



PORTS CORPORATION OF **QUEENSLAND**

ENVIRONMENT AND SOCIAL REPORT 2000/2001

2000.01

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairperson

Leonie Taylor

Deputy Chairperson

Jim Petrich

Directors

Julie Bignell

Graham Carpenter

Peter Huth

Kasper Kuiper

Di Zetlin

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PURPOSE OF THIS REPORT

This is the second year PCQ has highlighted environmental and social performance by reporting these topics in their own right, independently from the Corporation's main Annual Report.

The aims of this report are to:

- describe how PCQ is responsibly managing activities to both protect the environment and work with local communities
- present details of the Corporation's environmental and social performance
- indicate the programs in place to continue improving this performance.

This report covers the period 1 July 2000 to 30 June 2001.

YEAR IN BRIEF

- no breach of any legislation or environmental licence conditions by PCQ
- no incidents of moderate or major severity as a result of PCQ activities
- one large oil spill from a fuel storage facility on Horn Island, in the Port of Thursday Island, which Corporation staff responded to and assisted in containment and clean-up
- Environmental Impact Statement (EIS) prepared and approved for the Stage 6 and 7 expansions of the Dalrymple Bay Coal Terminal (DBCT)
- continued monitoring programs, with seagrass surveys in Mourilyan, Weipa and Karumba; baseline surveys of marine species in the Cape Flattery and Karumba Ports; and, sediment quality monitoring in several others
- carried out cultural heritage surveys on port land in the Ports of Mourilyan, Lucinda and Thursday Island
- continued to work closely with port communities and regional stakeholders.

PCQ PROFILE

PORTS CORPORATION OF QUEENSLAND (PCQ) DEVELOPS AND MANAGES PORT FACILITIES VITAL TO THE EXPORT PERFORMANCE OF QUEENSLAND AND AUSTRALIA. ITS PORTS HANDLE BULK SHIPMENTS OF COAL, BAUXITE, ZINC, SILICA SAND, SUGAR AND MOLASSES, IN ADDITION TO LIVE CATTLE AND GENERAL CARGO. COAL IS BY FAR THE MAIN COMMODITY HANDLED, BUT EACH PORT AND EACH COMMODITY IS IMPORTANT IN ITS OWN RIGHT. THE VALUE OF THESE EXPORTS WAS ABOUT \$7.4 BILLION IN 2000/01.

AS A PORT AUTHORITY, THE CORPORATION **ISSUES LICENCES, LEASES AND PERMITS FOR THE USE OF ITS PORT FACILITIES** AND **HAS A MULTI-USER ACCESS POLICY AT ITS PORTS TO ACHIEVE HIGHER UTILISATION OF INFRASTRUCTURE AND GREATER EFFICIENCY.**

THE CORPORATION IS RESPONSIBLE FOR THE PORT OF HAY POINT, WHICH IS ONE OF THE LARGEST BULK COAL EXPORT PORTS IN THE WORLD; SIX OTHER TRADING PORTS (ABBOT POINT, LUCINDA, MOURILYAN, CAPE FLATTERY, WEIPA AND KARUMBA); TWO COMMUNITY PORTS (QUINTELL BEACH AND THURSDAY ISLAND); AND FOUR NON-TRADING PORTS (MARYBOROUGH, ST LAWRENCE, COOKTOWN AND BURKETOWN).

PCQ IS AUSTRALIA'S LARGEST PORT AUTHORITY BY TONNAGE THROUGHPUT AND IN REVENUE EARNED. MORE THAN HALF OF QUEENSLAND'S EXPORTS, BY TONNAGE, PASS THROUGH PCQ'S PORTS.

MARINE PILOTAGE SERVICES ARE PROVIDED AT THE CORPORATION'S PORTS THROUGH SUBSIDIARY COMPANY, PORT PILOTS QUEENSLAND (PPQ). THEY ALSO PROVIDE PILOTAGE FOR THE CAIRNS AND MACKAY PORT AUTHORITIES.

AS A GOVERNMENT OWNED CORPORATION (GOC), PCQ OPERATES ACCORDING TO COMMERCIAL PRINCIPLES, RAISES ITS OWN REVENUE AND MAKES DIVIDEND AND TAX EQUIVALENT PAYMENTS TO THE QUEENSLAND GOVERNMENT.

CEO MESSAGE



THIS IS PORTS CORPORATION OF QUEENSLAND'S FIRST INTEGRATED ENVIRONMENT AND SOCIAL REPORT. LAST YEAR PCQ MOVED TOWARDS TRIPLE BOTTOM LINE REPORTING FOR THE FIRST TIME, WITH SEPARATE REPORTS FOR ENVIRONMENT AND COMMUNITY. THIS YEAR WE HAVE COMBINED THEM IN RECOGNITION OF THEIR CLOSE RELATIONSHIP AND AS A MEANS OF ENHANCING THE REPORTING OF THIS AREA OF OUR BUSINESS.

AS A PORT AUTHORITY ACTIVELY INVOLVED IN NINE DIFFERENT REGIONAL PORTS ALONG THE QUEENSLAND COASTLINE, PCQ HAS CONSIDERABLE ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES.

OUR ENVIRONMENTAL PERFORMANCE IS CRITICAL. OUR PORTS ARE IN SENSITIVE LOCATIONS, MANY BEING NEAR THE GREAT BARRIER REEF AND OTHERS IN FRAGILE AND PRISTINE AREAS. PCQ PLACES MAJOR PRIORITY ON ITS ENVIRONMENTAL (ECOPORTS) PROGRAM AND ITS INTERACTIONS WITH EXTERNAL STAKEHOLDERS, INCLUDING OUR PORT NEIGHBOURS. WE HAVE ALWAYS HELD THE VIEW THAT WE MUST MANAGE OUR PORTS IN AN ECOLOGICALLY SUSTAINABLE MANNER. PCQ CONTINUES TO DEVELOP ITS ENVIRONMENTAL PROGRAM TO ENSURE ENVIRONMENTAL RISKS ARE EFFECTIVELY MANAGED AND MINIMISED, AND LOOKS FOR OPPORTUNITIES TO IMPROVE THE ENVIRONMENT IN ITS PORTS. WE HAVE ALSO HELD A VIEW THAT WE SHOULD BE A GOOD NEIGHBOUR AND CORPORATE CITIZEN AND WE REMAIN COMMITTED TO CONTINUING TO IMPROVE OUR RESULTS IN THOSE AREAS.

BRAD FISH, CHIEF EXECUTIVE OFFICER

ENVIRONMENTAL MANAGEMENT



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"THIS AIM IS BEING ACHIEVED THROUGH THE INCORPORATION OF **EFFECTIVE** ENVIRONMENTAL AND SOCIAL MANAGEMENT PRACTICES INTO ALL FACETS OF ITS OPERATIONS."

PCQ MANAGES ITS PORTS TO BE ENVIRONMENTALLY SUSTAINABLE. A NUMBER OF THESE PORTS WERE OPERATING BEFORE THE FEDERATION OF AUSTRALIA AND THE CORPORATION EXPECTS THESE PORTS TO BE IN THE SAME, OR BETTER, ENVIRONMENTAL CONDITION IN ANOTHER CENTURY. TO REFLECT THIS AIM, THE CORPORATION'S ENVIRONMENTAL PROGRAM HAS BEEN TERMED "ECOPORTS". THIS AIM IS BEING ACHIEVED THROUGH THE INCORPORATION OF EFFECTIVE ENVIRONMENTAL AND SOCIAL MANAGEMENT PRACTICES INTO ALL FACETS OF ITS OPERATIONS.

AN ENVIRONMENTAL MANAGEMENT SYSTEM (EMS) HAS BEEN DEVELOPED TO DOCUMENT ENVIRONMENTAL PROCEDURES AND PRACTICES USED THROUGHOUT THE CORPORATION. THE ELEMENTS OF THE CORPORATION'S EMS ARE DESCRIBED IN MORE DETAIL BELOW.

ENVIRONMENTAL POLICY

PCQ is an environmentally responsible organisation, committed to providing cost-effective and competitive facilities and services required by existing and potential port users, with minimum adverse impact on the natural and social environment.

The environmental policy is to:

- comply with all relevant environmental legislation and government policies and aim for best practice
- monitor the impact on the natural and social environment surrounding ports
- minimise the environmental impacts of port operations and developments and seek continual improvement
- use resources efficiently and minimise wastes
- strive for usage and development of ports to be consistent with the concept of ecologically sustainable development
- enhance PCQ's reputation through high environmental standards and performance
- develop and maintain effective Environmental Management Plans and Emergency Plans
- communicate openly and honestly on the environmental performance of ports to key stakeholders, government and the general community

- work co-operatively with other organisations or provide appropriate support, including sharing any outcomes from the Corporation's own research work, where it will help achieve the environmental objectives of the Corporation
- hold all employees accountable for environmental performance
- ensure contractors meet PCQ's environmental standards and requirements
- encourage port tenants/lessees to meet the Corporation's environmental standards and requirements.

