

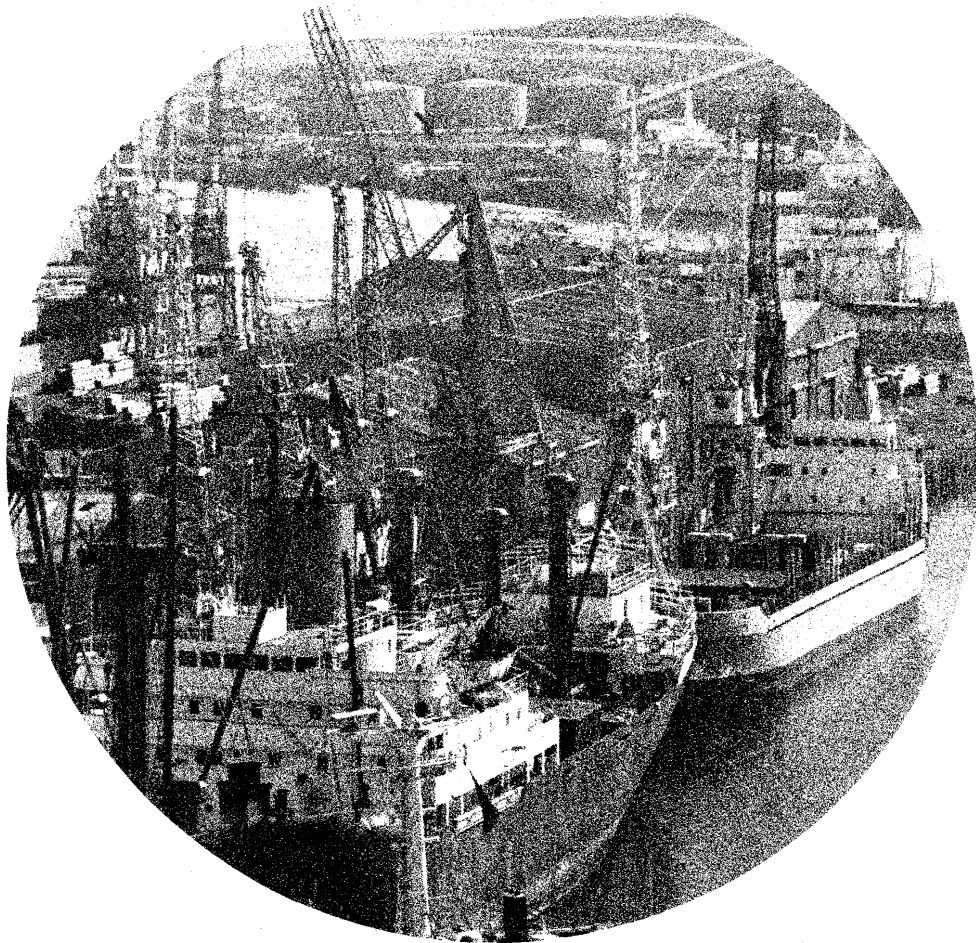
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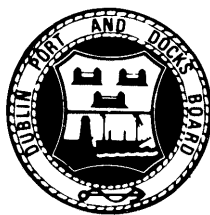


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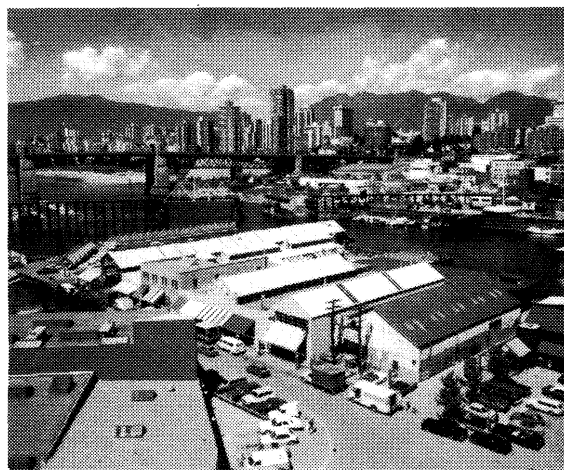


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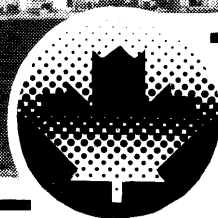
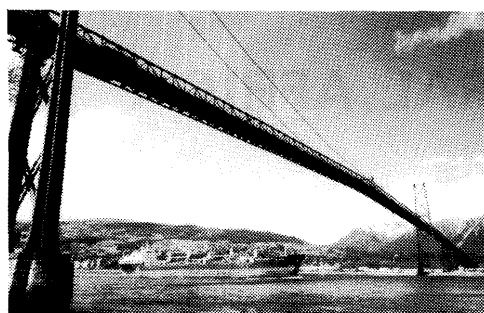
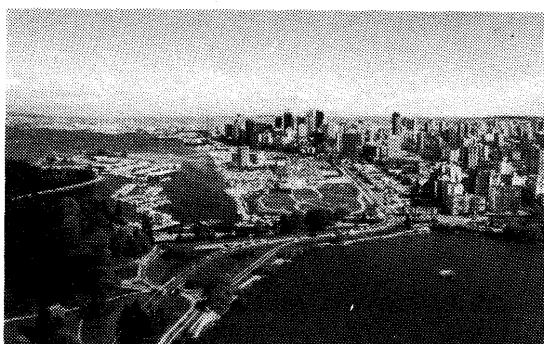
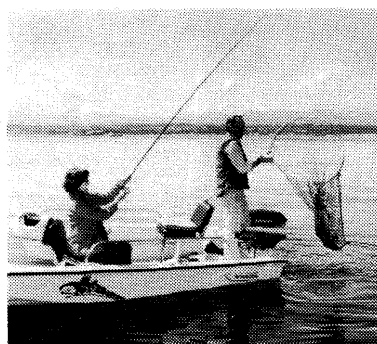
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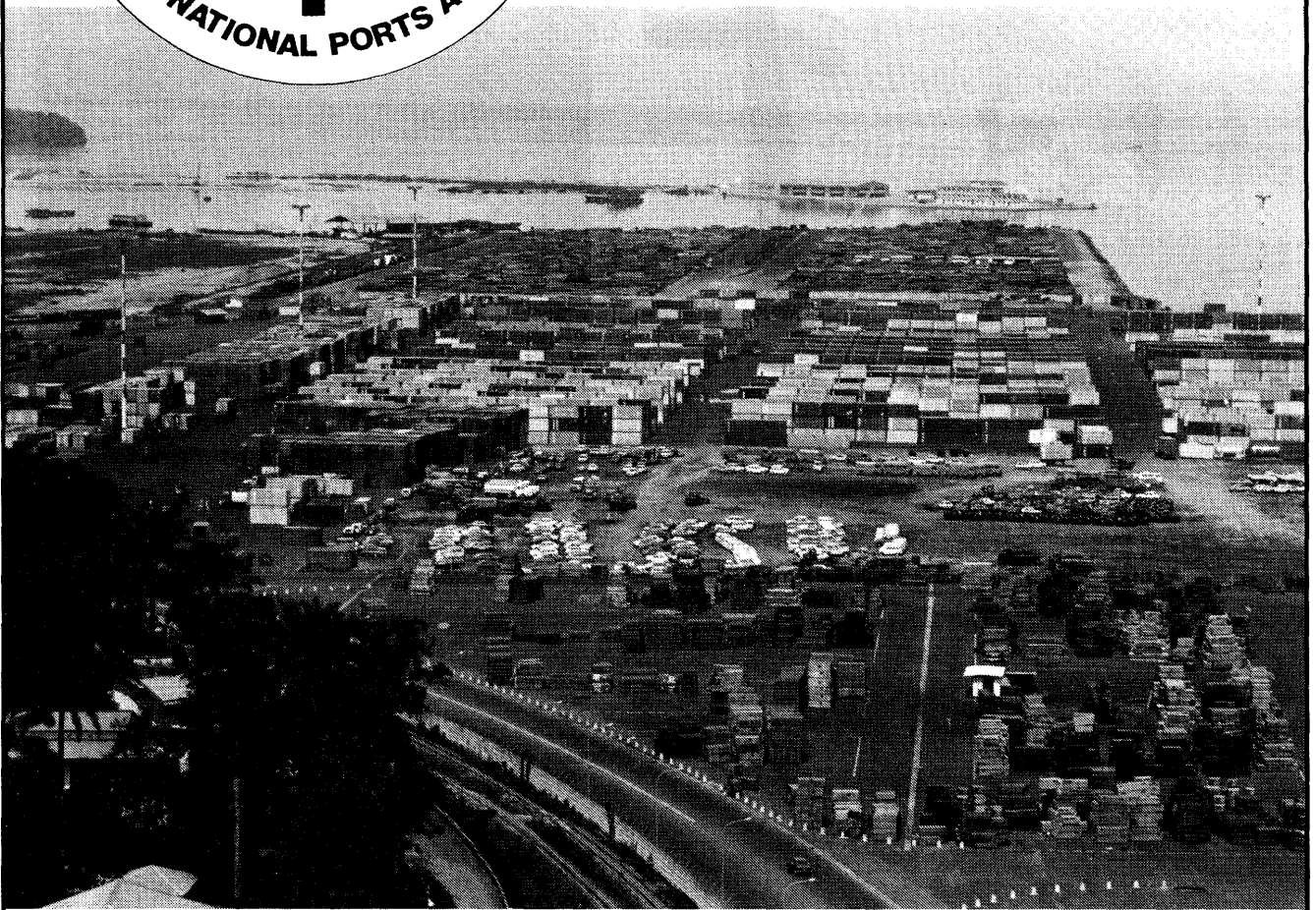
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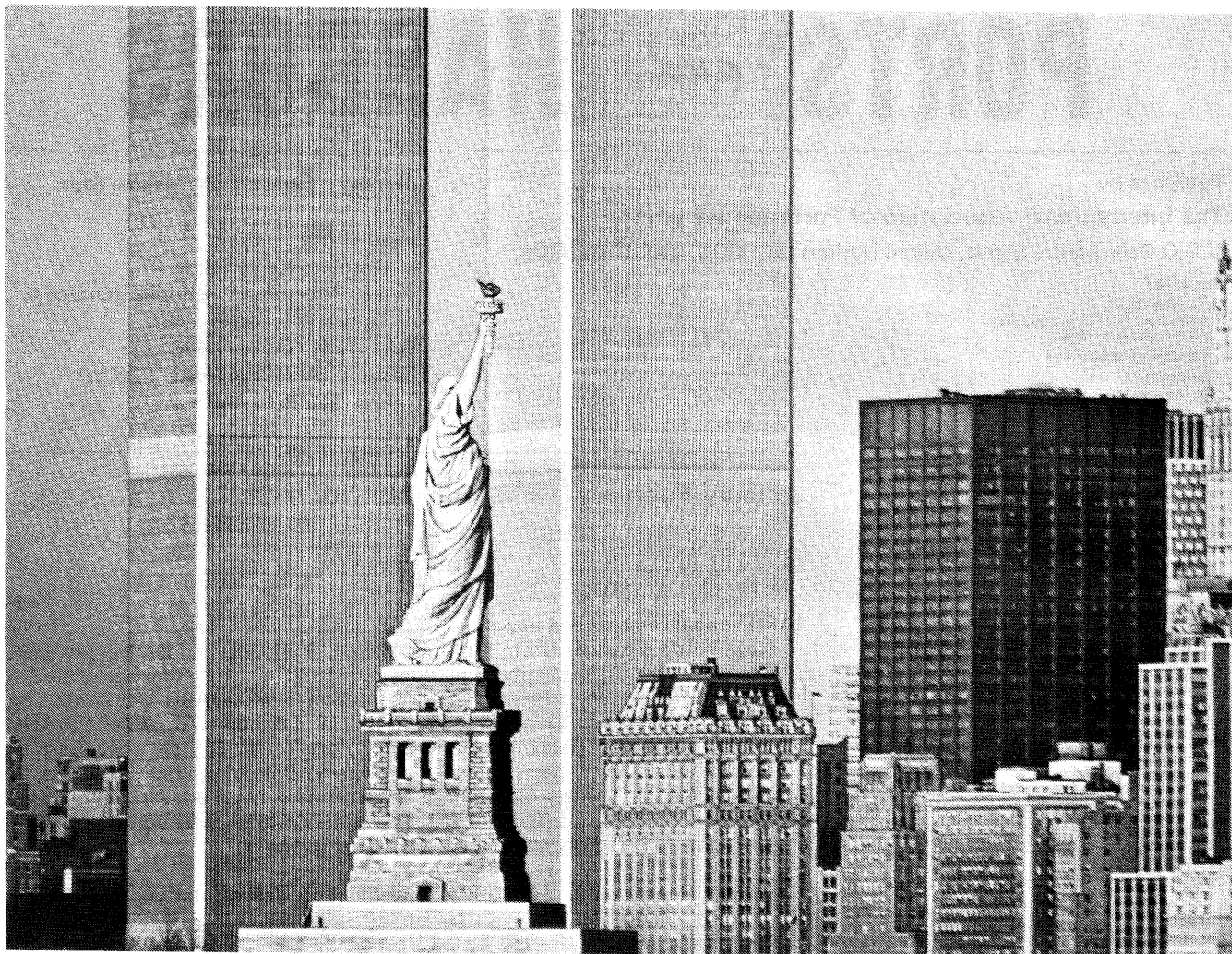
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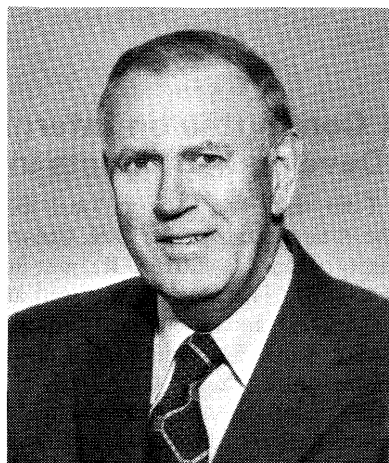
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IAPH announcements and news

New Year's Messages



**From
Mr. A.S. Mayne
President**

Yet another year has passed and all so quickly.

Last year I predicted that the year 1982 would be a testing one and the best we could hope for was for one of consolidation. Unfortunately, this was the result and many ports have reported a recession in international trade with ever decreasing tonnages.

Although we are in the midst of a downturn in international trade we should be careful not to resign ourselves to a state of gloom in comparing the 1930s with the present situation. Those of us who remember something of those times are surely better prepared these days to combat the present trading climate and, coupled with the confidence of the young, it will not be long before the present situation returns to normal, provided we keep our heads.

I regretted very much not being with the Executive Committee when they met last May in Aruba. However, a good conference programme has emerged from those meetings and the Vancouver Conference should be of great interest to all participants.

The Conference theme "Ports and their Communities" will include special working sessions on the safe handling and transportation of hazardous materials, contingency planning to combat international threats and disorder, and automated data processing and communication between ports and their users.

A very important element to port management these days is to have some idea of the economic value of the port to the community it serves and to have some understanding socially as to what the community expects of the port. Some ports have taken these ideas to heart, and the results will be of great benefit to them in the future. I cannot overemphasize the importance of such studies to the ports.



**From
Dr. Hajime Sato
Secretary General**

It is a great honor for me to extend to you, through this journal, my best wishes for the New Year.

Our Association has just embarked upon the 28th year of its existence, and more importantly, just a year has gone by since we became financially independent, in accordance with the 1973 resolution.

I am delighted to report to you that our financial status under the new setup has improved considerably. We are grateful for the active support of all the members of the Association as well as for the generous donations made to the Association's fund by the IAPH Foundation when the legal separation took place effective from January 1st, 1982.

Since the last Conference, our committees, both internal and technical, have been very active. I would like to express my heartfelt thanks to all concerned for their energetic participation in the Association's diverse activities. As a result of these endeavors the Association has been able to function as a truly international forum of experts in maritime and transport affairs.

The world economic recovery has not been as fast as was hoped, and consequently most countries are still

(Continued on next page)

Last year, I urged you to make a new year resolution to personally introduce one new member to the Association. Our membership has increased during the past year, but we cannot be satisfied. The only way we can beat inflationary membership fees is to steadily increase our membership, and I again leave you with that thought.

I send you best wishes for a more prosperous year, and hope we will all be in Vancouver to make the 1983 Conference the best ever.

Membership Dues for 1983 Up for Renewal

Head Office has sent to all IAPH members invoices for membership dues for 1983. The dues for the year are 10% up on last year, as decided at the 12th Conference held in Nagoya May 1981.

The value on the invoice is shown in SDR Units. The SDR value per membership unit for regular members is SDR 880. For the actual payment, members may quote the exchange rate between the SDR Unit and the US dollar as of December 10, 1982, which is SDR1 = US\$1.08872, as long as the payment is made before the end of Jan. 31, 1983. For remittances made on and after Feb. 01, 1983, members may quote the current rate available at the time of the payment.

Your cooperation in this regard will be sincerely appreciated.

(Continued from page 7)

suffering from stagnation and increasing unemployment. Such a critical situation calls for renewed determination from all of us, in pursuit of solutions to these global problems. To this end, our Association is resolved to redouble its efforts to increase the efficiency and dependability of world ports.

I would like to remind you of the significance of our consultative status with certain UN agencies, such as IMO and UNCTAD. Fortunately, we have already developed and strengthened our ties with these agencies, and other relevant maritime organizations, through the arrangement outlined in the IAPH-BPA Agreement. Through the BPA, IAPH's liaison work has increased substantially, as Mr. A.J. Smith's interim report shows (printed on page 12 of this issue). I would like to express our sincerest thanks and appreciation to the BPA for their excellent representation of IAPH at the various meetings of importance.

The 13th biennial conference to be held in Vancouver in June will, I feel confident, provide a number of pointers for the future development of ports. Moreover, it will heighten our understanding of how ports can and should contribute to the recovery of world trade while nurturing even better relationships with the communities which they serve. Our host, the Port of Vancouver, has chosen the theme "Ports and their Communities" for the forthcoming conference. This title reflects the belief that ports are more than gateways to the world; they play a vital role in our communities, spawning myriad forms of human industry and enterprise as well as enabling trade to thrive. As a port evolves, so do the livelihoods of the people around it; when a port declines, the community which it serves does likewise. Mr. F.J.N. Spoke, Conference Chairman, says in his recent letter to all members that the preparations for the Vancouver Conference are well under way. I hope as many of you as possible will be present to participate in the deliberations there.

I, together with all the staff members of this office, assure you that we shall do our best to further the Association's objectives. I look forward to your continued cooperation in the new year.

See you in Vancouver in June !

The 3rd Interim Report on IAPH/BPA Representation Works

In accordance with the provision of the IAPH/BPA Agreement on Representation, Mr. A.J. Smith, BPA Secretary and IAPH Liaison Officer, submitted the interim report for the period of 1 May to 31 October, 1982. Dr. Hajime Sato, Secretary-General, urges all relevant members to do everything that lies within their competence to tackle the important issues of international concern which feature in the report, reproduced on page 12.

IAPH Committee on International Port Development meets in London

The Committee on International Port Development under the chairmanship of Mr. J.K. Stuart, Chairman, British Transport Docks Board*, U.K., met in London on 15th November 1982. The meeting was well attended by members of the CIPD and discussions took place covering not only current work programmes but also a wide range of ideas for the future.

The CIPD administers several schemes designed to foster co-operation between developed and developing ports and to encourage and give assistance to developing ports in the training of port personnel.

In addition to the well established Bursary and Award Competitions, the Committee discussed progress on the preparation of "Monographs". These papers, which are designed to assist managers in developing ports on a wide range of aspects of operational and administrative matters, are being prepared in collaboration with UNCTAD through the Committee's Special Advisor, Mr. Eric Williamson. The first three papers of the series are well advanced and it is hoped that at least two will be ready for publication prior to the Vancouver Conference.

On the question of the Award Scheme Competition, 23 entries have been received and a panel of judges drawn from members of the Committee are currently engaged in choosing the prize winners.

The Committee considered the position on the Bursary Scheme which provides financial assistance to developing ports for the training of personnel. During the period 1981-83, 15 bursaries have been made available by IAPH and several remain to be awarded. Full details of the Bursary Scheme were published in the September 81 edition of Ports and Harbors and application forms are available from Head Office or Mr. J.K. Stuart, the Chairman of the CIPD.

Following the meeting in London, some members of the Committee visited the BTDB port of Southampton, meeting Mr. W.D. Noddings, Port Director prior to a full tour of the container handling terminals and short sea and general cargo areas of the port.

*The British Transport Docks Board was re-named Associated British Ports on 31st December 1982, according to a press release of the same date. Mr. Keith Stuart is the Chairman of the new holding company, which represents Britain's largest ports grouping.

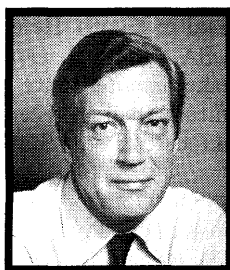
IALA/IAPH/PIANC jointly publishes "Recommendations for Port Traffic Signals"

A booklet entitled "Recommendations for Port Traffic Signals" which was recently published in French and English jointly by the International Association of Light-house Authorities (IALA), the International Association of Ports and Harbors (IAPH) and the Permanent International Association of Navigation Congress (PIANC), was sent to all IAPH members from the Head Office on December 7, 1982.

On this tripartite committee, IAPH has been represented by Mr. J. Dubois, General Manager, Port of Le Harve Authority who is an Executive Committee member and Chairman of the Sub-Committee on Port Safety (PSEC) of IAPH. Mr. Dubois, in circulating the recommendations to IAPH members, comments that these rules supersede those laid down in the Agreement drawn up in the League of Nations' "Conference for the Unification of Buoyage and the Lighting of Coasts — Lisbon, October 6-23, 1930". Moreover, it is not anticipated that these new rules will be implemented worldwide, but rather they will be introduced at ports as and when the need for change arises. The aim is, he states, that eventually all ports will have uniformity in their signals, thus allowing mariners to comprehend them without immediate recourse to the nautical publications dealing with port signals.

Additional copies of the booklet are available from the Tokyo Head Office on request.

Mr. Barratt, Port of Vancouver, passes away



Sad news concerning Mr. J.A.C. Barratt, Chairman of the Co-ordinating Committee for the 13th Conference of IAPH, reached the Tokyo Head Office from Mr. F.J.N. Spoke, Conference Chairman and General Manager of the Port of Vancouver, by telex on the morning of December 3, 1982. It read "Regret to inform you that Mr. J.A.C. Barratt suddenly passed away this morning".

With communications from Mr. Barratt's office arriving with increasing frequency in the last few weeks as the conference preparations gain momentum, the IAPH telex machine had been kept quite busy. Mr. Kondoh at the Head Office was hardly prepared, though, for the somber message it ticked out that day. He found it his sad duty to convey the news to the Officers of IAPH, as well as other people who had been closely associated with Mr. Barratt in preparation for the IAPH Conference.

Secretary General Sato, in conjunction with the staff of the Head Office, promptly sent messages of condolence to Mr. Spoke and the members of the Co-ordinating Committee, as well as to the bereaved family.

A week later, Mr. Spoke telexed to Secretary General Sato that he himself had taken over Mr. Barratt's conference responsibility as Chairman of the Co-ordinating Committee.

The Missing Bills of Lading Problems: A Joint Effort is Needed

Mr. Alan Urbach, Vice-President, the Chase Manhattan Bank, N.A. (London), in his letter of Oct. 20, 1982 addressed to Dr. Hajime Sato, Secretary-General, raised the problem of missing bills of lading involving tanker owners, oil buyers, traders and bankers. In its essence, the problem is that cargo — crude in particular — is sometimes delivered illegitimately to a third party without a bill of lading being produced. Injury is thus done to the shipowner, the actual holder of the bill and consequently the banks concerned. Mr. Urbach's contention was that maritime fraud seemed to be involved. He pointed out that the problem had its roots, to a considerable degree, in prevailing business practices, which made it particularly difficult to solve easily. He further asked for IAPH comments on this international problem, which was being studied by Intertanko, ICS, OCIMF, IMB, NCITD, London P.I. Clubs and other international maritime organizations.

Dr. Sato replied in his November 5 letter that the matter did not seem to be directly related with the port authorities, as they were not always in a position to screen trade documents other than those papers intended to prove the safety/seaworthiness of ships. He added, moreover, that since the matter was deeply connected with trade practices, it would seem difficult to solve the matter easily. He affirmed, though, that it was essential to combat maritime fraud. Dr. Sato mentioned that quick and reliable data transmission was indispensable in every facet of business transaction, shipping or banking and indicated the need to redouble our efforts to achieve trade facilitation. He further commented that the experience and expertise of all the parties involved, would have to be harnessed if a solution to the problem was to be found.

He concluded that the matter was to be referred to the attention of the IAPH Committees on Legal Protection of Port Interests, Trade Facilitation, the Liaison Officers with IMO, CCC, and the Chairman of Legal Counselors. Copies of the letter were to be sent to Intertanko, the SITPRO UK Board, and IMB via IAASP.

