



DP WORLD AND PATRICK PORTS INDUSTRIAL ACTION IN AUSTRALIA

Australia is currently witnessing significant industrial action involving DP World Australia and Patrick Ports. The Maritime Union of Australia (MUA) division of the Construction, Forestry, Maritime, Mining and Energy Union (CFMMEU) has issued Protected Industrial Action notices for each of their Australian terminals.

TIMELINE OF EVENTS

The industrial action started in early October 2023. The initial notices affected the terminals at various Australian ports until the 30th of October 2023. However, additional notices were received, extending the industrial action until the 6th of November 2023. Recently, further notices have been issued, affecting the terminals from **Monday, 6th November to Monday, 13th November 2023.**

AFFECTED PORTS

The industrial action has impacted several ports across Australia. These include:

Brisbane: The industrial action includes intermittent work stoppages of 2 hours, bans on overtime, shift extensions, and various other restrictions.

Sydney: The action includes stoppages of work for 1 hour and 24 hours on specific dates, along with bans on handling certain vessels, overtime, and other restrictions.

Melbourne: The city has seen intermittent work stoppages of 2 hours, bans on overtime, shift extensions, and various other restrictions.

Fremantle: The port has experienced 2-hour work stoppages and bans on handling ships for 8 hours (currently DPW have no operations on 31/10, 3/11 & 6/11. Patrick's will stop work, meeting from 14:00 to 16:00 on Monday 06/11 and no operations on Tuesday 7/11), among other restrictions.

IMPACT ON OPERATIONS

The industrial action includes work bans and rolling work stoppages (some for a full 24 hours) at DP World's terminals in Sydney, Melbourne, Fremantle and Brisbane.

The industrial action also includes bans on working on ships for eight hours after berthing, work on subcontracted vessels, or working outside rosters.

The action is expected to have potential ramifications for industry operations, including delays and container detention charges. Several vessels have been affected by the planned Protected Industrial Action.

LOOKING AHEAD

While the industrial action continues to disrupt operations at DP World Australia and Patrick Ports, it is hoped that these issues will be resolved soon to ensure the efficient flow of goods to support Australia's economy during this challenging period.



DP WORLD EXORBITANT INCREASE TO LANDSIDE FEES - 1 JAN 2024

DP World Australia (DPWA) has issued 60-day Notices of Intention to increase landside fees at each of its Terminals in Australia from 1 January 2024. All DPWA Notices are also available directly from the DP World Customer Portal at: <https://customer.dpworld.com.au/caremore/login> - scroll down to "Public Tarriff Schedule". In addition, Notices have been issued stating that following the introduction of a calibrated weighing device (PONDUS) in Melbourne earlier this year, PONDUS devices will be implemented in DPWA's Sydney and Fremantle Terminals in the first half of 2024 (dates to be confirmed). A "Weight Misdeclaration Fee" will be applied on laden import units having an absolute weight variance greater than (+/-) one metric tonne compared to declared weight (VGM recorded by the shipping line).

Landside Fee Increase Percentages:

In its East Coast port terminals where there is no Government oversight or intervention on stevedore landside fees, the following percentage increases have been announced by DPWA:

- Terminal Access Charge (TAC): Full Exports a whopping 52.52% increase in Melbourne; 38.80% increase in Sydney; 37.50% in Brisbane.
- Terminal Access Charge (TAC): Full Imports - 26.18% increase in Brisbane; 25.49% in Sydney; 21.22% in Melbourne.

In contrast in Fremantle where the WA Government still owns Fremantle Ports, and landside fee increase percentages have been capped in terminal leases, the Terminal Access Charges (TACs) for full imports and full exports will only rise by 5%.

Vehicle Booking System (VBS) and ancillary charges are increasing by various amounts too, including:

- VBS Slot Fees and full Stack Run Fees (per slot) increasing by 49.74% in Fremantle (as a charge outside of the capped fee agreement in the Fremantle terminal lease) and by 35.65% in Melbourne, Sydney & Brisbane.
- Energy Charge (per export and import unit) rising by 13.96%
- Vehicle Misdeclaration Fee increase by 23.33%
- Various other charges increasing by percentages between 7.51% to 9.45% - all above CPI.

Justification for Increases:

The Notices of Intention include general statements from DPWA forecasting more than \$600m in capital expenditure across 2023-2026 in its four terminals to invest in equipment and civil expansion works to cater for greater landside demand. The statement is accompanied by a table setting out key equipment capex items in each Terminal. The Notices also mention other capex expenditure on maintenance and expansionary pavements work at all terminals, and on IT infrastructure & system upgrades. Under the National Guidelines on stevedore landside fee increases (and the Victorian Voluntary Pricing Protocol), CTAA will be asking for further justification for such steep percentage increases in fees and charges. Under the national voluntary guidelines, DPWA is obliged to issue final 30-day Notices, with responses to the industry feedback they receive.