ENVIRONMENTAL MANAGEMENT SYSTEM

PCQ has had an Environmental Management System in place for more than two years and it has been continually improved to reflect best industry practices.

The system is based on the International Standard ISO 14001. It documents the procedures and practices of the Corporation to ensure sound environmental management across all of its ports. The Corporation has not yet sought to certify the system externally.

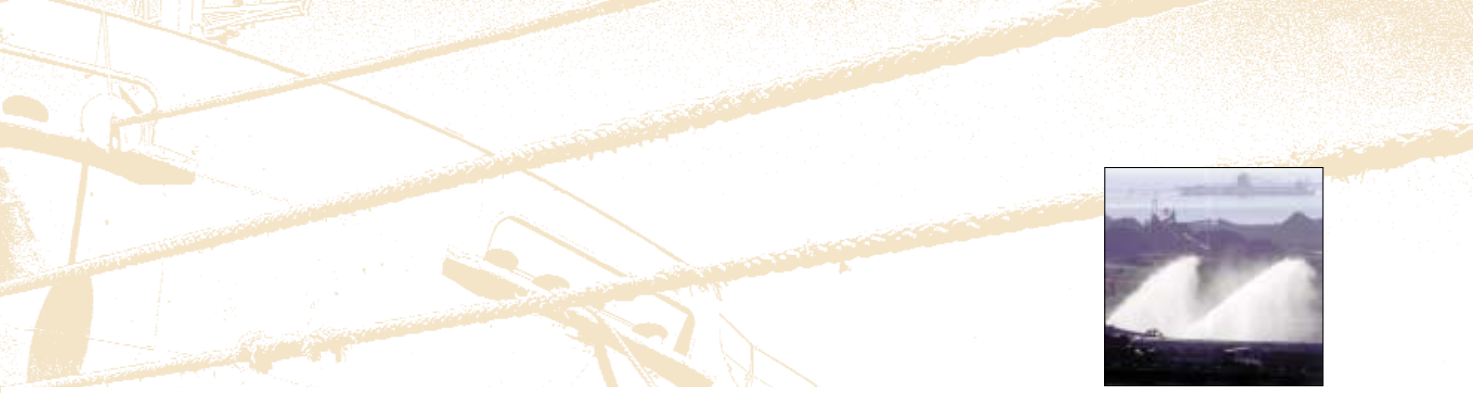
The system documents the Corporation's Environmental Policy and identifies relevant legislation or regulations that must be complied with, as well as providing a simple description of the legislative requirements so that they can be easily understood by all employees.

PERFORMANCE TARGETS

Targets for improving the environmental performance are developed annually and regularly reviewed to ensure adequate progress. The performance targets for the current year are documented in the Environmental Performance section of this report.

ENVIRONMENTAL MONITORING

PCQ has a comprehensive program of environmental monitoring which is reviewed each year. It is developed on a port-by-port basis to ensure any environmental aspects under pressure are being adequately monitored. Baseline monitoring is carried out where appropriate.



The range of monitoring includes areas of seagrass in or adjacent to ports and their seagrass species; baseline surveys for marine species and monitoring for any introduced marine pests; water and sediment quality testing; flora and fauna surveys; benthic monitoring in areas potentially impacted by dredging operations; groundwater monitoring; and, noise and dust monitoring. Details of the individual port programs are presented later in this report.

IMPACT ASSESSMENT OF PROJECTS

The Corporation requires an impact assessment of projects proposed for port land. For all significant projects, an Environmental Management Plan (EMP) must be approved by the Corporation before the start of works. Eight EMPs were prepared and reviewed during the year. The EMPs were from projects such as wharf maintenance and road works, through to the expansion of DBCT.

For major projects, an Environmental Impact Statement (EIS) is required. During the current year, an EIS was carried out on one project – the DBCT Stage 6 and 7 Expansions.

AUDITS

An integrated Workplace Health, Safety and Environment audit of PCQ facilities was carried out in most ports. These combined safety and environmental audits have proven effective and are helping to maintain awareness of critical workplace issues.

Effective port environmental management cannot be achieved by a high performance from PCQ facilities alone. In co-operation with the lessees, compliance audits of major facilities in ports were started by PCQ. In the current year, environmental compliance audits were carried out on the Abbot Point coal export terminal and the Pasminco Century zinc and lead facility in the Port of Karumba. These audits confirmed the high environmental standards being maintained by port lessees.

INCIDENT REPORTING

Although a low number of incidents normally occur in PCQ ports, capturing any incidents and learning from them is an important component of the EMS to ensure continual improvement. Any environmental or safety incidents are reported on an incident form. The outcomes of the investigation of the incident and recommendations to prevent its recurrence are also reported and followed up.

During the year, 19 incidents were reported directly to the Corporation. Five of these were related to PCQ activities and were all of low severity, principally dust complaints. The remainder of the incidents were mainly oil spills by commercial shipping or recreational vessels, or from land-based facilities in the ports. Two oil spills were considered of a moderate severity (up to 50 litres) and one incident was a major spill from a fuel storage facility in the Port of Thursday Island. Details of these incidents are reported later, port by port.

ENVIRONMENTAL IMPROVEMENT

Large scale revegetation of port land was completed in the Ports of Hay Point and Abbot Point last year. Work focussed in the current year on maintenance of these revegetated areas.

Upgrading of dust controls at DBCT continued, with the dust suppression system for the coal stockpile area being improved through more effective water sprays and an extension of the existing water spray system. Dust investigations carried out as part of the EIS for the expansion of the Terminal identified further areas of potential improvement.

Voluntary acquisition of land around DBCT continued to provide an increased environmental buffer between DBCT and residential property.

PEOPLE AND TRAINING

To ensure a high standard of environmental performance, effective training and a strong awareness of environmental issues are required. Port staff are provided with regular awareness sessions to update them on issues such as legislative requirement, PCQ's policies and procedure, and effective emergency response practices to protect the environment.

Staff attend external training courses, which complement internal training, to ensure advantage is taken of outside experience. Courses attended by port and head office staff during the year have included a variety of oil spill training courses with organisations such as Australian Maritime Safety Authority, Australian Marine Oil Spill Centre and Queensland Transport.

Port staff have also implemented programs to increase the awareness of local communities regarding activities that could affect the port environment.

COMMUNITY AND EXTERNAL RELATIONS

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"PCQ CONSIDERS IT HAS AN OBLIGATION TO ACT AS A **GOOD NEIGHBOUR** AND TO CONTRIBUTE TO THE PORT COMMUNITIES IN WHICH IT OPERATES."

THROUGH ITS COMMUNICATION ACTIVITIES, THE CORPORATION SEEKS TO BUILD AWARENESS OF ITS OPERATIONS AND ACTIVITIES AT ITS INDIVIDUAL PORTS; ENCOURAGE SUPPORT WITHIN GOVERNMENT, INDUSTRY, PORT COMMUNITIES AND THE WIDER PUBLIC; AND, INFLUENCE EXTERNAL DECISIONS WHICH ASSIST THE CORPORATION'S DESIRED OUTCOMES.

PORT COMMUNITIES PROGRAM

PCQ considers it has an obligation to act as a good neighbour and to contribute to the port communities in which it operates. By doing so, it considers it is operating with a corporate social responsibility increasingly being adopted by successful businesses. Further, it is felt that social infrastructure contributions are a valuable investment for the business by way of the goodwill earned and the co-operative atmosphere created.

Last year the Corporation decided to substantially increase its commitment so that support could be offered not only for community sponsorships, but so that funding could also be made available for larger-scale community-based projects. An example of the type of projects which have been funded by the Port Communities Program is safety and refurbishment work at non-commercial facilities at Corporation ports. Typically these are older facilities, such as jetties and wharves, which were once used for commercial purposes, but now have community value for recreational pursuits such as fishing.

By having funds available to undertake maintenance and in some cases refurbishment work, the Corporation has capacity to ensure the facilities can be used at least into the foreseeable future for recreational activities, now much valued by local residents and visitors. The maintenance of non-commercial facilities in the ports, which could not otherwise be funded, will continue to be a major focus of the program. By introducing this program, the Corporation has sought to resolve the issue created by the public interest in continued access to recreational facilities versus the organisation's commercial responsibilities and limitations.

CONTACT WITH PORT STAKEHOLDERS

Contact with port stakeholders occurs via a number of formal and informal means, in addition to consultation activities and advisory groups. Regional trips are undertaken by the Board of Directors and PCQ executives on a regular basis. During the past year, one Board trip was undertaken, visiting the ports of Cape Flattery, Mourilyan and Lucinda. Meetings were held with sugar industry stakeholders at Mourilyan and Lucinda and functions held in order to meet with and hold discussions with local stakeholders.