Conference and seminars

"Pacific Basin Coal: The Changing Economics"

To be held from 9 to 11 February, 1983, at the Sheraton Waikiki Hotel, Honolulu, Hawaii

This meeting will seek to clarify the economics of continued coal development in the Pacific Basin—for producer and consumer alike. Scheduled presentations will examine "production profiles", including regional supply sources, reserves, and capital requirements for future development, "consumer perspectives" involving electricity, steel, and industrial demand, as well as evolving technologies, and investments in coal-fueled facilities; and "transportation economics" incorporating the latest advances in facilities, shipping designs, and financing options for improved port capacity.

Mr. J.M. Pisani, Director, Office of Port & Intermodal Development, Marad, US. DOT., is scheduled to give a lecture on "Port Capacity".

For further information, contact: Ms. Mona Jageman, Conference Group, McGraw Inc., 1221 Avenue of the Americas, Suite 4255, New York, N.Y. 10020. (Tel: (212) 997-4931/Telex: 232365 MCGRAW INC)

Mr. Toru Akiyama, Secretary-General Emeritus Receives AOCI Award

AOCI News Release: Philadelphia, October 13, 1982 — Airport operators around the world meeting in Philadelphia this week honored Toru Akiyama for his eminent contribution to international civil aviation as one of the founding fathers of modern airport development in Japan and a world leader in aviation cooperation. To recognize Mr. Akiyama's achievements, AOCI President Robert S. Michael presented the Council's highest award — the William E. Downes, Jr. Memorial — in front of over 1200 industry representatives attending the AOCI 35th annual conference.

Throughout the last four decades, he has served as secretary-general and vice minister in the Ministry of Transport, president/chairman/adviser to JATCO and director general of the Civil Aviation Agency. He has worked diligently as the chairman of the Kansai International Airport Subcommittee on the Civil Aviation Council to promote the development of the Kansai Airport, in the Osaka area of Japan.

Mr. Akiyama is the fifth recipient of the award, which has become a hallmark in the recognition of outstanding achievements in airport development and aviation. Previously honored were General Jimmy Doolittle, author of the Doolittle Airport Report, Sir Frank Whittle, inventor of the jet engine, Captain Elrey B. Jeppesen, originator of the airport instrument approach chart and Dr. Werner Treibel, past director of the Association of German Airport Operators. The award commemorates the late Bill Downes, former Chicago commissioner of aviation, who presided over the construction and operation of the "busiest-in-the-world" O'Hare International Airport.



Mr. Akiyama is being presented with the AOCI Downes Award (a crystal decanter) from Mr. Robert S. Michael, AOCI President and Director of Aviation, Denver, USA.

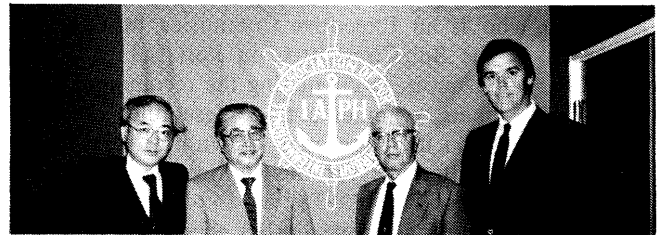
Notes: AOCI (The Airport Operators Council International, Washington, D.C., U.S.A.) represents 191 airport operating authorities on five continents. Its member airports handle 75% of the world's air passengers and 92 percent of U.S. air travelers.

Visitors

— On October 25, 1982, Mr. Edward G. Ryznar, Director of Trade Development, and Mr. Richard A. Lidinsky, Jr., Director of Tariffs and National Port Affairs, Maryland Port

Administration (Port of Baltimore), organized a seminar in Tokyo, inviting the resident press corps and representatives of trading firms. They were visiting the Far East and SE Asia for the purpose of trade promotion for the Port of Baltimore.

— On October 28, 1982, Mr. J. Ron Brinson, President of the American Association of Port Authorities, visited the head office and was received by Dr. Hajime Sato, Secretary-General and his staff, to exchange views and comments over the joint activities carried out by the two organizations. He was visiting this country to attend an international seminar on coal held in Kyoto.



L to R: Mr. R. Kondoh, Under Secretary, Mr. H. Kusaka, Dy. Secretary-General, Dr. H. Sato, Secretary-General and Mr. J.R. Brinson, AAPA President (Photo by Mr. H. Matsumoto)

— On October 29, 1982, Mr. R. Kondoh, Under Secretary, met Mr. Benson G. Murphy, Executive Director, Port of Vancouver, USA, at his hotel in Tokyo. Mr. Murphy was visiting Japan to attend an international seminar on coal held in Kyoto. He emphasized that the Port of Vancouver, USA, although currently a Temporary Member, would take a more active role in international port affairs in the future than in recent years. The Port of Vancouver, USA is located in the State of Washington.

— On October 29, 1982, Mr. Lewis E. Dickinson, Commissioner, Port of Anchorage, Alaska, accompanied by Mr. Ronald R. Dagon, and Mr. Donald L. Carter of DOWL Engineers (a consulting firm), visited the head office and was received by the head office staff. The visitors were visiting Japan for the purpose of studying the present situation concerning coal handling equipment in this country. In the afternoon of the same day, they visited the Port of Tokyo and observed the port facilities by launch, being escorted by Mr. Ohno, PR Officer of the Port. At the head office, in response to the earnest request that the Port of Anchorage revive its membership, Mr. Lewis promised that the matter would be referred to the Commission.

— On November 8, 1982, Mr. Ray Long, Economic Assessment Service, IEA Coal Research (London), visited the head office and was received by the head office staff. He was visiting this country for the purpose of investigating the present situation and future direction of coal traffic and handling facilities here. Under the auspices of MOT, Japan, he visited major steel mills and power stations in this country.

— On November 11, 1982, Col. Herbert R. Haar, Jr., Assistant Executive Director, Port of New Orleans, Chairman of the IAPH Dredging Task Force, visited the head office and was received by Dr. H. Sato, Secretary-General, and his

staff. Topics discussed at the meeting were the activities of his Dredging Task Force in preparation for the next IMO experts meeting on the London Dumping Convention, and an IAPH publication on guidelines for dredging.

He was visiting this country to attend the 8th US/Japan Experts' Meeting on the Management of Bottom Sediments Containing Toxic Substances which was convened at the Ministry of Transport, from 8 to 10 November, 1982, under the co-chairmanship of Col. Maximilian Imhoff, US Corps of Engineers, and Mr. Yasuo Okada, Director of the Environmental Protection Division, Bureau of Ports and Harbours, MOT, Japan. (Also see the article on page 47)

— On November 24, Mr. Wilhelm Rahlfs, Director, Hamburg Promotion Office (Ministry of Economic Affairs, Transport, and Agriculture, Free and Hanseatic City of Hamburg), visited the head office and was received by Dr. H. Sato and his staff. At the meeting, he stated that the City State of Hamburg would most earnestly look forward to hosting the 14th IAPH Conference in May 1985.

— On November 24, 1982, Mr. Ken H. Isaacs, Divisional Engineer, Civil Works and Services, and Mr. Geoff Healey, Data Processing Manager, Port of Melbourne Authority, visited the head office and were received by Dr. H. Sato and his staff. They were in Japan as a result of a personnel exchange programme arising from the sister port affiliation concluded between the Ports of Melbourne and Osaka. After completing a 10-day orientation course in Osaka, they visited the Ports of Kobe, Nagoya, Tokyo and Yokohama.

1983 edition of IAPH Membership Directory completed

The 1983 edition of the Membership Directory was completed and sent to all members from Tokyo in the middle of November. Regular Members and Associate Members of Grade One, Classes A, B and C are entitled to receive 3 copies, and other members one copy per unit.

The distribution of the Directory is still limited to Association members, although requests for copies are arriving at the Head Office from various sources outside our membership.

If IAPH members wish to receive additional copies, they are available.

Membership Notes

New Members

Regular Members

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(Mr. Kazuo Kudo, Executive Vice President)

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(Mr. Alexander Krygsman, Port Director)

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(Port Planner, Sri Lanka Ports Authority)

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(Mr. J.F. Sloggett, MA (Oxon), MEcon, Deputy Managing Director)

Supplement to the Membership Directory 1983

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General Manager: Mr. Carlos Rivera Amezcua

Development Manager: Mr. Augusto Rios Delgado

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Governing Body: Board of Administration

President: Mr. C.J.M. Correa Gago

Member (Addition only):

Mr. Eugenio Borralho

Director (-ditto-) Mr. A. Caldeira Pinto

Interim Report on the IAPH/BPA Agreement on Representation for the Period 1st May to 31st October 1982

Introduction

Matters subject to report, which have taken place during the period under review, have covered a wide range of port operational activity. The continuing world-wide recession, however, has necessarily had a significant impact on the developing maritime scene, notably, in particular, as regards the extent to which attention has been focussed on the consequential socio/economic costs, in relation to benefits, of recommended action both by inter-governmental and non-governmental maritime organisations. Recommendations made in this report are similarly constrained.

Relationship with UN Agencies

International Maritime Organisation (IMO)

With effect from 1st November 1982, IMO will be located at 4, Albert Embankment, London, SE1 7SR. The pleasing lay-out and attractive prospect of the new headquarters will, almost certainly, provide fresh impetus to the deliberations of the delegations and observers from the 122 Member States of IMO. Reference is made hereunder to those deliberations which took place during the period with IAPH representation in attendance. Indeed, the feature of this period is that it has been possible to institute a full coverage of the proceedings of IMO Committees.

The 48th Session of the Council took place from 14 - 18 June under the Chairmanship of Mr. W.A. O'Neil (Canada). Whilst the business dealt with, in the main reflected the work of IMO's principal technical committee - to which detailed reference is made below - Council did consider the basic, and important, problem of effectively delineating the respective responsibilities for "Shipping Interests" of both IMO and the United Nations Conference on Trade and Development (UNCTAD). The problem has stemmed from the clear indications of overlapping activity noticeable, in particular, with the legal work programmes of the two organisations. UNCTAD, for example, has proposed to develop a model code for maritime legislation which impinges, in a number of respects, on matters held to be within the accepted area of IMO's responsibility. Close coordination, and mutual consultation by the respective Secretaries-General is seen as an immediate answer; the attention of Member States, however, has been drawn to the problem.

The dangers inherent in the uncoordinated growth of international maritime legislation, with attendant difficulties in its implementation, has been a matter for Council concern for a long time. It was therefore interesting to note that the 48th Session has invited the Maritime Safety Committee (MSC) to examine the feasibility of a single comprehensive convention covering all technical aspects of maritime safety and possibly including the prevention of marine pollution from ships.

The Maritime Safety Committee met in 47th Session from 13 - 17 September under the Chairmanship of Mr. P. Eriksson (Sweden). Much time was spent dealing with the extensive work programmes of MSC's Sub-Committees. That fact was, no doubt, very much in mind when deciding, in the light of the decisions of IMO's 11th and 12th Assemblies, that it should concentrate for some time to come on the implementation of existing instruments, with its efforts directed to the exchange of information on technology and maritime training. MSC has also agreed to avoid both frequent amendments of conventions and the introduction of unproven equipment. The Chairmen of all MSC Sub-Committees have, therefore, been invited to re-examine their respective work programmes and to re-assess priorities, by January, 1983.

MSC, with endorsement by Council, has agreed that the theme of World Maritime Day, 1983 will be "Maritime Telecommunications for Safety, Efficiency and Seafarers' Welfare".

The principal item of business, of concern to IAPH, discussed at the 27th Session of the Sub-Committee on the Safety of Navigation, held on 11 - 15 October under the Chairmanship of Captain E. J. Salvesen (Norway), was Ship Reporting Systems.

Various forms of Ship Reporting Systems are in use throughout the world for a number of reasons, including traffic management and the prevention of pollution. Since 1979, IMO has been directly concerned to develop internationally agreed procedures for these systems. It was with some satisfaction, therefore, that the Sub-Committee was able to send agreed principles for ship reporting systems, for approval by the MSC, and submission for adoption by the 13th IMO Assembly. The agreed principles are:

- (1) Reports should contain only essential information to achieve the objectives of the system.
- (2) Reports should be simple and use a standard international ship reporting format and procedures and the languages used should include English, using where possible the Standard Marine Navigational Vocabulary.
- (3) The number of reports should be kept to a minimum.
- (4) Reports related to distress and safety and protection of the marine environment should be free of communication charge.
- (5) The times and places of making reports should be sufficiently flexible so as to avoid interference with other navigational duties.
- (6) Information obtained from the system should be made available to other systems when required for distress and safety purposes.
- (7) Basic information (ship's particulars, on-board facilities and equipment, etc.) should be reported once, be retained in the system and such basic information should be updated by the ship when

changes occur.

- (8) The purpose of the system should be clearly defined.
- (9) Administrations establishing a ship reporting system should notify mariners of full details with respect to requirements to be met and procedures to be followed. Details regarding types of ships and areas of applicability, times and geographical positions for submitting reports, shore establishments responsible for operations of the system and services provided should be clearly specified. Chartlets which depict boundaries and provide other necessary information should be made available to mariners.
- (10) The establishment and operation of a ship reporting system should take into account:
 - a. international as well as national responsibilities;
 - b. the cost to ship operators and responsible authorities;
 - c. navigational hazards;
 - d. existing and proposed aids to safety, etc.
 - e. early and continuing consultation with interested parties including a sufficient period to allow for trial, familiarization and assessment to ensure satisfactory operation and necessary changes to the system.
- (11) Administrations should ensure the shore establishments responsible for operation of the system are manned by properly trained persons.
- (12) Administrations should consider the inter-relationships between ship reporting systems and other systems.
- (13) Ship reporting systems should preferably use a single operating radio frequency; where additional frequencies are necessary, the number of frequencies should be restricted to a minimum required for the effective operation of the system.
- (14) Information provided by the system to ships should be restricted to that necessary for the proper operation of the system and safety.
- (15) Ship reporting systems should provide for special reports from ships concerning defects or deficiencies with respect to its hull-machinery, equipment, manning or other limitations which could adversely affect safe navigation, or special reports concerning incidents of marine pollution.

In a written submission amplified verbally, IAPH advised the Sub-Committee of the guidance on Port Vessel Traffic Services (PVTs) which it continued to provide to port and harbour authorities. IAPH also expressed a willingness to participate in any joint effort to harmonise objectives and operational procedures within the IMO framework. It was understood that the International Chamber of Shipping (ICS), International Association of Lighthouse Authorities (IALA) and the International Marine Pilots Association (IMPA) were also similarly disposed to cooperate; enquiries are therefore being made to establish whereat, and how soon, an IMO lead can be expected. Of course, the urgency of the situation, from a port point of view, may be such that IAPH itself, through the Marine Safety Sub-Committee of COPSEC, should arrange with IMO to hold discussions between the interested parties to resolve matters of potential difficulty within PVTs and Ship Reporting Systems generally. That approach is recommended.

The Sub-Committee approved draft guidelines for reporting incidents involving dangerous goods in packaged form, taking place within 200 miles of land. The guidelines, which are an elaboration of MSC/Circular 130 of 6th April 1972, deal with a matter of some importance to ports where the need for an established standard working format has long been apparent. It is recommended therefore that there should be immediate liaison between the Marine Safety Sub-Committee of COPSEC and other organisations interested in this matter to determine whether improvements, or further elaboration of the draft guidelines is possible. One such organisation, readily accessible, is EVHA to which reference is made in the foregoing paragraph.

A survey of I.C.S. members has indicated that difficulties are being experienced in obtaining charts internationally, in some areas. Whilst appreciating that the International Hydrographic Organisation and Member Governments are making an effort to meet the requirement of making charts, required by national legislation, available at ports to visiting ships, the Sub-Committee through the matter to be of sufficient urgency to merit an Assembly resolution. A draft Resolution was therefore prepared.

The Sub-Committee has recommended that GMT should be replaced by Coordinated Universal Time (UTC) for all practical navigational purposes.

The Sub-Committee on Ship Design and Equipment met in 25th Session from 28/6 – 2/7 under the Chairmanship of Professor J.W. Doerffer (Poland). Though there was little of direct interest to IAPH members arising from the discussions, there is a clear and continuing need for IAPH to be in a position to monitor, and to act as necessary on reported failures and defects in ship-board equipment.

The 34th Session of the Sub-Committee on the Carriage of Dangerous Goods was held on 6 – 10 September, under the Chairmanship of Mr. C.H. Buschmann (Holland). Matters discussed, of particular interest to ports, included the desirability of gaining wide acceptability for, and adoption of IMO's Emergency Procedures for Ships Carrying Dangerous Goods, as distinct from the current practice at ports of requiring written, or printed (TREM CARDS) emergency procedures.

The Sub-Committee expressed general support for proposals from Poland and the Federal Republic of Germany for procedures to be established, and a system to be set up to facilitate the international movement of dangerous goods which have been subject to reciprocal recognition on national competent authority approval. Draft general provisions will be considered at the next meeting.

Spanish-speaking IAPH members will greatly appreciate the intended publication in 1983 of the Spanish translation of the IMDG Code, now fully adopted by 34 Member States. A Chinese translation of the Code was published earlier this year.

The Marine Environment Protection Committee met in 17th Session, from 21 – 26 June under the Chairmanship of Mr. E. Jansen (Norway).

There is a strong probability that the International Convention for the Prevention of Pollution from Ships, as modified by Protocol, 1978, (MARPOL 1973/78), will enter into force in 1983, the tonnage criterion having been met and only one other ratification being required. A point has been made, however, that there will be practical difficulties in enforcing MARPOL 1973/78 in the absence of adequate reception facilities in ports, called for by Regula-

tion 12 of Annex 1 of the Convention. MEPC has, therefore, decided to issue a Circular on this subject to Member States, a copy of which is annexed to this report. It is essential that ports should establish, as soon as possible, the nature and extend of their requirements for reception facilities having regard to an examination of current and projected traffic patterns, Governmental commitments and the stated needs of port users. Ideally, information culled from the data assembled by ports should be provided to IAPH, Tokyo, to ensure that the organisation's advice to members, and proposals for action, are established authoritatively after a comprehensive examination of the world port situation. It may be possible, for example, for COPSEC and its Sub-Committee to recommend the adoption of regional solutions or perhaps to suggest that applications be made for technical and funding assistance from appropriate international organisations. It is recommended that the points made in this paragraph be considered by COPSEC and its Sub-Committees.

Allegations were made in Committee by ICS and the Oil Companies International Marine Forum (OCIMF) of instances where tankers were refused permission to carry out crude oil washing although the vessels in question were believed to have complied with all MARPOL and SOLAS requirements. The extent to which the allegations are valid is uncertain; information is therefore being sought from listed ports in IAPH membership.

In earlier reports, attention was drawn to the availability of technical assistance programmes arranged by IMO in cooperation with other UN Agencies, particularly, UNEP. It is recommended that IAPH Members should review their resource requirements and discuss these with their respective Governments for action by IMO as necessary.

The Committee approved the publications of the Prevention and Salvage Sections of the Anti-Pollution Manual, and the Joint IMO/UNEP Guidelines on Oil Spill Chemical Applications and Environmental Considerations. The Committee is also preparing a comprehensive document on control procedures and guidelines under Annex 1 of MARPOL 1973/78 for approval at the next MEPC session and submission to the 13th Assembly.

The possibility of an early enforcement of MARPOL 1973/78 emphasises the need for close monitoring of the developing situation with regard to procedures and arrangements for the discharge of noxious liquid substances, the extension of the Bulk Chemical Code to cover marine pollution issues, and the applicability of the standards of that Code for acceptance of vessels, chemical tankers for example, into ports. These matters will be reviewed in subsequent report.

The Legal Committee met in 49th Session on 4 – 8 October, under the Chairmanship of Dr. F.L. Wiswall Jr. (Liberia).

The Committee decided that every effort should be made to finalise preparations for, and to hold a diplomatic Conference in 1984, not earlier than April, to last for 3 weeks with the possibility of a further week's extension, if required, to complete Conference business. As indicated in my previous report – paragraph 2.1.11.3 – the Conference will only deal with the Hazardous and Noxious Substances (HNS) Convention and the review of the 1969 Civil Liability and the 1971 Fund Convention.

Preparatory work on Draft Articles for the HNS Convention had all but been completed during the Committee's 48th Session; the work on the review of the 1969 Civil

Liability and 1971 Fund Convention has not gone as smoothly. The 49th Session was devoted almost exclusively to this matter, and to the following issues in particular:

- (1) The definition of pollution damage. To be considered further.
- (2) Conduct barring limitation and the related question of exoneration. To be considered further. IAPH must give close attention, however, to a USSR proposal on the exoneration of the shipowner from liability, in so far as it "was wholly caused by the negligence, or other wrongful act or omission of any Government or other authority in the exercise of their duties to secure the safety of navigation". The matter will be discussed further at a later stage.
- (3) Non-persistent oils. There are still differences of opinion as to whether to include such oils.
- (4) Unladen tankers. A substantial majority favoured the inclusion of unladen tankers in ballast after voyages carrying crude oil. There was also general support for an extension to combination carriers which had carried oil as cargo and still had some residues on board. It was left open however whether this should apply only to the first voyage after the carriage of oil.
- (5) Preventive measures. These are defined as "any reasonable measures, wherever taken, by a person after an accident has occurred to prevent or minimize pollution damage."
- (6) The bareboat charterer and channeling of claims. No consensus was reached on this matter.
- (7) The contribution system. Still in doubt.
- (8) The updating of amounts. Most delegations favour the use of SDR's in the instruments.
- (9) The limits of liability. There is a general desire to retain the old balance with appropriate increases in the levels of limitation for both the shipowner and the cargo interests. A basic question to be resolved is which party should insure for which level of liability and how much should be the insurance cover.
- (10) Treaty Law questions. Considered premature to be definitive as to the regime to be followed.

It was understood that more time was needed for the preparation of documentation for the Diplomatic Conference; the Committee has, therefore decided to meet from 7 – 11 March and 19 – 23 September 1983.

The Technical Cooperation Committee met on 15 June under the Chairmanship of Captain S. Tardana (Indonesia).

IMO's Technical Cooperation Programme is now well-established and its Fellowships, funded generally by UNDP, facilitate the provision of a valuable body of technical specialists fully conversant with IMO's global standards.

An impressive number of missions have been carried out by IMO's regional and inter-regional advisers who give practical advice, on request, on a wide range of shipping-related matters including port development and construction.

The prime demonstration of the effectiveness of the spirit of cooperation engendered by IMO is the establishment of the World Maritime University in Malmö, Sweden, the scheduled commencement date for which is 1st July 1983.

UN Environmental Programme (UNEP)

The headquarters of UNEP are located in Nairobi (Kenya). Whilst it has not been possible, as yet, to establish a direct dialogue with HQ officials, a most useful link has been forged with UNEP staff of the Regional Seas Programme Activity Centre based in Geneva (Switzerland).

The Regional Seas Programme seeks to respond to regional needs for pollution control, and marine and coastal resource management. It is moving towards a more detailed structure of coordinated activity with emphasis on the development of regional legal agreements, and the effective execution of action plans geared to an overall strategy which includes:

- promotion of international and regional conventions, guidelines and actions for the control of marine pollution and for the protection and management of aquatic resources;
- assessment of the state of marine pollution, its sources and trends and its impact on human health, marine ecosystems and amenities;
- coordination of the efforts with regard to the environmental aspects of the protection, development and management of marine and coastal resources;
- support for education and training efforts to make possible the full participation of developing countries in the protection, development and management of marine and coastal resources.

The programme at present includes ten regions and includes participation of over 120 coastal states. Action plans have been adopted in the regions of the Mediterranean, Kuwait, Wider Caribbean, West and Central Africa, East Asian Seas and South-East Pacific. What must be disturbing to IAPH members is that little or no opportunity seems to have taken, so far, by UNEP, to examine, directly with IAPH, the extent to which the unique expertise of port operational personnel can be made available to facilitate the execution of action plans. Further and more detailed discussions will be held with UNEP to determine whether, in what areas and to what extent cooperation can take place and IAPH Technical Committees will be provided with the details in due course. One example, in passing, of a possible area of cooperation could be in the development, conceptually, of an environmentally-related port in coastal area development. It is recommended that members of the Port Construction Sub-Committee of COPSEC should be invited to comment on the feasibility of the example given.

Relationship with European-based International Maritime Transport Organisations

It would be unrealistic, in my view, to rely exclusively, or even to any great extent, on UN Agencies for the continuing development and updating of agreed standard practices and procedures dealing with specific port requirements for safety and environmental protection. Paragraph 2.1.2 in my previous report, for example, recorded the intent of IMO Assembly Resolution A 500 (XII). Even more so is that the case when dealing with measures designed to improve the commercial effectiveness of ports. It is therefore worthwhile to make the seemingly obvious statement that above all else, the international ports industry must be self-reliant in the development of initiatives to further its own clearly defined objectives. These initiatives,

however, will almost certainly impinge on the activities of other sectors of international maritime activity. Close relationships with these sectors are therefore of fundamental importance particularly when the resolution of problems is dependant on joint efforts. It is therefore pleasurable to note that IAPH enjoys such relationships with European-based international maritime organisations and is well-placed to set about achieving defined goals.

Revision of the International Safety Guide for Oil Tankers and Terminals (ISGDTT)

The Terminal Safety Sub-Committee of COPSEC can express considerable satisfaction that its joint efforts with the International Chamber of Shipping (ICS) and the Oil Companies International Marine Forum (OCIMF) have resulted in the successful revision of ISGOTT, work on which was completed at the end of October. Much credit must be given, in particular, to the personnel of the Port of Rotterdam for their effective and expert contributions to this endeavour.

