



# SEMAPHORE

Newsletter of the Maritime Law

Association of Australia and New Zealand



## Port of Melbourne Busier During Restrictions

Operations not only continued at Port of Melbourne (PoM) during Stage 4 COVID-19 restrictions but volume actually ramped up across several key trade areas.

PoM's comparative year-on-year trade figures for the month of June 2020 included:

- total container volumes (full and empty) – up 7.2%
- full overseas container imports – up 12.8%
- full overseas container exports – up 7.2%
- empty container throughput – down 1.4%
- motor vehicles by units – down 55.4%
- dry bulk – boosted by an increase in cement, fly ash and manufactured fertiliser, despite no June grain shipments – up 26.6%
- liquid bulk – mainly impacted by reduced refined petroleum imports but offset to some extent by higher crude oil volumes – down 6.5%

However, the pandemic's impacts were reflected in PoM's comparative year-on-year full-year results to June 2020 (FY20):

- total container volumes (full and empty) – down 4.6%
- full overseas container imports – down 3.3%
- full overseas container exports – down 2.2%
- empty container throughput – down 6.5%
- Tasmanian container volumes – similar to previous year
- motor vehicles (by units) – down 19.2%
- dry bulk – down 1.8%
- liquid bulk – down 6.8%

In a COVID-19 response update on August 5, PoM chief executive Brendan Bourke noted that the port alongside other key stakeholders had implemented response measures when restrictions were first announced back in March.

“[We] developed a supply chain initiative to locate near and on-port land available for storage of excess containers if required, and this work is ongoing,” he stated at the time.

“PoM is working with the freight and logistics sector to anticipate and prepare for any disruptions which may arise with some Stage 4 restrictions.

“We live in a global economy and PoM will continue to connect Victorian businesses to global markets by supporting inbound and outbound trade, which is vital to our economy and our way of life.”

### **Victoria State Reopening Roadmap**

As from 11.59pm September 13, some COVID-19 restrictions had begun easing across the State of Victoria.

The “reopening roadmap” entails:

- First Step
  - regional Victoria – *first step only applied to Metro Melbourne*
  - metro Melbourne (after September 13) – expanded social interaction
- Second Step
  - regional Victoria (after September 13) – social bubbles, visitors and staged return of education
  - metro Melbourne (after September 27 subject to trigger points and public health advice) – social bubbles, phased return of some workforces and education – **CURRENT**
- Third Step
  - regional Victoria (after September 16) – increased reopening for sport, recreation, ceremonies and special occasions – **CURRENT**
  - metro Melbourne (after October 26 subject to trigger points and public health advice) – major industries return, increased reopening for education, sport, recreation, ceremonies and special occasions
- Last Step
  - statewide (after November 23 subject to trigger points and public health advice) – increased numbers for gatherings and hospitality
- COVID Normal
  - statewide (subject to trigger points and public health advice) – no restrictions for gatherings, visitors, hospitality or sport

“Trigger points” refer to a point for review by the State Government’s public health team to consider any potential changes to the restrictions, based on case numbers, testing numbers and other factors.

Victoria State Government updates on COVID-19 can be found at <https://www.dhhs.vic.gov.au/coronavirus/updates>, include the Premier’s statement of September 6 <https://www.dhhs.vic.gov.au/updates/coronavirus-covid-19/statement-premier-0>.

In regard to recent trade developments at PoM, Mr Bourke noted that bad weather had affected a number of vessels in late May and delayed arrivals.

“This resulted in an estimated 10,000-15,000 TEU of overseas containers arriving in June instead of May.

“Ship cancellations (vessel blankings) for FY20 January-June totalled 43, significantly up (72%) on the January-June FY19 period. Of these, 29 related to shipping lines managing the COVID-19 volume impacts and 14 to seasonal capacity management programs, such as the annual Lunar New Year period, as well as other vessel delays.

“The FY21 outlook for blankings is expected to reflect the peak season (September-February) increase in demand and the return of shipping capacity. In recent weeks [preceding August 5], we have seen port omissions as a result of schedule recovery efforts by shipping lines, necessitated by weather delays along the east coast – to date, only one vessel is planned to omit Melbourne with a planned September call now cancelled.

“July trade data suggests that July trade volumes will be similar to those of 2019.”

However, looking further ahead, Mr Bourke said the trade landscape was “difficult to assess”.

“At this stage it seems likely that trade will become increasingly dependent on the demand-side response to the slowing economy.

“Let me assure you that the PoM team is committed to continuing to move the goods essential to Victorian people and businesses, from medical equipment and supplies to the items on our supermarket shelves.”

September 2020