Regular trips are made to the various ports by operations and environment specialists. This contact program is supported by a program of formal stakeholder visits when contact is made with Federal and State Parliamentary representatives, Shire Mayors and CEOs, and media representatives from Sarina to Cairns. These visits form a key part of the overall External Relations Program and provide an opportunity to help build and reinforce positive relationships and ensure PCQ information is provided to community opinion makers. They also allow an opportunity for stakeholders to raise any issues.

ADVISORY GROUPS IN THE PORTS

The Corporation continues to facilitate various advisory groups in the ports to assist in decision-making and in its interactions with stakeholders. Port Advisory Groups operate at Karumba, Thursday Island, Weipa, Mourilyan and Lucinda as a means of receiving input from local stakeholders into the operation and future direction of port activity. The membership of these groups ranges from customers to government departments to port neighbours and community groups.

Trade Development Groups operate at Mourilyan and Karumba. They comprise State and Local Government representatives, current and potential customers and representatives from industry groups. Several new trade opportunities have been identified and a greater level of understanding of these opportunities and their limitations has developed between the participants.



A Community Reference Group has recently been formed at the Port of Hay Point. It is a formal means of consulting with the community on issues relating to the port, while also involving key port stakeholders and other key individuals and groups from the area.

PUBLIC CONSULTATION

The Corporation has a pro-active public consultation policy in place and a consultative culture underpins the business planning and decision-making process. For example, any decisions which have major external impacts are made in conjunction with associated consultation programs. At all port communities, consultation efforts to obtain public input into future decisions are also made by way of community newsletters, letterbox drops, open days and public displays, media publicity and advertisements, in addition to the groups mentioned above.

Consultation efforts are determined by the importance and potential level of impact decisions have. For example, major developments require an Environmental Impact Statement, extensive meetings with all stakeholders etc, whereas a small local issue may be able to be handled via local advertising, face-to-face meetings or through a Port Advisory Group.

Consultation starts as early as possible, is built into project planning processes and continues, as required, throughout the project process. It is conducted in such a way that it is open, honest and two-way, taking account of legislative, business, social and environmental regulations, requirements and expectations.

CONSULTATION WITH INDIGENOUS GROUPS

Cultural heritage surveys were carried out on port land in the Ports of Lucinda, Mourilyan and Thursday Island. These surveys involved extensive consultation between the project’s archaeologists and the local indigenous groups to identify issues of cultural significance on the port land. In Lucinda, representatives of the Waragamay, Bandjin and Nyawaygi groups were consulted and involved in the surveys. The Mamu group was consulted in Mourilyan and Kurareg people were consulted in Thursday Island. These cultural heritage survey reports will be finalised in the coming year. They will be followed up by PCQ to develop suitable cultural heritage management plans in consultation with the local indigenous groups.

PUBLISHING AND PUBLIC INFORMATION

The Corporation is increasingly seeking to make information about its business more accessible to outside audiences. It is doing this via printed publications, displays, conference presentations and papers and increasingly via its web site (www.pcq.com.au).

Extensive updating and upgrading work was carried out to the PCQ website. The site contains general information about the Corporation, including its current Annual Report. The Port Development section was upgraded to accommodate information on PCQ contracts and tenders and this helps PCQ meet its obligations under the State Government’s Local Industry Policy. It allows all current and potential contractors for PCQ projects to go to the site at any time and receive information on tenders which are being called at that time. In addition, Port Rules and Charges have been included.

MEDIA TRAINING

A media training program was provided for executive staff within the organisation. The training means PCQ will be better prepared to deal with the media in crisis situations, as well as enhancing the capacity to maximise coverage of positive initiatives.



• PCQ SUPPORTS A VARIETY OF COMMUNITY INITIATIVES.

ENVIRONMENTAL PERFORMANCE



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“DESPITE THE LOW NUMBER OF INCIDENTS, PCQ CONTINUES TO **REVIEW** PERFORMANCE AND LOOK FOR WAYS TO IMPROVE.”

INTRODUCTION

PCQ strives for excellence in its environmental performance and seeks to set the industry benchmarks. However, despite the best endeavours, incidents will occur. In the current year, performance has been good, with no incidents that had moderate or major environmental impacts occurring from activities carried out by the Corporation. Details are provided below. Only a low number of incidents with minor impacts were reported and details are provided in the section on the detailed analysis by port.

Despite the low number of incidents, PCQ continues to review performance and look for ways to improve. In the coming year, the Corporation’s monitoring program will be expanded further to provide more environmental indicators to allow closer tracking of performance.

SIGNIFICANT PCQ ENVIRONMENTAL INCIDENTS

There were no incidents of moderate or major severity from PCQ activities in 2000/01. This sustains the high standard of performance achieved in the previous year.

LICENCE BREACHES

Corporation activities did not breach any environmental licence or authority conditions.

PERFORMANCE OBJECTIVE

PCQ seeks to have a minimal impact on the natural and social environment, while continuing to operate and, where required, expand to provide the facilities and services required by port users. Achievement of this objective is monitored through the following performance indicators set out on Page 8.

WATER AND SEDIMENT QUALITY

Before undertaking any dredging, PCQ tests the material to be dredged for contaminants. All material relocated was found to be low in contaminants and met national guidelines for minimal impact on marine life.

AIR QUALITY

Because there are a number of residents living close to the two coal terminals in Hay Point, an extensive air quality monitoring program is carried out in the port. This is a joint program with the two coal terminals in the port. The program involves continual dust monitoring at four monitoring stations in townships adjacent to the coal terminals, as well as the collection of dust deposition data at 19 sites on the terminals and in the adjacent townships. Twelve dust complaints regarding terminal activities were received by the coal terminals. This is a significant reduction compared to the 43 dust complaints reported in the previous year. The airborne dust levels at the closest monitoring station to the coal terminals averaged between 17 - 22 g/m³ over the year.

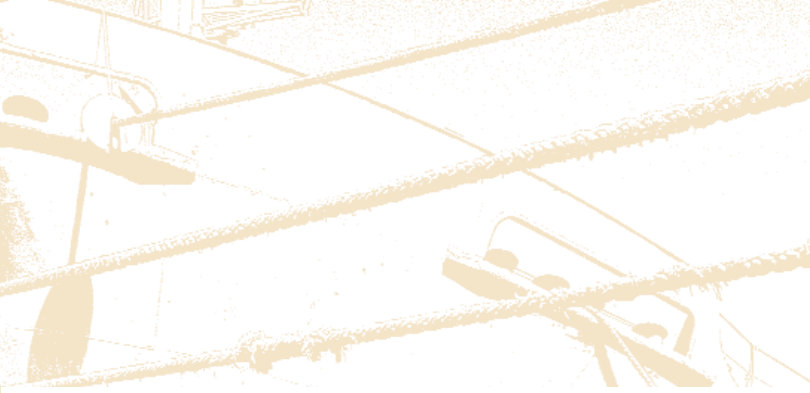
The Corporation received two dust complaints as a result of construction works at the Tug Harbour in the Port of Hay Point.

No dust complaints were received regarding the operation of the coal terminal in the Port of Abbot Point.

NOISE

Two noise complaints were received by the coal terminals in Hay Point, which is the same number as in the previous year. Noise monitoring continued at the Port of Hay Point, with continuous noise readings taken at four monitoring stations in neighbouring residential areas. Typical noise levels were 48 - 52 dB(A) at the closest residences. The target maximum recommended in *Environmental Protection Policy (Noise) 1997* was not exceeded.

No noise complaints were received by the coal terminal in Abbot Point.



GOVERNMENT LEGISLATION

Two projects were referred to the Commonwealth under the new *Environment Protection and Biodiversity Conservation Act*. One of these projects, the Stage 6 and 7 DBCT Expansion, was designated as a controlled action under the Act. It was approved under the Act in May 2001 and was the first Queensland project approved under this legislation. The State also designated this project as a significant State project under the *State Development and Public Works Organisation Act 1971*. State agreement for it to proceed, with conditions, was received in April 2001.

PCQ also consulted with the Great Barrier Reef Marine Park Authority on proposed changes to the boundaries of the Marine Park. The trading ports managed by PCQ have retained an area around the port facilities that is still excluded from the Marine Park to allow the efficient working of the ports.

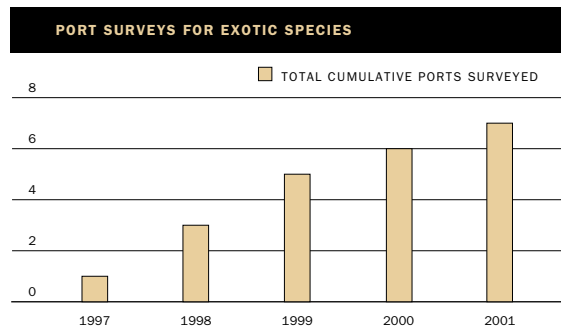
BALLAST WATER

The Corporation has been concerned about the possible risk of the introduction of marine pests into Queensland waters through shipping activities, particularly from ballast water discharges and hull fouling. Over 200 introduced species have been discovered in port surveys around Australia, although only a few of these have been pest species that could threaten the native biota. These pest species incursions are currently concentrated in ports in southern parts of Australia.

