



**PORT OF
HASTINGS**
DEVELOPMENT AUTHORITY

Port of Hastings: Victoria's next Container Port

SEATS General Meeting

22 February 2013

Port of Hastings Development Authority (PoHDA)

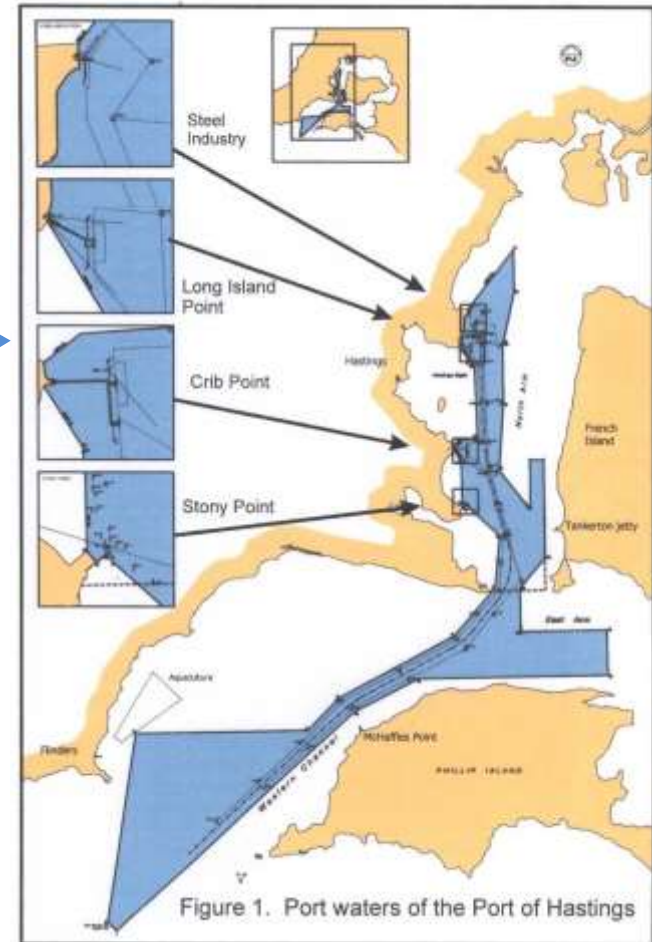
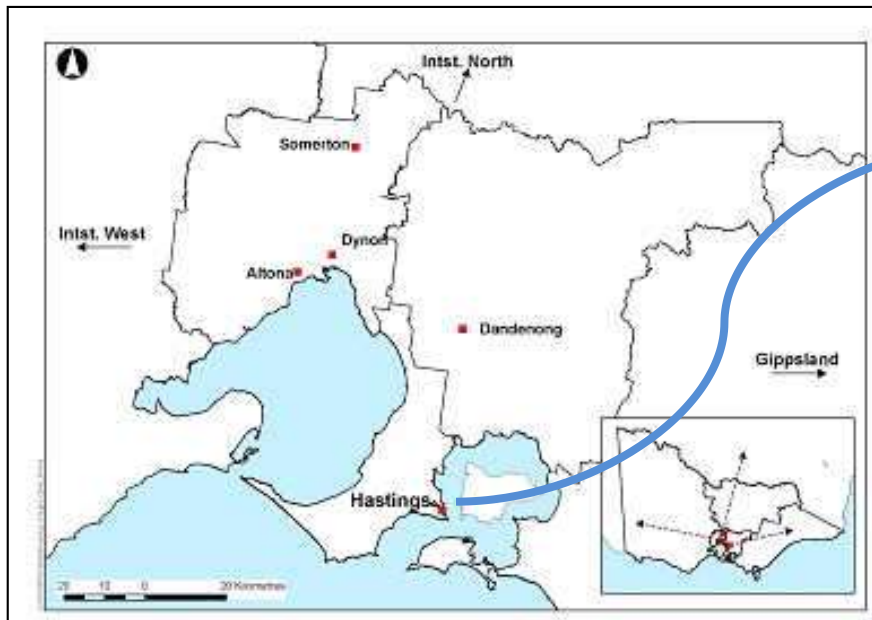
- Established 1 January 2012-
Transport Integration Act 2010 (TIA)
- Board responsible to Minister for Ports and Treasurer
 - Yehudi Blacher, Chairman+
 - Rod Chadwick (DC), Claire Filson, Geoff Craige, Greg Martin
- TIA sets out accountabilities for corporate planning and decision making

PoHDA Responsibilities - *Transport Integration Act*

- Manage and operate the Port of Hastings
 - Via Port Management Agreement with Patrick Ports Hastings- till June 2017
- Facilitate the timely development of the Port as a viable alternative to Port of Melbourne to increase capacity and competition in container trades

The development of the Port of Hastings will complement growth at the Port of Melbourne and provide an alternative container port which will generate more competition and economic flow on benefits for all of Victoria.

