

# NSW Ports Cargo Facilitation Committee



**NSW Ports**

**FINAL Minutes of a Meeting of the  
NSW PORTS CARGO FACILITATION COMMITTEE  
(No. 6/2015)  
SICTL Training Room**

**1 Sirius Road, Port Botany  
Wednesday, 9 December, 2015  
(11:00-12:00Hrs)**

**PRESENT:**

Mr Adem Long	NSW Ports
Mr Shane Hobday	NSW Ports
Mr Nathan Mills	Maritime Container Services (MCS)
Mr David Wright	Maritime Container Services (MCS)
Mr Adam Nagel	ACFS
Mr Paul Downey	ATA NSW Container Sub Committee
Mr Greg Baldock	SICTL
Mr Garry Douglas	1-Stop
Mr Craig McKay	Price & Speed
Mr Kevin Malouf	Price & Speed
Mr Stuart McFarlane	Australian Federation of International Forwarders (AFIF) Ltd
Mr John Donnell	Transport for NSW
Mr Steve Gunn	Transport for NSW
Mr Andrew Karas	Shipping Australia Limited
Ms Megan White	CBFCA
Mrs Sandra Spate	Minute taker
Mr Craig Hall	Department of Agriculture and Water Resources
Mr Justin McCauley	Department of Agriculture
Mr Anthony Tzaneros	ACFS Port Logistics
Mr Damien Wilson	Qube
Mr Dom Figliomeni	NSW Ports

**APOLOGIES AND MEMBERSHIP**

Apologies were received from:

Mr Jason McGregor	NSW Ports
Mr Ben Hanley	DP World

**NSW Ports**

Mr John Karamanis  
Mr David Scott  
Mr Hart Krtschil  
Mr Christopher Hanlan  
Ms Trish Grunert

Maritime Container Services (MSC)  
CBFCA  
Australian Industry Working Group on Biosecurity (AIWGB)  
RMS  
RMS

## 2. CONFIRMATION OF PREVIOUS MINUTES

The minutes from the October meeting were confirmed.

## 3. MATTERS ARISING FROM THE MINUTES

**Adem L will summarise discussion around tailgate inspections and circulate it to members.**

- Adem L reported discussion has been around changes to tailgate hours that Hart K had concerns with. Feedback seems to be that everyone has changed their operations to suits Quarantine hours. **As no feedback about negative impacts has been received this item is closed.**

### NSW Ports Master Plan

- Adem L reported the Master Plan was released on 30 October and is available on the NSW Ports website.

**Adem L will distribute to the CFC a brief on SOLAS changes.**

- Will be discussed by Stuart McFarlane from AFIF.

## 4. ITEMS FOR DISCUSSION

### a. NSW Port Update

- NSW Ports announced last Monday an agreement with Aurizon to operate the Enfield Intermodal Logistics Centre. Operations will commence Q1 2016.
- November volumes for Port Botany below:

	Nov-15			Nov-14			TEU Diff Vs Actual			%Growth Vs Actual		
	Empty	Full	Total	Empty	Full	Total	Empty	Full	Total	Empty	Full	Total
<b>Import</b>												
Direct	60,700	35,477	96,177	62,854	32,060	94,914	-2,154	3,417	1,263	-3.43%	10.66%	1.33%
Transshipment	1,072	5,302	6,374	155	5,846	6,001	917	-544	373	591.61%	-9.31%	6.22%
<b>Total</b>	<b>61,772</b>	<b>40,779</b>	<b>102,551</b>	<b>63,009</b>	<b>37,906</b>	<b>100,915</b>	<b>-1,237</b>	<b>2,873</b>	<b>1,636</b>	<b>-1.96%</b>	<b>7.58%</b>	<b>1.62%</b>
<b>Export</b>												
Direct	529	102,474	103,003	972	95,097	96,069	-443	7,377	6,934	-45.58%	7.76%	7.22%
Transshipment	1,086	5,367	6,453	83	5,545	5,628	1,003	-178	825	1208.43%	-3.21%	14.66%
<b>Total</b>	<b>1,615</b>	<b>107,841</b>	<b>109,456</b>	<b>1,055</b>	<b>100,642</b>	<b>101,697</b>	<b>560</b>	<b>7,199</b>	<b>7,759</b>	<b>53.08%</b>	<b>7.15%</b>	<b>7.63%</b>
<b>Total</b>	<b>63,387</b>	<b>148,620</b>	<b>212,007</b>	<b>64,064</b>	<b>138,548</b>	<b>202,612</b>	<b>-677</b>	<b>10,072</b>	<b>9,395</b>	<b>-1.06%</b>	<b>7.27%</b>	<b>4.64%</b>

## b. CMCCs/ TfNSW Update

- John D reported average TTTs for the last 3 months have been less than 25 minutes.
- Steve G noted the importance of the number of trips outside 50 minutes staying down. If we keep that measure within 6% of all trips it is a good result. Last week saw higher movements through port and 5% outside that so the TTT still coming down.
- John D reported concerns from carriers that slots are being wasted, either not taken up or listed. He hopes changes to Mandatory Standards will address that.