Risk studies carried out by PCQ in the past have concluded there is mainly a low risk in PCQ ports, due to the difference in environmental conditions (eg. temperature, salinity and silt loading) between Corporation ports and the foreign ports where ballast water is taken up.

PCQ has been continuing to survey several of its ports each year for introduced marine pests. The Ports of Karumba and Cape Flattery were surveyed during the year, although the results of these last two surveys are not yet available. Although a small number of introduced species have been found in PCQ ports, no pest species have been found.

PCQ has been a major supporter of research into effective treatment of ballast water and is currently facilitating the commercial testing of several ballast water treatment technologies, with the research activities expected to start in the coming year.



SUSTAINABLE DEVELOPMENT AND GLOBAL WARMING

PCQ is committed to pursuing sustainable development and operation of its ports. This is achieved through sound environmental management practices and extensive environmental monitoring to confirm and improve where necessary the effectiveness of management measures.

The Corporation continued, in conjunction with the CRC Reef Research Centre, its long-term program of monitoring water temperature in its ports. The monitoring assists the scientific community in tracking seawater temperature, which is an indicator of global warming trends. Water temperature is also a key environmental parameter that can affect marine flora and fauna. Knowledge of any change occurring in seawater temperature can help in studying any changes occurring in the port marine ecosystem.

PCQ is not a significant producer of greenhouse gases as activities are largely office-based. Office practices reflect an awareness of conservation issues, with practices such as paper recycling being in place. In our ports, recycling of materials such as scrap steel and old sleepers from the wharves is carried out.

Over the past few years, the Corporation has planted nearly 130,000 trees on port buffer lands, which has been part of its contribution to reducing greenhouse gases, as well as restoring native ecosystems and improving amenity for neighbours of the port. In their early stages of growth, the new trees require a higher level of maintenance because of competition from grass and weeds. This has been the main focus over the current year.

ENVIRONMENTAL PERFORMANCE CONTINUED



**PERFORMANCE INDICATORS
IN ENVIRONMENTAL PLAN**

RESULTS

OUTLOOK FOR 2001/02

ALL RELEVANT ENVIRONMENTAL LEGISLATION AND GOVERNMENT POLICIES ARE ADHERED TO IN THE CONDUCT OF PCQ ACTIVITIES.

- There were no known breaches of government environmental legislation or policy.

- A similar high standard of performance is expected.

NO UNACCEPTABLE IMPACTS ON THE NATURAL AND SOCIAL ENVIRONMENT ARE CAUSED BY ANY PCQ ACTIVITIES AS MEASURED BY SCIENTIFICALLY RIGOROUS MONITORING PROGRAMS, WHILE PORT OPERATIONS AND DEVELOPMENTS CONTINUE TO PROCEED EFFICIENTLY AND COST-EFFECTIVELY.

- Significant monitoring was carried out in the ports (see port by port analysis).
- No major environmental impacts occurred in any port through PCQ activities.
- 19 incidents were reported to PCQ. Five of these involved PCQ activities, but all were minor. The most frequent complaint received was regarding dust at the Port of Hay Point. The coal terminals in Hay Point also separately received 12 dust complaints, which is 70% lower than in the previous year.
- Cultural heritage assessments of port land were carried out in the Ports of Mourilyan, Lucinda and Thursday Island.

- Extensive environmental monitoring programs will be continued.
- The aim is to ensure no major incidents occur and to continue to reduce the frequency and severity of minor incidents.
- The Stage 6 DBCT Expansion includes a number of improvements to existing dust sources, which will help to further reduce the frequency and severity of dust incidents at Hay Point.
- Cultural heritage assessments of port land will be carried out in the Ports of Karumba, Cape Flattery and Weipa.

ANY NEW DEVELOPMENTS UNDERTAKEN OR APPROVED BY PCQ ARE REVIEWED TO ENSURE EFFECTIVE MANAGEMENT OF ANY PREDICTED ENVIRONMENTAL IMPACTS.

- A full EIS, including a Social Assessment Report, was prepared for the Stage 6 and 7 DBCT Expansions.
- All new developments were reviewed for impact before approval. Eight Environmental Management Plans were prepared or reviewed by PCQ for works on port land.
- Auditing the environmental compliance of two major port user facilities was carried out by PCQ during the year.
- An EMP for the Port of Mourilyan was prepared in draft form to complement a new Land Use Strategy for the port. This will be circulated for community feedback in the coming year.

- All developments continue to be reviewed and Environmental Management Plans (EMPs) prepared before approval.
- Land Use Strategies and EMPs will be prepared for all ports over the coming two years.
- Auditing of PCQ facilities and lessees will be continued on a regular basis.

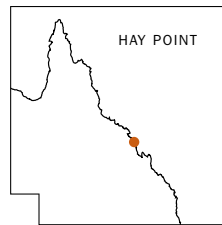
PORTS CORPORATION IS, AND IS PERCEIVED TO BE, AN ENVIRONMENTALLY RESPONSIBLE ORGANISATION AND PCQ'S BUSINESS IS ENHANCED BY ITS ENVIRONMENTAL PERFORMANCE AND REPUTATION.

- A paper entitled "Expansion of a Coal Terminal and Port Facility" presented at the EPBC Act Symposium and "Engineering for Environmental Performance at Dalrymple Bay" was published in the Bulk Handling Review.
- Presentations were given at two CRC workshops to provide an industry perspective on how CRC groups can build better links with the business community.
- The Corporation has recently joined AUSMEPA's ¹ "Partnerships for Cleaner Seas" program.

- Continue to implement "industry best practice" in PCQ ports. PCQ will seek to share its knowledge and experience with others through publications and conferences, as well as to learn from others to continue improvement.
- The Corporation will continue to support research into developing an effective ballast water treatment system.

NOTE 1: AUSMEPA (Australian Marine Environment Protection Association) is an association formed to raise awareness of the marine environment to ensure its lasting survival through education and action by ocean users and communities.

PORT OF HAY POINT



“BOTH TERMINALS HAVE BEEN EXPANDED WITH THE MOST SIGNIFICANT GROWTH BEING AT DBCT WHERE ALMOST CONSTANT EXPANSION HAS BEEN UNDERWAY SINCE 1992.”

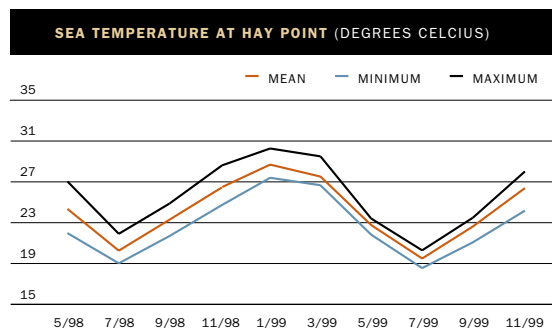


• A SETTLEMENT POND WHICH COLLECTS COAL RUN-OFF FROM STOCKPILES.

HAY POINT PROFILE

SITUATED ABOUT 40 KILOMETRES SOUTH OF MACKAY, THE PORT OF HAY POINT IS ONE OF THE LARGEST COAL EXPORT PORTS IN THE WORLD. IT COMPRISES TWO SEPARATE COAL EXPORT TERMINALS, THE DALRYMPLE BAY COAL TERMINAL (DBCT) AND THE CENTRAL QUEENSLAND COAL ASSOCIATES OWNED AND OPERATED HAY POINT SERVICES COAL TERMINAL, WHICH TOGETHER SERVE THE MINES OF CENTRAL QUEENSLAND. THE MINES ARE LINKED TO THE PORT TERMINALS THROUGH AN INTEGRATED RAIL-PORT NETWORK, PURPOSE BUILT FOR THE TASK. PCQ IS THE PORT AUTHORITY FOR THE PORT AND HAS BEEN RESPONSIBLE FOR DEVELOPMENT OF THE DBCT FACILITY.

DBCT HAS A THROUGHPUT CAPACITY IN EXCESS OF 40 MILLION TONNES PER ANNUM (MTPA). HAY POINT SERVICES HAS A THROUGHPUT CAPACITY OF ABOUT 30 MTPA. IN RECENT YEARS, BOTH TERMINALS HAVE BEEN EXPANDED WITH THE MOST SIGNIFICANT GROWTH BEING AT DBCT WHERE ALMOST CONSTANT EXPANSION HAS BEEN UNDERWAY SINCE 1992.



GENERAL PERFORMANCE

No major incidents occurred in the port. The principal environmental concern has been dust generated by coal terminal activities. A total of 12 dust complaints were received by the coal terminals in 2000/01. Dust occurs in high south-east winds mainly in summer months and affects downwind residents living close to the port terminals. Repairs to the rock wall at the Half Tide Tug Harbour during July and August also generated two dust complaints. One minor oil spill from shipping activities was reported.

