

Reference: Australian Bulk Handling Review Feb/March 2002

South Australian Ports now run by global group

South Australia's Ports now belong to Flinders Ports, a consortium that includes Sydney-based harbour towage operator Adsteam Marine, French partner Groupe Egis and a number of investment houses. The deal, confirmed by the state government in late 2001, is Australia's largest ports sale and the first occasion that a capital city port (Port Adelaide) has been sold.

Adsteam Marine is a 14 percent shareholder in Flinders Ports which paid \$186m for a 99 year lease of the ports of Adelaide, Port Lincoln, Wallaroo, Port Pirie, Port Giles, Thevenard and Klein Point. Flinders Ports includes two Australian superannuation funds and Luxembourg-based investment fund Galaxy. It has taken over a thriving business. For the 12 months to June 30, 2001, volumes through the Adelaide container terminal increased 16 percent to 132,000 containers with an additional 4000 containers through Port Pirie.

Groupe Egis is a subsidiary of a French-based multinational group with particular experience in port development, operations and management.

Flinders Ports director Bill Watson says the new deep sea berth at Outer Harbor and associated dredging will enable the port of Adelaide to handle bulk cargo ships about 80 percent larger than those using the present AusBulk terminal. This will minimise freight costs and enable the new terminal to be used for other bulk commodities such as woodchips and product from mineral sands mines planned for the Murray Basin.

The sale of Ports Corp, a public corporation managing SA's major port and six regional ports, is the last of the state liberal government's privatisations which have raised about \$75b.