When the revised ISGOTT is published early in 1983 it will undoubtedly provide an effective guide as to practices to be adopted by tanker and terminal personnel to ensure safety in operations as regards handling on tankers and at terminals of crude oil and petroleum products. The joint responsibilities of both ship and terminal operators have been stressed in the guidance. It has also been emphasised that the ship's operator should always be in a position to provide positive support, information and guidance to the master who is in charge of the day to day running of the ship; terminal management, on the other hand, should ensure that its concern for safe operating practices is known to the terminal personnel.

Inert Gas Systems on Chemical Tankers

IAPH, together with representative from the shipping, storage and chemical industries continues to be actively involved in an extensive study on the use of inert gas on parcel chemical tankers, with the objective of establishing that present operational systems are inherently safe. Though the subject matter of the study is necessarily very technical, the IAPH contribution has a particular importance in the determination of related costs of inert gas installations on berths. Ports would wish to be satisfied that there was, in fact, a need for inert gas installations before committing themselves to perhaps a high order of expenditure.

Tonnage Measurement

Paragraph 2.1.4.3 of my previous report drew attention to questions of port charging policy following the enforcement of the International Convention on Tonnage Measurement of Ships, 1969 on 18th July 1982. These questions have also been raised by ICS members particularly from the viewpoint that possible increases in certified tonnages after measurement under the 1969 Convention could advertently result in increased port charges. Mutual IAPH and ICS interest has suggested that a joint examination of problem areas might be helpful, particularly those relating to the measurement of new ships under the 1969 Convention where it is possible to produce tonnages 200/300% higher than the tonnages of existing similar ships.

A preliminary informal meeting was held with ICS representatives to define the problem areas and to explore — at least — possible interim solutions. A further meeting has been arranged for mid-November. It is recommended however that the Ship Design and Equipment Sub-Committee of COPSEC should become involved in more formal discussions with ICS, at an early date, to resolve longer term problems.

Europese Vereniging Voor Haveninformatica (EVHA)

Judging by the extent to which groups and organisations, national and international, are actively and urgently studying data exchange requirements and systems relating to international maritime trade, there would seem to be an evident conclusion that existing data exchanges between port business interests are inadequate both in quality and in quantity. The lead position in these examinations, at least in a European context, has been taken by EVHA to which reference was made in paragraph 3.9.1 of my previous report. The report and recommendations of EVHA's Final Network Study which began in July for a year's duration will throw a timely and much-needed spotlight on current and projected practices and needs, and provide its member ports, in the first instance, with an invaluable indicator to the validity of the concept of a full-scale inter-port data communication and information system.

A close relationship already exists between IAPH and EVHA in that EVHA's Chairman, Mr. R.M. Vleugels, Port Director, Antwerp is also Chairman of IAPH's Facilitation Committee. I, myself, am also EVHA's Deputy Chairman. It has therefore been possible to monitor EVHA developments closely from an IAPH standpoint. A perspective on these developments will be presented by EVHA to IAPH members at a Working Session of the 13th Biennial Conference to be held in Vancouver, B.C., Canada in June 1983. EVHA members, who hope to be present in force at the Working Session, will welcome the opportunity to discuss related developments with colleagues from other IAPH Regions.

European Parliament

The Committee on Transport of the European Parliament has recently (1st September) reaffirmed its long-held principle that competition between seaports should be maintained as a pre-requisite for increased productivity. Against that background, the Committee has produced a draft report on the role of ports in a common transport policy in which it has invited the European Commission, when submitting all proposals connected with the common transport policy, to take greater account than in the past of their effects on competition between the ports. The draft report is presently being studied. Matters arising from it will be reported in due course.

International Organisation for Standardisation (ISO)

Note has been taken of ISO's progression of a number of draft International Standards which have a particular interest to IAPH members. An example of these is the latest concerning "Ship-building — Ro/Ro ship to shore connection — interface between terminals and ships with straight stern/bow ramps". I am aware that port circumstances are such that there is little likelihood of port personnel being allocated to follow through on discussions leading to draft Standards; and that the timing of the issue

for comment of drafts very often precludes the possibility of reasoned discussion of them by the appropriate IAPH Committees. These issues will, therefore, be discussed shortly with ISO with a view to finding a mutually acceptable *modus operandi*. A report will be submitted in due course.

Recommended Action

As on previous occasions, recommended action has been summarised for the attention of those who, in my view, should deal with it in the first instance.

IAPH Members

It is recommended that members should review their technical resources requirements and discuss these with their respective Governments for action by IMO as may be appropriate.

COPSEC

It is recommended that the Committee, and its Sub-Committees, should examine assembled data on the adequacy of port reception facilities so as to suggest appropriate action to be taken by IAPH members on an individual or collective basis, as the case may be.

Marine Safety Sub-Committee

It is recommended:

that arrangements be made with IMO to hold discussions with interested parties to resolve matters of potential difficulty within PVTS, and Ship Reporting Systems generally, that discussions be held with other organisations, e.g. EVHA, to determine whether improvement or further elaboration is possible of draft guidelines for reporting incidents involving dangerous goods.

Port Construction Sub-Committee

It is recommended that a study be made of the feasibility of developing, conceptually, an environmentally-related port in coastal area development.

Ship Design and Equipment Sub-Committee

It is recommended that there should be discussions with ICS at an early date, to resolve longer term problems arising from the implementation of the Tonnage Measurement Convention 1969.

1st November 1982

A.J. Smith

Note: The following attachments to the original report were omitted due to limitations of space:

1. IMO document (Ref. T5/1.03) MEPC/Circ. 102 dated 20 July 1982 entitled "COURSES OF ACTION FOR ENSURING THE AVAILABILITY OF ADEQUATE RECEPTION FACILITIES FOR OILY WASTES"
2. MEPC/Circ. 38 Appendix I: QUESTIONNAIRE ON FACILITIES IN PORTS FOR THE RECEPTION OF OILY WASTES FROM SHIPS

Picturesque Vancouver

The Proud Host of the 13th IAPH Conference—June 4-11, 1983

Of all the great Canadian cities, none has the astonishing location of Vancouver. World travellers compare it to Cape Town, Rio de Janeiro and Sydney - - other great seaports that sit like jewels in magnificent settings -- and if these faraway places have their claims to fame, so does Vancouver. It's almost as if a group of town-planners set out to create the ideal city.

Its spectacular mixture of sea and mountains, along with a mild climate that has seen the city called the Riviera of Canada, makes it possible to sail in the spring sunshine in the morning, then 20 minutes later be up a mountain for an afternoon's skiing.

For visitors, and for the easy-going people who live here, it is a city that is never dull (if a little damp at times), for outdoors and under cover there is always lots to do, places to go, world-class entertainment in its theatres and concert hall, a huge selection of restaurants -- and if you like Chinese food, the biggest Chinatown in North America after San Francisco.

And Vancouver has a fascinating background. It's story that will interest the visitor with even the remotest interest in history. For children, it is learning made fun.

The first European to arrive in the waters of what became known as the Gulf of Georgia was a Spaniard, Pilot Commander Jose Maria Narvaez, in the Santa Saturnia. The year was 1791. The next year two more Spanish ships, the Sutil and the Mexicana, dropped by, but it was an Englishman, Captain George Vancouver, who first sailed into the inner harbor.

Indians paddled out in canoes and showered Vancouver and his men with handfuls of soft white feathers plucked from waterfowl, then returned to their villages on what is now Stanley Park to tell their children of these strange-looking men.

The date was June 13, 1792: Vancouver went on to survey the coast and sailed back to Britain, leaving the Indians undisturbed. Vancouver writer Eric Nicol said of the incident: "For almost seven decades, while literary Europe responded to the romantic revival and the mysticism of untrammelled wilds, the inlet remained more chastely primitive than the most romantic visions of Chateaubriand and Shelley. While men discussed the desirability of return to the state of Rousseau's happy savage, the real thing speared salmon in these quiet waters."

Then the spell was broken. Gold was discovered in 1858 up the Fraser River, whose delta lies just south of today's Vancouver. As prospectors poured into the region the British government stepped in and set up a colony.

But it was another seven years before the city got a name -- and then it was Gastown, named after Gassy Jack Deighton, an Englishman who had been a sailor and gold miner in California. He arrived in town with a barrel of whisky and set up the first saloon. Gassy Jack didn't get rich but he did leave his name in the history books.

Gastown today is a thriving tourist area just a few minutes' walk from the Vancouver city centre and major hotels. It is a place to shop for souvenirs, poke around craft and antique shops, to eat well among the many

good restaurants, and to find a surprising variety of entertainment in the night spots. You can also pay your compliments to Gassy Jack, whose statue dominates the main square.

If you like Gastown, you will love Granville Island, an exciting redevelopment scheme immediately on the other side of this compact city but only a few minutes away by taxi. Here, a jumble of old factories have been restored or demolished, new building erected, and a fascinating waterfront "people place" created.

There is a bustling produce and specialty market (closed Mondays), studios and workshops for artists and craftsmen, two theatres, an important art college, restaurants and pubs.

It's a marvellous place to go for a stroll, perhaps to buy the bits and pieces for a picnic lunch, and sit and watch the tugs and barges bustle through the bridges, the numerous pleasure boats respectfully giving way to them at the narrows. You can also potter along to the floating home marina and have a look at life on a houseboat.

Walking is of course the best way to see a place, and Vancouver is better suited than most. False Creek -- that's the inlet at this point -- extends another couple of kilometres east, and a walk around the seawall is recommended. Here you will see a live aboard marina -- where people make their homes on vessels that are required to be sea-going -- and another picturesque boat dock fronting a high-density housing project that is a world classic. There is a restaurant and a pub, plus a panoramic view of the city with snow-capped mountains a backdrop. Bring your camera.

A covered 60,000-seat stadium and sports complex is under construction on the other side of False Creek and on completion will offer major sports events and concerts.

Also in the works for Vancouver is a sparkling new trade and convention centre, Canada Harbour Place, which will have a commanding presence on Vancouver's famous pier B-C, known to millions of passengers who have arrived in city by ship.

To get a closer look at the harbor you can take the Sea Bus commuter boat to the North Shore, an inexpensive ride that docks right next to a floating restaurant; seafood is the speciality, naturally. There are also two stern-wheelers offering harbor tours, as well as day trips up the beautiful Indian Arm to Wigwam Inn, a hideaway lodge resplendent with character.

And there's still more to see. Cross the Lions Gate Bridge -- built by the Irish Guinness Brewing family as a private enterprise -- over to the North Shore and take a ride up Grouse Mountain on the cable car. There are astonishing views from Grouse all the year round, and you can eat up top.

There are also lovely views from Seymour Mountain, which is good picnic spot incidentally, and nobody should miss the Capilano Salmon Hatchery and its thrashing fish corral. There's a canyon and suspension bridge nearby. From here you are only a few minutes' drive from Horseshoe Bay, terminus for ferries to Nanaimo on

(Continued on next page)

Open forum: Port releases:

The Port of Nagoya in the 21st Century

**By Yoshiro Haraguchi,
Executive Vice President,
Nagoya Port
Authority**



Introduction

The 21st Century is less than twenty years away. Whatever bright hopes we may hold for our society in the coming century, it is for us to bring them about. Though ours be an age of uncertainty, we must strive to fathom the interrelation -- past, present and future -- of harbors, Japan, and the world so that we might chart our future based on as long-term a perspective as possible.

(Continued from page 17)

Vancouver Island.

Back in Vancouver there are the VanDusen Botanical Gardens and the Queen Elizabeth Park, the latter containing a fine restaurant with good views of the city, plus a riot of tropical plants in the Bloedel Conservatory.

The pride of Vancouver, of course, is Stanley Park, 400 hectares of forests and trails two minutes from the heart of the city. You can rent bicycles or roller-skates, you can walk or run around the 11-kilometre-long seawall, you can visit the zoo or the world-famous aquarium with its performing killer whales, you can look for the statue of Robert Burns or check out the street painters' wares.

Not everything in Vancouver is outdoors, although you might be getting that impression. There is the Centennial Museum big on local history, and a planetarium next door. On the Point Grey peninsula the University of British Columbia has a spectacular new anthropology museum, with a collection of totems and other Indian art.

The Art Gallery is being rehoused in the oil Courthouse building, but don't miss the new Law Courts and Robson Square.

The square, naturally, is open, and in good weather is a great meeting place and location for summer events.

In late spring and summer one thing not to be missed is the train out of Vancouver. It's called the Royal Hudson and it's a genuine 1930s steam engine with coaches refurbished with items from the train that carried King George VI and Queen Elizabeth across Canada in 1939. It's a must do.

Fortunately it's a day return trip, for there's still more to see -- and do -- in this enchanting city by the sea.

1. Facts and Figures on the Port of Nagoya

A. Expansion (see Figure 1)

1. Growing tonnage (Table 1)

While the total tonnage handled by Japan's eight major ports increased about ten-fold over the thirty years from 1951 to 1981, the figure for the Port of Nagoya showed a twenty-fold jump.

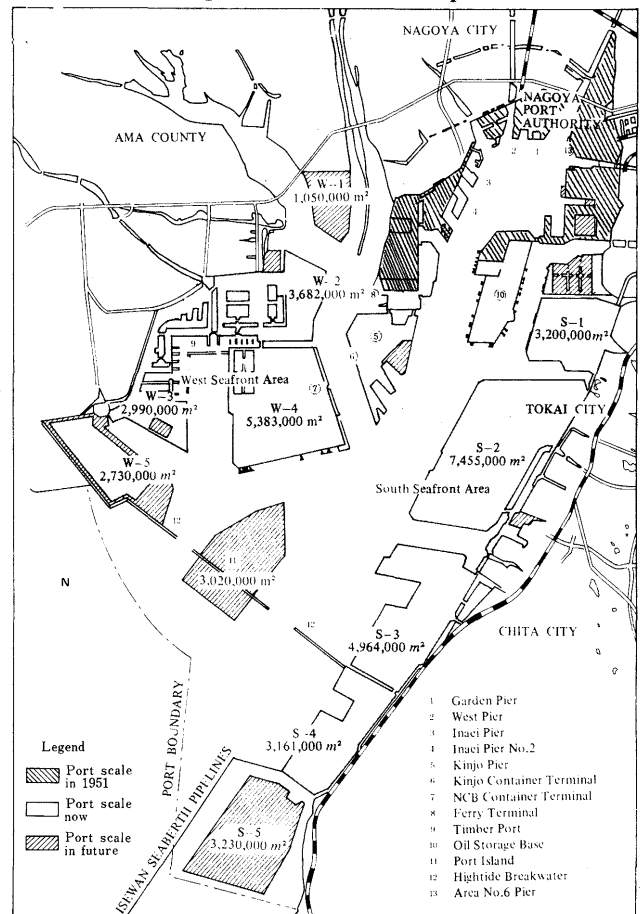
2. Growing value of imports and exports (Table 2)

Trade through the Port of Nagoya in 1981 amounted to some ¥5.6 trillion, of which imports accounted for ¥1.8 trillion and exports ¥3.8 trillion. This total was the third highest among Japanese ports, behind Yokohama's ¥9.7 trillion and Kobe's ¥6.7 trillion.

B. Main Import/Export Items (Figure 2)

Export tonnage came to 23 million tons. Automobiles and other transportation equipment made up 78.7 percent of this (46.3% by value), iron and steel 7.8 percent (5.5%), non-transportation machinery 4.8 percent (3.4%), and ceramics 2.2 percent (4%). Transportation equipment also accounted for a very large, 31 percent share of domestic tonnage.

Figure 1—Expansion of Port Development Area



At 34.1 percent (29.2% by value), crude oil had the biggest share of the 35 million tons of imports. Iron ore accounted for 21.6 percent (1%), coal for 13.1 percent (3%), grains 8.3 percent (14%), and raw timber 7.1 percent (4%). Oil, steel, residual oil and transportation equipment, at 18 percent each, comprised the bulk of domestic tonnage.

C. Main Trading Partners (Figure 3)

Thirty-two percent (34% by value) of Japan's exports went to the United States. Australia (4%), Nigeria (3.3%), Saudi Arabia (3.6%) and Canada (3.2%) received 3 to 5 percent each.

Goods from Australia accounted for 18.4 percent (6% by value) of all imports. The U.S. supplied 17.8 percent (22.7%), the United Arab Emirates 11.4 percent (11%), and Indonesia 11.2 percent (12.6%).

D. Domestic Cargo

Of domestic cargo, 13.5 percent was shipped to Tomakomai, 8 percent to Yokohama, 7.5 percent to Mikawa, and 5 percent to each of Chiba, Yokkaichi and Shiogama.

Fifteen percent was shipped from Yokkaichi, 9.3 percent from Yokohama, 7.4 percent from Chiba, 6.3 percent from Kawasaki, and 5.3 percent from Tomakomai.

II. Countenance of the Port

Located at Centres of distribution and production, modern harbors are products of human adaptation of natural features. Each has its own personality reflecting its site and surroundings.

Table 1 Annual Tonnage Handled at Japan's 8 major Ports

Year	Cargo Volumes (in 1,000 tons)				Ship Arrivals (in 1,000 gross tons)			
	Foreign	Domestic	Total	Ratio	Overseas Route	Domestic Route	Total	Ratio
1951	23,152	46,354	69,506	100	50,115	65,389	115,504	100
1956	39,300	69,203	108,503	156	98,998	80,874	179,872	156
1961	81,402	130,288	211,690	305	199,362	124,530	323,892	280
1966	133,726	207,500	341,225	491	281,205	188,329	469,534	407
1971	215,052	364,362	579,415	834	414,161	289,459	703,620	609
1976	238,567	416,269	654,836	942	463,582	337,319	800,901	693
1980	276,467	459,202	735,669	1,058	178,655	346,355	925,010	801
1981	270,178	448,456	718,634	1,034	578,841	346,424	925,265	801

Annual Tonnage Handled at the Port of Nagoya

Year	Cargo Volumes (in 1,000 tons)				Ship Arrivals (in 1,000 gross tons)			
	Foreign	Domestic	Total	Ratio	Overseas Route	Domestic Route	Total	Ratio
1951	1,637	3,649	5,286	100	5,931	2,869	8,800	100
1956	3,275	6,269	9,544	181	14,357	2,995	17,352	197
1961	6,894	13,017	19,911	377	28,878	7,299	36,177	411
1966	13,753	20,204	33,957	642	41,043	13,538	54,581	620
1971	33,623	36,034	69,657	1,318	62,585	21,717	84,302	958
1976	52,304	46,631	98,935	1,872	81,701	30,875	112,576	1,279
1980	61,387	52,053	113,440	2,146	99,639	31,620	131,259	1,492
1981	57,650	47,328	104,978	1,986	97,444	29,387	126,831	1,441

A. Location

The Port of Nagoya is located in the Chubu Economic Sphere, which lies between Japan's two great Economic Spheres of Kanto (centered on Tokyo) and Kansai (centered on Osaka, Kobe and Kyoto). It is 400 kilometers from the Port of Tokyo by land, 409 kilometers by sea. The Port of Kobe is 250 kilometers away by land, 442 kilometers by sea.

B. Recent Stagnation

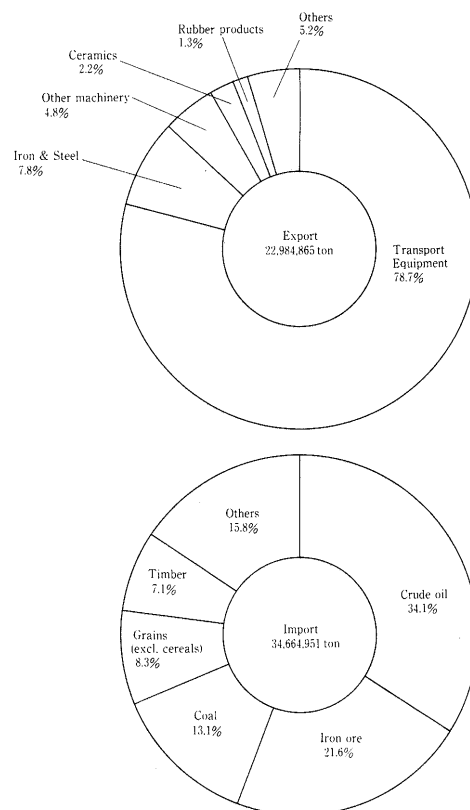
Emergency measures taken to protect the dollar by American administrations since 1978 have combined with oil prices to aggravate recessionary trends around the world. The Port of Nagoya has seen other declines in annual tonnage handled, including drops of 0.4 percent in 1952 and 1.2 percent in 1958, but the 7.5 percent decline of 1981 was by far the worst. Containerization momentum did, though, produce minor growth in the amount of container cargo.

This year, import restrictions implemented by trading partners on account of trade frictions, and the self-limitation of exports by Japan, are resulting in continued decline. The Port of Nagoya handled 1.5 percent less cargo in the first half of 1982 than in the same period last year. Export volume was off 14.8 percent, while imports showed 4 percent growth. Eight-and-a-half percent more domestic

Table 2 Foreign Trade Volume at the Port of Nagoya
(¥1 million)

Year	Export	Import	Total
1978	2,340,516	908,125	3,248,641
1979	2,622,575	1,380,688	4,003,263
1980	3,525,174	1,810,268	5,335,442
1981	3,836,399	1,761,262	5,597,661

Figure 2 Proportion of foreign trade cargo handled in Nagoya Port



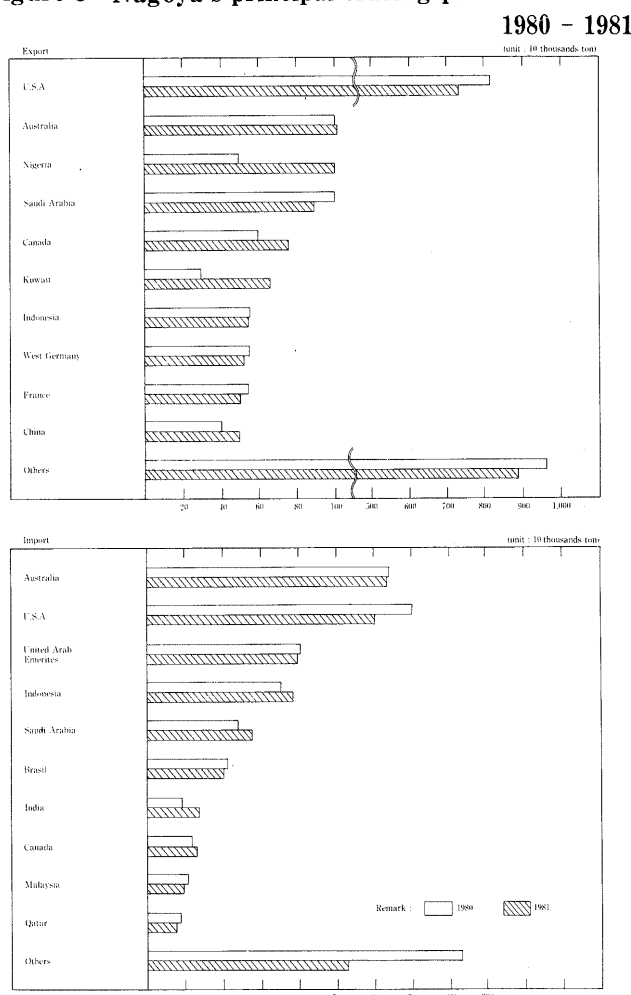
cargo was shipped out than in the same period last year, but 2.9 percent less was shipped in. Amid the decline in export volume, drops of 17 percent in automobiles, which with other transportation equipment account for almost 80 percent of all cargo exported through the port, and 23 percent in ceramics were especially glaring.

C. Problems with Container Vessels

Full-container vessels have been used in scheduled international shipping since April 1966, when the Sealand company put such a ship into service on its Atlantic routes between North America and Europe. Japan's Nippon Yusen put a container vessel into service on its California route in 1968. The route between Japan and Australia was subsequently containerized, as were those between Japan and Seattle and Vancouver (June 1970), Europe (December 1971), New York (August 1972), the Mediterranean (August 1972), New Zealand (October 1976), the Middle East (August 1978), and South America (December 1981). Moreover, recent years have seen rapidly expanding use of full-container vessels on scheduled routes between Japan and countries of the Association of Southeast Asian Nations (ASEAN).

The containerization of a liner route generally proceeds quickly once a full-container vessel has been put into service. Regular shipping by conventional non-container vessels on the route soon shrinks dramatically, often to nothing. The number of ports of call also drops substantially, the tendency being for the cargo out of base ports to be moved to base ports as feeder cargo with secondary transport.

Figure 3 Nagoya's principal trading partners :



D. Port Services

Self-promotion by ports has become extremely important in this era of the containerization of international shipping. Ports compete for the business of shippers and shipping companies, working to impress their respective virtues on potential customers.

Container shipping, in particular, has to be part of a comprehensive shipping system offering fast, safe and inexpensive door-to-door service. Required, then, are stable workforces of skilled and adaptable longshoremen, facilities able to readily serve vessels, systems for furnishing maritime businesses with information on vessels and cargo, and ample amenities for sailors and longshoremen.

E. Port Efficiency

Varied and effective modes of overland transport must be made available to and from ports if efficiency is to be improved. This means major highways, access roads and harbor roads, as well as new transportation systems for people living, working or visiting at the ports. Much work is needed in this area at the Port of Nagoya.

