



The MUA puts forward the following motion:

- WA ports are a critical public asset and belong to all Western Australians. They are the cornerstone of many local communities and deliver enormous economic benefit to Western Australia.

- This Conference congratulates the McGowan Labor Government's commitment to maintain Fremantle Port as an operational port in public ownership and its commitment to properly assess the validity of the Outer Harbour and timing of such a significant public investment. If the Barnett Liberal Government took the same course of action, our State wouldn't be in such an economic mess.

- Currently, we are seeing an increased lobbying effort to prematurely build the Outer Harbour by those who would profit from the estimated \$5-6 billion price tag.

- Fremantle Port has abundant capacity that will see Western Australia through for 20-30 years without the need for the costly Outer Harbour duplication. Fremantle Port must be allowed to grow to its natural capacity before building the Outer Harbour and long term stevedoring leases should be offered to give certainty for workers and enable further investment from the port operators.

- The WA Labor Government will ensure the MUA, TWU and RTBU will be included in the planning and feasibility taskforce and be invited to attend all meetings and forums relating to the Fremantle Port and the Outer Harbour Proposal. The MUA, TWU and RTBU, as major stakeholders, must have a seat at the table so that workers are properly represented, the facts are tabled and the sales pitch from commercial developers are countered.

- This Conference also rejects the push by lobbyists and commercial developers to place an artificial cap on Fremantle Port. This proposed cap is designed to make the expensive Outer Harbour appear competitive. In fact, this proposal is anti-competitive, constitutes a plan for redundancies with respect to those employed in and around the Fremantle Port and will ultimately come at a great economic cost to the State and to the broader community.

- This Conference calls on the trade union movement and WA Labor to stand up to the commercial developers and lobbyists and make the right decision in the interests of the State once the facts are made clear for all to see.

Authorised by Christy Cain MUA WA Branch Secretary, National President.

THE **TRUTH** ABOUT THE
**FLAWED OUTER
HARBOUR PLAN**

"The FACTS regarding the Outer Harbour speak for themselves. Treasury and the experts totally agree with the MUA that there is no need for the outer harbour for at least 20-30 years. In my view, it is an absolute waste of taxpayers money when we have a profitable state asset that puts millions of dollars back into the WA economy. The Port is working at less than 50% capacity, employs over 2,000 wharves directly and has plenty of life left in it. We have endured 150 years of struggle and history around Fremantle Port and the MUA asks the trade union movement and Labor to "stand up and support the facts" as highlighted in this flyer."

- Christy Cain, MUA WA Branch Secretary, National President



THESE ARE THE FACTS

FACT 1

Lobbyists Looking to Cash in

We are seeing an increased lobbying effort to prematurely build the outer harbour by those who would profit from the \$5-6 billion price tag. We all know money corrupts and we must continue to fight corruption. The MUA is determined to get the facts out about the spare capacity at Fremantle and the sky-high cost to the community of a premature duplication of an underutilised asset. MUA members will fight for the WA community like we did in preventing the sale of the Port when Barnett was in power and like we did to expose Chevrans tax avoidance which has now paid massive dividends to all Australian's.

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FACT 2

Freo Running at Less than 50% Capacity

Fremantle Port has abundant capacity that will see us through the medium term without costly duplication. The Port must be allowed to grow to its natural capacity before building the outer harbour. The MUA supports the long-term vision to build an overflow Port in Kwinana but only when it is needed (and it is certainly NOT needed yet). Volume at Fremantle has been falling for some time now as our members are acutely aware. It is a question of timing and proper planning for the long term.

FACT 3

Fremantle Must Not Be Capped

The proposed cap on Fremantle is lower than the current volume going through the port. To impose such a cap would be anti-competitive and prevent any growth for the current terminal operators who, like all businesses, rely on growth to support reasonable profit margins and support jobs in the port. Placing a cap on Fremantle is placing a cap on business. It is a plan for redundancies for port and transport workers and a plan for massive price hikes which local businesses and the shipping community can't afford. It is designed by lobbyists and commercial developers to make the expensive outer harbour look competitive and if put in place will come at a great economic cost to the state and to the broader community.

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FACT 4

But the Roads are Full They Say

This too is a myth. The fact is 90% of containers are on the road 6am-6pm Monday to Friday at the same time commuters are on the road. The port operates 24/7 yet nearly all containers are handled in just 35% of the time available. Better coordination of the road transport side along with a general decline in volume has seen a 11% reduction in truck visits over the past 2 years and there is still opportunity for improvement.

FACT 5

Rail Underutilised

Labor has always supported rail options and not just for public transport. Rail makes up just 14.5% of containers handled yet its designed to carry 30%. If rail were utilised to its capacity, at current growth rates rail could account for the total TEU growth for more than a decade without putting any more trucks on the road.

