



NSW ROAD TRANSPORT ASSOCIATION INC.
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hm1114/05
7 January 2005

Professor Judith Sloan
Productivity Commission
P O Box 80
BELCONNEN ACT 2616

Dear Professor Sloan,

I refer to submissions from New South Wales Road Transport Association (NSWRTA) and to a letter from Patrick Ports Group (Patrick) regarding those submissions relating to the current Inquiry into Part X of the Trade Practices Act 1974: International Cargo Line Shipping.

NSWRTA stands by these previous submissions. In fact there was no nominal reference to Patrick Corporation in our submissions. Their purpose was to identify what NSWRTA regards as issues that affect the efficient operation of the container supply chain from the viewpoint of New South Wales based container carriers.

On behalf of NSWRTA, I would like to respond to issues raised in Patrick's letter.

NSWRTA does not dispute that Patrick regards the efficient movement of containers in and out of the facilities by road and rail as important as the efficient movement of containers on and off ships. However on a number of occasions, senior management within stevedoring companies have advised NSWRTA they give preference in the allocation of resources to ships over road and rail. There have also been occasions when stevedores have advised that shipping lines want containers handled in a certain way which in our view does not contribute to the efficient working of the container supply chain. In these situations, the impression NSWRTA has is that the stevedores have no alternative but to submit to the requirements of the shipping line in question to the detriment of an efficient chain as a whole.

Regarding improvement and consistency in reliability, NSWRTA does not question there has been improvements and consistency in reliability from the perspective of a stevedore. Mr Moylan's point was that consistency and reliability has not improved from the container carriers' perspective. His claim is based on comprehensive analysis of vehicle trips to and from Port Botany terminals over the past six years.

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For example, NSWRTA doubts that Mr James' claim regarding an average truck turnaround time of 49 minutes for November takes into account delays and futile trips experienced by container carriers waiting outside their company's terminal following the blackout referred to in evidence presented by Mr Moylan. NSWRTA contends that Mr Moylan's records are statistically valid and accurate.

Vehicle booking systems (VBS) have advantages over alternatives because they promote the orderly arrival of vehicles, however unless they are backed up by an efficient delivery service and effective gate management then their value is purely cosmetic. It is the NSWRTA's view that an independent non-aligned body is in the best position to manage a VBS. Constructive dialogue between stevedores and industry associations is also important as it is with all participants in the container transport chain. Dialogue with stevedores occurs regularly and is generally constructive with the overriding aim of achieving a system that is fair, equitable, transparent and promotes efficiency at the port interface.

In respect of the recent blackout, Patrick's communication with the NSWRTA was by way of leaving a message on my mobile telephone message bank whilst I was in a meeting. Fortunately, I received that message within 15 minutes and was able to advise industry of the problem. NSWRTA has advised senior management at Patrick of the need to review response procedures to such emergencies having regard to the efficient operation of the container transport chain and from the viewpoint of the well-being of affected drivers. NSWRTA looks forward to constructive discussions on this matter with senior management of Patrick. Mr Moylan stands by his company's version of the consequences of the blackout in question and the manner in which it affected him and other company personnel.

In summary, NSWRTA representatives reiterate the views expressed at 1 December hearing. Please contact either me by telephone (02) 9267 8222 or mobile 0412 880861, or Mr Moylan, telephone (02) 9519 4133 if any assistance is required.

Yours sincerely

(signed by) Hugh McMaster

Hugh McMaster
Government & Commercial Services Manager

cc. Maurice James, Patrick Terminals
Llew Russell, Shipping Australia Ltd
Mike Moylan, Johnstons Transport Industries