F. The Port and the Community

General demand has arisen in recent years for harbor more accommodating and accessible to city residents. Today, Nagoyaites enjoy a city park that has been built along the Horikawa River in Oseko-cho, at the "Miya (shrine) landing" site of the original Port of Nagoya. Situated just south of the famous Atsuta Shrine, this park features a beacon lamp dating from the Edo era (1600–1867) heyday of the Miya landing.

Moreover, the Garden Pier recreational area is being created as part of the redevelopment of Area No.2 and an urban project for developing the Tsukiji area as a port town. Some 40,000 square meters of greenery will lie behind berths serving gorgeous passenger liners from around the world. There will also be a museum for cultivating public interest in maritime affairs, an international center for information on ports, a Port Building which is to include a 60-meter-high, 200-person-capacity observation tower, and facilities for passenger liners.

Some 40 million square meters of land have been reclaimed since the Port of Nagoya was opened in 1907, nearly all of this since the end of World War II. In the interests of harmonizing with the surrounding urban area, much of this land has been allotted to adjacent cities to facilitate their healthy development. Ten percent of the reclaimed land is to be used for green zones, including baseball fields, tennis courts and cycling courses. About 435 hectares have thus far been so developed, of which 100 hectares is owned by private companies and 335 hectares by the Nagoya Port Authority.

Table 3 No. of Container Ships and Containerized Cargo Volumes at the Port of Nagoya (ton)

Year	No. of Vessels	Gross Tonnage	Export	Import	Total
1976	540	10,340,086	1,737,814	753,227	2,491,041
1977	589	11,681,267	1,757,016	776,089	2,533,105
1978	589	11,768,445	1,679,164	973,765	2,652,929
1979	686	12,954,789	1,845,309	1,233,873	3,079,182
1980	727	13,691,734	2,218,919	1,271,438	3,490,357
1981	831	15,119,395	2,356,644	1,207,837	3,564,481

III. Future Course

Port everywhere already face a number of problems that will have ramifications for shipping and trade well into the future. For one thing, fundamental changes have occurred in the field of energy which, as the basis of industry, accounts for the bulk of world trade. For another, industrial realignment is producing regional changes in economic growth around the globe.

Amid the integrated sequence which comprises cargo movement over land and sea, considerations of time and cost are bringing larger scale, faster and cheaper operation, and specialization to marine transport. The Nagoya Port Authority has a multifaceted challenge before it, as the port will have to be able to adapt promptly to new trends or risk losing business to other ports. The Port Authority must see through the prevailing uncertainty of the day and prepare the port as best it can be cope with the multifarious qualitative changes that will be taking place in the industry. (Table 4)

1. Distribution functions

As noted above, the realignment and revitalization of world industry that are taking place have direct consequences for trade. And with the size of the world economy expected to redouble in absolute terms, ports will need to be ready with quantitatively and qualitatively diversified responses.

In particular, the trend is toward containerization of nearly all kinds of cargo, and the rate of containerization is shooting up with each passing year. While 35,000 gross tons had been considered standard, full-container vessels of 50,000 gross tons, 290-meter length, 12-meter draught and container capacity of 3,000 TEU now sail routes to Europe, New York and other points. Container-oriented redevelopment at the Port of Nagoya can be seen at the Inaei Pier and at the still-under-construction Kinjo Pier.

2. Access

The vital contribution of ports to the industrial, economic and cultural development of neighboring regions and cities has been recognized. It has been econometrically determined that the Port of Nagoya is directly involved in better than forty percent of the gross production of Aichi Prefecture. And the port is linked to the assorted industrial, economic and cultural activities of the region via communication and transportation networks.

An overland transportation network, especially, is indispensable to the port's function of funneling huge amounts of different kinds of cargo into and out of the area. This role is fulfilled in Japan almost entirely by roads. Important to the Port of Nagoya are the Ring Road No.2 and the Tokyo-Nagoya, Nagoya-Osaka, Nagoya-Kobe and Tokai-Hokuriku (bisecting the island of Honshu) Highways. A highway network based on these accesses and systems utilizing other modes of transportation need to built to better provide for the convenient movement of people and goods.

3. Serving urban needs

As the port has become an integral part of the neighboring urban area, a broadening range of ever more urban-related demands have been placed upon it by city residents. Not only do city dwellers want coastal recreation facilities but they also expect harbor area land to help solve an extensive variety of urban problems through use as sites for greenery, garbage disposal, sewage treatment, urban development and numerous other applications for which land is not available in cities.

4. Harbor culture

Along with the harmonizing of port and city in regard to more practical problems, urban residents will also want to more fully manifest a port city atmosphere. Area No.2 is being redeveloped in conjunction with an urban development plan with the aim of creating a pleasant, harbor-front area from the Tsukiji area to Area No.2. As mentioned above, there will be a pier for international passenger lines and, for visitors, a Port Building, an international center for information on ports and a maritime museum.

5. Port promotion

Much is expected of efforts spearheaded by the Association for the Promotion of Utilization of Nagoya Port, a jointly private and official organization. Main emphasis will be on bringing in more full-container liners.

6. New facilities for fuels

Provision must be made, based on an awareness of the port's responsibility for addressing energy problems, to meet demand for natural gas and electrical power.

7. Reclamation of land to lure new industry

In view of the changes occurring in demand and trade in the vicinity of the Port of Nagoya, land reclamation must be used to lure not only companies of traditional littoral industries but also those dealing with electronics, mechatronics, fine ceramics and hypothermal technology.

8. Nagoya at the heart of the integration of Ise Bay ports

Internationalization of the Nagoya area will encourage specialization by port cities on Ise Bay. A port highway needs to be built to improve the collective effectiveness of Ise Bay ports.

Also needed in the coming century will be a unified system for controlling navigation in Ise Bay, more concentrated facilities for hazardous materials and large store-houses for grain. Ultimately, the integration of Ise Bay port authorities will also be a major issue.

Table 4 Tendency of the World Economy
— Proportion of GNP of the world in 2000 —

	proportion of GNP		percentage of substantial economic progress (per year)		proportion of GNP
	1960	1978	1970~1979	1980~2000	2000
Developed countries					
Japan	3	10	5.2	4.0	12
U.S.A.	33	22	3.1	2.5	20
EC and other OECD countries	26	31	3.1		26
(Sub total)	(62)	(63)	(3.3)	(2.8)	(58)
Developing countries					
Newly industrialized countries	3	4	8.0	6.0	7
Other countries	11	11	5.7	4.0	13
(sub total)	(14)	(15)	(6.3)	(4.6)	(2.0)
Socialist countries					
U.S.S.R.	15	13	5.1	3.0	12
East Europe	4	5	5.9		5
China	5	5	5.8	4.0	5
(sub total)	(24)	(22)	(5.4)	(3.2)	(22)
Grand Total	100	100	4.3	3.2	100

* source: "The Report of World Development" by the World Bank

Philippine Ports Authority

(Extracts from the PPA Appraisal Report for 1981: The Manila Portwaves**)

Integration of Cargo Handling Operation

For the year, the Authority integrated two (2) operators: The Cotabato Center Integrated Port Services, Inc. of Cotabato and the A&A Integrated Arrastre Integrated Service of Borongan, Eastern Samar. To date 33, arrastre-stevedoring operators have been integrated either by Bureau of Customs of PPA.

The merging of cargo-handling operators has resulted, among others, in faster turn-around time of vessels, optimum utilization of resources, higher benefits of labor and with a larger capital and borrowing base, more cargo-handling equipment.

Takeover of Arrastre/Stevedoring Operations

Whenever the situation warrants, PPA takes over arrastre operations in order to ensure more efficient, continuous and uninterrupted cargo-handling services.

From January to December 1981, the Authority took over the operations of five (5) firms in the ports of Toledo (February 1981), Catbalogan (July 1981), Liloan (July 1981), Cuyo (October 1981), Jolo-Sitangkai (December 1981).

Special Permits to Operate Cargo Handling Services

A total of thirty-eight special permits for arrastre and stevedoring services have been approved by the Authority, 20 of which are for private ports, 11 for municipal ports and 7 for government ports.

Operational Policies

To ensure more effective and efficient operations in the ports, PPA issues guidelines and regulations.

In the period under review, the Authority implemented several major operational policies and guidelines, some of which are:

- ★ guidelines in the disposition of overstaying cargoes in the ports;
- ★ guidelines in creating a Port Advisory Council in every PMU;
- ★ guidelines in the processing of cargo claims for documentation of cargo shipments and creation of a local cargo claim arbitration committee in every PMU;
- ★ Cash and Carry system for cargoes;

- ★ guidelines in the treatment of special income of cargo-handling contractors;
- ★ general conditions on all contracts/permits

Proposed regulations/guidelines still for approval of management include: Guidelines on Treatment of Port Charges on Government Cargoes and Regulations for the Operations of Ancillary Services in Ports Managed and Operated by PPA and System on Direct Collection of Wharfage Dues and Government Share in Arrastre/Stevedoring Income.

Training Services

The training of port personnel leads to great improvements in cargo handling services in our ports.

For the period covered, the Port Personnel Training Center (PPTC) trained a total of 2,338 dockworkers in various ports all over the country.

Likewise, the Career & Staff Development Division (CSDD) conducted a total of 20 training programmes benefitting 526 PPA personnel. Sixty-six persons were on study grants, 16 sent abroad and the rest locally enrolled in graduate/masteral and other studies.

Management Systems

Systems and procedures for the efficient supervision and control of activities of the different units have been developed and continuously reviewed and updated to be responsive to the needs of the organization

The criteria of the Unit Performance Evaluation System are now being applied to the accomplishments of each responsibility center. Results of the trial implementation of the U.P.E.S. have been submitted to top management.

Another significant accomplishment in the area of management systems in the design of Systems for Engineering Projects. The system covers the entire procedure starting from the planning stage, budget appropriation, to project implementation and evaluation.

Port Development

PPA's Port Development Program covers the 14 administrative regions of the country. The program is broken down into annual, five-year and ten-year development programs. Basically, the annual program is a disaggregated form of the first year-phase of a long-range program which is updated to reflect changes in emphasis and urgency as dictated by budgetary, fiscal and administrative policies as well as actual physical accomplishments and needs.

Completed Projects

The feasibility studies/detailed engineering projects completed during the period under review are summarized below:

** The Manila Portwaves is published quarterly by the Public Affairs Staff, office of the Port Manager, PPA — Port of Manila with offices at the Second Floor of PNR Bldg., South Harbor, Port Area, Manila.

Year	Project	Lending Institution	Cost (in millions)	
			Foreign	Local
I. Foreign-assisted				
1) 1980–1981	Davao Gulf Master Plan Project	GTZ	DM1.90	P1.60
2) 1980–1981	Manila Siltation Project	KfW	DM3.55	1.30
II. Locally-funded				
1) 1978–1981	Ports of San Jose, Sablayan, Pto. Galera, Calapan, Mindoro	PPA & MIRDO		P0.36
2) 1978–1981	ISCSSP	PPA & various agencies		0.612
3) 1978–1981	ISFSSP	PPA & various agencies		P0.600

On-Going Projects

Portworks/feasibility studies/detailed engineering projects still on-going as of December, 1981 are:

Year	Project	Lending Agency/Fund Source	Cost (in millions)	
			Foreign	Local
Foreign-assisted				
1. 1980-1985	Manila Port-Project ICT/Phase II (D/E & Construction)	ADB & KfW	\$ 26.15 DM26.0	P 263.00
2. 1980-1981	Manila Port Project-Domestic Container Terminal	ADB	\$ 1.0	9.64
3. 1980-1983	UNDP/UNCTAD/ILO	UNDP	\$ 0.66	1.25
4. 1981-1985	Third Ports Package (Construction)	IBRD	\$ 65.1	640.48
5. 1981-1982	Port of Irene	JICA	\$ 1.5	0.37
6. 1981-1982	Port Cargo Handling Equipment Expansion (8th Package)	OECD	\$ 1.54	4.10
7. 1979-1983	Harbor Maintenance Dredging Project (Dredger I & II)	KfW	\$ 19.20	6.78
8. 1979-1983	Harbor Maintenance Dredging Project (6th & 7th Package)	OECD	\$ 35.00	7.23
9. 1981-1982	Nationwide Siltation Study (Component of 7th Yen Credit)	OECD		5.20
10. 1981-1983	Management Information System improvement Project	IBRD	\$ 0.410	2.34

Operating Income

Gross Revenue for the period January to November 1981 totalled P259.54 million. For the whole year, it is estimated at P284.78 million which is below the estimate per financial plan. Expenses for the same period totalled P168.04 million, the estimated total for the year is P194.79 million which is lower than the estimate of P201.93 in the financial plan. A net operating income of P91.50 million was realized for the 11-month period and for the whole year only P89.99 million is expected, lower than the P95.38 million estimate per plan. It is expected that by the end of the year, the 5% ROA requirement can be met.

Net Income

Found Management income from January to November 1981 totalled 48.54 million. It is estimated that additional 3.85 million can be realized for the month of December making a total of P52.39 million for the whole year. This estimate is higher by P15.69 million than the plan. Net income after interest charges and amortization of pre-operating cost for the period January to November 1981 is P88.43 million.

Increase in Port Charges

From 1979 to 1980, there has been no increase in port charges, PPA was able to manage with these old rates due to improved collection systems and the increase in cargo traffic and shipcalls. But the expanded major infrastructure program, and the World Bank and ADB requirements for a 5% and 7% Return on Operating Assets prompted the Authority to seek higher port charges.

In March 1981, a two-step across-the-board increase in port tariff was approved. The first one is a 30% increase effective 22 March 1981, and another 30% effective 1 July 1981.

Increase in Arrastre/Stevedoring Rates

In view of the increases in fuel cost, there was a need to increase cargo handling rates to enable the operators to meet the higher equipment operation and maintenance costs.

The third round of increases computed from the base rate was implemented effective 17 June 1980 with a 20% increase in cargo handling rates for import-export cargoes and 23% for domestic cargoes.

Ports Authority of Fiji

(Letter from the Chairman to the Minister for Transport and Civil Aviation)

The Hon Edward J. Beddoes, M.P.,
Minister for Transport & Civil Aviation,
Vanua House,
SUVA

Dear Mr. Beddoes

On behalf of the Ports Authority of Fiji, I have pleasure in presenting the Annual Report on the operations of the

Authority for the year ended 31 December, 1981 together with financial statements for that year. The Report and Financial Statements, the latter in the form approved by the Minister of Finance, are furnished as required by section 26 of the Ports Authority of Fiji Act, 1975.

The Financial Statements were submitted to the Auditor-General pursuant to Section 26 (i) (c) of the Ports Authority of Fiji Act, 1975, and his report thereon is reproduced on page 13 in the Report.

The year has been overshadowed by a reduction in the growth rate of cargo handled in Fiji Ports. Until 1980 there has been a steady annual increase of about 4% per

annum but over the past year the increase has been 1.1%. There has also been a marked drop of about 50% in the number of passenger vessels visiting Fiji. Over the same period the cost of port operations and administration has continued to rise in step with periodic wage and salary awards. The tariff structure has, however, remained virtually unchanged since it was first introduced in 1975.

The effect of these factors on the Authority's financial viability, is supplemented by steeply rising costs. In particular, the latest estimate for the Suva Port rehabilitation project amount to almost \$2.8 million more than originally planned two years ago and this figure has only been achieved by drastic cuts.

The projected financial situation is a matter of the most serious concern to the Authority, and with the assistance of the Asian Development Bank, a firm of international Chartered Accounts has been commissioned to conduct a Tariff and Financial Management Study. This study involving the collection and analysis of a considerable amount of information has been in progress since October 1981. The results will not begin to emerge until the end of 1982 but when they become available, they will provide a basis for reorganising the financial management of the Authority and the scale of tariffs levied by it.

The virtually static growth of throughput at the wharves and the consequent fall in the net surplus available to the Authority must be viewed in the context of further capital development and increase in operations capacity required to keep pace with national development plans. Of special concern is the support required by the major Timber and Timber Products industry in the Western and Northern Divisions, which greatly increases the demand for port facilities at Lautoka and Vanua Levu. An official estimate of the volume of Timber products from Lautoka alone over the present decade, predicts that the tonnage will reach some 900,000 tonnes and will continue to increase. The approximate capital investment required for the immediate expansion of Lautoka Port is estimated at present day costs to be in excess of \$20 million.

A fact-finding Mission from the Asian Development Bank visited Fiji in early March to evaluate a report prepared by the French Consultants, Societe Generale de Techniques et d'Etudes (SGTE), on the need to develop the Ports of Savusavu and Lautoka. As a result of that visit, the Asian Development Bank Mission expressed the opinion, and the Authority agrees, that the very large development of a Port for Savusavu at Valaga Bay proposed in the report would be grossly uneconomic in relation to the foreseeable traffic level of that port. A limited upgrading of the present facilities was therefore recommended.

The Fact-Finding Mission also looked at Lautoka, and as a result agreed to undertake, under the Bank's Technical Assistance programme, a feasibility study of the required expansion at Lautoka. The consultants for the Technical Assistance Mission arrived in Fiji in January 1982 and their final report is due in October 1982.

Preliminary design work for the Suva Port Rehabilitation project commenced early in 1981, and considerable discussion and correspondence continued throughout the year on this subject between the Asian Development Bank, the Consultants, Messrs Pacific Consultants International, and the Authority. Two review meetings, attended by the Chairman and the Director General were held in Manila. At these meetings it was decided, in view of the continuing increase in costs, to revise the project and its cost estimates.

Despite changes to the original concept, the latest estimate stands at \$13.4 million compared with the original estimate of \$10.6 million (US\$11 million). Since the Asian Development loan is limited to US\$7 million the Authority has to raise an additional \$2.8 million in addition to the original estimate of \$3.9 million, bringing the total Ports Authority of Fiji funding for the project up to \$6.7 million.

The authority is hampered and in some instances prevented from efficiently exercising the functions and obligations prescribed by the Act, because these functions overlap with those of Government Departments. Overlapping responsibilities stem from legislative provisions that exist in a number of Acts such as the Marine, Harbours and Customs, which tend to affect the functions of the Authority. In other respects the existing PAF Act requires clarification and amendment in areas where interpretation may lead to differences of opinion.

The Authority has commenced an in-house exercise to review the Ports Authority of Fiji Act, Cap. 181, with a view to making recommendations for updating its provisions consistent with present day functions and practice. This is a major task requiring the help and assistance of Government and/or of outside legal experts.

With the increasing volume of container operations the Authority is becoming increasingly conscious of the restricted area in which our ports operate, particularly the Port of Suva. The correct planning and utilisation of the waterfront area has an important bearing on the life and commerce of the community at large and of the many public bodies and commercial sector who depend on the efficient working of the Port for their livelihood. There is considerable scope in this field for improvement.

Following negotiations with the Fiji Registered Ports Workers Union in April, an important Agreement was signed on 8 April 1981 covering a Special Retirement Scheme for the retirement of some 200 Registered Permanent Dockworkers and Registered Relief Dockworkers. The Agreement spells out the terms and conditions for retiring fifty men per year, until the number of the registered dockworkers is reduced to 100 men. This is considered to be the optimum permanent stevedoring workforce required at the Port of Suva. Under the Scheme, the retirement gratuity to be paid to each worker will be \$4,000. At the 31 December, 1981 a total of 50 dockworkers have retired, including the 37 Registered Relief Workers employed at the Princes Wharf.

The Princes Wharf continued to be operated and administered at considerable loss to the Authority. During the year the Authority subsidised the administration of Princes Wharf for the local shipping trade to the value of \$36,000. However, useful and valuable monthly meetings were started during the year with members of the Fiji Inter-Island Shipowner's Association to discuss operational and other administrative problems associated with the requirements of local shipping trade. The Authority has found these monthly meetings very valuable. It appreciates the contribution made to it by members of that Association.

The Port of Levuka also operated at a loss during the year under review. The Port earned a total of \$114,821 revenue as compared to budgeted total of \$123,950.

If the Authority is to participate in the development of other outer island ports it would not be unreasonable to expect some degree of a subsidy from Government in

support of these operations.

Overall the Authority's revenue surplus for the twelve months ended 31 December 1981 registered a drop of \$1 million compared with the previous year. This marked decline will necessitate a substantial review of the projects included in the Eighth Development Plan for the period 1981 – 1985. Whilst the board objectives for the development of port facilities for the handling and storage of primary based and industrial products must remain unchanged, and port facilities must be upgraded and expanded, every aspect of the Authority's activities will be subject to severe budgetary limitations.

It is becoming clear that an independent review of manpower requirements, management structure and operational functions of the Authority is called for in order to achieve an efficient organisation capable of meeting the future demands.

The Authority's first Director General, Mr. Loh Heng-Kee, who held the position for a total of six years, retired on the 28th November. I would like to record my own and the Authority's gratitude to Mr. Loh for his dedication and perseverance over the years he served the Authority.

On Mr. Loh's departure, the post of Director General was localised by the appointment of Mr. H. Kiss in conformity with Government's overall policy.

I would like to record my appreciation and gratitude to the staff of the Authority for their loyalty and dedication to duty during the year and to say thanks for assistance and co-operation received from our Consultants, from the Asian Development Bank, from Local Authorities, and from the Government Departments with whom we have dealings. Also to the representatives of the Press and Radio who have covered the Authority's affairs.

Despite the unfavourable economic climate, I am confident that with the unremitting efforts of the staff and the sympathetic understanding of our problems by Government, the Authority will be able to fulfil its obligations in the future.

Yours sincerely,

D.G. Peck
Chairman
Port Authority of Fiji

31 October 1982

Balance sheet (extract) as at 31 December 1981

	1981	1980
	\$	\$
Funds employed were—		
Capital Fund	2,968,750	2,968,750
Development Reserve	3,675,000	3,350,000
General Reserve	2,470,000	2,170,000
Unappropriated Surplus	4,356	8,559
Revaluation Reserve	21,453,421	21,453,421
Long term liabilities		
A.D.B. Loan	375,796	242,036
Total funds employed	30,947,323	30,192,766
These funds were represented by—		
Share Capital	4,000	4,000
Fixed Assets less		
Depreciation	24,232,694	25,455,660
Work-in-Progress	351,439	197,145
	24,588,133	25,656,805
Current assets	7,376,181	6,128,777
Less:		
Current liabilities	1,016,991	1,592,816
	6,359,190	4,535,961
Total net assets	30,947,323	30,192,766

Revenue account (extract) for the year ended 31 December 1981

	1981	1980
	\$	\$
Revenue		
Total revenue	7,630,216	7,972,851
Expenditure		
Total expenditure	6,718,281	6,094,958
Operating surplus	911,935	1,877,893
Other revenue	499,229	319,806
Surplus for the year	1,411,164	2,197,699
Profit before Appropriation	1,129,356	2,198,559

Port of Gladstone

(Extracts from "Gladstone Harbour Board Annual Report 1981–82")

Chairman's Annual Report

The year ended 30th June, 1982, saw the culmination of a number of spectacular projects in the Port of Gladstone, and the continuation of major developments which will further advance the Port in the future.

It was a year of record trade, and yet towards its close, the chilly winds of world recession in the mineral industries prompted the Board to view the immediate future with a degree of caution. The Port of Gladstone depends greatly upon the bulk handling of minerals, and whilst the Board has enormous faith in this aspect of the Port's future, it

has actively engaged itself in investigating the possibility of other trades being introduced to the Port.

Prominent among the major events of the year was the commencement of operations of two new wharf centres.

The first shipment of Clinker from the wharf facilities servicing the Clinker Plant operated by Queensland Cement & Lime Company Limited left the Port on the 4th January, 1982.

On the 27th April, 1982, the first ship to use the Port facilities for the Aluminium Smelter discharged a cargo of Petroleum Coke for the Smelter, established by Boyne Smelters Limited.

The Board has been pleased to be associated with the provision of Port facilities to service these industries,

which will provide further economic benefit to the Port district.

Work continued throughout the year on a major Harbour Deepening Programme which, when completed, will allow vessels in excess of 120,000 D.W.T. to use the Port. It is anticipated this project will be completed by the end of 1982, at a cost in excess of \$80M.

In association with the Harbour Dredging, work was also commenced on dredging the basin for the Board's Marina, adjacent to the existing Small Craft Harbour in Auckland Inlet.

The Marina project, to be completed over a number of years, will provide the city with one of the finest Marinas in Australia.

Further development of the Clinton Coal Facility also took place during the year. Three additional stockpile areas were completed and work is currently underway on a further stockpile. By the end of 1982, six stockpiles, each of 300,000 tonnes capacity will be operable at the facility.

In addition to maintaining and improving its bulk handling facilities and continuing a programme of reclamation of Port lands, the Board also constructed a new Fish Handling Wharf in Auckland inlet.

Considerable research was commissioned by the Board into future planning of the Port. Amongst the studies commissioned was one of dealing with future requirements of the Grain Trade. It is likely that major redevelopment and expansion of grain handling facilities will be underway within the next year.

Trade through the Port reached a record of 19.1 million tonnes, an increase of 7.28% over the previous year. This cargo was carried by 515 vessels of 14.4 million Gross Registered Tons.

Imports totalled 6.9 million tonnes and Exports were 12.2 million tonnes.

