

# Paul McLeay MP

Minister for Ports and Waterways  
Minister for the Illawarra



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M E D I A   R E L E A S E

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## **Ports Minister McLeay hails ACCC coal plan approval**

Ports and Waterways Minister Paul McLeay says two years of negotiations between Government and industry have been vindicated by today's decision by the ACCC to give final approval of the new coal export capacity arrangements at the Port of Newcastle.

Mr McLeay said the competition regulator's final authorisation of the landmark Hunter Coal Export Agreement will help secure jobs and investment in the region for the next 25 years.

"The ACCC granted interim authorisation back in July but today's decision gives industry the official go ahead and the confidence to invest in new infrastructure and mine development.

"Such investment is expected to double export capacity over the next six years, supporting 16,000 existing jobs and generating almost 25 thousand new jobs," Mr Mcleay said.

The Hunter Coal Agreement replaces the CBS (Capacity Balancing System) which saw export capacity at Newcastle allocated on an annual basis but failed to provide certainty for investment.

Key elements of the agreement include:

- Triggers requiring terminals to build new capacity on demand;
- Long term contracts to underpin investment in terminal capacity;
- Industry levy to help fund new terminal infrastructure where required;
- Guaranteed access for new entrants and expanding producers;
- Business and planning certainty for existing producers;
- Protection for small producers; and
- Proposal for a 4<sup>th</sup> coal terminal.

Mr McLeay welcomed today's comments by ACCC Chairman Graeme Samuel who said the new export arrangements should help reduce vessel

queues and would provide greater certainty for new entrants in the coal industry.

The expanded capacity at Newcastle is expected to generate an estimated \$500 million in additional coal royalties each year.

“This agreement ensures Newcastle and the Hunter will remain a powerhouse of the Australian economy for many years to come,” Mr McLeay said.

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