



WA

PORTS REFORM

Southern Ports Post-Amalgamation Review

**A report for the Minister for Transport
January 2018**

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Executive Summary

On Friday 25 August 2017, the Minister for Transport announced a post-implementation review of the Southern Ports Authority amalgamation.

The purpose of this review is to evaluate the outcomes of the 2014 amalgamation of the Albany, Bunbury and Esperance port authorities, and the establishment of the Southern Ports Authority (trading as Southern Ports).

The Review Panel sought written submissions and met with stakeholders in Albany, Bunbury, Esperance and Perth in order to gain a representative cross-section of views on the amalgamation.

The expected benefits of amalgamation have been partially realised, and Southern Ports is actively working to achieve further benefits.

- Southern Ports has implemented a number of commercial improvements that have increased the availability and utilisation of port infrastructure (see [4.1.1](#));
- Southern Ports has taken appropriate steps to improve decision-making processes. There is some evidence of improved decisions, but it is too early to evaluate fully (see [4.1.2](#));
- There is fairly consistent feedback from stakeholders that Southern Ports is operated more professionally and to a higher standard of governance than pre-amalgamation (see [4.1.3](#));
- Anecdotal evidence suggests the amalgamation has resulted in some efficiency gains and reduced duplication of effort, to the benefit of port users (see [4.1.4](#));
- The amalgamation has resulted in improved commercial practices across the three ports, ensured the organisation is able to attract and retain appropriately skilled commercial staff, and reduced reliance on consultants (see [4.1.5](#));
- Southern Ports provides consistent views on issues affecting its region as whole (see [4.1.6](#)); and
- The economies of scale created by amalgamation have, in part, been extended to the provision of port services. Some port service providers raised concerns regarding Southern Ports' commercial practices, which need to be addressed (see [4.1.7](#)).

Despite the benefits realised, a number of the identified risks of amalgamation have materialised and further work is required to mitigate these risks.

- There is a strong perception in Albany and Esperance that the amalgamation has weakened links with the local community (see [4.2.1](#));
- There was a deficiency in change management processes, both pre- and post-amalgamation (see [4.3.2](#));
- Port users and port service providers do not have sufficient clarity around Southern Ports' strategic vision for the port authority and long term plans for each port (see [4.3.4](#)); and
- Southern Ports should continue to implement its cultural change action plan (see [4.3.3](#)).

The evidence gathered suggests that the amalgamation has reaped benefits and that the disbenefits experienced have been the result of deficiencies in implementation, rather than amalgamation in and of itself (see [4.3.1](#)). The Review Panel does not consider there is a case to de-amalgamate Southern Ports, either in whole or in part.

A full list of recommendations is provided in [Appendix 1](#).

1. Context

1.1. WA Port Authorities

Western Australia's ports play a vital role in facilitating trade, so that the State can realise its economic potential.

Western Australia's port authorities are governed under the *Port Authorities Act 1999* and operate as corporatised entities, each with a board of directors that reports to the Minister for Transport.

Port authorities are both landlords and strategic managers of the ports under their control. It is the port authorities' obligation to ensure efficient operational management as well as future development of trade and commerce for the economic benefit of the State.

When performing their functions, port authorities are expected to operate in a manner that is commercially-focussed, transparent and accountable.

Key functions include:

- **Facilitating trade and commerce**

Port authorities are expected to encourage and facilitate trade and commerce in the port by ensuring there are cost-effective facilities and services available to port users.

- **Planning for the future**

Port authorities are required to undertake long-term planning to ensure they have the appropriate resources, port infrastructure, services and facilities to accommodate future changes in trade, including changes in the level of demand and the diversity of trades.

- **Maintaining safe, secure and environmentally responsible ports**

Port authorities have overall responsibility for the safe, secure and environmentally responsible operation of their ports. They are required, under either state or federal legislation, to maintain Marine Safety Plans, Environmental Management Plans, and Maritime Security Plans.

1.2. Tranche 1 Port Amalgamations

The first tranche of port governance reforms was implemented in 2014 and saw the amalgamation of seven port authorities into four regional ports authorities.

- **Southern** (responsible for the ports of Albany, Bunbury and Esperance)
- **Mid West** (responsible for the Port of Geraldton)
- **Pilbara** (responsible for the ports of Ashburton, Dampier and Port Hedland)
- **Kimberley** (responsible for the Port of Broome)

The **Fremantle Port Authority** (responsible for the Port of Fremantle, including the Outer Harbour in Kwinana) was not affected by the amalgamations.

The reforms were driven by the unprecedented expansion in port facilities and shipping operations in the preceding decade, to ensure that ports could continue to meet the increasing demand for their facilities and services safely and efficiently.

1.3. Southern Ports Authority

The Southern Ports Authority, trading as Southern Ports, is responsible for the ports of Albany, Bunbury and Esperance. It has offices in all three locations, as well as in West Perth.

Southern Ports was established on 1 October 2014, three months after the other regional port authorities, following a Gateway Review of the amalgamations.

The ports operate under a landlord model, by leasing land to port-related industries and providing access to port infrastructure and facilities.

Port services, such as towage and stevedoring, are outsourced to the private sector at the ports of Albany and Bunbury. Esperance port provides an in-house stevedoring service, with most of the product handling equipment owned and operated by Southern Ports.

Trade

Trade throughput was 37.3 million tonnes (mt) in 2016-17 (Bunbury 16.7mt; Esperance 15.5mt; Albany 5.1mt), with revenue of \$131 million. For 2016-17, Southern Ports returned \$40.6 million to the State in dividends and taxes.

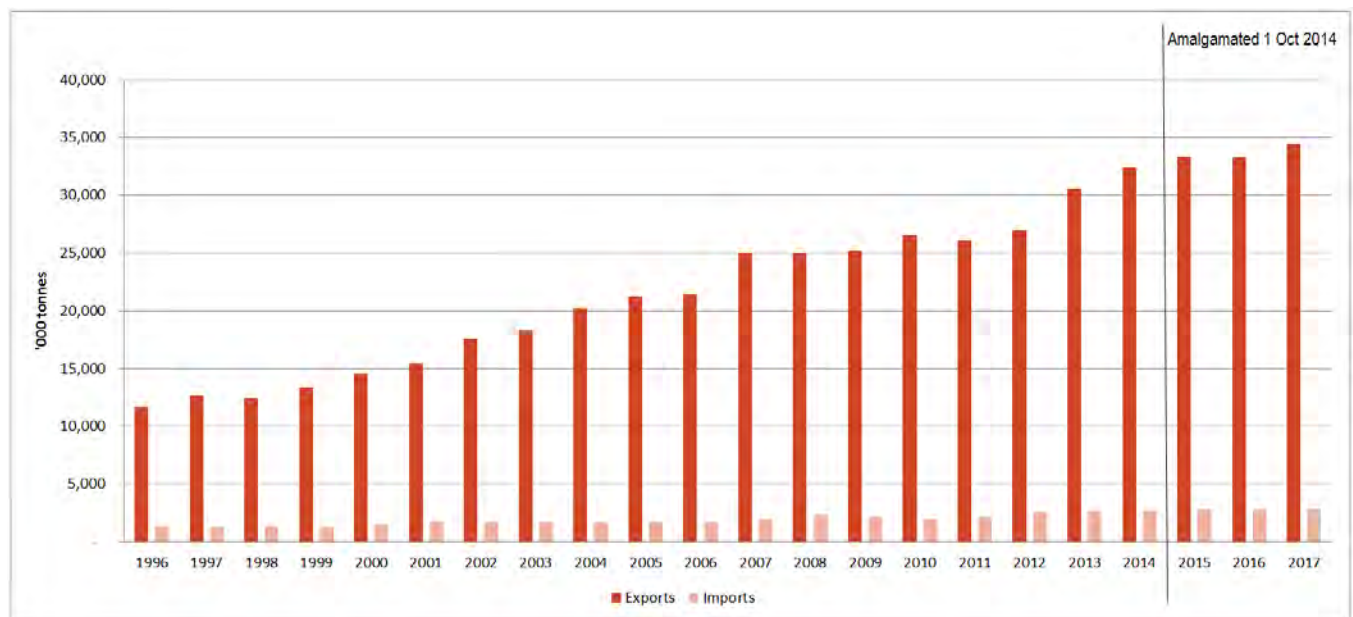


Figure 1. Southern Ports throughput 1995-96 to 2016-17

The main export trades for each of port are:

Port	Major exports (> 5% of trade)
Albany	Grain, woodchips
Bunbury	Alumina, woodchips, caustic soda, mineral sands
Esperance	Iron ore*, grain

*Esperance's iron ore exports account for 72.5% of Esperance port's and 30.1% of Southern Ports' total trade.

