

NSW Ports Cargo Facilitation Committee



NSW Ports

FINAL Minutes of a Meeting of the NSW PORTS CARGO FACILITATION COMMITTEE (No. 5/2015)

**NSW Ports Brotherson House
Second Floor Meeting Room
Penrhyn Road, Port Botany
Wednesday, 14 October, 2015
(11:00-12:00Hrs)**

PRESENT:

Mr Adem Long	NSW Ports
Mr Jason McGregor	NSW Ports
Mr Steve Gunn	Transport for NSW
Mr Paul Downey	Road Freight NSW Container Sub Committee
Mr Ben Hanley	DP World
Mr John Karamanis	Maritime Container Services (MCS)
Mr David Wright	Maritime Container Services (MCS)
Mr Garry Douglas	1-Stop
Mr Craig McKay	Price & Speed
Mr Kevin Malouf	Price & Speed
Mr Andrew Karas	Shipping Australia Limited
Mr David Scott	CBFCA
Mr Bob Weston	Department of Agriculture
Mr Justin McCauley	Department of Agriculture
Mr Anthony Tzaneros	ACFS Port Logistics
Mrs Sandra Spate	Minute taker

APOLOGIES AND MEMBERSHIP

Apologies were received from:

Mr Hart Krtschil	Australian Industry Working Group on Biosecurity (AIWGB)
Mr John Preston	Road Freight NSW Container Sub Committee
Chris Hanlan	Roads and Maritime Services
Mr Stuart McFarlane	Australian Federation of International Forwarders (AFIF) Ltd
Ms Megan White	CBFCA
Mr Dom Figliomeni	NSW Ports

2. CONFIRMATION OF PREVIOUS MINUTES

- Minutes from the August meeting were accepted with amendments from David S.

3. MATTERS ARISING FROM THE MINUTES

Craig M will investigate compiling a sample of volumes of tailgate inspections.

- Adem L reported Hart K has been raising the issue of changes in tailgate inspection times affecting the industry. Craig reported he can't obtain the information to compile a sample of tailgate inspections.
- Justin M said the Department of Agriculture used to undertake an extended hours service at Patrick Stevedores but this was not cost effective as not many of containers came through. Charging guidelines for after hours of \$270 per entry and per container after that is more expensive than leaving the container overnight for inspection next morning. He noted there are more gas box inspections than tailgates.
- Adem reported feedback from Craig and David is that people have changed their operations for those reasons. Hart has raised the question of a 24 hour facility but the Department of Agriculture found it non effective. Paul D agreed the reality is people have changed their operations.
- Bob W suggested the Department of Agriculture is happy to put people in place but numbers would have to justify it. It needs to be substantiated with volumes. The Department has the facility to track volumes and inspection times.
- Paul D has spoken with Greg Winstanley and there is an officer at DP World for trains after hours. He suggested the depot could facilitate inspections for a rural person.
- Justin M noted the Department of Agriculture has officers on call but shipping is the priority. There is notice a week in advance for rail and someone comes out. Rail is not an issue. It can be booked ad hoc for Patricks and DP World. Tailgates can be arranged if needed for toxic boxes through the on call number. The Department no longer has resources to have people available on site 24/7.
- David S supported thought the possibility of using an officer at a terminal a good option. Paul D said DP World would entertain this where necessary for unusual freight or a country call for a current provider. It means unusual freight would not have to come to a depot.

- Adem L suggested to close the item off he will summarise discussion and circulate it to members. The action is closed.

Fire Ants

- Shane H has contacted the community member who raised the issue. The action is closed. Adem L reported an inspection for fire ants was conducted this week. Justin M noted this is managed by the Department of Primary Industry.

