



## Port of Melbourne's Response to COVID-19 – Update 7

### A resilient industry despite the challenges

COVID-19 and recent natural disasters have presented unprecedented challenges, yet Port of Melbourne and the broader industry are showing remarkable resilience. We continue to press on with our port infrastructure investment, and we have recently welcomed some of the largest vessels to ever call at the port.

#### Port operations

Despite weather-related impacts on international stevedore operations in late May, the supply chain continues to operate efficiently. Stevedores are dealing with higher volumes in June as a result of bad weather along the east coast delaying vessel arrivals into Melbourne, causing vessels to 'bunch'.

#### Container trade

As a result of the weather delays, an estimated 10-15,000 TEU of overseas containers due to arrive on vessels in May have arrived in June instead. Within this result the May 2020 results were:

- Total container volumes (full and empty) down by 12.4 per cent;
- Full overseas container imports down 5.5 per cent;
- Full overseas container exports down 5.4 per cent;
- Empty container throughput down 14.6 per cent;
- Motor vehicles (by units) down by 58.8 per cent;
- In the dry-bulk category, cement and gypsum were up by 6.1 per cent combined with a slight increase in bulk grain of 4.6 per cent; and
- Liquid bulk was lower (7.3 per cent) mainly due to refined petroleum imports but offset to some extent by higher crude oil volumes.

For a financial year to date comparison as at May 2020:

- Total container throughput (full and empty) is down 5.1 per cent;
- Full overseas container imports are down 5.1 per cent;
- Full overseas container exports are down 3.7 per cent; and
- Empty container throughput is down 7.3%.

There were six ship cancellations (vessel blankings) in May 2020. Of the 37 blankings between January and May 2020, three quarters relate to shipping lines managing the COVID-19 volume impacts and a quarter to the annual Lunar New Year reductions. The result is significantly more than the 20 cancellations for the same period in 2019.





June trade data for the first three weeks indicates that container trade volumes for the month are likely to be similar to the same period of 2019, noting that June and July are typically low season months for trade.

### **Container logistics study**

Port of Melbourne, with support from the Department of Transport, has launched the 2020 Container Logistics Chain Study (CLCS). The CLCS will track container movements from their origin and destination, and will be a valuable resource for industry, PoM and policy makers alike. For more information click [here](#).

### **Big ship arrivals increase**

Despite the challenges associated with COVID-19, Port of Melbourne continues to welcome some of our biggest vessels ever to call at the port. Along with the arrival of the CMA CGM Ural at VICT, the largest vessel by carrying capacity to call at the port at 10,662 TEU, the MSC Pamela recently returned to Patrick's Swanson Dock East terminal, delivering new equipment for Patrick's ongoing investment in container handling capability. DPWA's Swanson Dock West terminal regularly handles vessels longer than 300 metres such as the Conti Courage which arrived on 25 June. Enabled by the Port's investment in supporting infrastructure and the investment by stevedores in newer and larger quay cranes, it is testament to Port of Melbourne and industry commitment to investing in port infrastructure to ensure that we welcome these larger vessels for the Australian market.

### **Other corporate planning**

Port of Melbourne continues to plan for staff returning to the office, subject to State government directives, with providing a safe workplace our fundamental priority.

Please don't hesitate to call your Port of Melbourne contact or email us at [covid19@portofmelbourne.com](mailto:covid19@portofmelbourne.com) if you have any queries.

### **Brendan Bourke**

Chief Executive Officer