Imports include fuel, fertilisers, mineral sands and sulphur.

2. Purpose, Objectives and Scope

2.1. Purpose and Objectives

The **purpose** of this review is to evaluate the outcomes of the amalgamation of the Albany, Bunbury and Esperance port authorities, and the establishment of Southern Ports.

The **objectives** are to:

1. Evaluate the extent to which the expected benefits of Tranche 1 amalgamations have been achieved by Southern Ports;
2. Evaluate the extent to which the identified risks of Tranche 1 amalgamations have been avoided or mitigated by Southern Ports;
3. Identify any additional benefits achieved, and risks or disadvantages realised, as a result of Tranche 1 amalgamations; and
4. Identify opportunities to achieve further benefits from, and avoid or mitigate the risks of, the Tranche 1 amalgamation.

2.2. Scope

Considerations that are within the scope of the review include the post-amalgamation performance of Southern Ports (both as a whole and its constituent ports), the performance of the Albany, Bunbury and Esperance port authorities pre-amalgamation, and Southern Ports' systems and processes (including grievance and complaint processes).

A number of matters were brought to the Review Panel's attention during the course of the review that are out of scope. These generally fall into the following categories:

- Matters that would have, or were likely to have, occurred irrespective of the amalgamation
- Matters related to cultural change and individual employee issues.

The most commonly raised matter that was likely to occur irrespective of the amalgamation was the competitiveness of Southern Ports' in-house stevedoring service in Esperance. This was only in scope to the extent that the feedback related to Southern Ports' processes, systems, and culture.

The Review Panel did not consider individual complaints or grievances raised during the review, as they were outside the Terms of Reference, and have been or are being addressed by Southern Ports or other entities. Such matters were only considered within the context of reviewing Southern Ports' change management practices and organisational culture.

The complete Terms of Reference for the Review are provided at Appendix 2.

3. Methodology

3.1. Guiding principles

The review process was structured with a view to:

- Communicating the purpose, objectives, scope and limitations of the review clearly and openly;
- Obtaining feedback from a representative cross-section of Southern Ports' stakeholders, including port users, port service providers, employees and unions, industry and community representatives, and Southern Ports' board and management;
- Ensuring everyone who wanted to provide feedback had an opportunity to be heard, including through face-to-face meetings with the Review Panel where possible;
- Maintaining the confidentiality of individual submissions; and
- Affording procedural fairness to Southern Ports.

3.2. Methods

The following key methods were employed:

- **Public submission period, 11 September 2017 to 13 October 2017**

An online portal was established, along with a dedicated email address to receive written submissions.

To communicate the submission period, broadcast emails were sent on behalf of the Review Panel to Southern Ports' employees and stakeholders. Some key stakeholders were contacted directly by the Review Panel alerting them to the submission period.

- **Regional visits**

The Review Panel visited Albany, Bunbury and Esperance during the course of the review. Meetings were held at neutral locations with a cross-section of stakeholders. The Review Panel also addressed staff as a group at the ports of Albany and Bunbury, to explain the purpose of the review, progress to date, and to invite questions.

- **Other stakeholder meetings**

The majority of port users, service providers, and Members of Parliament met with the Review Panel in Perth. Some stakeholder discussions were held by telephone. The Review Panel also visited Southern Ports' West Perth office to address staff as a group and meet with key staff.

- **Meetings with Southern Ports board and management**

A series of meetings were held with Southern Ports' Chair and CEO to brief the Review Panel on the port authority's performance, policies, and other relevant matters; and to enable the Review Panel to ask questions about matters arising during the course of the review.

The majority of meetings were attended by all three panel members. In a small number of cases, only two panel members were available to meet (the Chair and one other member).

4. Findings

This section is divided into three parts, reflecting the scope of the review.

[Section 4.1](#) examines the extent to which expected benefits of the amalgamation have been realised.

[Section 4.2](#) considers the extent to which the identified risks of amalgamation have been avoided.

[Section 4.3](#) identifies opportunities for improvement and other matters.

A full list of recommendations is provided in [Appendix 1](#).

4.1. Extent benefits realised

The expected benefits of amalgamation have been partially realised to date, and Southern Ports is actively working to achieve further benefits.

The primary objective of the amalgamation was to improve outcomes for port customers by:

1. Optimising utilisation of port infrastructure;
2. Improving investment decisions;
3. Enhancing corporate governance;
4. Reducing expenditure through efficiency gains and reduced duplication of effort;
5. Improving commercial practices and skills, acumen and capability;
6. Providing consistency of port views on regional issues; and
7. Extending economy of scale benefits for service provision.¹

Port users had the most consistently positive feedback about the amalgamation, suggesting Southern Ports has focused on improving outcomes for port customers (as per the amalgamation objectives above).

The extent to which each of the above benefits has been realised is discussed below, and recommendations provided.

¹ Port Governance Review (Tranche 1) Steering Committee Communiqué, 15 March 2012:
https://www.transport.wa.gov.au/mediaFiles/marine/mar_PortsReviewCommuniqueMarch2012.pdf

4.1.1. Optimising utilisation of port infrastructure

Southern Ports has implemented a number of commercial improvements that have increased the availability and utilisation of port infrastructure.

Prior to amalgamation, there were a number of commercial arrangements at the ports that enabled land banking, provided insufficient third party access obligations, and resulted in under-utilised infrastructure (for example, sheds on port land being left empty or under-utilised, rather than actively facilitating trades going through the port). There were also a number of expired and draft arrangements in place that had not been formalised.

In the three years since amalgamation, Southern Ports has implemented a program to progressively remove the constraints on under-utilised infrastructure, including:

- Engaging with port users to eliminate land-banking, and introducing use-it-or-lose-it provisions in commercial agreements for under-utilised land and infrastructure
- Formalising draft and expired agreements
- Strengthening third party access arrangements
- Clarifying exclusive rights (which in some cases were perceived, rather than actual) and berthing protocols to maximise berth utilisation
- Creating template access agreements (e.g. leases, licences, etc) that standardise terms and conditions within and across the ports

These actions have reduced barriers to entry for new trades, by improving opportunities to access under-utilised land and infrastructure, as well as creating greater consistency in arrangements and less reliance on consultants.

Southern Ports has attracted a number of new trades since 2016, including logs (Albany), canola, woodchips and bauxite (Bunbury), and woodchips, logs, lithium, nickel and copper (Esperance), which have been assisted in part by the steps taken to improve the utilisation of infrastructure. Only one new trade had been added in the three years pre-amalgamation (grain in Bunbury).

