



WESTPORT BEACON / 11 / AUGUST 2020

## Perth's future port

### IN THIS ISSUE:

- Location for Perth's future container port
- The drivers that may trigger the need for Perth's new port
- Benefits of a new port
- Environment remains a high priority
- What's next for Westport?



# Location for Perth's future container port

---

**The State Government has endorsed the Westport Taskforce's recommended location and footprint design for Western Australia's next primary container port. The facility will be a land-backed port in Kwinana in the vicinity of Anketell Road.**

This port development will be required once the Fremantle Inner Harbour is no longer commercially and operationally viable to continue as the State's only container port.

The Taskforce recommended two options for the timing of the move; either transitioning to Kwinana gradually while operating two ports in parallel initially, or moving trade from Fremantle to Kwinana in one step.

In the first of the two options, Fremantle Inner Harbour shares the container trade task with a new port in Kwinana for a

period of time, before all containers eventually transition to the Kwinana port.

The second option would involve the entire container trade shifting from Fremantle Inner Harbour to a new port in Kwinana in one step, once it is economically, commercially, environmentally and socially viable to do so.

Both feature a new, land-backed style of port adjacent to the Kwinana Industrial Area between the existing Alcoa and Kwinana Bulk Terminal jetties. The port will utilise Anketell Road as its major freight route.



The recommendations on location and timing are based on more than two years of thorough technical investigation, consultation and analysis, including the combined results of a second multi-criteria analysis (MCA-2) and a rapid cost-benefit analysis.

Acceptance of the Taskforce's recommendations by the Government signals the start of the next period of intensive planning, design and assessment – with a particular

emphasis on environmental management and industry, community and Aboriginal engagement.

Consultation with industry, across government and the community has been a feature of the Westport project and that will continue in different forms during the next phase of work to address outstanding matters around the transition models, stages, timings and costs involved with each option.

To read about the possibility to design freight corridors to efficiently move containers, and the importance of an efficient supply chain, see *Westport Beacon 13: Future-proofing Perth's freight network*.



Imagining a future container port: a computer generated image of one possible high-level design (indicative only).

# The drivers that will trigger the need for Perth's new port

Six drivers that will trigger the need for Perth's new port

01

## Road Congestion

Cars are causing congestion on our roads.

How tolerable is overall congestion and what adjustments to our road infrastructure and freight operations might push back a new port commencement?

02

## Asset Optimisation

Upgrades could extend the life of the Inner Harbour.

How do we get the most out of this valuable asset and when is it better economically to build a new port?

03

## Bigger Ships

Bigger ships could limit Fremantle's life without some changes to the port.

Will they come and when?

04

## Environment

Environmental issues must be addressed for any new development.

When and how might these trigger a new port commencement?

05

## Social Licence

Freight and communities need to live together.

What's the right balance between our collective freight needs and social amenity for those living on the freight network?



There is a great deal more work required before any decision to invest in new infrastructure is made. It's estimated that the time between a decision to proceed and completion of the detailed design, approvals, construction and the commencement of new port operations is a minimum of 10 years. This will be once Government considers the outcomes of the Westport planning stage and makes a decision on investment.

06

Land Value

Valuable land around both Fremantle and Kwinana can be used for freight or residential, depending on time and demand.

What decisions do we take?

It's important, therefore, that Westport continues its work with other key State Government agencies to prepare for key project delivery decisions.

Westport will continue to monitor trade activity and progressively review the port's delivery timeframe, especially in view of the economic impacts of the COVID-19 crisis.

In particular, it will monitor at least six critical factors that could influence the timeframe for transition to Perth's new port:

1. Increasing road congestion due to trucks and cars on major highways.
2. Fremantle port's assets coming to the end of their optimal lifespan.
3. Port capacity and the arrival of ultra large container vessels at Australian ports.
4. The changing regulatory, natural and technological environments.
5. The increasing difficulties associated with operating the Fremantle Inner Harbour due to incompatibility of port operations and residential.
6. The highest and best use of Fremantle's land in the port precinct.

While incremental upgrades or operational changes at Fremantle Inner Harbour may address some short-term pressures, for each of the drivers listed above, a tipping point will be reached that will trigger the need for change. Westport currently considers that the tipping point could be reached by the early 2030s, and while this timing will be subject to ongoing assessment, it reinforces the need to continue now with further planning work and necessary approvals.

NEW PORT

When is it time to build?



# Benefits of a new port

The Western Australian economy is powered by exports and is reliant on imports. The bulk mineral ports of northern WA, including the world's largest at Port Hedland, are major income generators for the State, exporting our abundant natural resources to the world.

However, it is the Fremantle Inner Harbour that facilitates access to the products that allow Western Australians to enjoy some of the highest living standards in the world.

Imported containers are laden with the everyday consumer products upon which we rely. Groceries, building materials, electronics, medications, wearables and furniture, among many other things, are imported in containers.

As the primary container import and export facility for Perth and the State, Fremantle port is one of the most important pieces of economic infrastructure in WA. While Fremantle port has serviced WA's trade needs for more than 120 years, our population and industries continue to grow, and our freight demands are growing too.

Proactive, long-term, holistic assessment and planning is essential to ensure we have the necessary freight infrastructure in place at the right time to meet forecast demand. This is especially important given the long lead times required to plan, fund and build major heavy infrastructure such as a port.



