



## Queensland Ports Strategy (draft)

### QUEENSLAND TRANSPORT & LOGISTICS COUNCIL SUBMISSION

*December 2013*

#### Background

The QTLC is a cooperative industry and Government advisory body that provides advice to industry stakeholders and state and federal governments on the development, planning, regulation and operation of freight and logistics transport, infrastructure and services in Queensland.

As the peak industry body representing the views of the freight transport and logistics industry, the QTLC advocates for the provision of infrastructure, regulation and policy that will support sustainable freight transport and logistics in Queensland.

The QTLC supports the efficient movement of freight in order to support sustainable and productive economic development and prosperity by pursuing:

- Appropriate and ongoing investment in supply chain infrastructure;
- Integrated regional and urban planning frameworks that secure land for current and future freight corridors;
- An access policy and regulation environment that facilitates productivity and innovation; and,
- Efficient integration and linkage of freight and logistics systems across the whole supply chain.

The QTLC has a diverse membership including the Port of Brisbane as well as representatives from supply chains that use port services. These organisations are best placed to comment on the draft Queensland Ports Strategy (QPS), in particular future planning, regulation and management of Queensland ports. Consequently, this submission will focus on the importance of ensuring landside networks and port connections are optimised and appropriately managed to deliver the supply chain and economic benefits the draft QPS sets out to achieve.

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## Overall Comments

The QTLC welcomes the development of the draft QPS, representing government's framework for port development in Queensland for the next 10 years.

The Council commends government for recognising the importance of ports to the overall economic development of Queensland as well as the efficiency and sustainability of related supply chains.

Initial concerns were held regarding the 10 year horizon for the Strategy which is arguably too short to adequately plan for, fund and build long run port and contiguous landside infrastructure. These concerns were allayed by the 30 year timeframe of proposed port Master Plans. The QTLC strongly advocates that this timeframe be retained to ensure that future port operations and developments are strategically managed with sufficient time for infrastructure planning and implementation.

## Queensland's Port Network

While the draft Strategy outlines sufficient metrics on throughput by commodity and port, it would be useful to include data on container trade which forms a significant portion of Queensland freight task.

## Strategic Use of Ports

The QTLC strongly supports the establishment of Priority Port Development Areas (PPDA) as an effective means to maximise economies of scale and reduce costs and duplication through focussed consolidation of port development to meet future trade demand.

The Council would like to make the following comments in relation to PPDA's:

- The draft Strategy suggests that "government will facilitate staged, incremental expansion of port and terminal capacity in relation to these PPDA's...". Given that this action is aimed at meeting long term demand, a mechanism for ensuring that a complimentary approach towards the management and development of port critical landside infrastructure and connections is adopted should also be proposed.
- Further to the previous point, the effectiveness of any port expansion and/or development will be underpinned in no small part by regional and local land use plans and economic development strategies. Thus, PPDA's need to be mindful of related planning frameworks and drivers for choice of mode and export gateways. For example, there is an implicit government policy aimed at transporting more agricultural commodities on rail in containers using standardised logistics platforms. This is informing the assessment of intermodal terminal locations which in turn may influence decision regarding which port to export. These considerations should form part government's determination of port functions and plans to facilitate expansion and development in PPDA's.
- It is unclear how PPDA's will be defined/mapped. Will the areas be confined to port land or will they extend beyond to include port precincts (i.e. Port of Brisbane Port Precinct)?

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## Efficiency

The requirement for Master Planning in PPDA's to consider relationships between the ports and areas contiguous to port boundaries may go some way to addressing the concerns outlined above. However more detail regarding how this will be achieved is required to assess whether this is the case.

The QTLC strongly supports the commentary regarding the integration of supply chains with ports to maximise efficiency and productivity.

To ensure that the comparative advantages of each port are maximised through optimisation of connecting infrastructure, it is recommended that a landside supply chain infrastructure strategy be developed to compliment the Master Plan of each PPDA. Ideally, these strategies would identify and protect critical freight corridors, prioritise infrastructure investment and include performance measures that index supply chain efficiency and productivity.

Further to this last point, the use of supply chain coordination is a useful and proven mechanism for optimising and monitoring supply chain performance. The QTLC recommends the development of a supply chain coordinator framework and function, suitable for multi-modal corridors in the Strengthening Queensland's Supply Chains Report<sup>1</sup>.

The draft QPS points to the consideration of coordination functions for the Port of Townsville and the North Queensland Resources Supply Chain, however there are many examples of success supply chain coordination models that should also be considered and inform the development of a supply chain coordination framework. These include:

- The Port Botany Landside Improvement Strategy;
- The Hunter Valley Coal Chain Coordinator; and,
- The appointment of a Cargo Movement Coordinator within Transport for NSW.

The QTLC supports optimising use of existing infrastructure and directs the reader to the recommendations contained in the Strengthening Queensland's Supply Chains report that are low cost, innovative actions aimed at unlocking latent capacity in the existing freight system. Notwithstanding, meeting long term freight and trade demand will, at some point, require investment in capacity expansion of supply chain infrastructure and the commentary should reflect this.

## Master Planning

The QTLC is very supportive of master planning for port throughout the state and notes the relationship and strategic alignment with other levels of planning and regulation illustrated in the

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<sup>1</sup> <http://www.qtlc.com.au/strengthening-queenslands-supply-chains-2012-2013/>

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“planning line of site”. However, further consideration needs to be given regarding the mechanisms that are required to ensure connectivity and consistency between the relevant planning frameworks.

In the development of the statutory master planning guideline, the Council also strongly encourages leading practice in port planning that considers supply chain corridors and connections that interface with the port as well as land use planning in contiguous regions.

To monitor the efficiency and productivity of the port and related supply chains, it is critical that master plans include performance measures.

As suggested earlier, the proposed 30 year horizon for master plans is appropriate for planning and investing in infrastructure expansion to meet future demand and to reflect the long asset life of port infrastructure.

### Implementation

The development of a draft QPS implementation action plan is strongly supported and should include performance indices for measuring the overall effectiveness of the strategy itself towards achieving the vision articulated at the beginning of the draft.