4. ITEMS FOR DISCUSSION

a. NSW Port Update

- Jason M reported that as per last minutes figures for July was 193,000 TEUs, up on the previous July. For August it was 206,000 TEUs up 8% on the previous August. For September it was 194,000 which was slightly down but Port was shut for 36 hours on and off. DP World was behind 48 hours on September 29 due to weather events. October is slightly less so far but expected to pick up. It is the middle of peak period. Andrew K confirmed it was peak period for chick peas, followed by grain in February. Jason M reported southbound out of Asia is solid.
- Jason M reported NYK announced it was pulling out of the market. There have been some changes to consortia driven by volumes and rates achieved.
- Of the 28 GRIs in place 27 have been successful.
- Adem L reported discussions with selected candidates for Enfield. NSW Ports contacted potential operators directly after Hutchison pulled out.
- Adem L reported feedback from an ECP meeting held last Thursday was that it went well. Paul D reported newcomers found it interesting. The biggest issue was container chain inflexibility. Redirections are ongoing problem. There is better notification about redirections. Empty parks are working with transport companies. If a driver comes through within an hour of redirection they are allowed in, if not they are redirected. It is better for parks and carriers.
- Adem L noted MCS is leading the way assisting the industry in this. The main issue is still bookings not being tight. Carriers are still arriving at 10am for a 4pm booking. And redirections are the number one issue from carriers. They are awaiting feedback from the container chain. He thanked MCS for their assistance in spending time showing him their system.

- Adem L reported NSW Ports is to release their Master Plan on 30th October. It is a directions document different from previous plans in that it will be shared with stakeholders and stakeholders were consulted through the process. Jason M noted it contains trade and vessel forecasts over 30 years as well as how to maintain berths and overall directions.

b. CMCCs/ TfNSW Update

- Steve G reported the Mandatory Standards review is still going through the Deputy Secretary for Transport now and through the Secretary for Transport next week. Steve expects the Mandatory Standards to come into effect Monday week. The positive for carriers is that they must be accepted by the stevedore up to half an hour late. The allowable truck turn around time decreased for the first container from 50 to 45 minutes and increased from 10 to 20 minutes for the second and subsequent containers. The incentive is for stevedores to contribute to higher density containers. On today's figures it would be between 9,000 and 15,000 for each stevedore. The imposition on stevedores will benefit carriers. Minimum slots will go from 50 to 54.
- Steve G reported on trending performance that SICTL is taking it easy with one ship a week. DP World has shown overall dramatic improvement to the end of June, 10% overall. Patrick still bedding in semi automatic operation. TTT decreased by 15% but is expected to improve.
- The rail modal share is 15.9% and growing. There have been some market place disturbances. Transport for NSW is working with the ACCC to progress further collaboration on rail spaces. He expects the rail modal share to increase rapidly when Enfield comes on board . It has been steady with over 15% each month since February. A lot of the increase is Harefield, scrap metal from Canberra, Fletcher and Crawfords so mainly rural.
- Enfield is split with the marshalling yards a boost for operations allowing port traffic to split and rebuild e.g. off the Harefield train then on to Minto. Chullora is also increasing but we need the extra IMT capacity to boost the rail modal share, either at Enfield or another metro terminal.

c. Department of Agriculture

- Adem L will provide Department of Agriculture with old meeting minutes so representatives know what sort of information is useful to the CFC.
- Justin McCauley is on the ground here. Justin reported no particular trends regarding bio security interventions. There is increased traffic from African countries. There is a program to visit stakeholders including port facilities letting people know what the Department is looking for.

- Bob W noted Justin is one of two operational supervisors at Port Botany. They plan to be out to improve business understanding what the Department of Agriculture does. There is an excellent back up facility Operation Support Services specialising in bio security risks. If identified at the front line it alleviates the need to send them into town. There are seasonal issues. Justin M suggested letting industry know what these are on a regular basis with the chief scientist presenting.

d. Australian Customs and Border Protection Service (ACBPS)

No representatives were present.

e. Road Transport

- Paul D gave credit to port operators for cooperation and good communication through the long weekend and busy period. There have been some positive changes to 1-stop. Initially to stop hoarding slots could not be changed from exports to imports. This is now changed to prevent swapping of time slots between zones (morning, evening and midnight shifts). If a carrier orders slots in the midnight zone they can't convert it to the day shift. This has freed up slots for bona fide carriers.
- Steve G reported DP World utilisation has increased and complaints have stopped.
- Paul D reported from an operators and carriers meeting issues with Patricks consistently making vessels available on Friday with time up on Sunday. It is difficult for small carriers to get containers off on Friday to avoid storage on Monday.
- Craig M asked whether Hutchison were sending ships to Port Kembla. Justin M reported all Hutchison gas boxes are now at Port Kembla. This is causing issues as Department of Agriculture has minimal staff at Port Kembla. Jason M noted it was supposed to be a short term measure.
- Paul D reported ongoing issues of ranking up at Tynes. Most other depots are reasonable. Steve G suggested it helped in Melbourne with tightening up the booking process to stop queuing. Adem L disagreed that this was effective.
- Andrew K asked how the truck marshalling area is going. Steve G replied it is being utilised. Paul D suggested trucks have to utilise it or be penalised.