Mandatory standards are expected to be gazetted in the next 2 weeks. Changes include:

- Tightening up rules regarding multiple log ins. Anyone suspected of this must front a judiciary of peers to justify it. If a unanimous decision is reached to remove the log in it will be removed. Representation includes carriers, stevedores and government. Greg B asked whether there is a time period for other people who require uses. Steve G replied it is governance by the committee and requires 100% agreement. John D confirmed it is a case by case basis.
- If carriers want to change driver or registration information on a slot booking they will be able to do so up to 10 minutes prior to entry to the Terminal. Currently it is prior to Time Zone commencement,
- If a stevedore delays a vessel the current requirement is 4 hours notice, then the carrier lists 2 hours before. The requirement to list will be removed.
- Stevedores must service trucks up to 30 minutes late. After that it is up to the stevedore.
- There will be clarification that stevedores must list a slot that has not been confirmed by the carrier within 4 hours of their initial booking.

- The Class A and Class B system in place at two stevedores will be formalised with allocation of Class A and Class B to be advised to TfNSW on a Quarterly basis.
- A requirement for stevedores to drop import slots first and export slots no less than 15 minutes later.
- There is restraint on carriers swapping slots. If they swap an import slot with an export they own both slots and will not be able subsequently list either slot.
- Red line hazardous is now defined. Previously it was up to the stevedore. All out of gauge is exempt.
- If there are changes of availability of a vessel due to operational concerns they have to give carriers 12 hours notice up from 4 hours.
- Number of slots increase from 50 to 54 per hour.
- Regarding rules for invoicing disputes these need to be raised within 14 days of receiving the invoice and the stevedore must respond within 14 days.
- Mandatory Standards one exclusion for unforeseen events is removed. If pulled over by RMS this can be used as an unforeseen even.
- Penalties for truck turn around for the stevedore go from 50 minutes to 45 minutes for the first and each additional goes from 10 minutes to 20 minutes.
- Steve G reported the intention is once signed off by the Minister a copy will be forwarded to key stakeholders and will hopefully be gazetted Friday 18th and become effective that day or the following Monday. John D will try inform everyone when this happens.
- Kevin M asked whether all is OK at DP World with time slots in and out. Steve G replied it is better than it was. John D said listings are going up dramatically. Because of their reputation of tight slots there may have been more hoarding at DP. Hopefully Mandatory Standards changes will change that.
- Kevin M suggested that it just isn't working. He had to pick up 40 boxes up last week and just couldn't get in. 54 slots does not cut it. It is not enough. He can't get in or out. You can't get slots. Steve G noted minimum slots are going from 50 to 54 slots. If a stevedore can offer more slots then they should. Kevin M asked if NSW Ports and PBLIS can't then who can make them? Look at the guys with big numbers. What about dummy numbers? John D noted the raise gives an extra 96 slots. 200 were wasted last week.

- Paul D suggested problems at DP World the last two Fridays. He identified that they were releasing slots each day. He can't get slots 2 days in advance. Last Friday it was 2 hours. Everyone had to come in on Saturday. That is no way to run a business. Steve G said if there are issues on a daily basis they need to be raised with TfNSW on a daily basis. Greg B noted the EA clause under the heat agreement may have affected this.
- Steve G noted that DP had advised with two high temperature incidents there were actions to check on air conditioning with rubber tyre gantries and extra air-conditioning technicians during the afternoon to allow working.
- Paul D said they have the resources to do lot more slots per hour if they open up slots early. Steve G suggested they will open up slots early to minimise TTT payments.
- Kevin M asked if they can't provide slots they should give 4 days storage instead of 3.
- Dom F was concerned this could affect throughput efficiency. Kevin M said he and 300 other cartage companies are employing people to press a button all day.
- Steve G noted this is first time in five years minimum slot numbers have changed. Stevedores run their own business. TfNSW believed a basis of 50 slots would have swings and roundabouts, when busy add more slots and pay more TTT. However when busy they seldom add more slots. So TfNSW has taken the step increase slots by 8.0%.
- Kevin M said inability to get slots means he can't expand the business. He has to turn clients away. In his view this is restriction of trade.
- Paul D suggested enforcement of changes in Mandatory Standards such as getting rid of multiple log ins will help. Another will be open discussion to identify carriers as Patrick have done.
- More feedback will be provided at the next meeting.
- John D noted most wasted slots are on Fridays.
- Dom F suggested as well as bringing issues to the table, it would be worthwhile to bring potential solutions.
- Paul D raised concerns that DP World have gone to stack run operators saying they are not happy with Mandatory Standards and may stop stack runs. Steve G noted if this happens it would clog up the system and TfNSW has the ability to raise minimum slots.

