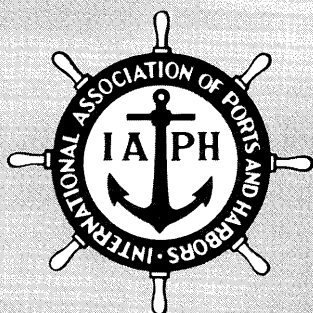


Ports & Harbors

**December
1989
Vol. 34 No. 10**



The Publisher
**The International
Association of
Ports and Harbors**



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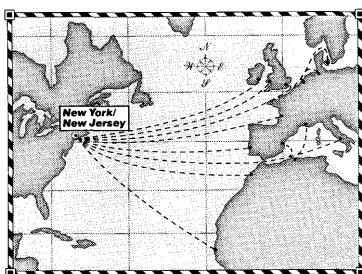
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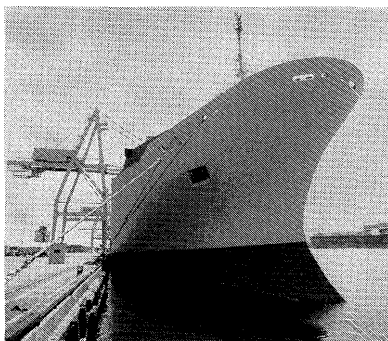
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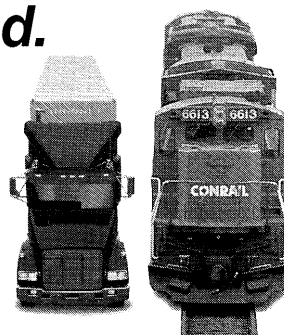
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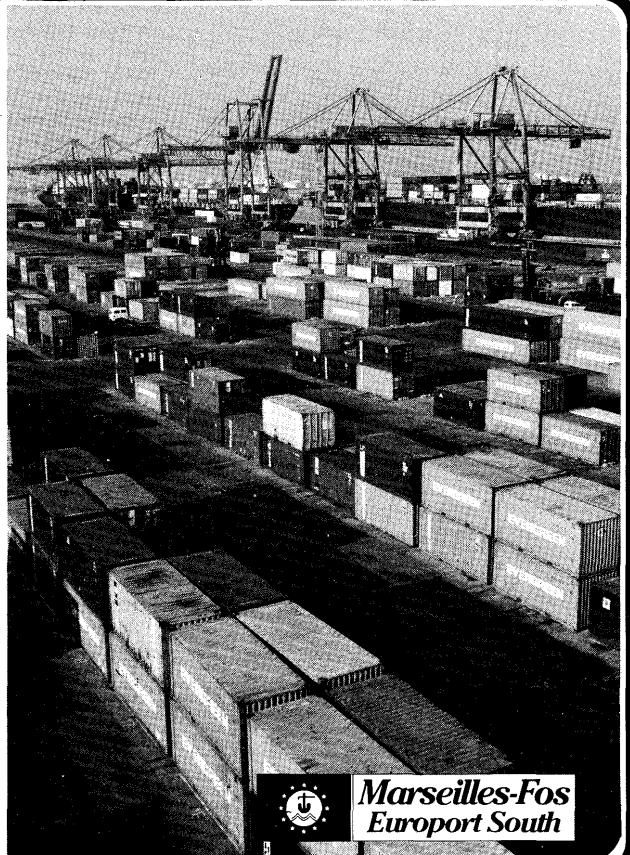
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IAPH ANNOUNCEMENTS AND NEWS

COPSSEC Gives Priority To Environment

Mr. Jean Smagghe, Director General of the Port of Le Havre, has recently sent the Secretary General a report on the recent meeting of the Committee on Port and Ship Safety, Environment and Construction (COPSSEC) which was held in Le Havre on October 2, 1989, hosted by the Port of Le Havre Authority.

Mr. Smagghe, who chairs the COPSSEC, the IAPH's largest committee, on which 66 members serve, reports that this year's COPSSEC meeting focused on environmental

matters. In an attempt to gain a good grasp of the environmental problems IAPH has to deal with, the Committee decided to circulate a questionnaire to IAPH members surveying the environmental priorities at their ports. In the hope of soliciting our members' support for the work carried out by the COPSSEC and in particular as regards the environmental questionnaire, we reproduce here the Chairman's report outlining the various important decisions made at the Le Havre meeting, together with other relevant material.



The Committee on Port and Ship Safety, Environment and Construction (COPSSEC) met in Le Havre on October 2, 1989

On October 2nd, 1989 the COPSSEC met in Le Havre. This was the first meeting of the Committee following the 16th Conference in Miami. Thirty-two members attended this fruitful meeting; many points were on the agenda but undoubtedly attention was mainly centered upon environmental matters.

In its terms of reference the COPSSEC deals with the

environment and not less than four out of the five sub-committees which form the COPSSEC deal with environmental issues. So, to cope with the different aspects of the environmental issues related to ports, a seven-member coordination group was set up. It comprises Jean Smagghe (Chairman), Alex Smith, Peter van der Kluft, Peter Fraenkel, Herbert Haar, J. van der Schaaf and Pat Keenan (as a

Representative of the CLPPI).

Important Decisions Taken

It was stated that IAPH had to make a determined effort not only to alert members to the nature and the scale of the problems related to the environment, but also to provide them with guidance as to the steps which might be taken to evaluate such problems and to take decisions which should be applied to "local" situations.

Jean Smagghe stressed that, as with the problems linked with dredging, it was necessary to provide port managers with precise information on the different environmental issues to enable them, first, to deal with environmental problems with reference to their own ports and, also, to defend their positions against the pressure of powerful lobbies which could have an environmentally objectionable role to play. Therefore it appears that the Environmental Coordination Group has an important role to play in proposing to the Executive Committee a possible strategy that the IAPH could consider in terms of the environment.

Thus, to determine the priorities of the port in terms of environmental matters, Jean Smagghe proposed sending a questionnaire to the members of IAPH. After a discussion about the items listed in this questionnaire, it was decided to ask the Secretariat in Tokyo to mail the questionnaire to port members to find out their priorities. This questionnaire will only take a few minutes of the valuable time of port managers. Eleven main environmental problems are listed and have to be graded according to the interests of each port.

During the next meeting of the COPSSEC in Fremantle, the result of this enquiry will be discussed to determine the priority items to analyse.

The members of the COPSSEC supported Jean Smagghe in completing an exhaustive presentation of the matters linked with all the environmental aspects during the Executive Committee meeting. No doubt in Fremantle, where the COPSSEC will meet on May 8th 1990, the problems of the environment will occupy an important part of the work of the Committee!

In attendance:

Jean Smagghe — Port of Le Havre Authority
Alex Smith — British Ports Federation
J. Perrot — Port of Le Havre Authority
J.M. Moulod — Port of Abidjan Authority
J.J. van der Schaaf — Port of Rotterdam
P. van der Kluit — Port of Rotterdam
P.M. Fraenkel — Peter Fraenkel International Inc.
Ch. Brossard — Port of Nantes-St Nazaire
W.W. Clements — Clyde Port
B. Coloby — Port of Le Havre Authority
De Nie — Port of Rotterdam
J.J. Decloedt — I.A.D.C.
N. Diop — Port of Dakar Authority
Y. Guessend — Port of Abidjan Authority
M.J. Hoctor — Port of Limerick
J.P. Hucher — Port of Le Havre Authority
P.J. Keenan — Port of Cork
G. Kop — I.A.L.A.
J.P. Lannou — Port of Le Havre Authority
P. Lelarge — Port of Le Havre Authority
Lebris — Port of Le Havre Authority
P.J. Lewis — E.H.M.A.

PLEASE SPARE A FEW MINUTES TO GRADE THE ELEVEN ENVIRONMENTAL PRIORITIES IN YOUR PORT

Today, one of the main concerns every country on the planet has to face is without any doubt involves the problems related to the environment. Most countries have to deal with the fact that during the past century of industrialization the fundamental problems of the environment have not been considered. To fill this gap, many years will be necessary and the protection of the people cannot be delayed. However, even developing countries are not screened from the rapidly-spreading environmental problems, and no port manager can ignore them.

In any country, ports are places which witness major industrial activities. They have to cope, in their everyday life, with the problems of handling, storage, transportation of dangerous goods, risk of spillages, dumping of dredged materials, soil contamination, smoke emission, noise, stench and the suchlike.

Consequently, in some places in the world port extensions could be really jeopardized under the pressure of powerful lobbies. No doubt such behaviour is often irrational and without any real justification, but it often seems to be the result of a lack of information and of a reluctance to cooperate. In other cases, a reasonable analysis of the situation would have made it possible to work out compromises. Anyway, it is indeed the future of ports which is involved and, in this context, it appears that IAPH has an important role to play with its members in terms of analysis and the gathering of information.

The COPSSEC (Committee on Port and Ship, Safety, Environment and Construction), which deals with the protection of the environment, was also entrusted with the coordination of the development of IAPH strategy and environmental matters during the Miami Conference. The aim of its work is obviously to help ports. To enable the COPSSEC to improve its efficiency in the work it wishes to complete and to focus on the most pressing problems your port is dealing with, we need your cooperation. We are thus submitting to you the following questionnaire, which will take you only a few minutes to fill in. It would be most appreciated if you would return it as soon as possible to the Secretariat in Tokyo.

Thank you for your cooperation.

Jean Smagghe
Chairman of the COPSSEC

Lopinot — I.M.P.A.
J.A. Mulock Houward — I.A.D.C.
L. Montero — Port of Barcelona Authority
E. Noelke — Port of Bremerhaven
G. Patey — Port of Le Havre Authority
A. Pecqueur — Port of Le Havre Authority
M. Ridge — Port of Southampton Authority
L. Visser — DHV Consultants
W. Vlemmix — Port of Amsterdam
F. Weeks — Plymouth Polytechnic

**QUESTIONNAIRE ON
THE ELEVEN ENVIRONMENTAL
PRIORITIES IN YOUR PORT**

**THE IAPH COPSSEC
OCTOBER 1989**

Port Name: _____

Country: _____

Questionnaire

Would you please number the following 11 items as listed hereunder in order of priority:

Items (As listed in alphabetical order)	order
— Air pollution	_____
— Dangerous goods (identification, handling, storage, etc.)	_____
— Industrial plant regulations (Seveso, Bhopal, etc.)	_____
— Land/soil contamination	_____
— Noise	_____
— Port-City Relations and the restructuring of derelict areas	_____
— Problems related to dredging operations	_____
— Stench	_____
— Visual contamination	_____
— Wastes (MARPOL, etc.)	_____
— Water pollution	_____
— Other items (Please Specify):	_____

* * * * *

TO BE RETURNED TO:

The Secretary General

The International Association of Ports and Harbors

Kotohira-Kaikan Building

1-2-8, Toranomom, Minato-ku, Tokyo 105, Japan

Telex: 2222516 IAPH J Fax: 81-3-580-0364 Cable: IAPHCENTRAL Tokyo

Invitation to IAPH Essay Contest and Bursary Scheme

— CIPD Chairman announces conditions for entry —



Mr. C. Bert Kruk, Chairman of the IAPH Committee on International Port Development (Port of Rotterdam), has recently announced the details of both the IAPH Award Scheme 1990/1991 and the Bursary Scheme for the period leading up to the forthcoming 17th World Ports Conference in Spain in May 1991.

The Award Scheme is an essay contest held for personnel



of developing ports which are IAPH members. It was first introduced by the Association in 1979, and has since served to provide those working for ports in developing countries a real incentive to step up their research activities and to make their work more productive.

The First Prize (the "Akiyama Prize") Winner will be invited to the forthcoming Conference which is scheduled for the first week of May, 1991 in Spain, to receive a silver medal from the IAPH President in front of all the delegates present at one of Plenary Sessions.

The past recipients of this top prize have been:

Ms. Daphne Phinopoulos, Cyprus Ports Authority (1979)

Mr. Carlos Canamero, ENAPU, Peru (1981)

Dr. Josip Kirincic, the Port of Rijeka, Yugoslavia (1983)

Mr. D. Nunkoo, Mauritius Marine Authority and Mr.

M. Meletiou, Cyprus Ports Authority (1985)

Mr. Jose Paul, Cochín Port Trust, India (1987)

Mr. K. Dharmalingham, Mauritius Marine Authority (1989)

As for the Bursary Scheme, we are proud of announcing that a total of 80 selected people from our member ports have received financial assistance for training at advanced IAPH member ports and training institutions overseas under this Scheme.

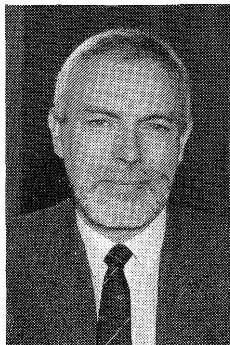
Thus it is with great pleasure that we announce in this issue the details of both the Award (Essay Contest) and Bursary Schemes and their updated conditions for entry.

New

Appointments:

IAPH Liaison Officer with PIANC

At its meeting held in Le Havre on October 2, 1989, the COPSSEC agreed to recommend Mr. Jean Smagghe, the Committee Chairman, to serve as IAPH Liaison Officer with the PIANC (Permanent International Association of Navigation Congresses), succeeding Mr. Kees d'Angremond, who had left this position following his retirement from the Port of Amsterdam earlier this year. The Secretary General referred the Committee's recommendation to President McJunkin, who, in turn, confirmed his full support of Mr. Smagghe's appointment.



Mr. Smagghe

Mr. Smagghe in accepting the role of Liaison Officer with PIANC, says "The role is very important within the activities of the COPSSEC. I will work in this important field with the assistance of Mr. Peter Fraenkel, Chairman of the Port Planning Sub-Committee."

COPSSEC

To fill the vacancy created by Mr. Kees d'Angremond, who recently resigned as the Port of Amsterdam's Managing Director, President McJunkin has appointed Mr. Wim Vlemmix of the Port of Amsterdam. The appointment was made on the basis of the COPSSEC's unanimous recommendation to this effect.

The "Akiyama Prize"

The Akiyama Prize honours Mr. Toru Akiyama, one of the Founders and former Secretary General (1967-1973) of IAPH, who played a key role in the establishment and later development of the Association and is currently Secretary General Emeritus of IAPH and Honorary President of the IAPH Foundation. To recognize Mr. Akiyama's numerous achievements, at the 13th Conference of IAPH in 1983 in Vancouver, Canada, IAPH passed the resolution to name the first prize in the IAPH Award Scheme the "Akiyama Prize." The funds from which the prize is provided come from money Mr. Akiyama personally donated to IAPH for this purpose.

AWARD SCHEME

IAPH Essay Contest 1990/1991

How could the efficiency of your port be improved?

Your answer could win you the Akiyama Prize,

a silver medal and US\$750 in cash

plus

an invitation, including travelling costs

and hotel accommodation, to attend

the 17th World Ports Conference of IAPH

May 4 — 10, 1991 in Spain

**IAPH invites entries for its 1990/1991 Award Scheme
from those working at all levels
in IAPH member organizations in developing countries.**

Conditions for Entry to the IAPH Award Scheme 1990/1991

1. Suggestions regarding how the efficiency of your port (or ports in general) could be improved should be presented in English, French or Spanish, typewritten, and submitted to the Secretary General, the International Association of Ports and Harbors, Kotohira-Kaikan Building, 1-2-8, Toranomon, Minato-ku, Tokyo 105, Japan.
2. The suggestions may cover any aspect of the administration, planning or operations of ports, such as improving productivity or the utilization and maintenance of equipment and storage areas, reducing delays and damage to cargo, etc. **An attempt should be made to quantify the benefits which would result from the suggested improvements together with the costs (if any) involved.**
3. Entries may be made by individuals employed by IAPH member organizations, and should be the original work of the entrant. Those which are the result of official studies or otherwise sponsored projects will not be eligible.
 - 3.1 Entry texts should not exceed 20 pages excluding a reasonable number of appendices containing tables, graphs or drawings.
 - 3.2 The paper size must be A4 (21.0 x 29.7 cm).
 - 3.3. Three (3) copies of the entry paper should be submitted to the IAPH Head Office at the above address.
4. Entries will be judged by a panel of experts appointed by the Chairman of the Committee on International Port Development of IAPH. The panel will give greater merit to papers identifying and evaluating specific improvements than to entries covering a wide range of improvements in general terms.
5. The First Prize for the winning entry will consist of:
 - 5.1 The Akiyama Prize (a silver medal plus US\$750 or the equivalent in local currency); and
 - 5.2 An invitation, including travelling costs and hotel accommodation, to attend the 17th Conference of IAPH, to be held from May 4 to 10, 1991, in Spain.
6. In addition to the First Prize, Second, Third and Fourth prizes of US\$500, US\$400, US\$300 will be awarded to the next best entries.
7. Additional prizes of US\$100 each will be awarded to any other entries judged by the panel to be of a sufficiently high standard.
8. A summary of the winning entry may be eligible for publication in the "Ports and Harbors" magazine.
9. At the decision of the panel, a bursary may be awarded to any one prize winner (subject to agreement of the employer).
10. The closing date for receipt of entries is **1st September, 1990.**

Conditions for Entry to the IAPH Bursary Scheme

1. The object of the Scheme is to provide financial assistance towards the cost of sending selected applicants on approved training courses overseas. Typically, such courses are those available in ports or institutes which are members of or affiliated to IAPH.
2. Subject to the availability of funds, 10 bursaries for each year, not exceeding US\$3,500 each, will be awarded to approved applicants from developing ports in any developing countries represented in the membership of IAPH. If the total amount required for the applicant's training exceeds the above limit, the Chief Executive of the applicant's organization must submit written confirmation to the Chairman of the Committee, stating that the balance shall be borne by the applicant's organization and forwarded to the host port/organization.
3. Applicants must have been employed in an IAPH member port for at least three years, should not be older than 45 years of age, and must already be employed in a junior or middle management capacity. After being completed, the application form should be sent to the Chairman of the Committee on International Port Development. The form is to include a statement confirming the suitability of the applicant for the course he or she wishes to attend and indicating the benefit both the port and applicant seek to achieve from the course. The statement should also indicate the applicant's potential for future promotion.
4. The application form must be accompanied by a letter from the host port confirming its willingness to provide the required training and specifying the date of commencement and duration of the course.
5. The Bursary Scheme will be open, subject to the availability of funds, throughout the period indicated above. The decision of the Chairman of the Committee on International Port Development will be final. His decision will be communicated to the applicant, his or her organization's Chief Executive, the Chief Executive of the host port/organization in which the training is to take place, and the Secretary General of IAPH for him to take the necessary steps to disburse the necessary funds from the Special Fund and to make the appropriate arrangements for the remittance of the fees. The host port/applicant will be required to account for expenditure and to reimburse the Special Fund with any monies not spent out of the bursary award.
6. For the purpose of making this financial assistance available to as many applicants as possible, those who have already been awarded with a bursary from the Association will in principle not be considered. For the same reason, the number of bursaries to be awarded to one member port will not be more than one for two years.
7. After completion of the course, successful applicants must prepare a brief report indicating how they propose to apply the training to their present employment. The report, which must be sent to the Chairman of the Committee on International Port Development within one month of the end of the course, will be published in the magazine "Ports and Harbors".
Successful applicants will also be required to obtain and forward with their own report a letter from the ports/organizations where they have received their training, giving their opinions of how they have performed on the course and the benefits they have derived from it.

A Suggested Form of Application To the IAPH Bursary Scheme 1990 — 1991

(Items Required to Be Included)

To: Mr. C. Bert Kruk, Director
Chairman, IAPH Committee on International Port Development
Director, Technical and Managerial Port Assistance Office (TEMPO)
Port of Rotterdam
P.O. Box 6622, 3002 AP Rotterdam,
The Netherlands
Telex: 23077 EUROT NL
Fax: 31-10-477-8240

I, the undersigned, hereby submit for your consideration my application for an IAPH Bursary together with supporting evidence in accordance with the items stipulated below:-

1. Name of applicant (Full name, with the date of birth)
2. Port Authority
3. Present appointment (with the date commenced)
4. Educational qualifications (Please also indicate whether you are fluent in English, French or Spanish.)
5. Professional/technical qualifications
6. Career history
7. Previous overseas courses attended, if any
8. Course for which application is being made (Specify nature of Course, duration, and location of host port/institution)
9. Applicant's reasons for selecting above course
- *10. Amount of Bursary for which application is being made (Particulars of expenses should be given in U.S. dollars in support of the application.)

Travel costs	_____
Course fees	_____
Accommodation	_____
Other costs, with particulars	_____
Total	_____

State any other source from which finance for undertaking the course will also be provided and the amount of finance already obtained (e.g. employing Port Authority, government, international organizations such as UNCTAD, ILO, IMO, etc.)

Date:

Applicant's Signature

List of attachments

*: A breakdown of the bursary amount as under Item 10 of the Application Form has to be made in accordance with the information offered by the training course organizers and will be compared with the data available at the Chairman's office.

IPD Fund: Contribution Report Pause in Donations by Members

We regret we must report that there has been almost no progress in the fund-raising campaign in the past three months. The on-going campaign started 18 months ago to replenish the Special Port Development Technical Assistance Fund ("the IPD Fund"). Against the targeted amount of US\$70,000, the contributions so far made by our members totaled US\$46,339 as of October 31, 1989.

In order to assist our friends from the developing ports under the Bursary Scheme, we appeal to all members of IAPH for their generous support of the project.

Printing of Miami Confab Proceedings Near Completion

Printing of the proceedings of the 16th World Ports Conference held in Miami in April this year will be completed by the end of October, 1989. The Aztech Company of Miami, which took part in producing the various conference papers for our host in April, was commissioned to produce a record of the proceedings. Through the frequent exchange of communications between the IAPH Head Office staff in Tokyo and the printers' office in Miami, the preparations had reached their final stage after the completion of the proof-reading and lay-out process by the middle of October. Arrangements have been made to send a copy of the 182-page publication to all IAPH members and relevant organizations from Miami.

We introduce below part of the foreword which the Secretary General contributed to the Proceedings in renewing all members' appreciation of our host, the Port of Miami.

"I believe the Miami Conference had added one significant page to IAPH history in terms of the warm hospitality the participants received from our host and the most stimulating business programs which were prepared at the initiative of Mr. Carmen Lunetta, our Conference Chairman and the Director of the Port of Miami. With his great insight and assisted by his able staff, Mr. Lunetta succeeded in incorporating into the working sessions the complete array of key issues faced by world ports today, focussing on the critical issues for ports as they prepare for the 21st century. In both form and substance the gathering was truly worthy of its function as a World Ports Conference and, I am convinced, served to assist IAPH members in strengthening their friendly ties with one another."

