Port sinks $20m into mineral sands expansion

By **PHILIP HOPKINS**

THE Port of Portland will be expanded to cater for the growing mineral sands industry in western Victoria.

The port will spend $20 million to build infrastructure to handle exports from Iluka Resources' $270 million Douglas development near Horsham.

Under an agreement, Portland will provide the export gateway for 10 years, with an option for 20 more years.

The investment will include a 50,000-tonne mineral sands storage facility, a ship-loading structure that can handle 1500 tonnes an hour, stockpile management and stevedoring.

The first mineral sands are expected to be exported by the end of this year or early next year.

The port will handle about 260,000 tonnes a year.

The agreement with Iluka will provide the port with an extra
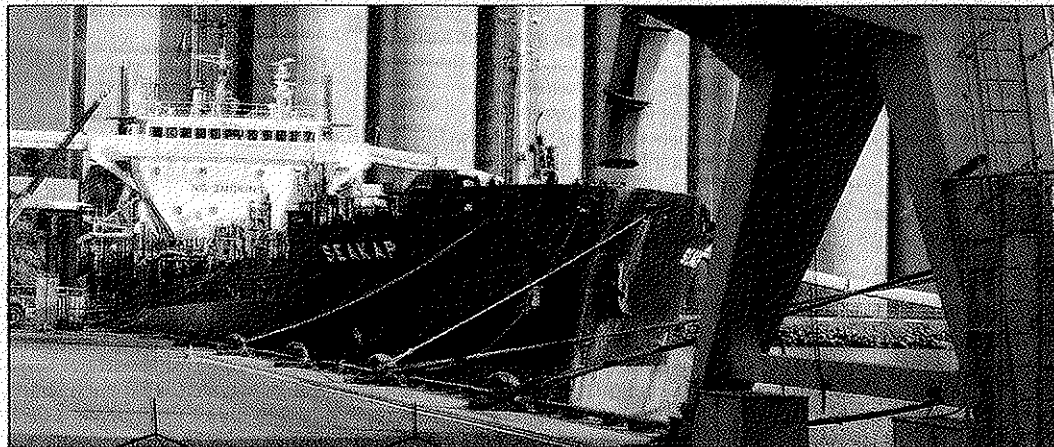
Portland is spending big money to keep up with the sands of time.

PICTURE: JAMES DAVIES

$4 million revenue a year, a large portion of which is fixed.

Capital expenditure will be funded from a $20 million debt facility negotiated in April. The State Government provided $500,000 from the rural infrastructure development fund to help build a multi-purpose ship-loader. Port chief executive Martin Norman said the investment was significant, transforming the port from a terminal operator to an integrated service provider.

"It will add important diversity to our trade base," he said. Other mineral sands projects in the Murray Basin could also potentially use Portland, he said.

Meanwhile, the Port of Geelong is set to maintain its competitiveness as a major gateway port after the Victorian Regional Channels Authority announced that channel access charges for shipping using the port would not be increased next financial year.

Ships with 10.5 metres maximum draught will continue to pay 24.42¢ per gross tonne.

The authority's chief executive, Ian Scott, said that in its first year, the authority had focused on containing the cost of service without hurting standards.

This was despite new security regulations and additional costs associated with them.

Mr Scott said the authority had also implemented projects to make the port more efficient. The authority had started a big upgrading of navigation lights with latest technology.

Planning had also begun to introduce a high-tech port information management system to underpin a whole-of-port system with a shared database that all major port groups could use.

More than 500 large cargo vessels and bulk carrier ships use the Port of Geelong every year.