



Future-proofing South Australia's port and freight infrastructure

By STEWART LAMMIN, Chief Executive Officer - Flinders Port Holdings

At the start of 2020 Flinders Port Holdings and the state of South Australia were gearing up for a crucial year in infrastructure planning and development. The State's infrastructure body, Infrastructure SA, were due to publish South Australia's first state-wide 20-year infrastructure strategy, while we at Flinders Port Holdings would be completing the company's 50-year masterplan. But quickly, priorities changed. The onset of the COVID-19 pandemic forced businesses and governments alike to pause long-term planning and instead focus on the now.

In the intervening months we have implemented a group wide COVID-19 response plan, which to date, has enabled all our operations to continue. That does not mean we haven't been impacted. Across our business, from office based commercial roles through to our operational staff working at our ports, container terminal and logistics facilities, we have had to adapt.

The decision to send 70 employees to the safety of their homes was relatively easy and straight forward. The complex piece was the management of more than 600 employees whose workplace is the various outdoor operational sites including the container terminal, Berth 29 mineral precinct in Port Adelaide and at the seven ports we operate. The process of ensuring business and operational continuity while, most importantly, maintaining the health and safety of our people was a major undertaking. Plus, this had to be managed against a backdrop of public safety scrutiny on our industry and particularly the management of ships' crews and passengers coming into our various ports. This is a challenge that will resonate among our colleagues across Australia's ports, shipping, and logistics industry.

But as we transition back out of lockdown measures, we remain positive about the future. As a state, South Australia has dealt well with the pandemic and is well placed to return to business. The fact that the 20-year infrastructure strategy was indeed published this May is a sign of intent by the state, one we fully support. For Flinders Port Holdings, we are also looking to the future as we continue our master-planning

process. Around \$25 billion worth of trade is moved across Flinders Ports precincts each year, the equivalent of 24% of State GSP. We are proud of the role we play in keeping trade moving in the state and we are acutely aware of the responsibility it brings. We are a capital hungry business, but we have confidence in the future of our State, and we will continue to invest in our business as we have done over the past two decades.

Our priorities over the coming year are two-fold. First, we must ensure we continue to provide a seamless and consistent service to our customers within the 'new normal' of an operating environment where COVID-19 has abated but not disappeared. We have already rolled-out ongoing operational guidelines across the business focussed on keeping staff safe and operations open, even if transmissions do resurface.

But in parallel to this, we are also determined for the new normal not to stall the ambitious goal we have of strengthening and expanding our position not only as a port operator but as an end-to-end supply chain partner for our customers. Over the last year we have expanded our logistics offering by launching Flinders Warehousing and Distribution (FWD). Located adjacent to our facilities at the Flinders Adelaide Container Terminal, FWD specialises in providing tailored supply chain solutions including warehousing and transport, while the capacity to also provide customs and quarantine at the same site should also be finalised within the coming months. Coupled with our dedicated logistics

business, and our port and terminal services, we are building an offering that will enable businesses to drastically reduce the costs and complexities involved in importing and exporting.

Clearly, the next 12 months represents a challenging business environment. But, the ports, freight, and shipping industry has shown remarkable resilience. As a sector we have stayed open and operational and ensured vital goods have continued to reach their destinations. We believe this will continue, while the transition out of COVID-19 also represents an opportunity to reassess embedded business practices. Last month we pushed ahead with the publication of our first group-wide sustainability plan, setting ambitious goals across environmental, social, and governance work streams. Rather than being a sign to halt, we strongly believed the current pandemic is further proof of the need to push ahead with projects such as sustainability and master-planning. Both processes will help future-proof our business and ensure we remain ready to deal with any external impacts we may face. With this in mind, we are confident about the future and about our ability to deliver for the state and for our customers.





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