DREDGING

With the shipping berths being located well offshore, the Port of Hay Point does not require frequent maintenance dredging. Emergency bed levelling was carried out in January 2001 for five days to remove several high spots that had developed on the seabed that could affect shipping. Bed levelling was also used in the Half Tide Tug Harbour to remove several high spots that had developed.

The Stage 6 DBCT Expansion required capital dredging to create a new berth pocket and departure apron for the new shipping berth being constructed. This dredging commenced on 17 June 2001 and was completed on 21 July 2001.

PORT OF HAY POINT CONTINUED



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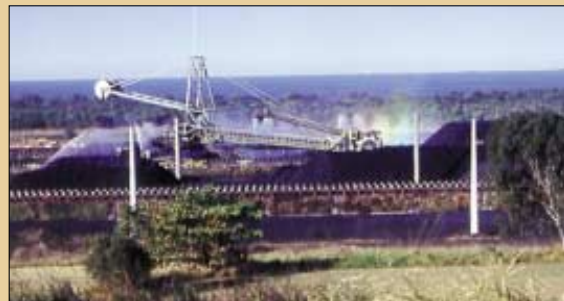
Monitoring activities for the capital dredging included surveying the marine organisms in the disposal site before and after dredging; depth (bathymetric) surveys of the dredged area and marine disposal site before and after the dredging; and, turbidity measurements and tracking of the plume from the dredging. As part of the consultation activities, government agency representatives and members of the local community were invited to visit the dredge to observe operations first-hand.

ENVIRONMENTAL IMPACT STATEMENT

An EIS was prepared for the Stage 6 and 7 DBCT expansions, which will increase the terminal capacity to 59 million tonnes per year. URS Australia was engaged to carry out this work. The preparation of the EIS involved detailed noise and dust modelling of the two coal terminals, as well as flora and fauna surveys, water studies, a cultural heritage survey, and extensive community consultation. The EIS was finalised and approved by the State Government in April 2001. The EIS provides an up-to-date assessment of the environmental issues involved with the current terminal and port operations, as well as recommending measures to manage potential impacts from the proposed terminal expansion.

The DBCT Expansion Stage 6 and 7 project was assessed and approved by the Commonwealth under the new *Environment Protection and Biodiversity Conservation Act 1999*. The DBCT expansion project was the first project approved in Queensland under this new Act.

Significant consultation activities were carried out in the preparation of the EIS. This included newsletters to the community; newspaper advertisements about the project and consultation activities; face-to-face interviews with residents; a free-call number for information; preparation of a Social Impact Assessment Report; and, public exhibition of the EIS outcomes.



• DBCT STOCKPILE AREA AND WATER SPRAY TOWERS.

HAY POINT COMMUNITY REFERENCE GROUP

For some time, PCQ has considered forming a community consultative group in Hay Point to allow a forum for itself, other key port stakeholders and community representatives to come together on a regular basis to discuss major issues. The concept was recommended as an initiative in the DBCT Stage 6 and 7 Expansion EIS. The group has now been formed and will assist in the communication process.

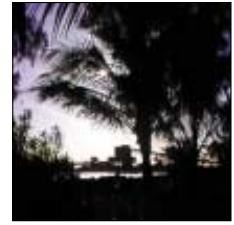
The Group comprises representatives from PCQ (which is facilitating the group); DBCT lessee, DBCT Pty Ltd; the Sarina Shire Mayor; the Member for Mirani; and, four community representatives.

DUST MANAGEMENT

Following an expert review of the existing facility, a range of dust controls were recommended to reduce dust emissions from DBCT as part of the Stage 6 and 7 expansions. After completion of the expansions, dust emissions from the terminal are expected to be reduced by around 5% over current levels, despite more than a 40% increase in capacity.

NOISE AND DUST MONITORING

Detailed noise and dust monitoring continued at 23 monitoring sites around the terminals and port. This program continued to be jointly funded by PCQ and the operators of the two coal terminals.



• PCQ ENVIRONMENT MANAGER, BOB BRUNNER, HOSTS AN INSPECTION OF DREDGING AT HAY POINT.

REVEGETATION

Following completion last year of extensive revegetation of nominated areas in port buffer lands, revegetation efforts this year focussed on maintenance of the sites to maximise the growth potential of the young trees.

LOUISA CREEK AMENITY IMPROVEMENTS

PCQ is a major property owner in the township of Louisa Creek, which is located adjacent to the Dalrymple Bay Coal Terminal. In May, a meeting was held with local community and Council representatives to discuss ways to jointly improve the presentation and amenity of the township. This resulted in tidying up of some blocks and trimming of some vegetation. Positive feedback was received from the community about the works.



• THE DREDGE BARENT ZANEN WITH THE DBCT WHARF IN THE BACKGROUND.

PORT COMMUNITIES PROGRAM

SARINA FIELD OF DREAMS PROJECT: The Field of Dreams Project in Sarina has an interest in eventually establishing a Maritime Museum at the Sarina site.

Following a request to PCQ to provide a suitable building for the museum, the Corporation has offered to make available one of the Louisa Creek houses earmarked for removal.

HAY POINT RURAL FIRE BRIGADE: PCQ has provided assistance to the Brigade over a number of years. This year \$5000 was made available to assist in the purchase of a four-wheel drive fire tender, allowing the Brigade greater mobility.

FIRE APPEAL: The Corporation agreed to make one of the houses earmarked for removal at Louisa Creek available to a Sarina group raising money and goods for an elderly couple who lost their home through a fire.

LOUISA CREEK AND HAY POINT PROGRESS ASSOCIATION: Unwanted, used furniture taken from a set of flats being refurbished by the Corporation at Louisa Creek was offered to the Association. The group held a garage sale and raised valued funds. PCQ also donated \$225 to the Association for materials to paint the Hector Sporting Association Hall.

MACKAY AND DISTRICT SHOW SOCIETY: A sponsorship of \$150 was provided to the Society to sponsor a section at this year's show. PCQ also had a display at the show as part of its community relations activities in the area.

PORT OF **ABBOT POINT**



“AN **ENVIRONMENTAL AUDIT** OF THE ABBOT POINT BULK COAL TERMINAL WAS CARRIED OUT AS PART OF PCQ’S ENVIRONMENTAL MANAGEMENT PROGRAM.”

ABBOT POINT PROFILE

THE PORT OF ABBOT POINT, 25 KILOMETRES NORTH OF BOWEN, IS AUSTRALIA’S MOST NORTHERLY COAL PORT. IT COMPRISES A RAIL INLOADING FACILITY, COAL HANDLING AND STOCKPILE AREAS AND A SINGLE TRESTLE JETTY AND CONVEYOR CONNECTING TO AN OFFSHORE BERTH AND SHIPLOADER, 2.75 KM OFFSHORE.

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 NCA PROJECT IS 75% OWNED BY MIM AND 25% BY ITOCHU COAL RESOURCES AUSTRALIA PTY LTD.

GENERAL PERFORMANCE

No major incidents occurred in the port and only one minor oil spill was reported. This was an accidental pump-out of the bilge from a commercial fishing vessel anchored in the Bowen Harbour.

ENVIRONMENTAL AUDIT OF COAL TERMINAL

An environmental audit of the Abbot Point Bulk Coal Terminal was carried out as part of PCQ’s environmental management program. The audit found that the site was being managed effectively and proactively, while maintaining a high standard of housekeeping (cleaning of any coal spills).

ENVIRONMENTAL INITIATIVES

Local PCQ staff continued to landscape port land around the Corporation’s office in Bowen. Work included planting more trees along the shore-front and the installation of an irrigation system for the trees and shrubs planted.

A weed eradication program was carried out on port buffer land around the terminal, targetting declared pest species such as rubber vine and prickly acacia.

CLEAN-UP AUSTRALIA DAY

PCQ again supported a local Clean-Up Australia Day effort by providing gloves, sharps containers and refreshments for participants. About 100 local volunteers assisted on the day.



• ABORIGINAL MIDDENS HAVE BEEN IDENTIFIED ON PCQ BUFFER LAND AROUND THE COAL TERMINAL.

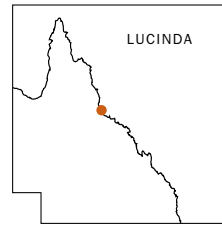
PORT COMMUNITIES PROGRAM

BOWEN SHIRE COUNCIL: The Abbot Point coal loading facility represents a significant piece of infrastructure in the Bowen region. Additionally, the Bowen Wharves are important to the local economy, both as a location for commercial activity and as a tourism draw-card. A desire to make a significant contribution to the local community was the basis for the Corporation deciding to offer \$30,000 to Bowen Shire Council to assist in the establishment of a Bowen Interpretive Centre in the town. The centre is intended to be an important tourist attraction and among other things, will highlight the role local industries, including the port, have played in Bowen’s development.