Membership Notes:

New Member

Associate Member

Nortrans Consultants Pty. Ltd. [Class A-III-3] (Australia)
Address: G.P.O. Box 263, Brisbane, Queensland 4001
Tel: (07) 870 4505
(Mr. A.J. Hope, Director)

Contributions to the Special Fund (As of October 31, 1989)

Contributors Paid:	Amount (US\$)
Associated British Ports, UK	3,000
South Carolina State Ports Authority, USA	1,000
Cyprus Ports Authority, Cyprus	700
Japan Port & Harbor Association, Japan	450
Toyo Construction Co., Ltd., Japan	234
Toa Corporation, Japan	500
Port Alberni Harbour Commission, Canada	200
Korea Dredging Corporation, Korea	300
Port Authority of New York & New Jersey, USA	1,000
Vancouver Port Corporation, Canada	1,000
Klang Port Authority, Malaysia	200
Saeki Kensetsu Kogyo Co., Ltd., Japan	250
Penta-Ocean Construction Co., Ltd., Japan	1,000
All French Ports by UPACCIM*	1,560
Shimizu Construction Co., Ltd., Japan	390
Taisei Corporation, Japan	390
Japanese Shipowners' Association, Japan	390
Port of Redwood City, USA	100
Puerto Autonomo de Barcelona, Spain	991
Port Authority of Thailand	100
Port Rashid Authority, UAE	500
Japan Cargo Handling Mechanization Association	390
Obayashi Corporation, Japan	400
Port of Copenhagen Authority, Denmark	1,000
Clyde Port Authority, UK	1,000
Public Port Corporation II, Indonesia	150
Toyama Prefecture, Japan	420
Georgia Ports Authority, USA	1,000
Port of Oakland, USA	350
Kuantan Port Authority, Malaysia	200
Port of Seattle, USA	1,000
Kajima Corporation, Japan	420
Port of Reykjavik, Iceland	500
Canada Ports Corporation, Canada	250
Nigerian Ports Authority, Nigeria	250
Port of Montreal, Canada	1,000
Ports Public Authority, Kuwait	1,000
Tanzania Harbours Authority	200
Junta del Puerto de Gijon, Spain	500
Sharjah Ports Authority, U.A.E.	500
Port of Yokohama, Japan	4,950
Port of Long Beach, USA	1,000
Mauritius Marine Authority	200
Chiba Prefecture, Japan	403
Dr. Frederik K. DeVos, Canada	100
Tokyo Metropolitan Government, Japan	3,941
IAPH members in the Netherlands**	3,209
Mr. Robert W. Innes, Canada	250
Autorite Portuaire Nationale (APN), Haiti	100
Hiroshima Prefecture, Japan	666
City of Kobe, Japan	4,438
Port of Houston, USA	1,000
Port Authority of Fiji, Fiji	300
Osaka Port Terminal Development Corp., Japan	697
Port of Halifax, Canada	300
Total	US\$ 46,339

* Union of Autonomous Ports & Industrial & Maritime Chamber of Commerce

** Directorate-General of Shipping & Maritime Affairs, Port Management of Rotterdam, Port of Vlissingen, Port of Delfzijl/Eemshaven, Port Management of Amsterdam

IMO Secretary-General Srivastava to Retire; Mr. O'Neil Successor

The Secretary General of IAPH has recently received a letter from the IMO Secretary-General Mr. C.P. Srivastava announcing his forthcoming retirement and his successor's appointment. In reply to Mr. Srivastava's most courteous letter, which is introduced below, our Secretary General Mr. Kusaka, on behalf of all members of IAPH, expressed his deep appreciation to Mr. Srivastava for the most fruitful working relations IAPH has been able to keep with the IMO under the valuable leadership of Mr. Srivastava. Mr. Kusaka also mentioned that IAPH would spare no efforts to further the cooperative relationship with the IMO and thus to help contribute to the betterment of the world maritime environment.

Mr. Srivastava's letter, dated 12 October 1989

Dear Mr. Kusaka,

I wish to refer to the adoption today by the IMO Assembly of a resolution approving the appointment of Mr. W.A. O'Neil as Secretary-General of the International Maritime Organization, following my retirement at the end of this year. Mr. O'Neil possesses intimate knowledge of the work of this Organization, having been the Chairman of the IMO Council for ten years now. He will undoubtedly provide exceptional leadership to the Organization with wisdom, prudence and brilliance. Mr. O'Neil will assume his responsibilities on 1 January 1990. His curriculum vitae is attached.

On this occasion, I wish to convey to you my feelings of profound gratitude for the immense support and co-operation which I have received throughout my four consecutive terms of office as Secretary-General of this Organization. It has been a great honour and an immense privilege for me to serve the International Maritime Organization, its Member States and indeed the world maritime community, for so many years by endeavouring to promote goodwill and co-operation among all nations of the world. I shall, on retirement, carry with me very happy memories which I shall cherish.

With my grateful thanks and highest regards,

Yours sincerely,

(Signed)
C.P. SRIVASTAVA
Secretary-General

Campaign Letter Sent To Non-member Ports

Under the date of October 20, 1989, a campaign letter signed by President McJunkin, Membership Committee

Chairman Mather and Secretary General Kusaka was sent to 110 selected ports which are not yet IAPH members in the 41 countries.

In the campaign letter, the officers stressed the various merits of IAPH membership with particular emphasis on the temporary membership scheme, which is granted to those non-member ports who may need a one-year preparation period at a minimal rate before becoming full-fledged, whereas all Regular Members are required to pay their annual dues in accordance with the tonnage-based dues formula. This scheme is also aimed at providing as many new participants as possible with the opportunity of experiencing IAPH conferences.

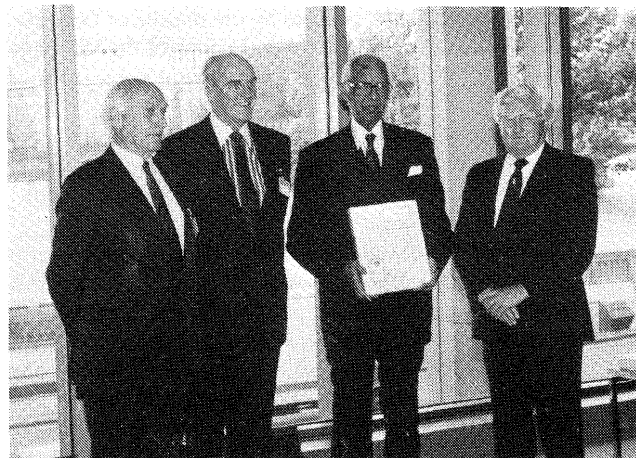
We are hoping to be able to report good result from this year's campaign efforts through this journal.

World VTS Guide Presented To IMO Secretary-General

(News from IALA)

At a short ceremony at the International Maritime Organization on October 16, 1989 a copy of the IALA, IMPA and IAPH World VTS Guide was presented to the Secretary-General, Mr. C.P. Srivastava, during the course of the 16th General Assembly of IMO.

Published by Pergamon Press and sponsored by IALA in conjunction with IMPA and IAPH, the World Vessel Traffic Services (VTS) Guide provides information for the safe entry of shipping into ports worldwide.



Present at the ceremony at IMO were: From right, Norman Matthews, Secretary General of IALA; C.P. Srivastava, Secretary-General of IMO; Alex Smith, London Representative of IAPH; and Edgar Eden, Secretary General of IMPA. The ceremony was also attended by Alan Steel, Managing Director of Pergamon Press, Book Publishers and Captain Fred Weeks of the Polytechnic of the South West, Plymouth. The latter has been co-ordinating the information received and preparing it for publication.

Notes:

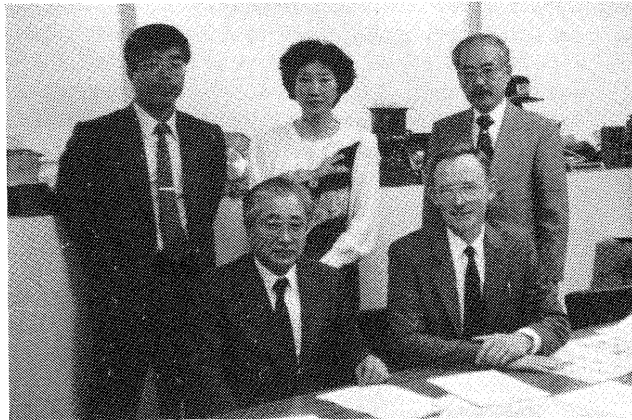
- IALA — International Association of Lighthouse Authorities
- IAPH — International Association of Ports and Harbors
- IMPA — International Maritime Pilots' Association

For further information contact: Paul Ridgway, The Editor, The IALA Bulletin, No.3 The Green, Ketton, Stamford, Lincolnshire, PE9 3RA. Telephone: (0780) 721628; Fax: (0780) 721980.

Visitors to Head Office

On the morning of 3 October, **Mr. Thomas P. Hayes**, Secretary General of the **Customs Co-operation Council**, Brussels, visited the IAPH Head Office in Tokyo and was welcomed by Secretary General Kusaka and his staff.

During the course of their discussions, it was confirmed that the CCC and IAPH should continue working together towards the prevention of Customs fraud and drug smuggling



Front row: Mr. Kusaka (left) and Mr. Hayes; back row: from left, Mr. Saito (Customs & Tariff Bureau, MOF, Japan), Ms. Takeda and Mr. Kondoh of IAPH

and should strive to ensure the implementation of EDI systems, further to the appeal Mr. Hayes made to the participants on the occasion of the IAPH Conference in Miami in April.

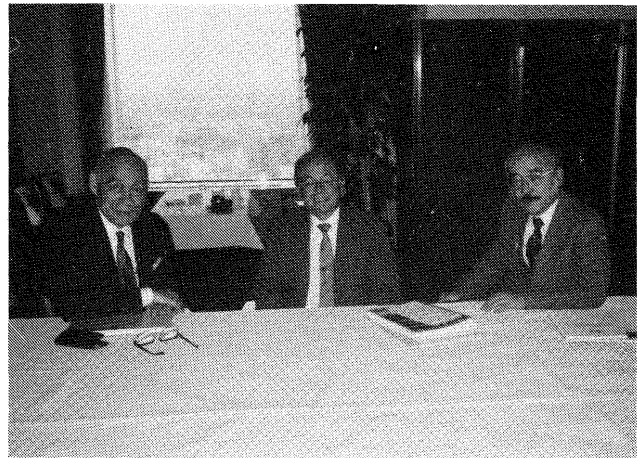
The CCC Secretary-General was visiting Tokyo to attend to the opening ceremony of the Training Course under the CCC/Japan Customs Co-operation Program held in the newly completed training center in the Kashiwa area (30km north of Tokyo) the previous day.

According to the information obtained from the Bureau of the Customs and Tariff, Japanese Ministry of Finance, the program is conducted by the CCC within the framework of the CCC Fund, set up with donations from the Japanese Customs Administration, to provide technical cooperation to trainees from developing countries, mainly in the Asian and Pacific regions. The courses are composed of on-the-job training in specialized and sophisticated techniques in Japanese Customs and have a duration of two to six months.

On 9 October, **Mr. Norman Arikawa**, Chief, Finance Section, **Port of Los Angeles**, visited the Head Office and was received by Mr. R. Kondoh. He was on a mission to attend the ceremonies commemorating the 30th anniversary of the Sister Cities Affiliation between Los Angeles and Nagoya.

On 13 October, at the World Trade Center, Tokyo, Mr. Rinnosuke Kondoh met **Mr. Guy Tozzoli**, President, **Mr. Tadayoshi Yamada**, Chairman, **World Trade Centers Association (New York)** to talk about the Report on Trends in World Trade which was submitted to the 20th WTCA Assembly that met in Geneva from 10 to 13 September 1989.

The report advocated an examination into the trends in world trade by organizing the professional views held by different circles engaged in international commerce, inclusive of such institutions as the World Trade Centers,



From left: Messrs. Yamada, Tozzoli and Kondoh

World Teleport Association, Airport Operators Council International and International Institute for Applied Systems Analysis.

On 17 October, **Mr. Michel Pechere**, Executive Director, **Port of Marseilles Authority**, was the main speaker at a seminar held in a Tokyo hotel by the Port. Nearly five hundred business persons representing various sectors were invited. Mr. Kusaka and his staff attended the seminar.

The other members from the Port were **Jean Rousset**, the Board Chairman, **Gerard De Laleu**, a Board member, **Yann-Pierre Remond**, Commercial Director, **Francis Klefstad-Sillonville**, Technical Director, **Henri-Gerard Mouren**, Manager Land Sea Transportation Department, **Bernard Bretton**, Assistant Manager and **Daniel Pleindoux**, Trade Development Department and from Freight Forwarders Association of **Marseilles-FOS**, Messrs. **Henri Dagan**, President and **Jean-Marie Giovannetti**, Vice-President.

On the evening of 17 October, **Mr. Robert L. Woodell**, Executive Director, **Port of Portland**, hosted a reception in a Tokyo hotel for the benefit of local business circles. He was on a trade development mission to Asia accompanying **Mr. Robert T. Lipscomb**, General Manager, Marine Marketing & Sales, and **Mr. Daniel J. D'Agrosa**, Marine Director.

On 18 October — **Mr. John Casas**, Chairman, **Northern Shipping & Stevedoring Pty. Ltd.**, and **Mr. A.J. Hope**, Director, **Nortrans Consultants Pty. Ltd.**, visited the Head Office where they were received by the Secretariat members.

On 19 October, **Capt. Barry G. Metcalfe**, Head, Ports Section, Transport & Communications Division, **United Nations Economic and Social Commission for Asia and the Pacific (ESCAP, Bangkok)**, visited the Head Office and was received by Mr. R. Kondoh. He was visiting Japan to administer the ESCAP Seminar on the Impact of Containerization on Port Development held in Yokohama sponsored by the Port of Yokohama.

On 24 October, **Mr. A.T. Poustie**, General Manager & Chairman, **Fremantle Port Authority**, visited the Head Office to discuss the forthcoming mid-term meetings to be hosted by his Authority next May at Fremantle. He was



Mr. Poustie (second from right) with his LAPH friends at a Tokyo restaurant

visiting Japan to attend a seminar organized by the Japan Container Association.

On 26 October, **Mr. Sombhock Palanandana**, Deputy Director, **Bangkok Port, Port Authority of Thailand**, visited the Head Office for an exchange of views on the current situation of ports in Japan and Thailand. He was visiting Japan at the invitation of the Port Transport Division, Ministry of Transport, Japan.

On 27 October, **Mr. Norman Matthews**, Secretary General, **International Association of Lighthouse Authorities**, visited the Head Office where he was welcomed by the Secretary General and his staff. He was visiting Japan for the meetings with the Maritime Safety Agency, Ministry of Transport, Japan.

Report by Bursary Recipient

On the Twenty-Fifth International Seminar on Port Management 1989

By **Augustine Adrian Yapp**
Traffic Superintendent,
Sabah Ports Authority, Malaysia

Introduction

The twenty-fifth International Seminar on Port Management 1989 was held from 15 May to 23 June 1989. It was organized by the International Institute for Hydraulic and Environmental Engineering, Delft, in close co-operation with the Ports of Rotterdam and Amsterdam. This year's seminar coincided with the Institute's silver jubilee and an elaborate programme was devoted to its celebration in the concluding week. In the latter, past participants were invited to present papers on current issues and to reminisce on the past.

Part I – Summary of Activities

(A) The Seminar was conducted along the same format as in previous years and participants were engaged in the following activities:-

1. Lectures by port professionals as well as related

industries based in Western Europe.

2. Study tours to major ports in the Netherlands, Denmark and West Germany
 3. Visits to port-related industries and organizations, e.g. those involved in e.g. dredging and shipbuilding
 4. Participants' seminars, where all participants were given the opportunity to take the floor and discuss their ports' development, aspirations and teething problems encountered
 5. Case studies and port management games
- (B) Papers on current issues were presented by eminent speakers from major ports in Europe, port related industries as well as institutions of higher learning in the Netherlands. These included the following topics:-
- Responsibilities and liabilities in port organizations
 - Systems approach to port problems
 - Port marketing
 - Shipowner's point of view
 - Port conservancy
 - Importance of hinterland connections
 - Port management
 - Multi-purpose cargo handling
 - Handling of agri-bulk
 - Handling of dry bulk cargo
 - Real estate operations
 - Handling of containers
 - Dock labour
 - Port tariffs in Rotterdam
 - Navigation aids
 - Port productivity
- (C) The participants visited the following:-
- Port of Amsterdam
 - Port of Rotterdam
 - Schiphol International Airport
 - Ijmuiden Harbour Traffic Centre and Locks System
 - Delft Hydraulic Laboratory
 - I.H.C. Holland
 - Delta works
 - Rotterdam Port Transport College
 - Port of Copenhagen
 - Port of Nyborg
 - Port of Hamburg
 - Port of Delfzijl/Eemshaven
- (D) A total of 29 participants representing 17 countries took part in this year's seminar:-
- Australia (2)
 - Cameroun (1)
 - Fiji (1)
 - Gambia (1)
 - Greece (1)
 - Holland (1)
 - Indonesia (3)
 - Kenya (1)
 - Malaysia (4)
 - Morocco (1)
 - Nicaragua (1)
 - Portugal (2)
 - Spain (3)
 - Tanzania (2)
 - Tonga (1)
 - Yemen (1)

Part II – The Seminar as a Whole

It is my personal belief that the 5-week seminar was

beneficial to all the participants. The lectures covered a wide-ranging scope in the field of port management and related activities. The visits to the ports provided the opportunity for the participants to see how various aspects of port handling were efficiently run. Thirdly, perhaps one factor that is not always acknowledged is the important role of interaction between fellow participants. This is where a wealth of experience and knowledge can be exchanged and gained during an international seminar.

I do not intend to summarise all the lectures and field trips that we made as it would only be repetitive. I wish however to make my comments on the more outstanding issues that struck me as relevant and important in the context of developing ports as a whole.

(i) Port Services and Marketing

The importance of maintaining efficient port services and marketing these services is clearly illustrated in the case of West European ports. In the case of port marketing, there is no one secret formula to attain success. Although port efficiency and pricing are inter-dependent, the user may often opt for the port that provides the service, even if it is slightly more expensive as one speaker put forward.

The port needs to maintain its competitive edge all the time. It needs to react to innovations brought about by new developments in container sizes, bigger ships and more sophisticated cargo handling equipment. There is also a need to review performance constantly as well as to be wary of one's competitors. Rotterdam, for instance, is always looking behind its shoulder to see where Antwerp, Amsterdam, Hamburg, Bremen, Bremerhaven or Le Havre are!

The element of luck also sometimes comes into play, as pointed out by Mr. Bert Kruk. For example, in the late 1988, Mr. Kohl's decision to pour one million Deutschmarks into Germany's sagging steel industry not only extended a life-line to the Ruhr industrial valley but also helped to maintain Rotterdam as a leading coal port.

(ii) Customs Formalities

One of the things that struck me was the apparent ease with which cargo moved in and out of the port. This was typical in all the ports of the Netherlands that we visited. This is definitely a vital contributory factor towards efficiency in port's performance. It is common knowledge that in developing countries the lengthy bureaucratic practices in the processing of Customs documents has long retarded the development of a faster port service. I would hasten to add that it would perhaps be timely for the organisers of the seminar to consider addressing this issue by introducing it as a topic for discussion in future seminars.

(iii) Technological Developments

The subject of containerisation was given particular emphasis by speakers and participants in view of its importance in modern shipping. In 1970, the world container population stood at around 500,000 TEUs.

In 1987, the figure was 5.3 million TEUs. Besides these, the types of container have also expanded to include open tops, half heights, folding flatrack, fixed flatrack, platform, bulk, ventilated, integral reefer, insulated, tank and others.

In 1986, 20-footers made up 66.9% of the world container population with 40 footers making 31.7%. 35-footers formed 1.1% whilst the rest came to 1.0%. The total number of units was 3,623,092.

A further survey in the same year showed the development of containers by height and length. Boxes with a height of 8' for all types accounted for a mere 6% of the total whilst 8'6" formed the largest group at 89.7%. Boxes with the height of 9' formed 0.2% whilst 9'6" boxes made up 2.9%. Others formed 1.2%. It is speculated in international shipping circles that 45' boxes with widths of 8'6" and heights of 11' could feature in the future. There is also talk about lengths increasing up to 48', 53' and even 60'. Probable reasons for increasing the lengths offered during the seminar include the port charge factor, where charges are made on moves rather than the size of boxes, as well as the increased movement of high-tech goods such as T.V. sets and computers.

The size and capacity of ships too have increased tremendously:

1st Generation	—	300 to 800 TEU
2nd Generation	—	800 to 1,700 TEU
3rd Generation	—	1,700 to 3,000 TEU
4th Generation	—	more than 3,000 TEU

(iv) Port Management

It was clearly evident from the lectures and discussions that port managers need to understand first and foremost that the port is a vital link in the transport chain. It is thus imperative that the managers are sensitive to the needs of all its users and that they have clearly drawn-out analyses of requirements in order to develop proper port planning and marketing strategies.

Good planning gives rise to the establishment of a policy for the general management and utilisation of resources. This involves:-

- (a) a meticulous analysis of the port's situation, taking into account all the historical data from past and present in order to come up with a realistic forecast of the future;
- (b) the evaluation of all resources available;
- (c) the formulation of strategies;
- (d) setting out strategies or plans to achieve objectives;
- (e) the assessment of each strategy or plan;
- (f) reviews.

It is said that a good plan should always have the following attributes:-

- explicitness
- achievability
- flexibility
- compatibility with constraints
- acceptability by all parties concerned
- ease of control

In the implementation stage, the emphasis is on management exercising effective leadership and control. Effective leadership implies the ability to motivate staff besides organising and communicating with them effectively.

(v) Dock Labour

This subject was divided into 4 separate sections, viz terms and conditions of employment, training and
(Continued on Page 44)

International Maritime Information

WORLD PORT NEWS

TransExpo in Jan. In Washington, D.C.

The U.S. Department of Transportation has undertaken a major effort to define national transportation needs and priorities, and to formulate a national policy of transportation directions and priorities. The National Transportation Policy is the first such document since the establishment of the Department of Transportation.

TransExpo is a showcase exhibition of the very latest in transportation technology. The timing and location of this exhibition will also coincide with the 69th annual meeting of the Transportation Research Board, the largest (5,000 visitors expected) and most comprehensive conclave of transportation researchers and professionals in the world.

The event will take place at the Sheraton Washington Hotel in Washington, D. C. on January 7-10, 1990. Direct any inquiries to:

Susan Novak
TransExpo
c/o J. Spargo & Associates
4400 Fair Lakes Court
Fairfax, VA 22033
(703) 631-6200

Freight Markets Set for Higher Levels

According to a major new market study* prepared by Ocean Shipping Consultants the outlook for freight rates in both the bulk carrier and tanker markets is currently more positive than for many years. Although the remainder of 1989 and the first half of 1990 will be characterised by a stabilisation in market levels analysis of underlying supply and demand of vessels by fleet size category indicates that productivity — and therefore freight rates — is set to record steady increases.

Results have been calculated on the basis of existing vessel demand and fleet supply structures in order to provide a total picture of the underlying health of the freight markets. Forecasts of

commodity demand by grouping and fleet development are thus utilised to evaluate future fleet productivity levels. The study goes into great detail to identify the timing and scale of market upturns and provides far reaching analysis of optimum investment strategies for bulk shipping.

Publication of the study represents the culmination of a major eighteen-month project analysing the future development of freight markets and associated secondhand vessel value developments. Whilst the general outlook for the bulk carrier and tanker fleets is positive the degree of rate increases will vary sharply in relation to the size and type of vessel under review. Thus in the smaller size categories of both the bulk and tanker fleets demand will stabilise with the result that negative productivity is recorded, whilst for Panamax bulk carriers a period of market downturn is anticipated prior to a major market take-off after 1991. In other sectors — especially Cape Size and Handy bulk carriers — the immediate prospects for improved earnings are very good.

In the tanker sector the major beneficiaries seem set to be the 100/150,000 dwt and VLCC fleet sectors which will benefit from improved levels of crude oil demand, and will be recording significantly higher freight rates by mid-1990. Strong demand, linked to only marginal increases in fleet capacity also seem set to boost freight rates for larger products carrier classes in the short term.

Table 1 provides an indication of productivity developments forecast for the critical Panamax bulk carrier sector. In the period to 1991 demand will stagnate — as a result of uncertainties in grain demand and the use of larger vessels in the steam coal trades. At the same time the fleet will continue to increase in capacity. These two factors seem set to result in a decline in the productivity co-efficient. The effect of this decline on the freight market has already been recorded with significantly lower freight rates being noted in this sector over the past two months —

although these remain well above the depressed levels of just two years ago. In the longer run demand prospects for this sector are strong, with an increase of nearly 11 percent anticipated between 1991/95. With only moderate fleet expansion this will generate a considerable improvement in productivity and therefore average freight rates. The study provides detailed evaluation of supply and demand for each sector of bulk fleets.

