

2021



Delivering growth, jobs and prosperity

The Port Hedland Port Supply Chain delivers value to the local, State and national economies.

WHY GROW THE PORT OF PORT HEDLAND?

It is a fair question. The answer is that workers, businesses, the community, and port users all benefit when the port grows steadily and sustainably.

No-one wants to see unbridled growth — where success is measured only in tonnes exported without consideration given to how that growth is achieved and of the flow-on effects.

Equally, we are one of many iron ore regions in the world competing for market share.

While China remains a key market, data from Pilbara Ports Authority reveals that shipments to China have fallen, while shipments to South Korea and Japan are up in 2021. Ensuring we can expand port throughput and have the opportunity to capitalise on market needs and higher ore prices will benefit all Australians.

Growth cannot be achieved without people. It is the workers employed by a range of mining companies, port users and support businesses, with their skills and expertise, who make growth possible.

These workers contribute to innovative ideas and realistic solutions that enable growth.

Many of these workers have chosen to live in Port Hedland with their families and to contribute to the community.

They are invested in the town, just like the many small, family run businesses such as cafes, restaurants, jewellers, landscapers and gardeners, builders, electricians, and trucking enterprises.

The port is central to the Port Hedland community.

PHIC commissioned ACIL Allen Consulting to help us understand not only the value of the port but the trade that flows through the port and the business relating to that trade.

IN 2018/19 THE PORT HEDLAND PORT SUPPLY CHAIN SUPPORTED

ONE IN EVERY 12 WA JOBS

ACIL Allen combined income, expenditure and employment of the Port of Hedland and associated entities that use the port for trade into a single group, the Port Hedland Port Supply Chain.

This enabled ACIL Allen to determine the supply chain's contribution in 2018/19 and the likely benefits over the next 10 years to 2028/29 using the 2018/19 information as a baseline.

What is clear from the report is the expectation of steady growth.

With steady growth comes the ability to plan ahead; it means long-term, sustainable jobs, employment maintained roughly at 2018/19 levels but still with growth expected each year across the Pilbara.

FUTURE VALUE OF THE PORT 2028/29

JOBS

Extra
1,072 FTE
jobs a year
in the Pilbara

REAL INCOME

Potential Increase

\$14.9 billion
Pilbara

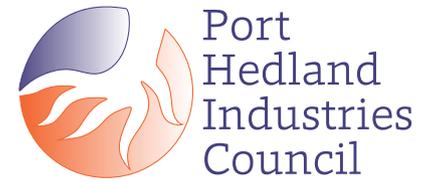
\$14.4 billion
Western Australia

\$2.9 billion
Australia

GDP

Extra
\$26.2 billion
of gross regional, State
and domestic product

SOURCE: 2019 THE ECONOMIC SIGNIFICANCE OF THE PORT OF PORT HEDLAND - ACIL ALLEN CONSULTING



FOR EVERY FULL-TIME JOB WITH THE PORT AND ITS SUPPLY CHAIN, TWO MORE FULL-TIME JOBS ARE CREATED IN PORT HEDLAND'S ECONOMY.

This steady growth will deliver an extra \$27.3 billion in economic output for the Pilbara region over the 10 years to 2028/29.

JOBS: NOW

The port and its supply chain supported 3,600 FTE jobs in Port Hedland in 2018/19, 75,302 in the rest of WA, and 133,349 across Australia. It contributed nearly \$500 million in wages and salaries in Port Hedland.

These jobs and the wages flowing from them provide security and stability for thousands of people employed directly by the port and its supply chain, indirectly in other occupations in the local community, and certainty for Port Hedland businesses, giving them the confidence to grow and prosper.

Each person employed full-time by the port and its supply chain is important. Not just because that person has a job but because every full-time Port Hedland Port Supply Chain job creates two other jobs in the wider Port Hedland economy.

This multiplier effect is one of the many unseen benefits of the port and its supply chain.

If the port grows steadily and sustainably, the direct and indirect benefits flow through to the entire community.

JOBS: THE FUTURE

The forecast for jobs linked to the Port Hedland Port Supply Chain is for stable, sustained employment opportunities over the next 10 years, with an extra 1072

FTE jobs a year expected to be created across the Pilbara. The figure is expected to be higher in the earlier years when replacement mines are being developed.

Overall, the figures provide a powerful signal that PHIC members and other companies that contributed to *The Economic Significance of the Port of Port Hedland* hold a positive view of their long-term prospects in the region. This enables them to support further investment that aids business growth and diversification.

PHIC IN THE COMMUNITY

PHIC members contribute to the community by investing in a range of educational, sporting, environmental, and social programs.

They contributed more than \$9 million in 2018/19 toward social investment activities and community infrastructure projects, and they support a wide range of ongoing community projects in Port Hedland.

These include programs and initiatives providing youth and Indigenous opportunities, major festivals, community events, education and career development programs, traineeships and employment programs, health and wellbeing projects, and funding for social infrastructure such as pop-up markets, skate parks, and other recreational outlets.

They also champion environmental stewardship, ensuring best practice across the Port Hedland community.

PHIC is committed to communicating with the Port Hedland community.

We do this through our involvement with events such as Welcome to Hedland, the Port Hedland Chamber of Commerce Inc's Business After Hours events and, most importantly, the PHIC Community Industry Forum.

The PHIC CIF provides an important platform for two-way sharing of information on any industry related issues causing concern in the community.

We also encourage community members to contact us directly to discuss their ideas for Port Hedland and its future growth.

PLANNING FOR CHANGE

Port Hedland is entering an era of major change and redevelopment, including the \$121.5 million Spoilbank Marina, the new maritime precinct and the Port Hedland Voluntary Buyback Scheme.

The PHVBS and the vision to establish a maritime precinct in the West End will provide greater certainty for industry, investors and the entire Port Hedland Community. PHIC supports both initiatives.

The Hedland Maritime Initiative has been created to administer the PHVBS and facilitate the planning and development of the maritime precinct.

PHIC members have invested significantly in the West End of Port Hedland over many years and will continue to invest in the future of Port Hedland.

PHIC Members

