



Australian Government  
Productivity Commission

# **Australia's maritime logistics system: What the Productivity Commission has heard.**



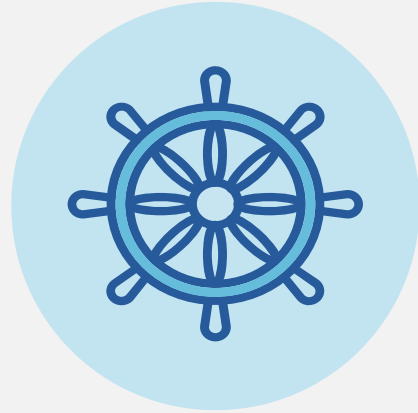
Julie Abramson  
Commissioner



Stephen King  
Commissioner

Presentation to  
APSA conference  
2022

# Outline



**Background to  
the inquiry**



**Main issues  
raised by market  
participants**



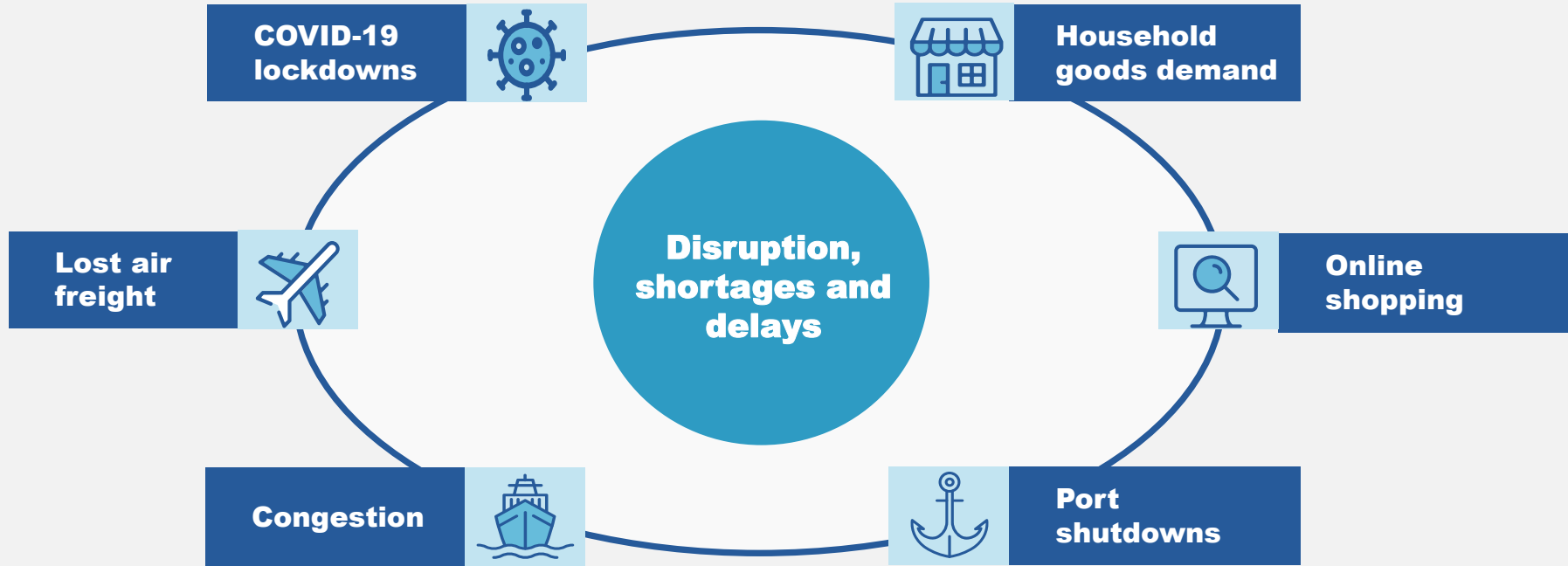
**Where to  
next?**

# Setting the scene



Image: Ian Taylor

# Recent events have put pressure on the maritime logistics system



# The Commission's task

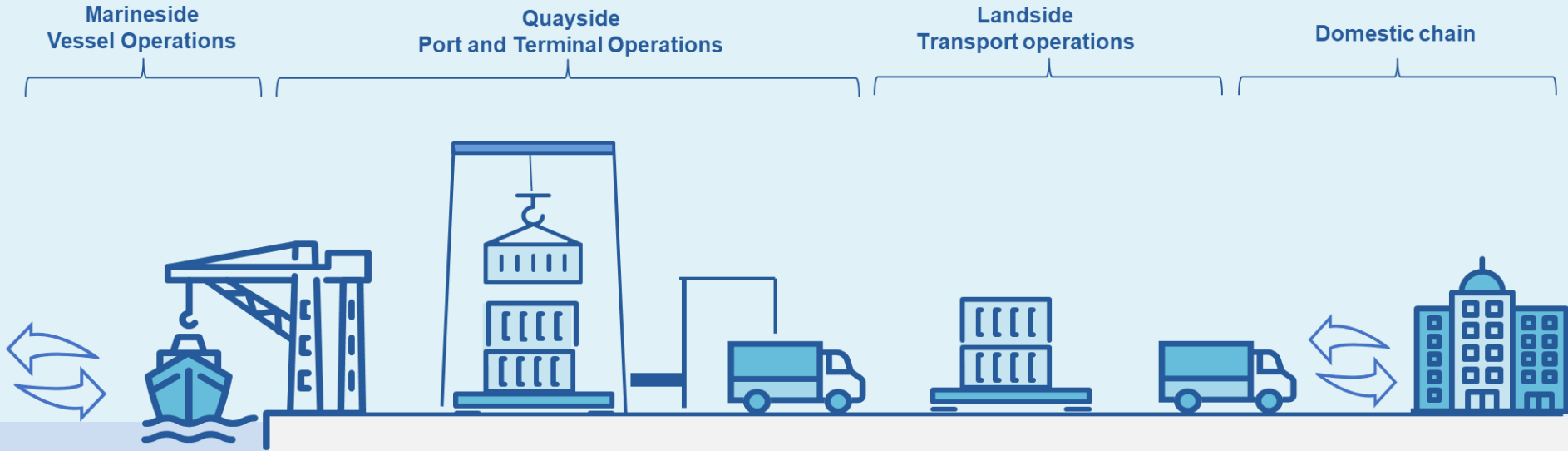
## Key themes in the terms of reference

- performance of Australia's ports
- impacts on consumers, business and industries
- workforce issues
- infrastructure
- technology.

