

# Ports & Harbors

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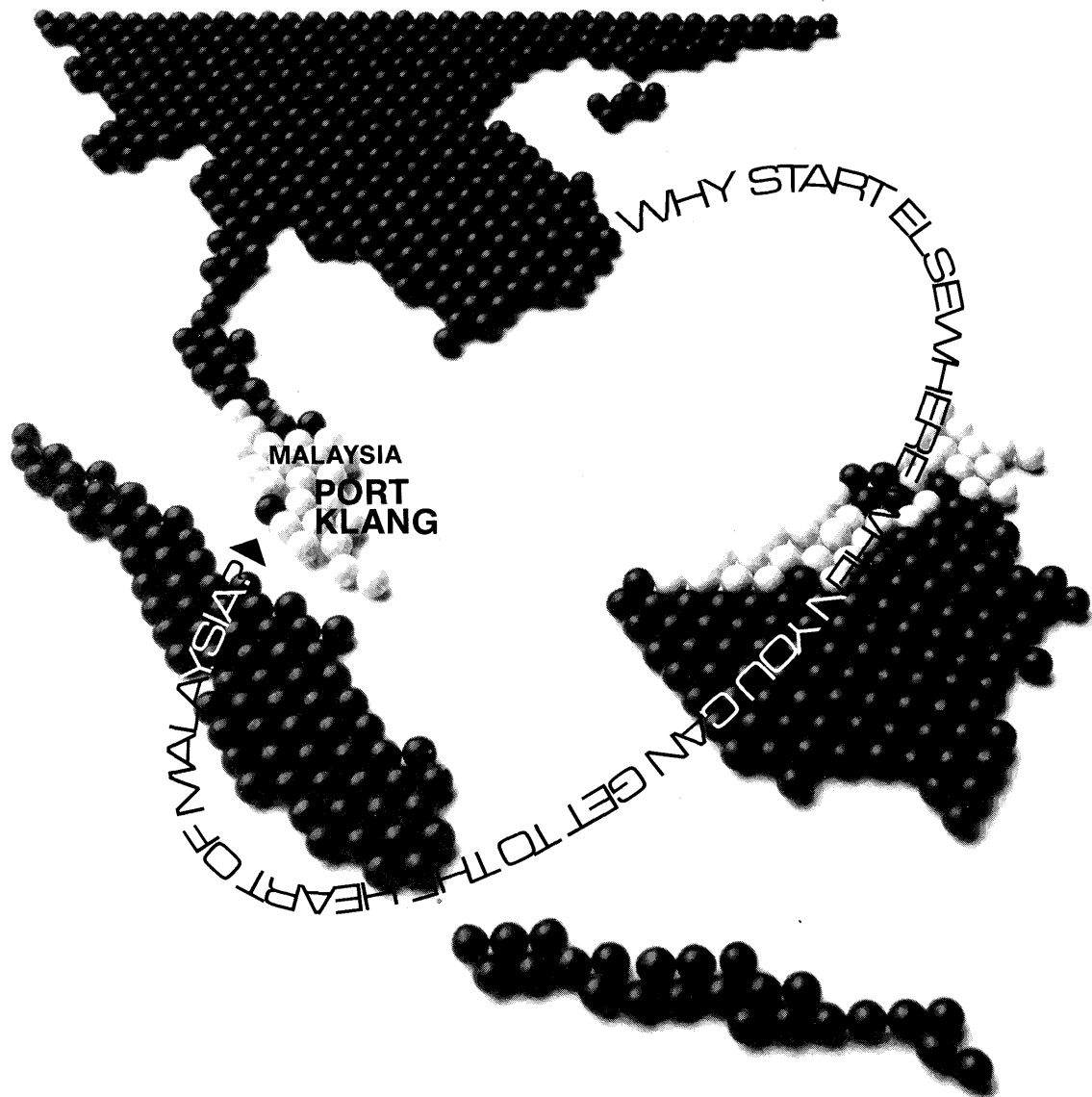


The Publisher  
**The International  
Association of  
Ports and Harbors**

## INTERNATIONAL ASSOCIATION OF PORTS & HARBORS 16th WORLD PORTS CONFERENCE Ports - The Inter-Continental Connection Miami, Florida - April 22-28, 1989



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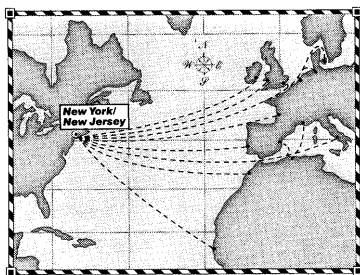
**A port so fast it has to be called...**



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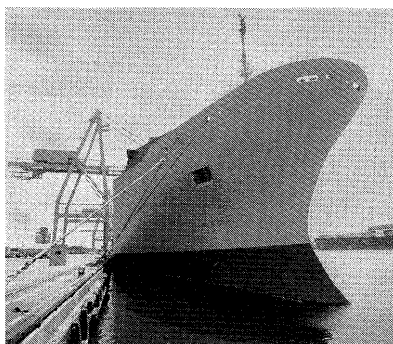
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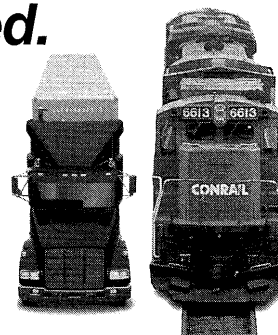
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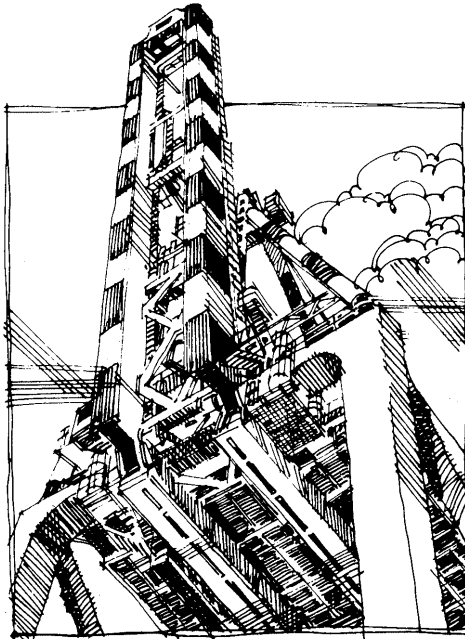
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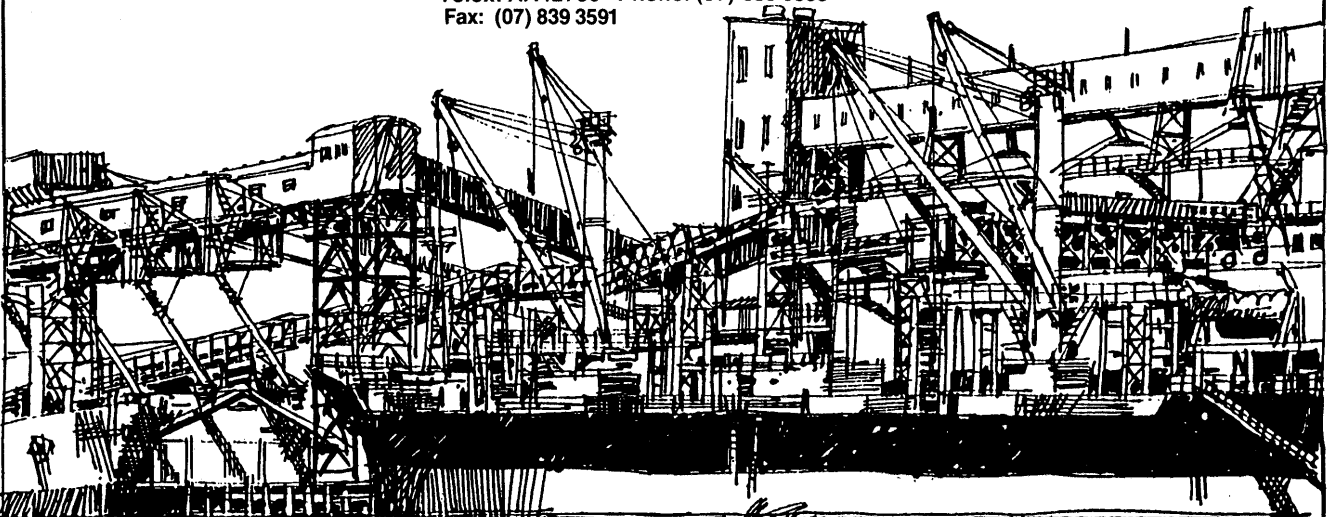
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Private enterprise groups and the Port of Brisbane Authority have spent \$250 million in recent years to ensure that Brisbane is equipped with the very best port facilities. In addition, the port has the backing of a modern rail and road transport system for the quick movement of cargo to and from any destination in Australia.