## A new, more efficient port and supply chain at Kwinana could deliver benefits including:

- time and cost savings for businesses along the supply chain;
- freight transport cost savings for importers and exporters;
- development of a future-proofed freight network with capacity that can scale up to meet forecast demand;
- the flexibility to increase its capacity as required – the port footprint and supply chain corridors will be protected and remain largely unimpeded by residential development and other sensitive land uses and both can scale accordingly;
- globally competitive infrastructure to support the State's long-term economic growth;
- improved safety and efficiency for road users – a significant number of trucks will be redirected out of suburban areas and onto a purpose-built Anketell Road / Tonkin Highway freight route;
- employment opportunities through construction and ongoing industry development to support the port and leverage from it. New businesses and industries will be attracted to available land in and around Kwinana that will increase investment and jobs, building the economy;
- an opportunity to redevelop Fremantle's North Quay and surrounding land, as well as making Victoria Quay amenable to other uses by removing industrial trades from the Inner Harbour; and
- long-term certainty and security to businesses, residents, landowners, government, investors, trading partners and other stakeholders about the future of our freight infrastructure.

# A progressive approach to protect the Cockburn Sound environment

**From the very beginning, environmental considerations have played a key role in the Westport options assessment process. Now that Cockburn Sound has been identified as the preferred site for a new port, it is critical to maintain this environmental focus.**

Acknowledging the significance of Cockburn Sound, Westport has adopted a progressive approach aimed at protecting ecosystem health and biodiversity through a combination of best practice mitigation and forward-thinking resilience building initiatives.

At the centre of this approach is a comprehensive environmental and social program - based on robust and independent science – that will include a series of on-ground trials and research projects to investigate ecosystem restoration opportunities.



Potential initiatives that have been identified, include:

- **On-ground seagrass restoration trials and research to test and investigate methods for restoring seagrass meadows.**
- **Beneficial uses of clean sand (dredge spoil), e.g. for improving sediment quality to support seagrass restoration effort and re-establish beneficial nutrient cycles.**
- **Ecological research to improve the understanding of food webs and environmental / human factors affecting key species (including pink snapper, blue swimmer crabs, little penguins, bottlenose dolphins and ‘forage fish’). This work is aimed at informing initiatives to protect key habitats and ecologically significant processes and periods.**
- **On-ground trials and research to test and investigate the benefit of new (artificial) hard bottom habitats to restore habitat diversity, improve water quality, boost fish and crustacean populations and improve recreational fishing opportunities.**
- **Operational planning to investigate the impacts and opportunities for recreational boating in Cockburn Sound.**
- **Initiatives to strengthen cultural resilience in Cockburn Sound and surrounds by actively pursuing Aboriginal economic, cultural and creative opportunities.**
- **The engagement of community working groups to help identify opportunities and provide ongoing input.**

For more information about how the Westport process is handling environmental issues, read *Westport Beacon 12: Addressing Westport’s environmental challenge*.



# What's next for Westport?

Westport's key focus over the next four years will be the development of a plan for a new port. Work will also include the development of a detailed business case that will involve, among other elements, comprehensive technical and design work, and rigorous environmental assessments.

This is especially important given the long lead times required to plan, fund and build major heavy infrastructure such as a port.

The work will include:

- **identifying and filling gaps in the information, analysis and assessments to date;**
- **considering a range of strategic risks – and how to best address them;**
- **working with the Department of Transport and Fremantle Ports to further assess and monitor the supply chain capacity of Fremantle;**
- **working with the Department of Transport and Fremantle Ports to develop a detailed transition plan, including costs, trigger points and stages;**
- **investigating how to minimise impacts on properties and industries in Kwinana;**
- **moving ahead with rigorous environmental monitoring and assessments with a view to commencing the environmental approvals process;**
- **developing detailed costing, financing and commercial strategies;**
- **assessing the location of critical supply chain and port ecosystem assets, including customs, truck marshalling areas and empty container parks;**
- **assessing planning strategies and costs to secure the land required for the port ecosystem and supply chain corridors;**
- **further engagement with industry operators, impacted residents, business and interest groups to assess impacts of the preferred options;**
- **working with Aboriginal leaders and groups to recognise, protect and explore cultural, social and economic opportunities; and**
- **continuing to keep the community up to date with Westport and its work.**

## FUTURE FOCUS: Economic recovery and job opportunities

The measures put in place to protect the community from COVID-19 have impacted the WA economy. While the full impacts on the WA economy are not yet known, our State has already seen reduced income and increased unemployment, along with a number of key industry sectors that were impacted and significant supply chain disruptions.

Although the known and emerging impacts of the pandemic will be felt for some time, it is now time to commence the path to recovery. The Westport Project has an important role to play in the COVID-19 recovery, as major infrastructure investment plays a key part in economic development: stimulating the economy and supporting job opportunities.

Westport's next stage of work includes a transition phase (Stage 2B), with a move into Stage 3 and development of a business case. Further comprehensive investigations will take place during these stages, including detailed economic and employment impact assessments. Westport's next stages of work are depicted below.



The Westport process will continue to be consultative, underpinned by a strong governance framework and based on reliable, well-researched information and realistic forecasting data. Westport's governance structure will also undergo a revamp, taking a whole of government approach that includes strong

multi-agency engagement, to ensure alignment of relevant government objectives. The Westport project office will remain within the Department of Transport portfolio, reporting to a Steering Committee and relevant Ministers.

### Where can I find out more information?

For more details on Westport's future port and supply chain options and recommendations, please visit [mysaytransport.wa.gov.au/westport](https://mysaytransport.wa.gov.au/westport)

Subscribe for Westport updates at: [mysaytransport.wa.gov.au/westportbeacon](https://mysaytransport.wa.gov.au/westportbeacon)



[transport.wa.gov.au/Westport](https://transport.wa.gov.au/Westport)



[enquiries@westport.wa.gov.au](mailto:enquiries@westport.wa.gov.au)



08 6551 6525