

2024

# Delivering growth, jobs and prosperity.

Ensuring the sustainability of industry and the growth of the port are vital for the ongoing economic benefit of the nation, the State, and the Port Hedland community.



## WHY GROW THE PORT OF PORT HEDLAND?

It is in the interests of government, industry and the community to work together to ensure sustainable growth in Port Hedland.

The Port of Port Hedland and its supply chain support one in nine full-time jobs in WA, reinforcing the region's reputation as an economic powerhouse and the port as vital State and national infrastructure.

## THE OPPORTUNITIES

Increasing the operational capacity of Pilbara Ports has been identified by Infrastructure Australia as a national infrastructure priority with the Lumsden Point development recognised as strategically significant.

Pilbara Ports aims to accommodate current and future demand, including iron ore and new mineral exports (including spodumene, critical battery minerals and hydrogen) and the import of plant and equipment for renewable energy projects in its 2022 revised development plan

The Federal Government has invested \$565 million to support common user port upgrades in the Pilbara, part of which will contribute to the development of Lumsden Point General Cargo Facility. This is in partnership with the WA Government, which has committed \$96.6 million to the project.

The Lumsden Point development aims to ease increasing congestion and constraints on existing general cargo infrastructure and facilitate forecast trade growth in the Pilbara.

It will facilitate the export of battery minerals such as lithium and copper concentrates, the import of renewable energy infrastructure including wind turbines and blades and support the growth of direct shipping services to the Pilbara.

The 2023 Economic Significance of the Port of Port Hedland report, compiled by ACIL Allen Consulting for the Port Hedland Industries Council, said Lumsden Point when operational will add \$22.6 billion in Gross Product over the 10 years from 2023-24. It will also support more than 6000 full-time jobs nationally.

In November 2023, Mineral Resources Limited and Hancock Prospecting announced the potential development of a new iron ore export facility at Port Hedland's Stanley Point Berth 3 at South West Creek, including rail haulage and port services.

The State Government has approved land allocations for the Australian Renewable Energy Hub, which at full capacity is expected to provide up to 26GW of onshore wind and solar power generating capacity and be capable of producing about 1.6 million tonnes of green hydrogen or 9 million tonnes of green ammonia per annum.

Providing the land for these projects, such as the Lumsden Point development, is an important step in transforming the Boodarie Strategic Industrial Area (Boodarie SIA) and other strategic industrial areas into globally competitive, multi-product industrial precincts.

The proximity of the Boodarie SIA and its service corridor connections to the Port of Port Hedland makes it a key strategic area with the potential to evolve into a world-class heavy industrial estate which specialises in multi-product, downstream resource processing.



LUMSDEN POINT



## GROWTH AND THE COMMUNITY

Growth cannot be achieved without people. It is the workers employed by Port Hedland industries, its supply chain and support businesses who provide the skills and expertise needed to enable industry to grow and diversify. Many of these workers choose to live and work in Port Hedland with their families, contributing economically and socially to the community.

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

With steady growth comes the ability to plan ahead not only for industry and government, but for community services. It means long-term sustainable jobs, strong local businesses and social investment in a range of educational, sporting and environmental and social programs, all aiming for a thriving, vibrant community.

## PLANNING FOR CHANGE AND CREATING COMMUNITY VALUE

The next phase of planning for the redevelopment of the West End precinct has begun with the WA Planning Commission, supported by the Department of Planning, Lands and Heritage, progressing structure planning, in line with the provisions of Port Hedland West End Improvement Scheme No.1 (gazetted on 18 September 2020).

The Precinct Structure Plan will facilitate opportunities for investment in quality commercial development and public spaces across the scheme area that recognise the heritage significance of the West End.

In turn this will bring more job opportunities, new local business opportunities and further investment in community infrastructure as Port Hedland continues to grow.

The Precinct Structure Plan process was an outcome of the Port Hedland Dust Management Taskforce Report,

which recommended planning changes and a structured plan to buy existing residential properties within a defined West End area to reduce permanent long-term occupation of the area.

A Port Hedland Voluntary Buyback Scheme (PHVBS) was announced in 2020 with 404 properties eligible under the scheme. Around 90 per cent of the original eligible residential properties have been valued and more than 60 per cent have been sold or are selling to the Hedland Maritime Initiative (HMI), a subsidiary company of Pilbara Ports.

The State Government extended the scheme to 31 December 2025 and changed some terms to stimulate increased take-up by property owners. It has also expanded property eligibility to include commercial or short-stay strata properties within mixed-use developments where HMI has already acquired residential properties adding an additional 30 properties.

Funding for the scheme is provided by iron ore exporters through a special levy on iron ore shipped through the port of Port Hedland. Funds collected will also be used for minor works to improve properties acquired by HMI.

**A new steering group will provide oversight of the PHVBS activities. It comprises Pilbara Development Commission (Chair), Pilbara Ports, HMI, Town of Port Hedland, DevelopmentWA, and Port Hedland Industries Council.**

The steering group will endorse the allocation of PHVBS funds for minor works at HMI acquired properties, where those works would facilitate a change of use.

It will also endorse the allocation of up to \$22 million of PHVBS funds to agencies nominated by the Minister for Planning to support residential development within the Town of Port Hedland.

PHIC continues to work with relevant State Government Departments in relation to environmental regulations as part of the planning process.

## CREATING VALUE FOR THE STATE

The 2023 Economic Significance of the Port of Port Hedland report shows the Port Hedland Port Supply Chain injected an extraordinary \$103 billion into the local, regional, WA and national economies in 2022-23.

Other benefits include:

 **\$2.01 BILLION** to the Port Hedland GDP in 2022-23

 **8,158 DIRECT AND INDIRECT FTE JOBS**  
74% total employment in the town

**\$1.02 billion paid in wages**

**Supports one in every nine full-time jobs in WA**

 **Every \$1 of local expenditure generated FLOW-ON EXPENDITURE OF \$2**

## PHIC Members

**BHP**

**Fortescue**

**ROY HILL**

**PILBARA PORTS**

**ConsMin**

**MINERAL RESOURCES**

**Pilbara Minerals**

**Sandfire**

**RED HAWK MINING**

ASSOCIATE MEMBER

**QUBE**

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