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About ICHCA – International Cargo Handling Co-ordination Association

The International Cargo Handling Co-ordination Association (ICHCA) is an international, independent, not-for-profit organisation dedicated to improving the safety, security, sustainability, productivity and efficiency of cargo handling and goods movement by all modes and through all phases of national and international supply chains. ICHCA International’s privileged non-government organisation (NGO) status enables it to represent its members, and the cargo handling industry at large, in front of national and international agencies and regulatory bodies. Its Expert Panel provides best practice advice and publications on a wide range of practical cargo handling issues.

ICHCA Australia Ltd is proud to be part of the ICHCA International Ltd global network. To access past newsletters and other useful information go to the ICHCA Australia website at www.ichca-australia.com. The ICHCA international website is at www.ichca.com. To join ICHCA please contact Peter van Duyn, Company Secretary of ICHCA Australia Ltd at peter.van-duyn@ichca.com or telephone 0419 370 332.

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Port of Melbourne container study announced

The 2020 Port of Melbourne Container Logistics Chain Study (2020 CLCS) will update work undertaken by the port more than 10 years ago, which remains a valuable source of information for the port, government and industry. The study will inform Victoria's future freight and containerised trade logistics to ensure delivery of a more productive supply chain. With support from the Victorian Department of Transport, the study will analyse the complex logistics chain that enables tens of thousands of containers to move to and from the Port of Melbourne each week.

Brendan Bourke, Chief Executive Officer, Port of Melbourne, said a fresh understanding of Victoria's international and coastal container trade was critical to ensuring that appropriate infrastructure, industrial land, planning controls and policy settings are in place to support a responsive and productive supply chain.

"We have been planning this study for some time, but COVID-19 highlights how vital the Port of Melbourne and the international supply chain are to the Victorian and national economy. With population growth, demographic changes and shifts in consumer behaviour, managing the freight and transport network today, while planning for the future, requires a thorough understanding of the supply chain and the infrastructure needs that underpin it," said Mr Bourke.

The new research will provide a current and comprehensive picture of the port's import and export container trade activities throughout the metropolitan area, regional Victoria and interstate. Mr Bourke said Port of Melbourne is seeking the cooperation of its extensive stakeholder network to ensure the necessary data is provided for a cohesive and representative picture of container activities.

"The success of this study will rely heavily on industry support. We look forward to sharing the findings with all stakeholders so that port users and the wider supply chain can be better informed," Mr Bourke said.

Qube does deal with Woolworths at Moorebank

Qube Holdings has announced it has made two lease and development management agreements with supermarket Woolworths for new warehousing at Moorebank Logistics Park. Both leases, comprising a 40,700 sqm national distribution centre (NDC) and a 34,600 sqm regional distribution centre (RDC), are on initial 20-year terms with six five-year options. The new facility for Woolworths is to consolidate operations into a purpose-built high bay facility, leveraging advancements in retail, supply chain and semi-automated and automated technology.

The NDC is expected to start operations in 2023 with the RDC opening in 2024, with the facilities anticipated to reach full capacity from 2025. Under the two development management agreements, Woolworths is developing the warehouses and Qube is funding their construction. Qube's capital commitment for the base building construction is expected to be between \$420 million and \$460 million which will be incurred over the next three to four years with revenue of about \$30 million a year when fully operational.

Woolworths Group is to invest around \$700 million and \$780 million in the technology and fit out of the two distribution centres over the next four years. The development of the two facilities will provide more than 1,000 construction jobs prior to the commencement of the new operations. An air bridge between the sites will reduce transport requirements by allowing NDC pallets to be cross docked to the RDC removing shuttle transport and allowing product to be efficiently received and processed between the distribution centres.

Changes at the VTA executive council

Brendan Hopley is leaving the executive council of the Victorian Transport Association (VTA) after many decades of loyal and dedicated service. Mr Hopley has served the VTA and the transport industry for over 50 years and has earned the trust, respect and admiration of his peers for his many achievements. He has been an active and engaged officer of the VTA for most of this time, serving as vice president and president of the association, and as chairman of numerous executive council committees that have helped to establish policy and strategic direction for the VTA.

