

Port of Melbourne Stakeholder Update 22

Soft container volumes seen in September

September 2021 was a soft month for total container throughput (full and empty) with a total of 265,462 TEU, 2.2% above the previous year.

Full container overseas imports decreased 3.5% on September 2020. Imports of domestic appliances, furniture and textiles were all down on September 2020 volumes.

Full overseas container exports decreased 5.6% on September 2020. Exports of fresh fruit and hay, chaff and fodder were all below comparable September 2020 volumes.

Overall September 2021 container trade results compared with September 2020 and year to date volumes were as follows.

- Total container volumes (full and empty) were up by 2.2% on September 2020; and up 2.2% year to date;
- Full overseas container imports were down by 3.5% on September 2020; and down 1.8% year to date;
- Full overseas container exports were down by 5.6% on September 2020; and down 5.5% year to date;
- Full container trade between Melbourne and Tasmania excluding transhipments were up 0.3% on September 2020 to total 18,649 TEU and was up 0.8% year to date;
- Empty container movements were up by 27.4% on September 2020; and up 17.6% year to date;
- Full transhipments were down by 28.2% on September 2020; and up 5.1% year to date;
- Motor vehicle imports were down 8.3% (-1,872 units) on September 2020; and up 26.6% year to date;
- Dry bulk trade is up 26.5% on September 2020; and up 38.7% year to date. The monthly comparative increase is almost entirely attributable to grain exports which totalled 178,282 tonnes compared to 71,485 tonnes in September 2020;
- Break bulk trade is down 0.8% on September 2020; and up 39.6% year to date. Declines in imports of non-electrical machinery and iron and steel were the main commodities responsible for the monthly decrease;
- Liquid bulk trade is down 5.5% on September 2020; and down 3.3% year to date.



Trade outlook

Container trade for early October 2021 is tracking well below the comparative month in 2020 due to positive COVID-19 cases impacting container terminal operations.

Supply chain

Market demand globally remains strong with shipping congestion in Asia and Oceania ports continuing to place pressure on capacity and vessel schedules, resulting in port omissions and rotations.

Throughout September shipping lines continued to inform on necessary port omissions across several Australian Ports in an attempt to recover time in their schedules, with the local port freight supply chain continuing to adapt with no reports of significant disruptions or freight movement challenges.

Increasing COVID-19 cases within Melbourne resulted in reduced labour availability within container terminals during late September and early October. It is anticipated that reduced isolation periods for fully vaccinated primary close contacts of positive cases will help restore greater levels of terminal labour supply and therefore terminal operational capacity.

Industrial relations

On September 27th, the Maritime Union of Australia (MUA) issued 40 notices of protected industrial action for Patrick's Melbourne terminal. Notices issued included 12 hours of work stoppages every Monday, Wednesday and Friday throughout October (except Friday 1 October), with reports that delays were expected to impact Patrick by up to 7 days by mid-October.

The MUA subsequently withdrew all industrial action that was notified at Patrick's Melbourne terminal. Industrial action ceased to take effect from 11:59pm on the 6th October, until further notice.

On October 25th the MUA announced it will restart 12 hour stoppages and Patrick's Melbourne terminal every Monday, Wednesday and Friday for the first two weeks of November.

Patrick Terminals announced on the 26th October that it has lodged an application with the Fair Work Commission to terminate its Enterprise Agreement with the MUA.

In a statement to the Australian Financial Review on October 6, Port of Melbourne encouraged the MUA to reconsider their position on the current industrial action. The Victorian economy is depending on the supply chain to enable businesses to open up, for producers to get their exports through the port, and for people to receive the essential goods they need.

Please call your Port of Melbourne contact or email us at information@portofmelbourne.com if you have any queries.

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