

# NSW Ports Cargo Facilitation Committee



**NSW Ports**

# FINAL Minutes of a Meeting of the NSW PORTS CARGO FACILITATION COMMITTEE (No. 4/2015)

NSW Ports Brotherson House  
Ground Floor Meeting Room  
Penrhyn Road, Port Botany  
Wednesday, 12 August, 2015  
(11:00-12:15Hrs)

## PRESENT:

Mr Adem Long	NSW Ports
Mr Jason McGregor	NSW Ports
Mr Steve Gunn	Transport for NSW
Mr John Donnell	Transport for NSW
Mr Hart Krtschil	Australian Industry Working Group on Biosecurity (AIWGB)
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 Anthony Tzaneros	ACFS
Mr Garry Douglas	1-Stop
Mr Christopher Hanlan	RMS
Mr Craig McKay	Price & Speed
Mr Stuart McFarlane	Australian Federation of International Forwarders (AFIF) Ltd
Mr John Donnell	Transport for NSW
Mr Andrew Karas	Shipping Australia Limited
Mr David Scott	CBFCA
Mrs Sandra Spate	Minute taker

## APOLOGIES AND MEMBERSHIP

Apologies were received from:

Ms Megan White	CBFCA
Mr Dom Figliomeni	NSW Ports
Mr Shane Hobday	NSW Ports
Mr John Preston	Road Freight NSW Container Sub Committee
Mr Bruce Guy	DP World

NSW Ports

## 2. CONFIRMATION OF PREVIOUS MINUTES

Attendees were requested to forward any amendments/ feedback to Adem.

## 3. MATTERS ARISING FROM THE MINUTES

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

- Craig M reported the data is not available. There is data on arrivals after hours and quarantine officers are booked after hours on an ad hoc basis with carriers bearing costs. If a quarantine officer is not booked the container stays till next morning.
- Adem L said feedback from customers is needed as to whether the current system is working for customers. Help is need help from industry and others to get customers' feedback. Is feedback that the current situation is not good or have businesses adjusted?
- David S advised, if boxes are for a rural destination, they get a tailgate the day before, to allow drivers to leave Sydney early the next day for morning deliveries.
- Hart K noted he has previously raised port hours of operation and having facilities available for the same time. Because quarantine is not available everyone adjusts but the port is set up to have facilities 24/7. It is a 24 hour port.
- David S reported the current Tailgate inspection hours require carriers who pick up after 4pm, to wait until next working day for an inspection. Extending tailgate hours to 6pm would help.
- Craig M suggested a quarantine officer can be booked in advance.
- Hart K asked if the facility had one feed for tailgate inspections 24 hours would that arrangement work?
- Paul D raised concerns over who pays for after hour costs. Costs are about \$120 for a quarantine officer and about \$120 to hold overnight. He suggested rural carriers would jump at the chance to have officers 24/7. Local operators providing a service for rural carriers currently take it to the depot till next morning or get a time slot before 3pm. Patrick used to go till 6pm but have gone back to 3pm in line with others.
- David S suggested the system is inefficient.

- Adem L emphasised Hart needs facts to take to the Department regarding impacts. Maybe a sample from three or four operators to extrapolate. He suggests taking this discussion off-line and getting information for the Department. Adem will talk to Ports Australia.
- Hart K noted he has also previously reported on consideration to move gas inspections from terminals to depots. They are working towards one facility. Another issue is sea container hygiene scheduling all gas inspections for South Pacific shipping at the point of loading if Fiji comes on board.

### **Adem L to get Shane Hobday to contact Hart regarding community concerns over fire ants.**

- Hart K has spoken to Shane. A community consultative committee meeting is scheduled for next week.
- Adem L will distribute a Quarantine report due next Tuesday.

## **4. ITEMS FOR DISCUSSION**

### **a. NSW Port Update**

- Jason M reported that for FY14/15 total volume through Port Botany was 2.29m TEU which is up 4% on the previous year, volume was driven by import full which was up over 6% and export full up over 5%.
- Volume for July was 193,291 TUE up marginally on previous July, August volume was 205,648 TEU which was up 7.7% to last year and September 194,946 which was down on last year due largely to the port being shut due to weather for 36hrs at the end of the month.
- For the first quarter of FY15/16 total volume is 594k TEU which is up 1.2% on the same period last year.
- There has been some difficulty getting numbers due to a new reporting system but the system will hopefully be right by November.
- Key growth in imports was from machinery and transport items, washing machines, clothing and furniture. Export growth was paper and timber.
- Adem L reported the CEO Stephen Cleary has resigned with Marika Calfas the interim CEO.