While submissions from port users were generally positive in regard to the amalgamation, some port users expressed a concern about Southern Ports focusing on facilitating new trades, or identifying future trades, at the expense of existing port users. This may be a result of the reforms discussed above, as the previous arrangements typically favoured the incumbent port users. On the balance, the Review Panel considers the steps taken by Southern Ports have been appropriate and in the overall interests of trade facilitation.

Some port service providers indicated that the new third party access requirements for mobile plant and other non-monopoly assets are uncommercial, because the provider bears all the downside risk of investment, while third party access seekers benefit from use of the asset (typically during periods of high demand), and the provider also bears costs associated with coordinating multiple users (potentially to the detriment of its own supply chain efficiency).²

² Third party access has been considered at length in a number of national competition policy reviews. See, for example, Australian Government (2015) [Competition Policy Review](#) ('Harper Review'), pp. 422-440; and Productivity Commission (2013) [National Access Regime](#), Inquiry Report No. 66, pp. 100-105. The Harper Review recommended, for the purposes of the National Access Regime, that third party access to infrastructure should only be mandated where it is in the public interest and, among other things, uneconomical for anyone other than the service provider to develop another facility to provide the service.

The Review Panel has not been able to assess this in detail, but considers there is merit in Southern Ports benchmarking its third party access requirements for non-monopoly assets against other port authorities.

The commercial practices of Southern Ports are discussed in more detail below (see [4.1.5 Improving commercial practices and skills, acumen and capability](#)).

Recommendation 1

Southern Ports benchmark its third party access requirements for non-monopoly assets against other port authorities and, where appropriate, make adjustments to its practices.

4.1.2. Improving investment decisions

Southern Ports has taken appropriate steps to improve decision-making processes. There is some evidence of improved decisions, but it is too early to evaluate fully.

As it is only three years since amalgamation, it is difficult to evaluate with certainty whether Southern Ports' investment decisions have improved, and the extent to which improvements can be attributed to the amalgamation.

Southern Ports has taken a number of steps to improve and align investment decision-making processes since amalgamation, including:

- Reviewing and amending the planned capital works program post-amalgamation (see below)
- Adopting a consistent asset valuation methodology across the three ports
- Implementing a consistent project management methodology, with approval and expenditure thresholds depending on the size, complexity and value of the project.

The latter two improvements were implemented in mid-2016, making it difficult to evaluate their effectiveness. However, the changes are consistent with good practice and appear more likely than not to result in sound investment decision-making over time.

Southern Ports has over \$40 million in forecast asset investments over the forward estimates period (2017-18 to 2021-22). Since amalgamation, it has made investments at all three ports. The investments appear to be driven by relevant considerations (safety, trade facilitation, cost-benefit ratios, etc), and the Review Panel did not identify any evidence to suggest that investment decisions are unfairly favouring or disadvantaging any of the ports.

There was a significant review of the planned capital works program by the (then) Chair and CEO post-amalgamation, which was approved by the board and resulted in a number of changes to the investment program. These changes were primarily cancellations and re-scoping of planned projects, based on a reassessment of need and cost-benefits. The issues underpinning the cancelled projects, which included a rail loop (Albany, \$3.8m) and expanded offices (Bunbury, \$2.9m), have been addressed through alternative means. This suggests the amalgamated entity has improved capacity to evaluate investments and make appropriate decisions.

A major decision made post-amalgamation, was the termination of the Esperance Multi-User Iron Ore Facility (MUIOF) project. However, there is some suggestion that this decision would have been taken by the Esperance Port Authority board, but for the amalgamation.

Modest savings in minor capital works have been realised by sharing information and designs between ports. For example, a sulphur spill tray for an Esperance port crane was based on a comparable asset in Bunbury, saving approx. \$350,000 in design and engineering costs.

Since 2015, port authorities have been required to submit Strategic Asset Plans as part of a wider initiative, coordinated by the Department of Treasury, to improve asset investment decision making across the whole of government.

4.1.3. Enhancing corporate governance

There is fairly consistent feedback from stakeholders that Southern Ports is operated more professionally and to a higher standard of governance than pre-amalgamation.

The port authority board has a mix of regionally-based and Perth-based directors with complementary skill sets, who have all received company directors' training. The board has a stronger focus on strategy and risk than was evident pre-amalgamation.

While the change process has been protracted (see [4.2 Extent risks avoided](#) subheading below), Southern Ports has been progressively standardising and refining its systems, policies and procedures, resulting in an uplift in corporate governance. The scale and associated expertise that has come with the amalgamation has reduced Southern Ports' reliance on consultants.

There is evidence of more robust commercial framework, asset management and maintenance planning across the three ports as a result of improved systems and through sharing learnings. In 2017, the port authority introduced a new delegations manual, which *inter alia*, increases the financial delegations of executives and senior managers. This provides more delegated responsibility and accountability to these groups to make decisions, and reflects a maturing in the organisation from 2014, when decisions (and in particular financial decisions) were highly centralised.³

While there has been an overall improvement in corporate governance, both compared to the three individual port authorities and within Southern Ports itself from 2014 to 2017, some deficiencies were identified.

In particular, there appears to be an imbalance in emergency response exercises. Out of 14 emergency response exercises conducted from 2015-2017, nine were in Bunbury. Only one has been in Albany (major oil spill exercise in 2015), with three exercises in Esperance (one each in 2015 [oil spill], 2016 [major fire] and 2017 [passenger ship tender capsize and oil spill]).

Southern Ports has advised that an Emergency Planning Committee was established in August 2017, and Emergency Response Plans for each port are under review. The Review Panel recommends these plans include at least annual emergency exercises in each port and provide for lessons learned to be shared with appropriate staff across the organisation (for example, it may be appropriate for marine pilots at all ports to receive lessons learned from marine emergency exercises, irrespective of location).

Southern Ports' new intranet may assist in broadcasting upcoming emergency exercises to staff to raise awareness, and subsequently sharing information and lessons learned.

There is also a need to improve the process for delegating statutory harbour master functions. Southern Ports has established a structure with an executive level Harbour Master for its three ports, who provides a strategic and oversight role, and manages deputy harbour masters and pilots at each of the three ports.

There is a perceived lack of clarity as to which statutory harbour master functions are delegated to deputy harbour masters and pilots both in the ordinary course of business and when the executive harbour master is on leave or otherwise absent.

³ Until June 2016, expenditure over \$250,000 and contracts greater than 12 months required board approval.

The critical powers and indemnities attached to the harbour master role make it particularly important to have clear and well-communicated delegations.

The Panel recommends that Southern Ports review, document, and communicate to relevant staff its process for delegating harbour master functions. The process should clearly set out:

- how harbour master functions will be delegated; and
- what, if any, standing delegations exist.

The delegation process, and any related communication to staff, should take into account sections 102(4)-(5) of the *Port Authorities Act 1999* (which provide for the deputy harbour master to perform the functions of the harbour master, or another eligible person to act in the office of the harbour master, if the harbour master is absent from the port, on leave, or unable for any other reason to perform the functions of the office), and section 103 (which sets out the principal statutory functions of the harbour master),

Recommendation 2

Southern Ports:

- (a) ensures its revised Emergency Response Plans provide for at least annual emergency exercises in each port, and for lessons learned to be shared with appropriate staff across the organisation (irrespective of location);
- (b) includes in its regular audit program, an evaluation of its Emergency Response Plans and implementation of emergency exercises;
- (c) review, document, and communicate to relevant staff its process for delegating statutory harbour master functions.

4.1.4. Reducing expenditure through efficiency gains and reduced duplication of effort

Anecdotal evidence suggests the amalgamation has resulted in some efficiency gains and reduced duplication of effort, to the benefit of port users.

