



7 Cloris Avenue
Beaumaris Victoria 3193

23rd April 2007

The Hon Dr Brendan Nelson MP
Minister for Defence
Parliament House
CANBERRA ACT 2600

Dear Minister Nelson,

The Victorian Artificial Reef Society (VARs) is very concerned about the ongoing delays in securing the ex-HMAS Canberra and subsequent preparation and sinking of this vessel as a dive wreck. It now seems highly likely that this project will not be completed prior to the proposed commencement of channel deepening operations. Such a delay will have an enormous negative impact on the expected outcomes of the Canberra project.

The major purpose of obtaining and sinking the ex-HMAS Canberra as a dive wreck is to position Victoria as a World Class Temperate Water Diving destination. The ex-HMAS Canberra will become the centerpiece to an array of highly attractive dive sites in and around the Port Phillip Heads area.

A marketing campaign will be put together to attract interstate and international dive tourists. This will have a significant flow-on benefit for Victoria and Australia. The benefits of such a project have been demonstrated by other such dive wrecks locally and overseas. The most recent example is the ex-HMAS Brisbane sunk off Mooloolaba in Queensland.

Achieving a successful outcome from this project is dependent on a number of critical success factors. Two of these factors will be **adversely affected** by the timing of this project with respect to the proposed commencement of the Port Phillip Bay channel deepening project.

Firstly, attracting interstate and overseas dive tourists is dependent on the perceived attractiveness of the surrounding dive sites. Dive tourists will not visit simply to dive one site. Whilst the ex-HMAS Canberra will be a great draw card and centerpiece, it is not a stand-alone. Potential visitors will want to dive other sites in the general vicinity. At present, Victoria offers an array of high-quality sites including walls and drop-offs rivaling anything in the world, as well as a number of other, older wrecks. With the proposed commencement of dredging, many of the walls and drop-offs will be either inaccessible or severely reduced in visibility and hence unattractive as dive sites.

To overcome this issue, the ex-HMAS Canberra must be prepared and sunk prior to the proposed commencement of dredging so that sufficient reputation of other sites can be established and likely negative perceptions overcome.

Secondly, the project is highly dependent on the availability of suitable infrastructure to service the ex-HMAS Canberra and other sites. The majority of this infrastructure consists of charter boat operators located in Portsea, Sorrento and Queenscliff. It is estimated that, once dredging commences, interest in diving in and around Port Phillip Heads will significantly reduce.

This will have a major impact on the business viability of charter operators. It is expected that a number will go out of business, with the remainder having to reduce their operations. It should be noted that the loss of a large proportion of the servicing infrastructure will mean that the ex-HMAS Canberra cannot be effectively serviced – thus reducing any potential payback. Once reduced, the infrastructure will take some time to rebuild. This can be mitigated by ensuring that the ex-HMAS Canberra is sunk prior to dredging – thus maintaining a level of interest and offering charter operators other options.

VARs is **critically concerned** about the likelihood that the current delay in obtaining the ex-HMAS Canberra will result in sinking not occurring until after the commencement of channel deepening. This is highly likely to severely impact on project outcomes and significantly reduce the planned benefits. VARs urges that all efforts be made to bring the project back on track and to ensure that the vessel is obtained and sunk well before dredging commences. As a result, marketing campaigns are likely to be more effective and requisite infrastructure will be in place to ensure that the site can be properly serviced.

John Lawler

President
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Victoria - World Class Temperate Water Diving Destination