- There is agreement with Hutchison that they are not going ahead with Enfield. NSW Ports can now start talking to potential operators. The site is ready for operation and NSW Ports is keen to see it up and running.
- The Masterplan which will provide direction for 30 years is ready for sign off hopefully on 31<sup>st</sup> August. Jason M reported it contains long term cargo and vessel forecasts and what is needed to support growth which is predicted to be 3% to 4% per year over the next 30 year.
- Adem L reported empty container parks have now all agreed to adopt the MCS process for redirections. Redirections were occurring after bookings were made and trucks turning up were unable to pick up the box. The initial booking wasn't cancelled and the carrier was charged. There is accountability on both sides. There is a process in place and pressure is being put on carriers and parks to do the right thing. There is now a 2 hour moratorium. We don't want trucks arriving and having to turn around. The redirection system was raised as the number one issue in Sydney ECP supply chain.
- Paul D agreed it seems to be working well.

## **b. CMCCs/ TfNSW Update**

- John D highlighted July record low penalties for stevedores and carriers. There were three unseen events, two regarding stevedores server issues and one carrier with a truck breakdown.
- Steve G reported the rail modal share for the last 6 months was above 15%. It is positive to see record rail numbers. It is a shame Enfield has taken a long time to come on line, otherwise the share would have been higher. There are moves between DP World and TOLL to increase modal share on rail and Patrick has had some rail movements to port. Patrick and SICTL are expected to follow DP World's moves on future handling of trains.
- Craig M asked whether there is currently a potential for extra rail. Steve G replied there is. Adem L said rail is a major focus for NSW Ports and all of industry.
- Paul D noted the biggest issue is getting containers to serving parks in time and the extra costs of not meeting the 7 day free period negates the advantage of rail. He suggests addressing the free period at terminals.
- Adem L noted there are windows available but these aren't being used.
- Steve G suggested customers want to put freight on rail. There is no problem on assets. Windows are used about 40% of the time but there are operator issues. Services are

cancelled willy nilly and trains go out with 5 boxes. Issues are being addressed. DP World is the first off the block with operating parameters.

- John K reported MCS has two services a week to DP World. They have introduced a service to Patrick and have been asking for an additional window with 72 lifts. In addition to Saturday they are looking at a mid week window with 72 lifts. Steve G noted problems over the short term with Patrick as there has been radical change in six months but expects the additional window will be provided.
- David S asked with Hutchison pulling out of Enfield is there a risk they will pull out of Sydney and Brisbane? Adem L replied they have been told this isn't the case.
- Steve G reported on a TfNSW restructure with the division for Freight and Regional Development no longer existing. Rachel Johnson is no longer with TfNSW and freight function is under Chris O'Brien. There have been no changes in structure for CMCC. The restructure is for streamlining of responsibility to ensure departments are not working at cross purposes.

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

- There were no representatives from the Department of Agriculture or Australian Customs and Border Protection Services.
- Hart K raised concerns over the non-attendance of representatives from Agriculture and Customs. Adem L reported difficulties in finding someone from Agriculture. He will discuss this with Hart.

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

### **e. Road Transport**

- Paul D reported some clarification on the container chain which has been an ongoing issue.
- Adem L noted slot bookings through 1-stop incur penalties if not cancelled. There are clear processes to follow and most do. Adem is working with CC to give upgrade the 'EDIT' button to allow Bookings that cannot be fulfilled, to be moved to another depot.
- Paul D reported with Patrick back on full service there have been no real issues for carriers getting time slots at DP World.
- Steve G reported DP World working with carriers around changing stack runs. Paul D said DP World have been proactive working with carriers to ease congestion. They are managing processes better and there were no real issues with Patrick outside the unforeseen events.

- Paul D noted concerns with how long issues at Hutchison will continue. There are notifications for detention time coming up but carriers can't get to containers. Will Shipping Australia address this??
- Steve G reported 800 boxes on the ground. He received advice this morning that it will go to the Fair Work Commission on Friday. The MUA as filed with the Federal Court appealing two previous return to work directions.
- Hart K suggested there are surely detention fee clauses in the case of industrial action preventing delivery. Andrew K suggested approaching the shipping lines directly.
- Ben H reported two subcontracts came across to DP World late over the weekend and DP World is in discussions with other Lines if issues continue this week.
- Craig M raised issues of booking a time slot for out of gauge. John D said slots should be booked or talk to Patrick, but out of gauge is exempt from penalties. Ben H suggested they could talk to DP World about requirements but they do need to book a slot.
- Steve G noted confusion at both terminals under mandatory standards where the stevedore booked a slot for the carrier and it sat there for 5 hours. The stevedore had to pay the penalties. In some case out of gauge can be booked.
- Paul D noted since Patrick went automated, the AutoStrads cannot pick up out of gauge. You have to make specific arrangements.