As with [4.1.2 Improving investment decisions](#), above, it is too early to conclude with certainty whether the amalgamation has resulted in reduced expenditure through efficiency gains and reduced duplication of effort.

While Southern Ports' 2017 Annual Report shows annual operating costs have reduced by \$7 million since 2014, the Review Panel cannot confidently attribute the cause of this improvement to efficiency gains, given only three years have passed since amalgamation.

However, the Department of Treasury has noted that:

- Southern Ports' port charges were increased by only 0.5% in 2017-18, the lowest increase in 5 years;
- full year cost savings of around 10% per annum have been achieved over the past 2 years (saving port users around \$2m per annum); and
- Southern Ports' dividends to the State have been increased on the back of its strong cash and profit outlook over the forward estimates,

and attributes this to Southern Ports' success in reforming its operations post-amalgamation, including through organisational efficiencies.

Southern Ports has consolidated a number of its functions, and streamlined a number of processes, which intuitively will produce efficiency gains. For example, Southern Ports has introduced berthing protocols in Bunbury and Esperance, established a common chart of accounts, and streamlined its commercial arrangements.

Anecdotally, efficiency gains have been realised by ports sharing knowledge and best practice, reducing consultancy fees and duplicated effort. This appears to have largely occurred in the technical and maintenance areas.

There are still a number of system duplications that Southern Ports is gradually eliminating. This typically attracts an upfront cost before the eventual benefits can be realised (for example, moving to a single IT system), making it difficult to accurately evaluate the benefits until the new systems have been fully implemented and operational for 3-5 years.

Having said that, port users report a greater focus on efficiency and lowering costs for users post-amalgamation. Coupled with the anecdotal evidence available, this suggests it is more likely than not that the amalgamation has resulted in some efficiency gains, and reduced duplication of effort, to the benefit of port users.

However, port users are seeking greater clarity on the planned and actual efficiency gains, as well as how these will be passed on to port users (see [4.3.2 Change management](#) section below).

4.1.5. Improving commercial practices and skills, acumen and capability

The amalgamation has resulted in improved commercial practices across the three ports, ensured the organisation is able to attract and retain appropriately skilled commercial staff, and reduced reliance on consultants.

Stakeholders typically attributed these benefits to the increased scale of the organisation, which enabled Southern Ports to attract a calibre of commercial expertise that each individual port was unable to achieve. Attracting and retaining a skilled and experienced commercial team has had flow on effects for Southern Ports' commercial practices.

The separation of the high-level commercial function (based predominantly in West Perth) from the day-to-day operations of the port was generally viewed positively by port users and service providers. In view of most port users and service providers having offices in Perth, it seems appropriate for Southern Ports' commercial function to be predominantly Perth-based. All other port authorities do, or soon will have, Perth-based staff for similar purposes.

Since amalgamation, the number of commercial staff has increased from five to eight; however this includes a new legal team (2 FTEs) that provides support across the organisation (e.g. for commercial, financial, safety, human resource, and other matters,) and has been offset by a reduced reliance on consultants.

4.1.6. Providing consistency of port views on regional issues

Southern Ports provides consistent views on issues affecting its region. Regional representation on the board assists the port authority in understanding the views of each local community.

While this item was not a core focus of the review, from the information gathered Southern Ports appears to be providing consistent messaging to stakeholders regarding its views on key regional issues (i.e. those issues affecting all three ports).

Lack of communication was occasionally raised as a concern by stakeholders, but there was no feedback suggesting that inconsistent views were provided when information was communicated (for example, inconsistent between locations or functions).

The Department of Transport's experience has been that Southern Ports has provided a consistent stance on matters affecting all of its ports, such as in relation to port buffers and corridor protection, aquaculture within port waters, etc, where previously this may have varied between the three individual port authorities, requiring the Department to reconcile inconsistencies or facilitate a compromise on regional matters.

4.1.7. Extending economy of scale benefits for service provision

The economies of scale created by amalgamation have, in part, been extended to the provision of port services; however, some port service providers raised concerns regarding Southern Ports' commercial practices.

The clearest example of economy of scale benefits being realised for service provision is through the engagement of a common tug operator for Bunbury and Esperance ports. The simultaneous tendering of services for both ports was made possible by the amalgamation.

The outcome, a common operator for both ports, is expected to deliver a 10 per cent reduction in towage costs (or \$2 million in savings) per annum to port users, as well as enabling a local WA business to expand its operations to a new location.

Southern Ports has indicated to the Review Panel that it intends to continue looking for similar opportunities for other port services in the future. It has issued multiple stevedoring licences in Bunbury, resulting in reduced charges for port users in the order of \$500,000 - \$1 million per annum, although it difficult to conclude whether the introduction of competition would have occurred irrespective of the amalgamation.

The economy of scale benefits for service provision have, to date, reaped more benefits for port users than port service providers.

Southern Ports is in the process of standardising service provider terms and conditions across its three ports, which should progressively address the concerns raised by service providers regarding some of Southern Ports' commercial practices. These concerns include the:

- Transparency and perceived procedural fairness of tendering practices;
- Lack of consistency in service provider licences (terms and conditions) across the ports;
- Third party access requirements for mobile plant and other non-monopoly assets being uncommercial (see also [4.1.1 Optimising utilisation of port infrastructure](#)); and
- Effectiveness of barriers separating Southern Ports' role as a landlord/licensor and a competitor in relation to stevedoring services.

The sustainability of Southern Ports' stevedoring service in Esperance is outside the scope of this review. However, the systems and processes employed by Southern Ports to create an effective barrier between its regulatory and competitive functions are in scope.

The Review Panel is satisfied that Southern Ports understands the importance of ring-fencing its regulatory and competitive stevedoring functions, and has taken steps to create barriers between these functions, including functional and physical separations (with the licensing function managed by the commercial team in West Perth, and the competitive function managed by the operational team in Esperance).

In light of the review timeframe and resources available, the Review Panel is not in a position to evaluate the effectiveness of these barriers in practice. However, in the context of the review's scope, there appear to be better barriers in place post-amalgamation relative to pre-amalgamation, when the regulatory and competitive functions were all managed within the Esperance Port Authority by a small, locally-based team.

Recommendation 3

Southern Ports include in its regular audit program, an evaluation of the barriers between its regulatory and competitive stevedoring functions at Esperance port.

The findings and steps taken to improve the effectiveness of its barriers should be communicated to relevant stakeholders, including licensed stevedores at Esperance port.

4.2. Extent risks avoided

A number of the identified risks of amalgamation have materialised and further work is required to mitigate these risks.

A number of key risks to be avoided or mitigated were identified prior to the Tranche 1 amalgamations, including:

1. Weakening links with the local community;
2. Giving the needs of 'smaller' ports lower priority than those of 'larger' ports; and
3. Reducing competition between ports.

4.2.1. Weakening links with the local community

There is a strong perception in Albany and Esperance that this risk has materialised and the amalgamation has weakened links with the local community.

There are a number of contributory factors, including:

- The broader organisational structure means that some decisions, and in particular strategic decisions, are removed from the local level (or at least are not within the sole discretion of the local management teams).
- Where it was once feasible to routinely consult the entire workforce on key decisions (for example, in Albany), the scale of the amalgamated port authority means this degree of consultation cannot, and reasonably should not, occur as standard practice.
- There is one General Manager for Albany and Bunbury ports, which in Albany contributes to the sense that there are no 'local' executives.

