

NSW Ports Cargo Facilitation Committee



NSW Ports

Minutes of a Meeting of the NSW PORTS CARGO FACILITATION COMMITTEE (No. 1/2018)

Hutchison Ports Sydney
Wednesday, 21st February, 2018
(11:00-12:00Hrs)

PRESENT:

Mr Adem Long	NSW Ports (Chair)
Mr Jonathan Lafforgue	NSW Ports
Mr John Preston	Road Freight NSW
Mr Paul Downey	Road Freight NSW
Mr Bill Lovatt	Road Freight NSW
Mr Nathan Mills	Maritime Container Services (MCS)
Mr David Wright	Maritime Container Services (MSC)
Ms Raylene Jackson	DHL
Mr Kevin Malouf	Price & Speed
Mr Stuart McFarlane	Australian Federation of International Forwarders (AFIF) Ltd
Mr John Donnell	CMCC/ Transport for NSW
Mr Chris Sheridan	CMCC/ Transport for NSW
Mr Andrew Karas	Shipping Australia Limited
Mr Scott Carson	CBFCA
Mr Damian Wilson	Qube
Mr Russell Webb	Qube
Mr Neil Chambers	CTAA
Mr Jarrod Graham	Patrick
Mr John Vlahadamis	Hutchison Ports
Mrs Sandra Spate	Minute taker

APOLOGIES AND MEMBERSHIP

Apologies were received from:

Mr Jason McGregor	NSW Ports
Mr Greg Baldock	Hutchison Ports Sydney
Mr Bill Hanley	DP World
Mr David Scott	CBFCA
Mr Vic Regina	CMCC/ Transport for NSW

NSW Ports

2. CONFIRMATION OF PREVIOUS MINUTES

The minutes from December 2017 were confirmed.

3. MATTERS ARISING FROM THE MINUTES

There were no matters arising from the previous minutes.

4. ITEMS FOR DISCUSSION

a. NSW Port Update

January 2018 Update

- January 2018 container throughput was 221,222 TEU, up 3.38% on the same period last year.
- Import full was up 4.8% with increases across almost all commodity groups, timber, miscellaneous
- Manufactured articles and paper & paper products showing the three highest increases.
- Export full volumes were down by 13.8% - while there were increases in some commodities, the drop in
- Volume of cereals and paper and paper products compared to last year resulted in an overall decrease.
- Export empties were up 11.49% on the previous year.
- Vessels visits in January 2018 were 94, similar to the 95 visits in the same period last year. In terms of
- Vessel capacity there was an increase in the 6-7k TEU range and a decrease in the 4-5k TEU range.

February 2018 Update

- February 2018 container throughput was 210,257 TEU, up 19.98% on the same period last year.
- Import full was up 25.8% with increases across all commodities, miscellaneous manufactured articles,
- Machinery and transport equipment and food preparations showing the three highest increases.

- Export full volumes were down by 8.14% with a significant drop in the volume of paper and paper products
 - Contributing to the overall decrease despite increases in some commodity groups.
 - Export empties were up over 32.5 % on the previous year as repositioning continues following the peak season.
 - Vessels visits in February 2018 were 88, just up on the 86 visits in the same period last year and with some
 - Adjustment on capacity with an increase in the 6k to 7k TEU range by 6 visits.
- Adem L reported Linx will take over from Aurizon at the Enfield Intermodal and continue port shuttle services. The changeover is expected to be completed in April.

b. CMCCs/ TfNSW Update

- John D reported TTTs went up in January. A weather incident affected operations at Hutchison which had overall impact on TTTs.
- Road volumes were strong from November to January.
- Consultation around Mandatory Standards amendments is commencing and suggestions should be forwarded to John D.
- Chris S reported the rail share was 16.8% in January.

c. Department of Agriculture

No representatives were present.

d. Australian Border Force

No representatives were present.

e. Road Transport

- John P noted a vessel which arrived overnight at DP World and was listed as available last night is still discharging today. There was nothing advising of availability and no update on 1-Stop. Carriers were caught out this morning. Carriers ringing the terminal between midnight and 1am had the phone hung up.
- Carriers are reporting inaccuracy around time slot ratios for DP World. Surplus exports are not being converted to imports.
- John D will follow up reported availability issues at DP World.
- John P reported members have received questionnaires from RMS Parramatta around weighbridge procedures and breaches. Certified carriers have reported discrepancies of up to two tons. Letters date from October last year.
- Adem L noted NSW Ports only found out this yesterday and would have liked consultation. For a period of two years NSW Ports hasn't known who to talk to at RMS. Susie Mackay is now the go to person and Adem will try and arrange a meeting around WIMs guidelines. There needs to be more clarity around WIMs and CFS stations.

