

## Monday 23 November 2020

# MEDIA RELEASE

## Newcastle wheat shipment first of many as exporters roar back into global markets

The first shipment of the bumper New South Wales winter wheat harvest will leave Port of Newcastle this afternoon on the back of record production across the state.

The departure of bulk carrier *Ince Point* – carrying 35,000 tonnes of wheat – marks the first major export volume of the product since 2018, following a prolonged period of drought across the Port of Newcastle catchment area.

After two days loading at the National Agri Terminal in Carrington, the ship departs for Vietnam as the first of what could be up to 60 ships carrying wheat to global markets.

The next wheat shipment is due to depart by the end of November, with the peak expected in early 2021.

The buzz at the port is matched by work throughout the supply chain, with hundreds of trains expected to deliver wheat over coming months.

Port of Newcastle Senior Manager Business Development Matt Swan said the return of wheat exports was a welcome milestone for all involved after a difficult period for everyone, particularly farmers.

"It is too early to know a potential total but there is every chance export volumes could challenge the long-term records given the bumper winter harvest in the port's catchment," Mr Swan said.

"Grain has long been a regular commodity moving through the port – it is another example of the port, coupled with enviable rail and road connections, enabling NSW importers and exporters to competitively access international markets."

National Agri Terminal Executive Director Jock Carter said the average size of trains visiting the facility had increased by one-third since the last major crop year in 2017.

"Multiple trains, some carrying up to 4,000 tonnes of wheat, are arriving throughout the week as growers look to get their product to market earlier than previous years," Mr Carter said.

"The port is unique on the East Coast – whether for grain or many other commodities – in its tremendous capacity for more ships and receiving the long trains needed to keep supply chain costs down and make growers more competitive."

Stuart Tighe, CEO of Moree-based agribusiness Boolah, said while domestic consumption would take much of the harvest, there was strong appetite on the international market for grain from North West NSW, Australia's most productive food bowl.

"The cost and efficiency of the supply chain – getting the product all the way from the farm to an overseas customer – has a major impact on the competitiveness of Australia's grain in the international market," Mr Tighe said.

"Growers in NSW are improving their competitiveness through fast loading at the upcountry site, access to longer trains of 1300 metres to transport the product to Port of Newcastle, and then fast unloading into the terminal facility."



Images available by request

### **ENDS**

#### Port of Newcastle

Port of Newcastle is a major Australian trade gateway handling 4,600 ship movements and 171 million tonnes of cargo each year. With its annual trade worth about \$25 billion to the New South Wales economy, the Port enables businesses across the state to successfully compete in international markets. With a deepwater shipping channel operating at 50% of its capacity, significant port land available and enviable access to national rail and road infrastructure, Port of Newcastle is positioned to further underpin the prosperity of the Hunter, NSW and Australia. As custodians of the region's critical asset, Port of Newcastle is diversifying its trade as it strives to create a safe, sustainable and environmentally and socially responsible Port that realises its potential.

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# WHEAT EXPORTS FACTSHEET

NEWCASTLE WHEAT EXPORTS	
Calendar year	Export volumes (tonnes)
2016	761,000
2017	1,830,000
2018	379,000
2019	41,000

- Port of Newcastle is an export gateway for wheat volumes peaked at 1.83 million tonnes in 2017
- The port has two berths with dedicated grain loading infrastructure
- In 2019, in the middle of a prolonged period of drought throughout the catchment, the port "imported" 314,000 tonnes of domestic wheat (this was Australian-grown wheat transported from interstate by sea, rather than road or rail, for domestic consumption)
- Wheat travels up to 600 kilometres by train from growing areas across northern NSW, including from as far south as Parkes, as far west as Nyngan, up to Walgett, Moree and other localities near the Queensland border
- Wheat exported from Newcastle is shipped around the world. The major wheat customers following the last bumper crop were:
  - o Indonesia
  - o Vietnam
  - o Italy
  - o India
  - Nigeria
- Terminals receive an average of 10 trains to load each ship
- The average train delivery is 3,500 tonnes
- Port of Newcastle can accommodate trains carrying up to 4,000 tonnes of grain making it an attractive proposition for growers seeking increased efficiency

# **VESSEL INFORMATION**

## Ince Point

- Dry bulk carrier, built in 2015
- 180 metres long, 37,503 deadweight tonnes
- Loading 35,000 tonnes of wheat destined for Vietnam