Port of Hastings



Port of Hastings



Long Island

To become the focal point for future port activity accommodating international containers



Crib Point

A liquid berthing facility



Stony Point

Currently used as the port operations centre hosting the French Island passenger ferry services, tug boats and maintenance activity

Current Trade through the Port of Hastings

- Esso-BHP Billiton, export oil and gas from Bass Strait
- BlueScope Steel until early 2012
- United Terminals
- Value of trade more than \$2 billion per annum

Population growth near to Hastings

- Growth areas of Casey and Cardinia will generate significant size workforce by mid 2020s
- Port of Hastings expansion and the associated freight and logistics multipliers are likely to generate jobs within close commuting distance to these growth areas
- *“The operation of a port generates employment and income for the local community, as well as flow-on effects to other local industries.*
- *In addition, all levels of government receive revenue from taxes and other charges on these activities.”* *Regional Impact of Ports – Report 101 BTE 2000 (Commonwealth Government)*

Why a New Port?

- Developing a new container terminal is essential for the long term economic vitality of the State
- Strong growth in container trades expected to continue into the future
- Port of Melbourne will reach capacity of ~ 5million TEU by mid 2020s
- Victorian demand will exceed 8million TEU by 2035
- Victoria needs to retain competitive position in the freight industry
- Serving Victoria and South East Australia
- Victorian Government objective is to have initial capacity developed at Hastings within the next 10-15 years

Why Hastings?

- Existing operational port, and with substantial land available for new development and a resilient environment, existing Special Use Zone (~3500 Hectares) and recently declared Port Zone
- Significant water side capacity - Naturally deep water, 14.3 metres channel plus tidal assistance, close to major shipping route of Bass Strait – shorter steaming time = lower sea costs
- Can accommodate >8,000 TEU ships (post panamax)
- 60% of Melbourne's population resides east of the CBD
- Proximity to south east industrial areas & Gippsland agricultural areas
- Alternative to Melbourne to provide capacity for growth
- Proximity to south east Growth Corridor and potential labour force
- Major economic boost to south east Melbourne/Gippsland
- Absence of any significant residential encroachment.

Creating a Catalyst for Future Investment

- Stimulate investment in transport infrastructure
 - Transport connection between Hastings and Dandenong
 - New intermodal facilities in the south east
 - Road upgrades, including the Western Port Highway
- Stimulate investment in new industry infrastructure and job creating industries, open new markets for import/export to manufacturers and food producers

Employment Generation

- Workforce in the Western Port Region is growing
- Port development will provide direct employment opportunities during construction and then when the expanded port becomes operational
- Expanded port will stimulate investment in industry throughout the region, potentially leading to the generation of further construction and industrial jobs sustaining these sectors for the medium and long term

Consultation & Engagement with Community & Stakeholders

- PoHDA is committed to working closely with stakeholders & community
- Prior to full engagement, PoHDA needs to scope the project to understand what we are planning to develop and determine how best to connect the port to road, rail and industry
- PoHDA is developing a Community Engagement Strategy & Action Plan to ensure active participation
- We will be establishing a range of ways and opportunities for the community and stakeholders to work with PoHDA through the process and to provide input, comments and suggestions

Environment

- PoHDA recognises the environmental values of Western Port.
- This project builds on an existing operational port with a long history of marine management - more than 40 years operating with no major environmental incidents recorded
- PoHDA and Government will ensure that expansion is subject to thorough environmental assessment under state and federal laws
- PoHDA will be undertaking further studies to ensure we have a comprehensive understanding of the environmental values
- Our approach will follow logical risk based process to;
 - **Avoid, minimise, mitigate or manage and off-set potential environmental impacts**

Integration with Victoria's Freight & Logistics Network

- Hastings will need to be integrated with road and rail systems
- PoHDA is working closely with the Department of Transport, Vic Roads and local governments as well as community and stakeholders through this process
- Current emphasis is on evaluating options for the transport corridor to the port

Road & Rail Corridor Options

- Preferred major transport connections with Western Port Highway
 - Upgrade progressively to freeway standard
 - Link to McKirdys Road

Current Activity

- Established new office with sufficient room for additional staffing requirements for the years ahead.
- PoHDA Website - www.portofhastings.com
- Current work packages recently commissioned scoping the project
 - Port Development Strategy
 - Marine Ecology
 - Hydrodynamic Modelling
 - Risk Management
 - Economic and Commercial

