



Papers - May 2019

WA Port Operations Taskforce

1. Meeting Agenda
2. Meeting Overview
3. Report from Fremantle Ports



Agenda

WA Port Operations Taskforce
May 2019

Thursday, 2 May 2019
8:00am-10:00am
Fremantle Ports

Chairperson • Graeme Wilson

Next Meeting • Thursday, 6 June 2019

Agenda

8:00am	Welcome, opening comments and apologies	Graeme Wilson
8:05am	Confirmation of last month's minutes	Graeme Wilson
8:10am	Discussion on Easter issues	All
8:20am	Westport update	Graeme Wilson
8:30am	Freight & Logistics Council WA update	Kellie Houlahan
9:00am	Trade statistics	Sophie Gillespie
9:05am	Round table	All
	<ul style="list-style-type: none"> • Container terminals • Empty container parks • Rail • Shipping Australia • Western Road Federation • Transport operators • Unions (MUA and TWU) • Customs brokers/freight forwarders • CBFCA • Australian Border Force • Department of Agriculture & Water Resources • Main Roads WA • Freight & Logistics Council • Fremantle Ports 	
9:55am	General business and meeting close out	All

Invitees: Australian Border Force, Fremantle Ports, Intermodal Group, Maritime Union of Australia, ORPS, Patrick Terminals, Qube Logistics, WA Transport Workers Union, Visa Global, Department of Agriculture and Water Resources, EES Shipping, AWH, Toll Global Express, Stevenson Logistics, Graeme Wilson, JD Container Logistics, Lou Valsecchi & Associates, Curtin University, Aurizon, DP World, CBFCA, ACFS Port Logistics, Mediterranean Shipping Company, Department of Transport, ARC Infrastructure, Main Roads WA, Freight and Logistics Council WA, Superscoop Transport, CC Containers, ICL

Apologies: TBC



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Attendees: Australian Border Force (Paul Brown, Justin Smith), Fremantle Ports (Sue Hellyer, Michael Pal, Sophie Gillespie), Maritime Union of Australia (Ben Lawver), Patrick Terminals (Peter Chesi), WA Transport Workers Union (Chris Nelson), EES Shipping (Brian Hack), AWH (John Ward), Graeme Wilson, JD Container Logistics (Adam Wood), Lou Valsecchi & Associates (Mark Valsecchi), Aurizon (Andrew Clarke), DP World (Anthony Tuxford, Jess U'Chong), CBFC (John Park), ACFS Port Logistics (Brad McManus), Freight and Logistics Council WA (Kellie Houlihan), ICL (Shane Hughes), ORPS (Eric Englund), Linx (Kane Lucas)

Apologies: Dom Thatcher (FP), WRF, SBENRC, DWAR,

Meeting Overview - May 2019

Key points of discussion

Easter:

- Other than some issues with some vessel delayed arrivals, which in one case had a knock-on effect, it was agreed that Easter presented no major issues despite the volumes.

Westport:

- An area of focus is rail infrastructure, particularly concerning the Kwinana area. Concerns are that the current design is at saturation, although it was noted there is still capacity based on international standards
- Westport is looking at 8 alternatives, and within those, 25 options. There will be a number of multi-criteria assessment (MCA) workshops to select options for further consideration. Following the first round of workshops, the options will be streamlined and focussed. It was noted that time appears to be running out, with only six months until a model is to be developed.
- Members with concerns they wish to present to the Westport Taskforce should lodge questions through the Westport webpage. (www.mysaytransport.wa.gov.au/westport).
- It was noted that there needs to be better public information on port and supply chain capacities to ensure rail and road issues are accurately portrayed and appropriately considered.
- It was suggested that one of the community engagement meetings carried out by Westport could be directly with the WA Port Operations Taskforce.

FLC Work Programme presentation:

- See presentation attached.
- Key elements are protecting corridors; attracting new people with the right capabilities to the industry; assisting government with new proposed regulations; monitoring and sharing information on new technologies (eg, the proposed trial of zero emission vehicles); discussion on the need for a new, 20-year state-wide freight strategy; Westport; supporting freight access to inner city areas; freight rail issues such as rail noise and ensuring appropriate public consideration of freight's social licence to operate.

