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Levies to pay for expanded Outer Harbor

GRAIN and container levies will pay for a third of the \$45 million channel deepening project at Outer Harbor.

As the State Government yesterday announced the completion of the dredging project, Flinders Ports revealed details of the levies which will be imposed over the next 20 years.

Flinders Ports chief executive Vincent Tremaine said levies of \$5 for a 20ft container, \$10 for a 40ft container and \$1.50 per tonne of grain would be introduced. ``We've come to an arrangement on levies that will see the levy run for a period of time until their component of the cost of the channel is recovered (and) that's been negotiated with the farmers," he said.

Flinders Ports - the private operators of the Port of Adelaide - was contributing \$30 million towards the project, half of which it would recover from the levies.

The Government contributed \$15 million towards the project.

Infrastructure Minister Patrick Conlon said the dredging had removed three million cubic metres of silt over the past four months.

The project will allow harbour access to large Panamax freighters, improving the state's exporting and importing capabilities.

Under the project, the main channel at Outer Harbor has been deepened from 12.2m to 14.2m. It has been lengthened from 9km to 11.7km.

Mr Conlon said ``even with the levy on grain users, this still reduces the cost of shipping grain very dramatically''.

Mr Tremaine said the levies would begin ``in a few weeks' time'' when the channel was officially opened.