BOWEN WHARVES SAFETY UPGRADE: Handrails and other safety equipment have been installed on sections of the Bowen Wharves accessed by the public. The work will improve safety of the facility which is a popular recreation location. The work cost over \$35,000 and was carried out by PCQ staff with no disruption to commercial operations on the wharf.

BOWEN AND DISTRICT SHOW SOCIETY: An amount of \$150 was provided to the Society to sponsor a section at this year’s show.

PORT OF LUCINDA



“UNDER THE NEW ARRANGEMENTS, PCQ WILL BE RESPONSIBLE FOR THE FUTURE MAINTENANCE AND PURCHASE OF EQUIPMENT TO MAINTAIN THE “FIRST STRIKE” CAPABILITY IN THE PORT.”

LUCINDA PROFILE

THE PORT OF LUCINDA, 100 KILOMETRES NORTH OF TOWNSVILLE, IS DEDICATED TO THE EXPORT OF RAW SUGAR FROM THE INGHAM SUGAR GROWING DISTRICT. IT COMPRISES ONSHORE SUGAR HANDLING AND STORAGE FACILITIES AND A SINGLE TRESTLE JETTY AND CONVEYOR RUNNING OUT TO AN OFFSHORE BERTH AND SHIPLOADER.

THE TERMINAL IS OPERATED BY LUCINDA BULK SUGAR TERMINAL, A SUBSIDIARY OF QUEENSLAND SUGAR LIMITED (QSL). SUPPLYING MILLS ARE VICTORIA AND MACKNADE.

GENERAL ENVIRONMENTAL PERFORMANCE

There were no incidents or oil spills reported in the Port of Lucinda during the year.

OIL SPILL PREPAREDNESS

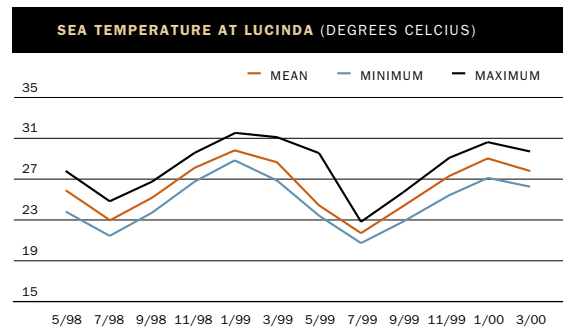
Under recent changes to the National Oil Spill Plan, oil spill equipment for a “first strike” is being transferred to port authorities. Lucinda was one of the first ports in Queensland to receive ownership of the equipment. Under the new arrangements, PCQ will be responsible for the future maintenance and purchase of equipment to maintain the “first strike” capability in the port.

CULTURAL HERITAGE

A cultural heritage assessment was carried out of all port land in Lucinda to determine any areas of cultural or historical significance. The assessment report will be published early in the coming year.

PORT ADVISORY GROUP

One meeting of the Lucinda Port Advisory Group was held during the year. This group has representatives from the Lucinda Bulk Sugar Terminal, Hinchinbrook Shire Council, Queensland Commercial Fishermen’s Organisation, Lucinda Progress Association and other organisations. Issues discussed included improving services on the wharf for local residents and wharf users and a discussion on possible new trades through the port.



CLEAN-UP AUSTRALIA DAY

PCQ again supported Clean-Up Australia Day activities in Lucinda with the donation of gloves, garbage bags and provision of a vehicle and trailer for transporting the collected garbage. Over 50 local volunteers participated in the clean-up and they collected about 70 bags of rubbish.

PORT COMMUNITIES PROGRAM

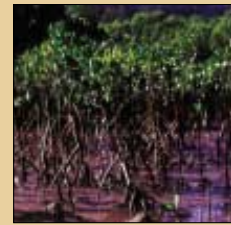
LUCINDA INSHORE WHARF: The most significant project to date to be undertaken under the Port Communities Program has been the refurbishment of the Lucinda Inshore Wharf, including provision of safety railings. During the year, work was finalised on the project which has resulted in a facility with a significantly extended life and has provided a first class facility for local residents and visitors to the area.

The wharf is an example of a facility which the Corporation owns but no longer draws significant commercial revenues from. The Ports Communities Program allows the facilities to be maintained in recognition of the community value now placed on them as recreational facilities.

HINCHINBROOK SHIRE COUNCIL: PCQ made available some sand from stockpiles it holds for the Council to use in beach replenishment work. The Corporation has also pledged \$5000 to the Council for construction of a public toilet at Lucinda.

INGHAM AND DISTRICT SHOW SOCIETY: A sponsorship of \$150 was provided to the Society to sponsor a section at this year’s show.

PORT OF MOURILYAN



“THE EMP DOCUMENTS AREAS OF ENVIRONMENTAL AND CULTURAL SIGNIFICANCE AND THE CURRENT ENVIRONMENTAL MANAGEMENT MEASURES AND CONTROLS USED...”

MOURILYAN PROFILE

THE PORT OF MOURILYAN IS ON THE COASTLINE NEAR INNISFAIL. ITS MAIN TRADE IS THE EXPORT OF RAW SUGAR AND MOLASSES FROM THE INNISFAIL, BABINDA AND ATHERTON TABLELANDS SUGAR GROWING DISTRICTS. IT COMPRISES ONSHORE 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, A SUBSIDIARY OF QUEENSLAND SUGAR LIMITED. MILLS SUPPLYING THE TERMINAL ARE SOUTH JOHNSTONE, MOURILYAN, TULLY AND BABINDA. MOLASSES IS EXPORTED THROUGH THE PORT BY AUSTRALIAN MOLASSES TRADING PTY LTD AND LIVE CATTLE EXPORTS ARE ALSO NOW TAKING PLACE.

GENERAL ENVIRONMENTAL PERFORMANCE

No major incidents occurred in the Port of Mourilyan. An oil spill of minor to moderate severity was reported in April 2001. A small commercial vessel in the harbour suffered a fire, which burnt hoses and flooded the engine room. The owner pumped out the bilge to keep the vessel afloat. Another minor incident occurred when bags of fodder were lost overboard by a livestock vessel.

SEAGRASS MONITORING

Since 1993 regular surveys of seagrass in the port have been carried out by the Corporation. As part of the ongoing monitoring program, follow-up surveys were carried out in July 2000 (winter survey) and December 2000 (summer survey). These surveys showed a reduction in seagrass area from the earlier surveys. This loss of seagrass has been tentatively attributed by the Department of Primary Industries to flooding in the Moresby River during both the 1999 and 2000 wet seasons.

OIL RECEPTION FACILITY

An oil reception facility was installed in the port next to the public jetty to enable commercial and recreational fishermen to dispose of any waste oil without affecting the marine environment. The waste oil is collected and recycled.

LAND USE PLANNING

A draft Land Use Strategy and Environmental Management Plan (EMP) has been prepared for the Port of Mourilyan. The EMP documents areas of environmental and cultural significance in the port and the current environmental management measures and controls used by the Corporation to protect and enhance the port environment. The Land Use Strategy designates areas of environmental significance as Environmental Buffer Areas to protect these values. These plans will be issued to the Johnstone Shire Council, port customers and the community for comment prior to their finalisation.

CULTURAL HERITAGE

A Cultural Heritage Assessment was carried out of all port land at Mourilyan. The port itself was found to be of regional historical significance for its importance to the north Queensland sugar industry. The report will be finalised in the coming year.

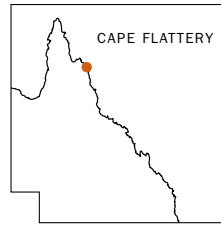
SUPPORT OF INTEGRATED CATCHMENT INITIATIVES

PCQ continued its financial support of the Moresby Catchment Rehabilitation project, which was being coordinated by the Johnstone Shire Council. A total of \$10,000 was donated to the project. During the past year, with the involvement of community volunteers, the project continued revegetation of the riparian corridor of Daru and Walter Creeks in the Moresby River catchment.

SHIRE ENVIRONMENTAL REPORTING

The Johnstone Shire Council prepared its first “State of the Shire Report” in early 2001. As a key stakeholder in the region, PCQ supported this initiative by providing environmental and trade information on the Port of Mourilyan.

PORT OF CAPE FLATTERY



“THERE WERE **NO INCIDENTS** OR OIL SPILLS REPORTED IN THE PORT OF CAPE FLATTERY DURING THE YEAR.”

CAPE FLATTERY PROFILE

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).

THERE ARE ONSHORE SILICA SAND HANDLING AND STOCKPILING FACILITIES, AND A SINGLE TRESTLE JETTY AND CONVEYOR RUNNING FROM THE MINE TO AN OFFSHORE BERTH AND SHIPLOADER. THERE IS ALSO A GENERAL PURPOSE WHARF FOR THE IMPORT OF FUEL AND OTHER SUPPLIES FOR THE MINE AND FOR THE MOORING OF TWO LINE BOATS WHICH ASSIST IN SHIP BERTHING.



• SILICA SAND STOCKPILES.