Table 2 provides a similar analysis of VLCC productivity development. The resulting picture is once again one of rapid demand increases in the 1990s following a stabilisation at higher levels in the remainder of the current year. With little newbuilding activity and increasing obsolescence in the VLCC fleet the balance of supply and demand will improve markedly. The study assumes some success in extending the lives of older tankers. Should empirical experience disprove this then the balance will move more quickly in favour of increased earnings for these vessels. Thus, short of massive renewed increases in oil prices — unlikely at least to 1993 — it seems certain that VLCCs will once again be recording significantly higher freight rates.

The actual development of spot bulk carrier and time charter tanker rates — in terms of 1989 US dollars — is summarised in the accompanying graphs. The outlook is mixed for the major sectors of the fleet. For bulk carriers rates will increase most sharply for Handy Size and Cape Size vessels. Smallest bulk vessels seem set for a period of continued weakening of market prospects. For Panamax vessels a period of downward market adjustment will be followed by sustained improvement over the early 1990s. For tankers a similar picture is noted. The shift in demand for products into larger vessels linked with a continued fleet expansion for smaller vessels will result in declining freight rates for smaller tankers — aside from the most specialised units. For VLCCs the picture is far more positive with a period of sustained increase in freight rates an-

anticipated in the 1990s.

On a cautionary note the study warns that whilst the market will improve — especially after 1990 — the recovery will remain vulnerable to any massive programme of vessel newbuilding. Whilst against the background of experience in the 1980s such a possibility seems remote, the level of demand will not successfully absorb any massive influx of new tonnage. If prudent investment policies are maintained significant upturns in earning potentials will be recorded.

If such prudent policies are pursued a generally very positive outlook is forecast for bulk carrier and tanker freight rates.

Table 1
Forecast Panamax Bulk Carrier
Fleet Productivity to 1995
(tonne miles/dwt)

	Demand (billion tonne-miles)	Supply (m. dwt)	Productivity (tm/dwt)
1978	894.8	32.590	27.46
1982	1061.5	43.434	24.44
1986	1160.1	47.979	24.18
1988	1250.4	49.387	25.32
1989	1265.0	51.027	24.79
1990	1247.6	52.064	23.96
1991	1250.0	52.423	23.84
1992	1275.0	52.868	24.12
1993	1322.0	53.584	24.67
1994	1365.0	54.698	24.96
1995	1382.6	56.354	24.53

Source: Ocean Shipping Consultants

Table 2
Forecast VLCC Fleet
Productivity to 1995

	Demand (billion tonne-miles)	Supply (m. dwt)	Productivity (tm/dwt)
1978	5248.7	186.689	28.11
1982	2831.4	162.334	17.44
1986	2346.4	104.696	22.41
1988	2670.4	93.878	28.45
1989	2587.0	97.764	26.46
1990	2545.8	98.988	25.72
1991	2625.4	98.328	26.70
1992	2699.0	100.597	26.83
1993	2745.0	103.412	26.54
1994	2802.0	106.638	26.28
1995	2847.0	111.373	25.56

Source: Ocean Shipping Consultants

* "The Freight Market and Shipping Investment" — bulk carrier/tanker revenue and invest-

ment prospects to 1995.

Publication date: August 9th 1989
Price £445 (UK), US\$745 (Overseas)

Further details from: Andrew Penfold, Ocean Shipping Consultants; Ocean House, 60 Guildford Street, Chertsey, Surrey KT16 9BE, ENGLAND.

Tel: 0932 560332
Tlx: 94070113 OSCL G
Fax: 0932 567084

New Publications

Swedish Transport Research Board Publications:

Information databases in the field of transportation and traffic

A Guide for Information Searchers

The aim with this project has been to create a guide to international reference and factual databases. It turns especially to those who need professional information on traffic and transportation covering all aspects of the field. Some 180 databases are described, about 20 of those in detail.

Besides various indexes the guide has an introductory part which explains the practice behind the words, what to do and how it works. It describes the technical equipment needed and how to overcome obstacles.

This guide is a revised edition of and earlier Swedish handbook, which has been supplemented with more international material. However, it retains a survey of databases in Sweden and the other Nordic countries.

Price including all charges SEK 127.- (\$19.50) within Europe; SEK 133.- overseas (\$20.30)

A directory of 154 international periodicals useful to transport researchers

This publication contains a list of periodicals suitable for international publication of results in transport research.

The Swedish Transport Research Board (TFB) has compiled this list to help transport researchers select suitable channels for international publication of their research results.

The list comprises all aspects of transport: general (incl. transport planning, traffic planning, transport law and shipping), traffic methods and types, traffic facilities, vehicles and engines, road users and freight transport, traffic safety and transport economics.

The list comprises 154 periodicals. The name of each periodical is followed by a bibliographical description, address, description of content and in most cases notes for authors, together with information on where the periodical is referenced and indexed. There is also an alphabetical register of the periodicals and a list of acronyms and abbreviations for the current bibliographies and reference databases included in the list.

Price including all charges SEK 95.- (\$14.50) within Europe; including all charges SEK 99.- (\$15.-) overseas

The Swedish Transport Research Board (TFB) is a government organization with supervisory and coordinating functions in Swedish transport research. TFB plans, supports and initiates research work and informs about research development in the field of transportation and traffic.

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Fax: Nat 08-24 56 97, Int +46 8 24 56 97.

VLCC Markets to 2000

According to a major new report* published by Ocean Shipping Consultants, VLCC freight rates and operating profitability are set to witness considerable expansion over the 1990 — although there are likely to be periods of decline in the very early and late parts of the decade.

By examining all aspects of VLCC/ULCC markets in depth, the report presents a full profile of likely developments in demand, supply, costs, freight rates, and profitability, for the VLCC & ULCC fleets.

VLCC/ULCC Demand

Whilst crude oil trade volumes are forecast to expand by some 24% over the forward period, total shipping demand is set to increase by 32%. Total

crude oil shipping demand is thus forecast to increase from 5280 bnTM (billion tonne-miles) in 1988 to 5647 bnTM in 1990, 5958 bnTM in 1995 and 6979 bnTM in 2000.

Of this aggregate, total VLCC/ULCC demand is set to rise by 30% over the study period, taking the aggregate level to 4424 bnTM. Whilst a number of factors are set to favour higher volumes of demand for 200,000 + dwt vessels, the strength of other factors such as increased pipeline utilisation for Middle Eastern shipments and the significant decline in Japanese imports is set to restrict demand growth in the upper VLCC size class.

For the ULCC class of tonnage, whilst increased movements of Middle Eastern exports via smaller tonnage loading at Mediterranean and Red Sea pipeline terminals are set to restrict potential growth, the scale of increase of trade movements on ULCC employment routes is sufficient to dictate overall demand growth of some 57%.

VLCC/ULCC Supply

Newbuilding order levels are set to increase almost continuously throughout the 1990s, this after a decline in the early part of the decade in line with the demand profile of the Base Case projections. From the 1989 level of 4.6mDWT therefore, VLCC deliveries are forecast to exceed 4mDWT over the next 2/3 years before falling to around 3.5mDWT over 1993/94. Continuous expansion thereafter is set to take this total to 6.5/7.0mDWT p.a. by the end of the decade.

Similarly in the ULCC sector, whilst there are no newbuildings currently on order, some deliveries of new tonnage are expected by 1991/92, with a decline in interest causing delivery volumes to fall in the following 2 years before increasing throughout the second half of the 1990s. By the year 2000 therefore, annual delivery volumes are expected to reach well over 3mDWT.

Total deliveries of new VLCC/ULCC vessels are thus forecast to increase from the current level of 4.6mDWT to 10.1mDWT in 2000.

Total VLCC/ULCC scrapping is expected to rise from 0.9mDWT in 1989 to over 5.1mDWT by 1993/94 — largely as a result of the high average age within the VLCC/ULCC fleets. The bulk of this aggregate will inevitably arise in the 200/300,000dwt sector, where an-

nual scrapping volumes are expected to exceed 3.0mDWT for much of the 1991/95 period.

VLCC/ULCC Freight Rates

The general trend for the forward period is thus to be one of freight expansion, with the exception of the very early and very late years of the decade, when rate declines are expected, in line with the development of demand. Freight movements are likely to be most significant in the larger tonnage sectors — the end-period level for ULCCs some 30% higher than the 1988 level, with the corresponding performance for VLCCs equating 21/22%. Given the significant freight rate expansion expected for the whole of 1989 (19% for ULCCs) the overall performance for the 1990s is of just 3% growth (8% for VLCCs), with falls of 12% (for 1990/92) and 8.5% (for 1998/2000) tending to largely offset the considerable and continuous growth expected in the interim years.

In terms of average daily rates therefore, ULCC freights are forecast to increase from \$18,000 in 1989 to \$19,100 in 1990 — this before falling to \$16,800 in 1992. Recovery thereafter will fund average rates reaching \$21,500 in 1998, with subsequent rate softening causing the average to fall to \$19,700 in the year 2000.

For VLCCs, the forward period is also set to be expansionary overall, although the 1990/92 and 1998/2000 periods are again set to partially offset the rate expansion of the interim period. Rate declines are less marked than for larger tonnage however, this combining with the slower rate of rate expansion over the mid-1990s to produce a far more steady development profile. In terms of average daily rates for 200/300,000dwt vessels, the mean of \$15,200 in 1989 is set to decline by 3.5% (\$450) by 1992. Subsequent rate expansion will see the average reach \$17,700 in 1998, with the end-period level of \$16,100 some 9% down on this peak.

***VLCC Markets 2000**

Price: £385 (US\$695).

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The Americas

Co-ordinated Planning For Port, Community

Port administrations must plan with the wishes of both the port and the community in mind, Canada's Minister of State for Transport, Mrs. Shirley Martin told members of Canada's port community in Prince Rupert, British Columbia recently.

Speaking to members of the Canadian Port and Harbour Association at their 31st annual meeting, Mrs. Martin said that to this end all proposed major developments should incorporate through planning and consultative strategies.

"Where once Canada's ports could act in an independent, self-interested manner, today's ports exist in a demanding, interdependent environment," she said.

This point was raised quite emphatically by Mayor Marilyn Baker of the District of North Vancouver during one of the panel presentations.

"What's the point of talking about co-ordinated land use planning when, in the port's case, you are really free to call your own shots?" she said. "The law says it can, but should the port act on that basis, or should it recognize the partnership needed between jurisdictions and agencies?"

"The Feds may have autonomy but it's a small comfort if the toilets don't flush and the roads are not developed so you can't get from there to here ... services the municipality provides," she added.

Mayor Baker said that relations between her municipality and the Vancouver Port Corporation are friendly but there is a lack of regularly scheduled meetings with the port.

The mayor said there has to be a frank exchange of policies and views with no secret plans. She also said there should be a recognition of the important role that the port plays in the community's economy ... and the importance of that role to other communities across the country.

She said that municipalities and their ports and harbours should be planning, developing and implementing a joint

land use strategy recognizing all the infrastructure needs and determining when they will be provided and who will pay.

If development is going to increase truck traffic in certain areas, we must be sure roads and intersections can handle it," she said. "Furthermore, these plans should be co-ordinated with other municipalities and harbours where they are all within one geographic and economic region, for instance the Vancouver Port Corporation, Fraser Port and the Greater Vancouver Regional District."

Mayor Baker said that maybe the time has come to acknowledge that some port activities cannot and should not continue in highly populated areas. "We must recognize that in some instances the populace was not in place when the port use began or that the population exists because of the port. The need to determine adequate buffer zones and have those implemented through local bylaws is evident."

"Urban encroachment on port and industrial land has proved to be one of the most startling developments in recent times," said Captain Allen Domaas, Harbour Master with the Fraser River Harbour Commission, and a member of a panel dealing with real property issues on the waterfront.

"This had led," he said, "to the creation of large tracts of housing adjacent to our harbours. This phenomenon has recently been referred to as 'gentrification' — the relocation of the gentry class."

He said that some city fathers wanting more development, more taxes and higher populations may tend to support the alienation of waterfront land for urban uses. The results of these desires may be an apartment building at the waterfront.

"What sells the suite?" asked Captain Domaas. "The interesting port activity, naturally. But after the novelty wears off, the phone calls start:

"The dredge is nice, but does it have to work at night?

"I hear you're offloading steel today. I hear it through my window, a mile down river.

"Can't you stop that train noise?"

Captain Domaas said that in situations like these, the eventual demise of the port can be seen on the horizon. However, he stressed that this need not happen if co-ordinated land use

planning occurs in time to protect the port and its surrounding lands.

"To an extent, we need to be masters of our own destiny and by that I mean we must be in control of the port, the lands as well as the channels," he said. "What we cannot ignore is the need to liaise with outside agencies in the development of our facilities. In short, we need to be part of the community."

Captain Domaas explained that being part of the community did not mean just paying taxes. "We need to influence the thinking of local politicians, the ones who will zone the adjacent industrial land to multiple dwelling, unless they are made aware of the problems created by such action. There is no guarantee of success. But without it, you may be guaranteeing failure."

Captain Domaas said that co-ordinated planning may be too late for some, but not for others.

"We at Fraser Port have had success in our dealings with the municipalities," he said. "Over the years, we have acquired large tracts of land for port and industrial purposes. We have also become directly involved in the planning process with all nine of our municipalities."

The benefits of working closely with the municipality can be quite spectacular.

"For instance," he said, "the Corporation of Surrey has zoned 1,300 acres adjacent to our Fraser Surrey terminal as industrial land supporting the port. This was a radical change in position from their initial proposal to zone the land commercial and take advantage of the recent arrival of the automated light rapid transit system to their municipality."

The actual title of Captain Domaas' topic was: Co-ordinated port and municipal land use planning: an achievable fantasy?

"The answer is that it is achievable, but if you are not co-ordinating with other parties, you may be planning a fantasy," he said.

In commenting on the panel presentation, outgoing President Don Brooks, Marketing Manager for the Port Alberni Harbour Commission said: "The opportunity we have had here in Prince Rupert and the 30 previous meetings is that we were able to bring together port people from the Atlantic to the Pacific to share our problems and solutions that are

sometimes unique only to the port business.

He said the future will bring its share of changes just as the past has brought such things as containers, ice-free ports, computers, modern grain elevators and FAX machines. "We will cope with these changes as ports and as an association."

His remarks were echoed by new President, Mr. Bradley Guest, who said:

"Topics such as real property issues on the waterfront provide stimulating conversations as delegates meet at receptions and talk across the table at luncheons.

"That is the real value of our annual conference," he said. "We get first-hand knowledge as we discuss mutual problems."

'Canada Ports Need to Improve Public Image'

Commercial development and condos are the new buzzwords on many of Canada's waterfronts today because the public does not understand the economic importance of ports, according to British Columbia's Transportation and Highways Minister Neil Vant.

However, port development is an important economic concern and must be considered a high priority when it comes to the utilization of waterfront lands, Mr. Vant told members of the Canadian Port and Harbour Association in a speech delivered on his behalf by R. Glen McDonald, Executive Director in the Transportation Planning Division, Ministry of Transportation and Highways, British Columbia.

In his speech aimed at port industry executives attending the 31st annual meeting of the association in Prince Rupert, B.C. recently, Mr. Vant's message was simply that the general public needed to know more about the important role played by the nation's ports.

"We owe much of our economic development to those ports," he said. "Yet I don't think the ports have done a very good job explaining this — explaining what they do, or explaining why any of this is important for Canada and important for Canadians.

"There is pressure to get industry off the waterfront and move it out of

sight — around to the tradesmen's entrance," he said.

Mr. Vant said there is a trend in major port cities in Canada to redevelop the waterfront and "this usually means making the waterfront area attractive for residential development."

However, Mr. Vant pointed out that when one examines the amount of cargo handled by Canada's ports each year, "we had better re-evaluate the significance of the shipping industry in each of our daily lives."

Mr. Vant said that in British Columbia alone ports handle close to 100 million tonnes of cargo annually. "That amount would fill enough rail cars to cover about 16,000 kilometers of track. That's more than double the length of road from Vancouver to Halifax."

He said Canada's ports provide an immense stimulus to the economy and employ thousands of Canadians. The three largest ports in British Columbia — Vancouver, Prince Rupert and Fraser Port — directly or indirectly employ more than 56,000 people and contribute \$7.5 billion to the provincial economy each year.

"These are big numbers," he said. "But in British Columbia towns where the port is major employer on whom the town depends, most people would probably not mention the port first if you ask them what the most important contributors to the local economy are. I suspect you'll find that's generally the case in port cities across Canada."

The province, the minister said in his speech, is keenly interested in port cities within its borders. Although ports are a federal responsibility, he said, a mechanism is needed to ensure that port-related decisions are made with provincial interests being given full consideration.

"We need to be sure that we participate effectively with the Government of Canada, with the other Western Provinces and with port authorities in all decisions that affect British Columbia's major ports, particularly in planning, investment and in other major administrative decisions," said Mr. Vant.

Last fall British Columbia announced the start of an integrated transportation study, he said. It is an intermodal study, and the planning committees that were set up around the province were asked to consider all types of transportation.

"As part of the planning process,

we want to be sure that port administration and operation, as well as the planning and development of new or expanded ports, takes place in the context of our overall transportation plan," said Mr. Vant. "In order to do that, provincial involvement is essential."

Canadian Port System: Containerization Effects

The development of containerization and its effects on the Canadian port system have been traumatic; and the load-centre concept which accompanied containerization has reduced Eastern Canada's ports to three: Montreal, Halifax and Saint John, according to a Canadian shipping executive.

"Vancouver enjoys load-centre status in British Columbia," said Mr. James Thom, President of Montreal Shipping Inc., "although it is more vulnerable to American port competition for Canadian traffic than is the case in Eastern Canada."

Mr. Thom made his remarks at the annual conference of the Canadian Port and Harbour Association held recently at the Performing Arts Centre in Prince Rupert, B.C. He gave the shipping perspective in the panel dealing with marketing and management, the new partnership.

He said it is possible that Quebec may regain vitality as a container port capitalizing on its draft advantage over Montreal and somewhat easier approaches during winter navigation. He added that Fraser Port on the West Coast may also have some potential.

Panel moderator, Mr. Adam McBride, Director of Finance and Administration for the Saint John Port Corporation pointed out that the development of inland terminals, high speed co-ordinated intermodal facilities and rail routes, double stacks, vessel specialization and jumboization have all contributed to reducing the importance of the location of a port.

"The concept of a landlocked hinterland tied to a specific port location has long since been demolished," he said. "Thus it is that the mid-western United States can be served equally well by vessels calling at New York, Long Beach, Seattle or Montreal, as

well as many other ports in North America," he explained.

"Intermodalism is here to stay," said Mr. Jean-Michel Tessier, President and CEO of the Canada Ports Corporation. "If we are not talking about intermodalism five years from now, you can be sure that we will be talking about a more complex derivative of it, reflecting further technological advancements."

He said that shippers and consignees want intermodal movements and that ports have little choice but to adapt to ensure survival and prosperity in such an environment.

In giving his shipping overview, Mr. James Thom of Montreal Shipping noted that as containerization has weakened some ports and given strength to others, so has been its effect on liner shipping.

"Initially, capital costs involved caused the withdrawal of many private shipowners," he said. "Then, as intermodalism developed, the required investments on the land side forced others to the sidelines. After this came the overcapacity and the rate erosion of the present decade which has further winnowed the ranks of liner shipowners."

He said that those operators who remain in the liner trades might be categorized as follows:

- The major container lines operating on a global or tri-continental form such as Hapag-Lloyd, Mitsui O.S.K., Sealand, Maersk and Evergreen;
- State-owned container lines chiefly based on their home trades such as Italia and Cosco;
- Specialized container operators dedicated to only one service such as Cast and some of the other conbulk or combination carriers;
- Vessels under third world flag often tied to some form of cargo preference — most of the South American Lines as an example;
- Niche operators who serve trade routes not yet under frontal attack by the majors. Scandinavians are active in these markets;
- Operators with chartered tonnage who are vulnerable to the gyrations of the charter market; and the Canada North Atlantic trade has been a graveyard for such people.

Broadly speaking, said Mr. Thom, the east-west trades are dominated by

the major container lines and the north-south trades by third world nationals and niche operators.

"In my opinion," he said, "there are forces presently at work which will further strengthen the position of the major container companies."

He said several of the major operators have made enormous investments in new tonnage which will increase their capacity and scope as well as bringing cost efficiencies. The downside of this, he said, is that this new capacity overhanging the market may slow the recovery of freight rates.

"While consortia have lost their fashion, there will likely be more slot charter arrangements amongst the major carriers and between major carriers and third world countries.

Another point was that by use of their own feeders and slot arrangements with other carriers, the majors are likely to make more significant intrusions into the north-south trades than is the case today.

The development of EDP (electric data processing) and EDI (electric data interchange) is a mounting expense more naturally borne by the major carriers than by any of the others.

Finally, he said, for the major carriers, the port-to-port shipping business has become the intermodal transportation business.

"While maintaining their commitment to new tonnage, they have invested heavily on the land side in terminals, trucking and double stack trains," said Mr. Thom. "The major carriers will doubtless move further in this direction in a manner which the smaller operators will be unable to match."

The net result of his remarks was simply this: Canada has four ports — Montreal, Halifax, Saint John and Vancouver — seeking business from an increasingly strong but narrowing group of container operators while the importance of the other categories of liner operators will decrease.

Mr. Thom pointed out that with the exception of the Eastern Canada Caribbean trade, there is no shipping lane from either coast of Canada which could enjoy its present level of service based only on Canadian cargo.

The two principal container lines calling at Montreal derive at least half of their traffic from the American Midwest in competition with the U.S.

East Coast ports. The Halifax callers are doing so in conjunction with their American East Coast services.

"All liner services with Canada are fundamentally based upon Montreal, Halifax, Saint John or Vancouver," said Mr. Thom. "It is from one of these four ports, under today's circumstances, that the shipowner interested in serving Canada directly will make his choice."

In discussions which followed, a Great Lakes port representative pointed out that some of the niches are the Ports of Thunder Bay, Hamilton and Toronto which are served directly by a number of liner services.

Halifax on Way to Record-breaking Year

Figures released for the first six months of 1989 show the Port of Halifax to be well on the way to another record-breaking year. Total port cargo for the first six months reached 8.1 million tonnes, up 5% over 1988 figures. Cargo was equally divided between outbound and inbound movements.

General cargo rose to 2.1 million tonnes representing a 9% increase over 1988. Containerized cargo for the first half of this year reached 1.9 million tonnes, up 12% — setting a new first half record for the port.

Total bulk cargo for the first half of 1989 increased by 3% representing the 6 million tonnes handled. This figure included a 17% increase in local gypsum, totalling 1.5 million tonnes, handled by National Gypsum. Bulk cargo figures also include crude and refined oil which remained level at 4.8 million tonnes and grain, which was down slightly, registering 6%, for a total of 320,000 tonnes.

Thus far this year, the Port of Halifax is pleased to welcome Italian Line with their new vessels to the port. Compagnie General Maritime are now offering service to Halifax through a charter agreement with Evergreen Line and Italian Line.

Maersk Line have just begun a second service through Halifax with bi-weekly calls connecting the Mediterranean ports and Africa.

Adjacent to Halterm, the \$4.7 million redevelopment offers berthage and container handling capacity for the

largest vessels calling Halifax. In addition, the Halifax Port Corporation has retained a consulting firm to determine alternative sites for future terminal construction.

More good news for shipping lines calling Halifax. Halterm Container Terminal has just completed a \$10 million equipment replacement program, including a \$2.5 million raising and upgrading of their number one crane, which can now handle a six high stow of containers on deck. Ceres Container Terminal recently confirmed the purchase of a new Liebherr gantry crane, their third, along with the purchase of transtainers and yard tractors, for a total investment of \$10 million. Customers using the Port of Halifax should see double stack rail service between Halifax and Toronto offered sometime in 1990. (*Port of Halifax*)

Canadian National Launches TEST Car

Accompanied by all the fanfare reserved for a brand new service, on June 22 in Halifax, Canadian National introduced a \$1.8 million TEST car unit, its third Track Evaluation System in Canada. On hand for the unveiling of the state-of-the-art dual-car inspection unit was CN Vice President Atlantic Region, Mr. Marv Blackwell, along with Mr. George Moody, N.S. Minister of Transportation and other civic dignitaries. Mr. John Kelsall, Senior Vice President, CN Operations, said the new TEST 111 will inspect high-traffic lines in Eastern and central Canada, between Halifax and Windsor, Ontario.