Some of these factors, such as the centralisation of strategic decision-making, are a natural by-product of a larger, amalgamated entity. The Review Panel has not considered in detail the distribution of staff across locations, as it is outside the Terms of Reference. However, as a high-level observation, Southern Ports does not appear to have overly centralised its decision-making, and has taken a number of steps to ensure decision-making authority is not concentrated in Perth, either at a functional or port level. For example, rather than consolidating all corporate and cross-organisational functions in Perth, Southern Ports has established functional leaders at each regional location (for example: General Manager Marine in Albany, Chief Financial Officer in Bunbury, General Manager Asset Management in Esperance). Southern Ports has also recently updated its delegations and authorities manual to increase the level of authority devolved to management at each port (see also Enhancing corporate governance section, above).

There does appear to have been a significant loss of connection with the local communities in Albany and Esperance between 1 October 2014 and mid-2016. This included holding few, if any, board meetings in the regions, and limited visits by the former Chair to the regions during that period. A number of long-standing local initiatives in Albany, including publishing advertorials in the local paper and a regular radio segment with the CEO were discontinued.

The loss of connection and trust with the local communities will take time to rebuild; however, Southern Ports appears to be cognisant of the issue and is working to address it.

Since the new Chair was appointed in 2016, Southern Ports has taken a number of steps to improve the engagement between the Board and local communities, including by rotating board meetings through each of its four locations and holding sundowners for local stakeholders to meet the board. Publication of information in the local paper has resumed in

Albany and been rolled out to the other ports, while the Harbour Master has started doing a regular radio segment in Albany.

The remaining factor relates to the General Managers and other regionally-based executives, who is are senior representative for Southern Ports at the respective ports.

There are two related issues – firstly, the perception that regionally-based executives are not ‘locals’, even if they reside in the region, if they are originally from Perth or elsewhere. While acknowledging that this is a concern to some in the local communities, the Review Panel does not consider a person’s prior location, or where they plan to live post-employment with Southern Ports, to be relevant considerations in the recruitment and selection of executives.

The second issue, more specifically relates to the sense of disconnect that stems from not having a locally-based General Managers.

Southern Ports’ rationale for combining the General Manager roles for Albany and Bunbury is understandable (that is, there are sufficient similarities in the ports and there is not sufficient workload between them to justify employing two senior executives). However, the impact it is having on community and staff perceptions warrants further consideration.

One alternative is to combine each General Manager role with management of another function (as has been done with asset management in Esperance) to justify full time positions at each location. This, however, may have the undesirable effect of making at least one existing position in each location redundant. Southern Ports’ board would need to weigh the relative costs and benefits of this course of action.

It may also be preferable that the General Managers reside in the port location, where possible, rather than commuting from another location (e.g. Perth).

Recommendation 4

Southern Ports consider having separate, locally-based General Managers for each port, noting this may require the General Manager roles to be combined with another function in order to justify full time positions.

4.2.2. Giving the needs of ‘smaller’ ports lower priority than those of ‘larger’ ports

While some claims have been made, the Review Panel has not seen any compelling evidence that the needs of Albany have been made subordinate to those of Bunbury or Esperance.

Investment decisions do not appear to be unfairly favouring or disadvantaging any of the ports (see Improving investment decisions section, above).

Other factors, such as staff training, appear to be planned and provided consistently across all four of Southern Ports’ locations.

4.2.3. Reducing competition between ports

To the extent that the three ports competed pre-amalgamation, there is nothing to suggest this competition has diminished or that there has been a resulting loss of innovation at the ports.

4.3. Opportunities to improve and other matters

In addition to those benefits and risks originally identified for Tranche 1, the Review Panel has identified a number of other relevant matters for consideration.

4.3.1. De-amalgamation

A small but vocal number of stakeholders are advocating for the de-amalgamation of Southern Ports, either in whole or in part.

The evidence gathered during the review suggests that the amalgamation has reaped benefits and that the disbenefits experienced to date have been the result of deficiencies in implementation, rather than amalgamation in and of itself. Some opportunities to correct implementation issues have already been discussed, and there are further recommendations below (see [4.3.2 Change management](#) and [4.3.3 Organisational culture](#) sections).

Those calling for partial de-amalgamation most commonly advocated for the ports of Albany and Esperance to remain under the Southern Ports umbrella, and for Bunbury to return to a standalone port authority or amalgamate with Fremantle Ports. This perspective appears to be driven by a cultural affinity between Albany and Esperance as small, isolated communities, rather than any operational synergy. Most even acknowledged that the Albany and Bunbury port operating models are the most similar and struggled to articulate why the amalgamation of Albany and Esperance alone would make business or operational sense. The strengthening of connections between Bunbury and Fremantle can be achieved through other means (see Collaboration with Fremantle Ports and the Westport Taskforce below).

De-amalgamating, either wholly or partly, at this point in time would only serve to de-stabilise the workforce and result in protracted change, without any clear benefits. It is highly likely that de-amalgamating the ports would not achieve the outcome being sought by the advocates of this idea, which is essentially to return the ports to where they were pre-amalgamation. Even if three standalone port authorities were re-established, they could not be what they once were.

Regardless of how the organisation is structured, a Perth office is likely to be required for commercial purposes at a minimum. All port authorities now have, or are planning to establish, Perth-based offices. This both assists port authorities in engaging with major customers and service providers, who tend to have main offices in the metropolitan area, as well as in attracting and retaining appropriately skilled and experienced staff for commercial, planning and corporate services in particular.

The scale of the organisation is also a key factor in attracting and retaining high calibre staff. Past experience, as well as anecdotal feedback during the review, suggests that Southern Ports is in a significantly stronger position to attract and retain skilled and experienced staff, particularly to senior management, executive and board positions, than the individual ports of Albany, Bunbury and Esperance. The ability to attract and retain highly skilled and experienced people in these types of roles is fundamental to many of the other amalgamation benefits, including improving governance, investment decisions, and commercial practices.

Recommendation 5

Southern Ports continue in its amalgamated form, managing the ports of Albany, Bunbury and Esperance.

4.3.2. Change management

A key factor underpinning many of the issues identified by employees is a deficiency in the change management processes, both pre- and post-amalgamation.

The amalgamation process would have benefitted from having more clearly articulated and measurable outcomes upfront. This would have assisted in communicating the goals, objectives and subsequent success (or otherwise) of the amalgamation to stakeholders, including employees.

The process likewise would have benefitted from a more comprehensive change management strategy prior to amalgamation. This may have assisted in better predicting and proactively addressing resistance to change, which came from a number of quarters (including some of the boards and senior managers who were critical to a smooth amalgamation process).

A key factor of resistance stemmed from the early view that the amalgamation would be a 'Bunbury-takeover' of the other two ports. Had this issue been predicted and more effectively addressed, it is likely that the amalgamation would have gone more smoothly. As it stands, this was central to a number significant challenges and some ongoing issues, including the:

- Three month delay in the amalgamation effective date (from 1 July 2014 to 1 October 2014), which created an added financial and reporting burden in the first year of amalgamation, as it required three sets of books to be kept for three months and complicated financial reporting for 2014-15;
- Limited continuity of board members and regional representation, as only one board member from each of Albany and Esperance joined the Southern Ports Board; and
- Hypersensitivity to the roll out of systems from one port to the others, adding time and cost. Mergers typically result in one organisation's systems being adopted, whereas the residual sensitivity regarding 'takeovers' within Southern Ports has resulted in a new fourth system being created in many cases, rather than using one of three existing systems.

There was a loss of connection with the local communities between 1 October 2014 and mid-2016, which exacerbated the discontent around the amalgamation among management and staff at the ports of Albany and Esperance.