GENERAL ENVIRONMENTAL PERFORMANCE

There were no incidents or oil spills reported in the Port of Cape Flattery during the year.

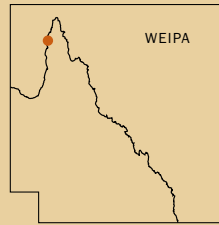
MARINE SPECIES SURVEYING

Sampling for a baseline survey of marine species in the Port of Cape Flattery was carried out in April 2001. When identification of species is completed, the survey will document native marine species in the port, as well as determine the presence of any introduced species in port waters. The results are expected to be available late in the coming year.

PILE CLEANING IMPROVEMENTS

Repairs are required to some existing piles in the berth structure. Because of the danger from sharks and crocodiles in the area, cleaning of the dense marine growth on the piles for inspection or repair is not practical by hand. An environmental assessment recommended finding a low-impact cleaning technique. A trial, using air pressure for locating the holes to allow localised hand cleaning, was successful. This technique will be now be used for repairs to the berth structure during the coming year.

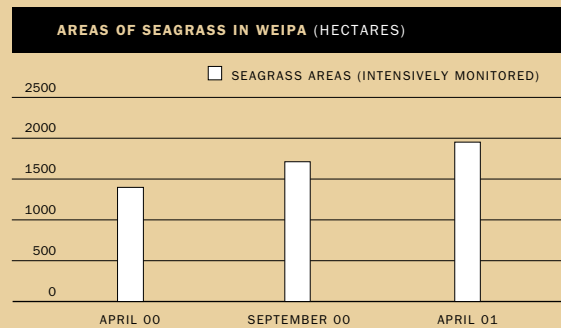
PORT OF WEIPA



“THE CORPORATION **ANNOUNCED** THAT IT WOULD NO LONGER USE JACKSON CHANNEL AS A DISPERSAL SITE, INSTEAD TRANSPORTING ALL THE MATERIAL TO THE SEA DISPOSAL SITE.”



• SAFETY RAILS INSTALLED AT WEIPA.



WEIPA PROFILE

LOCATED ON THE NORTH-WEST COAST OF CAPE YORK PENINSULA, THE PORT OF WEIPA IS DEDICATED TO THE EXPORT OF BAUXITE (ALUMINIUM ORE) FROM THE COMALCO MINE. COMALCO ALSO OPERATES THE PORT FACILITIES. IT HAS ONSHORE BAUXITE HANDLING, PROCESSING AND STOCKPILING FACILITIES AND CONVEYORS RUNNING TO LORIM POINT WHARF FOR SHIPLOADING.

THERE ARE ALSO GENERAL PURPOSE AND FUEL WHARVES AT WEIPA, WITH TUGS OPERATED BY WEIPA TUG SERVICES PTY LTD BASED AT THE PORT. IN RECENT YEARS, LIVE CATTLE HAVE ALSO BEEN EXPORTED THROUGH THE PORT.

GENERAL ENVIRONMENTAL PERFORMANCE

There were no incidents or oil spills reported in the Port of Weipa during the year.

DREDGING

Dredging is carried out in Weipa usually every two years. No dredging was required in the current year.

Dredging in Weipa has traditionally involved transport of clean dredged material to a sea disposal site. A proportion of the finer dredged material was also placed in the Jackson Channel on an ebb tide as a dispersal site, which had been shown to be effective by modelling and past monitoring.

Following requests from local organisations through the Weipa Dredging Technical and Consultative Committee, in January 2001 the Corporation announced that it would no longer use Jackson Channel as a dispersal site, instead transporting all the material to the sea disposal site. The decision resulted in strong local community support.

SEAGRASS SURVEYING

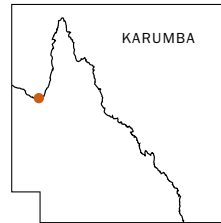
There are extensive areas of seagrass within the Weipa port limits. Seagrass is an important marine resource that supports local commercial, recreational and traditional fisheries. A baseline survey was carried out in April 2000 (wet season).

Follow-up surveys were carried out in September 2000 to determine the seasonal variability and again in April 2001 to monitor natural variations from year to year. Seven different species of seagrass have been observed in the surveys. The April 2001 survey showed seagrass meadows were healthy and the area of seagrass adjacent to port facilities had increased from the previous year.

PORT COMMUNITIES PROGRAM

WEIPA CATCHMENT COORDINATING GROUP: PCQ continued to provide financial support of \$10,000 annually for the operation of the group and also provided \$7000 for the printing of the Catchment Management Strategy that was prepared by the Group.

PORT OF KARUMBA



“DREDGING OF THE CHANNEL COMMENCED IN LATE JULY AND CONTINUED FOR JUST OVER THREE WEEKS.”



• ENVIRONMENTAL MANAGER, BOB BRUNNER (LEFT) AND OPERATIONS SUPERINTENDENT, TYCHO BUNINGH, (CENTRE) TAKING SAMPLES AT KARUMBA ALONG WITH KARUMBA PROGRESS ASSOCIATION REPRESENTATIVE, RIKI GUNN.

KARUMBA PROFILE

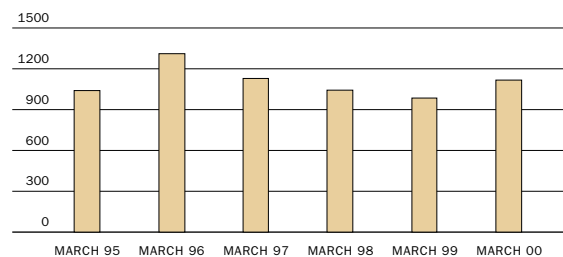
LOCATED AT THE MOUTH OF THE NORMAN RIVER IN THE SOUTH-EAST CORNER OF THE GULF OF CARPENTARIA, THE PORT OF KARUMBA HAS SERVICED REMOTE GULF COMMUNITIES SINCE THE LATE 1800S. THE PASMINGO CENTURY PROJECT STARTED EXPORTING ZINC CONCENTRATE THROUGH THE PORT IN DECEMBER 1999. ZINC SLURRY IS PIPED 304KM TO THE PORT FROM THE MINE, DEWATERED AND LOADED ONTO A 5000 TONNE TRANSFER VESSEL FOR THE 40 KM JOURNEY TO THE EXPORT SHIPS WHICH 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 AS OFTEN AS REQUIRED, USUALLY ABOUT EVERY TWO YEARS. IT ALSO PROVIDES PILOTAGE SERVICES IN CONJUNCTION WITH ITS SUBSIDIARY, PORT PILOTS QUEENSLAND. NO TUGS ARE REQUIRED AT THE PORT.

GENERAL ENVIRONMENTAL PERFORMANCE

There were no significant incidents in the port during the year. Two minor oil spills were reported.

MARCH SURVEYS FOR SEAGRASS IN KARUMBA (HECTARES)



DREDGING

Dredging of the channel in the Port of Karumba commenced in late July and continued for just over three weeks. A total of 445,000 m³ of material was dredged and relocated to an approved marine disposal site. The dredge used, the Orwell, is a trailer suction dredge.

The Corporation funded an officer from the Environmental Protection Agency to act as the independent observer for the dredging operation. The monitoring report concluded that “there was minimal impact from the dredge” and “turbidity levels due to dredging did not exceed the conditions in the compliance limit set in the dredging permit.”

SEDIMENT SAMPLING

With the location of a lead and zinc concentrate loading facility in Karumba, sediment quality remained a concern of local residents. The Corporation took a number of samples from intertidal areas in June 2001. All were found to be within the range of natural levels occurring in the area, as well as being below levels recommended by the Australian and New Zealand Conservation Council. The low contaminant levels were consistent with similar findings from testing by the EPA in late 2000.

• TOP: KARUMBA PORTS SUPERVISOR, GRAEME HONEY, MAKES A PRESENTATION TO KARUMBA STATE SCHOOL.



PORT OF KARUMBA CONTINUED

18



• AN INSPECTION OF PASMINGO CENTURY PROJECT PORT FACILITIES.

MARINE SPECIES SAMPLING

Sampling for a baseline survey of marine species in Karumba was completed by the CRC Reef Research Centre in September 2000. This survey will also identify if any introduced marine species are in the port. Analysis of samples typically will take 12 to 18 months to complete due to the detailed process of taxonomic identification.

SEAGRASS SURVEYING

Surveying of seagrass in Karumba started in 1994. A survey was carried out in October 2000 and the seagrass area was recorded at 1196 ha, which represents an increase of 242 ha over the previous year's survey. Biomass of the main meadow was also increased by 61% since the previous year. Dugong feeding trails were observed in over 70% of the survey sites and were the highest levels observed in recent surveys.

ADVISORY GROUPS

PCQ has established a Trade Development Group at Karumba. The aim of the group is to provide advice to the Corporation on new trade opportunities for the port's catchment area and related infrastructure requirements.

The Corporation continues to organise an annual Port Advisory Group meeting in Karumba. The group is composed of representatives from local businesses, government agencies and the local community to discuss port issues.