- John P suggested the buck seems to have been passed to Parramatta. He asked for a letter of explanation.
- John D noted discussion last year around getting information from WIMs. This hasn't progressed as they haven't received test files from stevedores.
- Jarrod G reported data from a date range last year was requested but this hasn't been ongoing.
- Paul D said notification is needed regarding which CFS stations are current and which are not. If moving to the outskirts and allowing Price & Speed why not consider other parties such as Lovatts?
- Kevin M said facilities such as weight stations and 24 hour operations have to be in place.
- Paul D suggested it wouldn't happen immediately but could if criteria can be met and containers weighed accurately
- John D said this needs to be speeded up to avoid congestion at Trojan and Price & Speed creating ranks along Bumborah Point Road.
- Adem L noted guidelines are out of date. If ACFS isn't offering services it needs to be clarified so people don't waste time going there. There is a longer term discussion around the Ports SEPP planning. Price & Speed comes under the Ports SEPP. It is already agreed that this area is in the Port Botany Precinct.
- Paul D reported on impacts of the Italian stink bug on depots providing fumigation. Price & Speed have set up a second fumigation pad to get through the backlog and most depots are fumigating 7 days a week. This should go through till April. Some trucks are sitting for two hours. He noted some carriers are using depots as a holding yard, leaving boxes for two days. He asked that carriers pick up boxes once fumigated.
- Bill L noted the shift at DP World has imposed a big cost on carriers. John D will follow this up regarding implications of Mandatory Standards.
- John P reported issues around empty container returns. DP World is nominated but there is no answer at 6am. It causes carriers grief if a notice is issued that the terminal is at capacity or the shipping line decides empties are to go elsewhere.
- Paul D agreed if boxes are going to DP World Botany Rd, the container goes into their system. If carriers are then told to contact the shipping line they are getting stuck with the boxes.
- Adem L noted others aren't closing their doors. He has asked DP World to give more notice.
- Neil C suggested if DP World turns off at the drop of a hat the shipping lines should have an alternative party. He noted redirections and lack of notice are causing havoc.
- Scott C said efficiencies that have been built up over time can be destroyed if carriers can't reasonably predict times and distances back to container parks particularly in peak seasons.
- Adem L noted past issues with Cosco and now Evergreen. He noted 300 redirections in one month with run on effects. Andrew K is happy to can take these issues back to the shipping lines. Adem L to liaise with Andrew K around organising a presentation to shipping lines about effects of redirections.
- Damian W reported issues last month of carriers turning up without the full EDI in the system. With one access road in and up to 20 trucks waiting for a particular carrier it is causing impacts of long ranks. They are trialling a new system with a new EDI format. If it works with MCS they will roll it out to all shipping line customers.

- Neil C noted problems of some lines not providing EDIs. Others fail to do so on occasions. CTAA is saying to governments there is a need to regulate this and mandate shipping lines to provide. It is currently hit and miss with various ports doing it and others not. In the past the Port Authorities said all information must be provided electronically or additional charges would be incurred. If terminals get the information why not container parks?
- Andrew K will follow this up.

f. Rail Transport

- Nathan M reported that while some Flyer services were cancelled due to vessel availability the service has generally been running well.
- Adem L reported the Port Botany Rail Optimisation Group (PBROG) has a task of promoting rail by publicising figures to industry via the Transport for NSW website. This is to counter previous negative customer perceptions.
- Jarrod G reported rail share is now higher at Patrick.
- Paul D said it often comes down to the last mile. It is fine to move out west by rail if the destination is the west. Otherwise getting it from the rail hub to customers involves two components.
- Adem L reported the duplication of rail line to Port Botany is still being discussed. At this stage there is no firm commitment.

g. Intermodal

As above.

h. Empty Container Parks (ECPs)

- Adem L said another ECP group meeting is due to be organised.

5. REPORTS BY COMMITTEE MEMBERS

- Neil C reported a new straddle driver at DP World in Melbourne ploughed the straddle into a prime mover. DP World carries a \$15,000 liability so there is no compensation for the write off of the truck. CTAA is in discussions with Patrick around access agreements to ensure liability in each port. Jarrod G said Patrick doesn't have terms of carrier agreement and is looking at this.
- Scott C reported the levy structure which commenced in July last year is a concern for CBFA members. Charges by Patrick and DP World have increased substantially. Members can't be expected to absorb extra costs to provide additional revenue for stevedores. These are difficult to recover in the market place and are passed on.
- Stuart M suggested infrastructure charges impose unnecessary costs and as part of the chain others cut where they can to maintain key business. It needs to be stated that these charges have an impact on the whole chain.

- Raylene J endorsed Scott's comments. She would like any price increases decided over the longer term e.g. 12 months instead of 2 or 3 months which are difficult to plan for.
- Paul D said there is a point at which charges start to get out of control. Shipping lines offer deals to customers of seven days before detention charges but if a ship is discharged on Friday and availability starts Monday three days have already been lost. There are a lot of issues to discuss.
- Neil C said Patrick and DP World claim charges are about lost revenue. High terminal charges are then passed on to importers and exporters. He suggested shipping lines are benefiting.
- Andrew K noted the number of shipping lines that closed last year.
- Adem L suggested there needs to be a review of all charges. The Commonwealth freight strategy is calling for the Productivity Commission to look at this.
- Jarrod G reported storms in Brisbane early this week meant vessels by-passed Brisbane and discharged cargo here. A vessel that was due here tomorrow will go straight to Melbourne.
- Jarrod G reminded carriers of the need to swipe in and out at Cargo Link and advised avoiding tailgating.
- Trials at Patrick for auto truck handling will remove a requirement for tally people which will improve TTT. The trial will take place in Brisbane in early March and if successful come to Sydney next year. A straddle picks up containers and places it on the trailer without intervention. This means services can carry on in temperatures over 38 degrees and in wet weather.
- Adem L reported a couple of instances of cars driving the wrong way up Simblist and down Friendship. It has been one way for a number of years. He asked members to try and ensure people leaving their offices travel the right direction and asked for additional suggestions.
- Damian W suggested getting bikes out of the port precinct. Adem L noted there has been one fatality, some years ago and NSW Ports has always advocated for no bikes in the port, sometimes against the will of the community.

6. COMMITTEE MEMBERS – Required Actions by next meeting

- John D will follow up reported availability issues at DP World.
- Adem L to try and arrange a meeting with RMS regarding guidelines on WIMs.
- Adem L to liaise with Andrew K around organising a presentation to shipping lines about effects of redirections.

8. NEXT MEETING

Wednesday 11 April