Other factors that have frustrated the change management process include:

- Pre-amalgamation, the interim Chair and interim CEO did not have sufficient authority to make and enforce decisions regarding the new entity, its systems, staffing and processes;
- The inaugural CEO was not appointed until six months post-amalgamation, and the interim CEO had limited scope to implement meaningful change in the meantime; and
- There were further delays until the full Executive Leadership Team was in place, with the final appointments only made in 2016-17.

Combined, these issues have resulted in a protracted change management process. Southern Ports only started to stabilise as an organisation from mid-2016, having been in a change state since circa 2012. This prolonged state of flux has compounded other cultural issues (see [4.3.3 Organisational culture](#)), and created change fatigue at all levels of the organisation.

There are multiple complex change projects underway or yet to be completed by Southern Ports to fully realise the benefits of amalgamation (including introducing a unified IT system; reviewing, and where possible standardising, its price models across the three ports; etc), and to transform its organisational culture.

The Review Panel is confident in the capability of the current board to oversee these further reforms. However, in light of the protracted change process to date and its effect on staff (including management), the Review Panel strongly recommends that, in order to increase the effectiveness of its change management and minimise the negative effects of change fatigue, Southern Ports prepare a holistic change management plan that:

- Identifies the major organisational changes and initiatives still required;
- Assigns priorities to these changes; and
- Sequences the changes over an appropriate period (2-5 years).

Where the changes will produce efficiency gains or other benefits for port users, Southern Ports should clearly identify and report on those benefits, to enable port users to gauge benefits to them over time.

Recommendation 6

Southern Ports:

- (a) prepare a holistic change management plan to identify, prioritise and sequence major changes and initiatives over a 2-5 year period; and
- (b) where the changes will produce efficiency gains or other benefits for port users, identify and report on those benefits in a manner that enables port users to gauge benefits to them over time.

4.3.3. Organisational culture

A number of concerns regarding organisational culture were brought to the Review Panel's attention by employees during the review. Most of these matters were outside the scope of the review; however, the Review Panel offers the following observations.

The feedback was inconsistent in both nature and distribution, with employees in Bunbury and West Perth significantly more likely to provide positive feedback (and less likely to provide negative feedback) than those in Albany and Esperance, and significantly different feedback provided within individual locations. This suggests that the cultural issues are isolated, rather than systemic.

Southern Ports has a cultural change program in place, including:

- A cultural change action plan
- Annual cultural values assessments, including year-to-year comparisons
- Organisational values
- Leadership training
- A code of conduct and supporting policies and procedures

The board demonstrated cognisance of the cultural issues and an appropriate level of monitoring. The issues appear to have come to a head following the departure of some key staff in mid- to late-2016.

Lasting cultural change generally takes up to five years to embed. Southern Ports commenced its cultural change journey in earnest less than 18 months ago, in August 2016, when its baseline cultural values assessment was undertaken. The steps being taken by Southern Ports to transform its organisational culture appear appropriate, as is the level of awareness among the board and executive regarding cultural concerns.

Any intervention in Southern Ports' cultural change action plan at this juncture is more likely to exacerbate than improve the issues observed. The Review Panel recommends that Southern Ports continue to implement its cultural change action plan, assess progress against the baseline, and regularly report on progress and plans to its board. Recommendations 4 and 6 are also relevant here.

Recommendation 7

Southern Ports continue to implement its cultural change action plan, assess progress against the baseline, and regularly report on progress and plans to its board.

4.3.4. Long term plans

There was feedback from a number of port users and port service providers that they do not have sufficient clarity around Southern Ports' strategic vision for the port authority and long term plans for each port.

There are a number of strategies that could be adopted to provide these stakeholders with greater clarity and better engagement in strategic and long term planning, including through workshops, surveys, and various structured communications before, during and after strategic and long term port plans are developed. The specific mechanisms for Southern Ports' purposes are best identified through consultation with port users and service providers themselves.

Most other port authorities have completed, or are currently engaged in, the development of long term Port Master Plans. The Review Panel recommends Southern Ports seeks information on the master planning exercises undertaken by other port authorities and considers incorporating the development of long term port master plans for each port into its medium-term work program. As master plans can take up to two years to develop, this should be considered in the context of Recommendation 6 (sequencing major initiatives over a 2-5 year period).

Recommendation 8

Southern Ports:

- (a) Reviews how it communicates its strategic vision and long term port plans to stakeholders, and engages stakeholders in the development and review of these plans.
- (b) Seeks information from other port authorities on the development of port master plans, and considers incorporating the development of master plans for each port into its work program.

4.3.5. Collaboration with Fremantle Ports and the Westport Taskforce

A small number of stakeholders noted the potential to improve links with Fremantle Ports, particularly in regard to the Westport Taskforce planning for the future Kwinana Outer Harbour development.

Southern Ports is a member of the Stakeholder Reference Group for the Westport Taskforce and will be involved in select working groups, as appropriate.

Recommendation 9

Southern Ports actively engage with the Westport Taskforce regarding the role of Bunbury Port in servicing the metropolitan freight task.

4.3.6. Implementation and monitoring

Recommendation 10

Southern Ports develop an implementation plan to address Recommendations 1-4 and 6-9 for the Minister for Transport's endorsement, and regularly report to the Minister on its progress.

Appendix 1

List of Recommendations

Recommendation 1

Southern Ports benchmark its third party access requirements for non-monopoly assets against other port authorities and, where appropriate, make adjustments to its practices.

Recommendation 2

Southern Ports:

- (a) ensures its revised Emergency Response Plans provide for at least annual emergency exercises in each port, and for lessons learned to be shared with appropriate staff across the organisation (irrespective of location);
- (b) includes in its regular audit program, an evaluation of its Emergency Response Plans and implementation of emergency exercises;
- (c) review, document, and communicate to relevant staff its process for delegating statutory harbour master functions.

Recommendation 3

Southern Ports include in its regular audit program, an evaluation of the barriers between its regulatory and competitive stevedoring functions at Esperance port.

The findings and steps taken to improve the effectiveness of its barriers should be communicated to relevant stakeholders, including licensed stevedores at Esperance port.

Recommendation 4

Southern Ports consider having separate, locally-based General Managers for each port, noting this may require the General Manager roles to be combined with another function in order to justify full time positions.

Recommendation 5

Southern Ports continue in its amalgamated form, managing the ports of Albany, Bunbury and Esperance

Recommendation 6

Southern Ports:

- (a) prepare a holistic change management plan to identify, prioritise and sequence major changes and initiatives over a 2-5 year period; and
- (b) where the changes will produce efficiency gains or other benefits for port users, identify and report on those benefits in a manner that enables port users to gauge benefits to them over time.

Recommendation 7

Southern Ports continue to implement its cultural change action plan, assess progress against the baseline, and regularly report on progress and plans to its board

Recommendation 8

Southern Ports:

- (a) Reviews how it communicates its strategic vision and long term port plans to stakeholders, and engages stakeholders in the development and review of these plans.
- (b) Seeks information from other port authorities on the development of port master plans, and considers incorporating the development of master plans for each port into its work program.

Recommendation 9

Southern Ports actively engage with the Westport Taskforce regarding the role of Bunbury Port in servicing the metropolitan freight task.

Recommendation 10

Southern Ports develop an implementation plan to address Recommendations 1-4 and 6-9 for the Minister for Transport's endorsement, and regularly report to the Minister on its progress.

Appendix 2

Terms of Reference



WA PORTS GOVERNANCE REFORM POST-IMPLEMENTATION REVIEW SOUTHERN PORTS AUTHORITY

Purpose To review the outcomes of the amalgamation of the Albany, Bunbury and Esperance port authorities, and the establishment of the Southern Ports Authority (SPA).