f. Rail Transport

- John K reported two services to DP World and one to Patricks are continuing. There are still discussions with Patrick for another window. The service to Patricks has been running for two months and is starting to pick up. He would like to see more services.

h. Empty Container Parks (ECPs)

- Adem L reported Claude V is otherwise engaged and has agreed that James chair the old ECP association and get stats from parks up and running again. Jason M noted the last meeting was in April. NSW Ports will facilitate meetings. Steve G suggested parks need to tighten up bookings.

5. REPORTS BY COMMITTEE MEMBERS

- Anthony T reported integration of the two businesses has progressed.
- David S reported complaints that some shipping lines are forcing people to return empties to Royal Wolf at Moorebank which is a lot further with additional costs. Those organising boxes from overseas are not aware till they get here that the box has to go to Moorebank. It is difficult to pass on charges as clients say people sending the box should have known. It is surprising that customs haven't had issues with this as the box gets a free ride into the country. Paul D reported Royal Wolf has a lot of coastal services and are using a lot of containers for coastal services which come back into Sydney as purchase boxes.
- David S reported issues with Hutchison making containers available five days after the vessel arrives. If green line hazardous there is five days to move cargo. It can catch people unaware if they then only officially have one day to move the container. This has never been an issue elsewhere. Steve G advised that Hutchison says it is delaying advice on availability so they don't inadvertently charge storage. Carriers who regularly pick up boxes from Hutchison are watching and pick up boxes when they land. DG is being advertised on the system with a reminder the next day. Steve believes Hutchison will continue with this system.
- Adem L asked whether issues with Hutchison were around the amount of resources. Steve G suggested volume is limited to 1,500 boxes per week with one and half ships.
- Andrew K asked whether the Port Authority is looking at penalties. Steve G noted Hutchison argue they advertise the day after arrival. David S suggested the only notice some get is through the State Recovery Office at \$550 a day.
- Andrew K noted good work from 1-Stop regarding overweight containers. Craig M reported difficulties dealing with heavy equipment which if unpacked can't be repacked as it is too heavy.
- Adem L will distribute to the CFC a brief on SOLAS changes
- Ben H reported a review of underused rail windows has resulted in these being available on an ad hoc basis for others. There is a move to a system to allow the industry to see what

windows are available. DP World can work with shippers regarding the best day to run trains in. On the customer portal the 9am zone has moved to 8am. If it works well it will be permanent.

- DP World is still getting some subcontracts from Hutchison.
- DP World is finalising plans to develop Lot 13 (now an empty paddock) which should be running for empty storage in the new year. Ben H will deliver a presentation when plans are finalised.
- DP World is putting a reader in carriers bringing empties back to the terminal so there is no need to depart the terminal.
- EPA is planning a Dangerous Goods education day at the terminal. Ben H will let people know when this is. EPA is looking to engage carriers and drivers to assist closing some gaps. Paul D noted discrepancies around whether DG notifications need to be on containers as well as trucks. Justin M noted DG goods notices on containers are not always compliant and Department of Agriculture officers have opened them when they shouldn't. Ben H reported they are looking at the process of physical inspections being done.

6. OTHER BUSINESS

- David S on behalf of the CFC noted the passing of Alan De Courcy and Mike Moylan and acknowledged their contributions to the CFC.

7. COMMITTEE MEMBERS – Required Actions by next meeting

- Adem L will summarise discussion around tailgate inspections and circulate it to members.
- Adem L will include a table from the Master Plan in the minutes.
- Adem L to provide Department of Agriculture representatives with back copies of CFC minutes.

8. NEXT MEETING

Wednesday, 9th December 9th