



## **SYDNEY AND AUSTRALIAN PORT CONGESTION @ 13<sup>TH</sup> OCTOBER 2020**

The AIMA Notices of 11<sup>th</sup> September 2020, 28<sup>th</sup> October 2020 and 6<sup>th</sup> October 2020 outlined the serious congestion situation existing at the Port of Sydney due to –

1. Container Terminal Congestion
2. Recent and Ongoing Stevedore Industrial Action
3. Major Congestion at Sydney Empty Container Parks

Whilst improving, the port congestion in Sydney has continued and empty containers tied up in the system are still said to be in the order of 50,000 TEU/equivalent.

Shipping lines continue to impose Congestion Surcharges at the Port of Sydney as outlined in the attached Summary. Please note alteration to Maersk numbers and inception dates compared to Notice of 6<sup>th</sup> October 2020.

The situation remains in the Ports of Melbourne and Brisbane where Mediterranean Shipping Corporation (MSC) imposed a Congestion Surcharge the same as their Sydney Surcharge of USD300/TEU and USD600/FEU. MSC claimed the Sydney congestion has caused a flow on effect into Melbourne and Brisbane.

Other shipping lines have not as yet imposed similar surcharges for Melbourne and Brisbane, but can be expected to follow suit before long based on their approach to the initial Sydney Congestion Surcharge first levied by MSC, although it is now over a week since the MSC announcement and with the position improving hopefully other carriers will not follow MSC lead in Melbourne and Brisbane.

The Maritime Union (MUA) agreed with the Terminal Operators to cease all industrial action at both DP World and Patrick Sydney Terminals following much publicity and comment by the Australian Government and Parties like Australian Peak Shippers Association/APSA (of which AIMA is a Member) together with Hearings in the Fair Work Commission brought about by the Terminal Operators notably Patricks. A further Hearing in the Fair Work Commission is set for 26<sup>th</sup> October 2020 with MUA and Patricks.

Barring further industrial action the position should continue to ease as Stevedores resume full activity, following the lifting of restrictive bans on overtime and application of work to rule applied by the Maritime Union. However it may still be some weeks before the situation returns to normal and shipping lines are able to free up the empty containers tied up in Sydney at Port Terminals and Container Parks and resume their normal sailing cycles into and out of Australia.

Therefore, in the meantime it appears the Sydney (and MSC Melbourne/Brisbane) Port Congestion Surcharges will remain in place, until such time as conditions ease and throughput of vessels and containers returns to normal.

AIMA will continue to monitor the situation and advise further when appropriate.

For specific comments regarding Sydney and Australian Port Congestions Surcharges please contact your AIMA Mover for further information.

Kind regards  
**Philip Gordon**  
**AIMA Chairman**  
13<sup>th</sup> October 2020