Objectives

1. Evaluate the extent to which the expected benefits of Tranche 1 amalgamations have been achieved by SPA.
2. Evaluate the extent to which the identified risks of Tranche 1 amalgamations have been avoided or mitigated by SPA.
3. Identify any additional benefits achieved, and risks or disadvantages realised, as a result of Tranche 1 amalgamations.
4. Identify opportunities to achieve further benefits from, and avoid or mitigate the risks of, the Tranche 1 amalgamation.

Term 28 August 2017 to 24 November 2017

Deliverable A report with findings and recommendations for consideration by the Minister for Transport

Working Group Membership

- Hon Laurie Graham MLC, Member for the Agricultural Region (**Chair**)
- Catherine Wallace, Executive Director Ports & Maritime, Department of Transport (DoT)
- Milka Klobucar, Executive Director Project Facilitation, Department Jobs, Tourism, Science and Innovation (JTScl)

Responsibilities The Working Group commits to:

- Develop clear, actionable findings and recommendations
- Understand and represent the interests of stakeholders
- Being open minded, impartial and transparent
- Share relevant knowledge, experience and learnings
- Ensure the project is aligned with policies and directions across Government as a whole
- Actively participate in meetings through attendance, discussion, and review of Working Group documents
- Support open discussion and debate, and encourage fellow Working Group members to voice their insights
- Ensure that good corporate governance is maintained throughout the project

Methodology

- **Data collection:**
 - (a) Literature review: WA Ports Governance Review Report (Aug 2011); A Vision for Western Australia’s Ports; The Role of Ports in Western Australia (Feb 2012); latest Statement of Corporate Intent and Strategic Development Plan; and other relevant documents as identified by the Working Group.
 - (b) Desktop review of relevant SPA documents (e.g. performance reports, employee and stakeholder surveys, etc)
 - (c) Discussions with SPA board and senior management
 - (d) Discussions with relevant government agencies, which may include DoT, Treasury, JTScI, DoPLH, DoPRIRD
- **Stakeholder engagement**
 - (a) Identify information gaps and questions for different stakeholder groups
 - (b) Meet with key port users and contractors
 - (c) Meet with local MPs and consider any submissions from Local Government
 - (d) engage with SPA employees and employee representatives (the extent and method of engagement will be assessed after data collection, and depends on extent of data available from SPA’s existing employee engagement surveys, etc)
- **Evaluation**
 - (a) Assess information gathered against review objectives
 - (b) Comparative analysis against other WA Ports Authorities (where relevant)
 - (c) Prepare report and recommendations

Scope

In Scope

- Post-implementation performance of SPA
- Performance of Albany, Bunbury and Esperance port authorities pre-amalgamation
- Grievance and complaint processes and systems implemented by the port authority

Out of Scope

- Post-implementation performance of other port authorities (except as a benchmark/comparator)
Note: post-implementation reviews of other port authorities to be conducted after Tranche 2 amalgamations complete
- Individual complaints or grievances that have been or are being addressed by the port authority (except where a case study to illustrate a specific matter is warranted)

Consultation	<p>A number of stakeholders will need to be engaged by the Working Group, including (but not limited to):</p> <ul style="list-style-type: none">▪ SPA▪ Albany, Bunbury and Esperance port users▪ Local MPs, Shires, and other local stakeholders▪ Relevant government departments (see Methodology) <p>A Stakeholder Engagement Plan will be prepared once the Working Group has met and the Terms of Reference are confirmed.</p> <p>Consultation with SPA employees will be coordinated in consultation with the SPA board and management.</p>
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Meetings	<ul style="list-style-type: none">▪ All meetings will be chaired by Hon Laurie Graham MLC▪ A meeting quorum will require the Chair and one (1) other member of the Working Group (or proxy)▪ Non-Chair Members can nominate a proxy to attend a meeting if the member is unable to attend▪ Decisions are made by consensus. Where consensus cannot be reached, the Chair makes the final decision▪ Meeting records (agenda, minutes, risk register, etc) will be provided and maintained by the Department of Transport▪ The frequency, duration and location of meetings will be determined by the Working Group.▪ The agenda and other meeting papers will typically be circulated five working days before a scheduled meeting
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Amendment, modification or variation	<p>These Terms of Reference may be amended, varied or modified in writing in consultation and agreement with the Working Group.</p>
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Appendix 3

FAQ



WA PORTS GOVERNANCE REFORM

POST-IMPLEMENTATION REVIEW

SOUTHERN PORTS AUTHORITY

FREQUENTLY ASKED QUESTIONS

Why is a review being conducted?

In October 2014, the Albany, Bunbury, and Esperance port authorities were amalgamated to form the new Southern Ports Authority, which trades as Southern Ports.

Now that nearly three years have passed, it is time to conduct a post-implementation review to evaluate what benefits have been achieved as a result of the amalgamation; the extent to which the risks of amalgamation have been avoided or mitigated; and recommend any changes or improvements for the future operation of the port.

Who is running the review?

The review will be led by Hon Laurie Graham MLC, Member for the Agricultural Region.

Mr Graham will chair a Working Group supported by representatives from the Department of Transport and the Department Jobs, Tourism, Science and Innovation.

How long will the review take?

The review is expected to take around 3 months, starting on 28 August 2017, with a report submitted to the Minister for Transport for consideration by the end of November 2017.

How can I contribute to the review?

The Working Group will seek feedback from a number of different sources, including Southern Ports and its employees; Albany, Bunbury and Esperance port users; MPs, Shires, and other local stakeholders; and government departments.

The Working Group will visit the ports of Albany, Bunbury and Esperance as part of the review. You can find the latest information on the review at: <http://www.transport.wa.gov.au/Freight-Ports/ports-governance-review.asp>

How will the review impact Southern Ports?

It is business as usual for Southern Ports during the review.

Is Southern Ports going to be split up?

The purpose of the review is to evaluate the outcomes of amalgamating the Albany, Bunbury and Esperance port authorities to form Southern Ports. While de-amalgamating the ports is not the purpose of the review, the working group will be open-minded about all possible outcomes.

The Working Group will make recommendations to the Minister based on the findings of the review.

Why aren't the other port authorities being reviewed?

There are two phases of port amalgamations. The first phase amalgamated seven regional port authorities into four, creating the Southern, Mid West, Pilbara and Kimberley port authorities.

The second phase will transfer ports overseen by the Department of Transport to the regional port authorities in the Mid West, Pilbara and Kimberley.

There are no ports operated by the Department of Transport in the south west to be transferred as part of the second phase, so the post-implementation review of Southern Ports' amalgamation is being conducted now. Similar reviews of the other regional port authorities will be conducted after the second phase of transfers is completed.

Fremantle Port Authority was not affected by the amalgamations and so will not be subject to review.

