

MEDIA RELEASE

June 1, 2009

SECOND PORT INDUSTRY ROAD TRIAL RESULTS

A comprehensive port industry road trial aimed at assessing stevedore and road transport carrier performance has confirmed a continued concentration of demand during peak periods at Port Botany.

Sydney Ports Corporation Executive General Manager, Industry Relations Lachlan Benson said the second trial of the NSW Government's landside reforms tested proposed performance and penalty frameworks for stevedores and transport carriers at Port Botany between April 13 and 26.

"The Port Botany Landside Improvement Strategy is aimed at improving 24/7 efficiency, transparency and consistency in a bid to reduce truck congestion and freight delays at the port landside interface," Mr Benson said.

"However, using agreed trial measures, the trial found that the operations of stevedores and carriers continue to be concentrated during peak periods, adding to the risk of continued congestion at the port across the day.

"During weekdays the utilisation of available slots continues to hover between the 94 to 98 per cent mark. If VBS slot figures from Easter Monday were excluded, peak utilisation would be 99.9 per cent.

"On weekends however, the trial revealed slot utilisation rates as low as 20 per cent. Based on the trial data, there is clearly a need to drive demand away from peak and shoulder periods towards off-peak periods," Mr Benson said.

This is the second industry trial aimed at testing the draft performance framework for Port Botany's road logistics port interface. Highlights of trial two include:

- During trial two, industry booked slightly more slots than the agreed minimum availability at peak, and slightly less for shoulder period. However, its usage during off-peak period in weekdays and weekends is still much lower than the availability.
- During weekdays, VBS slot bookings centred at the peak and shoulder periods. Combined utilisation peaked between the hours of 02:00 to 19:00 during weekdays (reached 90% or above), which included almost all of the peak and shoulder periods.
- At DP World, 94% of slots in peak hours were booked. Utilisation was 87% for Shoulder, and 55% in off-peak hours. At Patrick, 98% of slots released in peak hours were booked. Utilisation was 91% for shoulder, and 83% in off-peak hours. However if, VBS slot figures from Easter Monday were excluded, peak utilisation would be 100 per cent.

- During the trial, utilisation of weekend slots (offered during operating hours) varied considerably and was sometimes as low as 20%.
- During the trial, both stevedores generally met the requirement to provide the minimum 45 slots per hour during weekdays. However there were three days when the stevedores provided less than 45 slots per hour, mostly during off-peak hours.
- Both Stevedores generally met the requirement to provide the minimum 45 slots per hour during weekends.
- During trial two, both Stevedores achieved an average Truck Turnaround Time of around 52.5 mins from queue arrival to out-gate. This is up 9 mins from trial 1.

For the first time, 'stack runs – empty and full', were analysed as was the measurement of 'job complete' at the stevedores. The in gate and out gate operations of the empty container parks were also measured for the first time, as were the operations of AQIS at Port Botany.

The results also show that approximately 61 per cent of total operating capacity of participating container parks was utilised during the trial.

Mr Benson said during trial two, preliminary penalty criteria were also applied to both road transporters and the stevedores when trial performance standards were not achieved.

"A range of preliminary penalty criteria for poor performance were considered, but no monetary calculations were applied or shown during the trial," Mr Benson said.

"For stevedores, the largest number of penalties that would have been theoretically incurred was for slow processing, followed by cancelling VBS slots and not offering an agreed minimum number of slots per hour.

"For transport carriers, the largest number of penalties that would have been theoretically incurred was for no shows, closely followed by late arrivals and early arrivals," Mr Benson said.

Overall, Sydney Ports continues to be actively engaged with industry over the last eight months to improve efficiencies across the broader logistics chain associated with Port Botany.

"Sydney Ports thanks the different industry stakeholders who provided daily operational data which was critical to the success of the first and second industry trials," Mr Benson said.

"This support and co-operation was critical to the success of trial two and will provide valuable input into a transitional period for industry in late 2009 when the Port Botany Landside Improvement Strategy is implemented.

"The trial two results will be discussed at the upcoming Industry Briefing on Wednesday 3 June 2009 at the Stamford Airport hotel which is scheduled to commence at 7.30am.

"The introduction of Peak Period Pricing will also be presented and explained at this meeting," Mr Benson said.

The trial two Finalisation Report is available from:

http://www.sydneyports.com.au/port_development/landside_improvement

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