Instant Quoting Platforms:

- Increasing pressure in both freight brokerage and instant quoting.
- Freight brokers have not yet been able to get a hold in more complex heavy freight movements, including port operations. Brokers offer increased "quality" through verification but have not been seen to meet the requirements. Many operators on freight broker platforms are low cost and unqualified
- Instant quoting is becoming more prevalent. Many large organisations, like Amazon, quote full service but are getting third parties to do the work, however, it was pointed out that this is changing in the US, with Amazon taking on more of the chain themselves. Shipping lines carrying out instant quoting should only attract smaller shippers, as the larger shippers will still go to a forwarder or align themselves to arrange the best deal, rather than relying on on-line offers.
- Wisetech Global's purchase of systems has seen it increase its visibility along the chain, offering quoting, booking and transparency with in the Cargo Wise platform. This development will be interesting to watch.

Boxbay presentation:

- There was a presentation of a new container terminal design (<https://www.youtube.com/watch?v=4kvKICbePjw>)

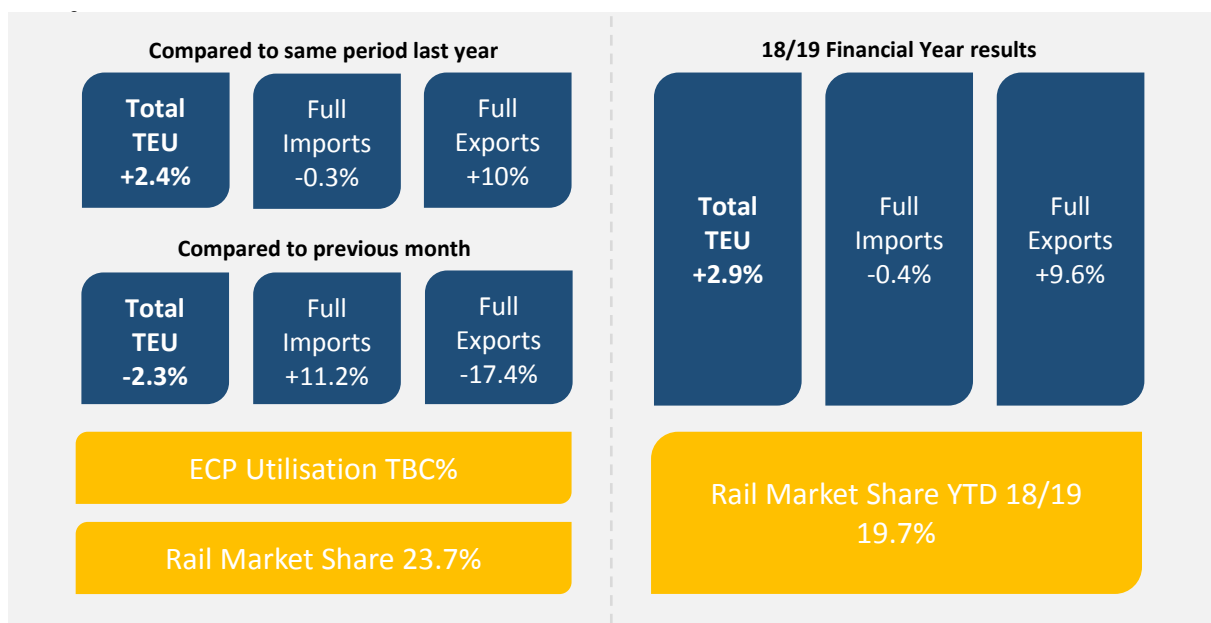
Trade:

- Overall trade was up 2.5% in April, with Exports up 9.5%.
- Rail reached 23.7%, the third time it has been above the nominal 20% current target and the highest ever market share recorded
- It was noted that imports may be down due to general election uncertainties, with some purchasers holding off on orders.

