

REFERENCE: The Weekend Australian, Saturday 12th May 2007, Page 010

New markets beckoning

EXPORTS are booming in South Australia, despite the strength of the local currency, as the state's major port gears up for increased trade to new markets with prospects of broadening the state's trade profile beyond the highly successful and traditional commodities of wine, cars and wheat.

Recent international trade figures showed a significant jump in exports from the state economy, with income for February rising from \$555 million to \$742 million, with the United States proving the State's biggest export partner and trade to Japan and New Zealand climbing by more than 50 per cent.

The redevelopment of critical transport infrastructure across the Port Adelaide precinct and deepening of the shipping channel has spurred interest from overseas transport companies looking for an efficient and cheaper option to transport cargo into Australia.

Port operators Flinders Ports and container terminal group DP Ports are chasing business from local companies, who send their goods to interstate ports including Melbourne for shipping overseas, by highlighting the fast total transit times to many key destinations including Singapore Japan, Hong Kong, Europe and India.

Important selling points are less congestion, which delivers higher efficiency for exporters and importers, and reduced land transport time and costs by direct shipping from Port Adelaide. The campaign by the South Australian Freight Council has highlighted how local businesses are overlooking the state's major shipping gateway.

Statistics reveal up to 80,000 containers a year of South Australian exporters are shipped through the Port of Melbourne, including wine copper meat and seafood," says SAFC general manager Neil Murphy.

Other parts of South Australia are making an impression on trade statistics, with the Port Lincoln tuna industry contributing well over \$150 million to export earnings by sending southern blue-fin tuna into markets including Japan, Hong Kong and China. Abalone, lobsters prawns and oysters are also exported widely.

Wheat, barley and canola lead the list of field-crop exports, with more than \$500 million of wheat sent into China Japan and Thailand last year. Drought will hurt exports this year but the industry is expected to bounce back once farms can return to normal operation.

Wine from regions including the Barossa Valley, Clare Valley, McLaren Vale and Coonawarra have found a growing market in the US and are enormous in the UK, the world's most competitive wine market. Wine shipments to the US are climbing despite the strength of the Australian currency with recent data showing export earnings of close to \$1 billion. The UK remains the wine industry's number one market.