Simply stated, TEST measures track geometry using non-contact sensors mounted on both the exterior and interior of the unit. These sensors provide raw signals to the MK 111 processing system. A signal processing system designed and developed by CN's Technical Research Centre in St. Laurent, near Montreal, the MK 111 performs precise mathematical operations on the sensor output signals and transforms them into analog values which form the basis for all further analysis and processing. The Track Evaluation Systems were developed by CN's Engineering Planning Department in Montreal.

"It took two years to design and

develop the more than 100,000 lines of documented programs run by TEST's computer systems," stated Mr. Danny Vo, CN Programmer/Analyst. "The custom-designed software developed for TEST set it apart from existing track geometry technology." He said, "one of the unique features is the TEST unit's ability to know where it is located, in terms of distance in feet, along a particular track and to automatically detect when switching between tracks occurs." A major feature is the ability of the TEST 111 car to inspect tracks under live-load conditions, since the use of 100-ton freight cars along with increases in train length and traffic frequency, now has a significant impact on track structure.

The dual-car TEST 111 consists of a coach car equipped with computers and recording equipment, and a fully instrumented 100-ton boxcar. The TEST car is based on a three-component system: the sensors are devices which monitor the vertical and horizontal position of the rail head; the interpreter processes information from the sensors; and the recorders further process this information and produce reports needed to identify areas that require attention.

TEST 111 measures and records the following data: Mileage (location in feet and miles along the track); Superelevation (height difference of outer to inner rail with respect to a horizontal plane); Curvature (amount of central angle subtended by a 100-foot chord); Gauge (perpendicular distance between the two rails of a track); Cross Level (difference in elevation between grade rail and other rail); Surface Profile (vertical deviation measured along the surface of the rail head); Track Twist (difference between superelevations every 62 feet); Track Features (wayside features like crossings or mile boards used as reference points in diagnostic reports).

Given the fact that CN Rail spends about \$300 million a year on track maintenance, Mr. Dave Macintyre, CN's Regional Manager for Public Affairs, stated, "This new tool allows CN to be pro-active in their long term maintenance program and more efficient in the allocation of this budget." Considering the importance of the heavily used line between Halifax and Toronto, the TEST unit is scheduled to make this run about once a month.

The data accumulated during all weather conditions will be invaluable in keeping this vital rail corridor between central Canada and the Port of Halifax operating without interruption year round. *(Port of Halifax)*

Port of Montreal Strives to Progress

It is no secret to anyone that today's shipping lines are engaged in a tremendous battle to maintain their market share. This situation was brought about by overcapacity in a matured industry, necessitating greater cost-control measures.

To improve productivity, shipping lines have rationalized their operations. They also are insisting on more efficient services from ports and inland carriers.

The Port of Montreal is striving to progress in this fierce and increasingly competitive market.

The Port of Montreal has created for itself an enviable position in the containerized cargo market. Montreal is Canada's number one container port and the second-leading container and general cargo port on North America's eastern seaboard.

But while the competition has become more fierce, the Port of Montreal continues to make substantial investments in its facilities and is taking additional measures so that it can be more competitive than ever.

The port and all the players in the Montreal shipping industry are confident about improving their competitive edge. In fact, they are doing just that by cooperating on several projects, such as: the creation of a port railway users' committee, which has resulted in a decrease in the number of necessary switchings; the improvement in the flow of information with national railways; the improvement in the tracing of containers on the port's property; the creation of a pilot project for the electronic transmission of manifest data with Cast North America (1983) Inc. and CP Rail; the global review of the port's operating expenses in order to reduce costs, and a major study on the port's competitive situation, the results of which were shared with the Montreal shipping industry.

The Port of Montreal is proud of its many achievements, but it realizes that its top priority must be to continue to

improve so that it can progress and capture all business opportunities that lie ahead. *(Portinfo)*

Lots of Improvements In Saint John Port

The Saint John Port Corporation will spend in excess of \$1.3 million in capital improvements to the Port before the end of the year.

The expenditures include:

- \$825,000 to rebuild and surface a general storage area between Piers 1 and 2.
- \$250,000 to install a new roof at Pugsley Terminals A and B.
- \$100,000 to install cathodic protection to steel fender piles at the Rodney Container Terminal.
- 125,000 to renew dock facings at Pier 1A and sections of Pier 1B.

According to Director of Engineering and Operations, Mr. Cy Pringle, the projects are part of the Corporation's efforts to keep the Port functional and up-to-date. "Actually, some of these projects are just the beginning of further planned expenditures. For example, we'll be spending close to half a million dollars over the next five years renewing concrete dock facings around the harbour," he noted. "All the work is designed either to improve the efficiency of the Port or to extend the life of existing facilities."

The cathodic protection being installed at Rodney Terminal is just such an example. The work involves placing electrolytic anodes on existing steel piles. The anodes will add 15 years life to the piles by minimizing corrosion of the steel.

Meanwhile, extensive construction work at the container and general storage area between Forterm's piers 1 and 2 is wrapping up. Mr. Pringle described the project as a major upgrading for the area. A number of small buildings were removed and two meters of base material installed and covered with 15 centimeters of asphalt. "This brings the area up to container standards and allows us to operate heavy machinery there. Added to the one-and-a-half acres of open storage area we've reclaimed and constructed on the harbour side of Terminal 1, we can now use the area much more efficiently," Mr. Pringle stated.

(Port Progress)

Grain Transfer Facility Vital to Vancouver

The critical importance of the port's container business has prompted a decision by the Vancouver Port Corporation (VPC) to permit construction of a new grain transfer facility at Terminal Dock.

VPC Chairman, Captain Hector Perry, described both the strategic and economic benefits generated by container traffic, in announcing the decision to lease the site to Elders Grain Limited. In August, the City of Vancouver's Board of Variance did not approve the facility's development plans due to concerns raised by some residents of Wall Street.

"The Port's decision in this matter has been most difficult," said Captain Perry. "Ultimately, our responsibility is to all Canadians; in this case — our ability to sustain a viable container service through the country's largest port. We respect the concerns of the City, and sincerely regret that, in this case, the consultative process was not successful in facilitating responsibilities to our respective constituencies," he said.

The option to locate the new facility outside of Burrard Inlet could have resulted in the grain being barged to Seattle/Tacoma for export from a U.S. port.

VPC has consistently identified new facilities, such as Elders, as crucial to the port's ability to provide attractive back-haul cargo. Without such back-haul, container lines may divert their ships to competing ports; diminishing incoming traffic as well, and forcing Canadian customers to rely on foreign facilities.

In the Port of Vancouver, container handling accounts for 20% of all waterfront jobs, and specialty grains alone represent 25% of the port's total containerized export tonnage; representing a world-market value of some \$80 million annually.

The Port Chairman observed that the issue also illustrates the fact that growing populations and expanding world trade is placing multiple pressures on the urban land base of seaport cities world-wide. "... and for Greater Vancouver, those pressures are here now," he said.

"The concerns raised by area resi-

dents were very much before us throughout our deliberations," said Captain Perry. "In turn, we looked at the actions by Elders Grain to respond. It is our view that the operation will be environmentally responsible, an economic benefit to the City — and an essential container traffic drawing-card for the port."

Elder's \$2.7 million, fully-enclosed facility is considered state-of-the-art; designed to meet all environmental permit requirements. It will employ approximately 7 people, containerizing grains from incoming hopper cars prior to export from the port's nearby container terminals. The plant's originally proposed tower height was lowered.

Responding to residents' concerns regarding truck traffic, a survey conducted in July revealed that some 5,000 vehicles travel Commissioner Street daily; the majority commuter traffic. The Elders operation will average 80 trucks daily; 40 incoming and 40 outgoing.

"Notwithstanding these efforts to respond to concerns raised by the City and area residents, the Port believes that a better process must be found by which the City and the Port can harmonize objectives, and meet their unique responsibilities. We intend to work hard towards this objective," concluded Captain Perry.

Elders has confirmed to the Port that construction of the new facility will commence immediately. Major specialty grain customers are Japan, Korea and China.

Port of Vancouver Staff Reach Labour Pact

The Vancouver Port Corporation (VPC) and Local 517 of the International Longshoremen's and Warehousemen's Union (I.L.W.U.) have ratified a new three-year collective agreement giving employees wage increases of \$1.10 per hour in the first year, \$1.05 per hour in the second, and 5.5% in the third. The contract covers the period from June 1, 1988 to May 31, 1991.

The wage package is similar to those agreed to recently by other I.L.W.U. locals, and is in line with other recent public sector contract settlements.

Also provided for in the new contract are increases in employer contributions

toward medical, dental and disability insurance plans, as well as the introduction of an extended health plan.

Port Manager and C.E.O. Francis MacNaughton praised the patience and professionalism of both union and management throughout the bargaining process, and for pursuing a settlement without disruption. "In the end, we achieved a fair deal without outside intervention," he said. "News of this settlement will be received very positively by our customers — both here in Canada and abroad."

VPC employs some 115 unionized staff in Finance, Legal, Administration, Real Estate, Operations, Planning, Engineering, Maintenance, Marketing, Communications, and Harbour Master departments.

Vancouver Largest in National Ports System

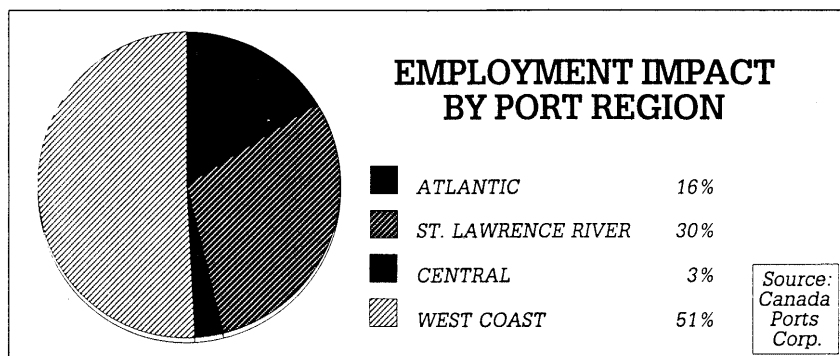
Collectively, the Port of Vancouver and the Port of Prince Rupert produce 51% of the total employment, and 61% of the total revenues generated by Canada's national ports system.

These findings were among those revealed by the recent Ports Canada Economic Impact Study, released in February, 1989 by CPC President, Mr. Jean Michel Tessier. The study measured the local, provincial, and national benefits arising from the cargo handling activities of the nation's 15 major seaports.

Close to 400,000 Canadian jobs are related to industries shipping cargoes through the national ports system. More than 55,000 direct and induced jobs arise from the interdependent enterprises within the system, ranging from terminals, intermodal transport, marine services, shipping, finance, and related consultative services.

"Canada is a trading nation," commented Mr. Tessier, "and our ports system is an essential component in the movement of overseas imports to supply Canadian companies, as well as exports to world markets."

In 1987, the 15 major ports handled a total of 174 million tonnes of cargo, of which some 64 million passed through the Port of Vancouver; the largest in the national system. Nationally, the business revenues generated by the ports totalled \$5.4 billion, which in turn generated payments to



governments of \$800 million.

The ports generating these far-reaching impacts include Vancouver and Prince Rupert in the west, the St. Lawrence River ports of Montreal, Trois-Rivieres, Quebec, Chicoutimi/Baie des Ha! Ha! and Sept-Isles. The Maritime ports of St. John's, Halifax, Saint John and Belledune are included, as well as the ports of the central region, Churchill, Port Colborne and Prescott.

The Ports Canada system is administered under the Canada Ports Corporation Act of 1983, and is responsible to the Minister of Transport.

(Port News)

The Future of Ports and World Shipping

A Look Towards The 21st Century

By Ernst G. Frankel,
Ph.D, DBA, MBA

World Trade

World oceanborne trade will stabilize around four billion tons per year at the end of this century, but both its structure and composition will be quite different from that of today. It will consist largely of manufactured goods and processed or semi-processed commodities. As a result, the value of oceanborne trade will continue to escalate from the current rate of growth of 5.7% to over 6.5% per year by 1999 in real terms. An increasing percentage of the world product will be traded, reaching about 36% or \$6 trillion in current terms by year 2000. The structure of the trade will be quite

different from today, when the U.S. plays the role of principal world trader and economic locomotive, and accounts for nearly 38% of world trade. The new united Europe and Oriental trading blocs consisting of Japan, Korea, Hong Kong, Taiwan, and Southeast Asia are all expected to form regional economic blocs which equal or surpass in their trade a North American trading bloc consisting of Canada, the U.S., and possibly Mexico.

These two new trading blocs may be further strengthened by cooperation with Eastern Europe and the USSR on one hand, and Mainland China, Asia, USSR, and North Korea on the other. Nearly half of world trade by volume and 60% by value is expected to be intra-regional by the end of this century. Much of this intra-regional trade will not be oceanborne.

Seventy percent of the projected oceanborne trade volume will be between regional economic blocs, 20% between southern hemisphere economies, and the northern hemispherical economic blocs, with the rest accounted for by intra-regional and miscellaneous trades.

Technological Change

In the recent past, shipping and port technology advanced largely in the direction of scale of ships, physical form of cargo, and new ways to handle and transfer as well as contain cargo with the introduction of containerization, LNG, slurry coal, and more. The next decade is the period during which transportation will become a systems industry, with all modes of transport integrated with load-center ports for container ships, offshore coal and petroleum port island terminal distribution and collection centers, all designed to integrate mainline long distance with feeder distribution and

gathering systems. Multimodal interfaces will be designed, and through transportation facilitated and made more efficient by reducing intermodal cargo transfer, and ship/truck/rail turnaround time at ports. The problem will not be transport technology in a physical sense, but the increasingly difficult problems of control, communications, data integration, and systems management.

The next decade will lead towards increasing use of automation, EDI, artificial intelligence, electronic transactions, remote centralized cargo movement control and planning, vessel and vehicle traffic control and planning, diagnostic preventative maintenance and automated capacity allocation. Near real-time communications at many times the speed of voice communication, electronic transactions monitoring, and recording will allow much more timely decisions, most of which will be made automatically or at least with electronic "advise of the correct decision" to a human manager. This should allow more effective transport integration as well as utilization of transport capacity. Cargo and passenger transport will be much more continuous, without wasteful waiting at terminals or interfaces.

The electronic, communications, and control revolution will dominate ports and shipping in the next century. This will not only affect the way ports and shipping are operated but also how they are managed. Management of individual ships has been greatly refined and manning reduced. The next step will be the streamlining of the interface, particularly port operations, until we achieve near perfect continuity with cargo flowing directly from one mode of transport to the other without double or triple handling at ports. Very little labor will be involved in the interface operations and all cargo transfer will be automatically controlled. Port and terminal management will then become integrated automated systems management, instead of the currently used fragmented, dispersed, largely manual, activity by activity management.

Direct labor costs will be even lower as a percentage of total costs than today, and labor will consist mainly of supervisory personnel. Fully automated and integrated container, dry, and liquid bulk terminals are available today. The mechanical and electrical systems

are largely in place. The void in technology is in the communications, EDI, and related areas which among other things will bring paperless ports and ships. While this may sound like a "brave new world," we must recognize that technology marches stridently forward. The required technology already exists and is used in other fields. There is little choice but for transportation to fall in line with banking, communications, and in many cases even manufacturing in adopting these recent technological developments.

Economics of Change

While investments in recent years went mainly into ships, physical infrastructure and mechanical cargo handling systems, future investments will concentrate more on control systems, EDI, communications, and most importantly software and management/control systems. The world transport system today is largely physically oversized and operationally underutilized through less than effective utilization of capacity. The major savings in transport costs will be obtained from:

1. increased utilization of capacity;
2. improved efficiency of operations;
3. reduced transfer costs and time at intermodal interfaces;
4. more effective transport management and control;
5. reduced terminal turnaround costs and improved port equipment utilization;
6. near real electronic funds transfer and little or no carrying costs;
7. reduced communication, documentation, and facilitation costs;
8. reduced management costs;
9. improved container, railcar, truck, etc. utilization and relocation with electronic tracing and allocation systems; and,
10. reduced labor and fuel costs.

It is generally expected that transportation, and particularly ports and shipping, can raise efficiency by 20-25% through the use of modern communications, EDP, and EDI technology, and translate most of this into increased capacity, with a resulting combined effect of up to 30% in overall productivity or cost improvements.

The port and shipping industry is on the verge of the largest change in its structure and method of operation since organized transportation came

into being. While intermodal transportation has been facilitated recently in operational and now technological terms, there is an increasing trend towards organizational, functional, and management integration of different modes of transportation as well. The reasons for this trend are not the expectations of benefits from economies of scale, but from efficiency and productivity improvements that integrative transport technology and management offers.

(Port of Vancouver PORT NEWS)

JAXPORT Kicks Off Improvement Projects

With the drop of a pile driver, the Jacksonville Port Authority (JAXPORT) began construction of a new four-lane bridge to Blount Island Marine terminal and several capital improvement projects to the terminal's cargo handling facilities.

The construction projects totaling more than \$60 million are expected to improve truck access to the island and facilitate increased shipping activity at Blount Island, one of the South Atlantic's premier marine terminals.

The new \$8.5 million Blount Island bridge will link Heckscher Drive, which is just east of Highway 9A, with JAXPORT's bustling marine terminal. The bridge, which is being built with \$6.8 million in federal highway funds and \$1.7 million in port authority funds, will become the primary thoroughfare to the island in 1991. However, the existing two-lane bridge will be maintained and used for east-bound traffic.

"The new bridge is a key infrastructure improvement that will benefit all our customers and allow JAXPORT to handle more business even more efficiently," said JAXPORT Managing Director Paul D. deMariano.

"We want to thank our legislators who went to bat for us in Washington and helped us acquire the federal funds to build the bridge," he said. "without their help, this project would be nothing more than a dream."

The state is also helping to bring the bridge to fruition.

The Florida Department of Transportation is overseeing the bridge's construction.

Other improvements to Blount Island are being funded from the proceeds

of a \$55 million 1988 JAXPORT revenue bond issue.

Included in the expansion program are the construction of an on-terminal rail intermodal transfer facility, 550 feet of new wharf, additional container storage areas, a new 1.2-mile, four-lane roadway, an eight-lane truck security plaza, and a container terminal for Sea-Land Services Inc., which last year moved to the island from JAXPORT's Talleyrand Docks & Terminals. Three new container cranes have already been acquired, bringing to five the number of container cranes available for use on the island.

"When completed next year, these improvements will transform our Blount Island Marine Terminal into one of the most efficient water-to-rail-to-highway transfer facilities in the nation," Mr. deMariano said.

The capital improvements couldn't have come at a better time. Tonnage handled at JAXPORT increased 23 percent to a record 4.5 million tons in 1988. The new facilities will increase the terminal's cargo handling capacity.

JAXPORT owns and operates Talleyrand Docks & Terminals, Blount Island Marine Terminal, Jacksonville International, Craig and Herlong Airports.

JAXPORT Receives Infiniti Car Account

Infiniti, the new luxury automobile built by Nissan, began arriving on October 26 at the Jacksonville Port Authority's (JAXPORT's) Blount Island Marine Terminal.

The new automobile account, secured by the automobile processing firm Distribution and Auto Service, Inc. (DAS), will bring at least 5,000 Infiniti cars through Jacksonville in fiscal 1989/90.

The 5,000 imports will have a \$1 million annual direct and indirect economic impact on the Jacksonville area, said JAXPORT Managing Director Paul D. deMariano.

"Automobiles imported through Jacksonville stimulate the economy, and that is what makes the import automobile business so attractive to JAXPORT," he said. "We continue to work with automobile processors to acquire new accounts, and provide the

best facilities we can to meet their needs."

JAXPORT is one of only three ports to receive the prestigious Infiniti account along with Newark, N.J. and Los Angeles, Calif.

"We are extremely pleased to receive the Infiniti account," said DAS Director of Operations Ralph Kinman. "It says something about our company and the quality of work we perform."

The business not only benefits DAS, it benefits the entire port community, he said.

"It will provide more jobs for the auto processor, the port, longshoremen, truck lines and dealerships that provide sales, service and parts personnel," Mr. Kinman said.

JAXPORT, which owns and operates Talleyrand Docks & Terminals and Blount Island Marine Terminal, handles almost half-a-million imported automobiles and trucks annually. And, Jacksonville is home to five automobile processing firms, and five of the import automobile companies' U.S. regional headquarters.

Comment Sought on Clearance of Cargo

The Western States Coalition for Effective U.S. Customs Service has scheduled three public forums for comment from the international trade community on measures to ensure timely clearance of cargo and passengers by Customs and other Federal agencies.

The Coalition, consisting of the ports of Long Beach, Los Angeles, Oakland, Portland, San Francisco, San Diego, Seattle and Tacoma and the Los Angeles International Airport, was formed in 1985 to address widespread concern with delays in Customs clearance procedures at Pacific coast sea and air gateways. The Coalition in 1987 sponsored a major study that became a focal point for discussion in Congress of Customs' activities which were adversely affecting U.S. import/export trade. The group also has set up regular discussions with the Pacific division of Customs to review clearance operations, prevent problems and improve procedures.

"It is felt that the Coalition has contributed to improved Customs procedures and policies, but there may



Long Beach Purchases Three Cranes from Samsung

Three giant gantry container cranes have been purchased by the Port of Long Beach from Samsung Shipbuilding & Heavy Industries of Korea for use in the two-berth 7th Street Container Terminal now being constructed for Hanjin Shipping Company. Designed by Kone of Finland, they will be the newest state-of-the-art construction with high, wide stance and top handling speed. Costing \$16.5 million, the three cranes are due to be assembled and operating by the terminal completion date in the fall of 1989. This is the first contract in the U.S. in which Samsung is the prime contractor. Pictured at recent contract signing ceremonies in Long Beach before Port, Samsung and Hanjin officials are, Harbor Commission President Louise M. DuVall, seated at left, Samsung Senior Executive Managing Director U. Chung.

be other actions the Coalition should be pursuing, as well," said Mr. Robert W. Crandall, general manager of marine terminals at the Port of Oakland and the Western States Coalition's executive director.

While there has been much improvement in Customs' practices since 1986, Mr. Crandall noted, the Coalition views clearance activities as a "constant, ongoing concern" in light of the continuing Federal budget deficits.

As a result the Coalition has organized three public meetings to promote a thorough discussion of clearance-related issues. Mr. Crandall added that the Coalition recognizes many individuals and organizations have influenced Customs' improvements. "What we are most interested in hearing at these forums," he said, "is suggestions of specific leadership roles the Pacific coast ports should sponsor or coordinate in the overall effort to ensure

effective movement of cargo and passengers."

Invited to attend are all entities involved in international trade including Customs House brokers, shipping lines, shippers, railroads, truckers, freight forwarders, ports, airports and international trade organizations.

Worldport LA Premier West Coast Gateway

WORLDPORT LA's leading position as the premier West Coast gateway to the United States is confirmed, according to key indicators such as cargo value, cargo tonnage, growth rate and container traffic.

As reported in its recently published "WORLDPORT LA: West Coast Leader," the Port's market share dominance of foreign trade passing through all major U.S. West Coast

seaports in 1988 includes \$45.2 billion worth of international cargo.

No other West Coast port in the five-year period from 1983 to 1988 experienced a greater increase in foreign trade tonnage than WORLDPORT LA. The Port in 1988 recorded 22.3 million tons, an 82% rise of 10.1 million tons since 1983.

The Port of Los Angeles showed an annual growth rate of 12.8% from 1983 to 1988, the only West Coast port to record double-digit increases in the five-year span.

