1. Report from the Steering Committee

On the 25 February 2014 the Steering Committee met to discuss the progress of the two phases of the ports amalgamation project. Steering Committee members include the Chairs-elect of the four new port authorities, Deputy Directors General of the Department of Transport (DoT) and the Department of State Development, and Treasury’s Director Infrastructure.

**New Steering Committee terms of reference**

Since October 2013, the Chairs-elect have assumed responsibility for the first phase of the reform from the Steering Committee. This allows the Steering Committee to focus its attention on the second phase of the reform.

To align with this change, terms of reference for the reconstituted Steering Committee were developed to describe its new composition and role. The revised terms of reference were approved by the Minister on 27 January 2014.

**Progress of the working groups**

On 7 November 2013, the four ports working groups presented the progress of their amalgamation work during the year to the Steering Committee and Chairs-elect.

The approach and progress of each working group during 2013 has been slightly different, reflecting the nature of their respective amalgamation and the varying complexities and priorities of the issues each has addressed.

In summary:

- The progress of each working group is on track. During the year, each working group either established a project management office or engaged a project manager to assist with the amalgamation.
- The Mid West Ports and Kimberley Ports working groups focussed their efforts on due diligence around the transfer of non-port authority ports and port facilities because the formation of these port authorities will not involve the merger of existing port authorities.
- The sole focus of the Southern Ports working group has been the merger of the Albany, Bunbury and Esperance Port Authorities as the formation of this port authority does not involve the transfer of non-port authority ports or port facilities.
- The Pilbara Ports working group has been focussing on the merger of the Pilbara and Dampier Port Authorities to become the Pilbara Ports Authority. This working group will address the transfer of non-port authority ports and port facilities.

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1 Phase 1 is the amalgamation of the seven regional port authorities into four. Phase 2 is the incorporation of certain marine functions of Shipping & Pilotage Act (SPA) ports into the new regional port authorities.
facilities in the next phase of implementation.

The progress of the working groups was summarised in a report to the Minister during January 2014.

**Steering Committee risk workshop**

The risks relevant to achieving the effective amalgamation of the ports (including causes, consequences and controls) are continuously being reviewed and updated. On 21 January 2014, the Steering Committee revisited its risk register to update the strategic risks at the current stage of the amalgamation.

2. **Progress of the legislation**

   **Tranche 1**

   Tranche 1 amendments (to provide Phase 1 of the project) were introduced into Parliament on 23 October 2013. The *Ports Legislation Amendment Bill 2013* is currently before the Legislative Council. It is unlikely that the Parliament will pass the Bill before the end of March 2014.

   **Tranche 2**

   Cabinet approval to draft the amendments required for Phase 2 is currently being sought. Drafting of Tranche 2 amendments can begin once Cabinet approval has been granted.

3. **Ports legislation information session**

   A legislation information session is planned for March 2014 so that key port and DoT staff can discuss the proposed Tranche 1 legislation by walking through the provisions of the *Ports Legislation Amendment Bill 2013*. It will further expand the matters that will be addressed in the Tranche 2 legislation and provide an opportunity to identify issues that will require resolution during drafting.

4. **Case Study: Auditor General’s report on the benefits of the TasPorts amalgamation**

   The Steering Committee considered the findings of the Auditor General of Tasmania's 2012 review of the 2008 amalgamation of Tasmania's four ports into a single entity. While the specific results of the audit are only relevant to Tasmania, there are lessons to be learnt from the process used to forecast and audit the benefits of amalgamation that are also relevant to Western Australia. The Auditor General’s report is available at:

   *Link removed, no longer exists*
5. **Contacts for more information**

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