The inquiry also considered competition as a driver of costs and efficiency

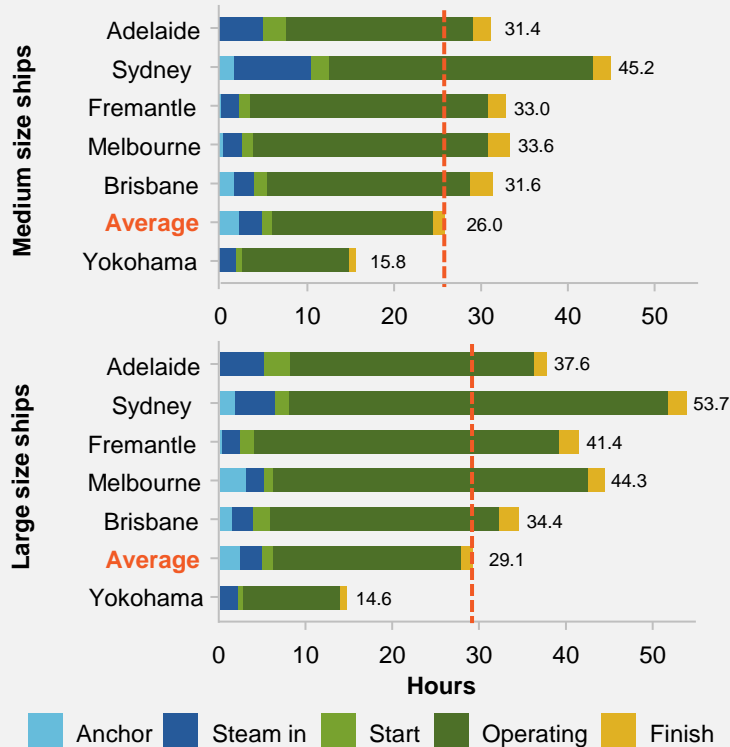


# What have we heard?



# Port performance - the world bank study

## Average turnaround times, 2019-20

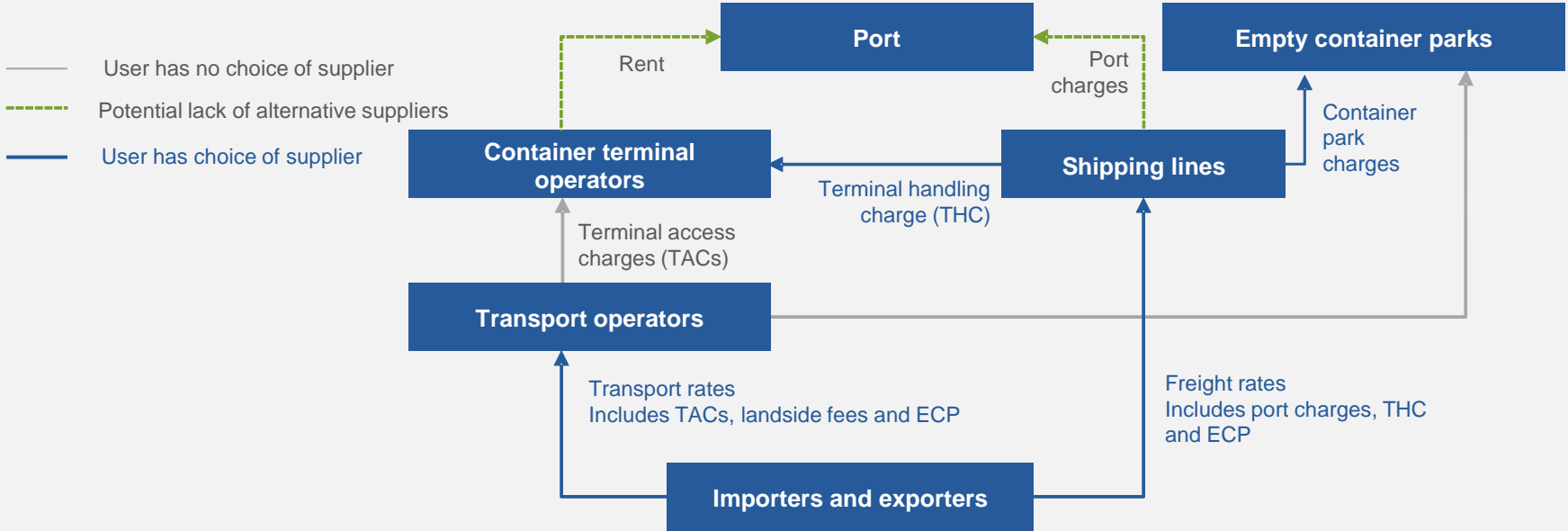


Australia's major container ports have poor average turnaround times.

But is this robust?

# The ACCC and ESC have highlighted competition issues

We have heard that ports are regional monopolies but regulation is weak.





# Specific competition issues raised with us:

- TACs up to \$160 per container
- Claims that container detention fees are exploitative (detention fees can be \$300 a day)
- Ongoing issue of Part X of the Competition and Consumer Act



# Infrastructure issues raised with us:

- Will larger vessels be accommodated?
- Is increased rail desirable/economic investment?
- Are recent disruptions short or long term?
- Is long-term planning adequate?