Cameron Murphy will join the executive council. Mr Murphy is CEO of Murphy Transport Solutions and hails from a renowned and proud transport family. He is well-known in the industry and among the VTA membership as a respected business leader.

Last wind blade on its way to wind farm

The last wind blade for the Stockyard Hill Wind Farm, 35 km west of Ballarat (Victoria), was recently loaded at the Port of Geelong by the LCR Group, part of the Qube Renewables team. This was said to be a “significant milestone” in a project that has lasted for more than two years and involved more than 2000 loads from the ports of Geelong and Portland.



According to Qube, the loads have included lifting and transporting 149 turbine units made up of base towers, nacelle, generator, hub and blades. The heaviest component weighed 110 tonnes while the longest was the top tower at almost 25 metres.

“The transportation of all the components involved 1,639 over-dimensional loads plus 400 general loads,” Qube stated.

Equipment being off-loaded at Geelong. Credit: Qube

The Stockyard Hill Wind Farm project consists of 149 wind turbines. According to proponents, the project has the potential to harness one of Victoria’s best wind resources and will provide substantial environmental, community and economic benefits, and have the potential to power about 390,000 homes a year. The project started construction in May 2018.

Ports Australia launches interactive statistics resource

Ports Australia has taken industry data and transformed it into a new multi-layered online resource with a stylish and accessible format. “We’ve endeavoured to create a representation of the ports industry through an even tighter scope with a focus on specific, individualised data, that which cannot be found through government-produced publications,” Ports Australia CEO Mike Gallacher said.

The new representation features a range of metrics with which ports’ trade are measured, including throughput in mass tonnes, monetary value of cargo, types of cargo, and numbers of vessel calls.

“One thing we value at Ports Australia is showcasing the value of our nation’s ports and there’s no better representation than the impressive numbers they turnover in trade. This is a one-stop-shop for everything data when it comes to ports. The ability to compare the throughput of two ports from opposite sides of the nation is the ability to analyse Australia’s wealth of resources across the states, territories, and regions. The effort we’ve put into the site’s style and accessibility reflects how useful we believe it will be for industry members, parliamentarians, journalists, scholars, and school children,” Mr Gallacher said.

He pointed out that this resource comes at a time when accessible information is imperative to improving public confidence in the sector.

The resource can be found here: <https://www.portsaustralia.com.au/resources/trade-statistics>

Changes in the Victorian cabinet but Ports Minister stays

Due to the recent upheaval in the Victorian Labor Party, the Premier Mr Andrews had to reshuffle his cabinet ministers. Ben Carroll is to step into the roles of Minister for Public Transport and Minister for Roads and Road Safety. Jaala Pulford takes up the role of creating jobs and overseeing Working for Victoria as Minister for Employment. She will also serve as Minister for Innovation, Medical Research and the Digital Economy and Minister for Small Business.

Melissa Horne is to serve as the Minister for Consumer Affairs, Gaming and Liquor Regulation and Minister for Fishing and Boating, in addition to continuing her role as Minister for Ports and Freight. In addition to her role as Minister for Transport Infrastructure, Jacinta Allan is to lead the delivery of the biggest public transport project and reshape Melbourne's suburbs as the Minister for the Suburban Rail Loop.

Approximately 150,000 tonnes of iron ore sent to the bottom of the ocean



M/v Stellar Banner, a 300,000 tonnes deadweight iron ore carrier, which was built in 2016, ran aground and developed a heavy starboard list on February 24, 2020 off the coast of São Luís, in the state of Maranhão, Brazil. The ship experienced bow damage that led to its grounding. The 20 crew members were evacuated from the vessel with no reported injuries.

The ship was on its way out of the access channel of Ponta da Madeira maritime terminal, heading to

Qingdao, China, loaded with 275,000 tonnes of iron ore when it ran aground. The salvage operation has been ongoing ever since.