The eight world-class container terminals at WORLDPORT LA in 1988 handled a combined 1.6 million TEUs to lead all West Coast ports and place it second among all U.S. ports and ninth among all ports worldwide.

PMA Allowed to Use Cranes for Training

The Los Angeles Board of Harbor Commissioners recently approved a proposal giving the Pacific Maritime Association (PMA) use of idle Port of Los Angeles-owned container cranes for training.

The PMA, an organization representing U.S. West Coast maritime management in their labor negotiations with the International Longshoremen's and Warehousemen's Union (ILWU), will use Port-owned container cranes at Berths 87 and 131 to train ILWU members over the next five years. Training will be scheduled around ship arrivals at these berths to avoid disruption of loading and unloading operations.

Mr. Ezunial Burts, the Port's executive director, commented, "The Port of Los Angeles is extremely pleased to be able to continue to support this training program. Through our partnership with the ILWU and PMA, we're able to offer our tenants and customers the benefits of a safe, efficient harbor operation. The skill of the ILWU is one of the dominant factors in our ability to service maritime needs.

Long Beach-Los Angeles Booklet for Drivers

The Long Beach-Los Angeles Harbor Truckers Handbook, designed to help truck drivers better negotiate the harbor facilities, is now available at the offices

and container terminals of WORLDPORT LA and the Port of Long Beach.

The 34-page booklet contains maps of every container terminal facility in the Los Angeles and Long Beach harbors, along with helpful hints on how to get in and out of each location. Also included is a State of California gross weight table, basic placarding requirements and samples of documentation needed when hauling a hazardous load.

Production of the booklet was a joint effort between California Trucking Association (CTA) members, terminal operators, U.S. Customs and the California Highway Patrol, all under the guidance of the ports of Los Angeles and Long Beach.

Baltimore Programs Improve Port Service

Governor William Donald Schaefer announced the first-year results of three joint ventures operated by the Maryland Port Administration in conjunction with private companies that have successfully expanded the range and quality of service available to Port of Baltimore customers while lowering costs by as much as 20 percent.

These joint programs offer freight consolidation, equipment leasing and fumigation services. In each area, the MPA has entered into a partnership program with a private business that is an acknowledged expert in the field.

"These programs are examples of our ongoing efforts to provide quality, cost-effective service to the Port's customers," Governor Schaefer said. "They show that innovation and co-operation are the keys to our success."

"Each of the three programs has grown on a volume basis during the course of the year, and we expect this trend to continue," the Governor said.

According to Mr. Brendan W. O'Malley, executive director of the Maryland Port Administration, the programs were started to fill specialized market niches. "I am pleased that we have met our goal of improving service for the small and medium-sized customers, who are so important to our success."

The first of the joint ventures began in July 1988, when the MPA and Interpool, Ltd., started a container chassis pool with chassis available on a lease basis for \$8 per day. This program

reduces the need for steamship lines to buy and maintain their own equipment and also improves equipment utilization by reducing the need to reposition empty chassis.

During its first year of operations, the Port of Baltimore Chassis Pool had 2,780 lease transactions. In August 1989, there were 244 transactions, compared to only 11 in the same month of 1988.

The second joint venture began in August 1988, when the MPA and ITOFCA Consolidators, Inc., started Baltimore Port Link, USA (BPL). BPL serves as a consolidation service, providing volume discounts and lower shipping costs to small and medium-sized shippers and steamship lines using the Port of Baltimore.

BPL is now handling an average of 500 containers a month and expects to double its first-year volume of 3,324 container shipments.

The third joint venture was begun last November to improve the quality and lower the cost of fumigating logs and other products. Logs were previously fumigated under tarps on the terminal itself. By moving the operation inside a building, log containers can be fumigated regardless of weather and wind conditions. This means shippers can meet their deadlines with ease.

In addition, the program has reduced the cost of fumigating a container by 20 percent to \$320. The fumigation facility is operated by Home Exterminating Company at the Dundalk Marine Terminal.

Port Community Works Together in Committee

By Jim Gring

A headline on a recent cover of "Business Week" magazine proclaimed, "Go Team! The Payoff From Worker Participation."

In today's business world, communication and partnership between labor and management are becoming more and more important.

At the Port of Baltimore, members of the maritime community are working to facilitate good communication and partnership throughout the port.

The Private Sector Port Committee regularly brings together members of the entire port community to discuss

port matters.

The most recent example of this "team" attitude is the participation of the International Longshoremen's Association and the Maryland Port Administration in the Baltimore Area Labor Management Committee (BALMC).

Made up of labor, business and government leaders, the BALMC officially formed in October of 1988 after receiving a \$100,000 start-up grant from the U.S. Labor Department's Federal Mediation and Conciliation Service.

"The real purpose of the BALMC is to get the work force and management personnel to talk about challenges they face and come up with solutions," said BALMC Executive Director David Fontaine.

ILA International Vice President Horace Alston and MPA Deputy Director Anthony Chiarello serve on BALMC's board of directors. Both Messrs. Alston and Chiarello feel participation in the committee will benefit the port, and Mr. Fontaine has been accepted as a member of the Private Sector Port Committee.

"The port is one of the most misunderstood values of the entire state of Maryland," said Mr. Alston. "Most people don't understand the impact it has on the economic value of the state. The BALMC will be one of the educational tools for the general public, especially those who don't work directly with the port."

The committee plans to present lunch-time programs to companies on such topics as child care, transportation, economic development and health care. It wants to work closely with the Maryland Department of Economic and Employment Development and local economic development agencies.

At monthly board meetings, BALMC provides a forum for the discussion of issues of common interest to labor and management. Mr. Fontaine said the BALMC will not become involved in the collective bargaining issues or contract grievances.

"You can become acquainted better with people if you meet them face-to-face rather than if your only contact with them is the AT&T system," Mr. Alston said. "I don't see anything but progress coming out of the committee."

Mr. Chiarello agreed, saying that the BALMC provides an opportunity to

address issues before they escalate into major differences.

"The BALMC will benefit the port by the fact that the forum allows for an exchange of issues relating to management and labor relations that are genuine," Mr. Chiarello said. "Issues special to each individual will be brought up and discussed. It's going to foster better understanding from the side of both labor and management."

Mr. Fontaine said Messrs. Alston and Chiarello are helping him recruit more members of the port community to join the BALMC, which presently consists of representatives from such groups as the AFL-CIO unions, General Motors Corp., Bethlehem Steel Corp. and the Baltimore Building and Construction Trades Council, as well as the ILA and the MPA.

"Through their participation, Tony and Horace have been very helpful in helping all of us understand the importance of the Port of Baltimore," said Mr. Fontaine. "We want to have a multi-faceted approach to addressing the issues at the Port of Baltimore."

Labor-management committees are not new. According to Mr. Fontaine, they have been around since the 1920s, but with the emergence of the global economy, they have become more effective in recent years. Ohio has 14 area labor management committees and a number of industry-only committees. A state agency helps coordinate them.

"I believe it is a genuine movement in the American economy," Mr. Fontaine said. "If we have more people committed and participating in the long range plans of businesses, we can be much more competitive."

(The Port of Baltimore)

Central Americans Pay Higher Freight Rates

Exporters in the Central American Common Market pay more than twice as much to ship their goods to the United States by ocean liner freight than their Caribbean neighbors, according to a recent study by Mr. Alexander J. Yeats, senior economist in the international department of the World Bank in Washington, D.C.

The countries hardest hit by the high rates were Honduras and Costa Rica. Shippers in Honduras, on average, paid 2.77 times more to ship their goods than

did the average Caribbean nation. For Costa Rica, shippers paid 2.14 times more. Guatemalan shippers paid 1.68 times more than the islanders. El Salvadorans, on the other hand, paid the same average rates as the Caribbean nations. The most recent rates in the comparison were from 1987.

To eliminate the factor of distance, the study used the ratio of CIF (cost-insurance-freight) to FAS (free-alongside-ship) value to provide a measure of the cost of transportation and insurance. FAS and CIF ocean freight rates are regularly collected by the U.S. government.

Insurance costs, researches found, averaged roughly 10 percent of the total transportation and insurance bill, regardless of the point of origin. The insurance cost was determined by comparing U.S. trade information published by the U.S. Department of Commerce, which includes insurance, and information gathered by the Federal Maritime Commission, which contains only freight charges.

The factors that influenced the rate structures were less clear. The availability of air freight was one factor that could influence ocean freight rates, according to the study. Where ample air service provided an alternative to ships, ocean freight rates were lower. In El Salvador, for example, more than 20 percent of all exports moved by air in 1987. Ocean freight rates for El Salvador were just 50 percent of the average rate for Central American Common Market nations.

But the availability of air service does not guarantee low ocean freight rates. In Costa Rica, where almost 24 percent of all exports to the United States moved by air, ocean freight rates were 37 percent higher than the average.

Issues not addressed in the study include port costs, interior drayage on door-to-door charges, differences between containerized, breakbulk and refrigerated cargo, and miscellaneous other charges imposed by carriers for their own purposes.

(Port of New Orleans RECORD)

Dredged Materials: New Policy Called For

The Port Authority of New York and New Jersey called for a new, comprehensive national policy for the

handling and disposal of dredged materials to ensure economically and environmentally feasible measures that would be applied uniformly to all port regions.

Mrs. Lillian Liburdi, Port Department Director for the bistate agency, appeared before a U.S. House of Representatives Subcommittee on Water Resources hearing in Union Beach, New Jersey and presented testimony regarding the disposal of dredged material originating from navigation projects in the New York-New Jersey Port.

"National leadership is needed and required. Without economic and environmentally safe disposal means, the impact on the citizens and the national economy will be significant," said Mrs. Liburdi. "Our goal at the Port Authority is to provide for both smart economics and a protected environment. This is not an impractical ideal. The facts, researched by the scientific community and government show that both are achievable. Choosing one over the other will not serve the region — not here in Monmouth County nor up in Essex County.

"If excessive economic costs are imposed on dredging and its disposal, it is not an exaggeration to say that the Port of New York and New Jersey may lose commercial shipping business and public and private terminals will close. Currently, these activities account for over three percent of the gross regional product, roughly \$14 billion in economic activity, 200,000 jobs, \$4 billion in payroll and over \$500 million in regional taxes," Mrs. Liburdi told the panel of the House Public Works and Transportation Committee.

"Not only is dredging and subsequent ocean disposal essential for Port Newark and Elizabeth Marine Terminals, the nation's premier container port, it is also essential for channels such as Compton's Creek, a purely commercial fishing and recreational navigational channel that the U.S. Corps of Engineers expects to dredge in fiscal year 1990," said Mrs. Liburdi. "Without dredging, most shipping, commercial fishing and many water related recreational activities would gradually come to a halt due to lack of sufficient depth. This is true of the bistate region. It is true in most regions of the country."

Mrs. Liburdi told the panel, "The public interest in the region is served

by both a thriving seaport and a protected environment." She called on Congress to enact "policies and programs to prevent the polluting of coastal waters and, therefore, sediments" which complicate the disposal of dredged materials.

In her testimony, Mrs. Liburdi said, "In the Port of New York and New Jersey alone, the Corps and others, including notable scientists and academics, over the past 15 years have spent more than \$20 million studying dredged material disposal and developing alternatives to ocean disposal. Their findings conclude that for our densely populated region of over 17 million people, the only economical and environmentally sound option available is to dispose of the majority of dredged material in the ocean. In addition, wherever possible, dredged material that is predominantly sand should be used as a construction material or for beach restoration projects."

Mrs. Liburdi noted that not all dredged material could be disposed of in the ocean. An estimated five to ten percent of the material that could be dredged from the New York-New Jersey Port would not meet ocean disposal criteria. She cited the alternatives offered in the draft Army Corps of Engineers' Dredged Material Disposal Management Plan as a solution to the disposal problem.

"The subaqueous borrow pit option meets both port economics and environmental protection requirements. The Port Authority believes that the Corps proposal to use subaqueous borrow pits should be implemented as soon as possible. We believe that adequate resources and intelligence have been brought to bear in studying and developing this alternative. It gives the port and this region what it needs to remain competitive and yet offers protection to the environment," Mrs. Liburdi told the subcommittee.

Addressing the proposal that contaminated dredged material be placed inland, Mrs. Liburdi stated, "The scientific evidence shows that upland dumping would promote oxidation of the dredged material and allow leaching of some contaminants into groundwater. On the other hand, if the material is left in a marine environment, the contaminants will adhere to the material sediments. If the contaminated material is covered with clean material,

it is capped and isolated from aquatic biota. This is the well founded principal behind subaqueous borrow pits.

Brooklyn Cargo Volume Seen Increasing

Increasing cargo volume over the next two decades was forecast for two Brooklyn marine terminals in a study now being distributed by the Port Authority to key New York State, City, industry and labor officials.

"In general, the study, conducted by Frederic R. Harris, Inc., forecasts a favorable future on the New York side of the harbor, especially at the Red Hook Container Terminal where the study identifies a growing market segment," explained the bistate agency's Executive Director Stephen Berger.

"The Port Authority," he said, "has already begun developing plans to extend an existing berth at Red Hook to provide the berthing of additional container ships, an action which the study also recommended.

"Further studies are being contemplated to analyze the operations at the Red Hook Container Terminal and to develop a marketing strategy for the South Brooklyn Marine Terminal," Mr. Berger added.

The 239-page study of Brooklyn and East River marine terminals, which includes detailed maps, charts and graphs, was commissioned by the Port Authority with support from New York City and State.

The objectives of the first phase of the study were to determine the types of commodities best suited for the Red Hook and South Brooklyn Marine Terminals in Brooklyn and Piers 36 and 42 on East River in Manhattan; whether these terminals have the capacity to accommodate New York's share of future waterborne general cargo; and how capacity can be provided efficiently and economically to meet future cargo handling needs in New York.

Sale or Lease for Waterfront Development

Through advertisements placed in metropolitan area newspapers, The Port Authority of New York and New

Jersey is seeking proposals for the purchase of certain properties on the Brooklyn waterfront, including the site of the former Fishport project at Erie Basin that was terminated by the bistate agency in April of this year.

The Port Authority is seeking to ascertain corporate or individual interest in the purchase or lease of all, or portions, of the properties for marine-related or other qualifying types of proposed uses or development plans.

Mrs. Lillian Liburdi, Port Department Director for the Port Authority stated, "These Brooklyn properties are not being utilized and we are interested in obtaining proposals for their sale or lease for development. A public

located; parcels on Conover Street and Reed Street; a warehouse pier along Van Brunt Street; a parcel on Dwight and Beard Streets; and the Columbia Street Marine Terminal/Grain Terminal.

Erie Basin was one of the New York-New Jersey Port's most active shipping and warehouse terminals during the late 19th and early 20th centuries. In the 1930s it employed more than 7,000 workers and served as a major shipping facility during World War II and later during the Korean conflict.

In 1958 and 1959, the Port Authority purchased the basin, the breakwaters and various surrounding properties

State Dept. Official Presents US View of EC

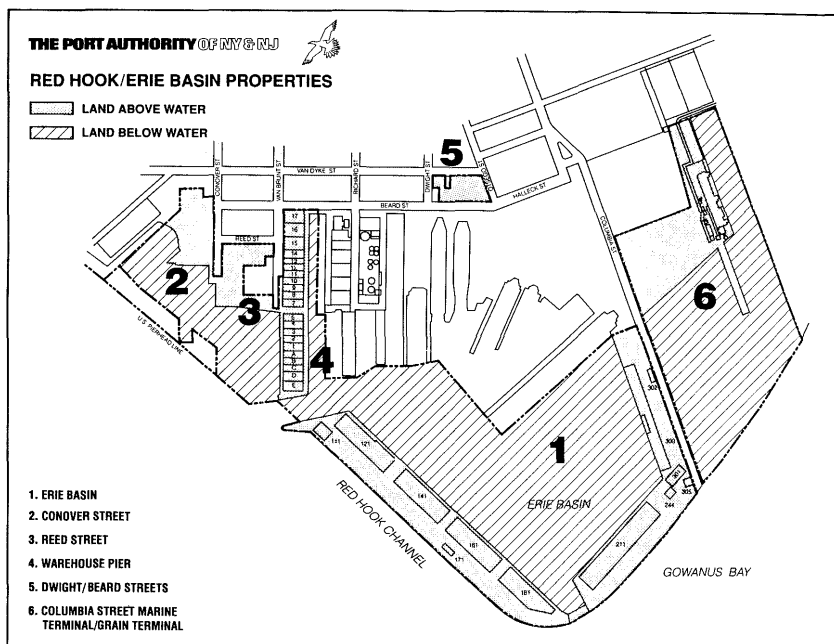
Mr. Eugene J. McAllister, the Assistant Secretary for Economic & Business Affairs, U.S. Department of State, was the keynote speaker at the 68th Annual Luncheon of the American Association of Exporters and Importers. Held at Manhattan's Grand Hyatt, the luncheon/meeting was organized in conjunction with the EC Chambers of Commerce in the U.S., and with World Trade Week '89.

The main thrust of Assistant Secretary McAllister's remarks was directed toward the European Economic Community's plan to create a single internal market by 1992. Mr. McAllister stated that government officials believe the single market, if successful and open, will be good for this country. In this regard he stated, "The U.S. Government is not just hoping that the single market will be open, we are working hard to do everything within our power to assure that it will be open." With that preface, he went on to more specifically outline how the U.S. Government views EC 1992.

"The United States unequivocally supports European economic integration, which has been an underlying principle of our foreign policy since World War II," he explained, noting that a united and purposeful Europe is critical to addressing the Soviet threat. He stated that this is evident in nuclear arms negotiations, in efforts to restrict the USSR's access to dual-use technologies, and in responding to regional issues or conflicts.

Mr. McAllister said that his department sees EC 1992 primarily as a de-regulatory exercise. He said, "We accept at face value the EC's statements that they are trying to build a more economically efficient community. And we do not see a more economically efficient EC as a threat. Rather we view it as good for the United States and the world since the European Economic Community will become a better market for U.S. products." He went on to explain, "It will also serve as a competitor that helps drive U.S. enterprises to excellence, and we believe that the efficiency gains achieved by the EC will, in one form or another, be available to the rest of the world."

However, the State Department of-



request for proposals provides a fair, competitive and responsible process for obtaining and evaluating the widest range of potential concepts for reuse of these properties."

The South Brooklyn waterfront properties consist of six parcels of 159 acres in the Red Hook section, with approximately 100 acres representing title to underwater property and the remaining 59 acres above water.

The six separate parcels, just south of the Red Hook Container Terminal, are available for purchase or lease, either collectively or, less preferably, on an individual basis.

The properties include Erie Basin, where the former Fishport project was

from Beard's Erie Basin and the U.S. Navy.

With the advent of containerization, which requires large upland areas with easy access to rail and truck routes, activity declined at Erie Basin. The property was underutilized from the early 1970s until the early 1980s.

In 1983, the Port Authority authorized the construction of a commercial fishing complex at the Erie Basin site. The Fishport became operational in late 1987. Due to changing distribution patterns and loss of market opportunities, activity at the facility never reached its expected levels and the bistate agency terminated all fish-related activities in April, 1989.

ficial cautioned that while the U.S. is optimistic about 1992, the government is also wary, noting that a single EC market will be larger than the entire U.S. market: 320 million people with a GNP of \$4.1 trillion. "Our wariness," he said, "is that the single market will be less than open, either as a result of discriminatory directives or regulations; or through the failure of the Uruguay Round GATT negotiations to develop worldwide rules for new areas, such as financial services."

One of the U.S. Government's main concerns, he explained, centers around attempts to apply to foreign investors or exporters the notion of reciprocity, equivalent access or other euphemisms that move us away from the principle of national treatment. He stated, "In the second Banking Directive, the commission initially called for reciprocity as a standard for foreign entry. Because the United States has domestic restrictions on interstate banking and on banks underwriting securities, a strict interpretation of reciprocity could keep U.S. banks out of Europe. We prefer the principle of national treatment," he explained, noting that under that arrangement, a bank from the European Community would be treated the same as a U.S. bank in similar circumstances, and vice versa.

The keynote speaker also voiced concern about recent EC actions on "Rule of Origin" (rules or regulations that are used to define nationality of a product in dumping cases, where higher tariffs are imposed on a product from a certain country). Restrictive rules of origin have the potential to harm U.S. export interests, Assistant Secretary McAllister said, pointing out that such rules could divert trade from third countries to the EC market: "Many of the EC countries have national trade barriers, such as quotas on automobile imports. Will these national quotas be translated into EC-wide quotas? The Nissan Bluebird automobile manufactured in Britain apparently will be allowed to enter France unhindered by the French quota on Japanese cars. But is this a one-time exception, based on some local content requirement? The Honda plant in Marysville, Ohio, may be interested in exporting cars to Europe. How will our Hondas be treated in France, Italy and the entire EC?"

He said the U.S. Government is also

disturbed by internal measures that can serve as nontariff barriers. "A good example of this type of measure," he advised, "is the proposed broadcasting directive which stipulates that a majority of programming on EC broadcasting networks be of EC origin. Such restrictions could potentially restrict our access to a market in which we have been phenomenally successful."

Assistant Secretary McAllister also saw a potential for discrimination in the area of standards, certification, and testing processes, in that U.S. producers and testing bodies might not get equal access to an EC-wide testing and certification system. "We are awaiting a public EC draft proposed on a new global approach to standards testing and certification which may clarify some of these issues," he reported.

Noting that the EC nations have made a good start, he stated that there are still a lot of difficult and critical issues remaining to be settled. "The council has approved over 100 of the nearly 300 directives," he said, "but some of the questions that will define the new commission in 1992 and well beyond have not yet been addressed. These include the harmonization of value-added taxes, a single currency and a common bank, and the free movement of labor; by inference, a common immigration policy."

He concluded his address by advising that the United States must be engaged with the EC as it pursues 1992, but that engagement should be based primarily on the basis of opportunity. "How much the world will profit depends on how outward looking and open the EC is," he reiterated, adding, "The United States is committed to working with the EC nations, and others, to help see that our shared vision becomes a reality."

(Via Port of New York-New Jersey)

Teleport: Revolution Of Communications

In 1964, the opening of the Verrazano Narrows Bridge changed the face of Staten Island. New residents poured into the borough, which had previously been accessible only by ferry. In 1986, the Teleport launched Staten Island and the entire metropolitan region into the worldwide information revolution.

Teleport's technology keeps Presi-

dent George Bush "in touch" at all times, no matter where he travels in the world. The *Financial Times* of London is transmitted from the British capital via satellite through the Teleport to printing plants throughout the United States.

The park's technology allows U.S. sports fans to watch sporting events like the Olympics, the French Open and the tennis matches from Wimbledon. These transmissions are beamed to a satellite in space and then to a satellite earth station at the park where the signals are carried via a fiber optic cable network to TV stations for broadcast.

The Teleport has done for communications intensive companies what Ford did for the automotive industry. It has revolutionized regional data and communications operations.

The Teleport was a visionary idea in 1982. Few people foresaw that this single idea would set the pace for building new, information-intensive complexes. The 350-acre Teleport was the world's first "intelligent" office park. It paved the way for more than 85 Teleports worldwide, with 200 estimated by the year 2000.

Today, just three short years after its official opening, the Teleport's land is 98 percent leased or committed. An empty wooded area on South Avenue has been transformed into a high tech office park, with three office buildings completed, two under construction and two in design, and an 11-acre frequency shielded satellite communications center with 19 satellite earth stations linked to a 180-mile regional fiber optic cable network.

Teleport's joint venture partners — The Port Authority of New York and New Jersey, the City of New York, and Teleport Communications Group, a subsidiary of Merrill Lynch, underwrote the park's development. New York City has invested \$10 million in building roads and providing basic services. The Port Authority has invested \$73.5 million. Teleport Communications has spent \$40 million on the telecommunications facilities, including the earth station, operating center and regional fiber optic network.

Companies Located at Teleport

The "Telecenter's" 54,000 square feet of space was quickly snapped up and is 100 percent occupied. The complex's telecommunications operations control

center is located in the building, along with Nomura Computer Corporation of America, a subsidiary of Nomura Securities, one of the world's largest financial firms.