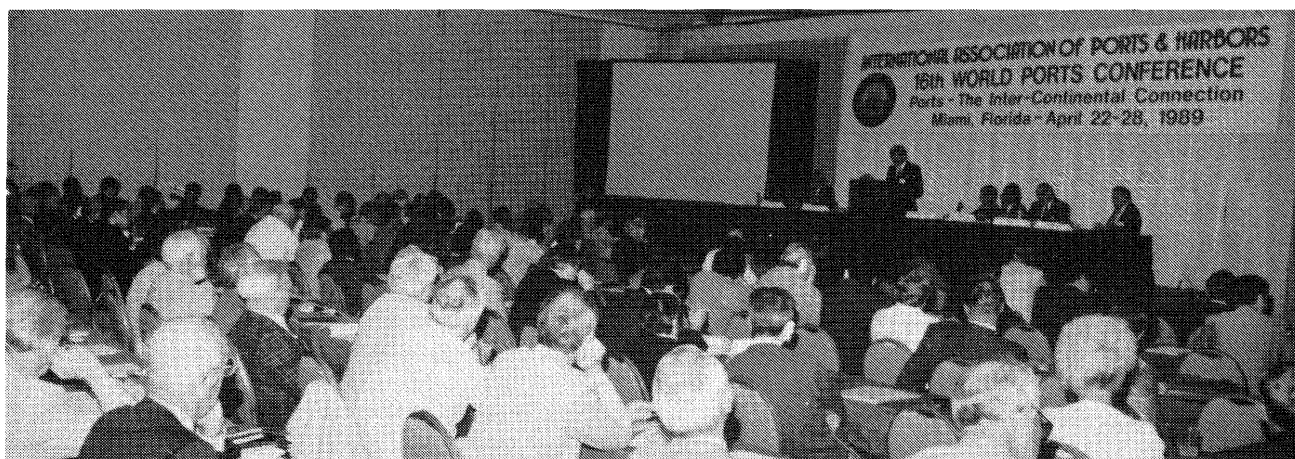
Need we say more?





# Datelined Miami

## The 16th IAPH Conference in Miami Projects Challenging Work Program for World Ports in 1990s



*Delegates at a working session*

**By Kimiko Takeda**

As the IAPH conference approached, fax communications between the Conference host and the IAPH Head Office increased dramatically. The line connecting Lori Goodman in Miami with R. Kondoh in Tokyo became extremely busy throughout the pre-conference weeks in March and April. Indeed, every morning Kondoh found a pile of fax messages printed on the Miami Conference letterhead paper waiting for him and needing his immediate attention. "It would have been a real source of panic for us", Kondoh says, "if our two offices had not been connected by fax, since we totally depended on it in exchanging information on new developments in the preparation work at the two locations". When the Tokyo Head Office staff finally joined Lori Goodman's team at the Fontainebleau Hilton Hotel in Miami, they could hardly believe that they no longer needed a fax machine to ask for something, because her office was set up just one floor down in the ground floor foyer area near the main conference room. Nonetheless, it was of course not only Lori Goodman and Kondoh who found the fax so vital for their business activities.

The conference itself focused on the latest electronic communication technology as a key element for the efficiency of port activities and the versatile roles played by ports, which have been functioning as focal points for the development of world trade and the global economy, and will

continue to do so. Thus the Association's biennial conference undoubtedly gave all participants much food for thought as to the directions they should take as they see out the last decade of this century.

The key words of the Miami Conference, our host Carmen Lunetta mentioned in his opening address, were "Ties — Links — Connections — Interconnections". In fact, the need for us to forge harmonious ties and connections, both business and personal, with our neighbors in this age of the global village was one of the dominant themes of the gathering.

All in all the arrangements our hosts made for the IAPH delegates and their partners were extremely impressive and efficient, in terms both of the business and social programs and of the supply of the various documents which formed the basis of the conference special issues of this journal and the other reports produced by the Head Office. Mr. Carmen Lunetta, Director of the Port and Chairman of the Conference, and his hard-working organizing committee team deserve the highest praise of all the participants for their efforts in designing such an outstanding event — an active but well-balanced convention with something to satisfy everyone.

Following the previous issue carrying the interviews with the key officials conducted by Mr. Neil Sinclair of LLP, together with a brief article covering the Opening Ceremonies only, the Miami Conference is featured in detail in this issue.

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# Opening Ceremony, Monday, April 24

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## Official Opening Declaration By Carmen Lunetta Chairman for the 16th IAPH Conference Director, Port of Miami

Distinguished guests, honored participants, ladies and gentlemen, friends, good morning. My name is Carmen J. Lunetta, Director of the Port of Miami and the Conference Vice-President of the International Association of Ports and Harbors. It is indeed a great honor and privilege for me to declare the 16th Conference of the International Association of Ports and Harbors officially open.

## Welcoming Address By Carmen Lunetta

This is indeed a proud moment for the Port of Miami, and for our fast-growing international community. Miami is a convention city, so it's not unusual for us to host large international conferences, particularly in the winter, when we offer a commodity in short supply in most parts of the world: warm, sunny days and ocean-cooled nights.

But here it is spring. And this international conference is unlike any other. Gathered in this room to kick off a week-long exchange of information and technology, enlivened with spirited doses of good fellowship, are the representatives of the industry that has probably done more to create and sustain the world community than any other.

As the leaders of the world's ports, we each struggle daily with our own unique challenges and concerns. We each try for that competitive edge. But, to rephrase an old saying, we are tied so closely together that, if one of us sneezes, the rest of us catch cold. When one of our economies falters — or flourishes — the rest of us feel it. Because we are so interconnected, we have long recognized the need for strong international cooperation and collaboration. And the International Association of Ports and Harbors, now in its 34th year, links us together in achieving these common goals.

Ties. Links. Connections. Interconnections. These are the key words of this unique conference, which the Port of Miami feels honored to host. Our ports and harbors link the world. They provide the necessary points of connection for international trade. Without them, we would have no such connections. Our people and our goods would be confined to their own lands. Our continents would be isolated



Conference Chairman  
Carmen Lunetta

from each other. And the world would be a much poorer place.

But we **do** have our ports. We **do** have our harbours to welcome people and goods from all over the world. We **do** have our intercontinental connections. And we have good reason to celebrate them, through our theme "Ports — The Intercontinental Connection" at this 16th Conference of the distinguished organization that represents **every** continent on the globe, and is the **only** one to include all the ports of the world.

As one of the youngest members of the select community of world-class port cities, one that has expanded by practicing the intercontinental connection, the Port of Miami well appreciates the significance of this conference theme. Altogether, through this connection, "some \$30 billion in goods crossed Florida's borders, in and out." According to a recent southeast bank study, this trade stimulated an increase in all the services related to international commerce. In fact, Miami now has the second largest international banking community in the United States, with 45 foreign bank offices and 32 "Edge Act" banks. These foreign banks had \$8.94 billion in assets in 1988, an increase of 18 percent over 1987. I know that many of your countries are represented in Miami by one or more of these banks.

Miami is also the home of the largest privately-owned and operated free trade zone. Also, 60 countries maintain full-time consulates and trade offices here. And our airport is second only to New York's J.F.K. Airport in international passengers.

In concluding, I would like to tell you about two unique aspects of this Conference.

First, at the request of the Technical Committees, which are the heart and soul of our organization, we have devoted a complete working session to their activities. At Working Session 2, the Committees will have an opportunity to report on their current projects during a two-part panel presentation.

Second, as you all know, we distributed a questionnaire after the last conference asking you to identify the critical issues facing our ports. During Working Session 6, we will address several of those issues.

The remaining working sessions are planned to cover a complete range of issues and technological problems, both by region and by subject. I, along with the other members of our Conference Committee, hope this program will help you gain a fuller understanding of the world of ports today.

in terms of what other ports are doing; what issues they are facing; how they are responding to new challenges; and, perhaps most important of all, what we can do to help one another fulfill our role as intercontinental connection.

On behalf of the Port of Miami, and the Greater Miami community, I wish you all - our delegates and their spouses - an enjoyable and enlightening stay here in south Florida.

I hope you will take this opportunity to experience for yourselves the full diversity of our natural and man-made resources. And I look forward to welcoming you all to Miami personally as our Conference unfolds.

## Opening Address By Wong Hung Khim IAPH President

Distinguished Dais Guests, Ladies and Gentlemen:

May I, on behalf of all delegates, express our deepest appreciation to our host, the Port of Miami. We thank you very much for the warm reception extended to us. Judging by the superb preparations and months of meticulous planning, I am confident that this will be a world class conference.

May I also pay a special tribute to this beautiful and exciting city of Miami. Our grateful appreciation must surely



*President Wong delivers his opening speech*

go to the Honourable Stephen Clark, Mayor of Dade County, for his hospitality and kindness in sharing this charming city with us. Today, we are most fortunate to have with us the Honourable Bob Graham, United States Senator. We are most grateful that he can take time off from his busy schedule to deliver the keynote address. I must add a special word of thanks to Mr. Carmen Lunetta, Director, Port of Miami, and Chairman of this conference and his colleagues, for their hard work and excellent arrangements.