Coal was the principal export cargo accounting for 9.2 million tonnes. Cargo associated with Queensland Alumina Limited's Alumina Refinery accounted for 8.6 million tonnes of the Port throughput. Grain and seed exports reached a record 758,000 tonnes.

The Board thanks all Port Users and those associated with servicing the Port for their co-operation throughout the year. Our appreciation is extended to the Minister for Northern Development & Maritime Services, Hon. V. J. Bird, M.L.A.; the Director, Mr. J. Leech and Officers of the Department of Harbours & Marine, for their interest and assistance given throughout the year.

To the Operational and Administrative Staff, I extend the Board's thanks for their loyal service.

A.W. O'Rourke, M.B.E.
Chairman

Balance Sheet as at 30th June, 1982

1981 \$	\$ 1982
Accumulated Funds	
Balance as at 1st July, 1981	27,870,630
Transfer from Appropriation Account	19,814,771
<u>27,870,630</u>	<u>47,685,401</u>

Represented By:

Current Assets

Cash at Bank and Investments	2,304,498	
Debtors	3,773,507	
4,155,138		6,078,005

Deduct Current Liabilities

Creditors	1,165,300	
Rent in Advance	227,781	
Provision for Long Service Leave	281,000	
Provision for Sick Leave	160,000	
Provision for Deferred Maintenance	1,250,000	
4,315,431		3,084,081
(160,293)		<u>2,993,924</u>

Working Capital

Less:

Short Term Loans

Queensland Treasury	44,400,000
(160,293)	<u>(41,406,076)</u>

Add:

Non-Current Assets

Investments	224,642	
Stores (At Average Cost)	637,715	
Wharves & Cargo Handling Facilities	43,868,288	
Land & Buildings	13,960,379	
Smallcraft Facilities	522,938	
Admin, Building & Equipment	751,472	
Plant & Equipment	1,805,412	
Channels & Swing Basins	2,754,532	
Causeway & Bridge	708,849	
Work in Progress	80,316,448	
78,978,728		145,550,675
78,818,435		

Deduct:

Long Term Liabilities

Security Deposits	49,215,738	
Loan Indebtedness		
Treasury Loans	1,194,226	
Inscribed Stock	4,191,319	
Debenture Loans	1,950,308	
	<u>56,551,591</u>	

Less:

50,947,805	Sinking Fund	92,393	56,459,198
<u>27,870,630</u>			<u>47,685,401</u>

Income & Expenditure Account as at 30th June, 1982

1981 \$		\$ 1982	\$
Income:			
Wharves & Cargo Handling Facilities			
Harbour Dues		3,159,098	
Cargo Handling Charges		11,746,558	
Tonnage Rates		740,554	
Rental		150,206	
Miscellaneous		184,446	
9,721,162			15,980,862

Port of Adelaide.

A superb investment opportunity for port-related industry.

PRIME INDUSTRIAL SITES ADJACENT TO AUSTRALIA'S CENTRAL CONTAINER TERMINAL

- Nearly 800 hectares of fully serviced industrial land now available in the Port of Adelaide's rapidly-developing Industrial Parks.
- Long or short-term leases with maximum security of tenure.
- Extensive State and Federal Government building, plant and taxation incentives available.
- Access to skilled workforce with consistently best industrial record in Australia.
- Complete advisory service covering market potential, raw material availability, local council, environmental and zoning requirements; design, construction, finance and investment.

THE PORT OF ADELAIDE ... THE HUB OF AUSTRALIA'S NATIONAL TRANSPORT SYSTEM

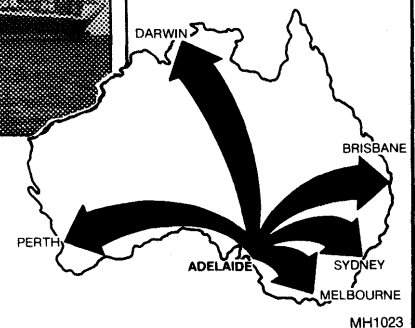
- Situated at the centre of Australia's central State, the Port of Adelaide is ideally placed to service ALL Australian, South-East Asian and Pacific markets.



• It stands at the hub of the continent's excellent road and air networks and the national standard gauge rail system to be completed in December, 1982. The Container Terminal provides 12mLW. Full Ro/Ro, Bulk and Break Bulk facilities are available.

For information on Port of Adelaide facilities and Industrial Parks address enquiries to:

Director, Commercial,
Department of Marine &
Harbors, P.O. Box 19, Port
Adelaide, South Australia.
5015.
Telephone (08) 47 0611
Telex AA82525



MH1023

310,566	Land & Buildings		3,755,489	Gross Operating	
	Rental	381,834		Surplus:	5,968,223
46,204	Smallcraft Facilities			Deduct Indirect	
	Mooring & Berthing Fees	56,080		Expenses	
10,077,932		16,418,776	1,126,707	Administration	711,492
				Interest	1,721,621
	Deduct Direct		2,628,782	Net Operating	2,433,113
	Expenses:			Surplus:	3,535,110
	Wharves & Cargo			Add Non-Operating	
	Handling Facilities			Income	
6,068,478	Operation & Maintenance	5,530,534		Interest on Investments	849,068
	Depreciation	4,665,515	10,196,049	Sundry Income	61,761
	Land & Buildings			Profit on Sale of Fixed	
187,698	Operation & Maintenance	99,029	742,469	Assets	96,203
	Depreciation	73,308			1,007,032
	Smallcraft Facilities			Surplus	
	Operation & Maintenance	68,428		Transferred to	
	Depreciation	13,739		Appropriation	
66,267		82,167	\$3,371,251	Account	\$4,542,142
6,322,443		10,450,553			

Port of Seattle

(Extracts from Port of Seattle Annual Report 1981)

President's message

For 70 years the Port of Seattle has developed a reputation as one of the most innovative ports in the world. Ever since its founding in 1911 by the voters of King County, the Port has been a major resource for economic vitality in the Northwest.

In a year marked by generally bad news—high unemployment, high interest rates and continuing recession—the Port of Seattle was a bright spot in Washington State. Some Port activities were slower than in previous years, but container traffic was strong, increasing by three percent. Sea-Tac International Airport added five new carriers, and growth in traffic on North Pacific routes was the major factor in an increase in international traffic.

During 1981, the Port Commission reviewed operations and capital improvement needs. High interest rates in the bond markets forced us to defer new bond issues. The Commission also approved a reduction in the 1982 operating budget, including personnel cutbacks, to make money available for continuing capital improvements.

The depressed international economy did not deter our commitment to building the best possible facilities to support the transportation industry. On the contrary, the Port's reputation for foresight and preparedness is the major reason for its success today. Our continuing mission is the development of commerce for a sound regional economy. Last year Port management and the Port Commission took a hard look at priorities, and the Commission used \$29 million for capital improvements. Facility improvements at Sea-Tac and on the waterfront are critical to meet future traffic needs.

International commerce will be the major factor in rebuilding the economy of the Pacific Northwest. More than ever, the Port of Seattle must make decisions to support economic development. International trade and strong export markets for Washington State products are essential.

Our labor force, which has a major stake in international trade, has played a particularly significant role in improving our international competitiveness. There's no question that the current level of labor productivity has enhanced the Port of Seattle's role as an efficient gateway for world cargo. Labor has increasingly become a strong partner in the development of more business for the region.

Any business development creates potential conflicts, and a public corporation such as the Port of Seattle is no exception. Port development will affect some communities more than others. As Port commissioners, we must weigh those effects and listen to the communities involved. We must also make policy decisions and commit resources for development that will benefit the Port District as a whole.

In addition to its local surrounding communities, the Port shares relationship with a number of international communities. Our long-standing "sister port" relationships with Kobe, Japan and Rotterdam, the Netherlands are just two examples of building trade through mutual understanding and an exchange of ideas. In October 1979 Seattle signed a "friendship port" agreement with the Port of Shanghai, People's Republic of China. Last year Shanghai agreed to accept an Alaska Indian totem pole that the Port of Seattle had acquired. The red cedar pole symbolizes the continuing spirit of cooperation between the two ports.

The Port of Seattle has experienced tremendous growth over the past 20 years because we anticipated the marketplace for transportation services and developed important trading partnerships throughout the world. We accepted risk and change to become one of the major international container-handling ports.

There are new opportunities ahead; and they, too, are not without risks. The economy of the entire region depends on our ability to be creative in a continually changing environment. And the Port of Seattle's track record for seven decades has been nothing short of outstanding. From the political obstacles it faced in its early years to the economic challenges of today, the Port of Seattle has confronted chaotic conditions head-on and turned them into opportunities. It is no accident that the Port has become renowned as an innovator in a changing market-

place.

Jack S. Block, President

1981 review(extract)

Slower growth in international trade has depressed ocean cargo rates, and some rates on transpacific routes have fallen to 1978 levels. Competition for cargo is high, placing a premium on quality of service and innovative cargo services. Nevertheless, the Port of Seattle maintained its market share for exports and imports transiting the West Coast.

As the United States' largest exporter of fresh/frozen and canned fish, Seattle turned in another record-breaking year. Total fish exports for the first nine months of 1981 were 75,004 short tons, surpassing the total for all of 1980 by four percent.

Container traffic increased by three percent compared to 1980 and reached 805,000 TEUs. The Port's market share of cargoes arriving at West Coast ports and destined for points east of the Rockies reached nearly 60 percent. The greatest gain in container traffic came in outbound Alaska cargo, which increased 15 percent. Seattle has become known as Alaska's "general store" for a wide range of supplies.

Non-containerized cargo traffic through the Port did not fare as well. Grain handling decreased by 28.3 percent, and petroleum products decreased by 18.9 percent. Auto imports at Terminal 91 were down 14 percent compared to 1980.

To meet increased competition, the Port is increasing the capacity of its maritime facilities and Sea-Tac International Airport. The Port's reputation for sophisticated facilities will continue under existing plans and progress.

On the waterfront, the Port completed a new 47-acre terminal to accommodate a growing American President Lines in Seattle. The dedication of APL's facility at Terminal 46 early in 1982 provides this U.S. carrier one of the most modern facilities on the Pacific Coast.

At Terminal 18 the Port completed container yard improvements on nearly 40 acres, and finalized plans for additional improvements and expansion.

Balance sheet

as at December 31, 1981

Assets	1981	1980
	(in thousands)	
Land, facilities and equipment, at cost	\$587,760	\$569,112
Less accumulated depreciation	104,037	92,769
	483,723	476,343
Construction work-in-progress	36,983	30,296
Cash, investments and accrued interest restricted for debt service and acquisition of land, facilities and equipment	46,237	52,205
	566,943	558,844
Unamortized bond discount and deferred finance costs, net of accumulated amortization	6,310	6,638
Long-term portion of contracts receivable	461	564
Current assets: Cash	2,098	2,118

Investments (including restricted amounts of \$5,009,000 and \$5,413,000)	32,154	23,917
Accounts and contracts receivable, less allowance of \$204,000 and \$243,000 for doubtful accounts	11,161	11,447
Grant funds receivable	4,415	
Taxes receivable	967	968
Maintenance supplies	1,345	1,192
Prepayments and other current assets	339	364
	<u>52,479</u>	<u>40,006</u>
	<u>\$626,193</u>	<u>\$606,052</u>

Liabilities and equity

Equity of the Port of Seattle from:

Operations	\$ 52,786	\$ 43,732
Taxation	205,206	191,461
Grants and donations	<u>50,442</u>	<u>45,366</u>
	308,434	280,559

Long-term debt, less current maturities:

Revenue bonds, net	239,019	245,725
General obligation bonds	<u>24,530</u>	<u>26,090</u>
	263,549	271,815

Current liabilities:

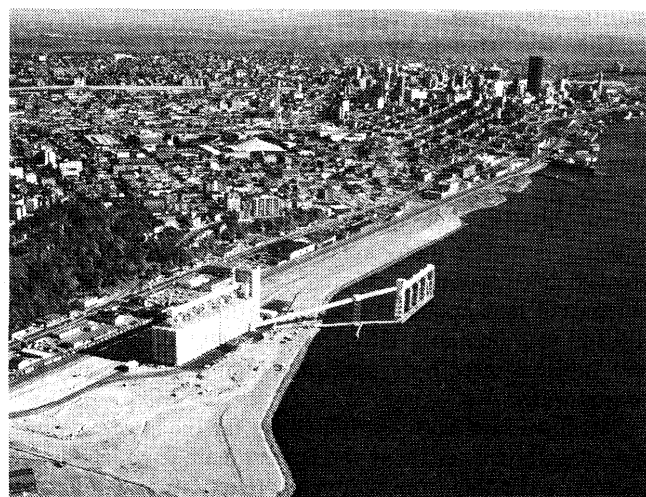
Warrants outstanding	1,433	1,372
Accounts payable	6,425	6,324
Payroll and taxes	7,449	6,497
Retention on construction contracts	123	527
Bond interest payable	4,417	4,498
Lease deposits and customer advances	468	660
Current maturities on long-term debt	<u>33,895</u>	<u>33,800</u>
	<u>54,210</u>	<u>53,678</u>
	<u>\$626,193</u>	<u>\$606,052</u>

Terminal 86: Grain Terminal
Port of Seattle

Statements of operations

for year ended December 31, 1981

	1981	1980
	(in thousands)	
Revenue:		
Services	\$52,735	\$53,785
Property rentals	30,771	28,592
Other	<u>11,622</u>	<u>9,736</u>
	95,128	92,113
Expense:		
Operations	31,609	29,609
Revenue bond interest	15,735	15,188
Depreciation	14,859	13,441
Maintenance	12,234	11,793
Administration	7,995	7,482
Marketing	1,700	1,592
Engineering	1,655	1,458
Other	<u>979</u>	<u>688</u>
	86,766	81,251
Excess of revenue over expense	<u>\$ 8,362</u>	<u>\$10,862</u>



Piers 18, 19 and 20
Public Container Terminals
Port of Seattle



International maritime information: World port news:

Co-operation against pollution is World Maritime Day theme: IMO

Global co-operation for the prevention and control of marine pollution from ships was chosen as the theme for this year's World Maritime Day to highlight the continuing need for concerted international action to arrest the escalating threat of pollution of the seas and oceans and, more particularly, to mobilize support for the efforts of IMO in promoting the adoption and effective application of the necessary international regulations and measures to prevent and control pollution from shipping operations and related maritime activities.

This was stated by the Secretary-General, Mr. C.P. Srivastava, in his annual message for World Maritime Day, which was celebrated by IMO this year on 23 September. He said that for centuries it seemed to have been taken for granted that the oceans and seas had an infinite capacity to absorb the unwanted wastes of society and industry. In recent decades this illusion has been shattered by the realization that in many areas the marine environment has already been polluted to unacceptable levels. It is now recognized that pollution is a very serious hazard to marine life and that human health itself is threatened by the direct and indirect effects of pollution of the oceans, seas and coastal waters.

Mr. Srivastava said: 'Although by far the largest proportion of pollutants entering the sea originate from land-based sources, pollution from shipping operations and maritime casualties is still the most visible and widely known form of marine pollution. As such it attracts the most attention.'

The *Torrey Canyon* and *Amoco Cadiz* disasters helped to publicize the threat to the marine environment from the seaborne transportation of oil, but much of this pollution comes from routine operations of ships, such as tankwashings and the discharge of wastes from ships, usually in contravention of international and national regulations and procedures.

Mr. Srivastava said that since its inception in 1959, IMO has established a comprehensive but pragmatic programme for reducing the amount of polluting substances introduced into the seas from ships. This has resulted in a comprehensive body of internationally-accepted regulations and standards covering various aspects of shipping and the prevention and control of pollution.

The Secretary-General continued: 'After the adoption of these standards and regulations, the Organization considered it both necessary and useful to change emphasis by concentrating attention more on the effective implementation of the already adopted regulations rather than the development of new standards.'

This objective has been pursued along two inter-related lines. First, the Organization has provided a forum which enables representatives of Governments, inter-governmental organizations and international associations of industry to exchange views, to identify any problems in the application

of IMO standards and to develop agreed procedures for implementing regulations on a uniform basis. The second method is the provision of advisory services and technical assistance to countries which require advice or assistance in developing their national maritime programme in accordance with the applicable international standards and regulations.

'By helping the recipient countries to operate on the basis of the relevant international conventions and regulations, our Technical Co-operation Programme makes an invaluable and indispensable contribution to the effective and global application of those conventions and regulations to the ultimate benefit of all mankind,' Mr. Srivastava said.

These measures have achieved considerable success in reducing marine pollution from ship-borne sources, he went on. Recent figures indicate that, whereas less than a decade ago the volume of oil entering the sea amounted to well over two million tons, it is now less than 1.5 million tons, in spite of the fact that there has been a significant increase both in the size of the world's fleet and the amount of oil currently transported by sea.

'Without the measures taken by Governments and other relevant bodies through IMO, pollution from ships might be much greater and more menacing than the level which we experience today,' Mr. Srivastava said.

And the prospects are even more encouraging, he continued. There is now a distinct likelihood that the International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978, will enter into force some time in 1983. Its entry into force will mark the culmination of one of the most important international endeavours for the preservation of the marine environment—an endeavour which has involved the active and dedicated contribution and co-operation of a large number of Governments, numerous experts and many professional and industry interests. Further international measures developed by IMO to strengthen the fight against pollution are expected to come into operation in the very near future.

Notable among these are the adoption of improved global standards for the training of maritime personnel as contained in the 1978 Convention on Standards of Training, Certification and Watchkeeping of Seafarers.

'The achievements of the past and the prospects of the future provide grounds for cautious optimism, but they do not justify complacency,' Mr. Srivastava said. 'While much has been achieved a great deal yet needs to be done. The fight against pollution is, in a real sense, a never-ending campaign which requires the continued dedication and constant vigilance of all who are engaged in it.'

'The emphasis given to "co-operation" in the theme for this year's World Maritime Day is, therefore, both deliberate and fully justified: for international measures for combating marine pollution from ships will only succeed if they are based upon genuine co-operation: co-operation involving Governments, international organizations, the

shipping industry, professional and commercial concerns associated with shipping and the men and women all over the world who operate ships or are engaged in maritime activity related to shipping,' Mr. Srivastava said.

I.A.L.A. News September 1982

Since last June and in spite of the holiday season, things continue to happen in IALA and two important meetings were held as follows:

New and Renewable Sources of Energy—RENEW 82

The IALA Workshop on New and Renewable Sources of Energy RENEW 82 took place in Asker, Norway, in a very satisfactory way.

44 delegates from 19 different countries met in Leangkollen Conference Centre for four days of intensive work. Split up into working groups which included representatives of lighthouse Authorities as well as Industrial Members, the participants first exchanged information on the latest technical developments on solar power generators, wind generators and wave actuated generators and on related batteries.

Considering the problems encountered by the lighthouse Services and with the help of manufacturers, they achieved general conclusions which will certainly be useful to those who use or intend to use these sources of energy, and to manufacturers of equipment as well.

Such a positive outcome was only possible thanks to the cooperation and efficient help of the Norwegian Service which was responsible for on site organisation and also thanks to the strong desire of all participants to arrive at constructive proposals.

The report on this meeting will be published in English and French and circulated to all the participants and to members of the Association.

A Seminar on the Harmonization of Buoyage along the Coasts of Eastern and Southern Africa

Following a recommendation passed at the 9th Council meeting of the Port Management Association of Eastern and Southern Africa (PMASEA), Djibouti, 30 November–4 December 1981, a Workshop/Seminar concerning the implementation of the IALA Buoyage System was organised in Mombasa, at the kind invitation of the Kenya Ports Authority.

The meeting took place in Bandari College, Mombasa, on 6–8 October 1982, and was attended by representatives of Djibouti, Kenya, Tanzania and Seychelles and by an observer from IMO.

Three experts appointed by IALA and a representative of the UK Hydrographic Department also participated in the meeting.

The expenses of the IALA team were met by the Government of Saudi Arabia, a gesture which was very much appreciated by all those concerned with the Seminar.

They determined the changes to be made to their buoyage to conform to the IALA System and the implementation programme which will spread over the period 1982–1984 for the Eastern and Southern Africa Sub Region.

Vth Congress of the International Maritime Pilots Association

IALA was represented by Mr. N.F. Matthews of IALA Secretariat at this Congress which was held in Quebec for 6–12 September 1982. The conference had a very full agenda and covered a wide range of topics many of which were of great interest to IALA.

A VTS Symposium on the last day of the conference was very useful. Papers were presented by a lecturer from Dalhousie University, by Mr. J.N. Ballinger of the Canadian Coast Guard, by Captain Wepster and by someone from the Canadian Civil Aviation Authority. In addition, two short presentations were made by the IALA and IAPH observers. A lively question and answer session followed which seemed to allay some of the concerns expressed by US and Canadian pilots. The VTS experience of the European pilots was on the whole favourable.

The conference was well run and interesting and enabled many useful contacts to be made.

At the conclusion, Captain M. Guicharousse from Marseilles was elected as the new president.

New IALA Publications

The Recommendations for Port Traffic Signals adopted by IALA, IAPH and PIANC are now available and have been circulated with IALA Bulletin n° 82/3. Additional copies are obtainable from the Secretariat of IALA or those of the other two organisations concerned.

ICHCA Announces Biennial Conference Programme

The programme of the ICHCA XVI Biennial Conference, scheduled for Bordeaux, France next May 24–27, was finalised at a meeting in Paris on 12 October. The participation of 62 speakers from over 25 countries was confirmed, dealing with a wide range of cargo handling topics.

The theme of the conference, which coincides with the biennial general assembly of ICHCA (International Cargo Handling Co-ordination Association), will be "Methods for cargo movement". This will be broken down into ten sessions in two parallel groups, on the role of the medium sized port, auxiliary transport techniques, air freight, recent container developments, groupage centres and terminals, shipments under controlled temperature conditions, the transport of agricultural food products, ro-ro, recent developments in bulk handling, and technical assistance and training.

A limited amount of space is available in an exhibition which will coincide with the conference. There will also be a full social and ladies programme, and a series of pre- and post-conference excursions.

Further conference information is available from ICHCA/Bordeaux-Congrès, 33300 Bordeaux-Lac, France. Telex: 540.519. (19 October 1982)

Water Quality Standards—Proposed Rule

In line with the Reagan Administration's regulatory reform effort, the Environmental Protection Agency (EPA) wants to revise its regulations governing water quality planning and management activities under the Clean Water Act. The changes, contained in a proposed rulemaking, would, EPA says, "simplify and shorten the regulation and . . . provide state and local governments with increased flexibility to operate their programs." The existing regula-

tion and resulting planning efforts have been criticized for being unduly complex and broad. EPA says that the proposed changes can be implemented without undercutting "the basic requirements" of the law.

Under the proposed regulation, the states would be given the choice of three alternatives. The first would require the states to base their water quality standards on actual use rather than on each state's water quality standard. The second option would permit lower water quality resulting from "necessary and justifiable economic or social development." The third would permit states to modify water quality standards so as to "allow changes in existing use if maintaining that use would effectively prevent any further growth in the community or if the benefits of maintaining the use do not bear a reasonable relationship to its cost." AAPA is on record as supporting guidelines that balance environmental and economic criteria in evaluating applications for permits under the Act. (AAPAADVISORY)

Port Traffic: AAPA

For the first six months of 1982, total foreign commerce handled at U.S. ports lagged significantly behind the year-earlier totals. While much of the drop is attributable to tanker imports (and that mostly petroleum), it is also evident that the general cargo trades were flat or down. Despite the gloomy picture overall, results were mixed among the various port ranges, and indeed among ports, with some reporting a "best ever" year and others, on the opposite extreme, calling it a "disaster." On the bright side, in June, for the first time in 1982, monthly export-import totals exceeded those of the corresponding month in 1981. Coal export traffic continued heavy at certain ports. There is also evidence that the downslide in petroleum imports has bottomed out, particularly in the North Atlantic.

Brazil's Ports & Waterways news in brief

- The Port of Santos surpassed for the first time, this year, the forecast of Codesp, with a total cargo handling of 1,864,285 tons. There was also a reversal in the tendency of growth of exportations and reduction of importations, present since last year.
- The cargo handling total in the Port of Rio—2,455,406 tons—surpassed by 5% the figure recorded in June of last year. Iron ore was the most handled product, its handling to be soon transferred to Sepetiba.
- Pernambuco's Maritime Shipping Center is insisting with Portobrás with respect to the need of equipment for the Port Authority of Recife, to cope with its works for the enlargement and improvement of the port.
- Engineer Ronald Carreteiro, President of the Companhia de Navegacao da Amazonia, presented recently to the President of Peru, Balaunde Terry, his basic project for the interconnection of the South American waterways.
- The statistics of the Port of Cabedelo indicated a decrease of 6% in its global handling, in June, mainly due to the decrease in the handling of liquid bulk cargo. (Portos e Navios)

Three year contract for harbour clean-up: Nanaimo Harbour

A new contract for keeping Nanaimo Harbour free of floating logs, debris and dead-heads has just been signed. The three year contract was awarded Paul Sinclair of Nanaimo, low bidder when tenders were called.

Sinclair will patrol all waters within Nanaimo Harbour boundaries, that is from Horswell Bluffs to Malaspina Point on Gabriola Island and south to Dodd and False Narrows. Material collected will go into one of three sorts; merchantable, dead-heads and debris.

