

NSW Ports Cargo Facilitation Committee



NSW Ports

FINAL Minutes of a Meeting of the NSW PORTS CARGO FACILITATION COMMITTEE (No. 2/2017)

**SICTL Training Room
1 Sirius Road, Port Botany
Wednesday, 10th May, 2017
(11:00-12:00Hrs)**

PRESENT:

Mr Adem Long	NSW Ports (Chair)
Mr Jonathon Lafforgue	NSW Ports
Mr Jason McGregor	NSW Ports
Mr John Preston	Road Freight NSW
Mr Paul Downey	ATA NSW Container Sub Committee
Mr Bill Lovatt	Road Freight NSW
Mr Greg Baldock	Hutchison Sydney
Mr Jarrod Graham	Patrick
Mr Bill Hanley	DP World
Mr John Karamanis	Maritime Container Services (MSC)
Mr Allan Flynn	Maritime Container Services (MCS)
Mr Anthony Tzaneros	ACFS Port Logistics
Mr Anthony Wasson	Price & Speed
Mr John Donnell	Transport for NSW
Mr Craig Hall	Department of Agriculture
Mr John Spyrou	AST
Mrs Sandra Spate	Minute taker

APOLOGIES AND MEMBERSHIP

Apologies were received from:

Mr Stuart McFarlane	Australian Federation of International Forwarders (AFIF) Ltd
Mr David Scott	CBFCA
Ms Megan White	CBFCA
Mr Paul Zalai	Freight & Trade Alliances
Mr Greg Winstanley	DP World
Kevin Malouf	Price & Speed
Mr Barry Robertson	J&J Robertson & Sons Transport
Mr Simon O'Hara	RFNSW

2. CONFIRMATION OF PREVIOUS MINUTES

- The minutes from the February meeting were confirmed.

3. ITEMS FOR DISCUSSION

a. NSW Port Update

- Jason M reported volumes for March were 186,000 TEUs. Export fulls were up 12% and import fulls up 17%. April volume was 201,000 TEU, up 6.6% on the previous April with export fulls up 1.6% and import fulls up 8.4%. April empties were up 16% on March. So far in May TEU volumes are up 5% on the previous May. Bulk liquids were down 41% on the previous April as facilities bring down their summer fuel stock.
- Allan F asked for figures on any empty evacuations. Jason M reported they were 56,000 for April. They have dropped slightly but are starting to increase.
- Adem L reported on an upcoming meeting to discuss Coal Pier Road estate looking for alternative ingress and egress for passenger vehicles. With one road in and out issues are extreme at lunchtime and knock off time.
- Adem L reported on behalf of Megan W issues of asbestos are causing costly delays due to testing, including issues in March with vehicles. Inconsistency exists between states and hygienists. An update will be provided at the next meeting.
- Anthony W and Paul D confirmed an increase in asbestos issues are a major concern. As well as vehicles there is glass from manufacturers in China and ceramic plates in barbeques.
- Adem L has information on fuel tax credit software for any trucking companies who are interested.
- Adem L reminded members of the forum on the Heavy Vehicle National Law amendments this Thursday.

b. CMCCs/ TfNSW Update

- John D reported TTTs were up in April but are improving. There are still a lot of late arrivals from carriers. Paul D noted impacts of problems at terminals and queues changing direction. John P noted impacts of heavy traffic and incident delays.
- John D reported discussions will continue at an upcoming PRT meeting of slot fees charged when vessel availability changes.
- John P raised concerns that when the port is closed or a vessel doesn't turn up booking fees are charged prior to the vessel becoming available. If a vessel doesn't arrive carriers shouldn't be charged. Carriers are being penalised plus being charged no-show fees when the port is closed.
- Bill H suggested two clauses refer to a modus period when change takes place to offset the carrier. If slots are being booked before the vessel is available then carriers are taking the risk themselves. It could be an issue for the Port Botany Road Task Force. Carriers have chosen to book slots prior to published dates.
- John P and Bill L suggested carriers shouldn't be charged if a vessel doesn't arrive. Carriers book slots based on when they are told vessels will be available.
- John D said they are looking at whether there can be agreement with parties or whether there needs to be a change to regulations.
- Paul D said the issue is consistency across the port.

c. Department of Agriculture

- Craig H reported a 12 week trial has commenced with a full time officer at Trojan. The trial commenced in April and will run for another 8 weeks.
- Paul D noted Trojan is happy to facilitate the trial. Having multi-skilled officers is an advantage.

d. Road Transport

- Bill L asked MCS for written clarification that penalties from April 18 will be rescinded as container invoices are due this Friday.
- Allan F replied that MCS has moved to trial a dynamic booking model working to shift volumes away from the peak period. Reservations will open at 10am for 11am slots, at 10.30am for 11.30am slots etc. The window has been extended to half an hour before the

slot and 3 hours afterward providing a 4 hour window. Surcharges will apply for arriving outside the window.

