

Fremantle Port Authority —

Ms S.E. Winton, Chair.

Ms R. Saffioti, Minister for Transport.

Mr C. Leatt-Hayter, Chief Executive Officer.

Mr R. Pergoliti, Acting Chief Financial Officer; General Manager, Corporate and Commercial Services.

Mr R. Farrell, Principal Policy Adviser.

[Witnesses introduced.]

The CHAIR: This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available the following day.

Members may raise questions about matters relating to the operations and budget of the off-budget authority. Off-budget authority officers are recognised as ministerial advisers. It is the intention of the Chair to ensure that as many questions as possible are asked and answered and that both questions and answers are short and to the point. The minister may agree to provide supplementary information to the committee, rather than asking that the question be put on notice for the next sitting week. I ask the minister to clearly indicate what supplementary information she agrees to provide and I will then allocate a reference number. If supplementary information is to be provided, I seek the minister's cooperation in ensuring that it is delivered to the principal clerk by Friday, 29 September 2017.

I caution members that if a minister asks that a matter be put on notice, it is up to the member to lodge the question on notice through the online questions system.

I give the call to the member for Scarborough.

Mrs L.M. HARVEY: I refer to the inner harbour on page 647. What is the current twenty-foot equivalent unit capacity for the inner harbour?

Ms R. SAFFIOTI: There are differing opinions on the capacity of the inner harbour. There was the original idea that it was 800 000 TEU and another that it was 1.2 million TEU. I understand that some studies undertaken as part of the privatisation analysis reported it could go up to 3 million TEU. Various numbers have been put around. Part of the Westport Taskforce analysis is to really see what is the most efficient cap of containers, and also in relation to the road and rail network, what the capacity is to serve the current inner harbour.

Mrs L.M. HARVEY: I was asking what was the current TEU capacity. I think the minister might have answered what the estimates of the maximum TEU capacity are. What is the current TEU capacity?

Ms R. SAFFIOTI: The current amount of throughput is 750 000 TEU.

Mrs L.M. HARVEY: What are the current forecast growth rate assumptions for the inner harbour for determining when the maximum capacity could be reached?

Ms R. SAFFIOTI: As we know, they have varied in the past. The actual growth is up to six per cent or seven per cent. I think currently the forecast is 2.5 per cent to three per cent. The debate about the capacity of the inner harbour has been around for a couple of years now. In 2011, I think it was, former Minister for Transport Troy Buswell said that Fremantle harbour would reach capacity by 2021. This has been a moving feast. One would expect that when looking to privatise a port, one may want to expand its potential capacity to increase the potential price. We have seen that with potential or actual privatisations in the past when assumptions were made about the capacity of the port. I think that was driven by trying to maximise the sale price. I stated in a speech I gave yesterday morning that the key role of Westport is to ask what is the most efficient operating capacity of the inner harbour and how it relates to the outer harbour. All these questions can be properly analysed and this is something that I am very keen to see the Westport Taskforce undertake.

Mrs L.M. HARVEY: I understand that the Fremantle Port Authority has an internal report that shows that a reconfiguration of the inner harbour could achieve a capacity of around 2.1 million TEU and possibly even up to 2.6 million TEU. Is it possible for the minister to provide a copy of the report?

Ms R. SAFFIOTI: I do not know what report the member is talking about.

Mrs L.M. HARVEY: My understanding is that there is an internal report.

Ms R. SAFFIOTI: I do not know what report the member is talking about. The member could table a copy that she has or give me the name of the report and we will have a look at it.

Mrs L.M. HARVEY: So the minister does not want us to have that report?

Ms R. SAFFIOTI: The member is quoting from it, so she must have it.

Mrs L.M. HARVEY: At present, what technological advances is the port authority considering to help improve the efficiency of its operations?

Ms R. SAFFIOTI: These are all the discussions that Westport will be having with the Fremantle Port Authority about future operating capacity and what will happen to the current leases, for example. All these discussions are under active and live consideration and are things that we are considering. Ultimately, we are looking at how, in the future, we can get a very effective inner and outer harbor, the potential of what Bunbury can bring to the equation and all the road and rail links. We also want to make sure that we futureproof the port into the next century and, of course, developing the intermodal links, which I think is very exciting and I am very keen to develop.

[4.40 pm]

Mrs L.M. HARVEY: I refer to the Labor Party's election commitment to redevelop South Quay to receive a world-class ferry terminal. Where is the planning money for that or is there a reference to that in the Fremantle Ports budget?

Ms R. SAFFIOTI: There are a couple of components. I do not really know what line item the member is referring to, but I will take the question.

Mrs L.M. HARVEY: I am asking where it sits within this budget.

Ms R. SAFFIOTI: I think the member is referring to an election commitment. Anyway, it does not matter; I will take the question. We believe that the tourism potential of Fremantle is significant. Cruise ship tourism numbers continue to rise across the state. Cruise ships have the potential to be significant economic drivers, not particularly for the port itself but for the wider community. Fremantle Ports has been very active in this space. It is looking at what it can do, with a very constrained budget, to improve the visitor experience at the Fremantle passenger terminal. The City of Fremantle has been looking at what it can do at the South Quay development. The previous government had some plans for the passenger terminal at Victoria Quay. The City of Fremantle has been engaging with the community and seeing what it can do about a number of issues, such as short-stay tourism and other aspects. We are very keen to see that further developed. We are working on that with the City of Fremantle and Fremantle Ports.

Mrs L.M. HARVEY: I was hoping to hear from the port's advisers. Given it looks like the minister is not prepared to let them speak, I am happy to have this section finished with and we will move on to the Pilbara Ports Authority.