The harbour clean-up plan is handled by Nanaimo Harbour Commission on behalf of the mills and logging companies using the harbour, who share the cost of the operation. The commission furnishes facilities including the sorting site which is located just south of Nanaimo Assembly Wharf.

The new contract is a continuation of the Harbour Debris Removal Program which has been in operation for a number of years.

Participants in the program are Pacific Forest Products Ltd., Mac-Millan Bloedel Ltd., Mayo Forest Products Ltd., G.W. Dorman Pulp Chip Co. Ltd., Cipa Industries Ltd., Doman Industries Ltd.

Port of Prince Rupert participates in harbour debris clean-up

Wood debris in and around Prince Rupert Harbour for many years has posed a threat to the navigation of both boats and seaplanes. In an effort to help remove this safety hazard the Port of Prince Rupert has played a major role on a community action group and has contributed \$50,000 to the clean-up campaign.

Until relatively recently it seemed a particularly difficult problem to solve because of overlapping jurisdictions and the problems associated with getting a large number of user groups around one table to tackle the problem.

But earlier this year an Ad Hoc Committee on Harbour Debris was formed by various concerned groups to develop a plan to control, collect and dispose of floating logs, deadheads and logs washed up on beaches. The Committee is chaired by Port of Prince Rupert General Manager Ken Krauter. The secretary is Port Financial Officer Adam McBride.

After several months of meetings the Committee has devised a \$278,000 plan for an initial clean-up of the harbour and a mechanism for ongoing clean-up which would cost in the neighborhood of \$127,000 annually. Much of the extra expense in the first year is required to establish a debris burning site on an island in Tuck Inlet.

Along with the Port's contribution, the program has received \$25,000 from the City of Prince Rupert and \$15,000 from the Skeena Queen Charlotte Regional District. The Committee is now seeking the balance of the funding from various industry and government groups. In addition the Committee has also proposed the formation of a Prince Rupert Harbour Society to administer the ongoing debris control program.

A study conducted by the British Columbia Ministry of Forests said that while some of the debris was natural, most is man-made and results from the dumping, storage

and transport of logs. The study added that the severity of wind and tide action in the vicinity means a continual problem of floating debris.

Adam McBride, Port Financial Officer and Committee Secretary, says that debris control holds a number of benefits for vessel and float plane operators.

"It will help prevent damage to seaplanes which fly an average of 100,000 people in and out of Prince Rupert annually. The large number of local and transient pleasure boaters and fishermen are constantly faced with the possibility of damage to hulls, propellers and their moorage facilities. And although hull damage is of less concern to deep sea vessels, logs and deadheads can damage propellers and fittings. Tug boats are also faced with costly damage from logs."

Mr. McBride also notes that the debris program will create employment opportunities and improve the esthetics of Prince Rupert's inner harbour.

Huge grain export terminal finally under construction: Port of Prince Rupert, National Harbours Board

The construction of a grain export terminal with the largest throughput capacity of any in Canada is finally underway on NHB-owned Ridley Island.

Prince Rupert Grain Ltd., a consortium of Western Canadian grain companies, has awarded a \$133 million contract for the civil, structural and mechanical work for the new terminal. The company has also awarded two contracts worth \$16 million each for the construction of wharf structures and the ship loading gallery.

The terminal will have an initial annual throughput potential of 3.5 million tonnes, increasing Canada's west coast grain export capacity by about 20 per cent.

Work on the 28-month project has begun. At the peak of construction approximately 500 workers will be involved. A temporary construction camp has been erected on the site.

The contract is the single largest to be awarded to date with respect to the National Harbours Board bulk commodity export development on Ridley Island. The NHB has contributed approximately \$35 million to the preparation and servicing of the grain terminal site.

Once complete, the terminal will load ships of up to 65,000 dwt at a rate of up to 4,000 tonnes per hour.

The terminal will export wheat, barley and canola (rapeseed).

Baltimore leads American ports in shipping to the Arabian Gulf

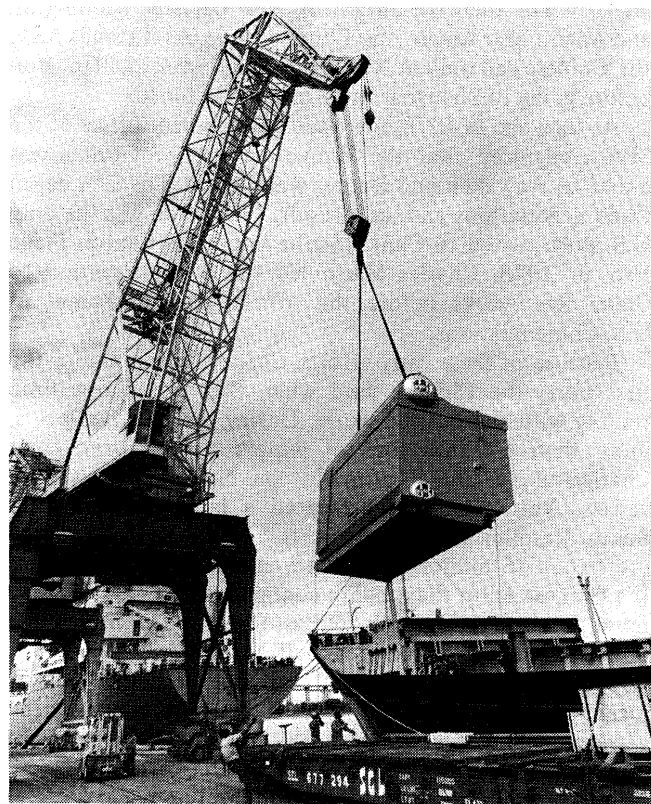
The port of Baltimore handled 16 percent more general export cargo to the Arabian Gulf in the second quarter of 1982 than it did in the first quarter to keep it America's leading port for shipping to the region.

Second quarter statistics released by the Maryland Port Administration reveal that Baltimore handled 129,023 tons of general export cargo to the Arabian Gulf. It handled 111,026 tons of the cargo in the first quarter. About 73 percent of the second quarter cargo was shipped to Saudi Arabia, the MPA says.

The port of Baltimore surpassed New York last year as America's leading port for shipping general cargo to the

Arabian Gulf. Baltimore handled a total of 503,701 tons of Arabian Gulf cargo in 1981. New York in comparison handled just 393,778 tons.

Heavy lift in Charleston



This steam-powered boiler, weighing 69,550 pounds, was one of 18 Babcock & Wilcox units from six states handled recently at the South Carolina State Ports Authority's Columbus Street Terminal in Charleston. Enroute to a detergent plant in Callao, Peru, the boiler is 14 feet high, 11 feet wide, and 28 feet long. The Port of Charleston's 50-ton gantry crane loads the unit aboard the "Pacific Tulip" of Naviera Neptuno Line.

First Chinese containership in Charleston

When the first Chinese containership docks at Charleston's State Port facilities Wednesday, December 8, it will signify more than a new line for Charleston; it will also be the culmination of four years' work by the SPA trade development staff.

Many ports on the East Coast competed for the lucrative Chinese trade and it took a concerted effort by trade development officials of the Ports Authority to make the ship call a reality. The SPA brought two different groups from the Chinese Ocean Shipping Company (COSCO) for a number of on-site inspections of the Port of Charleston. The Chinese were taken around the harbor by boat and on land.

According to Charles Marsh, director of trade development for the SPA, "Every effort was made to make the Chinese feel certain that the Port of Charleston wanted their trade and could handle their business with speed and efficiency."

Before or after every meeting with the Charleston trade staff, the Chinese were likewise escorted around the facilities of other ports competing for this same business. After the most recent visit to Charleston in November, Georgia officials picked up the Chinese representatives in the state jet to whisk them to Savannah. New Orleans, Wilmington and Miami also sought the Chinese trade. As it stands now, the Chinese call only at New York, Charleston and Houston before going to Shanghai and Xingang in China.

As long ago as 1978, the trade development office of the SPA recognized that the Peoples Republic of China was about to reawaken and reenter world trade. The SPA began trade negotiations and, as a result, Charleston was the only U.S. port invited to China for the important Canton Trade Fair in 1978. Charles Marsh led the port delegation to China five weeks before the official reestablishment of U.S.-China relations.

Because of these early efforts, Charleston was among the first ports the Chinese used when they began organized trading with the outside world. During the past two years, more than 677,000 tons of export cargo moved from Charleston to China, primarily on chartered, breakbulk vessels. This tonnage represented a large percentage of South Carolina's textile exports and the activity meant more than \$6 million in gross revenues to the SPA. Now as the Chinese enter the modern container shipping field, they felt it necessary to reevaluate East Coast and Gulf ports for both their container and breakbulk service.

The FEN HE, which will call on December 8, was recently built in West Germany. It is a fully containerized vessel capable of carrying 1,100 (twenty-foot equivalent units) containers. Its arrival at the North Charleston Terminal marks the beginning of regular monthly service.

Because of the naval installations at Charleston, each Chinese-flag vessel must give seven days' notice before calling at Charleston. This is an operational constraint which had to be overcome in negotiations. None of the other ports trying to attract the Chinese had this seven-day-notice requirement. Norton Lilly is the local agent for COSCO.

Port of Houston to hold line on port charges

Port Commissioners of the Port of Houston Authority have voted to forego all tariff increases in an effort to stimulate waterborne commerce, slowed recently by the national and worldwide recession.

The action should result in substantial savings for ship owners and cargo shippers and make the Port of Houston more competitive.

Higher tariffs had been scheduled to take effect on October 1, but the Commission postponed action after a spokesman for the West Gulf Maritime Association appeared before them in September to point out the depressed state of the shipping industry.

"The answer to decreasing tonnage is not to increase tariffs," Chairman Fentress Bracewell said during the subsequent and decisive Commission meeting. "If we take the lead in this, there's a chance that we might stimulate waterborne commerce, which is our challenge."

Chairman Bracewell called on all port authority employees and maritime organizations to "hold the line on costs, and make a concerted effort to increase prod-

uctivity."

The Maritime Association spokesman called the decision to forego increases "very courageous and heartening."

160,000 Jobs—Economic impact of Port of Houston

Nearly 160,000 jobs in Texas last year depended on the Port of Houston, where cargo shipments and other activity generated approximately \$3 billion for the local, state and national economies.

These are two of the major conclusions of a comprehensive study entitled "The Economic Impact of the Port of Houston." The \$45,000 study was done for the Port of Houston Authority by Booz-Allen and Hamilton, Inc., a nationally recognized Bethesda, Maryland based consulting firm.

In outline form, some of the study's highlights are as follows:

- The jobs of 159,130 Texas residents were in some way related to activity at the Port of Houston in 1981, representing nearly 3 percent of the total employment in the entire state.

- 31,699 of these jobs were a direct result of port activity. The purchase of goods and services by these 31,699 individuals generated an additional 16,521 jobs. If port activity ceased, these jobs would be discontinued. The other 110,910 jobs are related to port activity indirectly and would continue to exist for at least a short time if the Port ceased functioning.

- The \$3 million generated by Port activity in 1981 included \$742 million in personal income received by the 31,699 individuals employed as a direct result of port activity. An additional \$890.4 million of income was generated in Texas due to responding. Workers who reside in Harris County received more than 85 percent of the \$742 million in personal income received.

- Petroleum and petroleum products generated the largest revenue impact (\$707.3 million), but automobiles generated the greatest impact on a per-ton basis (\$192.70 per ton handled). General cargoes, such as automobiles, have a high per-ton impact because they are more labor intensive than bulk cargoes.

- Out of \$411.5 million collected by the Houston Customs District in 1981, \$391 million was generated by activity at the Port of Houston.

- \$46.8 million in state and local taxes accrued to Texas as a result of Houston port activity.

- Of the 31,699 jobs generated directly by port activity, nearly 90 percent are held by residents of Harris County, and nearly 40 percent of the jobs were generated by cargo handled over public facilities owned by the Port of Houston Authority.

- Although general cargo accounts for less than 15 percent of the tonnage handled via the Port of Houston, it generated about 60 percent of the 31,699 jobs.

The economic impact was measured for activity at both private and public facilities along the Houston Ship Channel from Bayport to the Houston Turning Basin.

The study was approved by Port Commissioners upon staff recommendations which outlined potential benefits to marketing, port development planning, and allocation of port resources. The last economic impact study authorized

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Issues affecting the future competitive position of American seaports in world trade

By Anthony J. Tozzoli
Director, Port
Department, The Port
Authority of
New York and
New Jersey



(Reprinted from *Via Port of New York-New Jersey*)

One of the most important legislative issues for the port industry is now before the United States Congress. The outcome of this new legislation, in our opinion, will determine if there will be continued stagnation in commercial navigation improvements or a new era for commerce and port systems that sustain it. The port industry, while in agreement that channeled project procedures must be speeded up (fast-tracking) and the Federal funding rule be continued, is in disagreement as to how local funding and user charges should be applied. It is this difference of opinion that could result in a complete breakdown of the legislation which is demonstrably needed.

The difference has resulted from the Reagan Administration's basic budget principles and the idea of user charges—requiring users of Federal services to pay their share of the costs. It is this question of user charges that has effectively split the port industry into basically two camps. One group believes that the only way to assure future funding for channel work is to fully capitulate to the Administration's 100% cost-recovery proposal through the creation of a national uniform user fee and trust fund system. This position is advocated by a collection of small and medium-sized ports under the self-proclaimed *U.S. Port System Advocates* title (USPSA). In truth, what they advocate is a burdensome and nightmarish tax structure which would, on a commodity-by-commodity basis, assess all commerce in American ports. By taxing a particular commodity on a uniform basis (theoretically to prevent diversions of traffic from one port to another) a shipper or carrier would be forced to pay a charge which bears no relation to the service or benefit realized in a particular port. Such a tax would probably rival the complexity of the custom tariff schedules and produce serious dislocations of trade and diversion of cargoes to non U.S. ports.

Legislation introduced on behalf of the USPSA group is even far more troubling. A bill introduced by Senator

Hatfield of Oregon would tax commerce to support 100% of maintenance and 90% of improvement projects on a continued public works basis. However, the legislation which purports to treat all ports on an equitable basis goes on to limit the 90% funding to projects no deeper than 45 feet. Ports such as New York-New Jersey, Baltimore, Norfolk, New Orleans, Mobile and Long Beach would then have to charge a second fee to raise 100% of the costs of those major improvements. Such a proposal raises possibilities of double taxing of some commodities. As one might expect, the Hatfield proposal also is seen to be in violation of the terms of the General Agreement on Tariffs and Trades (GATT) which requires that any fees on imports be limited to the approximate cost of services rendered.

The other side of the issue is the basis for the National Coalition for Port Progress (NCPP) whose membership includes the ports of New York-New Jersey, Norfolk, New Orleans, Corpus Christi, Brownsville, Galveston, Houston, Los Angeles, Long Beach, San Francisco, Oakland, Stockton, Seattle and Tacoma. This view works from the principle that the federal government is responsible for the national system of ports and should not be allowed to abrogate its crucial role in the maintenance and improvement of commercial deepdraft channels. Therefore, it is argued that 100% of the channel work should be continued as a federal responsibility. The only exception to that rule is that the costs of projects to deepen channels beyond 45 feet would be shared by the local port through local user fees. Such a cost-sharing arrangement would save the federal government anywhere from \$500 million to \$1 billion and is in recognition that some reductions must be made in the over federal budget. Besides the needed procedural reform and fast-tracking proposals, the NCPP has as its principal ingredient for legislation the designation of customs revenues for the federal share of navigation work. By doing so the port industry and those who use our harbors would have an identifiable source of funding for future channel work.

The seaports of America are the source of over 60% of the nation's customs revenues—6 of 9 billion dollars in 1981. Customs duties helped to build the infrastructure of our navigation system over the centuries and are a logical source for future funding. It is estimated that only 7% of the annual customs receipts would be required to cover the total deep-draft channel annual budget. This is a modest figure, particularly when compared to the annual 30% diversion of customs revenues to U.S. Agriculture Department programs which has gone on since 1935. Projected increases in custom receipts over the 1981 level could alone account for channel needs.

The beauty of the customs receipts diversion for port projects is even more apparent when compared to the uniform user fee and 100% cost recovery proposals of the USPSA group and the Administration. Instead of taxing and assessing cargo and shipping fees on top of the existing

(Continued from page 34)

by the Port Authority was done in 1965.

The study is particularly timely because new federal policies may result in a shift of some or all of the costs of channel dredging from the federal to the local level. If this occurs, the report would help the Port Authority to explain why local funds should be spent to keep the channel navigable. (Port of Houston Magazine)

customs structure, customs receipts would cover present and future navigation needs. The designation of customs revenues would largely relieve shipping of the burden of added fees, a burden that none of the user charge proponents—neither the Administration nor the USPSA—has attempted to explore in terms of potential impacts on trade and American exports.

An analysis performed by the National Coalition for Port Progress does illustrate problems posed by user charges. For example:

- U.S.—flag carriers, if assessed by cargo weight, could be paying double the tariff borne by their foreign competitors in trade to areas such as Hawaii, Alaska, and Puerto Rico.
- The profitability of exporting commodities will be reduced if user fee costs are added to the transportation charges while export prices remain fixed. Using the national average of 37¢ per ton assessment (total 1978 U.S. traffic divided by total annual dredging costs), user charges could represent a loss of 12.5% of the profit of export coal, 15.8% of wheat, 45% of salt, and 66.1% of limestone.
- If assessed by value, liner cargo could pay \$2.25 per ton on a national uniform basis, while tramp cargo would be assessed 19.6¢ and tanker cargo 23.4¢.

For the Port of New York-New Jersey, there is no more crucial issue before Congress today than the fast-tracking of projects and the question of user charges. The Port Authority is seeking balanced legislation which would speed the delivery of new projects so that improvements are not a 24-year waiting game. We are hoping to end future doubts of funding availability through the designation of customs revenues to pay for the federal costs. We are willing to finance part of the costs of the projects beyond 45 feet, with the help of local fees, if it means earlier project completion. We are seeking to prevent the enactment of a national uniform fee system that would greatly burden shipping with wasteful costs and result in the subsidization of port improvements and channel work in other ports by shipping assessed in New York Harbor.

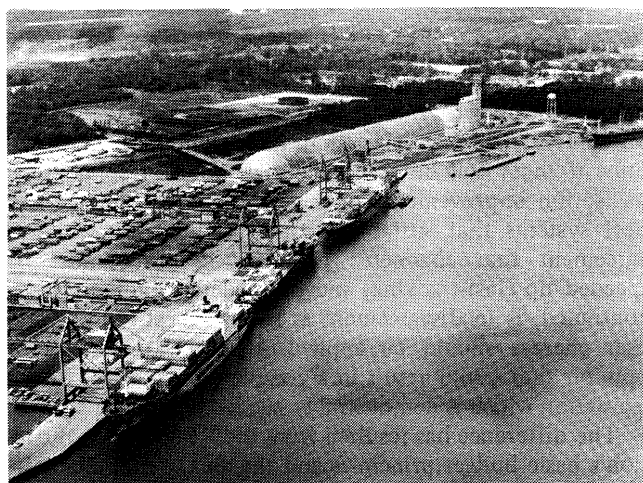
Mile-high meeting of navigation sponsors



C-MANC=California Marine Affairs and Navigation Conference, SOUTH LAKE TAHOE, CALIFORNIA: Gerald Pope (left), administrative director of the Port of Oakland, congratulated his successor, newly-elected president of the California Marine Affairs and Navigation Conference—Charles Connors, chief harbor engineer of the Port of Long Beach—following an election during C-MANC's fall meeting at South Lake Tahoe. Other officers elected were Alex-

ander Krygsman, Stockton port director, as vice president; Edward Gorman, Port of Los Angeles chief harbor engineer, treasurer, and Robert Langner, Marine Exchange of the San Francisco Bay Region, as executive director and secretary. Formed in 1956, C-MANC represents all commercial harbors of California and major marinas as well as other navigational interests in state and federal matters affecting projects, including funding and regulatory issues. Also elected to three-year terms as directors were Brian Foss, general manager, Santa Cruz Port District; Edward J. Millan, general manager, Port of Hueneme; Rodney Lundin of Rod Lundin & Associates; Supervisor Tom Powers, Contra Costa County, and Gerald Barney, Ventura Port District. (October 25, 1982)

Port of Savannah



Georgia Ports Authority's CONTAINERPORT & dry bulk facility were major factors in the surge to new tonnage records during FY 1982.

Port of Tacoma moves apples "Down Under"

The season's first shipment of apples to New Zealand recently moved through the Port of Tacoma via Blue Star Line's SOUTHLAND STAR VOY 69. 100 refrigerated containers were loaded aboard. On hand to receive a box of red delicious Washington State apples to commemorate the occasion were Peter Hinge—District Manager Interocean Steamship Company, the vessel agent, Barie Truran—Chief Mate, Randy Bostrum—Northwest Sales Manager—Port of Tacoma, and Captain Rodney B. Bilton—Master of the SOUTHLAND STAR.

Increase of Antwerp Port traffic for the first half year of 1982

From data provided by the General Management of the Port, it results that during the first six months of the year 44.96 million tons of cargo were handled in Antwerp.

This represents an increase of 11.4% over the result of the first half year of 1981 when 40.36 million tons were handled.

The increase is completely due to a rise of incoming cargo traffic (+25%) since a small decrease was noted for outgoing cargo (−4.9%).

(Continued on next page bottom)

Container Terminal Insurance and Liability Issues

by **Mr. G. De Graaf,**
Managing Director and
Mr. I. Solle, Manager
ASSUPAR

(Shortened version of a lecture given within the framework of the first UNCTAD-APEC seminar on container terminal management held in Antwerp)

A container terminal operator is a cargo handler

The so-called container revolution, which means the ever increasing tendency to containerise as much as possible is aimed principally at reducing handling costs and at a better prevention of cargo damage or loss in carrying the goods from one place to another.

Bearing this in mind, it becomes evident that the boxes are there because of the cargo and that they are handled and stocked in a terminal for that reason only.

Thus a container terminal operator is a cargo handler in an intermediate state of a transport chain. What has to be understood by a cargo handler may differ from country to country and from port to port. Just to cite an example the notion of "cargo handler" in the port of Antwerp can be defined as follows:

"A cargo handler is he who accepts an order from a principal to transfer, discharge, load, take receipt, deliver, sort, measure, weigh, tally, mark, sample, repack, pack, watch, store and keep goods in bonded store (warehouse).

(Continued from page 36)

Petroleum and raw minerals were at the basis of this large growth with incoming traffic in the port. Crude oil unloadings doubled and traffic of oil derivatives increased by 22.8%. Traffic of coal already amounted to 4.31 million tons (+49.1% as against 1981).

Other important traffics of the bulk cargo sector remained at the same level or made progress: the iron ore traffic amounted to 5.58 million tons (+0.1%), traffic of cereals to 4.82 million tons (+1.8%), traffic of fertilizers to 2.18 million tons (+13.9%) and that of various bulk cargoes (mainly including chemicals, sulphur and china clay) to 1.57 million tons (+21.8%).

In all 29,502,000 tons of bulk goods were handled in Antwerp during the first half year (+18.4%).

In spite of the less brilliant trade outlook for the European exporting industry, the general cargo sector could maintain its position thanks to increased imports.

In all 15,467,000 tons of general cargo were handled as against 15,453,000 tons in 1981.

Excellent results were obtained in the sector of bagged general cargo: traffic of cereals amounted to 597,000 tons (+58.8%), flour and sugar to 895,000 tons (+17.3%) and cattle fodders to 95,000 tons (+61.9%).

Also traffic of fresh fruit showed a growth and after 6 months already amounted to 454,000 tons (+19.2%).

Via Roll-on/Roll-off 910,000 tons of cargo were moved through the port during the first half year; an increase of 3.2% as against the corresponding period of 1981.

This enumeration is not restrictive but merely serves as an example. The transfer of goods by means of transport vehicles inside the port area shall be construed as handling not as transportation provided such transfer is done as part of a FOB delivery or for the purpose of creating a connection between two other means of transport inside the port area or for storage into a cargo handler's warehouse or bonded store, irrespective of whether under customs control or not".

There is no reference to containers in the definition of a cargo handler such as it is given by the Antwerp Association of Cargo Handling Enterprises. There is no need to. In this connection a container is either an empty box in which case the container itself is a cargo or it is a sealed box said to contain items so and so in which case the container is the packing of the cargo referred to. The principal of the cargo handler will either be the shipowner in which case the cargo handler is a servant of the carrier or a freight forwarder in which case he is a servant of the shipper or consignee of the cargo.

In this way there is no difference whatsoever between the traditional cargo handler such as known for over hundred years and the container terminal operator. Both enter into a Contract of Service and work with a principal.

However, there is an appreciable difference with regard to the technological side of the service to be performed. To do the job properly a container terminal operator needs container cranes, straddle carriers, forklifts trucks etc...

A container operator either owns or hires an impressive arsenal of highly sophisticated and expensive equipment in order to be operational. Furthermore, the way his business is organized he needs to build up an Information Control System for the movements and the location of containers inside and outside his premises. On top of that he needs to set up security safeguards in order to prevent the boxes and their contents to disappear unauthorisedly or become damaged or lost in the process of handling and storage. At any given time there is an accumulation of valuable cargo under the custody of the container terminal operator.