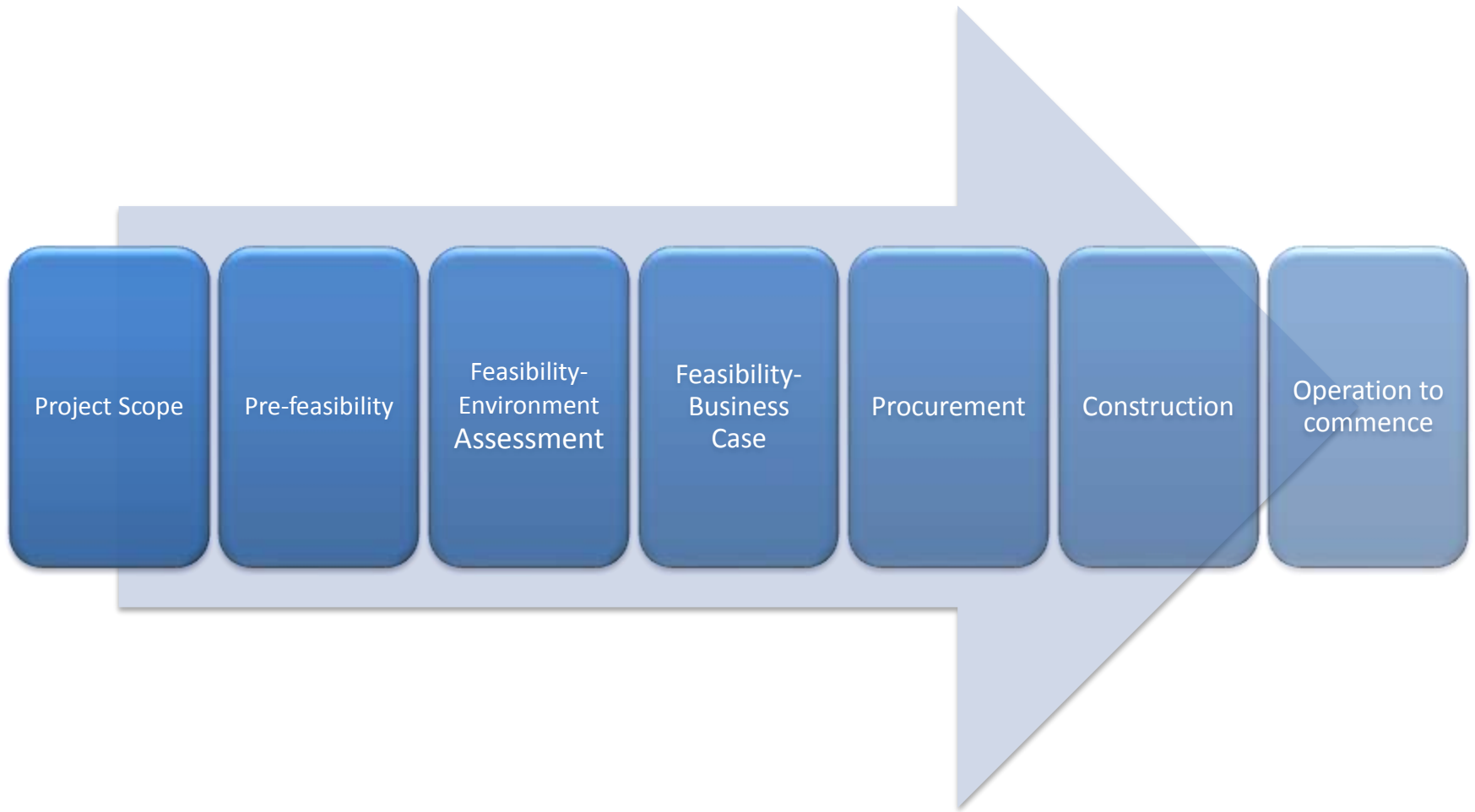
Work Packages - commenced January 2013 for about 40 weeks

- **Port Development Strategy**
 - This study will look at assessing different port design configurations and options with consideration of potential economic social and environment impacts.
- **Marine Ecology**
 - will examine the natural marine environment.
- **Hydrodynamic Modelling**
 - will examine current and tidal flows within the port.
- **Economic & Commercial**
 - will prepare expected demand forecasts, economic and commercial modelling
- **Risk Management**
 - Will consider organisational and project risk profiles for the development of the port.

Next Steps

- Release of Victorian Freight and Logistics Plan (VFLP).
- Release of Metropolitan Planning Strategy (MPS)
- Next business case
- Progression of feasibility works working towards environmental approval process

Indicative Development Stages





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Questions?