- Andrew K raised, regarding inter terminal transshipments, wasting time taking up time slots for transfers when the majority can run straight in. Steve G said the same issue existed with trains bringing in 3 boxes to 1 terminal. It is better to bring the whole train in and then use transshipments.
- Steve G reported 15.9% by rail since last meeting. It was 14.5% for the previous year. The figure is 15.6% for the year to date. TfNSW estimate that over 300,000 containers will be moved this year, which is a massive volume compared to the previous 285,000.

### **c. Department of Agriculture**

There were no new developments to report from Department of Agriculture.

### **d. Australian Customs and Border Protection Service (ACBPS)**

No representatives were present.

### **e. Road Transport**

- Paul D reported container chain issues regarding late redirections particularly with Cosco. MCS had internal problems. Carriers complained slots were not available for 3 to 4 hours.
- There were time slot issues at DP World. Carriers B class couldn't get time slots. Four carriers reported issues. There was a feeling the system was being tinkered with. ATA normally gets calls from As but were getting them from Bs. Carriers shouldn't have to work weekends to catch up.
- Steve G said John D was watching carriers to see who gets slots. They found some holes in 1-Stop, that some carriers have cottoned on to. Others have invested their systems to improve speed.
- Paul D reported otherwise all good. Steve G noted in comparing Patrick with DP World volumes were the same last week with no problems booking slots at Patrick and none wasted.
- Adem L reported with WSI moving out of their premises Trojan CFS have moved in. Paul D has requested that Trojan fill the void WSI left as a WIM's CFS. He has been told the WIM's process is being reviewed by RMS. AL to follow up with TfNSW / RMS. What happens with CFS is yet to be agreed.
- Kevin M said indivisible loads were why CFS stations were invented. Once a container goes onto an open topper 2.5 metres wide, 4.6m high you can't unpack the load. Every load over dimension (2.5m wide, 4.6 m high and 19m long) is supposed to go to a CFS station. Steve G said these are currently guidelines and direction about over mass. Over dimension is a

separate issue that needs to be taken up with RMS. Paul D confirmed Kevin is correct except RMS makes exception subject to request. Kevin M suggested 50% are running high. A lot of cargo is outside normal dimensions. Craig M (was this Craig or Stuart?) said they are reviewing this. They have the right to offer permits case by case. RMS will be putting out a guide. Paul D noted city to city freight will come in over dimension sizes. What is the solution?

- Adem L will follow up the issue of over dimension and HMR permits with RMS.

#### **f. Rail Transport**

- Rail share in October was 16.4%.

#### **g. Intermodal**

As reported above.

#### **h. Empty Container Parks (ECPs)**

- Adem L delivered a presentation compiled with thanks to Qube and MCS.
- Figures show 63,000 moves in 3 months or approximately 1,000 a day arriving early or late.
- 39,000 turn up on time.
- Most arrivals sit in the queue making bookings. Adem L asked how can operations run like this?
- The majority, 65%, are running early or late.
- Feedback from ECPs to these meetings previously was that this wasn't an issue. Redirections were identified as an issue and NSW Ports has moved to put measures in place around this. But based on these numbers people can't say carriers arriving early or late is not an issue.
- Damian W reported they are doing their best but it is borderline. If 12 or 20 trucks arrive early it is chaos.
- Adem L said he wants to go to a PBLIS style operation for container parks. It is frustrating when they are trying to ensure Port is running as efficiently as it can to hear this is not an issue when it is. Figure could be as high as 80,000 in a month, taking the other Parks into account. This is an issue for any business's planning of resources and equipment.
- Craig M suggested it may be a relief valve for pressures elsewhere.