I also want to take this opportunity to thank the representatives from the various international organizations for attending our conference.

I am delighted to see a number of our Honorary Members with us this morning. I would like to name Mr. Toru Akiyama and Dr. Hajime Sato from Japan; Mr. Ben Nutter, Mr. George Altvater and Mr. Tonny Tozzoli from the U.S.A.; Mr. den Toom, our immediate Past President, from the Netherlands; Mr. John Wallace from Australia; Mr. Andre Pages from France; and Mr. Jim Stewart from New Zealand.

I consider it a great honour and privilege to address such a distinguished gathering. I note that many eminent

leaders in our field will be speaking at this conference. The conference theme "Ports — The Inter-Continental Connection" underscores most aptly the role of ports in facilitating world trade and developing the global economy.

With the next millennium only a decade away, we can expect tremendous changes to take place in the maritime industry. Today, I would like to share some thoughts on this highlight and what I envisage are the challenges and prospects for ports in the coming years.

### Competition From Other Ports

In recent years, a worldwide trend has emerged — the globalisation of businesses. Manufactured goods are no longer produced in a single country and shipped to another. Instead, global corporations source their raw materials from all over the world and manufacture them in multiple locations which offer the best advantages.

As ports around the world upgrade their infrastructure and services to meet new challenges of globalisation, competition will increase. I know that all ports are committed to expansion. To keep ahead, each port must increase its productivity. Ports must gear up for faster turn around time and improve the quality of service.

The world containerised trade has seen a buoyant growth. There will be larger container vessels of up to 6,000 TEUs capacity plying the trade routes. This makes it imperative for ports to ensure that such vessels do not stay longer than necessary. Another key to maintain competitiveness is lower tariffs. To achieve this, ports must be cost effective in their operations.

### Competition From Other Modes of Transportation

In recent years, new products developed are smaller and lighter. They are also of higher value. Examples are computer chips and electronic components. Freight costs, as a proportion of overall costs, are now negligible. This makes other forms of transportation more attractive. In particular, air freight. With the prospect of the European Community opening its borders, I also envisage that rail transportation will regain its importance for transborder freight conveyance.

### Implication of Oil Substitution

Traditionally, oil cargo handling features prominently in port activities. In the era of supertankers, oil refineries sprouted in port areas. But in time to come, we must anticipate that the world will have viable substitutes for oil in particular. We must plan for the day when, with safer nuclear power, ports will handle less oil cargo.

### Pressures from Community

Pressures on ports will also come from the community. As we approach the millennium hailed as the 'Information Age', futurists are predicting more time for leisure and recreation.

Port managers of today are expected to manage their resources more efficiently. For some of us who do not have the luxury of ample port waters, there is the urgency to optimise the usage of whatever is available. There will also be the competing needs for scarce deep-water sea-front land for port development. This must be considered against the needs of other economic and recreational activities. A greater intensification of the use of existing port areas is the least that port authorities owe to their community. They should



consider opening windows along the waterfront, for the enjoyment of the community. This will help to justify more prime sea-front land for port use. Through good planning we can all ensure that there can be healthy co-existence between port and recreational facilities.

### **Technological Advances**

Although containerisation is widely accepted and established, many developing ports still face problems in finding the necessary capital to embark on it. Others need to upgrade and adapt to newer containerisation technologies. The new generation post-Panamax container vessels, for example, require cranes with a longer reach.

Coupled with computer-aided operations, such cranes will help improve ship turn-around times.

The marriage of computers and telecommunications as Information Technology offers vast potential for ports to improve productivity. A major step taken by some ports is the exchanging of information electronically. Commonly referred to as EDI, such links between ports have made it possible to achieve more precise planning in cargo handling from the moment a vessel leaves the last port of call. A greater impact brought about by EDI is the paperless submission and clearance of shipping, port and trade related documents. Ports must take the initiative to promote and accelerate the use of EDI. This will complement the higher efficiency of their container terminal operations. With EDI there will be faster and more effective communication between ports and their users, both vessels and traders. This way trade will no longer be hampered by the bottleneck of unproductive paper work.

More capital is necessary to harness the new technologies. The problem is compounded when we have to justify these new investments, when other initial investments in older technology have not been fully recovered.

### **Taking Stock**

With this scenario, I would like to urge all delegates to take stock and ponder on the challenges we will meet. This conference will give us an excellent opportunity to tap the combined expertise of the best port managers in the business. I am sure the deliberations in the working sessions will be translated into an agenda for action. Today, I can offer some suggestions or food for thought.

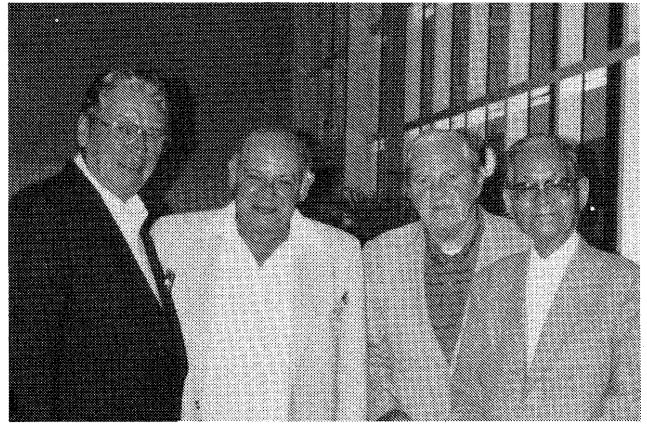
### **Learn from Airline Industry**

Firstly, we can learn valuable lessons from the airline industry. They have been quick to harness modern technology. They have used Information Technology to their gain. The airline industry is linked globally by telecommunications. By networking, they provide value added services to customers. At the same time, with instant access to information, they can optimise passenger and cargo loads. This has led to quantum improvements in service, so critical for their business. They have also reaped productivity gains from simplified procedures and minimal documentation.

I am heartened to note that there is increasing cooperation amongst ports in electronic networking. The Port of Singapore for example has Teleport links with the ports of Bremen and Hong Kong. The World Trade Centre in Singapore is linked with a chain of similar centres in other ports worldwide.

### **Sea-Air Cargo Concept**

Secondly, we should also actively explore the Sea-Air



*A happy reunion of Honorary Members: From left, George Alt-vater, Tony Tozzoli, Pat Falvey and Toru Akiyama*

Cargo Concept. This can give users a cheaper and faster alternative.

### **Investment in Human Resources**

Thirdly, in our efforts to improve the performance of our ports we must not neglect the people who manage and operate the port. It is vital to invest in training and further education.

As ports continue to introduce high technology, staff must be correspondingly upgraded. This way systems can be efficiently managed and further refined to cope with new challenges. It is also critical to increase the standard of professionalism of the managerial grade.

### **Pooling Resources**

Fourthly, we must find more areas for co-operation. Ports can look for ways to pool resources to enjoy economies of scale. For example, when buying expensive equipment - be they cranes, computers or artificial intelligence software, ports can consider standardising their specifications. This will facilitate bulk orders. It will save money. More importantly it will facilitate global integration of services and electronic networking.

### **Community Programme**

Finally, we must show the community that we care. Many people are still ignorant of the role ports play in enhancing their country's economy. They do not realise what a vital lifeline ports are. To achieve this, we need to embark on a sustained public relations and community relations programme. Opportunities must be created to explain the contribution of ports to the economic wellbeing of the country. We can organise visits and exhibitions. We should support some important community-based programmes. In short, we must play the role of good corporate citizens.

### **Conclusion**

The years ahead will pose exciting challenges for us. There are good prospects for growth and expansion. However, whether we succeed in fostering further development of the world's ports depends on how we all rise to the challenges ahead.

On this note, I wish all of you a rewarding and enjoyable conference.

# Keynote Address By the Honorable Bob Graham United States Senator

Buenos dias! Como que estas breves palabras van a ser traducidas al espanol! Bon jour! Bienvenue au Florida! Konnichiwa! Yookoso Florida-e! After a few moments of work by greeting our visitors in each of these languages, now let me say "Welcome to Florida" in my native English. I thought it would be appropriate to spare the translators.

It is significant that we greet each other in so many languages here in Florida, because Floridans are experts



*The Honorable Bob Graham, U.S. Senator, the keynote speaker*

at international welcomes. Florida has become one of the most cosmopolitan places on earth, a melting pot of peoples and a meeting point of economies.

In the past several years, Florida's participation in international trade — particularly ocean-going trade — has sky-rocketed. Florida is home to 11 deep-water ports, that collectively serve all major trade areas of the world.

In 1987, the Port of Jacksonville and Port Everglades nearly doubled their exports from the previous year, while imports increased by almost one million tons in Tampa alone. Last year, this trend continued as overall tonnage at Florida ports increased by 8.2 percent.

