



WESTERN AUSTRALIA PORT OPERATIONS TASK FORCE

Peak Season Concerns

The recent WA Port Operations Task Force (WAPOTF) meeting highlighted a series of critical messages for those expecting or handling container freight over the Christmas peak.

There was a worrying drop in import containers in October (compared to September and the same period last year). Recent years have shown October to normally be one of the strongest months for import volumes. This may mean one of two things - there is no peak season this year, or many importers have failed to heed the warnings and have left their orders until the last minute.

The discussion at the WAPOTF meeting pointed to the latter being the case. A number of prominent freight forwarders present noted how cash flow concerns and an unusual “Golden Week” activity in China (October holiday) have seen a tail back in (i) orders being placed locally and (ii) orders being produced and shipped ex-China. This is a clear signal that there will be an influx of containers come December... unless we take steps now.

“After Hours Activity”

One very positive message from the Task Force meeting was the report by two transport operators who said that circumstances had forced them to run their trucks in the evenings and on Saturday - something they would not have normally done. They both remarked that it was “Fantastic”. Vastly superior turn times, no issue getting slots.

As one of them put it “yeah, I paid my driver what turned out to be an extra \$6 an hour to run in the evening but it paid itself back in a few minutes (no overtime, no down time waiting, etc. etc.)”.

“Blank Sailings”

Most shipping lines regularly omit a sailing around this time of year. Some are already happening. One major line has already announced theirs as between Xmas and New Year. This has the effect of causing a surge of arrivals, when the service resumes. This will certainly put extra pressure on slot availability at terminals and trucking capacity. Don't get caught out.

For the last few Christmas seasons, the industry has heeded the warnings concerning leaving orders too late. This year is a major concern. You need to be doing at least one of two things, if you want to meet your customer's needs this year and avoid an extra costs through demurrage, storage or truck queuing:

- ☐ Pull your containers as far forward as possible and do not get caught in the Christmas rush;
- ☐ Consider alternatives for deliveries over the Christmas period.
- ☐ Stay in close communication with your clients and relevant shipping lines

What is your transport company thinking/doing?

The overall message is that the signs are all there.

Act now and avoid unnecessary pain.

