

## AUSTRALASIA

Issue 6, April 4<sup>th</sup> 2008

### PORT NEWS

## Twin cruise ships for Australian market

April 3, 2008

International cruise ship operator, Princess Cruises has announced it will relocate its American based cruise ship, the Dawn Princess for full time use in Australian waters later this year. The ship will be joining the operator's existing Australian based Sun Princess, in a bid to capitalise on an anticipated 350 percent growth in the Australian market from last year. The move represents the biggest investment ever made in the Australian cruising market by an international cruise line.

<http://www.etravelblackboard.com/index.asp?id=76134&nav=130>

## Port warns trade growth to slow

March 31, 2008

Rising interest rates are expected to slow trade growth at one of Australia's busiest ports, the Port of Melbourne. Stephen Bradford, Port of Melbourne Corporation CEO said this week that their initial growth forecast of 6% for 2008-09 may be revised closer to the 3-4% range. "Continued forecast growth in China and India is a source of optimism, and there are no obvious signs yet that interest rates have impacted trade growth through the Port of Melbourne, but we expect they will", Bradford said.

<http://business.theage.com.au/trade-growth-to-slow-in-2nd-half/20080330-22if.html>

## Channel deepening to continue

March 31, 2008

The Port of Melbourne Corporation has welcomed a decision by the Federal Court of Australia to dismiss an application filed by opponents of the channel deepening project. Speaking after the ruling, CEO Stephen Bradford said the outcome sends a clear message to Victorians that the project should continue. "This outcome is testimony to the robust processes that were required and delivered in securing the relevant consents. This project is about opening the 'sea highway' to Melbourne for the next three decades," he said.

[http://www.logisticsmagazine.com.au/articles/Channel-Deepening-Project-to-continue\\_z166492.htm](http://www.logisticsmagazine.com.au/articles/Channel-Deepening-Project-to-continue_z166492.htm)



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## Fuel contamination in Melbourne

March 31, 2008

A fuel contamination in the Yarra River was discovered last week by the Port of Melbourne Cooperation during routine checks. The fuel spill or leak is in a localised area, south of the West Gate Bridge near the Newport pipeline corridor on the western side of the Yarra River. The Environment Protection Authority has been alerted and a clean-up plan will be initiated. The Port of Melbourne Cooperation owns the affected land but currently has a licensing agreement with oil companies. The port plans to pursue the polluter for the recovery of all clean-up costs.

[http://www.portofmelbourne.com/global/docs/MR\\_080331\\_Fuel\\_contamination.pdf](http://www.portofmelbourne.com/global/docs/MR_080331_Fuel_contamination.pdf)

## Port charges to increase

March 31, 2008

The Port of Townsville Corporation announced that it will be increasing harbour and berthage charges by 10 percent from July this year. The high increase is necessary to maintain the Corporation's economic sustainability while delivering essential services and operations, Port of Townsville Corporation CEO, Barry Holden said last week. The port has undertaken an economic analysis of port pricing and found that it is not fully recovering the costs of services provided, and that further increases in port charges are needed to pool funds for port maintenance.

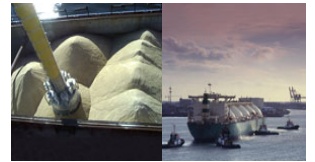
For further information contact: [townsville@iss-shipping.com.au](mailto:townsville@iss-shipping.com.au)

## Port bottlenecks eroding competitiveness

March 31, 2008

Port and rail constraints are being blamed for mining companies in the NSW Hunter region losing millions of dollars worth of business to their Indonesian competitors. Bede Boyle, a coal industry analyst, said this week that fixing the region's infrastructure bottlenecks is a matter of urgency. "We're losing business to Indonesia because Indonesia can develop their mines and very simple barging in rivers and they can actually bring new production on much quicker than we can in Australia," he said.

<http://www.abc.net.au/news/stories/2008/03/31/2203383.htm>



## New oil storage tanks for port

April 2, 2008

Ramu Agri Industries has built two new tanks to store palm oil at the Port of Lae, Papua New Guinea, while the product waits to be exported. The Ramu Valley based company will transport the oil from its new mill at Gusap by road and pour it into the tanks for storage. The Ramu mill produces crude palm oil for export to the European market, and to date, the mill has produced around 900 tonnes of oil.

Umau P., 'Ramu palm oil flows', the Post-Courier, April 2, 2008.  
Available on request.

### INDUSTRY NEWS

## China confirms ore boycott

April 4, 2008

Chinese steel makers confirmed yesterday that they were boycotting some Australian iron ore imports and warned that Australia was jeopardising millions of dollars in iron ore sales by pushing for large contract price rises. The deputy director-general of the China Iron and Steel Association, Chen Xianwen, said Australia could face "revenge" from the "aggressive" pursuit of higher prices by iron ore miners BHP Billiton and Rio Tinto. Iron ore contract price negotiations are at a particularly delicate stage after the traditional March deadline expired this week without agreement, raising the prospect of more tension in the spot market.

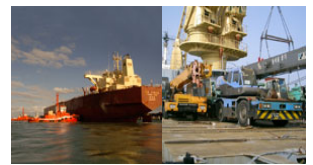
<http://www.afr.com/home/viewer.aspx?EDP://20080404000020501762&magsection=news->

## Plan for LNG export in place

March 31, 2008

Oil Search Ltd. announced this week that their liquefied natural gas project in Papua New Guinea is expected to produce 6.3 million tons a year and will utilise approximately one billion cubic feet of gas per day. The operation, which is under ExxonMobile, will draw from core oil and gas fields across the country, and will primarily be exported to Asia. First sales are expected to occur in late 2013 or early 2014.

<http://newsstore.smh.com.au/apps/previewDocument.ac?docID=GCA00827564OSH>



## Bottlenecks spark takeover rumours

March 31, 2008

Port bottlenecks along Australia's east coast is turning many coal producers away from building new projects and is providing increasing incentive for miners to start buying each other. There is little point in local coal miners building new projects until there is a way to get more production to market. And compounded by the rising costs of construction, takeover speculation is high. Xstrata Coal is rumoured to be targeting Macarthur Coal, while Hong Kong-based Noble Group is eyeing a complete takeover of Gloucester Coal.

Wisenthal S., 'Coal miners start eyeing each other', the Australian Financial Review, March 31, 2008, p.19. Available on request.

## Transporting solid lead not an option

April 3, 2008

Magellan Metals is refusing to meet government demands to transport lead in solid form from its Wiluna mine to Fremantle Port, Western Australia. Delegates of the Local Government Association have unanimously approved a proposal to allow Magellan Metals to transport lead through several townships en route to Fremantle as long as the company converts it to solid, ingot form. But John Yeates from Magellan Metals says the company has no intention of altering its plan to transport the lead in carbonate form because other lead forms are not viable options for the company.

<http://www.abc.net.au/news/stories/2008/04/03/2207525.htm>

## Centrex responds to noise complaints

April 1, 2008

Noise concerns for the planned iron ore transport facility at Proper Bay, South Australia, should be addressed by earth and noise attenuation mounds, according to Centrex Metals who owns the wharf. Centrex and its Community Consultative Committee are taking on concerns from marina residents about noise caused by trucks driving to the site and unloading. Centrex Metals managing director Gerard Anderson said, "We've looked at the potential impacts that trucking would have on the marina developments and also looked at the opportunities our development at Proper Bay could have for other businesses in the area."

Editorial, 'Centrex noise can be overcome', the *Port Lincoln Times*, April 1, 2008.  
Available on request