"Teleport I," the park's first multi-tenant building, was built by Teleport Associates, a joint venture of Silverstein Properties and Murray Construction Company. Cushman & Wakefield is the exclusive agent for the 112,000-square-foot three-story building and for Teleport II and Teleport III, currently under construction. Building tenants include: Dun & Bradstreet; Recruit, U.S.A.; Catholic Telecommunications Network of America; Fuel Resources; Teleport Communications; and the Port Authority.

The "TELEHOUSE" Building, a joint venture of 19 Japanese financial companies, was opened on May 12 with full fanfare and a traditional sake ceremony. Termed a "computer oasis" by its mastermind, Dr. Yasuo Fukata, this 162,000-square-foot computer-friendly complex features the latest construction technology. Companies leasing space just have to move in, plug in their computers and they're up and operating. Approximately 80,000 square feet are still available in the building.

"Merrill Lynch's Capital Markets Building" is undergoing testing and a summer move-in is expected for the financial giant's operations and Capital Markets computer group. It will be the largest data center for a brokerage house in the United States, having the capability of transmitting information to 29 countries simultaneously.

Numerous Choices at the Teleport

Information and communication-intensive companies have numerous choices still available for space at the Teleport. Construction of "Teleport II" and "Teleport III" by Teleport Associates is proceeding. According to Mr. Jeffrey Siegel, Murray Construction's Vice President of Real Estate, numerous things have been learned since Teleport I opened. "Based on our Teleport I experience, we are using more concrete on the roof and less steel, since most equipment required for an individual company's computer needs are rooftop-mounted."

Teleport II has 166,000 square feet of space available. Building plans of

special interest include: a cafeteria, an ATM (automated teller machine) area, a newsstand, and overnight mail facilities which will be available to all tenants in the park.

Just as Teleport II nears completion, Teleport III, the third of three Teleport Associates' buildings, is about to come off the drawing board and enter the review process. The 166,000-square-foot office building will be architecturally unique. Ceiling heights of 16 feet slab to slab, 30 x 30 foot bays, 125-pound-per-square-foot floor loads and abundant air conditioning will be available in the three-story building. Teleport III will also include many features found in Teleport I and Teleport II, such as wiring for fiber optic transmissions, 20-watts-per-square-foot electrical capacity and freight elevators with 8,000-pound-lift capacities.

New Developer for Teleport IX

Lehrer McGovern Bovis (LMB) has chosen the Teleport for its "first-ever" development project. LMB, the result of the 1986 merger of Lehrer McGovern and London-based Bovis International Limited, earned its reputation as one of the top construction management firms in the world handling projects like the Statue of Liberty/Ellis Island restorations and London's Canary Wharf.

World-renowned architect John Burgee will produce an innovative design for a three-story 116,000-square-foot office building. LMB is very excited about its project. The construction giant has overseen construction of many computer communications sites including the American Stock Exchange, AT&T Information Systems, Chase Manhattan Bank, Morgan Stanley and Paine Webber. LMB will now put its expertise to work for its own project.

"Lehrer McGovern Bovis is building a first-class building at the Teleport, suitable for a corporate headquarters. The location warrants that kind of treatment based on what has been built at the park to date," said Mr. Gene McGovern, the company's Co-Chairman.

What Makes the Teleport Advantageous

The built-in advantages of locating at the Teleport include 23 years of real estate tax abatements with no taxes paid for the first 13 years; the elimi-

nation of NYC occupancy taxes and a \$500 per person employee tax credit; electrical rates among the lowest in the region; and a skilled productive labor force.

The park's security system includes numerous visible and unseen measures. Around-the-clock security features include a Port Authority police presence on-site, entrance guards, a fenced perimeter and remote monitoring and alarms.

The Future is Now

Technological advances are being made at such speed that it is almost impossible to keep up with them. What the Teleport does is very unique. It connects the New York/New Jersey region and the companies doing business here to the rest of the world, 24 hours a day. The Teleport concept of providing the infrastructure and unique, up-to-date office environments that companies require to succeed in a world of instantaneous communication, will become even more critical in the future. The region's position as a leader in information technology and data transmission is secure and will grow just as the Teleport has grown.

(Via Port of New York-New Jersey)

Oakland Orders Third Post-Panamax Crane

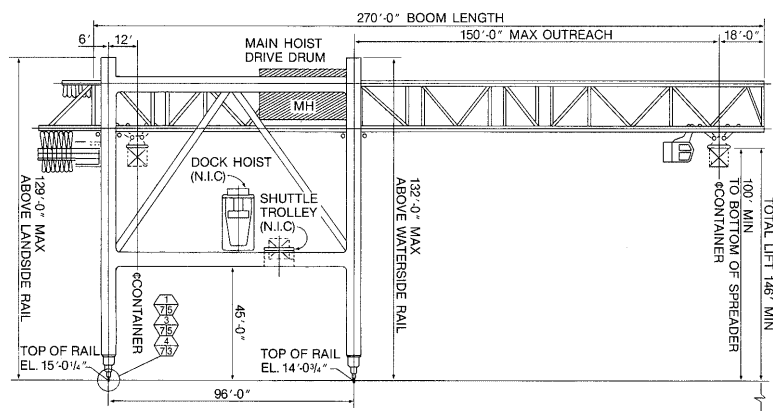
The Port of Oakland will order a third new generation post-Panamax crane for service in its Seventh Street Public Container Terminal, currently undergoing expansion.

The Port proposes to enter into a contract with the Kocks Crane and Marine Company of Pittsburgh, Pennsylvania for the construction and installation of the crane at the terminal at a cost of \$7,940,000.

The Port had earlier ordered two post-Panamax cranes from Kocks. The cranes, being fabricated in Korea, are scheduled to be installed in Oakland in March, 1990.

The third crane will be fabricated in Spain, erected in Germany, and shipped to Oakland aboard a specialized transporter vessel. The Seventh Street Public Container Terminal has four berths, equipped with three Paceco cranes, two of 40 long ton capacity and one of 30 long ton capacity. The facility

Side View Elevation
Maximum Outreach



is operated by Marine Terminals Corp.

The three additional post-Panamax cranes to be installed at the terminal will each have an outreach of 150 feet (45.7 meters) and a working clearance above the wharf of 100 feet (30.5 meters). The cranes will be the first post-Panamax units of the low profile, sliding boom type in the world. Ca-

capacity will be 50 long tons.

Oakland now has five post-Panamax cranes in operation. In addition to the three new Kocks cranes destined for Seventh Street, another post-Panamax unit will be installed at the Maersk Line container terminal in June, 1990, bringing to nine the number of post-Panamax gantries at Oakland by 1991.

BEATING THE ODDS — The Port of Georgetown, in Georgetown, SC, rebounded into full operation on October 5, 1989, surpassing post-Hugo estimates by a full week. U.S. Coast Guard surveys of the river channel showed no appreciable shoaling from Hurricane Hugo and the channel was reopened for navigation. The 600-foot M/V **Christiane** was among the first of three ships to arrive within two days. Salt carried by **Christiane** will be processed at International Salt Company's on-terminal facility. Although Hugo had interrupted vessel calls, landside operations at the Port resumed quickly after the storm.

Brewery Equipment to Ga. via Charleston

The Port of Charleston's North Charleston Terminal has added brewery equipment to its long list of intermodal project cargo moves.

Two Stord "Rotodisc" dryers, each weighing 100 tons, and two 26-ton twin screw presses were loaded for shipment by rail to Cartersville, Georgia. The equipment will be used to extract water from grains used in brewing beer. When operational, the dryers and presses will perform parallel functions but act as one system. The units were fabricated at Stord Island, Norway and shipped on the Atlantic cargo vessel, *Finnrose*.

"The dryers are built to a standard size, but have custom-designed features," explained Mr. Bruce Low, vice president of application and market development at the Greensboro, NC, headquarters of Stord, Inc. "Because of their widespread applications — processing of sugar beets, citrus, meat, and poultry, to name a few — Stord equipment touches on the lives of virtually everyone in the world."

The dryers are available in different sizes, from tabletop lab models to the 100-ton TST-200 model. Many of the support devices to complete the machines are manufactured in the United States.

Intermodal access and rail clearances



were important considerations in selecting the Port of Charleston as the port of entry.

"The Port of Charleston was selected because of the very good experiences we've had in moving smaller pieces of equipment there," said Ms. Erika Stallwitz, traffic manager at Stord. "The excellent pier facilities at Charleston make for a safer, more efficient cargo move."

The Port of Charleston has the best rail clearances in the Southeast and service by two major railroad lines.

Port of Tacoma Opens \$35 Million Terminal

Official opening of the new \$35 million Terminal 3 was celebrated in ceremonies at the Port of Tacoma.

The 40-acre container terminal, which took 18 months to construct, is being leased to Maersk, Inc., one of the world's top five container shipping lines. Maersk first established Pacific Northwest operations in Tacoma in 1985.

The terminal, located at the mouth of the Blair Waterway and adjacent to the Port's North Intermodal Yard, will provide expeditious ship-to-rail transfer for Maersk's growing containerized cargo service. The Port's container traffic has increased 420 percent since 1984.

Two \$4.5 million post-Panamax cranes were installed in the new terminal, bringing the Port's container-crane total to 14. The new 50-long-ton-capacity cranes will handle any conventional or post-Panamax ship and have a 145-foot outreach and a 61-foot backreach.

Port Commissioner Patrick O'Malley and Executive Director John Terpstra officiated at the dedication ceremony toasting, with Washington state apple juice, the advantages that the new state-of-the-art terminal brings to Maersk and the Port.

"This terminal has top equipment, top location and top people. It will keep Tacoma and America growing," said Mr. O'Malley.

The Port of Tacoma is the sixth largest container port in North America, and the 20th largest in the world handling 782,000 TEUs in 1988, and projecting 875,000 TEUs for 1989.

Africa/Europe

Tideland Racons Along Danish Coast

After extensive trials, the Danish Lighthouse Authority (Farvandsvæsenet) has ordered 25 of Tideland's new SeaBeacon 2 frequency-agile racons to replace all its existing racons.

The Authority no longer deploys light vessels, and the new Tideland racons are to be installed on buoys and light-houses all around the Danish coast. The majority will be located on the difficult, busy channels of Route T, which runs through the islands off the east coast of Jutland from Skagen in the far north to Gedser at the southern tip of Falster.

A major factor in the decision to purchase the new Tideland racon was its size and weight. At under 12 kg, it is small and light enough to fit easily on relatively small buoys. Another important factor in choosing the new racon for the crowded shipping lanes of the Danish islands is the remote keypad control option for the SeaBeacon 2. This feature allows the operator to fine tune the racon's operating character to suit local conditions, after installation, without having to open up the racon.

A further advantage of SeaBeacon 2 is that its frequency accuracy allows it to respond to very small craft with low-cost, narrow-band radars, which have previously been unable to receive racons.

The Danish Lighthouse Authority is one of six European national authorities to purchase SeaBeacon 2, including Iceland, Germany, Norway, Spain and the Netherlands. The new Tideland racon has also been selected by the U.S. Coast Guard in a public tender for 100 units.

Tideland Signal Limited is a British-based member of the Tideland group of companies, which specializes in aids to navigation and solar generation. The Tideland group is independently owned and has its headquarters* in Houston, Texas.

** Associate Member of IAPH*

50 Events to Celebrate Hamburg's 800th Anniv.

"Whereas the Free and Hanseatic City of Hamburg presented itself as a metropolis of tradition but with a will for progress during the extensive programme of events marking the 800th Anniversary of its Port, Hamburg's port operators made good use of this jubilee to celebrate with customers from home and abroad and port employees. Well over DM 5 million were invested in this business-oriented programme of events." This was how Mr. Helmut F.H. Hansen, chief executive of Port of Hamburg Marketing and Public Relations, summarized a remarkable year's events.

Mr. Hansen emphasized that the port operators' decision to draw up and carry out their own customer-oriented programme, in close cooperation with Hamburg's State Department of Economic Affairs, Transport and Agriculture, had proved correct. "Our programme turned out to be an excellent complement to the City's Anniversary which mainly focused on presenting an all-round picture of this many-sided metropolis. The port operators spent some DM 2.3 million on preparing for and financing the Anniversary programme which met the common basic interests of all those involved in the port economy. The major aim was to communicate the board spectrum of modern port services on a global scale and illustrate the Port's favourable future prospects. This goal was successfully achieved — a fact underlined by numerous letters of commendation. Through a variety of activities we also succeeded in focusing the limelight on our Port with its success stories. One particularly pleasing aspect was our discovery that in contrast to the recently expressed opinions of some politicians, the world's tenth-biggest container port is far from 'dead' in the eyes of Hamburg's population but can still arouse a tremendous amount of interest!"

Mr. Hansen went on to outline the highlights of a programme that had seen over 6,000 guests welcomed at more than 50 events. The most spectacular highlights were naturally the inaugural event in Neuburg on the Danube (which included the christening of an engine as "The Port of Hamburg") and the

main Anniversary Party with over 2,400 guests in the Fish Auction Hall. There was also a tremendous response to the Port Evenings staged in East Germany, Budapest, Vienna, Düsseldorf and the Far East. In addition, the port operators gave their support to events such as the

- Dragon Boat Festival
- the BIMCO World Conference
- the IAPRI World Conference on Packaging

as well as staging the "Port 2000" Symposium along with Hamburg Chamber of Commerce.

Representatives of shipping companies based in Hamburg and their brokers, a delegation from Czechoslovakia and commercial attaches accredited in Hamburg were the Port's guest at the "Sail'89" celebrations.

Of course, care was taken not to forget the thousands of port employees who provide its customers with a first-class, round-the-clock service and thus guarantee that Hamburg's reputation as a quick port remains its most important image feature in a keenly competitive environment. Some 15,000 port employees and their families celebrated till late in the evening in Shed 46B of O'Swald Terminal which was converted into a cheerful centre of entertainment and culinary delights. Payment on the day was in so-called "Port thalers" which all the port operators handed out to their employees as "tokens of gratitude." The employees' party was a 1.8-million-DM affair, including the support given by sponsors.

Mr. Helmut Hansen went on to single out the many "individual events staged by most of the port operators. Besides a number of large-scale events numerous groups of visitors and guests were looked after and support given to the joint activities in the form of materials and equipment provided free of charge. A rough estimate of the costs incurred by these firms puts the total at about one million D-marks. Moreover, many non-port firms in Hamburg provided generous support for the Port's celebrations. According to our estimates, sponsors provided support worth some DM 150,000 in the catering field alone. Then there were services which are hard to quantify in money terms — for example, the splendid support for our activities from German Federal Railways, the West German PTT and Sharp.



Some 2,400 guests from West Germany and abroad attended the main anniversary celebrations organized by Hamburg's port operators in the Altona Fish Auction Hall. (The Port of Hamburg/HJH)

Of course, such a report can never provide a full picture of all the help given since there were numerous other 'hidden' activities that contributed to the 800th Anniversary celebrations in Germany's largest seaport. Nevertheless, even this brief review clearly reveals how all those involved in the 'wet heart of Hamburg' are helping it continue to beat strongly. This Port is as alive as ever!"

The jubilee year is not at an end yet with further interesting events still on the programme. For example, the Port Anniversary Reception taking place in New York in the second half of October. For this, an eight-man trade delegation headed by Hamburg's Minister of Economic Affairs, Transport and Agriculture, Senator Wilhelm Rahlfs, took off for the USA. A series of events are to be staged for Hamburg's northern neighbours in Copenhagen, Aarhus and Stockholm. These events enjoy the active support of many companies involved in the sea-borne transport sector and naturally the Hamburg Senate. One highlight in the coming weeks is the visit to the city of the ten prize-winning vocational-school classes from Austria and West Germany who were successful in the essay competition organized to mark the Port's jubilee year. Each class will be looked after by one port operator — after all, these firms know full well that in future industrious employees are just as im-

portant a pre-requisite for commercial success as receptive business partners.

"What this means is we have to get young people interested in our Port. Any money spent on this can only be a good investment," Mr. Helmut Hansen concluded.

HHLA to Build Fruit-handling Terminal

The HHLA Supervisory Board has given the company the green light to build a new fruit-handling terminal at O'Swaldkai with investment sums totalling over DM 50 million.

With this measure, which represents a crucial investment phase for the next two years, HHLA is taking account of the continuing structural change in fruit business. Its essential aspects are the trend towards ever larger versatile ships which increasingly feature palletised cargo and deck containers, as well as those which transport other fruit in addition to bananas. Resulting from this is the necessity for integrated fruit handling at one terminal with greater water depth and more modern sophisticated equipment. Moreover the fruit is increasingly being buffer-stocked in the port in order to ensure balanced all-the-year-round deliveries to the interior. This calls for the establishment of more storage and in particular re-



Senator Wilhelm Rahlfs gives the signal for the first pile drive (2nd from left: HHLA Deputy Chairman Peter Dietrich)

frigerated chamber capacity.

With this large-scale investment the HHLA is also reacting to the latest development in some competing ports on the North Continent and makes a decisive contribution towards making sure that Hamburg's traditionally strong position in fruit handling is not only safeguarded but will even be expanded in future.

Naturally, with an annual volume of some 600,000 tons, fruit is also an important pillar of HHLA. The time now chosen for modernisation of the HHLA Fruit Centre is also extremely favourable since in any case large-scale substitution investments would have become absolutely necessary at short notice for the quay wall and for the meanwhile 30-year-old banana shed including the elevators. The main components of the new terminal are ship unloaders for pallets or cartonised goods, a corresponding conveyor belt parallel to the quay, a banana palletising station, an overhead track system with gondolas for 2 pallets each which transports the goods to the loading points with the help of process calculators, and loading sheds for weather-protected delivery to trucks and railway wagons. A fortnight ago work on the expansion started with the first pile drive for the renewal of the quay wall in front of Sheds 44 and 45. The entire project is scheduled for completion in 1991.

Following this, the old banana shed

will be demolished and operations will get under way on filling in the sailing ship dock and on building new berths on the Elbe river side of O'Swaldkai.

Dredged Material for Land Renewal Projects

The problem of disposing of dredged material is not unique to the United States. The British Section, PIANC *Newsletter* (Spring 1989) reports on an innovative solution to their dredge disposal problem on the Clyde River that is worth relating.

It seems that the Clyde Port Authority has a maintenance dredging commitment equivalent to about 100,000 dry tons of sediment each year. As is typical in the United States, they, too, had been disposing of this dredged material in deep water. The sailing distance, reports Messrs. J. F. Riddle, G. Fleming and P.G. Smith of the Department of Civil Engineering of the University of Strathclyde in Glasgow, United Kingdom, resulted in high costs. The disposal area also was nearing its useful life. What to do? What to do?

The Port Authority noticed that, like many industrial ports, Glasgow had undergone a lot of changes over the years. Central to this change were extensive land reclamation and restorations. This produced a demand for soil for landscaping. Normally, this material was trucked in from agricultural

areas, which was depleting a valuable resource and adding significantly to the cost of restoring the old dock sites.

A study was conducted which examined "...the physical and chemical characteristics of the dredged material and investigated the problems of handling, drying, desalinating, and amelioration." As a result of this study, a "soil factory" has been established by the project's sponsors, the Scottish Development Agency and the Clyde Port Authority. "The three-year study has demonstrated that material recovered from an industrial harbour can be processed to form a landscaping soil... To date, the factory has produced nearly 50,000 tonnes of soil for use in land renewal projects in the Glasgow area. In addition to the revenue gained from the sale of what was previously regarded as a waste, the recycling has produced savings in maintenance dredging costs through reduced disposal charges."

(The U.S. Section, *PIANC Newsletter*)

Ro/Ro Business Booming: Southampton

The port of Southampton handled an unprecedented number of roll-on/roll-off vessels on 26th October and continues to forge ahead of its U.K. rivals as the country's leading deep-sea roll-on/roll-off port.

A record six deep-sea vessels arrived at Southampton to load and discharge a mixed cargo of motor cars, tractors and heavy machinery to and from America, the Middle East, Far East and Europe.

From 0500 hours on Thursday 26th October the following ships arrived:-
0500: Hual Karanita (GRT 12,553)
0630: Grimaldi Line's Dora Baltea (GRT 4,307)
0700: Hual Rolita (GRT 14,794)
0700: Ugland's Goodwood (GRT 1,594)
0930: Wallenius Lines' Carmen (GRT 18,661)
1400: NYK Braunschweig (GRT 34,960)

Operations Manager, Mr. Brian Russell-Taylor, stated: "Southampton's new flexible working arrangements and fine deep-water facilities have enabled the port to handle a record tonnage today and ABP staff have re-



sponded positively to the challenge."

Southampton is Britain's leading car-handling port, and has available sufficient capacity for additional roll-on/roll-off business.

Motor Cars: New Ro/Ro Record for Southampton

Grimaldi Lines car carriers *Po* and *Dyvi Kattegat* recently discharged a record 3,287 motor cars at Southampton, the largest importation of vehicles to be handled at the port in a single day.

Port Manager, Mr. Andrew Kent said, "Cargo handling in all sectors of the port has improved dramatically following the abolition of the Dock Labour Scheme and as a result the level of business at Southampton will continue to increase."

In 1989 a quarter of a million vehicles passed through Southampton, which is Britain's leading car-handling port.

Short-sea roll-on/roll-off freight services to Europe are provided by Grimaldi, Uglan and Flota Suardiaz, linking Southampton with Spain, Portugal, France and Italy, whilst deep-sea operators regularly sail to the Middle East, Far East, Southern Africa and the United States.

Norbulk Timber Terminal Opens at Newport

Associated British Ports has opened the most recent addition to the facilities provided for the import of timber and forest products through its South Wales port of Newport.

ABP and Norbulk have signed a

Improved facilities at Southampton's Queen Elizabeth II passenger terminal—where Cunard's QE II and British Rail's direct services to London are regular features.

More Investment on Southampton QE II Terminal

Associated British Ports announced on October 23 that it is to invest a further £270,000 on the Queen Elizabeth II deep-sea passenger terminal at the port of Southampton.

This brings the total refurbishment programme to more than £3/4 million spent on improvements to deep-sea passenger handling facilities at Southampton. Port Manager, Mr. Andrew Kent, said: "Southampton has the finest passenger facilities in the U.K. and as trade increases and luxurious new cruise ships come onto the market it is important that we maintain the highest standards."

Recognised as the principal port for U.K.-based cruising, Southampton boasts good inland communications in addition to the finest deep-water facilities. Excellent rail links provide speedy and unhindered access from Southampton's passenger terminals to London and further improvements to the local motorway network are in hand.

Southampton has long been famous as the starting and finishing point for the great passenger liners and is established as the home port for Cunard Line and P&O Cruises and their famous ships the "QE II" and "Canberra."



Southampton VTS Centre Inaugurated

Her Royal Highness The Princess Royal inaugurated the Port of Southampton's new Vessel Traffic Service Centre on Saturday 30th September 1989. Here, VTS Officer, Mr. Sam Dobell, is showing Her Royal Highness the new radar display equipment.

five-year agreement to establish the Norbulk Terminal. Norbulk and Norasia Lines are expected to import around 200,000 tonnes annually of timber and forest products from the Far East.

Sir Keith Stuart, Chairman of Associated British Ports, and Mr. Bobby Khanbabi, Chairman of Norbulk Cargo Services Ltd., Hong Kong, were joined at the new terminal by the Mayor of Newport, Councillor Rosemary Butler, who performed the opening ceremony.

At a business reception to mark the opening of the new facilities, Sir Keith Stuart commented:

"The opening of the Norbulk Terminal is a further boost to Newport's substantial trade in timber and forest products. The expanding Far East business will add to the port's existing strength in trades from Canada, Russia and South America. ABP is delighted to be working closely with Norbulk and looks forward to a busy future for the terminal."

The Norbulk Terminal has a dedicated berth at South Quay, South Dock and covers a 13-acre site, including 18,500 sq. m. of undercover storage.