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

Discussed under previous section of the agenda.

#### **g. Intermodal**

- Adem L reported Moorebank is coming along with Qube talking of a 2017 opening. There have been discussions within government regarding Badgerys Creek.

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

- Adem L has no statistics.
- ACFS is now ACFS Port Logistics.

## **5. REPORTS BY COMMITTEE MEMBERS**

- Ben H reported DP World now has the full quay line available. Some of the yard is still closed but should be up and running by the end of the week. The old crane which operated for 30 years has been replaced.
- Chris H reported the National Transport Commission is updating the Restraint guidelines over the course of the year. It started in June and there will be industry consultation over the next 2 months. 4 major sections in the guide will be reviewed and published one at a time. It will be more useful, up to date and accessible and should be available at the end of this year or early next.
- From June 30 this year RMS has had the ability to downgrade licences from over height incidents. They can suspend the licence plate or truck licence. Interstate trucks lose the privilege to drive in NSW for up to 3 months. These and other over height abatement strategies are having an effect.
- David S asked whether packing of containers will be acknowledged in the guide. Chris H replied it would and will contain some internal securing diagrams.
- Paul D noted the last roll over of container trucks was identified as due to freight in containers. From a transport industry point of view more knowledge, more data means they can feed this back to importers. Can we see what freight looks like at the packing station and if unhappy can say there is an issue?
- Chris H said this will be addressed and there will consultation with the industry. Currently the status of certification in guide is not clear. Revisions will ensure all requirements around restraint and certification are met.
- Paul D reported a major concern regarding over height vehicles not being able to use General Holmes Drive. Rachel Johnson said it is owned by the airport authority who say height of containers places restrictions on their communications system. He had asked for and investigation to verify the accuracy of this. Regarding over height the route from Port is not best practice. Chris H understands the issue but RMS doesn't have power over this.
- Paul D suggested over height signage just before toll plazas is too late. It needs to be way before this. Chris H acknowledged that some signage should be placed 4 kilometres earlier than it is. The aim is to prevent rather than catch.
- John D reported that Mandatory Standards submissions are in and finalisation will hopefully be by September.



- Regarding the United Nations IMO, Stuart M understands the Australian Maritime Safety Authority (AMSA) have issues around evidence of weight verification. It is the ship's responsibility and two methods are weigh over a weighbridge or adding up weights of bits in the container. He has concerns around ensuring evidence of compliance. He believes Shipping Australia is working on this towards July next year.
- Adem L reported from a Ports Australia working group that AMSA have said they don't the resources to enforce the rules. An upcoming ALC safety conference will update the legal perspective and how it will impact industry. There is a need to get together as industry. Andrew K noted Shipping Australia is working on the issue.
- Adem L will distribute summary of discussions from the Ports Australia Logistics Working Group committee on the subject.
- Hart K noted that at the moment it is being addressed at the point of discharge but we are trying to enforce it at the point of receipt. He asked how difficult it would be to put systems in place to enforce it.
- Paul D noted most bulk going out is not an issue. Other product can be weighed without packing. Most carriers sign a weight declaration. He can provide a copy to members. From a road point of view there is a chain of responsibility and fines for non compliance. Marking of containers as overweight is minimal with road but with rail it is high.
- Stuart M asked if it is feasible to require stevedores to weigh coming in. David S asked if it could be a business for carriers to weigh as they pick up. Andrew K reported there is a PRA weight then shipping line forwards instructions with a different weight. Who is going to police this?

## 6. OTHER BUSINESS

- David S reported that occasionally 1-stop feeds in availability which then changes. But the storage date remains at the earlier date which follows through to the detention free period causing some notifications to customers being a day out. Paul D noted it has happened at Patrick when they changed the day and didn't give an extra day on the detention period. When notified Patrick fixed it. Steve G noted some shipping lines charge in different ways.
- Garry D noted 1-Stop gets its information from the terminals.
- There was discussion about inconsistencies, with shipping lines measuring from different days. There were also issues of being notified at 10pm and counting that as a day.

- Hart K suggested carriers should be able to drop off and pick up at the same time.
- Adem L suggested discussing the issue directly with the shipping lines.
- Steve G asked whether the operational date for Enfield Intermodal has been advertised for 18 months, could NSW Ports advise when it will be operational. Adem L replied they couldn't.

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

- Adem L will discuss with Hart who from Department of Agriculture could be invited to meetings.
- Adem L will distribute summary of discussion from the PALWG.

## **8. NEXT MEETING**

Wednesday October 14<sup>th</sup>.