The Sunshine State has become a focal point not just for the movement of goods, but also for the movement of people. We hope that you enjoy your conference visit here so much that you extend it an extra week — and take advantage of the countless cruise trips leaving and returning through Florida's ports.

Contemplating a cruise always reminds me of the insightful observation of that famed amateur psychologist, Lucy from the comic strip *Peanuts*. On one occasion, Lucy pontificated to Charlie Brown, "When some people take a cruise, they place their deck chairs at the front of the boat, so they can see where they're going. Other people put their deck chairs at the back of the boat, so they can see where they've been."

"Charlie Brown — " she asked, "where, in your cruise of life, will you place your deck chair?"

To which the hapless Charlie Brown muttered, "I can't ever get my deck chair unfolded." (Laghter)

Well, today I want us to place our deck chairs firmly at the front of the boat. Because there has never been a more important time to look forward toward where we are

heading. Developments across the world make it clear that the struggle for dominance between different political systems and different nations is increasingly not a military but an economic contest. This past month we marked that longest continuous period of peace in the last 450 year history of Europe as we know it. Democratic regimes are coming to power in increasing numbers not through firepower but through "people power."

While there is still too much suffering and too much bloodshed around the globe — in Angola and South Africa, in Cambodia and Latin America — we have entered a period of relative world peace and relaxed global tensions.

There is a good reason for this: We are increasingly interdependent. The fates of all peoples are increasingly intertwined. We breathe the same air, drink the same water, live under the same threat of nuclear warfare. More than ever in mankind's history, we must learn to live and work together.

International trade is a major component of that change. As one can see so clearly here in Florida, trade brings us in contact with other cultures, broadening our horizons. It allows us to engage in mutually enriching intercourse. Our increasingly interconnected postwar economies are proving that familiarity breeds understanding, that trade promotes both strength and peace.

Perhaps we have not yet reached the day when swords will be beat into ploughshares, but at least we are expending more effort ploughing common ground than fighting over it.

Unrestrained competition on the field of war can only be destructive. Free competition in the field of trade has proven to be constructive. That is why this is a particularly exciting time. The power of free trade is bringing nations across the world together in new economic alliances. The European Economic Community has begun moving toward true community by 1992, when internal trade barriers among these nations will end.

The United States and Canada have entered into an historic free trade agreement, and other nations across the globe have expressed their interest in joining us. Argentina, Brazil and Uruguay have reached an accord to move toward a similar relationship.

We must seek to ensure, however, that the elimination of trade barriers within trading blocs does not become an excuse for the erection of barriers between trading blocks. Relationships that promote national interests must work to expand world trade and enrich the international economy; they must not serve simply to advance narrow, nationalistic goals that detract from the common wealth and common advancement of mankind.

It's a simple fact that free trade brings the most benefit to all nations. And again, there's no clearer illustration of that than here in Florida. The growth of Florida's return exports to Japan has been staggering. Before I initiated our efforts, as Governor of Florida, to help introduce more citrus to Japan, the U.S. exported just over six million single-strength equivalent gallons of grapefruit juice to that country. By the next year, 1986, that figure had risen to nearly seven million, and by 1987 it had soared to over nine million gallons — almost a 50 percent increase in just two years. And we expect those figures to continue to grow steadily as Japan removes its remaining restrictions on citrus imports.

Clearly, the American citrus industry has benefited handsomely from the growth of free trade. And the increased

trade, the return loads, have meant more activity for Florida ports and greater employment for Florida dockworkers.

But what about Japan? Japanese consumers are better off, because they are getting more of what they want at lower prices. For too long, a small domestic industry had been able to exclude the wider range of citrus products that the Japanese people wanted. Now, thanks to free trade, more Japanese have access to more citrus and better health. The Japanese people, too, are enjoying the benefits of freer trade.

In short, the benefits of free trade do not flow only one way. The ways of free trade are the ways of peace, of strength, of growth for all nations. That is why all of us here today, who know first-hand the benefits of expanded trade and reap those benefits every day, must be the leading advocates in our home nations for free and expanded trade.

But we must do more. We have seen how increased attention to our trading relations is allowing us to overcome old hostilities and build a more peaceful world. We have seen how it is enabling us to overcome international boundaries and forge new communities. Those who benefit from the peace and prosperity of the new world of trade must work together to further broaden this circle. We must help the developing nations work through their time of trial, to join the community of successful producing and trading

nations — so that they too may contribute to the further advancement and enrichment of all peoples.

Here in Florida we have established particularly close trading relations with Latin America. We know better than most the benefits of trade with these developing economies. And we know the major impediment: The heavy anchor of debt that keeps them from developing further.

Latin America is caught in a vicious cycle in which declining living standards lead to increased financial risk for U.S. leaders and decreased market opportunities for U.S. producers. The result is less lending and less commerce, leading to further belt-tightening in the developing world, and the cycle repeats.

This cycle hurts all of us — the developing nations forced to step back rather than march forward, and the developed nations that see opportunities for new markets slip away. Our mutual goal must be an economic environment in which these developing nations can reasonably meet their debt-service requirements and still enjoy new investment sufficient to stimulate the economic growth they need and we all desire.

To do this will require different approaches for different

*(Continued on Page 13, Col. 1)*

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## First Plenary Session, Monday, April 24

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### Settlement of Accounts For 1987 and 1988

The joint Budget/Finance Committee chaired by Mr. Langslet (Port of Long Beach) met on the morning of Saturday, April 22 and examined the financial reports submitted by the Secretary General. The Committee then made a recommendation for the adoption of the settlement of accounts for 1987 and 1988 to the joint meeting of the Board and Executive Committee which was held on the afternoon of Sunday, April 23. The reports with the recommendation of the Board were further submitted to the Plenary Session on the morning of Monday, April 24 and were officially adopted by the Association.

### The Budget for 1989 and 1990

A proposed budget for 1989 and 1990 was similarly examined by the joint Budget and Finance Committee and the Board and Executive Committee before it was unanimously adopted at the first plenary session held on the morning of Monday, April 24. Chairman Langslet commented that the past two years had seen a substantial erosion of the Association's reserves caused by the large increase in the value of the Yen. He further explained his committee's view that it would be necessary to increase our revenues

beginning in 1991, while his committee noted that the Association's revenues have been carefully managed by the Secretary General and his staff, with many cost-saving measures being instituted. The budget as adopted at the Miami Conference was as shown in the table on page 11.

### Amendment to By-Laws

Based on the recommendations from the Constitution and By-Laws Committee chaired by Mr. McJunkin (Port of Long Beach), the Conference passed the following three bills.

**Bill No. 1:** to amend the By-Laws in relation to the fixing of dues by the Executive Committee (whereas under the existing By-Laws only the Board or the Regular Members through a meeting with a quorum are empowered to fix the dues). This is intended to enable the Association to cope in a timely manner with the currency fluctuations that might arise during the mid-term period by entitling the Executive Committee to revise the dues within certain limited parameters.

**Bill No. 2:** to amend the By-Laws in relation to the status of Regular Members eligible to elect the IAPH Directors to represent them at the Board. The purpose of the amendment is to expand the Association's capabilities and flexibility by yet greater participation of the Association's Regular Members in the activities of the Board.

**Bill No. 3:** to amend the By-Laws in relation to the number of elective members of the Executive Committee. As mentioned in the previous issue, this amendment is to strengthen the capability of the Executive Committee by creating one additional post for each of the three regions.

# Secretary General's Address By Hiroshi Kusaka

Mr. President and fellow members:

It is a pleasant duty for me to report on the activities of our Association for the past two-year period following the last conference held in Seoul two years ago, at which I succeeded Dr. Sato as your Secretary General.

Let me first express to all our members my deep appreciation for the solid backing they have given our organization in all aspects of its varied activities. I also wish to thank most sincerely the President, Vice-Presidents, the Board and Executive Committee members, chairmen and members of our committees and Legal Counselors as well as the Liaison Officers for their superb leadership and devotion as regards our day-to-day endeavours on behalf of IAPH's worldwide membership.

At the same time, I would like to reiterate our earnest thanks to our European Representative for the outstanding job he has done in representing IAPH in various important meetings. I feel particularly gratified towards the British Ports Federation for the excellent cooperation it has afforded IAPH in making our representation work possible in a most effective manner.

Today, our Association has 234 Regular Members and 120 Associate Members in 82 countries - not counting six Temporary Members, who I trust will join our ranks after their one-year trial period. The extent of our membership may not sound very impressive until one realizes that each IAPH member organization is responsible for a number of



Secretary General  
Hiroshi Kusaka

ports and harbors under its administration. In view of this, I fully agree with President Wong's description of our Association as "the United Nations of ports."

Furthermore, I am pleased to report that we have been able to welcome a significant number of new members to IAPH during the past two years. At the same time, though, it would not be fair if I failed to mention that some members have left the Association. Details of the membership situation, with the data on who has joined and who has left, are available in my Report to this Conference.