ENVIRONMENTAL AUDIT

PCQ has implemented a program to carry out environmental audits of not only its own facilities, but also the facilities of major lessees on PCQ land. An audit was carried out of the Pasmenco port facility, which was the second annual environmental compliance audit of the facility.

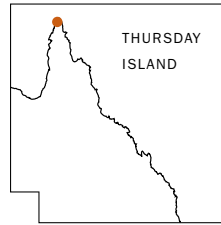
PORT COMMUNITIES PROGRAM

KARUMBA STATE SCHOOL: PCQ contributed \$2000 to assist with the purchase of computer equipment for students. The Corporation also purchased a water container and an urn for use at sporting and other events at the school.

GULF LOCAL AUTHORITIES DEVELOPMENT ASSOCIATION (GLADA): The inaugural GLADA Business Awards were held and PCQ contributed \$4000 as the major sponsor. The Corporation regards the support as a good investment in business development within the region.

GULF BARRAMUNDI RESTOCKING ASSOCIATION: The project is aimed at ensuring healthy stocks of barramundi are maintained in local waterways. PCQ contributed \$4000 towards employment of a biologist.

PORT OF THURSDAY ISLAND



“A CULTURAL HERITAGE SURVEY WAS CARRIED OUT OF ALL PORT LAND ON THURSDAY AND HORN ISLANDS.”

THURSDAY ISLAND PROFILE

THE PORT OF THURSDAY ISLAND IS A COMMUNITY PORT LOCATED IN A NATURAL HARBOUR IN THE TORRES STRAIT IN THE NORTHERN MOST 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 TRANSHIPMENT POINT FOR THE SUPPLY OF ESSENTIAL CARGOES TO OTHER ISLANDS OF THE TORRES STRAIT.

GENERAL ENVIRONMENTAL PERFORMANCE

There was one major oil spill incident reported when 50,000 – 60,000 litres of diesel flowed from a fuel facility on Horn Island following malicious harm to a fuel hose on the site. This facility is owned by the Corporation, but leased to a private operator who holds an environmental licence from the EPA for its operation. PCQ staff responded to the spill and co-ordinated placement of oil absorbent booms on land to contain the spill as well as the clean up of the oil that reached the water. The clean-up activities continued for several weeks.

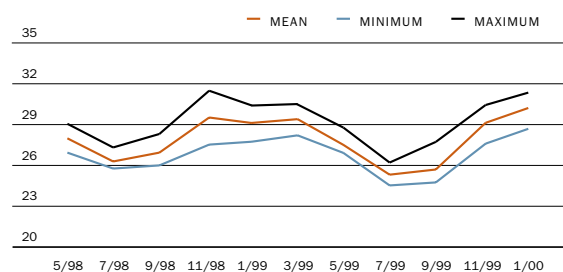
An Environmental Protection Order was issued by the Environmental Protection Agency against the operating company involved. Upgrading of the facility to minimise the risk of future spills is now being implemented.

In December 2000, an oil spill of 50 – 100 litres of diesel occurred from a land-based fuel facility on Thursday Island. The spill occurred while the operator was loading fuel into underground tanks. Diesel flowed through the stormwater drains to the harbour. PCQ staff responded to the spill and cleaned it up.

Later in December, a moderate oil spill (a 5 km slick of oily heavy material) was reported in the Prince of Wales channel. PCQ staff took oil samples from two ships in the area.

Three minor oil spills were also reported during the year. The number of oil spills reported in the port reflects the high frequency of shipping through the region, as well as a high number of fishing vessels.

SEA TEMPERATURE AT THURSDAY IS. (DEGREES CELCIUS)



CULTURAL HERITAGE

A cultural heritage survey was carried out of all port land on Thursday and Horn Islands. The surveys identified some areas of cultural significance and the report will be published in the coming year.

PORT DEVELOPMENT PUBLIC CONSULTATION

The issue of expansion of the Main Wharf area on Thursday Island has been an issue of intense interest in the Torres Strait. The Corporation’s initial proposal to close a section of road in front of the Customs Building met with strong local criticism, despite consultation having been undertaken. Following that response, PCQ entered into a comprehensive new round of consultation, with several other options being proposed. The consultation activities will be concluded soon with another round of face-to-face meetings.

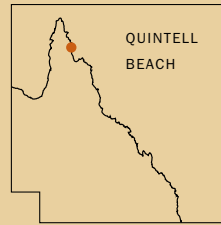
CLEAN BEACH DAY

A Clean Beach Day is held annually on Thursday Island. This is supported by a number of local organisations including PCQ, which supplied gloves and bags, and assisted in the general organisation. About 250 local volunteers turned out on the day.

PORT COMMUNITIES PROGRAM

INDIGENOUS FESTIVALS OF AUSTRALIA LTD: PCQ contributed \$5000 for the 2001 Thursday Island Croc Festival for primary-age students, which brought together students from throughout the Gulf and Torres Strait regions.

PORT OF **QUINTELL BEACH**



20

"NO INCIDENTS WERE **RECORDED** AT QUINTELL BEACH, REFLECTING THE LOW LEVEL OF IMPACT FROM ACTIVITIES IN THE PORT."

QUINTELL BEACH PROFILE

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 AT THE PORT.

GENERAL ENVIRONMENTAL PERFORMANCE

No incidents were recorded at Quintell Beach, reflecting the low level of impact from activities in the port.

ENVIRONMENTAL AND COMMUNITY INITIATIVES

The low level of use of the port and minimal impact from port activities have not required any new environmental or community initiatives in the port.

GLOSSARY OF TERMS

APB

Abbot Point BulkCoal - terminal operator

BIOMASS

Quantity of biological material identified during environmental surveys

CATHODIC PROTECTION

Electrical process which reverses the corrosion effects on the underwater components of marine structures

CFSM

Cape Flattery Silica Mines Pty Ltd

CPA

Cairns Port Authority

CRG

Port of Hay Point Community Reference Group

CYPLUS

Cape York Peninsula Land Use Strategy

DBCT

Dalrymple Bay Coal Terminal

DBCT PTY LTD

Dalrymple Bay Coal Terminal Pty Ltd

DBCTH

DBCT Holdings

DWT

dead weight tonne

EBA

Enterprise Bargaining Agreement

ECOPORTS

Ports Corporation of Queensland's environmental program

EIS

Environmental Impact Statement

EMP

Environmental Management Plan

EMS

Environmental Management System

FAARMS

Facilities and Assets Risk Management System

FX

Foreign Exchange

GBRMPA

Great Barrier Reef Marine Park Authority

GLADA

Gulf Local Authorities Development Association

GOC

Government Owned Corporation

HPS

Hay Point Services coal export terminal

MMT

Mourilyan Molasses Trading

MPA

Mackay Port Authority

MT

million tonnes

MTPA

million tonnes per annum

NCA PROJECT

Newlands-Collinsville-Abbot Point Project (coal mines and ports)

O AND M CONTRACT

Operations and Maintenance Contract

PCQ

Ports Corporation of Queensland. Also referred to as "The Corporation".

PP AND R

Performance Planning and Review process within PCQ

PPQ

Port Pilots Queensland

QSL

Queensland Sugar Limited

QT

Queensland Department of Transport

QTC

Queensland Treasury Corporation

SCI

PCQ's Statement of Corporate Intent

UKC

Under Keel Clearance, a system for maximising loads able to be taken on board ships leaving ports

USER AGREEMENT

User Agreements in place at some PCQ facilities between operators and Ports Corporation of Queensland

HEAD OFFICE

PORTS CORPORATION
OF QUEENSLAND
GPO Box 409, Brisbane Qld 4001
Telephone +61 7 3224 7088
Facsimile +61 7 3224 7234
Email info@pcq.com.au
Website www.pcq.com.au

NORTHERN OFFICES

PORT SUPERVISOR NORTHERN
PO Box 546, Bowen Qld 4805
Telephone (07) 4786 4187
Facsimile (07) 4786 4189

PORT OF HAY POINT
PO Box 240, Sarina Qld 4737
Telephone (07) 4956 3111
Facsimile (07) 4956 3359

PORT SUPERVISOR
FAR NORTHERN
MS 1800, Post Office
Mourilyan Qld 4858
Telephone (07) 4063 2507
Facsimile (07) 4063 2684

PORT OF LUCINDA
Lucinda Qld 4850
Telephone (07) 4777 8152
Facsimile (07) 4777 8380

PORT SUPERVISOR
THURSDAY ISLAND
PO Box 570, Thursday Island Qld 4875
Telephone (07) 4069 1405
Facsimile (07) 4069 1768

PORT SUPERVISOR
CAPE YORK
PO Box 612, Weipa Qld 4874
Telephone (07) 4069 7749
Facsimile (07) 4069 7518

PORT SUPERVISOR KARUMBA
PO Box 244, Karumba Qld 4891
Telephone (07) 4745 9522
Facsimile (07) 4745 9544