Prior to the ship's re-floating, salvage teams removed approximately 3,500 tonnes of fuel oil to prevent an oil spill. The operation was completed at the end of March. Salvors proceeded with the unloading of the ship's cargo and unloaded approximately half of the cargo, enabling the ship to right by 12 degrees from its list and some of its submerged decks to emerge from the water. After re-floating the vessel was towed to deeper waters and scuttled.

The owner of the vessel, Polaris Shipping said that the scuttling operation was conducted and closely monitored by a salvage team, and maritime and environmental authorities. "Prior to scuttling, floating objects, such as mooring line and pollutants, also a minimal quantity of gas oil which had remained onboard have been removed. Part of the iron ore, navigation equipment and basic machinery remained on the vessel, which are deemed to pose no risk to marine life," the company added.

The Brazilian Navy said that it continues to monitor the area for possible oil and material stains that may appear after the sinking.

To view the scuttling live, see the YouTube clip:

https://www.youtube.com/watch?time_continue=116&v=eoHD3VfhYxo&feature=emb_title

Agricultural led recovery from drought

Whilst the COVID-19 pandemic will continue to present challenges, the outlook for agriculture will be dominated by recovery from drought, according to the June Agriculture Commodities report issued by the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES).

ABARES' acting executive director Peter Gooday said that better seasonal conditions are expected to see the value of farm production increase modestly to \$61 billion in 2020-21, the third straight year it's been over \$60 billion. "This is driven by a strong forecast rebound in grain production, up 15% to \$30.8 billion," Mr Gooday said.

Mr Gooday continued: "The value of livestock production is forecast to fall 10% to just above \$30 billion, ending a run of very strong growth. After three years of widespread drought, conditions have begun to improve, and re-stocking is likely to commence. A global economic slowdown combined with higher agricultural production is going to weigh on prices – price falls are forecast for most major commodities."

As Australia recovers from drought, the value of farm exports is forecast to fall by around \$2.7 billion to \$44.4 billion in 2020-21, driven by falling meat exports and the rebuilding of domestic grain stocks. "With graziers looking to rebuild herds and flocks, slaughter numbers – and therefore exports – are forecast to fall. Meat and live animal exports are forecast to fall by \$3.5 billion and while exports of grain are expected to increase by almost \$2.3 billion, over 4 million tonnes of the 2020-21 grain harvest is expected to be retained to rebuild domestic stocks," said Mr Gooday.

He said that Australian agriculture's resilience and ability to adapt swiftly to challenges should position the sector well during the post-pandemic recovery. "With a few notable exceptions, Australian agriculture has not been severely impacted by COVID-19 and has shown that it can adapt in most cases."



Take us with you...

ForkliftAction: news, trading, networking for anyone who works with materials handling

The advertisement features a photograph of three workers in safety gear (hard hats and high-visibility jackets) standing in front of a blue forklift. To the right, a tablet displays the ForkliftAction website interface, which includes a navigation menu (NEWS, DIRECTORY, FORUMS, MACHINERY, Q&A), a search bar, and various news articles and announcements. The website content visible on the tablet includes sections for 'YOUR VOICES', 'INSIDE FORKLIFT ACTION', 'GLOBAL NEWS', and 'ANNOUNCEMENTS'.

ACCC seeking special leave to appeal Acacia Ridge terminal ruling

The Federal Court ruling that Pacific National's acquisition of the Acacia Ridge terminal from Aurizon was unlikely to substantially lessen competition may be appealed in the High Court of Australia. The Australian Competition and Consumer Commission (ACCC) has issued a statement that it was seeking special leave to appeal to the highest court in the land.

"We believe that the Full Federal Court's decision does not recognise the full impact of the proposed acquisition on competition in this vitally important industry," ACCC chair Rod Sims said. "Competition depends on rivals having the chance to compete. While no-one can predict the future, we do know that, with this acquisition, the barriers to entry would become effectively insurmountable and Pacific National's near monopoly as the dominant rail freight carrier on the east coast would be entrenched. A lack of competition in rail freight would likely lead to increased prices, for businesses and consumers around the country," Mr Sims said.