The conclusive remark is that a container terminal operator is a cargo handler who has invested heavily in equipment and is exposed to a more extensive liability because of the mechanised handling and the greater accumulation of cargo in his custody.

Liability in general and through liability in particular

To be liable means to be bound or to be obligated according to law or equity. If a person is bound or obligated under the law, there is legal liability, one that can be enforced by the courts.

For the purpose of insurance, a legal liability is often defined as follows. Such obligation of the insured to pay compensation for personal injury or for property damage or for expenses, that the insured has been legally ordered to pay or could be reasonably expected to be so ordered to pay.

A container terminal operator will be burdened by many

types of liabilities, either third party liability or contractual liability.

An analysis of all possible liabilities to which a container operator is exposed and the maximum possible impact on his assets is a question of Risk Analysis.

Generally speaking there is no difference in this convention between the former days manual cargo handler and the container operator except for a higher exposure of the assets because of the mechanisation and the higher accumulation of valuable cargoes on the premises.

However, in the field of Carrier's Liability towards cargo, there has been a break through for the new United Nations Convention on International Multimodal Transport of Goods 1980. Therefore a closer look at Carrier's Liability is necessary.

When goods are damaged or become lost during their transportation, the carrier is presumed to be liable whether those goods are in containers or not and whether the goods were under the custody of the carrier or under that of his servant. What carrier is liable and under what conditions can be found in the following International Conventions concerning the Liability of the Carrier for the Cargo:

- The Hague Rules of 1924 and the amendments thereto of 1971 known as the Visby Rules for the carriage under an ocean bill of lading.

Those Hague-Visby Rules are to be replaced in the near future by the Hamburg Rules of 1978, also called the United Nations Convention on the Carriage of Goods by Sea, 1981.

- The CMR—Convention of 1956 which is the abbreviation for the "Convention Relative au Contrat de Transport International de Marchandises par Route" and applies to every contract for the carriage of goods by road in vehicles for reward when the place of taking over the goods and the place designated for delivery are situated in two different Countries of which at least one is a Contracting Party.

- The CIM Convention of 1961 which refers to the "Convention Internationale concernant le transport de Marchandises par Chemins de Fer" and applies to carriage of goods by rail under a through consignment note over territories of at least two contracting parties.

- The Warsaw Convention on the International Carriage of Goods by Air 1929 which was amended by the Hague Protocol 1955.

It is impossible to go into details of each of these different conventions. Suffice it to mention the following characteristics:

They limit the contractual freedom in order to protect the commercial interest of users of transport services and safeguard the public interest.

They are not operative unless there is a contract of carriage which means that they impose a contractual liability governed by international law.

They burden the carrier with an obligation of result, namely to deliver the goods in the same state as he has received them and penalise him with a presumption of liability based on negligence if he fails to do so.

They uniformise the time and the place of that liability, namely the goods have to be under the custody of the carrier and/or his servant and/or his independent contractor.

They limit the situations under which a carrier is entitled to invoke an exemption from liability.

They regulate how the carrier can limit his liability and

to what monetary extent.

They prescribe the procedure the claimants have to follow in order that they derive the full advantage of the presumption of liability with which the carrier has been burdened.

The fact that a carrier can be exempted from liability for damage or loss to cargo in his custody or that he can limit that liability to a certain amount is a privilege given to the carrier under international law. That privilege has now become the subject of heavy criticism and is slowly but surely eroding.

When goods were moved in breakbulk condition, the claimants for loss or damage to those goods only had to determine where and when the goods became damaged or lost and then start an action against the carrier under the appropriate convention or conventions. If found liable, the carrier would start a counter-action against the cargo handler with whom he had entered into a contract of Service and Work if this was feasible.

The fact that different international conventions which are completely independent one from the other and are applicable depending on the mode of transport by which the goods were carried is called the "Network system". Although this system was far from perfect and presented many difficulties, those difficulties could be overcome because the external condition of the goods was always visible at any stage of the voyage.

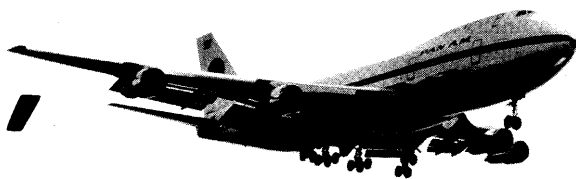
Containerisation, however, has put those goods inside a large box which means that they are no longer visible. Commenting on that an eminent Belgian transport law professor (professor R. De Smet of the University of Louvain) has said that containerisation has changed nothing and has changed everything. It has changed nothing because the network system still exists and has to be applied to determine who is responsible for loss or damage to the container and/or its contents and to what amount. It has changed everything because the burden of proof on the claimant has become extremely difficult seeing that each carrier requires evidence that the damage or loss to the goods occurred whilst the container was in his custody. Soon this was felt as an unjust situation. It has led to the request that one person be liable for the proper performance and for the delivery of the goods in the transport chain — from door to door. That person received a name, *nl.* the multimodal transport operator. Who may either be a carrier, a freight forwarder or any other entity organizing transport. Soon the carriers responded by accepting containers for transport under a "through bill of lading". This coined a new expression "carrier's through liability".

However those bills of lading are not standard and their use is optional.

Following the desire of the International Shipping Community in general and the requests of the developing countries in particular that those new transport documents obtain legal and commercial status internationally a United Nations Conference adopted on 24 May 1980 the previously cited U.N. Convention on International Multimodal Transport of Goods.

This Convention will become mandatory international law as soon as the necessary minimum 30 state signatures of acceptance or ratification have come in. Under this convention the multimodal transport operator assumes liability for loss resulting from loss of, or damage to, the

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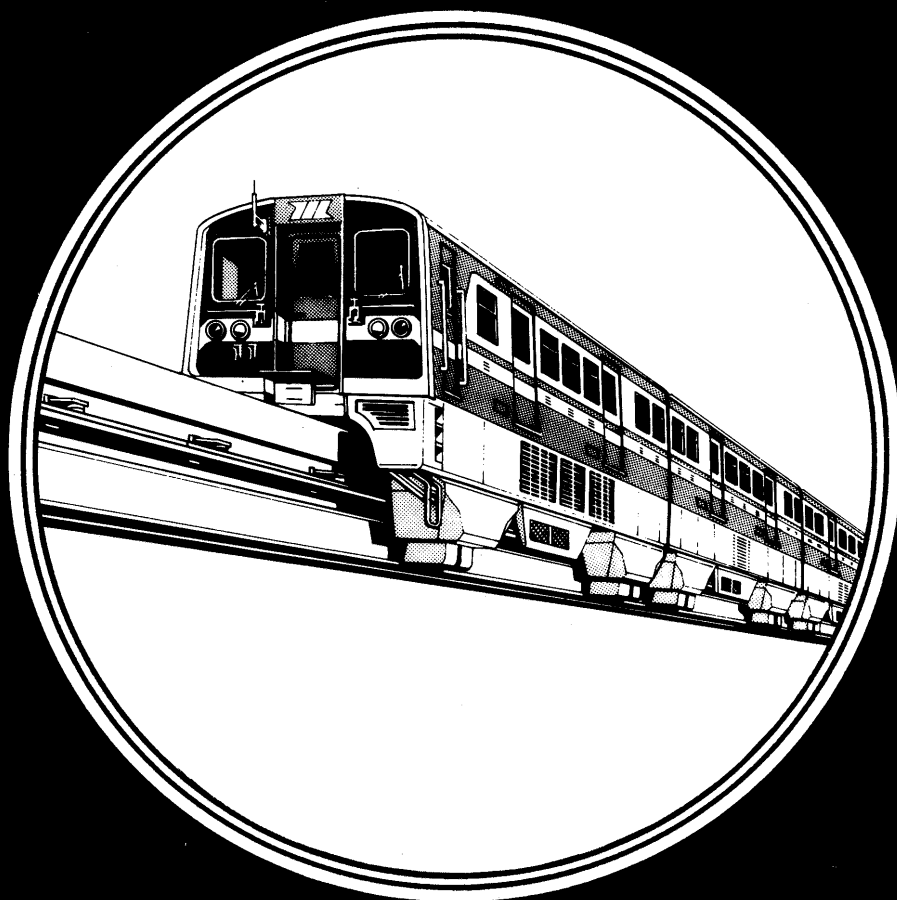


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goods as well as from delay in delivery from the time he has taken over the goods until the time he has delivered them unless he proves that he took all measures that could reasonably be required to avoid the occurrence and its consequences.

The multimodal transport operator still has the right to limit his liability unless it is proved that the loss, damage or delay in delivery resulted from an act or omission of the multimodal transport operator done with the intent to cause such loss, damage or delay or recklessly and with knowledge that such loss, damage or delay would probably result.

An international multimodal transport is described as being the carriage of goods by at least two different modes of transport on the basis of a multimodal transport contract from a place in one country at which the goods are taken in charge by the multimodal transport operator to a place designated for delivery situated in a different country.

Now what has this Carrier's through liability got to do with the container terminal operator?

Well, as the transport operator is also liable for the performance of the container terminal operator with whom he made contract for service and work, he will counter claim each time the container terminal operator fails to perform and the transport operator becomes liable as a consequence thereof.

More generally speaking, a container terminal operator is exposed to the risk of:

- a partial or total loss of, or damage to, his property, such as premises, equipment, vehicles, etc... This means he is exposed to direct property damage.

- loss of income through business interruption or slow down in performance as a consequence of a property damage, meaning he is exposed to an indirect property damage.

- loss of damage to third parties and/or their property for which there is a liability either under the law or under a contract, meaning he is exposed to a legal liability.

- loss of damage to employees and/or their property for which there is a liability under a law governing Employers Liability or under a labour contract or convention or under a Scheme for social benefits. In sensu strictu employers liability is also a legal liability but in many countries it is governed separately under Social Security laws, furthermore an employer will have to be more generous than the law because to full highly qualified jobs he will have to offer competitive labour terms.

Therefore he is also exposed to a Social Security liability.

Risk analysis and risk management

There is a risk when there is a doubt about the outcome of an event. When there is no doubt, condition of certainty exists and there is no risk.

However, the mathematical doctrine of probabilities do allow to calculate the risk. The function of risk management which develops more and more as a separate management discipline is to reduce the risk to an acceptable level notwithstanding that it might be possible to eliminate it entirely but for the prohibitive cost.

It amounts to:

- quantifying the identified exposure of risk as to the cost and frequency,

- control of the exposures thus identified by physical and operational means, this means decisions on avoidance,

loss reduction and prevention and on acceptance of risk, — financial measures against the losses which do occur.

In analysing the cost of a risk the following items have to be considered before making a decision:

- a) The likely loss you incur on risk that you do not wish to transfer.

- b) The cost you incur by off loading those risks on others.

- c) The cost of taking measures to control, reduce or eliminate risks which does not only include the money spent on instalment of safety equipment but also the inconvenience and interruption of performance it causes.

- d) The cost of administration.

- e) The cost of finding uninsured losses taking into account, the shorttail losses such as property damage and the longtail losses under liability for which loss reserves have to be built up. It is important to know whether or not taxation and exchange control on those funds can be avoided.

The risk manager can now decide whether to retain the risk or to transfer it.

Retention can be applied in various ways from no-insurance at all to an insurance with a deductible which can lead to an insurance with a higher deductible which can then, finally, result in the formation of one's own insurance company, the so called captive insurance company.

To transfer the risk does not necessarily mean to buy insurance.

There are other ways to transfer a risk. A risk manager should always be aware of the fact that the terms of general conditions may not be enforceable because it would not be in its commercial interest to involve them or because a court concludes no proof is given that they have been knowingly accepted by the other party or concludes that although they have been accepted they are not enforceable because they violate the economy of the contract.

This is in a nutshell what risk management is all about.

Insurance

An insurance is a contract whereunder an insurer, against the payment of a premium, undertaken to indemnify the insured for pecuniary losses arising from certain risks.

What insurance needed and to what extent, will depend on the decision made at the end of a risk analysis.

If an Accident Insurance is needed, called Casualty Insurance in the U.S.A., the main types are:

- Accident and Sickness Insurance — consisting of Accident only, Accidents and Specified Diseases, Accidents and All Sickness, Group Accident and Sickness, Air Travel.
- Employer's Liability.

- Product Liability and Third Party Risk in general and more Specifically Motor Vehicle Insurance and Occupiers' Liability.

- Engineering Insurance — in the U.S.A. called Boiler and Machinery Insurance, giving cover against the hazards attendant to the use of equipment up to the policy limit for:

- direct damage to the property itself resulting from a covered accident

- extra costs of making temporary repairs or expediting repair

- property damage liability

- bodily injury liability

- costs of defense, settlement and supplementary pay-

ments.

It is possible to include also: Business interruption, consequential loss, power interruption, furnace explosion.

— Burglary, Housebreaking and Theft for business premises.

One may also need Fire Insurance which can be extended to cover windstorm and hail, explosion, vandalism and malicious mischief, water damage, earthquake and volcanic eruption, aircraft and vehicle property damage, etc... It is possible to have all those risks covered together in one single policy.

The policy being the term used to denote the written evidence of the contract of insurance. Such a policy is called a Multiple Line.

In the case of own containers or an insurable interest on containers under Container Hiring Agreement, those containers can be insured as if they were vessel in the Marine Market on Institute Container Clauses.

Whatever is the best solution will be the subject of a careful analysis after the decision to transfer to an intermediate risk carrier. Because this risk carrier against a fixed premium aims to realise a benefit, he is called a commercial risk carrier.

If shocked by the idea that someone may make a profit by carrying your risk but you have decided to transfer this risk nevertheless, then you can become a member of the Through Transport Club to which Container Terminal and Depot Operators are welcome since 1968.

The risk can be retained entirely or to a certain level. Over the last hundred years there has been an evolution from a franchise towards a deductible, from a deductible towards a larger deductible and from a large deductible towards the creation of an inhouse insurance company. Often this system has been brought by the fact that only about 60% of the amount of the gross insurance premiums benefits the assured community; the other 40% being eaten by the operating expenses of the commercial risk carrier.

However, large retentions need a reserve fund that has to be carried forward from year to year. This reserve fund will not be accepted as a pre-tax business expense which is a problem for long-tail losses and will limit the advantages of in premium reductions from own funding. A disadvantage exists towards the intermediary risk carrier because in many countries he enjoys a privileged position under special taxation rules concerning retained premium and loss funds.

Hence, the drive to establish one's own insurance company — by preference in an exotic place like the Bermuda because of an advantage in taxation and exchange control. Such an insurance company is called a captive insurance company and the marked preference for Bermuda has been termed the Bermuda angle.

There are many reasons why to establish a captive insurance company such as:

- reduce insurance expenses,
- improve the insurance cover provided by the other risk carriers,
- obtain a cover which is not available in the insurance market,
- establish centrally a worldwide risk financing programme that enables to develop self insurance and provide consistent protection for the group,

— financial motivation related to other non-insurance activities in the company.

To terminate, a last reference to the distribution of insurance: it is a characteristic of the insurance industry — at least in Belgium but also in many other countries — that the product is sold through the intermediary of agents and brokers. An agent represents an insurance carrier or acts on his behalf.

A broker has to be an expert in the law and practice of insurance, but so is an agent, who has no obligation to the insurer, other than that of good faith. He is the agent of the assured and if he is negligent in his duties to the extent that the assured is prejudiced, the assured may sue him for damages.

He can be valuable in the field of risk management, also, if it is decided to transfer risks his market experience and his knowledge will be of assistance. In case of loss or damage under a policy, he will process the claims on behalf of his principal with the risk carriers.

£1.1 million development scheme at Immingham

The British Transport Docks Board is to spend £1.1 million on improving cargo handling facilities at its South Humberside port of Immingham.

Two 10-tonne cranes, costing £½ million each, are to be installed at the port's mineral quay. They will be used mainly for discharging dry-bulk traffic, but will be equally capable of handling steel or the increasing volume of machinery and general cargo which passes through the port.

This development is the latest stage in the Board's continuing programme of improvements at Immingham. In the last couple of years the port's cranes have been upgraded with the installation of three 20-tonne and two 20/15 tonne cranes. In March, the BTDB announced a £1 million scheme to improve general cargo facilities at the port, much of which is already completed.

Mr. Donald Stringer, BTDB Deputy Chairman and Joint Managing Director, comments, "Our continuing investment programme at Immingham is essential to meet the increasing demand for the port's facilities, and demonstrates our confidence in the port's future."

"Immingham is already one of the Board's most successful ports, and this new investment will improve its competitiveness still further."

In 1981, Immingham achieved its highest ever annual throughput of 25.7 million tonnes and the port expects to do at least as well in 1982.

BTDB Chairman announces new £250,000 container plan for Goole

The Chairman of the British Transport Docks Board, Mr. Keith Stuart, announced details last night (Friday, 19th November) of a new scheme costing over £250,000 to provide the port of Goole with its first specialised terminal for the handling and storage of containers.

Mr. Stuart, who was addressing a meeting of the Port of Goole Shipping and Transport Association, said: "The Docks Board have invested nearly £2 million in new facilities at the port of Goole in the last 10 years, and this new scheme is a further demonstration of our confidence in the port's ability to maintain and increase its already considerable success."

The new development will involve levelling and surfacing over 6,000 square metres of land bounded by Barge Dock, Ship Dock and Railway Dock. The terminal will be equipped with floodlighting and provided with office accommodation. Although primarily designed for containers, the new scheme will also improve the port's ability to handle cargo for large-scale construction projects and increased volumes of conventional cargo.

The scheme is expected to be completed by the end of 1983, and will thus be ready to take advantage of the opening in early 1984 of the Goole bypass, which will provide a high-speed road link from Goole docks direct to the nearby junction on the M62 motorway.

Commenting on the new scheme Mr. Brian Harding, the BTDB's docks manager at Goole, said: "Our container traffic has shown a useful increase in recent years, with the number of boxes this year over 50% up on the same period of 1981. We are looking for this increase to continue, and believe that the new terminal and new motorway link will attract new business to Goole, especially on services to the near continent."

As well as its traditional bulk traffics, Goole now has 11 liner services operating to 25 countries throughout the world, and recently attracted MED Line and Scan Caribbean as regular customers. MTO Maritime Transport recently announced their intention of starting a new service to the Mediterranean before the end of the year. The port handled 1,354,000 tonnes of traffic last year and made a profit of £584,000.

Along with the other 18 BTDB ports, Goole will become part of Associated British Ports when privatisation takes place. Mr. Stuart said that he expected the Government to announce the timing of privatisation in the fairly near future. He said that he welcomed the new commercial freedom which privatisation would bring.

Port of Bordeaux — Le Verdon at the 10th International Food Fair

The 10th International Food Fair is being held in Paris from the 15th to 20th November, 1982. This biennial is one of the most important of its kind in the world, having in 1980 welcomed 200,000 French visitors in the trade and some 35,000 foreign visitors from 117 countries.

The Port of Bordeaux-Le Verdon is taking part in this vast "business market" for the first time and it will be able to meet buyers coming from all over the world.

It should be said that the agro-food industries make up one of the primordial sectors in the Gironde port's activity: in 1981, over half the throughput, excluding oil, (2.4 Mt out of a total of 4 Mt), was accounted for by agricultural produce.

The Port has two major advantages to cater for this trade, its specialized facilities and its vast range of regular line services, which link it to some 150 ports throughout the world. Bordeaux-Le Verdon offers the most scheduled services of all the French ports on the Atlantic seaboard and this is an enormous advantage for shippers, (especially those in the agro-food industry), who can receive or dispatch their goods in small quantities and thereby restrict the size of the stocks they must hold.

The outlet of a vast agricultural region, Bordeaux-Le Verdon is geographically well located, especially where its fast links to Africa or the American continent are con-

cerned, (Dakar is only 5 days away by sea, New York, 11 days).

Thanks to the continuing development of its regular line services and to the acquired efficiency of its facilities, it continues to provide the quality of service to the agro-food industries, on which its reputation is founded. (Bordeaux, November 12th)

A new partner...and not just anybody!

Dunkerque's hinterland is a very large sugar producing region. Besides, Dunkerque is France's number one port for sugar with 1.16 MT exported in 1981.

Already back in 1978 various firms part in the sugar trade like «Sucre Union, Compagnie Commerciale Sucres et Denrées, De Bayser, Wiart, Desbief, or local stevedores such as Dewulf-Cailleret, had joined forces. The new group called Trans-Terminal-Service had financed the construction of self contained equipment including storage facilities for sugar in bulk, bagging and automatized handling of the bags to be loaded on board the ships.

The initial investment of 32 MF was further increased by 15 MF in order to bring the storage capacity to its present level of 85 000 T. In addition, a second roading unit now operational involved a further 22 MF investment.

The competitiveness of the terminal - the largest of its kind in Europe - is further enhanced by the arrival of a new partner, Beghin Say the largest sugar producer in France. The chain is thus unbroken from factory to ship's hold.

Prospects for 1982 are excellent as 300 000 T of sugar instead of 200 000 in 1981, should transit through Dunkerque.

Results for the first six months strengthen Dunkerque's position: 610 585 T - an increase of 11,5% - left from the terminal and other quays. (Dunkerque News)

Following the doldrums, a comeback for the barge-carrier: Bremen & Bremerhaven

At the beginning of the 60's there commenced—almost unnoticed—the most recent phase in the history of sea transportation systems; with the first cautious introduction of containers and, a little while later, of specialised container-ships.

The idea originated in the U.S.A. but in the mid-sixties already—according to a Bremen international investigation, in November 1964—shipping experts in the major American ports on the East, South and West Coasts were recording for the final development stage of standard-sized containers, a general-cargo share of "about 1 percent" (New York, Oakland/San Francisco); up to "maximum 5 percent" (New Orleans). As early as the end of the 60's this new transportation system had made its breathtaking, triumphal march around the globe.

During this period—in the shadow of the container boom—other ideas and conceptions for modern ocean traffic were being developed and realized. In 1969, Lykes of New Orleans placed into service the first LASH-ship, as conceived by Jerome Goldman. With her began the barge-carrier era—initially also only just noticed in passing by the professional world.

The Lash-system, however, is far more than merely a variation of the container. The barge-carriers, with their

movable holds, are quite different in lighter handling as with containers. Being in the main not only independent of modern quay installations with highly specialised handling equipment—such as can be offered only by the largest ports—the barge-carriers can discharge and load still quicker than the famous tin-box-ships.

The lighters brought are dispatched on the roads off the port, take on others with new cargo, and are again already at sea within a few hours. The actual stripping and stuffing of the incoming/outgoing lighters is effected separately from the arrival and departure of the parent ships.

A fascinating idea. However, the new barge-carrier development, "after a lively initial stage—whereby some 30 of these specialised ships had been produced, mainly for American shipping companies—then entered the doldrums, which were only overcome in the second half of the 70'ies" wrote Captain Helmuth Möncke, in a foreword to a comprehensive survey of the current barge-carrier position entitled "Pickaback Across the Sea", by Hans Jürgen Witthöft—the managing-editor of 'Schiff und Hafen.'

A few disappointments and set-backs were experienced, but finally the barge-carrier won its place in international shipping. Helmuth Möncke continued,—“and it seems at present as though the development is again catching on.” From, initially, only two different systems (LASH and SEABEE), a complete ship-family has meanwhile developed.

Thus, up to now, 42 ships have been constructed according to various basic conceptions and put into service—of which alone 26 on the world-renowned LASH-concept. Currently there are 8 more barge-carriers of various conceptions being built in various shipyards at home and abroad. Obviously the barge-carrier idea has again in significance in the calculations of international shipping circles.”

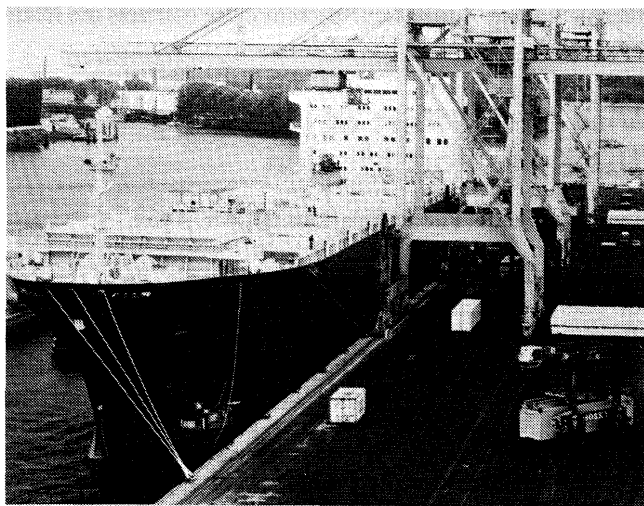
Hamburg consolidates its Japanese trade

“Hamburg has been able to consolidate and to some extent improve its position in trade with Japan, despite economic recession and a drop in trade volume”, according to Klaus-Dieter Fischer, Executive Director, Port of Hamburg, The Representative, speaking to journalists in Hamburg on his return from a fact-finding visit to Japan.

Japanese-West German trade in the first six months of this year dropped 5.5 per cent compared with a similar period in 1981 to 718,000 tonnes; Hamburg's share of the cargo volume, however, increased 2.3 per cent, with exports to Japan touching about 100,000 tonnes, an increase of 1.5 per cent, and imports at approximately 140,000 tonnes, up 3 per cent.