- In order to service trucks better where boxes require inspection they will be taken off the but not inspected at that time creating a better line of visibility. The system has worked well in the first couple of days and MCS is trying to get people on board to understand the system. During April there were difficulties delivering on expectations. When the waterfront is out everyone goes to empty parks. MSC couldn't allow queues to continue on arterial roads. Most in the industry understood this and there was good consultation with the industry.
- MCS will issue credits on surcharges for anyone who arrived off window between April 18 and April 30. The container charge invoice will need to be paid in full on time and MCS will issue the carrier credit. Charges from May 1 will stand. The new processes have been in place since Monday and in two days there has been a reasonable amount shift. 20% of volumes have shifted outside the peak period. However, everyone knows that if something happens at the waterfront MCS will be full.
- Bill L raised concerns that 2 hour turn around at any time during the day means the system is not working. A couple of 40 footers took 2 hours, one at 6am took 1¾ hours. A carrier had a 3 hour turn around on Saturday. It creates problems at port if carriers can't get out of the park quickly enough to service their slot at port. Carriers want to work with MCS but they need to turn this around. Carriers have missed slots at terminals as a result.
- Allan F agrees 2 hours is not good enough. With three new pieces of equipment things should improve. But if a B double comes with 3 boxes for 3 different locations things will take time. There are things carriers can do when loading. 3 hours on Saturday shouldn't happen. There is an overload of stock allocation on Saturday, a lot more capacity. Carriers should see an improvement. It was busy at 9-9.30 today but cleared quickly. If the new system doesn't work it can be tweaked more.
- Bill L suggested sending trucks to 3 locations is adding to congestion. It is easy to get slots but once in trucks get lost and can't get out. Country carriers also want these issues addressed.
- Paul D sought clarification that boxes are being unloaded in the inspection area if not inspected. Alan replied they are unloaded but not surveyed while the truck is there.
- Bill L asked whether MCS has to do a stack run in the busy part of the day if directed by stevedores. Trucks can sit for an hour because of a stack run.

- Allan F replied with loading trains and stack runs MCS is always juggling resources. They are doing the best they can but ultimately the terminals determine when stack runs occur. There is one every day at some stages and sometimes there are overlapping stack runs. More are at night. We have visibility to shift carrier behaviour away from peak periods.
- John P asked how long carriers would be out of pocket after paying invoices before refunds.
- Allan F said MCS will pay within 14 days of receiving invoices. It is outside the container chain. It was MCS's decision. There was no behaviour change during that period. Problems were driven by the waterfront.
- John P noted concerns from their members with short weeks and closures at Easter and asked if a PBLIS type regulatory process would be possible.
- Allan F replied the problem is not with the regulatory process. Cultural change needs to be driven. There is a tolerance of half an hour but if carriers get to the head of the queue before that they will be charged.
- Adem L commended MCS for the initiatives. Something different had to be tried. He asked carrier representative to send examples of long servicing times to Allan.
- John P asked if there is a commencement date on DP World's empty container park. Bill H can't provide an update at this stage.
- Paul D reported that due to changes with the National Road Heavy Vehicle scheme and changes in personnel at RMS WIMS is not happening. John D confirmed WIMS is on hold currently.
- Paul D reported CFS are being legislated to ensure procedures are followed once containers leave port.
- There was discussion around whether it was meant to be a guide only or enforceable. There are discrepancies between WIMS and CFS weights. Adem L suggested WIMS work if calibrated regularly. MO42 is working with 40% of boxes found to be over the declared weight.
- Paul D noted slots cancellations due to stoppages were an issue for carriers. Jarrod G noted availability dates had been extended but there were also issues due to public holidays.

5. REPORTS BY COMMITTEE MEMBERS

- Bill L asked whether there would be a meeting at end of May to see how MCS performed. It was confirmed there would be.
- John D asked whether there were capacity issues at MCS. Allen F said capacity is not an issue.
- Adem L asked whether MCS was still receiving orders from the bush for empties. Allan F replied there had been constant orders which are expected to continue and high demand on upgrades.
- John K reported a number of flyer services were cancelled over the last 8 weeks due to Easter, track work and industrial action at Port. Regional trains discharging full cargo was an additional constraint on resources.
- Greg B reported the A3 vessel is 36 hours off window. Notifications will go out this afternoon but availability will possibly be Tuesday night or Wednesday morning.
- Paul D asked for an update on changes to the Hutchison booking system. Greg B reported they are still working on splitting export and import times.

8. NEXT MEETING

Wednesday 14 June