

FOR IMMEDIATE RELEASE

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**VITAL U.S. SHIPPING SERVICE FOR
STATE'S MAIN SEA PORT**

The economic boom currently underway at South Australia's main sea port continues unabated, with the announcement today of a crucial shipping service direct to the United States.

Flinders Ports – the private managers of the Port of Adelaide – announced a Vessel Sharing Agreement (VSA) service to and from the west coast of the United States would re-commence next month.

It is the third additional service to announce Adelaide as a direct port of call since the completion of the \$45 million deepening of the State's main shipping channel at Outer Harbor 10 months ago.

And it follows the arrival earlier this year of the "first" of the big container ships, which can now load to full capacity following the multi-million dollar deepening project.

Flinders Ports General Manager - Business Development, Mr Stewart Lammin, said three of the world's leading shipping lines - Hamburg Süd, Hapag-Lloyd, and Maersk Line – would provide the VSA service.

"The reintroduction of Adelaide by the VSA partners, as part of an upgrade of their services linking the West Coast of North America with Australia and New Zealand, is a significant milestone for the Port of Adelaide," Mr Lammin said.

"In the extremely competitive world of international shipping, to secure such an important service is a major achievement for the State," he said.

"The service will provide significant benefits to local importers and exporters who transport their products via the west coast of the United States.

"We have been attempting to get this service to return to Adelaide for several years. There is no doubt the recent investment, and the future plans for the port, plays a major role in highlighting to shipping lines our continued commitment to create a modern, highly efficient container port."

The fortnightly rotation will call Oakland, Seattle and Vancouver, Long Beach, Tauranga (New Zealand), Sydney, Melbourne, Adelaide, Auckland, Papeete (Tahiti) and Ensenada, (Mexico) before returning to Oakland.

The first VSA vessel to call Adelaide - the *Hansa Rendsburg* - is due to arrive at Outer Harbor on 11 July.

A similar US VSA service was introduced to Adelaide in 2003, but withdrawn within less than 12 months due to a range of factors.

These included skyrocketing time charter rates for ships - which culminated in the removal of vessels from the service and the subsequent deletion of two ports from the schedule, one of which was Adelaide due to it being geographically the last port of call in Australia for the service.

However, Flinders Ports remained confident the service would return to Adelaide due to the volume of import and export cargo the State provides the US VSA service.

Channel deepening

Mr Lammin said the dredging of the Outer Harbor channel was the first in what he believed would be a number of infrastructure upgrades planned for the container terminal at Outer Harbor.

The \$45 million channel deepening project - jointly funded by Flinders Ports, the private operators of the Port of Adelaide, and the State Government in a successful Public-Private Partnership (PPP) - was officially opened in August last year.

The project included deepening the main shipping channel at Outer Harbor, in Adelaide's north-western suburbs, by an extra two metres to 14.2 metres, and extending into St Vincent Gulf from nine kilometres in length to 11.7 kilometres.

The multi-million dollar upgrade of the precinct now enables fully-laden panamax size vessels to include Adelaide onto their international schedules.

"Flinders Ports remains committed to attracting more international shipping lines to SA's 'new' main shipping precinct, to ensure local importers and exporters have the most efficient and direct passage for their goods to the rest of the world," Mr Lammin said.

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