Commenting on these figures, Fischer said: “Overall exports to Japan increased, but this increase was not reflected totally in the Port of Hamburg's share of the trade. In certain sectors there was a slight slip downwards. Imports presented a quite different picture, for Japanese imports into West Germany dropped by almost eleven per cent. But the Port of Hamburg registered an absolute increase of 3 per cent and an increase in its share of the total trade of 4.3 percentage points.”

The slip-back in market shares as regards exports always came about where keen carrier competition to individual European ports showed freight cost advantages or dis-



The Hapag-Lloyd "Frankfurt Express", the world's largest containership is in regular service between Hamburg and Japanese ports.

advantages—in the final analysis these factors were all important, according to Fischer.

“Two factors, deeply imbedded in cost calculations, were responsible for Hamburg's considerably improved market share of imports. Like everywhere else the competition for cargo in Japan has become much more intense and cost/productivity factors among the various competing terminals in Japan are compared in detail,” said Fischer.

He continued: “Of prime importance in such a situation in Japan is the proven reliability and dependability of a port and the trust enjoyed through years of good contacts and service. On the other hand a factor of considerable importance is that Japan's export trade to European Markets is served by top quality ships with frequent and regular sailings via the Port of Hamburg.”

Fischer pointed out that there are about 290 direct sailings per year from Hamburg to seven Japanese ports. Hamburg is almost without exception the first loading and the last unloading port in the Hamburg-Antwerp range.

The competition offered by the Trans-Siberian landbridge has taken on a different character in recent months. A year ago the landbridge was regarded as formidable competition, but now it is regarded as a possible back-up operation to implement ocean-borne traffic.

Fischer said that speaking quite generally there would be a drop in the Japan trade. Whilst Japan's commercial giants expected that things would begin looking up for them in 1983, the gloomy view of West Germany's economy held in Japan gives cause for concern. Increased efforts will be necessary in order to avoid a further 'loss of face' in this important market. Japan with three per cent of the world's population generates almost 8 per cent of world trade. Towards the end of this century the country will be the world's most powerful trading nation and the most important exporter of capital.

“The Port of Hamburg, that handles 0.7 per cent of Japan's worldwide exports, will do all in its power to maintain and extend its position in the Japanese trade,” Fischer said. “This does not mean that we propose doing anything that is just a spectacular flash in the pan. It does mean that we shall constantly strive to be an attractive and

reliable partner so that our present close contacts are made even more close."

Visit to the Port of Lisbon by the Kobe Port Mission

by V.N. Branco, Public Relations Officer, AGPL

A recent event of great importance in the life of the Port of Lisbon was the visit by the Kobe Port Mission from Japan, at a time when port policy has taken decisive steps towards reorganization and rationalization of the services, with the aim of improving quality and productivity and widening the scope of contacts with abroad, since the increase of economic relations at an international level will find the best way to its achievement in port facilities.

The Mission, consisting of 20 members and representing the largest Japanese firms operating in the area of the Port of Kobe, was headed by Mr. Yukio Torii, Director General, Port and Harbor Bureau, Kobe City, who gave us the opportunity to learn of the impressive size of a port such as is Kobe, with a turnover of about one hundred and sixty million tons of cargo per year.

The programme of the visit, which lasted for a day and a half, was so organized as to inform our visitors of the potentialities offered by the Port of Lisbon as regards the development of its traffic, its operational functioning and the possibilities of investment, integrated in its expansion plans.

On 25 October 1982, a visit was paid to the two passenger stations in the Alcântara zone, as well as the widened wharf, construction of which was completed at the beginning of 1982.

This new port facility provides nine hectares of new shore space and adjacent water depths of between 10 and 13 metres. The new wharf is 1,100 metres long and has an apron of 120 metres, with characteristics suitable for receiving large ro/ro, con/ro and multi-purpose vessels of the type that already ply between the ports of Northern Europe and the Far East.

The Mission was then taken to visit Expofair-International Trade Center of Lisbon, an organization whose associates include some 200 big Portuguese commercial, industrial and services firms. The visitors were very interested to examine the permanent exhibition of Portuguese export products.

The following day (26th October) the Kobe Port Mission was taken on a trip round the estuary of the River Tagus (a large sheltered basin with a water area of 32,500 hectares) on board a Port of Lisbon Authority (AGPL—Administração-Geral do Porto de Lisboa) tug.

The visitors were thus given an opportunity to see the Santa Apolónia container terminal, the Xabregas entrepot, the shiprepair yards (the Lisnave yard at Margueira has a drydock for tankers of up to a million tdw), the grain elevators, the degasification and cleaning plant for oil tankers, the Lisbon fishing harbour and the port's industrial zones or zones which are suitable for industrial development.

On this part of the visit there took part also those persons responsible for the shore and maritime operation of the Port of Lisbon, and the visitors were afterwards taken



Kobe Port Mission visiting Port of Lisbon—25, 26 October, 1982. Just starting for the trip in the River Tagus on board of Port's tug.

to the Planning Department, where they were able to see the planning measures and projects under way.

At the luncheon given by the AGPL at the "Mónaco", a restaurant situated at Caxias, on the bank of the River Tagus, there were present, among other entities, the Chairman of the Board of Trustees of the Port of Lisbon, Engineer Corrêa Gago, the Counsellor of the Japanese Embassy in Lisbon, Mr. Akira Suyama, representing His Excellency the Ambassador, and the Director of Expofair, Mr. João Weinstein.

In his toast to the visitors, Mr. Corrêa Gago, emphasising the friendly relations that had always existed between Japan and Portugal, beginning more than 400 years ago, said: "In fact, we Portuguese some centuries ago extended to the Far East and the Japanese Islands our contribution to the development of the maritime way to the exchange of goods and ideas. We learned then to admire and respect the richness of your culture, the strong and restrained pride of your people, the beauty of your paintings and drawings, the excellence and good taste of your crafts. It was only much later, however, that we understood in full how powerful a long tradition may become when used to face the challenges of a modern, industrial world."

The Chairman of the Board of Trustees of the Port of Lisbon later went on to say: "But it may be—it just may be—that you have come also looking for opportunities to expand or reshape your trade streams, the pattern of your sea routes, the operational basis of your exporters. If it is so, you may rely on our readiness to hear from you and to study with you the ways and means to enhance economic cooperation in the field of sea transport and port operations."

Expressing his thanks for the hospitality offered to the members of the Kobe Port Mission, Mr. Yukio Torii also expressed his interest and dedication to developing good relations between the Port of Lisbon and the Port of Kobe, and the hope that specific commercial and cultural relations might be promoted in the near future.

An historical-cultural visit was then paid to the Tower of Belém, 16th Century monument from the national Romanesque-Gothic period, regarded as the coat-of-arms of the

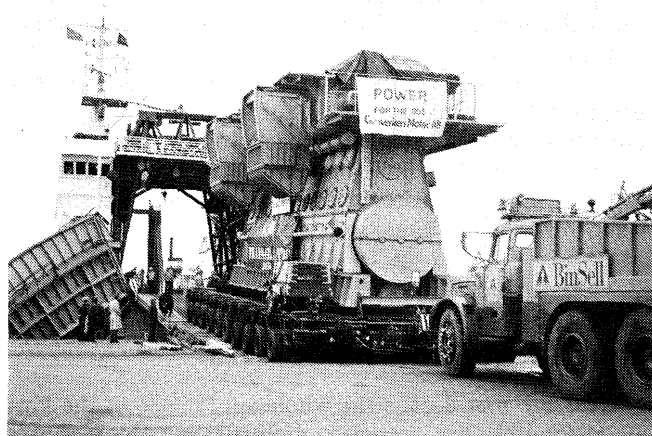
Port of Lisbon, and a symbol of the Capital of the country; and then to the National Coach Museum.

To conclude the series of visits, in the reception hall of the AGPL a final meeting was held of the Mission with those directing the Port of Lisbon, during which there was discussion of matters of mutual interest to the two ports.

On this occasion a film was shown about the Port of Kobe, and it gave a very perfect image of the grandeur and impeccable organization of that Far East port, being much applauded by those present.

Port of Gothenburg News

360 + 10 tons over ro/ro ramp



A 360-ton diesel engine on a 100-ton trailer was the heaviest cargo ever handled at the port of Gothenburg.

The heaviest piece of goods ever handled at the Port of Gothenburg, a diesel engine with a weight of 360 tons, was recently taken on board the East German M.S. "Brocken" for transport to the Faroe Islands, where the engine will serve as an electric power producer.

The engine was placed on a special trailer with 10 axles and no less than 160 wheels—in itself having a weight of 100 tons—and was rolled on board the "Brocken" at Gothenburg's Free Harbour. The total weight of the transport unit passing the ramp was thus 460 tons.

The power plant under construction is located at the Kalbak Fiord northwest of Thorshavn. In order to get the huge engine in place, a quay and a road had to be strengthened and even rock-blasting was included in the preparations for the unusual transport. The TransProCon company, belonging to the Gothenburg-based Transatlantic Shipping company, had the responsibility for the whole transport arrangement.

The diesel engine, a 14,000 kW (17,900 BHP) Burmeister & Wain engine, was built by the Götaverken Motor Company as subcontractors to the Burmeister & Wain Scandinavian Contractor A/S. The electrical equipment for the power station is being delivered by the French company Jeumont-Schneider.

Main fairway to Gothenburg made broader and deeper

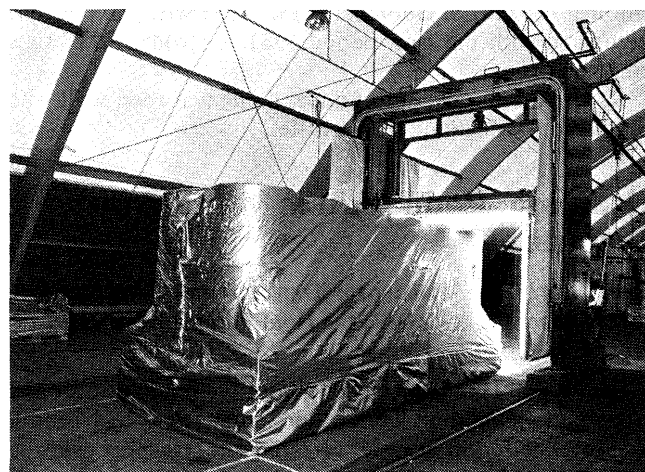
The Böttö fairway, leading to the entrance to the Port of Gothenburg, has been made broader and safer by blasting

away four grounds at the side of the passage. The job was fulfilled recently. It took about a year to carry out, covered an area of some 17,000 m² and did away with the four grounds Hulkebådan, Gäveskär, Brandnäsbrodden and Böttögrund.

The fairway has a minimum depth of 12 metres but earlier had a limited beam at some passages. Over the years, this led to some groundings. Now the fairway has been made considerably broader and easier to pass. This approach to the Port of Gothenburg is Sweden's second most trafficked fairway (The Sound between Denmark and Sweden is number one) with some 25,000 ships passing per year. The cost for the blasting away, 10 m. Kronor, was paid by the Swedish Government.

The main contractor Flykten Entreprenad AB, Gothenburg, carried out the job in co-operation with the subcontractors Finnaby Dredging Co. and Lundquist & Söner Muddrings AB.

"Plastic containers" cover goods on 20 foot flats



By shrinking a plastic envelope around a flat-load of e.g. paper rolls, the cargo is both secured and sheltered. The rig, first of its kind in the world, was erected in Gothenburg's Älvsborg Terminal.

In order to protect goods on flats against rain and other damage the Gothenburg Stevedoring Company has acquired a plant which wraps the goods in an envelope or "flexible container" of plastic.

The plant can handle 20 foot flats and is believed to be the largest plant for plastic shelters built up to now.

When the cargo has been covered by the plastic material a rig with heating elements moves over the flat and gets the plastic shrunk close to the goods. The plastic cover is fairly strong and has proved to protect the goods—for example paper rolls—not only against the weather but also from some other transport damages.

The plant was manufactured by Gelopac AB, Kungälv, Sweden, and has been installed at the Port of Gothenburg's Älvsborg ro-ro terminal in the Skandia harbour.

Gothenburg takes over Swedish import of Renault cars

The import of Renault cars to Sweden will take place via the Port of Gothenburg Älvsborg terminal from the beginning of 1983.

A plant for the finishing jobs on imported cars is now

under construction near the harbour and here the cars will be treated before being distributed to the Swedish dealers. Earlier Renaults were imported to Sweden via Wallhamn north of Gothenburg.

Deepening of the Lindholmen car harbour

A deepening of the Port of Gothenburg's Lindholmen harbour started in November in order to increase the possibilities for large fully-laden car-carriers to use the harbour.

Volvo's growing export to USA, the Middle East and the Far East is being handled at the Lindholmen harbour, while the same company's export to other countries uses the port's Älvsborg terminal of the Skandia harbour, where also much of Volvo's import of components for cars is being handled.

9.5 per cent increase at the Port of Gothenburg January-September

During the first three quarters of 1982 cargo passing through the Port of Gothenburg increased with 9.5 per cent compared with the same period 1981—or from 15,117 tons to 16,551 tons.

It was the throughput of mineral oils that rose, while the dry cargo traffic diminished a little.

Dramatic Reduction in Waterfront Disputes

Statement by the Minister for Transport and Construction and Member for GWYDIR, the Hon. Ralph J. Hunt, MP, Australia

Mr. Ralph Hunt, the Federal Minister for Transport and Construction, said in Perth today that there had been a major reduction in disputes affecting sea transport over the past six months.

Mr. Hunt released a summary of significant industrial disputes which affected sea transport from 1 January 1982 to 31 October 1982. This summary is a continuation of earlier summaries released on 17 January 1982 covering disputes during 1981 and on 11 July 1982 covering disputes for the first six months of 1982.

"The general reduction in disputes which I noted in my News Release of 11 July 1982 as having occurred since May this year has continued."

"It is gratifying to note that the average monthly level of disputes from May to October this year was only about one third of the monthly average for 1981, and less than half that of the first four months of 1982."

The majority of disputes, which have occurred since last May have been of a localised nature and of relative short duration. We have seen a marked reduction in port wide and nationwide stoppages.

Mr. Hunt said that there had been a number of important initiatives taken this year to seek solutions to the various industrial problems affecting sea transport.

"On 30 April this year I was pleased to have had the opportunity of joining Commonwealth and State Ministers for Labour in a meeting with employers and unions in the maritime and waterfront industries."

"The main purpose of the meeting was to seek an improved industrial relations climate in these industries. In

this regard a good basis for improved and constructive dialogue was established which appears to be having a beneficial result."

"On 29 July this year I announced that the Government had decided to implement the recommendations of Sir John Crawford's Report on the Revitalisation of Australian Shipping."

"This decision included tax concessions and a 'self-help' plan to improve the industrial situation in Australian shipping."

"The main credit for the improvements we have seen over the past six months must, of course, go to those directly involved in the industry", Mr. Hunt said.

"Both employers and employees should take heart at the downturn in disputes, and strive to maintain a co-operative atmosphere on the waterfront."

"It is essential that the improvements we have seen in the waterfront industrial situation should lead to a permanent state of industrial harmony."

"Australian exporters have to trade in a highly competitive international market and it is important to restore our reputation as a reliable trading nation."

"It is of fundamental importance to the standards of living of all Australians that we have reliable and efficient waterfront and maritime industries."

The port's changing skyline; Port of Melbourne

Over the past decade the whole appearance of the Port of Melbourne has changed dramatically. Huge gantry container cranes now dominate the skyline and thousands of multi-coloured containers are stacked in colourful rows in the storage areas.

It can be truly said containerisation has not only revolutionised shipping and the movement of cargo, it has brought a new dimension to the Port panorama.

In the 1960's Melbourne was in the forefront of the shift from handling break-bulk cargoes by traditional methods to moving cargo in containers. This involved the construction or up-grading of berths to take heavy fork lift truck wheel loads, the erection of capital intensive container cranes and the provision of land for the building of terminals, depots and container storage areas. In short the Port has been virtually rebuilt.

The acceptance of containerisation by the world's trading community and the high degree of mechanisation achieved, has resulted in the Port of Melbourne being the leading container port in Australia and one of the world's major container ports.

In excess of half-a-million twenty-foot equivalent units have been handled in the Port for each of the past three years—an impressive figure. Thirty-nine per cent of Australia's population resides in the hinterland serviced by the Port of Melbourne. On a population basis it is estimated that for every eleven people resident in this region one container per year passes through the Port.

On a world-wide basis the importance of containerisation to international trade has now reached the degree where the opinion has been expressed that "... the system is irreplaceable. In other words the world cannot live any longer without containers, and general cargo shipments

without containers have become unthinkable."

It has been estimated by Mr. Henk Rootliep, a senior executive with the Nedlloyd Shipping Group, that in 1981 all world ports jointly handled 40 million TEU's. Lined up end to end this would amount to about 300,000 kilometres of containers—nearly the distance from the earth to the moon.

It is also worthy of note to record that the world's container ship fleet has a capacity of 1.2 million TEU's.

Currently 70 per cent of all general cargo to pass through the Port of Melbourne is containerised. In 1980-81 general cargo handled totalled 13,364,000 tonnes. By the year 2000 it is estimated 23 million tonnes of general cargo will be handled in the Port of Melbourne of which an increasing percentage will be containerised.

Container cranes are the vital link in this modern system of moving cargo.

The Port of Melbourne Authority owns three twin-lift and three single-lift gantry container cranes. The three twin-lift and two of the single-lift cranes are located at East Swanson Dock and the third single-lift is on the recently reconstructed berth at 16 Victoria Dock. The three single-lift cranes are new additions to the Port, having been only recently commissioned.

In addition to the cranes owned by the Authority three twin-lift cranes are operated by Seatainer Terminals Ltd. at West Swanson Dock, with a fourth soon to be erected, and one single-lift crane is operated by the Australian National Line at Webb Dock with two more about to be erected. When all the new cranes under construction or on order are completed there will be thirteen gantry container cranes operating in the Port.

The Port of Melbourne differs from most other container ports to the extent that a significant number of the container cranes in operation are twin-lift. By using two hoists 46 tonnes can be lifted and when only one hoist is used lifting capacity is 23 tonnes. Lifting capacity of the newer single-lift cranes is greater than 30 tonnes.

Smoothly operating cargo-handling equipment is crucial in maintaining the Port's reputation for fast and careful cargo handling. If cranes break down cargo would not move and the cost to shipowners and Port users would be heavy.

In respect of the cranes owned by the Port Authority crane electricians and crane fitters provide the electrical, mechanical and structural maintenance for the cranes.

The privately operated cranes are similarly serviced and maintained by technicians employed by the respective companies.

The container cranes, for which the current cost is approximately \$4 million each, are driven by complex electrical systems. An effective maintenance program, coupled with immediate attendance in the event of a breakdown, is carried out. Because of this program the PMA's three twin-lift cranes have a high rate of reliability.

Routine maintenance, which is carried out when ships are not occupying the berth, includes performing electrical and mechanical functional checks, greasing, oiling and inspection of all parts. All machinery components are checked for wear and hoisting cable wire systems are checked and secured.

The immensity of this task can best be assessed when some of the major dimensions of the cranes are taken into account. The booms are 40 metres long and when raised

tower more than 70 metres above the wharf.

The cranes, when lowered, have an outreach of 36 metres beyond the wharf face and the maximum height of the lift above wharf level is approximately 30 metres.

Each crane is mounted on four eight-wheeled bogies, one on each corner of the crane. It can travel on rail tracks along the full length of the wharf under its own power.

The largest of the cranes weighs 850 tonnes. Approximately 2400 metres of steel wire rope is required for each of the three new single-lift cranes.

The six gantry container cranes owned by the Port Authority alone represent an investment in excess of \$24 million on today's costs, an investment which is essential to the efficient servicing of the Port's trade and to the prosperity of the State it serves. Their dominance of the Port's skyline is an ever-present reminder of the impact containerisation has had on daily living.

US remains biggest market

In value terms, the United States remains Hong Kong's biggest market, with its purchases during the first nine months of this year amounting to US\$3.77 billion. However, the growth rate for exports to the US slowed to eight per cent from the double-digit figures of earlier periods.

China was by far the fastest growing market for Hong Kong-made goods with domestic exports to the PRC showing an increase, by 42 per cent, to US\$460 million.

Among the major markets, Britain, although ranking second in the value of total purchases from Hong Kong, showed a negative growth of six per cent. Exports to the third largest market, Germany, declined by two per cent.

Total merchandise trade for January to September, valued at US\$32.9 billion, showed an increase of four per cent compared with the same period last year.

Domestic exports rose by four per cent to US\$10.1 billion, imports by four per cent to US\$17.385 billion, and re-exports by seven per cent to US\$5.385 billion.

HK feeds Fiji's video fever

The quiet South Seas islands of Fiji have been hit by Hong Kong video-game fever.

As a result, Hong Kong-based Atari Far East Ltd. won this year's Incredible Export Award for selling TV games to Fiji, where there is no television broadcasting.

The export director of Gilbert and John Greenall Ltd., (originators of the award) Mr. M.W. Parker, said any company that could see the need for entertainment in the quiet Fijian life—and provide it—must be recognised as an incredible exporter and super sales firm.

The Incredible Export accolade was first awarded in 1978 by the Hong Kong Exporters Association and Dodwell Trading Ltd., the local agents for Vladivar Vodka. Since then, it has gone to firms exporting Swagman dolls to Australia, quartz watches to Switzerland and cowboy chaps to Texas.

The 8th US/Japan Experts' Meeting on Bottom Sediments

Under the co-chairmanship of Col. Maximilian Imhoff, Water Resources Support Center, U.S. Corps of Engineers, and Mr. Yasuo Okada, Director, Environmental Protection

(Continued on next page bottom)

VOICE — "I would like to know"

Two-Wheel Handcarts

Dear Sirs:

I have been doing research on two-wheel handcarts through history, and am very interested in the rugged carts and barrows used at dockside by members of your organization over the last two hundred years. Do you have any documentation, pictures or stories or examples of actual carts, which you could tell me about? Any assistance you might give about how these tools were used to transport materials from one place to another would be deeply appreciated.

Sincerely,

David Tresemer

By Hand & Foot, Ltd.

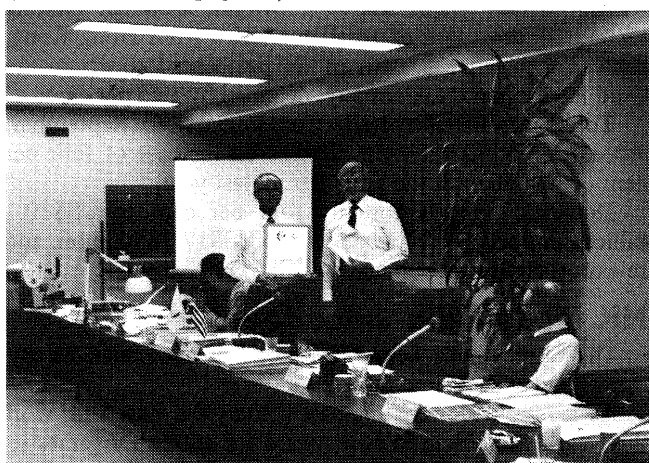
Green River Road

P.O. Box 611, Brattleboro, Vermont 05301, U.S.A.



Some examples of two-wheel handcarts for moving things (Copy: Supplied by Mr. Tresemer)

(Continued from page 47)



Standing: Mr. Y. Okada and Col. M. Imhoff
(Photo: MOT, Japan)

Division, Bureau of Ports and Harbours, Ministry of Transport, the 8th Experts' Meeting on Management of Bottom Sediments Containing Toxic Substances was convened at a MOT conference room, Tokyo, for 3 days from 8 to 10 November, 1982.

The Meeting, annually held alternately in the USA and Japan, under the US-Japan Environmental Agreement, was attended by 38 representatives of various governmental agencies and public institutions responsible for environmental protection, as well as scholars and consultants of the two countries, and was observed by the representatives of other agencies and institutions. IAPH was also invited to observe the meeting.

Col. Herbert R. Haar, Jr., Assistant Executive Director of the Port of New Orleans and Chairman of the IAPH

Dredging Task Force, was one of the speakers at the meeting. Also present, as far as the IAPH Dredging Task Force was concerned, was Dr. Willis Pequegnat, Oceanographer for Texas A & M University, who worked for the IAPH Dredging Task Force in preparing the paper known as "Special Care Measures", which was submitted to the IMO's Fifth Consultative Meeting, September 1980.

Abstract of Col. Haar's Paper: The environmental movement in the United States of the early and mid-seventies began exacting its toll on the ports of the country in the late seventies. This toll is in the form of time delays in obtaining dredging and dredged material disposal permits, denial of permits, delayed capital investment improvements, increased operation, maintenance and investment costs, and lost revenues. To counter the impact of these problems and to seek state-of-the-art practices in dredging and dredged material disposal activities, both the American Association of Port Authorities and the International Association of Ports and Harbors established ad hoc dredging committees. Since late 1979 these two organizations have separately and jointly pursued similar goals to obtain political recognition and acquire influence to alter United States legislation and the London Dumping Convention. Decisions governing ports and port operations engaged in international trade must be made in the overall public interest and should not be excessively hampered by environmental considerations alone. Achieving organizational goals will require continued effort, organizational funding, and exploitation of available opportunities.

(Report by R. Kondoh, IAPH Head Office, Tokyo)

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