Roundtable highlights:

- Business outlook was still seen to be positive, with all operators noting positive Easter business performance.
- Mining project outlook was very positive. Lithium and new timber projects were highlight for near term contribution to container totals.
- Australia Border Force introduced Paul Brown who will take over from Rachel Edwards at Fremantle. Some issues were experienced with ABF systems recently, but members did not report this resulting in major business disturbances.
- Some weather and equipment issues in Asia have resulted in delayed sailings. This may have an impact in coming weeks.
- New managers at Patrick (starting next week) and DPW (expected within next month).
- Western Road Federation will carry out a survey of priority transport issues in the near future and support would be appreciated.
- Dept. of Agriculture and Water Resources to be praised for coming out with the requirements for the stinkbug season earlier than last year, however, it was noted that offshore treatment providers approved for the last season will have to re-apply for the next season - this may cause confusion/delays. Some of these offshore treatment providers may not take up this opportunity due to the small amount of traffic they may have with Australia, possibly making it difficult to find those willing to perform the required works.
- Remaining concerns about APL's cleaning charge, with first invoices now being received.
- Rail bridge announcement was welcomed. It was noted that this appeared to be a strong indicator that the Inner Harbour may continue to operate into the longer term.

Trade and statistics - April



WA Port Operations Taskforce: Report from Fremantle Ports

Meeting Date: 2 May 2019

1. Trade Statistics

Monthly Results

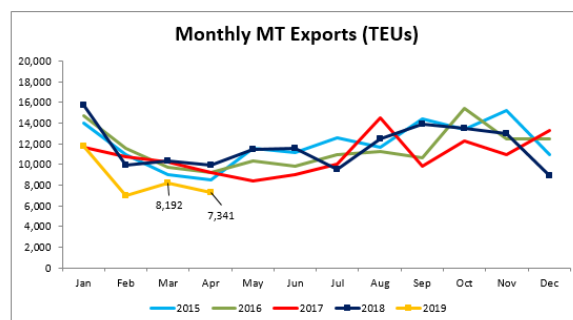
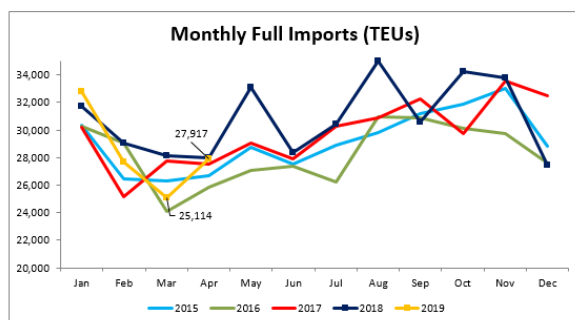
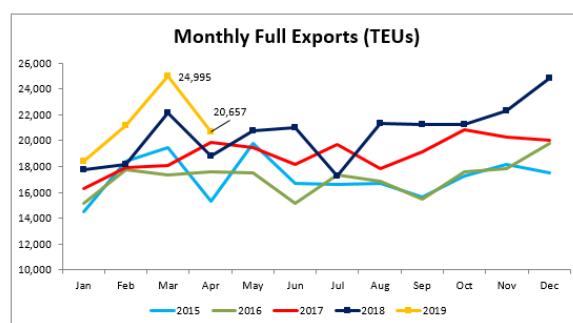
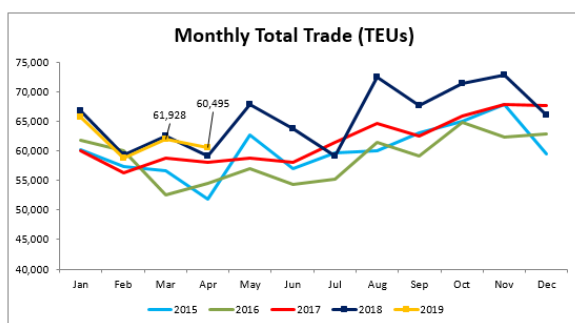
Total trade was down 1% in March compared to the same period last year., with loaded imports down significantly (10.7%). Loaded exports continued strong growth however, with a 12.7% increase on the same period last year.

According to estimates, total trade was up in April (2.4%), with loaded exports increasing by 10%. Loaded imports were down slightly (0.3%). Compared to March, total trade and loaded exports were down, however loaded imports increased by around 11%.

There were 41 container vessel visits in March and April.