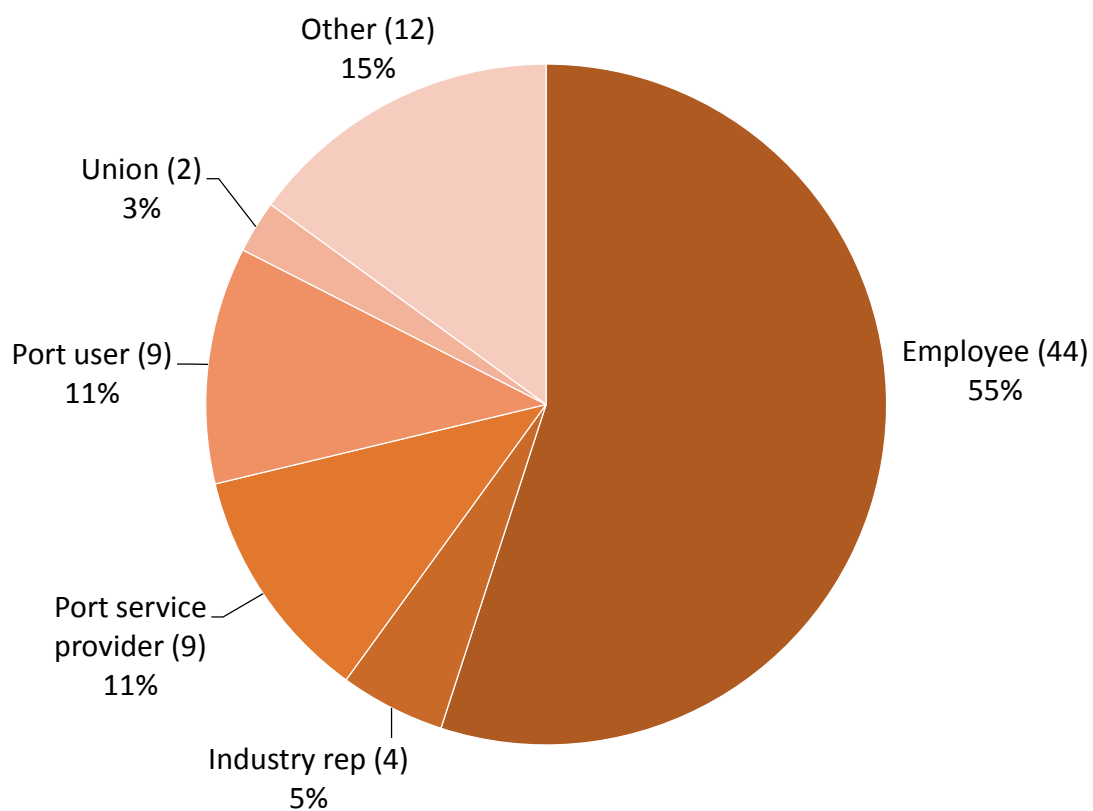
Appendix 4

Written submissions – basic statistics

During the public submission period, 80 written submissions were completed. A statistical breakdown of these submissions is provided below.

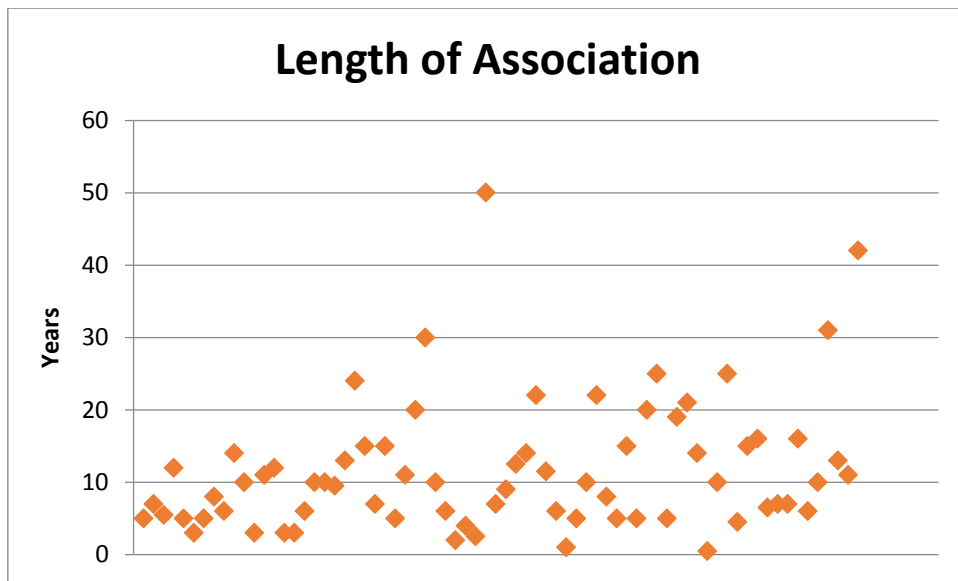
Note: these statistics are representative of the written submissions only, and do not necessarily reflect the overall breakdown of stakeholders engaged with or feedback received in the course of the review.

Submissions - by stakeholder type



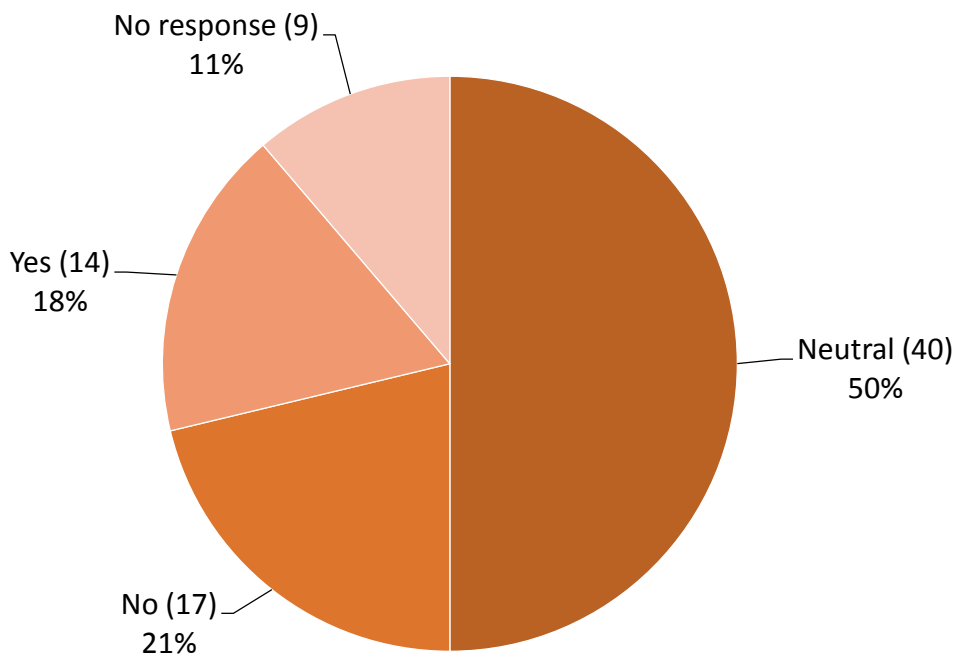
Stakeholder Type	Location					
	Albany	Bunbury	Esperance	Perth	Multiple	Unknown
Port user	22%	44%	22%	-	11%	-
Service Provider	44%	11%	11%	-	33%	-
Industry rep	-	75%	-	-	25%	-
Employee	41%	14%	32%	2%	-	11%

Of those making a written submission, the average length of relationship they had with Southern Ports or its predecessors was 12 years (longest was 50 years; shortest was 6 months; most common was 5 years; and median was 10 years).



Most people making written submissions were either agnostic or in favour of amalgamation when it was proposed in 2014; however, 21% were not in favour of amalgamation.

Were you in favour of amalgamation in 2014?



Of those who were in favour of amalgamation in 2014, half were satisfied with Southern Ports in 2017 and just over a third were dissatisfied. All of those people making a written submission who were not in favour of amalgamation in 2014 were dissatisfied with Southern Ports in 2017.

Appendix 5

List of stakeholder meetings

The Review Panel met with the following stakeholders in the course of the review:

- Alcoa
- Association of Mining and Exploration Companies (AMEC)
- Australian Bluegum Plantations
- Australian Maritime Officers Union (AMOU)
- CBH Group
- Chamber of Minerals and Energy (CME)
- Cliffs Natural Resources
- LINX
- Qube
- Mackenzies Marine and Towage
- Several Members of Parliament
- Port Community Consultation Committee representatives
- Port User Groups
- Southern Ports board members, management and employees
- WA Plantation Resources (WAPRES)