The numerous achievements of the Association's members and committees, and of all the other enthusiastic participants in our various activities, are covered in my report and those from the respective committees, both in the form of publications and of presentations by the chairmen which you will hear at this Conference.

It is clear that IAPH's responsibility as a spokesman for world ports and harbors has increased greatly in line with the Association's mission to work for the common benefit of its worldwide membership. If IAPH is to continue

## Budget for 1989/1990

(Unit: 1,000 Yen)

Items	1989	1990
<b>REVENUES</b>	<b>332,701</b>	<b>297,110</b>
1. From the last term	206,242	171,254
2. Revenues in the term	126,459	125,856
1) Membership dues	110,568	110,568
(1) Regular Members	100,631	100,631
(2) Associate Members	9,937	9,937
(3) Temporary Members	0	0
2) Contribution	0	0
3) Interest receivable	5,743	5,140
4) Other income	10,148	10,148
(1) Advertisement	8,884	8,884
a. Ports & Harbors	6,670	6,670
b. Membership Directory	2,214	2,214
(2) Publications	1,264	1,264
5) Miscellaneous	0	0
<b>EXPENSES</b>	<b>161,447</b>	<b>143,418</b>
1. Personnel Expenses	51,329	53,845
1) Wages and allowance	37,448	39,320
2) Retirement allowance		
fund reserve	4,298	4,513
3) Social insurance and welfare	4,745	4,982
4) Commuting remuneration	1,098	1,153

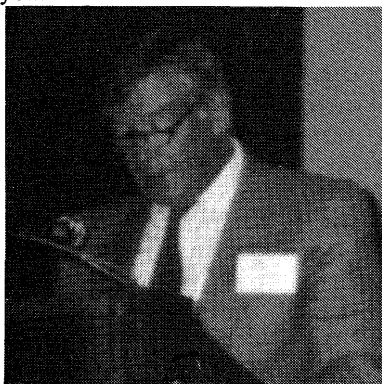
5) Professional services	2,740	2,877
6) Reserve	1,000	1,000
2. Non-Personnel Expenses	85,757	65,055
1) Office expenses	17,008	15,930
(1) Office rents	9,826	9,274
(2) Office utilities	222	224
(3) Equipment & supplies	6,274	5,739
(4) Traffic expenses	686	693
2) Correspondence	5,368	3,742
3) Publications	36,832	33,367
(1) Ports & Harbors	26,983	25,453
(2) Membership Directory	4,747	4,794
(3) Committee Reports		
& others	5,102	3,120
4) Overseas travel expenses	9,129	5,490
5) Data collection	140	140
6) Social expenses	1,900	1,900
7) Conference expenses	12,580	1,236
8) Miscellaneous	800	800
9) Reserve	2,000	2,000
3. IAPH Representation Initiative	13,961	14,368
4. Special Projects	10,400	10,150
1) French version of P&H	6,000	6,000
2) Dredging Task Force	960	960
3) Technical Comm. Financial		
Support	1,530	1,280
4) Yet to be determined	1,910	1,910
<b>BALANCE OF THE YEAR</b>	<b>-34,988</b>	<b>-17,562</b>
<b>BALANCE</b>	<b>171,254</b>	<b>153,692</b>

its role as an international organization representing the world port community, while at the same time functioning as a reliable information source for its members and the various international organizations, we do need to work together and to strengthen our cooperative ties with one another.

In close cooperation with the staff members of the Head Office, I will spare no effort to further the Association's aim of contributing to the members' collective interests and thus help to bring about even greater success in the future on the basis of the advice and ideas offered by our members. We look forward to your continued support in the challenging times ahead.

I am convinced that the 16th World Ports Conference of our organization will provide all of us with a most rewarding forum in which to work together for our common goals and will enable us to deepen our friendship with our colleagues gathering here in Miami from all parts of the world.

Thank you.



*Membership Committee Chairman  
John Mather*

## **Membership Committee Chairman's Report by John Mather**

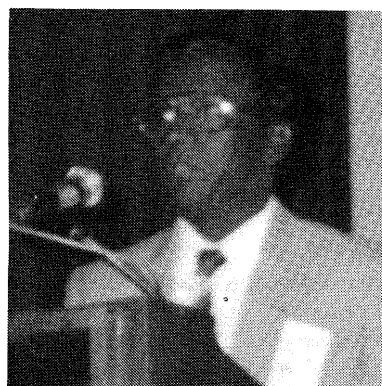
Mr. President, Dear Colleagues, Ladies and Gentlemen:

On behalf of the Membership Committee, I would like to express our sincere thanks to the Officers, the Board and Executive Committee members and the Head Office staff for their efforts in helping our Committee's work to win new members. I also wish to reiterate our sincere thanks to the Committee Chairmen and Liaison Officers who have been kind enough to speak about the various merits of being a member of IAPH in various regional and international meetings.

Complete details of the membership situation of our Association are included in the Secretary General's Report, pages 9-28. As you will find from the data provided in the "Membership" section of the Report, there have been quite a number of comings and goings in our membership list. Nonetheless, I find it a source of great satisfaction that we have been able to add several new members to IAPH since the Seoul Conference. There has been an increase of 34 membership dues units when compared with the figures available at the last conference two years ago, although the actual increase in the number of members has been quite

## **Presentation of The Akiyama Prize**

Following the report by the CIPD Chairman Mr. Kruk, Mr. K. Dharmalingham, the first prize winner in the IAPH Award Scheme, was presented with the silver medal from Mr. Toru Akiyama, IAPH Secretary General Emeritus and the donor of this prize together with a scroll of commendation from President Wong. In his words of thanks upon receiving the award in Miami, Mr. Dharmalingham stressed, "I am a regular reader of the IAPH journal for years, and I have been closely monitoring the contribution made by the IAPH to the shipping community in general, and the port authorities in particular. In fact, it acted as the nucleus for mobilizing all the talents, experience and knowledge of the ports in the developed countries for eventual dissemination to the ports, which are in the developing countries."



*Mr. Dharmalingham, the recipient of  
the Akiyama Prize*

modest since almost an equal number of members has withdrawn during the same period.

As you may know, it has been the practice of each President to head our membership campaign by circulating a letter of invitation, usually signed jointly by himself and the Membership Committee Chairman to potential members. For the benefit of those non-member ports who may need a one-year preparation period before becoming Regular Members, the temporary membership system was established by the Association in 1980.

According to an analysis conducted by the Secretariat, since the creation of this category, altogether 61 ports have joined as "Temporary Members" in the past 9 years. It is most encouraging to note that 30 out of the 61 enrolled as Regular Members upon expiration of their one year temporary membership status.

Our Committee recommends to the Board and the Executive Committee that the Temporary Membership arrangement\* be continued for a further period, with the same fees and conditions applying, on condition that it be reviewed at the next biennial Conference of IAPH in Spain in 1991.

Speaking of the next IAPH Conference, I would like to express our Committee's sincere appreciation to the Government of Spain and the other Spanish members for their vigorous efforts in recruiting quite an impressive number of new members from their country, our hosts for the 17th Conference.

All in all, I think our membership recruitment efforts depend on the value of our Association and on the cooperative



ties in which we have been working together. I trust that we will be able to enhance our membership not only in terms of quantity but by the quality of work that our members can offer to the world port community.

We at the Membership Committee renew the appeal to the Board of Directors, the Executive Committee and all members of this Association to give their support to the membership campaign efforts.

Thank you.

*\* Note: The Board of Directors adopted the resolution to continue the Temporary Membership status for a further term until the 17th Conference in Spain.*

## Keynote Address

*(Continued from Page 10, Col. 2)*

developing nations, and different responses from different lending nations. For instance, here in the US we must act to place our own financial institutions on parity with their Japanese and European counterparts. Current laws and regulations hamstringing our banks' ability to be as forthcoming with hardpressed debtor nations as the European banks have been. We must restore the previous capability of our banks to take immediate tax deductions when they recognize loan forgiveness, and allow them to write down portions of a particular country's debt as needed.

In addition, the United States must reassert its fundamental commitment to international financial institutions. We have been laggard in meeting our obligations, and we have discouraged other nations, particularly Japan, from stepping forward. We have not wanted to relinquish our international pre-eminence, but we must recognize the need and desirability of encouraging other countries to play a larger role in financing international development.

The international community must proceed together by recognizing the need for separate approaches to old debt and new investment. We must work in partnership to make it easier for developing nations to buy back their own debt in either the primary or secondary market, and in providing a cafeteria of options to these nations in dealing with old debt.

In terms of new debt for further economic development, I believe we have an opportunity to use a model developed in this nation after World War II for providing new capital for housing and community development. We must work through an international institution, either one created for this purpose, or an existing institution like the World Bank — to provide loan guarantees to other financial entities.

These loan guarantees, like those here in the U.S. made by the Federal Housing Administration, would be contingent upon the ultimate beneficiary nation agreeing to accept economic reforms that assure economic growth. I believe such an approach would be superior to acting solely through additional international lending.

