

Cairns Port Development Inc. (Friends of the Port of Cairns)

Media Release 29 July 2015

Friends of the Port of Cairns is changing to Cairns Port Development Inc. (CPD), an incorporated association with the objectives:

- To act in the interest of the progress of the city of Cairns and region.
- To encourage public support for the development of the Port of Cairns.
- To help find innovative and sound solutions to the development of the Port of Cairns.
- To liaise with, assist and encourage other organisations seeking to encourage the development of the Port of Cairns.

In particular, CPD aims to expedite dredging the Trinity Inlet and basin so Cairns businesses and community gain as soon as possible the major economic benefits that will follow the dredging

Friends of the Port of Cairns is well known for its Facebook page, with 1,600 'likes'. The page, <https://www.facebook.com/PortofCairns>, reveals a wealth of information concerning the proposed dredging and related issues. 164 people sent the submission on the Facebook page concerning the Ports North DRAFT EIS to the Coordinator General.

CPD's Chair, Ron Crew, said "Many Cairns businesses are in the doldrums – many are shutting down and work opportunities are scarce. Figures produced by Cummings Economics show clearly that dredging the Trinity Inlet will result in major benefits that Cairns desperately needs."

Mr Crew continued "Our politicians just keep kicking the can down the road – one excuse after another. Yet they gave \$55m to Townsville last week to develop their port, including putting dredging spoil on land. And to rub salt into the wound, the proposed Ports Bill plans for 4 strategic Priority Ports for Queensland excludes Cairns. It appears our political representatives view Cairns as a 'boutique port' that only warrants 'incremental development'".

A public hearing of Ports Bill Committee in Cairns today heard from by Bill Cummings, on behalf of CPD Inc. Mr Cummings explained that Cairns Port is critical to FNQ's economy, noting:

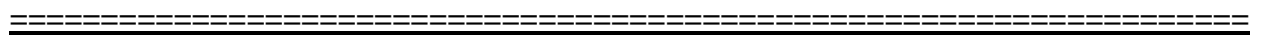
- Cairns acts as a regional capital; a transport, distribution, manufacturing and services hub.
- FNQ's population, approaching 300,000, is the largest across northern Australia.
- Cairns seaport is critical to FNQ's regional economy and future.
- Cairns seaport leads Queensland's ports in: Tourism and Reef Fleet operations; naval operations; fishing industry operations; and coastal trading vessel operations including to Indonesia.
- Cairns seaport is second only to South-East Queensland ports. Similarly in cruise ship operations,, superyacht and cruising yacht visitation, and slipways, ship and boat building and marine services operations.
- FNQ has more port/marine related activities by far than any other region across the North and in Queensland outside the South-East.
- Past studies indicate a direct output of \$800m a year and direct employment of over 4,000 people relating to port activities.
- In overall vessel movements, Cairns is second in the State to Brisbane.
- Tonnages shipped through Cairns are more than the Townsville region, close to south-east Queensland, and more than the States of South Australia and Tasmania and the Northern Territory.

- Major bulk commodities through the port including sugar, fertilisers and fuel, play a critical role in FNQ's economy.
- Fuel imports via Cairns seaport are a major factor in the viability of many other industries and activities. Note: Fuel tankers arrive half empty because of channel depth limitation.
- Cairns Port includes Australia's north-east naval base, Queensland's largest tourism fleet, Queensland's largest fishing fleet and Queensland's largest coastal shipping operation.
- New ships used for transport of sugar, fertilisers and fuel are getting larger. Many are currently unable to enter and leave the port with full loads, resulting in costly inefficiencies.
- Several ships are only able to take on part loads and have to proceed to other ports to 'top up'. Larger international container ships are unable to use the port.
- As cruise ships become larger, more and more are having to stand off Yorkeys Knob and undertake highly inefficient shore transfers costing of the order of \$70 per passenger.
- Cairns seaport's strategic position in the Queensland economy should continue expanding into the future in all the above areas.
- The proposed legislation leaves the port exposed to a ban on capital dredging for expansion of other port facilities like the marina, general cargo wharves and Navy base.
- Cairns seaport will contract, as will much of the Cairns economy, if the proposed dredging is not expedited.

Mr Cummings' presentation concludes:

- The "beneficial" provision in the proposed Ports Bill is very vague.
- If capital dredging spoil is put on land, so could maintenance dredging spoil.
- Now that the Federal Government has banned the lowest-cost option of offshore placement, State and Federal Governments have a duty to assist develop technology and approaches that will enable onshore placement at the minimum cost that maximizes future economic returns.
- In particular, the Ports Act legislation should assess funding options such that relevant port operations are not burdened with excessive costs that make further port development uneconomic.

CPD Inc. Chair Mr Crew said: "The high level of support for expediting the dredging was confirmed in the Cairns Post poll, 24 July: **'Do you support increased dredging of Trinity Inlet'**. The result, published in the Monday 27th edition, was **a resounding 73% YES**. Surely the many points in Bill Cummings presentation, together with the very high level of local support, will convince our political representatives that more 'kicking the can down the road' is not acceptable. **We want action, and we want it now!**"



More background

Friends of the Port of Cairns have also presented submissions to the Coordinator General:

Our submission to the Qld Coordinator General responded to the Ports North draft Environment Impact Report (EIS): [Submission to Coordinator General](#). Our submission demonstrates that several major costs in the draft EIS are far too high, and that a much lower figure than the EIS \$365m is feasible. The summary concludes: **'We request the Coordinator General recommend to the Government that a more comprehensive study be undertaken of placement options in**

consultation with the Cairns community with a view to developing a lower cost and environmentally acceptable solution to enable the project to proceed as soon as possible.'

Cummings Economics submission to the Qld Coordinator General, [Cummings Economics submission](#), presents a compelling case for the dredging. **Conservative calculations of the benefits to Cairns total \$1.35 billion NPV - \$5bn in cash terms over 25 years.**

Also Friend of the Port of Cairns prepared **Terms of Reference for a new assignment to produce an East Trinity Development Project Plan** responds to Treasurer Curtis Pitt's requests to: **'recast that EIS and make another proposal which has an emphasis on onshore disposal'**; and **put another option 'on the table.'** This plan would provide essential information to enable State and local governments, Cairns business leaders and the Cairns community to understand fully and **make informed decisions on dredging the Trinity Inlet and basin**; a development that includes fixing degradation problems and achieving major economic benefits as soon as possible - [East Trinity Development Project TOR, 3 July 2015](#).