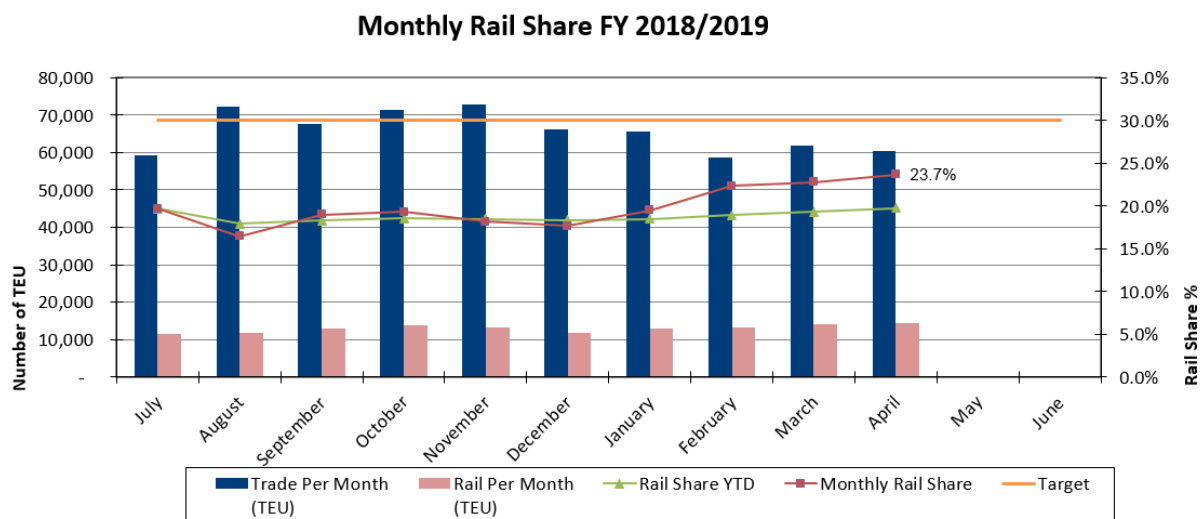
Year to date, total trade remains up (2.9%), with loaded exports up 9.6% and loaded imports down 0.4%.

Mar-19	TEU	Variance to 2017	YTD Variance to FY16/17	Variance to previous month	Containers	Variance to 2017	YTD Variance to FY16/17
Total	61,928	-1.0%	2.9%	5.3%	42,185	0.4%	0.9%
Loaded Imports	25,114	-10.7%	-0.4%	-9.3%	16,847	-10.1%	-2.5%
Empty Imports	3,627	93.1%	54.9%	22.6%	2,771	80.1%	58.0%
Loaded Exports	24,995	12.7%	9.6%	18.2%	17,993	14.2%	7.9%
Empty Exports	8,192	-20.8%	-8.0%	17.2%	4,574	-23.8%	-15.4%
Apr-19	TEU	Variance to 2017	YTD Variance to FY16/17	Variance to previous month	Containers	Variance to 2017	YTD Variance to FY16/17
Total	60,495	2.4%	2.9%	-2.3%	41,418	3.6%	1.2%
Loaded Imports	27,917	-0.3%	-0.4%	11.2%	18,767	-0.5%	-2.3%
Empty Imports	4,580	92.4%	59.3%	26.3%	3,672	107.2%	63.6%
Loaded Exports	20,657	10.0%	9.6%	-17.4%	14,985	13.0%	8.3%
Empty Exports	7,341	-26.2%	-9.6%	-10.4%	3,994	-34.2%	-17.0%



2. Rail Services

Rail recorded very strong results again in April, handling the highest ever monthly volumes and reaching a record of 23.7% market share (based on preliminary trade statistics which may be subject to change). April is the third consecutive month of market share exceeding 20%. YTD, rail has accounted for 19.7% of total trade.



3. Empty Container Parks: ECP stocks and capacity utilisation

Container Parks' stocks, as recorded on the 15th of each month, are shown in the table below. Overall stocks in March were at 65.8%, up from 63.2% in February.

March 2019	Current Month						
	Capacity (TEU)	Holding 20'	Holding 40'	Holding TEUs	% Utilisation	Share of Total Capacity	Share of Total Holdings
QUBE Container Park	7,500	2,234	1,410	5,054	67.4%	30.1%	30.8%
QUBE Central	5,850	854	1,496	3,846	65.7%	23.5%	23.5%
Tyne-ACFS	6,147	1,026	940	2,906	47.3%	24.7%	17.7%
ICL 1	1,100	353	134	621	56.5%	4.4%	3.8%
ICS (Forrestfield)	2,600	901	799	2,499	96.1%	10.4%	15.2%
Patrick Cargolink	1,700	-	734	1,468	86.4%	6.8%	9.0%
Total Container Parks	24,897	5,368	5,513	16,394	65.8%		