



**MEDIA RELEASE**

**14 September 2021**

## **Wharf carriers overlooked again in PoM supply chain study**

Landside road transport operators that have experienced exorbitant stevedore infrastructure surcharge increases and funded the capital costs of increased freight volumes have been overlooked in the Port of Melbourne's 2021 Container Logistics Supply Chain Study (CLCS).

The report maps out Port of Melbourne (PoM) container movements and helps to explain trends in imports, exports and growth areas, and to inform transport planning, land use planning and community amenity considerations.

Whilst it contains significant and irrefutable detail, data and commentary, the Victorian Transport Association is concerned with what the report does not say with respect to the road-based supply chain whose operators transport the bulk of containers in and out of the port.

"Whilst it was encouraging to see growth of 20-foot (TEU) containers through the port over the last decade, a 40% increase in freight volumes to three million TEU, and growth in the take-up of larger Super B and A Doubles in the ground-based supply chain fleet, wharf carriers have again been placed at the bottom of the process with many issues overlooked and not discussed in the report," said VTA CEO Peter Anderson.

"Vehicle utilization through the stevedores is poor, and with a 50% or less utilization factor there are added trips with containers being made within the port precinct and related areas. The barriers to more balanced loading sit with the stevedores and the shipping companies, and not the road transport operators. Under the current system, it is almost impossible to improve utilization percentages of the port by road operators."

Anderson said the report also did not acknowledge the mismatch between the 24/7 operating hours at the port with the significantly shorter container park trading hours.

"Empty container parks are usually only open during a ten-hour day Monday to Friday, with customers usually cutting off dispatch and receipt by 3.00pm Monday to Friday. While the port requires operators to use the three-day collection window and at call receipt process from the stevedores and shipping companies, the ability to match the processes in the most efficient way is quickly overlooked."

Anderson said that commonplace staging of containers in carriers' yards had contributed to a slump in productivity, increase in cost and greater exposure to community amenity concerns.

"With around 95% of TEU staged through at least one transport depot, containers are being lifted up to 10 times, creating major productivity losses that are not being addressed by the port supply chain stakeholders," he said.

Anderson said the report overlooked poor rail utilization statistics at the port, with the 12%-7% drop in rail freight in 10 years an indictment on all the rhetoric regarding reduced cost, greater efficiency and community concerns.

"Rail is a major freight mover, but the intermodal system has not kept pace with the growth in volume. Victoria International Container Terminal has been at Webb Dock for nearly 10 years and the prospect of a rail connection to service this huge facility is still 10-20 years away.



“These issues may seem focused and concentrated but they demonstrate where the port supply chain is failing. It is one thing to improve the port and attract greater numbers of ships but the increase in volumes still need to get to and from warehouses and customers in the most efficient manner.

“The wharf carrier sector of the port supply chain has carried the capital cost of increased volumes through the port. Apart from the inclusion of VICT and the introduction of Containerchain, there have been no infrastructure or process improvements over the past 10 years.

“With such little reference and acknowledgement to the reform needed in the road supply chain within the port, the wharf carrier sector continues to suffer, bear the cost and battle against opposing stakeholders,” Anderson said.

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