If the ACCC receives special leave to appeal, this would be the first time the High Court has considered Australia's merger laws. The case is said to centre on section 50 of the Competition and Consumer Act, which prohibits any acquisition that would be likely to substantially lessen competition. The ACCC will also seek the High Court's ruling on the scope of a court's power to accept an undertaking as a remedy after finding a proposed acquisition is anti-competitive. "We are seeking special leave to appeal to the High Court because it is vital for Australian businesses and consumers that competition laws are effective in protecting the competitive process," Mr Sims said.

Ports Australia appoints new policy and operations director

Ports Australia has appointed a new policy and operations director, as long-serving director Ash Sinha steps down. Margie Barbouttis, who is experienced in policy work and logistics industry processes, has been appointed to the role.

Ports Australia CEO Mike Gallacher said, "Ports Australia welcomes Margie Barbouttis as our new Director Policy and Operations. "With extensive experience in policy and project development and coordinating specialised working groups in areas outside the port industry, Margie has already shown an appetite to broaden her understanding of the role ports play in enabling this nation's trade in the short time she has been with us." Mr Gallacher acknowledged the contribution of Mr Sinha to the wider ports industry and wished him the best of luck with his future endeavours.

Wallenius Wilhelmsen to plead guilty to cartel conduct

Norwegian-based shipping company Wallenius Wilhelmsen Ocean AS (WVO) is likely facing millions of dollars in fines after pleading guilty today in the Australian Federal Court to criminal cartel conduct. Wallenius Wilhelmsen Ocean AS, a subsidiary of Wallenius Wilhelmsen ASA, was charged in August 2019 following an investigation by the Australian Competition and Consumer Commission (ACCC) alleging criminal cartel conduct relating to the transportation of vehicles to Australia between June 2011 and July 2012.

Wallenius Wilhelmsen is now the third guilty plea in relation to the long-standing cartel investigation involving multiple international shipping companies. In July 2016, Japan-based Nippon Yusen Kabushiki Kaisha (NYK) pleaded guilty to criminal cartel conduct and was fined \$25 million in August 2017. In April 2018, Kawasaki Kisen Kaisha (K-Line) also of Japan, pleaded guilty to criminal cartel conduct and was later fined \$34.5 million.

“We are pleased that by entering a guilty plea, WWO has acknowledged its role in this criminal cartel. This plea means the last of the cases in the long-running shipping cartel matters is now closer to being resolved,” ACCC Chair Rod Sims said. The case involving Wallenius Wilhelmsen has been adjourned for sentencing at a later date.

Amazon to build facility in Brisbane

Global tech giant Amazon is to build a large distribution hub in the Brisbane suburb of Lytton, a move hailed as boosting the company’s logistics capabilities nationwide. Lytton is near the mouth of the Brisbane River, facing Brisbane Airport and close to the Port of Brisbane. Amazon has been working with Goodman, an Australian-based global property group, to develop the company’s first Queensland “fulfilment” centre.

Amazon Australia director of operations Craig Fuller said Brisbane was a key strategic location. “We’re pleased that this significant investment will create job opportunities to support the local economy, benefit customers, and local small to medium size businesses who will be able to access Amazon’s logistics capabilities to reach customers across the country,” Mr Fuller said.

Goodman Australia General Manager Jason Little said Goodman had a long-standing working relationship with both the Queensland Government and Amazon.

Updates from the Department of Agriculture, Water and the Environment

Brown Marmorated Stink Bug (BMSB)

The Department has recently finalised the seasonal measures for the 2020-21 BMSB season. Please be advised that applications for new and renewing Offshore BMSB Treatment Providers are now open. The Department "encourages stakeholders in the import and shipping industries to make prospective offshore BMSB treatment providers aware of the requirement to register for the 2020-21 BMSB risk season."

For the latest information on COVID-19, and other issues please visit the Department’s website:

<https://www.agriculture.gov.au/biosecurity>

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