



MEDIA RELEASE

6 November 2019

VTA calls for greater landside investments by stevedores following ACCC report

The Victorian Transport Association has called for greater landside investments by stevedores at the nation's major ports following an ACCC report that confirmed infrastructure charges paid by transport operators are responsible for a "growing proportion" of stevedore revenues.

The ACCC [Container Stevedore Monitoring Report](#) examines the performance of stevedores operating at Australia's ports during the last financial year. Among the key findings:

- A general weakening of the economy has seen demand for stevedoring services decline, evidenced by a drop in crane lifts for only the second time in a decade;
- Higher infrastructure charges are driving unit revenue growth for the stevedores. The industry generated \$167 million in revenue from infrastructure charges last financial year – an increase of 63 per cent;
- Some industry profitability indicators fell in 2018-19, continuing a trend from recent years. Industry operating profit fell by 4.7 per cent to \$81.3 million and operating profit margin fell to 5.9 per cent; and
- Key indicators of quayside productivity went up by more than 5 per cent, with the productivity of Australian container ports now on par with international ports of similar size and characteristics.

VTA CEO Peter Anderson said whilst it is encouraging for industry that quayside productivity indicators have increased, the Association is concerned stevedores are not making the required investments that would see similar productivity gains for landside operators servicing the ports.

"The ACCC report showed truck turnaround times actually worsened to an average of 29.3 minutes nationally," Anderson said. "This is despite stevedores continuing to introduce - and increase - infrastructure surcharges across their terminals.

"As the ACCC report makes clear, landside transport operators are effectively underwriting the profitability and revenue of stevedores through the proliferation of infrastructure charges. The problem for operators is that in a monopolistic trading environment there are limitations in how they can respond to those charges, in contrast to the competitive market in which stevedores provide services to shipping lines.

"If stevedores are to continue with their program of increasing infrastructure charges, it is incumbent on them to make the appropriate investments across their terminal networks so that productivity and efficiency gains can flow through to road transport operators servicing the ports," Anderson said.

Ends...

**For the latest VTA news follow us on Twitter [@VTAComms](#)
For further information please contact Brian O'Neil on 0411 055 284.**