ABP Brochure on Waterfront Development

Associated British Ports Holdings has published a new brochure highlighting waterfront development at the port of Southampton. *Developing Southampton's Waterfront* details three core schemes: Ocean Village (75 acres), Queens Quay (24 acres) and Town Quay (38 acres) and indicates the opportunities for further development at Southampton, the Group's largest port. The brochure also provides information about Grosvenor Square Properties, the Company's property development arm, acquired by ABP Holdings in 1987. The Company's activities nationwide include a range of waterfront and urban regeneration projects comprising leisure, retail and office developments and residential/marina schemes.

Regional Property Manager at Southampton, Mr. Gerry Thomas, explains: "Major new industrial and business communities, together with exciting tourist facilities, are being created on the waterfront at Southampton in harmony with ABP's expanding and vibrant port operation."

Asia/Oceania

Australia

Waterfront Reforms To Boost Productivity

Unprecedented waterfront reforms endorsed by Federal Cabinet will result in a near 30 percent increase in labour productivity by 1992 and a leaner, younger docks workforce.

Releasing details of the historic agreement between waterside unions and stevedoring employers, the Minister for Transport and Communications, Mr. Ralph Willis, said the reforms were crucially important to Australia's future as a trading nation.

Mr. Willis said that under the agreement, the Government would provide up to \$154 million over three years for a "one-off" early retirement and redundancy package for 3,000 older waterside workers, and for training and award restructuring.

He said the agreement provided for specific changes to be achieved within a six-month, 12-month, two-year and three-year timeframe (see timetable).

"The agreement clearly reflects the successful outcome of extensive negotiations between the ACTU, stevedoring employers and unions under the auspices of the Waterfront Industry Reform Authority," Mr. Willis said.

"Most importantly, it also meets substantially the Government's criteria for an acceptable in-principle agreement which I set out in my statement to Parliament on 1 June 1989."

(The Government's criteria and the agreement are compared point-by-point in an accompanying paper).

Key features of the agreement include:

- rejuvenation of the workforce by the retirement of 3,000 older employees and the recruitment of 1,000 younger workers;
- the replacement of existing industry arrangements by enterprise employment in the main ports of Brisbane, Sydney, Melbourne, Adelaide and Fremantle (and, where appropriate, in the intermediate and small ports). The enterprise agreements will cover matters such as improved work

and management practices, rostering, manning, and changes leading to improved flexibility, reliability and productivity;

- award restructuring to develop skills-related work paths, flexibility and a greater emphasis on training;

- arrangements for specifically trained supplementary workers to be available at all ports in order to meet fluctuating demands, with these workers being paid on a daily hire basis;

- the phasing out of cross-subsidisation of intermediate and smaller ports;

- the early removal of the gangway watchman classification from the industry, together with significant rationalisation of shore-side security functions;

- the active removal of competitive restraints in international container depots; and

- an agreed program of reform for shipboard grain loading operations.

Mr. Willis said: "Without doubt, this agreement demonstrates the commitment of all parties involved to fundamental structural and attitudinal change, and provides the framework for an increase in labour productivity of around 30 percent over the next three years.

"The benefits to the industry's clients — Australia's exporters and importers — will naturally extend well beyond this period.

"I emphasise, however, that the Government's continuing financial support for this reform package will depend upon the parties meeting their formal obligations at each stage of the agreement, as set out in the timetable.

"The Government expects substantial additional productivity improvements from the introduction of enterprise employment, award restructuring and the phasing out of cross-subsidisation.

"These will provide lasting benefits to users, and the Waterfront Industry Reform Authority will monitor progress to ensure that this occurs.

"In particular, the Authority in releasing funds will ensure that satisfactory progress is being made on introducing enterprise employment arrangements that bring about real improvements in work and management practices, and will report publicly every six months.

"The Government regards it as es-

essential that the transitional labour arrangements which are developed are consistent with enterprise employment and supportive of restructuring.

"The Government's support for any transitional labour lists is strictly on the basis that they are contingency provisions to meet any unforeseen and major decrease in business."

Mr. Willis said it was expected that the redundancy process would begin in Adelaide and Port Kembla where employee surpluses currently existed.

He said that while current industry arrangements regarding compulsory redundancy for existing employees would be retained, arrangements for compulsory redundancy as a last resort for all new employees would be allowed at the end of the three-year implementation period.

The Authority's interim chairman, Mr. Peter Evans, has agreed to continue as WIRA's permanent chairman.

Mr. Willis said: "The Trade Practices

Commission will play an important role in ensuring that the commitment to removing competitive restraints in international container depots is met, and in monitoring the overall operation of the industry.

"The Prices Surveillance Authority, for its part, will ensure that the benefits of the reforms are passed on to users.

"Waterfront clients and port authorities will have a strong voice in the implementation of change.

"Effective consultation mechanisms will be put in place to ensure that organisations such as the Australian Shipping User Group (ASUG) and the Association of Port and Marine Authorities (AAPMA) have appropriate participation in the reform process.

"This agreement, which has been achieved in a spirit of constructive cooperation, is an historic step forward in improving Australia's competitiveness."

TIMETABLE

(a) Within Six Months of the Signing of this Agreement:

- (i) negotiate and conclude the draft Stevedoring Industry Award(s) 1989;
- (ii) determine Industry and enterprise based training arrangements to be offered to enable competency standards to be met;
- (iii) process offers for early retirement to enable surplus watchmen to leave the Industry;
- (iv) complete the recruitment and training of 200 new employees who shall be employed in terms of this Agreement;
- (v) employers shall advise the Authority of their plans to change to enterprise employment;
- (vi) enter into negotiation of enterprise or port agreements within the terms of this Agreement.

(b) Within 12 Months of the Signing of this Agreement:

- (i) process offers for the progressive removal of 500 employees from the industry consistent with the terms of this Agreement;
- (ii) develop enterprise/port training programs and establishment of industry training facilities;
- (iii) resolve issues related to intermediate/small ports within the terms of this Agreement;

- (iv) resolve issues related to grain handling ports within the terms of this Agreement.

(c) Within Two Years of the Signing of this Agreement:

- (i) Process offers for the progressive removal of a further 1,000 employees from the Industry consistent with the terms of this Agreement.
- (ii) Recruit and train a further 400 employees.

(d) By the End of the Third Year of the Signing of this Agreement:

- (i) complete implementation of enterprise agreements to the satisfaction of the Authority including the completion of job restructuring in all enterprises to enable:
 - (1) the complete change to enterprise employment where required;
 - (2) the progressive retirement from the industry of a further 1,200 employees and further progressive recruitment of a total of 400 persons as necessary;
- (ii) complete implementation of the plan;
- (iii) complete work of the Authority.

(e) Nothing in this Clause shall impede the Parties from achieving the necessary change as early as possible.

ASSESSMENT OF THE PROPOSED IN-PRINCIPLE AGREEMENT AGAINST THE GOVERNMENT CRITERIA FOR AN ACCEPTABLE IN-PRINCIPLE AGREEMENT

This paper sets out a detailed point by point comparison of the in-principle agreement against the criteria for an acceptable in-principle agreement set out in the 1 June 1989 Statement to Parliament. The provisions of the in-principle agreement substantially meet these criteria.

ENTERPRISE EMPLOYMENT IN MAJOR PORTS

Government Criteria

1. The introduction of enterprise employment arrangements into the ports of Sydney, Melbourne, Brisbane and Fremantle within three years. Employment arrangements in Adelaide will need to be consistent with the principles of enterprise employment.

Proposed In-Principle Agreement

Section 10 of the Agreement commits the parties to the introduction of enterprise employment at Sydney, Melbourne, Brisbane, Fremantle and Adelaide subject to certain transitional arrangements to cater for any temporary labour surpluses and facilitate redeployment arrangements. These arrangements, outlined at Section 9 of the Agreement are required to overcome any problems arising from the agreements reached on security of employment for existing employees and facilitate the orderly exit of employees from the industry as enterprise employment is introduced in individual ports.

SUPPLEMENTARY WORKFORCE ARRANGEMENTS

Government Criteria

2. Flexible supplementary workforce arrangements must be developed on an enterprise basis for major ports consistent with the ISC's recommendations. Compatible arrangements will need to be agreed to for small and intermediate ports.

Proposed In-Principle Agreement

Section 11 of the Agreement outlines

arrangements for the extension of supplementary employment arrangements, on an enterprise basis, to all ports.

AWARD/JOB RESTRUCTURING

Government Criteria

3. Awards and agreements must be restructured consistent with the structural efficiency principle of the 1988 National Wage Decision. This will enable improvements in work organisation designed to increase productivity, efficiency and reliability through the negotiation of specific implementation agreements.

4. Employers are to provide on a dollar for dollar basis with the Government \$0.5 million for workplace restructuring projects to facilitate agreements on changes to work patterns and arrangements.

Proposed In-Principle Agreement

Section 13 of the Agreement outlines the commitment of the parties on award/job restructuring with a single stevedoring industry award being developed consistent with the Structural Efficiency Principle. Employer's proposals are currently before the Industrial Relations Commission. Employers have accepted a commitment to fund their share of workplace restructuring project costs. (See Schedule 2 Section 5 of the Agreement).

RECRUITMENT

Government Criteria

5. New employees are to be recruited directly into individual enterprises with recruitment in the first year being in accordance with existing industry procedures. In subsequent years each enterprise should determine the recruitment procedures to be followed in consultation with relevant unions.

Proposed In-Principle Agreement

Section 7 of the Agreement provides for the procedures for recruitment being agreed on an enterprise by enterprise basis. Prior to the enterprise agreements being implemented recruitment will be in accordance with existing industry arrangements.

REDUNDANCY

Government Criteria

6. Consistent with the ISC's recommendations current industry ar-

rangements regarding compulsory redundancy are to be retained. Arrangements for compulsory redundancy as a last resort for all new recruits are to be allowed at the end of the three year implementation period.

Proposed In-Principle Agreement

Section 8 of the Agreement indicates the parties' commitment to continuing security of employment for existing employees and compulsory redundancy as a last resort at the end of the three year period the Agreement for new employees recruited after 31 March 1989. Transitional arrangements outlined in Section 9 and the procedures outlined in Section 10.3 regarding adjustments in the size of the enterprise workforce, have been developed in the light of these commitments.

TRAINING

Government Criteria

7. Employers and unions must commit themselves to develop and support industry-based training schemes and enterprise-based training programs. The development of the programs and schemes should ensure they are appropriate to the needs of the stevedoring and international container depot industries, linked to the introduction of new job structures through retraining of existing employees, and related to the recruitment program.

8. The Federal Government will provide up to \$8 million for improving training facilities, the training of new recruits and the retraining of existing employees to facilitate job restructuring. Employers will be required to provide a matching amount.

Proposed In-Principle Agreement

Section 14 outlines commitments consistent with the Criteria in respect of training and retraining. Further details are outlined in Schedule 4 to the Agreement.

EARLY RETIREMENT/REDUNDANCY

Government Criteria

9. A one-off early retirement/redundancy scheme for the next three years is to be established based on the entitlements recommended by the ISC. In negotiating the in-principle agreement parties will need to develop ar-

rangements to more specifically "target" redundancy offers to meet the needs of the industry. Supervisor categories will be covered by these arrangements and this should facilitate reduction in excessive layers of supervision.

10. Employers are to provide up to \$145 million on a dollar for dollar basis with Government to fund the early retirement/redundancy offers. The Government is prepared to facilitate the collection of employer contributions through statutory levy arrangements for a period that is demonstrated to be necessary and subject to the levy rate not exceeding present combined statutory and industry levy rates for this purpose. It is expected that the levy would apply for no longer than 3-4 years.

Proposed In-Principle Agreement

The Agreement for entitlements based on the ISC's recommendations. The parties have agreed (Section 6) that voluntary redundancy arrangements should be targeted at older employees and in particular those that have an existing entitlement under present industry arrangements (rather than purely in terms of years of service as recommended by the ISC). Giving these employees priority in acceptance of the package will allow a significant rejuvenation of the age structure of the workforce. Arrangements for a statutory levy, consistent with the Government criteria, are set out in Schedule 2 to the Agreement.

Arrangements are being finalised for separate agreement between the AEWL and FMWU to provide redundant gangway watchmen with the alternative of accepting the entitlements available to other employees in the industry or the special arrangements for that group recommended in the ISC Report.

STAND-DOWNS

Government Criteria

11. The parties must accept that permanent inclusion of stand-down provisions in awards is a matter to be pursued through normal Industrial Relations Commission processes.

Proposed In-Principle Agreement

This has been accepted by the parties and is included in Section 17.1 of the Agreement.

INDUSTRY RELIABILITY

Government Criteria

12. The parties must make a commitment to develop and adhere to agreed disciplinary and dispute settlement procedures to improve industry reliability and efficiency.

Proposed In-Principle Agreement

These commitments are included in Section 17 of the Agreement and the procedures agreed are outlined in Schedule 5 to the Agreement.

CONTRACTING OUT OF MAINTENANCE

Government Criteria

13. They must also agree to arrangements to enable the effective contracting out of maintenance work where it is more efficient than "in house" facilities.

Proposed In-Principle Agreement

Arrangements have agreed between the parties and are set out in Section 15 of the Agreement. It is intended that these arrangements apply to WWF tradesmen and those members of the ETU and AMWU. At this time the latter two unions have not confirmed their participation in the in-principle agreement.

SMALL/INTERMEDIATE PORTS

Government Criteria

14. The Government will be phasing out the existing cross-subsidisation of stevedoring labour costs in small ports through statutory levies over three years. The parties will therefore need to commit themselves to introduction of measures to improve the efficiency of small and intermediate ports through revised employment arrangements including enterprise employment, commercial port labour pools and the use of port authority labour.

Proposed In-Principle Agreement

These matters have been agreed as set out in Section 12 of the Agreement. Detailed arrangements will be negotiated on a port-by-port basis involving individual port authorities where appropriate.

CONTAINER DEPOTS

Government Criteria

15. Constraints that limit competition in international container depot operations must be removed.

Proposed In-Principle Agreement

The parties have agreed (Section 16.4) that there should be no constraints limiting competition in international container depots. However TPC involvement will be required to monitor the situation.

BULK TERMINALS

Government Criteria

16. Where stevedoring employees are employed in association with the loading and unloading of bulk vessels employment arrangements will be in accordance with efficient operational requirements.

Proposed In-Principle Agreement

The commitments at Section 18 of the Agreement meet the criteria. In addition detailed arrangements have been agreed for the review of stevedoring operations associated with bulk grain vessels with a view to introduction of revised arrangements at all ports by 30 June 1990.

UNION COVERAGE

Government Criteria

17. The stevedoring and international container depot unions must agree to rationalisation of union coverage at small ports, international container depots and bulk terminals. Agreement is to be reached through consultations under the auspices of the ACTU.

Proposed In-Principle Agreement

Section 18.3 outlines an agreement on union demarcation in grain loading operations. Section 16.3 indicates that discussions in respect to union rationalisation at container depots are being pursued under the auspices of the ACTU and are the subject of Federal Court action by the NUW. Resolution of this matter will probably result in single union coverage at individual international container depots with NUW coverage at off-wharf depots, and the WWF at on-wharf depots.

TIMETABLE

Government Criteria

18. A firm timetable for progressive implementation of specific elements is an essential requirement of the "in principle" agreement. Government assistance will only be provided when specified objectives within the timetable have clearly been achieved.

Proposed In-Principle Agreement

A timetable for implementation of the Agreement is set out at Section 20 of the Agreement. The parties have agreed (Section 4.5) that the Authority should continually monitor progress and report on progress at six monthly intervals. A general review will be held six months prior to the expiry of the Agreement to report on any arrangements which might be necessary to replace the Agreement.

Port of Brisbane Authority Corporate Statement

THE MISSION

The overriding corporate and professional objective of the Port of Brisbane Authority is to meet the requirements of the general community by developing and maintaining an economic and reliable port, featuring facilities that are worked at optimum efficiency.

Objectives

In general terms, the Port of Brisbane Authority will promote an operational climate that will enable consignors, consignees, shipowner and stevedores to best utilize the port, thus creating opportunities for every port user to trade and work profitably.

Specifically, the Authority's main responsibilities are to:-

- encourage the use of the port to its optimum potential for the economic benefit of the port, the city and its hinterland;

- market and promote the economic, geographic and strategic advantages of Brisbane as port;

- provide harbour facilities and develop new installations, as and when necessary, ensuring that all facilities are well managed and maintained.

The Authority has an obligation under statute to manage and control:

- port traffic, lands and services within the Port of Brisbane, which includes Moreton Bay (from Caloundra Head to Beenleigh, latitude 27 degrees 41 seconds) and the waterways flowing into the bay;

- the operation of, and provide management for, small boat harbours;

- the leasing of Crown land (both above and below high water where such

(dry) land is contiguous to the water-front);

- the construction of private jetties/wharves and the granting of formal tenure thereon;
- the control and clean up of oil pollution occurring within port boundaries;
- some public jetties, and certain mooring areas.

Planning

Two significant plans have been critical in shaping the development of the Port of Brisbane and the Authority, as it exists today.

In August 1974, a plan... "The Strategic Plan for the Port of Brisbane" ... was presented to State Parliament.

The plan proposed that a deep water port be established at the mouth of the Brisbane River, and that the port feature modern facilities capable of handling general cargo, containers, plus wet and dry bulk commodities. The strategic plan also proposed that the overall management of the Port of Brisbane be vested in the control of a board of commissioners.

Subsequently, consulting engineers Rendell and Partners prepared a detailed plan for a port at the Fisherman Islands (river mouth). The existing development on Fisherman Islands now reflects the proposals contained in the Rendell conclusions.

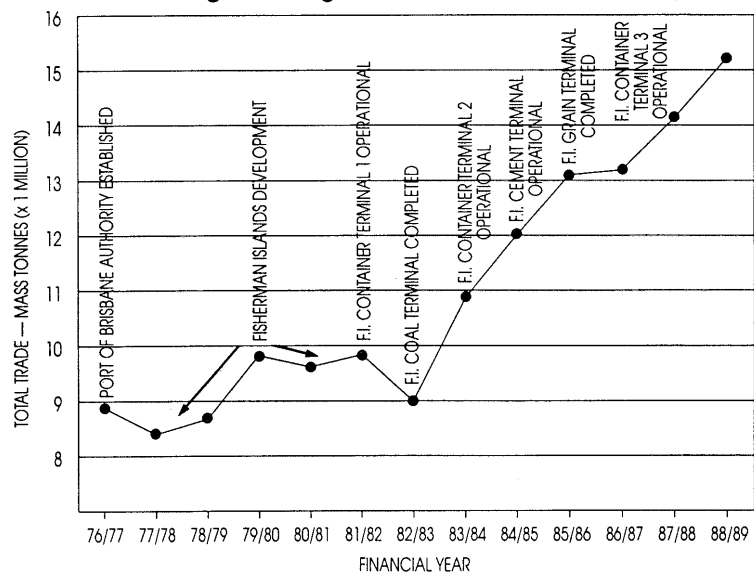
Of equal significance, the Rendell Plan proposed that a port authority be established, not only to manage the development of the islands' port, but to assume responsibility for management of the Port of Brisbane, in total.

As at June 30, 1989, the Authority's 15-year programme of development for the Fisherman Islands has seen the completion of three container terminals, plus coal, grain and cement terminals. Construction for two general cargo, common-user berths has started.

The Authority recognises that the provision of facilities alone will not guarantee an effective port; and, that it must maintain, and increase, its role in the monitoring and co-ordination of port operations, and that the views of users are well known through consultation.

The Authority's planning process is flexible. Through it, the organisation is able to identify commercial and general opportunities, and move with unified purpose towards achievable

Total trade growth aligned with construction activity



corporate objectives.

Our Customers

The immediate customer of the Port of Brisbane Authority is "the port user" — a definition which covers a multitude of activities, industries, services and professions, all of which require widely differing functions from the Authority and its staff.

Consignors and consignees are our customers. They patronise the port by directing their cargo through and across its wharves.

Freight forwarders, plus cargo, customs, and ships' agents are our customers. They can influence what cargo is loaded on to what ships through which port.

Stevedores are one of our vital customers. Their ability to efficiently handle cargo, at the lowest economic cost, ultimately reflects on the reputation of the port.

Shipowners are customers. The importance of their patronage is self-evident.

In addition to these immediate customers, the port has many "stakeholders" with indirect interests in the port.

The Port of Brisbane Authority is a statutory organisation. Therefore, it is required to act independently within its charter and, at the same time, be responsive to the "voice" of Queensland Government (through the Minister for Water Resources and Maritime Services). The Authority has due regard

for the wishes of all levels of government, believing that these reflect the requirements of the community.

Ultimately, it is "our community" which must be the net benefactor from the activities within the port.

Our Record

In the Authority's 13 year history, the Port of Brisbane has experienced a total trade growth of 72%. General cargo handling rates of 50 tonnes per hour (typical of a decade ago) have increased to 100 t.p.h. The Authority's annual turnover has increased from \$14.6 million to \$48.3 million which is a 37% increase in constant dollar terms.

Despite trade and turnover growth, Authority staff numbers have been reduced from 437 to 251. By careful management of organisational resources, the Authority has been able to maintain, and extend service levels and to offer sustained reductions in the real cost of Authority charges.

There has been worldwide pressure to reduce the number of trading ports and centralise sea freight in the last decade — but, Brisbane's worth as a major Australia sea port has been recognised, and secured, through development of world standard port facilities.

Our Future

Queensland's growth and prosperity are linked to our ability to successfully compete in international markets.

A reliable, cost-efficient port is a

critical element in a regional economy dependent on international trade.

Geographically, Brisbane is located on the Pacific rim along with countries and continents such as North America, Korea, Japan, China, Asia and New Zealand.

As the most northern capital port-city in Australia, it is ideally suited to service these countries.

Brisbane's immediate hinterland contains a population in excess of two million people. It is a rich agricultural region supporting extensive plant and livestock production, and has substantial natural resources. With careful management, these strategic advantages can ensure sustained growth for our regional economy.

The Port of Brisbane Authority offers a commitment to play a prominent and responsible role in the successful management of these factors.

(Annual Report 1988/89: Port of Brisbane Authority)

Darwin Port Corporate Plan Approved

The Darwin Port Authority has been preparing and working to Corporate Plans for the past several years. As part of the "Waterfront Reform" approach it has been decided that the Corporate Plan will be published each year in the Annual Report.

The 1989-90 Corporate Plan has been approved by the Minister and promulgated by the Board. Details follow:

Mission Statement

The planning, provision, management and development of safe, efficient, cost-effective port facilities, services and related infrastructures at competitive prices to meet the needs of stakeholders and ensuring viability and growth together with the promotion of the port for the benefit of the community and the Northern Territory as a whole.

Purpose of Plan

The Corporate Plan is designed to enable us to do what we are doing, better.

Corporate Objectives

Services

- Where necessary, improve ser-

vices to customers in all operational area.

- Promote good relations with community and civic interest groups in addition to Port customers and users.

- Encourage the further improvement of international and local shipping services, especially between Darwin and Singapore.

- Continue to seek ways of establishing a viable shipping service between Darwin and the Eastern States.

- Assist in the development of appropriate performance indicators for Port activities.

- Promote marine and boating safety in conjunction with relevant departments.

- Monitor the performance of Port stevedoring companies and exert influence as practicable to maintain competitive levels for stevedoring charges and other operations which affect Port costs.

Facilities

- Plan the development of the Port in conjunction with Government departments and users, in order that future Port operations will be undertaken in an efficient, effective and economic manner.

- Promote and assist further development of fishing and small craft infrastructure.

- Increase efficiency and reduce operating costs by development of a new building in the Port area at no net capital cost.

People

- Successfully develop and adopt multiskilling throughout the Port workforce.

- Improve industrial relations.
- Improve staff training.
- Expand computer resources and training on cost-efficient basis.

Financial Efficiency

- Obtain funding for identified subsidies.

