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\$45 MILLION DEEPENING OF STATE'S MAIN PORT DELIVERS NEW ECONOMIC OPPORTUNITIES FOR S.A.

South Australia's economic prosperity has been significantly enhanced with main dredging work completed on the \$45 million deepening of the State's main shipping channel at Outer Harbor.

The project is a joint venture between Flinders Ports and the State Government

Under the agreement, the State Government committed \$15 million and Flinders Ports – the private operators of the Port of Adelaide – \$30 million.

"South Australia's economic prosperity and growth potential have been boosted considerably by this timely project," Flinders Ports Chief Executive Officer, Mr Vincent Tremaine, said today.

"Deepening SA's main shipping harbour has been touted for many years – today the vision has finally come to fruition," he said.

"The project provides South Australia with a genuine opportunity to be at the forefront of shipping in the country.

"This is not only an historic day for Flinders Ports and the State Government, but for all South Australians, as the entire State will benefit from South Australia having a deep sea port that is globally competitive."

Under the project, the main channel at Outer Harbor has been deepened from 12.2 metres to 14.2 metres, and extended from nine kilometres in length to 11.7 kilometres, to enable it to accept fully laden post-panamax size vessels.

The new channel starts about 8.5 kilometres west of the main breakwater entrance, extending through the main passenger and freight wharves, and ends about 400 metres north of the main container terminal at Outer Harbor.

Mr Tremaine said only minor works needed to be completed over the next few weeks before the channel was "officially open for business".

In conjunction with the dredging, Flinders Ports is also extending the container berth by 125 metres, at an additional cost of \$13 million, in order to handle the larger container ships expected to schedule Adelaide on their itinerary now that the port has been deepened.

Mr Tremaine said an independent study had estimated the economic benefits to the State of deepening the main channel were between \$500 million (freight, safety, environment and road maintenance savings) and \$1.9 billion (full economy wide impact) over a 20-year period.

This does not include the value of benefits to the State's grain industry resulting from the use of larger ships.

"The State Government must be congratulated for its financial commitment to this exciting public-private sector joint venture," Mr Tremaine said.

"The deepening of our main port at Outer Harbor will make SA more internationally competitive with its interstate rivals, and introduce significant economic benefits to the entire State," he said.

FOR FURTHER INFORMATION: Please contact

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