Innovative and bold initiatives are called for, in any case. So, too, is partnership and cooperation. We face new and uncharted waters. We can steer through them most successfully only if we all work together for economic growth, and free and open trade across the globe.

But these are certainly not just challenging, but exciting times. They require that we keep our deck chairs facing forward. I am confident that if we do so, we can progress further toward a day of decreasing international tensions, and increasing worldwide freedom and prosperity.

Thank you very much.

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# Reports by Liaison Officers

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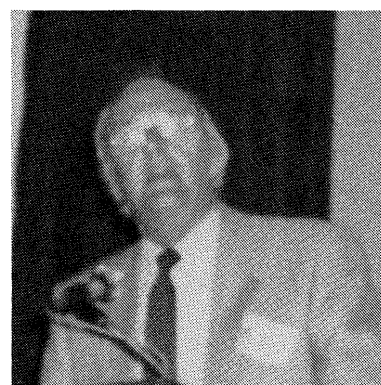
## International Maritime Organization (IMO)

### By A. J. Smith

#### Summary

U.N. agencies, these days, no less than commercial enterprises, are expected by their memberships to be cost-effective. It is also regarded as imperative that the products, so to speak, of their decision-making processes are both relevant and pertinent to the needs of their customers.

The IMO's customers are the merchant fleets of the world, their crews and the environment in which they operate.



*IAPH European Representative Alex Smith*

Their needs are for maximum possible safety of the ships and their crews, linked with pollution prevention of the marine environment.

Over the years the efforts of IMO have led to a dramatic improvement in maritime safety.

Ports, including IAPH member ports, by their nature and location are inevitably seen by all other interested parties as natural providers of basic or back-up facilities and infrastructures to provide for maritime safety and environmental protection measures.

However, they might reasonably argue that resulting commitments should be established only after a rational and realistic regard for the circumstances of port operations at local levels.

It is quite fair for IAPH, by its authoritative presence at IMO meetings, to spell out precisely what these pertinent parameters of what is possible are. These are established very carefully by IAPH's Technical Committees.

More opportunities for similar initiatives, such as shown in the IMO/IAPH joint sponsorship of the Environment Impact Assessment Seminar in Baltimore last November, would be welcomed by IMO and should be encouraged by IAPH.

Mr. C.P. Srivastava, Secretary-General, and his Assistant Secretary-General Mr. Y. Sasamura are retiring from

IMO later this year. The IAPH membership expresses its deep appreciation to both of them for their contributions to the Association's work and wishes both organizations to enjoy an ever closer working relationship in the future.

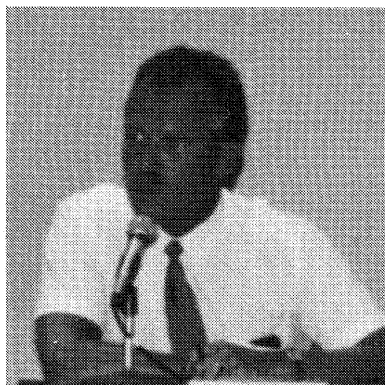
## United Nations Conference on Trade and Development (UNCTAD)

By C. Bert Kruk

### Summary

During the past two-year period, the relationship between UNCTAD and the CIPD has been most active. In some of the CIPD schemes, UNCTAD and the CIPD have worked very closely together, such as in the monograph scheme, the port operation scheme and the essay competition.

The Chairman of the CIPD or his substitute was able to be present at the major meetings of UNCTAD, which



Bert Kruk, the IAPH Liaison Officer with UNCTAD

were judged as important for IAPH activities. All the meetings thus attended by IAPH representatives were reported to the Head Office for publication in the journal.

On a key personnel matter, Mr. J. Cambon has recently replaced Mr. Eric Williamson in the post of Chief of the Shipping Division. As for the future, the CIPD Chairman

is convinced that the relationship between IAPH and UNCTAD will remain as close as it has been up to now.

## Customs Cooperation Council (CCC)

By Fernand Suykens

### Summary

Our Customs and Ports have quite a lot in common. We in ports handle cargoes; Customs has to control the cargoes. This means that good cooperation with Customs can do quite a lot to foster trade and traffic through our ports.

It is often said that we are freer than a free port, thanks to the good level of cooperation with Customs. But we do



Fernand Suykens, the IAPH Liaison Officer with CCC

realize that for many of our colleagues Customs is more or less like a state within the state of their port. For that reason, IAPH and CCC have to work together on an international level.

Customs sometimes have an excuse for their difficulties because they are being given work which they normally should not do, such as taking action against drugs, which is very important even in a place like Miami.

For that reason the agreement signed some years ago between IAPH and CCC aimed at cooperation between the two organizations against Customs fraud, in particular drug smuggling, was highly significant.

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## Working Sessions

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*The week-long Conference in Miami enabled all the delegates to tackle a complete range of issues and technological problems faced by ports through their participation in well-planned, half-day working sessions. Altogether six working sessions were held during the Conference.*

**Sessions 1, 3 and 4** focussed on the port and maritime industry scenes of the three regions, namely Africa-Europe, Canada-Americas and Asia and Pacific.

**Session 2** was an open forum-type session of presentations and discussions on the theme of IAPH's six technical committees.

**Session 5** was a session devoted to the issues covering the latest electronic communication technology with a demonstration of the newest trend in ship-to-ship network techniques. The facilitation of customs and trade in the electronic age headed up the session.

**Session 6** was on critical industrial matters identified by IAPH members. Among the five subjects, selected by our hosts on the basis of a survey of IAPH's worldwide membership was that addressed in the major paper entitled "Impact of Ship Design on Ports."

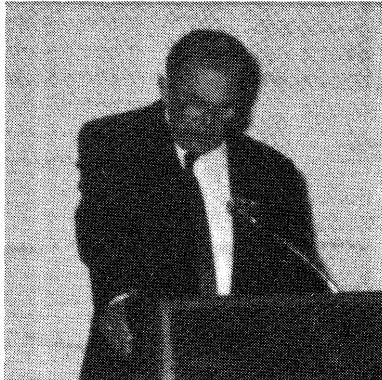
# Session 1: Africa-Europe (Monday, April 24)

**Moderator:** Sir Keith Stuart (Associated British Ports)

**Major Paper:** "What Communities Expect from Ports"  
Presented by B.W. Biesheuvel, former Prime Minister of the Netherlands (on behalf of Mrs. Neelie Smit-Kroes, Minister of Transport of the Netherlands)

## Summary:

"Ports of the world unite against pollution!" is the shortest possible way to summarize author Smit Kroes' message", Mr. Biesheuvel said. His answer to the question



*B.W. Biesheuvel, former Prime Minister of the Netherlands*

"What does a country expect from its ports and harbours?" was "a well planned, responsible, long-term contribution to the quality of life". He warned the audience that all the money in the world will not buy back the natural beauty and resources spoiled by the polluter. Then what is to be done to those who pollute our ports and rivers? In this connection he opined that the ports, as nodal points in the global maritime transport system, should use their unique and considerable powers to enforce the Marpol rules on the environment. "My message is simple," he said. "Get tough with the offenders."

Furthermore, it is vital for ports and harbors to look for innovative solutions to pollution. What is needed is a considered strategy. As an example, he introduced the campaign for a clean Rhine taken up by the Rotterdam authorities, which focuses on the source of pollution by engaging individual companies in constructive discussions.

"I would like to see the courts empowered to confiscate vessels and cargoes," he said, adding "Strict enforcement is only fair towards the majority of owners who obey the rules. It is only fair to the population as a whole. They

expect no less from their ports and harbors".

Next he spoke on the subject "What is going to happen in 1992?"

"It is my conviction that the creation of a single European market with more than 330 million consumers and the free movement of goods, services, people and capital will represent a stimulus for the world economy," Mr. Biesheuvel stated.

He went on to say that besides commercial, technical and infrastructural innovations, there is a fourth factor in the success of ports and harbours: social innovation.

However, such social innovation is heavily dependent on the development of good and stable relations among all parties involved, such as those between unions and employers.

Furthermore, Mr. Biesheuvel was of the opinion that the single European market will mean a boost to global prosperity.

Concluding his speech, Mr. Biesheuvel revealed his conviction of the great importance of IAPH in the international port and transportation field, saying "Our Minister, Mrs. Neelie Smit-Kroes, is strongly convinced of the vital and pioneering role IAPH has to play in also making 1992 successful in our common battle against pollution."

