydrographic Surveys

Hydrographic surveys were undertaken at the ports of Mourilyan, Weipa, Karumba and Hay Point to assess the amount of siltation which had occurred in the channels, berth pockets and swing basins, and to ensure that they remained at sufficient depth for the safe navigation of shipping.

Land Use Planning

PCQ is in the process of developing Land Use Strategies (incorporating Land Use Plans) for its ports, to be utilised in its Assessment Manager role over its strategic port lands, as designated by the *Integrated Planning Act 1997*. The strategies adopt a performance-based approach to manage future development of port land. From 1 January 2004, PCQ has adopted the Queensland Ports Association Port Land Use Planning Policy for the development of land use strategies.

Land Use Strategies have been completed for Mourilyan, Hay Point, Lucinda and Karumba.

Freedom of Information

No Freedom of Information requests were received during the year.