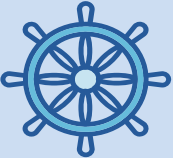


# Workplace arrangements

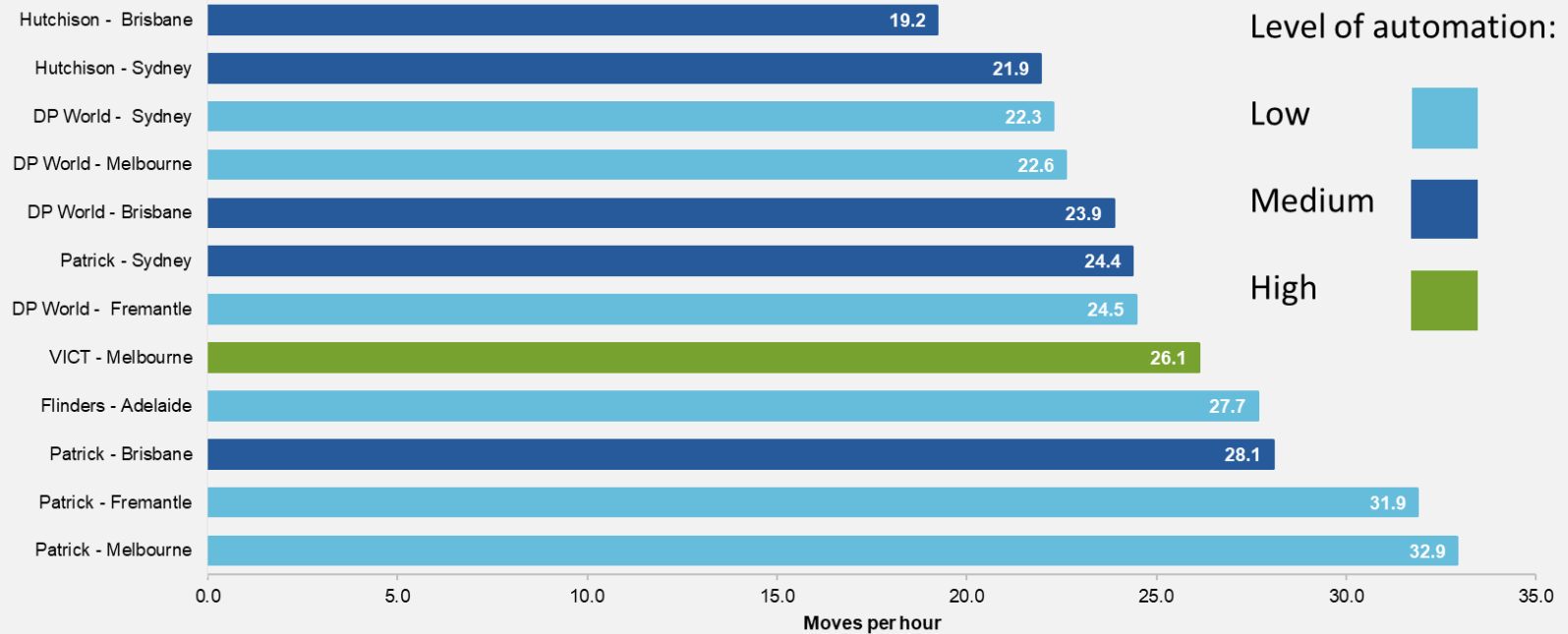
- ACCC (and others) concerned about content of enterprise agreements in container terminals.
- Concerns about the length of enterprise agreement negotiations in container terminals
  - Averaged 525 days (vs 295 days pre-2018)

# Concerns about skills gaps and the training system

- Workers in many different roles are needed on Australia's ports.
- Where are the next generation of employees with blue water experience going to come from?

Lower-skill	Medium-skill	Higher-skill
<p><b>7573 employees</b></p> <p>Lashers, forklift drivers and crane drivers.</p> 	<p><b>1353 employees</b></p> <p>Electricians, metal fitters and machinists.</p> 	<p><b>4990 employees</b></p> <p>Marine pilots, tug masters and engineers.</p> 

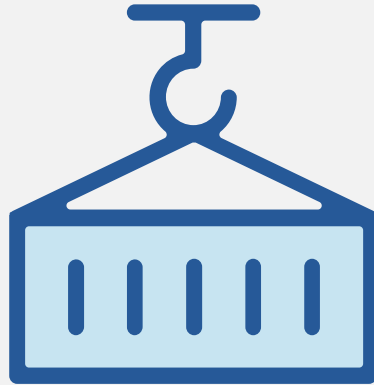
# Claims that automation does not raise productivity



# Next steps in the inquiry



# Questions





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