## Panel (and subjects addressed):

"The Difficult Road Towards a Common European Seaports Policy" by Fernand Suykens (Port of Antwerp)

"Operational Review of Mediterranean Ports" by Fernando Palao (Ministry of Public Works, Spain)

"Regional & Inter-Port Cooperation" by Jean Michel Moulod (Port of Abidjan)

## Other panelists:

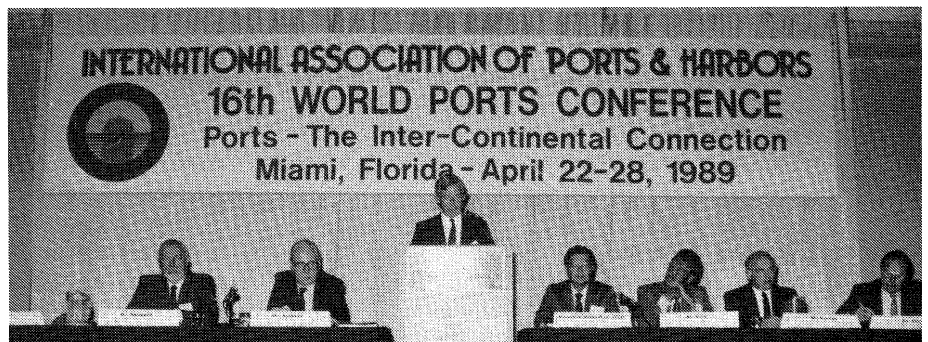
Dieter Noll (Port of Rostock)

Jean Smagghe (Port of Le Havre)

# Session 2: IAPH Technical Committee Activities (Tuesday, April 25)

This session was led by the IAPH President Wong Hung Khim from Singapore, acting as the moderator. In the first phase the chairmen of the six technical committees made presentations on the major aspects of their work and plans for the next two-year period. In the second phase the audience was introduced to a full analysis of the subject of containerization, with reference to all aspects of port life.

*Technical Committee Chairmen: From left, Jean Smagghe (COPSEC), Fernand Suykens (Trade Facilitation), Robert Cooper (Cargo Handling Operations), Wong Hung Khim (IAPH President), Bert Kruk (CIPD), Patrick Keenan (CLPPI Vice-Chairman) and Robert Hayes (PA-COM)*



## Session 3: Canada and Americas (Tuesday, April 25)

**Moderator:** J.H. McJunkin (Port of Long Beach)

**Major Paper:** "The Panama Canal"

By Richard A. Wainio, Chief, Economic Research & Market Division, Office of Executive Planning, Panama Canal Commission

### Summary:

Mr. Wainio stated that the current political and economic crisis in Panama has led to unforeseen expenses on an enormous scale and that the lack of a solution could reduce the facility's future role in global shipping.

He went on to say that morale was declining among the canal's workforce and reported that the facility is in-



*Richard A. Wainio speaks about the Panama Canal*

curing hundreds of thousands of dollars per month in unbudgeted expenses because of the upheaval.

"Failure to resolve Panama's problems could lead to a decline in the operations of the canal", warned Mr. Wainio, who urged the U.S. and Panama governments to give due regard to their mutual interest and responsibility for the smooth and effective operation of the Panama Canal.

Mr. Wainio pointed out the U.S. government's repeated pledge to fulfill its obligations under the Panama Canal Treaty. Most of the U.S.-controlled Canal Zone became part of Panama in 1979 under the Panama Canal Treaty. A coalition of liberals and conservatives in Congress has pushed for a review of the agreement, with hardliners advocating a reversal of the U.S. commitment to hand over control in the year 2,000. Currently, the U.S. leases the facilities for \$70 million annually.

Furthermore, Mr. Wainio commented on Panama's upcoming presidential election and on the election's legitimacy. He warned that "if and when the present political turmoil subsides, Panamanians cannot look to the canal as a panacea for current economic woes," noting that "Panama is in the most severe political and economic crisis of its history." "The canal cannot be a cash cow and much will need to be done to ease shippers' fears."

### Panel (and subjects addressed):

"Latin American Trade Overview" by Manuel Lasaga (Southeast Bank, Miami)

"Canadian Ports Overview" by Jean-Michel

Tessier (The Canada Port Corporation)  
"The New U.S. Port Director" by Eric Stromberg (American Association of Port Authorities)  
"The Impact of Strategic Planning on Ports" by W. Don Welch (South Carolina State Ports Authority)

## Session 4: Asia and the Pacific (Thursday, April 27)

**Moderator:** Stan R. Beevor (Deputy General Manager, Maritime Services Board of N.S.W., Australia)

**Major Paper:** "Japanese Ports and Overview on Trade and Transportation" by Yukitoshi Sasayama, Deputy Mayor of Kobe (on behalf of Mr. Tatsuo Miyazaki, Mayor of Kobe)

### Summary:

Mr. Sasayama in his report analyzed the changing trade structure of the region's economies.

He pointed out that the Asia-Pacific region is drawing worldwide attention as one of the leading growth centers



*Yukitoshi Sasayama presents the major paper*

in the world by means of the export-oriented industrialization of the Asian Newly Industrialized Economies and the introduction of foreign capital into their domestic economies.

Containerization in the 1990s will undergo transformations to meet the needs of the times and further technological progress. The main categories of cargo will be knowledge-intensive, higher-valued, small in quantity and of diverse types requiring less expensive, faster and more reliable transportation. Thus it will become increasingly necessary for ports to form closer connections with the air transportation industry to expand the bimodal system of sea/air transport beyond its current function of providing distribution centers for ocean and land transportation.

Toward the next century, Mr. Sasayama continued, there will be a need for the comprehensive utilization of port space for distribution, industry and residential purposes.

So that participants might gain an impression of what is going on at his Port as it continues to play the role of a major hub in the region's transportation network, a film was shown on the ongoing project at the Port of Kobe, including the current progress of the construction of two

man-made islands, Port Island and Rokko Island. The project includes a computer-controlled crewless transit system, 12 container berths and 15 liner berths, an "intelligent" town for 20,000, international convention and exhibition halls and sports facilities as well as encompassing measures to prevent pollution and traffic jams during the construction periods.

Mr. Sasayama concluded his speech by expressing his optimism that Kobe and the other Japanese ports, along with the nations's overall economy and industrial set-up, will make great efforts for international cooperation and coordination in the years leading up to the coming century.

**Panel (and subjects addressed):**

"Ports of Hong Kong: Current Situation and Future Prospects" by Ian Strachan (Marine Department, Hong Kong)

"Malaysian Port Overview" by Hashir H. Abdullah (Kelang Port Authority)

New Zealand Port Overview" by Ronald P. Snodgrass (Taranaki Harbour Board)

"Impact of Australian Waterfront Development on Ports" by Neil S. Samuels (Port of Geelong Authority)

"Korean Port Overview" by Il-Soo Jun (Korea Maritime Institute)

## Session 5: Communications (Thursday, April 27)

**Moderator:** Fernand L.H. Suykens (Port of Antwerp)

**Major Paper:** "Customs and Trade Facilitation in an Electronic Age"  
By Thomas P. Hayes, Secretary General, CCC

**Summary:**

The CCC Secretary-General, Thomas Hayes, began his presentation with an appeal for the ports to continue working together with Customs to achieve their respective goals. He referred to the memorandum of understanding on drug traffic which was signed at the Seoul Conference in 1987 as a significant example of such cooperation between the ports and Customs.

Next, he stressed the urgent need for all ports to implement EDI (Electronic Data Interchange) if they wish to survive into the new century. He said that industries in countries not equipped with an EDI capacity in the next few years will find themselves at a serious competitive disadvantage. Acquiring and using EDI will become a critical trade issue for developing countries in the next few years.

Mr. Hayes highly evaluated IAPH's contribution to the work of the CCC. He stressed the CCC's expectation that port operators will provide all necessary assistance to combat Customs fraud and, in particular, to wage war against drug smuggling.

The CCC is well aware that the port operators look to Customs for cooperation in exercising a strong standardizing and unifying influence on international trade



*Thomas P. Hayes, Secretary General of CCC*

practices and procedures around the world.

In this connection, he commented that last year's endorsement by the CCC of EDIFACT was a significant step in ensuring the use of a standard electronic language for international trade. When it comes to implementing port computer systems, there is a long and productive history of the closest possible cooperation between ports and Customs.

Mr. Hayes sees EDI as revolutionizing the effectiveness of Customs procedures at frontiers. There are difficulties in introducing EDI in developing countries, but he does not regard them as insurmountable. In a rather perverse way the countries that most need EDI are the developing countries because the weight they place on tariffs and their dependence upon Customs are just so great.

He concluded by forecasting that the extremely close cooperation between ports and Customs existing today will manifest itself in many other parts of the world.

**Panel (and subjects addressed):**

Presentation of Electronic Terminal Operations Systems By Keh Eng Song, Port of Singapore Authority

Demonstration of Ship to Shore Communications Capability

By Capt. J.L. Fear

Howard Feldman

Herbie Rijndorp

International Maritime Satellite Organization (INMARSAT)

Demonstration of Electronic Cargo Clearance

By Carmen J. Lunetta, Port of Miami

## Session 6: Critical Issues (Friday, April 28)

**Moderator:** Dominic J. Taddeo (Port of Montreal)

**Major Paper:** "Impact of Ship Design on Ports" by Jean Smagghe (Port of Le Havre)

**Summary:**

To the question "What is the impact of ship evolution on ports?", Mr. Smagghe said "The best answer is that the most important role is played by the cargo. It means that both ports and ships have to adjust to the cargo."