- Paul D asked if it is better or worse than before the container chain. Adem L replied there is a container chain system that can make it more efficient but it is not used. Adem L said it shifts congestion to MCS. There are 1,000 a day they don't know are coming. He suggested tightening rules so if a carrier arrives 2 hours before a slot they are turned away. They will only do it once or twice. Paul D doesn't have an issue with 2 hours.
- David W said they reserve the right to turn carriers away and have a list of carriers who are constantly arriving early or late. It has had some impact but this is a large amount of work to have an effect.
- Paul D said if his guys go into the system to bring a box in at 6 am but the first slot is 8am they will send the truck in at 6am. They book empties to go in the first slot 2 or 3 hours later but the truck comes in. Carriers who can't get slots will turn up when they want.
- David W said they are talking about the 10am to 2pm window. Trucks with bookings are turning up whenever they want. Those who do the right thing can't get a slot. He suggested the elephant in the room is no one from container chain being here.
- Paul D suggested carriers would agree. There needs to be a closed and independent committee looking at carriers rotating the system. A 2 hour window is fine, but half the carriers book whatever there is. If they pick up at Botany at 8am and the first slot is 10am they will go to Cooks River. Adem L suggested carriers know the day before if they have to pick up a container.
- Steve G said people will continue to front up if there is nothing to control it, nothing to influence peoples behaviour. Flexibility has a cost and people need to decide what sort of trade off there will be.
- Nathan M noted it is the bigger carriers taking all the slots. It is about changing behaviour. It is frustrating at the moment. MCS wants the business but they don't know what is coming. It is unforeseen. 15 trucks arrive at the same time. And it is a ghost town between 5pm and 10pm. He agrees with putting parameters in but not turning away.
- David W said they have short term updated procedures in education, talking to carriers, to make them aware these are the opening hours. Carriers have talked about access on Saturday but we are open Saturday with every piece equipment in the yard, block stacking, we put on an extra shift each day and two on Saturday to ensure no clogging up.
- Adem L to organise a Carrier / ECP Meeting in late January, once everyone returns to work for leave etc.

## 5. REPORTS BY COMMITTEE MEMBERS

- Stuart McF reported on a forum hosted by AMSA on verification of container weights. The IMO established globally 'safety of life at sea' (SOLAS) and AMSA is responsible for this in Australia. Effective from July 1 2016 shipper verified weight is communicated prior to the container going to the wharf.
- Verification can occur in two ways. Method 1 – over a public weighbridge using calibrated weighing equipment. Method 2 - the shipper separately adding the weight of all items, including dunnage & pallets, etc. to the tare weight of the container.
- AMSA has decided there is to be no tolerance in verified weights, the only variation being tolerance in the weighing device.
- The shipper is responsible for communicating the weight of the container on shipping documents. Where PRAs are used the PRA will advise the verified weight of the container to the shipping line and stevedore. 1-Stop will adjust their PRA software fields to confirm the weight and signature. responsible.??
- The shipper is responsible for the verified weight. If a forwarder submits a PRA on behalf of the shipper, the forwarder is technically responsible for the verified weight communicated on the PRA, as 'signer'.
- AMSA will investigate discrepancies on a case by case basis, to determine the responsible party for the communication of the incorrect verified weight
- John D understands you could use shipping documentation, for example at Port Botany shipping documentation can take information and signatories and put it onto a PRA. Garry D noted whoever signs is still responsible regardless of the source.
- Paul D noted whoever is compiling a PRA needs to ensure it is issued to the driver.
- Andrew K noted from a shipping line perspective there are currently discrepancies between booking weights, PRA weights and shipping instructions. Adem L noted where DP World in Brisbane run CFCs there is not a lot of variation. Here there is no calibration except for Hutchison.
- Adem L suggested AMSA don't have the resources to monitor it. Stuart F said it would be reactive rather than proactive auditing, with fines of \$5,500 from AMSA and \$10,500 from NHVR. There is the potential for a double whammy.

- Stuart McF said, there needs to be a strong education campaign for freight forwarders, brokers and shippers around the need to ensure verified records.
- AMSA plan to release the final directions document with an education roadshow in February.

## 6. OTHER BUSINESS

- Adem L announced Shane Hobday's imminent retirement and thanked him on behalf of the CFC for his efforts over many years. The meeting thanked him by acclaim.

## 7. COMMITTEE MEMBERS – Required Actions by next meeting

- John D to inform CFC members when Mandatory Standards come into effect and provide an update to the next meeting.
- Adem L to follow up with Trish Grunert Trojan's request regarding replacing WSI.
- Adem L will follow up the issue of over dimension and HMR permits with RMS.
- Stuart M will keep the Committee abreast with changes to the MO42 Guidelines.

## 8. NEXT MEETING

Wednesday 10 February 2016.