



MEDIA RELEASE

PORT OF DARWIN SELECT COMMITTEE

28 April 2015

REPORT RELEASED

Mr Nathan Barrett MLA, Chair of the Port of Darwin Select Committee, will today table the Committee's *Report on the Port of Darwin Lease Model*.

"The Committee has produced a unanimous report making 18 recommendations to enhance the proposed lease model for the Port of Darwin," Mr Barrett said. "These recommendations address safety, the environment, pricing, access, consultation, service standards, workers' protection and foreign ownership. The overarching theme of these recommendations was that setting conditions for a lease for up to 99 years requires long term thinking and a focus on maximising the benefits to Territorians over that time.

"The Port of Darwin is critical infrastructure for the Territory's economy, but needs investment to be able to serve the Territory effectively. A private partner can bring that investment to the Port, and position it to help grow the Territory's economy."

The Committee's report acknowledges the worldwide trend towards privatisation of ports, particularly through the 'landlord' model where the government maintains ownership of the land but leases out landowner and operator functions to one or more private entities. These arrangements can vary greatly between ports. For example, private stevedores currently provide services at the Port of Darwin.

A key part of the Government's proposal for the Port is getting the right partner in to grow and develop the port.

"The partnership model can be highly effective in getting the growth and development that business needs. The greatest risks of that approach for the Port of Darwin are avoiding monopoly pricing and anti-competitive arrangements, and keeping the partnership on track over the term of the lease. The report highlights some lessons from other jurisdictions and makes recommendations to reduce these risks," Mr Barrett said.

"Seeing a number of ports and hearing from stakeholders such as port users and the MUA has given the Committee valuable insights into the proposal. The Committee's recommendations will enhance any future leasing of the Port, should that be the route that is eventually taken," Mr Barrett said.

The report can be found at: http://www.nt.gov.au/lant/parliamentary-business/committees/pod/Port_of_Darwin.shtml.