- Progressively implement a cost-based charging system.

- Wherever possible encourage investment by the private companies who will benefit from Port facilities.

- Monitor Port Authority efficiency through introduction of appropriate performance indicators.

The Plan is supported by detailed Divisional goals. *(Darwin)*

Biennial AAPMA Conference in Darwin

The Association of Australian Port and Marine Authorities will hold its Biennial Conference in the Northern Territory for the first time next year.

The 32nd Biennial Conference, 4th-8th June 1990 is being hosted jointly by the Northern Territory Department of Transport and Works and the Darwin Port Authority.

The Conference, taking up the first three days, will be held at the Four Seasons Hotel in Darwin. This will be followed by a day of AAPMA business at the Four Seasons Hotel in Kakadu.

Participants will travel as a group from Darwin to Kakadu National Park and enjoy a river trip en route, which will provide an opportunity to view local scenery and wildlife.

Early expressions of interest have indicated that a large number of AAPMA member ports will be sending delegates to this Conference being held in an unusual setting. Ports as far away as Canada, the United States and New Zealand will be participating.

While the AAPMA Conferences normally rotate between ports in each Australian state, it has never been held in the Northern Territory. Territory members decided it was time for their colleagues to sample the unique lifestyle and surroundings, so a successful bid was made for 1990.

Further information on the Conference is available from the Darwin Port Authority. *(Darwin)*

Port of Fremantle Posts Record Year

The Fremantle Port Authority has posted record operating results for 1988/89 with new all-time high figures for trade, shipping and containers.

The Authority's General Manager, Mr. Trevor Poustie, said that the number of containers handled during 1988/89 reached a record 123,500, a 9 percent rise over the previous year's total.

Port trade was a record 17.03 million mass tonnes which surpassed the previous highest figure of 16.99 million

mass tonnes for 1979/80.

A total of 22.9 million gross tonnes of shipping entered the Port in 1988/89, nearly 500,000 tonnes more than the previous record figure of 22.4 million tonnes set in 1979/80.

Mr. Poustie said that the number of overseas cargo and passenger ships visiting the Port continued to increase with the 1,074 arrivals for 1988/89 showing a rise of 70 over the number for the previous financial year.

The 19.9 million gross tonnes for this category of shipping in 1988/89 was a significant rise of more than 2 million tonnes over the figure for 1987/88.

"I am sure that with the benefits of the recently completed harbour dredging project yet to be realised, the Port is well placed to build on our 1988/89 success and achieve even better results in the new financial year," Mr. Poustie said.

"With the international trend to bigger ships, the inner harbour's extra 2 metres depth means that we are now well placed to accommodate the largest vessels likely to visit Australia, whether they are operating on around-the-world services or to the major hubs of international trade such as Singapore," Mr. Poustie said.

New Chief Executive Of MSB Appointed

The former Managing Director of the Australian National Line, Mr. Max Moore-Wilton, has been appointed the new Chief Executive of the Maritime Services Board.

Mr. Moore-Wilton's appointment was announced by Transport Minister Bruce Baird.

Mr. Baird said Mr. Moore-Wilton would bring substantial experience in public and commercial management to the MSB.

Mr. Moore-Wilton, 46, has been the Managing Director of the Australian National Line since 1984 and was the previous General Manager of the Australian Wheat Board. He also held senior positions within the Commonwealth Department of Primary Industry.

Mr. Baird said Mr. Moore-Wilton had a wealth of experience in both maritime administration and international trade. He achieved record levels of consistent profitability in his previ-

ous position with the Australian National Line.

Mr. Baird said Mr. Moore-Wilton had the ideal personal qualities to oversee the significant change which was proposed for NSW ports administration. New legislation, reforming the structure and pricing policies of the MSB and creating separate port authorities for the Hunter, Illawarra and Sydney region, has recently been passed by Parliament.

"The new MSB Chief Executive will be required to manage and lead the Board through these changes," Mr. Baird said.

Auckland Development: Options and Developers

Waterfront development — it seems to be the catch phrase of 1989, and everyone, from university students to developers to local bodies to Government Ministers is becoming involved in new schemes for the Auckland waterfront.

Ports of Auckland Ltd. is the owner of the land, wharves and facilities north of Quay Street, and north of Fanshawe Street to the Auckland Harbour Bridge.

As a company charged with the responsibility for efficiently operating the Ports of Auckland and Onehunga, and Westhaven Marina, Ports of Auckland has to ensure the needs of the commercial cargo handling clients are met, but the company equally recognises the need for redevelopment, and more "people uses" so it is constantly working to achieve a balanced development of the waterfront, matching the needs of port users with the call for greater public access and more "people" activities.

Many schemes have been promoted by various groups, including joint ventures by Ports of Auckland. Most of those proposals have some favourable features, but equally they are not all practical from "an operating the port" point of view.

Fletchers Project 90

A major waterfront development, stretching from the Viaduct Basin to Parnell. This development encourages greater public uses, housing, and major changes to traffic movement, in addition to wharf developments, curved piers, and a water canal around the railway land in Parnell.

This development, rightly entitled "dream scheme," does not suit future port cargo handling requirements, and has some impractical suggestions for shipping and efficient port operations.

Viaduct Basin Redevelopment for the America's Cup

This proposal, being promoted in a joint venture between Ports of Auckland, Turners & Growers and Fletchers will create facilities for up to 14 syndicates, providing berthage and hard standing sites for sail lofts, workshops, crew training rooms etc., and a range of public facilities, including cafes, restaurants and retail outlets.

Scheduled for an October start, this development would enhance the shoreline, and provide long term facilities which could be used by the fishing industry, charter boat operators and other commercial port users in the future.

Princes Wharf Redevelopment

The Mace Development have obtained planning approval to proceed with a \$275 million redevelopment of Princes Wharf, including 300 room hotel, 3 theatre entertainment centre, festival food hall, retail, office accommodation, restaurants, cafes, car parking and a range of other public facilities.

The development is approved by both the Auckland Harbour Board and Ports of Auckland Ltd., and may proceed in 1990, following the departure of boats in the Whitbread Round the World Yacht Race on February 4, 1990.

Harbour Edge Commission Report

This independent report was commissioned by the Minister of Local Government, Dr. Michael Bassett to try to co-ordinate waterfront redevelopment. It recognises the importance of the meeting the needs of the port, but equally calls for a major co-ordinated plan for waterfront redevelopment, involving the ARA, the ACC, NZ Railways, the tangata whenua, private development interests, maritime interests, finance interests and lessee/lessor interests.

It also recommends the setting up of a harbour edge development board to propose waterfront development, and separate approval and review authorities; compulsory acquisition of land and leaseholdings and a separate

joint venture property trust to control the management of publicly owned lands. This may be implemented through legislation promoted by the Minister.

Port Development Study

This report has been prepared by the ARA, the ACC and Ports of Auckland Ltd. working under the chairmanship of independent consultant. The report has not yet been released but looks at future port needs, options for development, and long-term cargo-handling capability. This report is due for completion in August. (*Ports of Auckland*)

To Invest in Upgrading S'pore Port Facilities

By Chiang Boon Kong
Director (Commercial)'s Office

The Port of Singapore Authority (PSA) will invest some \$327 million for upgrading and expansion of port facilities. The announcement was made by Mr. Ng Kiat Chong, Executive Director, PSA at the recent Annual Quality Circle Awards Presentation on 28 July 89.

"Developments costing about \$87 million will be in the form of the conversion of three more conventional berths (K16-18) into container feeder berths, upgrading the reefer yards, and the construction of a chassis-holding area. The remaining part of Empire Dock will also be claimed and developed into a container stacking yard," said Mr. Ng. He also announced that another \$240 million will be spent to purchase more equipment, including 10 quay cranes and 44 yard gantry cranes. All these developments will increase TPT's capacity from 4.7 million to 6.2 million TEUs (Twenty-foot Equivalent Units).

In the first six months of 1989, container throughput at TPT grew at a substantial rate of 39%. The additional capacity would help PSA to cope with the expected growth in container traffic until the first two berths at Brani Terminal become operational in mid-1992.

In April 89, PSA signed three contracts worth over \$122 million to purchase container handling equipment for TPT. Two contracts were signed to

purchase 8 quay cranes and 21 rubber-tired gantry (RTGs) cranes from Italmobiliare Societa Italiana Impianti and Magrini Galileo Meccanica, respectively. The third contract was for 20 RTGs supplied by Mitsui Engineering.

The new quay cranes are designed to handle the containers for the latest generation of post-Panamax container ships. The quay cranes will be delivered to PSA by August 90 and the RTGs by May 90. (*PSA News*)

PSA: Computerised Reefer Monitoring

By Michael Ng
Container Terminal
Engineering Department

Reefer throughput handled by the Port of Singapore has grown tremendously in recent years. From 65,400 TEUs (Twenty-foot Equivalent Units) handled in 1984, the throughput has increased to 114,000 TEUs in 1988, an increase of 74%. Reefer cargo at the Tanjong Pagar Terminal (TPT) is expected to increase further.

There are currently 690 reefer points at the TPT reefer yards. At any one time, over 600 of these are in use. In anticipation of further growth, the Port of Singapore Authority (PSA) will progressively increase the total number of reefer points to 1,200 by 1993.

New Monitoring System

Reefers are monitored at regular intervals, 24 hours a day to ensure the storage temperature of reefer cargoes are maintained at the right temperature. PSA has implemented a new monitoring system for reefers in June 89. Between four and six technicians are deployed to monitor the reefers at the three yards in TPT. Straddle carriers are used to stack reefers 2-high and purpose-built platforms with retractable working decks and lighting enable technicians to monitor reefer temperatures and carry out repairs on high-stacked reefers without having to lower them to the ground.

Handheld computer terminals too are used to monitor the reefers in place of the paper and pen method. The software for the system was developed in-house. Information on the reefers in the mainframe computer is down-

loaded to a PC located at the reefer site office. The technicians use the handheld computer terminals to enter the reefer cargo temperature. If the temperature recorded is beyond the permissible limits, the handheld terminal will emit an alarm to alert the technician. He will reconfirm the temperature read from the chart. If the second reading is in order, the handheld terminal will still accept the reading. The temperature readings of the handheld computer terminals are then uploaded to the PC to be processed with data already downloaded from the mainframe computer to create the monitoring records and reports for the shipping lines.

Benefits of the System

Monitoring reefers through handheld computer terminals has enhanced the quality of monitoring. It is reliable and also cuts down the manual effort to prepare and sort out the voluminous monitoring records. Shipping lines are assured of better and faster service with this new computerised system, compared to the old manual system.

Future Plans

There is a growing trend of reefers equipped with intelligent temperature monitoring devices which can communicate with a remote computer through the power lines. PSA is closely monitoring this development. The present monitoring system is a step closer to a more sophisticated method of monitoring. In the next two to three years, PSA will install a computerised remote monitoring system for reefers. Remote monitoring makes use of temperature sensors which are inserted in each reefer container to monitor their temperatures. The readings are transmitted to a central computer for processing. The data can also be integrated with PORTNET, giving shipping lines instant access to information on the state of their reefers round-the-clock.

(*PSA News*)

Singapore Port Institute Will Be Set Up

By Goh Eng Yeow

By next April, a new and unique institute will be set up here — the Singapore Port Institute.

The \$13.7 million institute, to be established by the Port of Singapore Authority, will be the leading centre in the Asia-Pacific region for training in shipping and port activities. Only Rotterdam in Europe is believed to have such training facilities of a comparable level and scope.

The institute plans to conduct more than 100 courses, including a new 10-month diploma programme on shipping and port management, conducted jointly with the University of Delaware in the United States.

Announcing the plans, PSA's Executive Director, Mr. Ng Kiat Chong, said: "We aim to achieve excellence in training and become a premier port training centre in the Asia-Pacific region."

He was speaking at a certificate presentation ceremony for PSA staff at the World Trade Centre.

Mr. Ng said the move is aimed at improving expertise and productivity in the shipping and port-related industries. The institute will be equipped

with the latest facilities, including possibly a \$10 million ship simulator, and the initial target is to train about 15,000 people next year.

The courses, both part-time and full-time, are aimed mainly at people with working experience in the shipping and marine industry. Fourteen of the 100 courses will be subsidised by the Skills Development Fund.

The PSA's Personnel Director, Mr. Cheng Tong Seng, said about \$3.7 million will be spent to renovate the former Engineering Services Division (ESD) Building at Jardine Steps to house the institute.

He said the PSA decided to set up the institute in response to growing demand for courses conducted by PSA for other port authorities in the region. It will also help to centralise PSA's training facilities, now spread throughout the Tanjong Pagar Complex and Keppel Wharves.

Mr. Cheng said the institute will also help to train staff from local shipping companies to use computer systems

such as Portnet, which allows paperless shipping transactions.

The institute will initially have a total of 61 staff members, about half of whom will be trainers. They will be assisted by lecturers from local tertiary institutions as well as professionals in industry.

Mr. Ng said the idea of terming up with foreign institutions, starting with the University of Delaware, was to enhance the institute's international standing.

The diploma programme on shipping and port management will be launched in January next year. Participants who successfully complete the programme can proceed to take the one-year Master's programme in marine policy offered by the university.

On PSA's training effort, he said over 6,800 people attended PSA's training courses in the first six months, an increase of 15 percent. He said a five-year programme has been drawn up to train and develop a computer-literate and multi-skilled PSA workforce by 1992.

Report by Bursary Recipient —

(Continued from Page 13)

skills, motivation and retrenchment and benefit programmes. However, I do not propose to delve into this subject as it is not presently relevant to the stage of development of dock-labour in our ports. Suffice it to say that during the visits to the Combined Terminals in Amsterdam and UnitCentre B.V. in Rotterdam, it was noted that the workers were highly motivated and highly paid. We were informed that at UnitCentre, for instance, a crane driver earns as much as US\$36,000 per annum.

(vi) Cargo Handling

The field trips enabled participants to observe the handling of containers, dry bulk, RO/RO and paper rolls. In Rotterdam, the visits to private companies handling bulk cargo were interesting and educational. Grain-handling at the Graan Elevator Maatschappij B.V. for instance, is done by computer-controlled operations which enable the operators to monitor irregularities, stoppages, rates of flow and so forth. The handling technology involved was something that most of the participants were able to see for the first time.

(vii) Acknowledgement and Recommendation

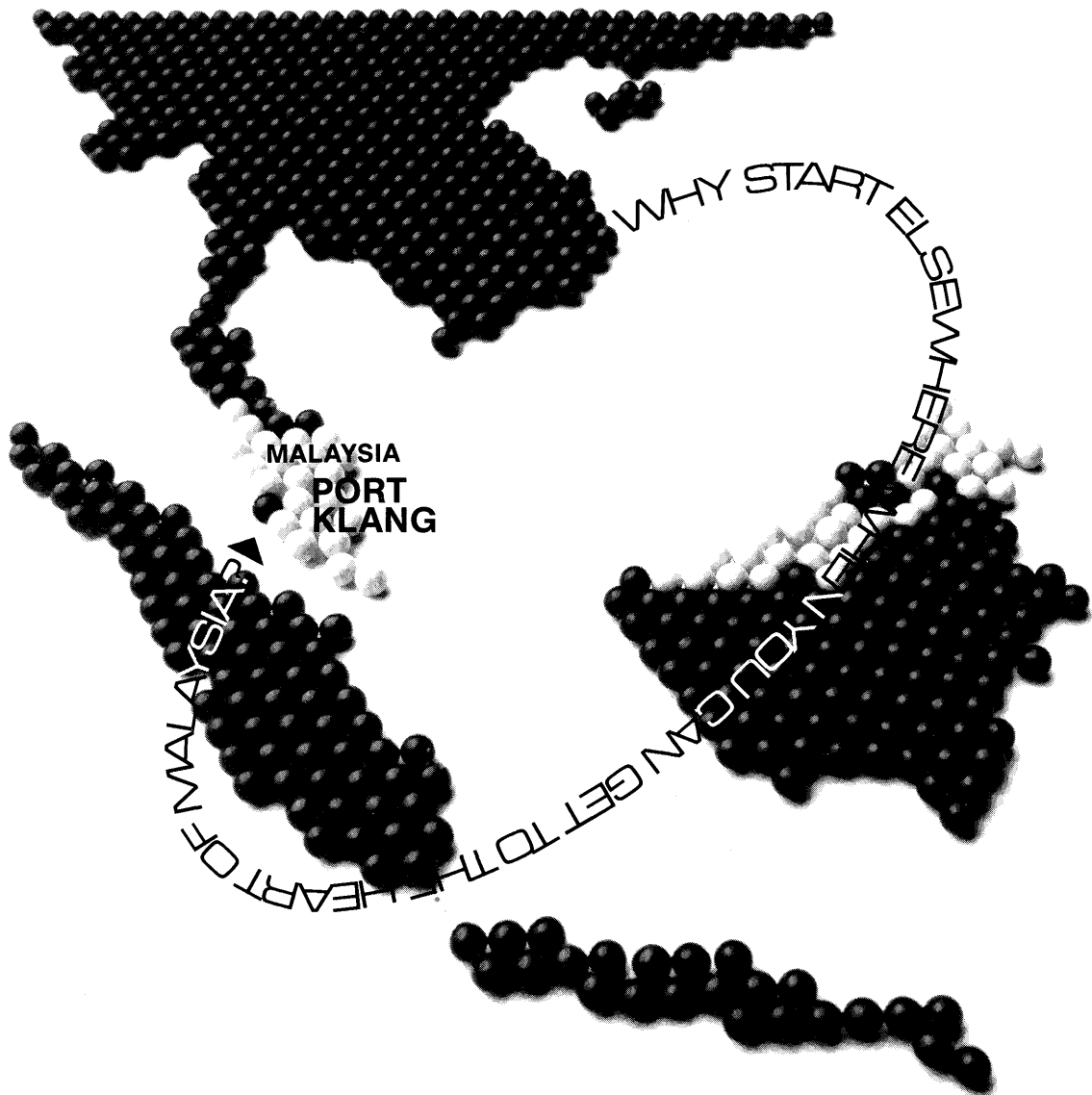
I wish to conclude this short report by stating once again my appreciation to the Sabah Ports Authority for having selected me to attend the seminar and to IAPH for having provided the necessary financial assistance. I also wish to take this opportunity to express my special thanks to Mr. C. Bert Kruk of the Port of Rotterdam and IAPH for his assistance and for his invigorating discourses on containerisation as well as

his final paper "Port Strategy: the Rotterdam example".

The experience and knowledge gained from international seminars are not easily quantifiable but I am convinced that my attendance at this one has served to broaden my knowledge and experience in the field of port administration. However, with the benefit of hindsight, I would propose that for future SPA candidates the Authority should give priority to those at senior management levels before going down to the other managers, although the latter, I believe, should also be given the opportunity to attend. The rationale for the proposal is that the seminar is designed to cater for those management staff who are more or less directly involved in mapping out the development of the port. As innovators of port development, it is essential that senior management staff be exposed to innovations, ideas and developments in the advanced regions of the port and shipping industry which cannot be adequately treated in any textbook or journals.

The five-week seminar provides for both theoretical and practical training conducted in an international classroom environment. On the practical side, it would be an invaluable experience for the port managers to learn and see for themselves the high degree of sophistication achieved in terminal planning, navigational aids systems, cargo handling technology and so forth. On the theoretical side, they will get the opportunity to learn more about marketing strategy, staff and labour motivation, international developments in legal matters pertaining to responsibilities and liabilities of ports and various other topics. As appropriately put by Mr. J.E. Habibie, Director General of the Ministry of Sea Communications, Indonesia, anyone involved in port and shipping management should not miss the opportunity to take part in the seminar.

ONE QUESTION ALL SHIPPERS SHOULD ASK THEMSELVES



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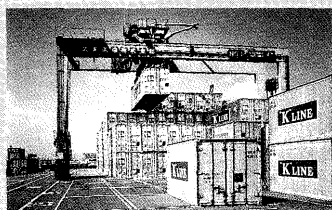
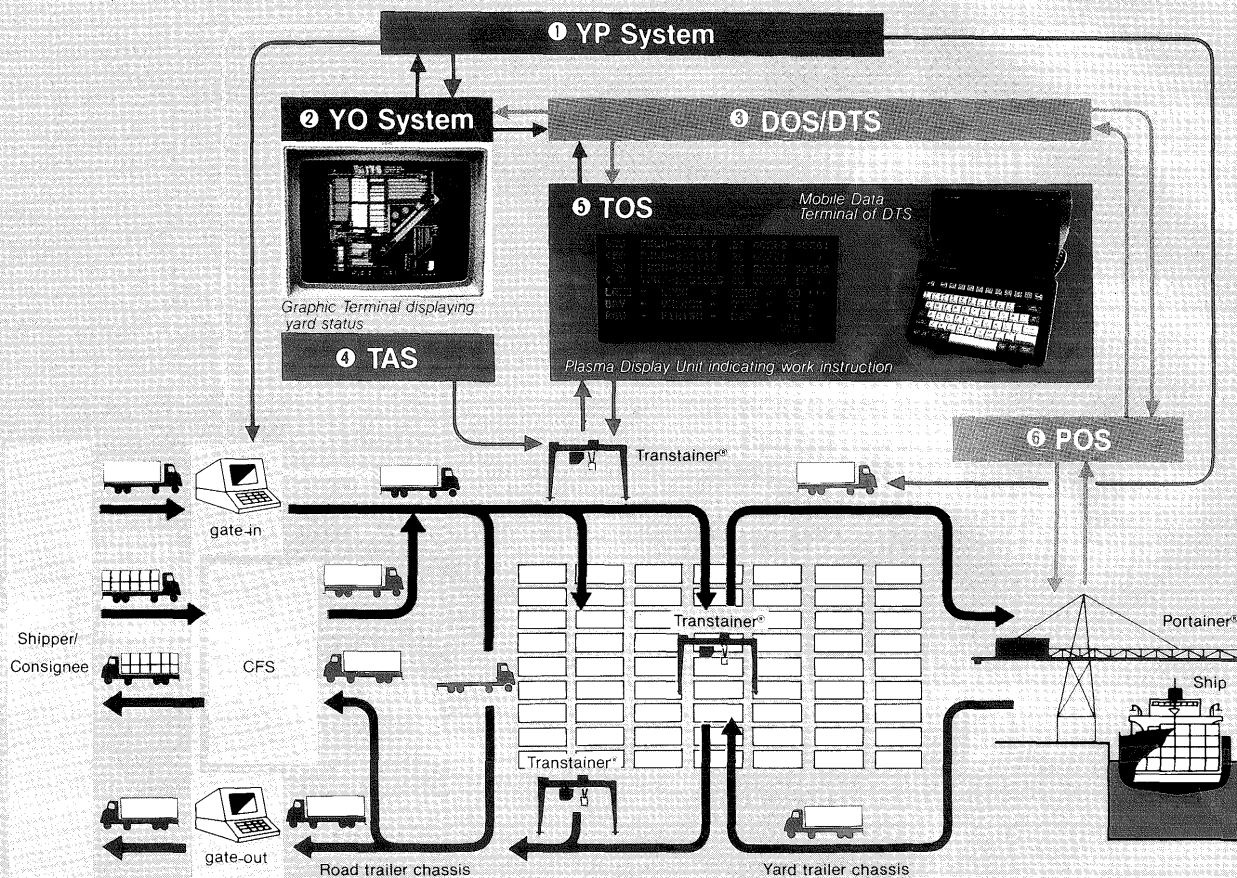
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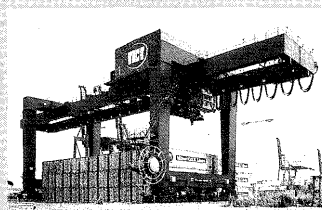
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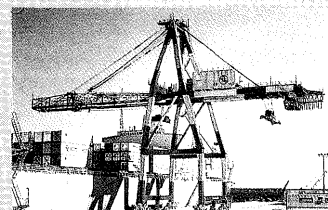
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