ADAM GILES
MINISTER FOR TRANSPORT

DARWIN PORT TIGHTENS BELT TO DELIVER SAVINGS

4 December, 2012

A number of savings measures have been identified in a review undertaken of the Darwin Port Corporation’s current and future operations.

Transport Minister Adam Giles said the positive economic impact of these changes will provide a boost to the Territory’s economy and help address the dire financial position that was left by the previous Labor Government.

Mr Giles said these measures will ensure that the Darwin Port Corporation (DPC) can continue to operate without incurring debt.

“These actions will allow the DPC to continue to provide a professional and efficient cost effective operation.

The following measures have been approved for the implementation by the DPC:

- $1.3 million reduction in repairs and maintenance expenditure by undertaking more work utilising DPC’s existing maintenance workforce;
- Adopting an alternative model to the DPC advisory board and the engagement of a two person expert panel (savings of $135,000 annually); and
- A staged reduction of positions through natural attrition and lowering operational costs, including travel and corporate support costs (savings of $1.05 million in 2012-13 increasing to $2.08 million a year by 2015-16).

In addition, a full port pricing review will be undertaken to better balance the use of the DPC infrastructure and services against the income generated once consultation is undertaken and other contracts are in place, additional revenue of $3.9 million a year from 2013-14 is expected.

Mr Giles said it was pleasing to note the bumper cruise ship season was providing a welcome boost at this time to the Territory economy with four cruise ships berthing at Darwin Harbour in the last few days and another to arrive on Friday.

“There are currently 63 cruise ships booked for the season which will provide a positive economic impact through port charges and ship servicing,” Mr Giles said.

It is estimated cruise passengers spent $8.1 million while ashore in Darwin last financial year.

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