FACT 6

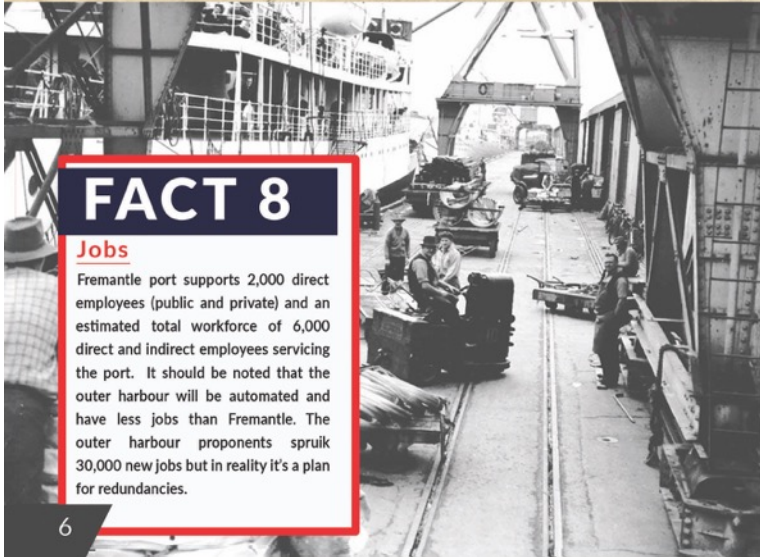
Kwinana Mayor Carol Adams Confessed on Facebook

We briefed the mayors of the Southern Corridor Alliance Councils in December 2016 to ensure that they were all aware of the facts relating to Fremantle Port and its infrastructure. Kwinana Mayor, Carol Adams was at the meeting, yet she subsequently released a video claiming Fremantle is currently at 80% capacity. When we challenged her on this, she said "the information that is in the info video was from the Port's own data from its original plan. Had the Port been left to its own devices 15 years ago when it was doing it's planning, then 2017 was when the outer harbour was scheduled to be loading containers" indicating that the Kwinana Council has been using 15 year old data.

FACT 7

The Cost to Our Community

If the outer Harbour were to be built now, at least 20-30 years before it is needed, the compound interest alone will add over \$10 billion to the construction cost making it a \$15-16 billion dollar dud decision that will not only be a debt we don't need but also cause a dramatic increase to freight costs which will be passed on to the community. Deferring construction until its needed is the only sensible choice and would allow investment priorities such as Metronet to become reality. For those who advocate for private ownership of the outer harbour, we all know that port costs have increased dramatically on the east coast where ports have been privatised. These increased costs will be a drag on the WA economy for a long time to come.



FACT 8

Jobs

Fremantle port supports 2,000 direct employees (public and private) and an estimated total workforce of 6,000 direct and indirect employees servicing the port. It should be noted that the outer harbour will be automated and have less jobs than Fremantle. The outer harbour proponents spruik 30,000 new jobs but in reality it's a plan for redundancies.

▶▶▶ **WHAT THE EXPERTS SAY**

- 1** While the MUA's research is often dismissed by those who read graphs and make decisions without any practical knowledge, our collective expertise and intimate knowledge of the port is second to none. We published our assessment last year stating the Port will not hit capacity until at least mid 2040 based on current capacity and long-term growth trend. **That assessment was supported by senior executives from the Port and expensive consultants who earlier this published projected date of 2042.**
- 2** Professor Fred Affleck who is an eminent expert in Transport, Ports and Freight planning, was quoted as saying the outer harbour will not be needed until mid 2030 at the earliest and made it quite clear that premature construction of the outer harbour will come at a great cost to the WA economy. He also stated that WA will need both ports in the long term so **Fremantle must remain a working port and must be allowed to expand to its natural limits.** Asked if he thought it was sensible policy to cap Fremantle and prematurely build the Outer Harbour he answered "Well, that's what they (Labor) are saying now, I think there is plenty of time to come up with a sensible outcome".
- 3** Government treasury predicted another 25 years of growth potential for Fremantle in its report released earlier this year. **Treasury also stated** «Artificial capping of capacity would result in greater and earlier capital investment in the Outer Harbour and related road and rail infrastructure – imposing an unnecessary financial burden on Government, container trades and the community»
- 4** An extract from a recent Treasury report "Suggestions that container trader in the inner harbour should be capped or relocated ARE FLAWED as it will bring forward the Outer Harbour Container Terminal Development which is not economically responsible."

Make the Right Decision

The MUA are calling on WA Labor not to rush important economic decisions such as the timing of the Port expansion and duplication. The WA Government must make the right decision based on the facts in the State's best interest and not the interests of commercial developers looking to line their pockets.