According to Mr. Smagghe, it is especially necessary for ports to adjust not only their infrastructures but their organizational set-ups to meet the ships' requirements.



Shipowners are more and more involved in the logistic chain, and that leads to the creation of "maritime-land" groups. One of the consequences of this trend is revealed in the growing sizes of container ships. Today major shipowners are turning aside from 2,000 TEU ships and purchasing 4,000 to 5,000 TEU vessels instead.

Also included in Mr. Smagghe's presentation was reference to terminal computerization and automation. "We should not forget that major ports are going to become international distribution centers and that there will be more and more transfer of competence from the port authorities to private companies, not only for investment but for the very management of their terminals."

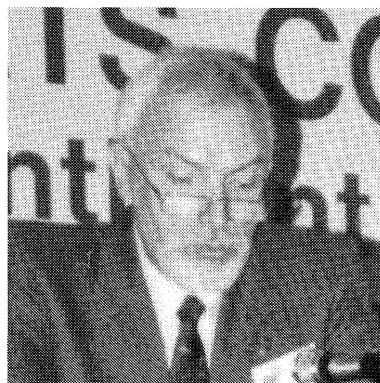
For ports in developing countries with difficulty in accommodating fourth, or even third or second generation container ships so soon, feeders of about 1,000 TEU will be one solution. Meanwhile, it is of prime importance for the developing ports to find the financial resources to improve their facilities.

Mr. Smagghe said that multi-purpose terminals have been disappearing and ports have been converting them into facilities where large ships can be processed quickly and efficiently.

In terms of investment, the main problems faced by ports are dredging and the need for physical expansion. Even when these problems can be solved they are especially expensive as they are linked to the environment.

For the sound development of ports at the end of this century and the beginning of the next one, some of the elements which may have an influence on port life are:

- major technological changes;
- the effect of deeper involvement of shipowners in the logistics chain and in port handling, leading to a redefinition of the role of port authorities and new kinds of port organization;
- technological changes related to information cir-



*Jean Smagghe presents the major paper*

— culation, such as EDI and satellites, which will contribute to time and cost reductions; and

— environmental problems.

Ports of the 21st century will be super-efficient tools in which automation will be king. They will be in the hands of specialists, using sophisticated equipment to allow for the transit of millions of tons of goods transported by a few hundred ships. Therefore port directors will experience rapid evolutions. "What happens today in developed countries will appear tomorrow or the day after tomorrow in developing countries," Mr. Smagghe concluded. "It is thus clear that an organization like IAPH is most valuable since all ports will face the same kind of problems even if each port has its own individual circumstances."

#### **Panel (and subjects addressed):**

"Impact of Intermodalism on Ports" by McNeil Porter (CSX — Sealand Intermodal)

"Optic Fiber Use in Port Maintenance by Gerhard Weber (Siemens AG's Flexible Cables Group) and J.T. Scholes (Coast Engineering and Manufacturing Company)

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## Second Plenary Session, April 28

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### Resolutions:

The resolutions as passed at the Conference are explained below.

**Resolution No. 1** was one of condolence. It expressed the deep sorrow felt by the Association at the passing of certain individuals of meritorious service to the Association since the previous conference.

**Resolution No. 2** was to express the IAPH stance concerning the limitation of liability of terminal operators in the proposed convention on the Liability of Terminal Operators now being discussed by UNCITRAL. As already announced in the previous issue, the submission of the IAPH Resolution has been acknowledged by the UNCITRAL secretariat and IAPH has been assured that the texts of the IAPH resolution will be translated into all the languages of the United Nations for distribution to the delegates at the 22nd session.

**Resolution No. 3** was to express the appreciation of IAPH to the Conference Hosts in Miami.

**Resolution No. 4** was to elect the IAPH Conference

Vice-President. This was intended to enable the host for the next conference of IAPH to conduct the preparation work in a smooth and efficient manner.

### Election of Honorary Members:

At the second plenary session held on the afternoon of Friday, April 28, following the report by the Honorary Membership Committee Chairman Mr. John Mather, the Association elected the following three new Honorary Members: —

1. Wong Hung Khim of Singapore, the outgoing President of IAPH
2. Jacques Dubois of France, former Chairman of COPSEC and the Conference Host for the 11th Conference
3. J. Rommerskirchen of Germany, former Conference Vice President and Host for the 15th Conference

# Address by the Outgoing President Wong Hung Khim

Distinguished guests, delegates, ladies and gentlemen:  
I have often wondered at the amazing pulling power of IAPH conferences. Each year they get better, attracting more participants and guests. This, the 16th IAPH Conference, is no exception. It is superbly organized with a record attendance of 700. They come from 141 major ports representing 66 countries.

The reason for the overwhelming support, I guess, lies in the perception of all of us — the members. We consider it good value for money because the conferences are always held in exotic places with a congenial atmosphere and hospitable surroundings to facilitate the frank exchange of ideas and knowledge. Of course, we also welcome the opportunity to make new friends and renew old ties. But more important, I think, is the fact that the conferences provide the ideal forum for us to achieve our common objectives. For example, we review new technologies that are useful to port operations. We formulate and adopt common stands on matters concerning environmental issues such as pollution of the seas. We also project trends in maritime transportation and observe the shifting of international trade patterns. All these help us plan and manage our facilities and resources with a greater degree of confidence. So we have good and compelling reasons to spend the last week or so in one of the most renowned resorts in the world.

It is a fact of life that ports cannot avoid competing against each other for a bigger share of the trade. However, this has not prevented us from collaborating for the common good. It is indeed a great tribute to IAPH, which has throughout its 34 years of history shown that much more could be gained in terms of international trade if all ports would collectively undertake to improve their facilities and services. This is one of the ideals that led to the founding of IAPH. Our sacred duty is to ensure that our Association continues to fulfill its role as envisioned by its Founding Fathers. This is their vision: "World Peace through World Trade and World Trade through World Ports".

To discharge the duties expected of us by our Founding Fathers, and to keep IAPH vibrant and relevant, the best way is for us to take an active part in its affairs and activities. In this regard, I would say that participation in the work of the technical committees is especially important. Successive Presidents have repeatedly stressed that these committees constitute the backbone of the Association. I would like to add my voice to theirs. With capable and dedicated Chairmen, both past and present, they have chalked up impressive achievements and made invaluable contributions to IAPH. Their reports are rich source of information and indispensable reference material for all ports. As the outgoing President, it is my duty to impress upon all members that the technical committees deserve a great deal more support from all of us. Their effectiveness depends on the input that each of us is prepared to give. I hope my appeal will not go unheeded, as these committees are truly worthy of every support.

I consider it a great honour to be given the privilege



*Outgoing President  
Wong delivers his fare-  
well address*

to lead this great international organisation for the last 2 years. As you are probably aware, I was given a new assignment by my Government shortly after my election during the 15th Conference held in Seoul. Fortunately, the Port of Singapore Authority (PSA) pledged every support and assistance for me to carry on. I would therefore like to place on record my grateful thanks to Mr. Lim Kim San, Chairman, PSA, and Mr. Ng Kiat Chong, Executive Director and my successor in PSA, who is here today — please stand up. (Applause) I would like to thank them for making it possible for me to discharge my duties and responsibilities as President.

During my term of office, I have been given full support by the 3 Vice-Presidents, namely Jim McJunkin, John Mather and Cheung Yeun-Sei; the immediate past President Han den Toom, the Board and Exco members, chairmen and members of the Internal Committees, Technical Committees and Conference Committees, the Legal Counselors and the Liaison Officers. Their collective wisdom was the source of strength and inspiration for me and the Association. To them, I wish to say: "Thank you from the bottom of my heart!"

I would also like to single out for special mention our Head Office Secretariat led ably by the Secretary General, Mr. Kusaka. They have done an outstanding job. I wish to record my heartfelt gratitude for their dedication and hard work in the service of the Association. Besides managing the finances and the records, the Secretariat has maintained a high public relations profile of the Association through the regular and punctual release of our official publication "Ports and Harbors". This publication not only keeps us informed of happenings in other ports but also serves as a medium to hold us together.

In a moment, it will be my pleasant duty to hand over the torch to my good friend, Jim McJunkin. Jim has a very long and active association with IAPH. He is eminently qualified to take over the helm of our Association. Under his leadership, I am confident that the Association will seek new ways to serve the members better. With the full co-operation and solid support of all members, Jim will certainly lead IAPH to greater heights. Good luck, Jim!

I would now like to recognise Carmen Lunetta and his hardworking organizing committee for hosting this most successful Conference. Many of them have remained unsung heroes or heroines, toiling quietly behind the scene. They worked countless hours so that we would have a great conference and a wonderful time in this beautiful city of Miami. On behalf of IAPH, the participants and guests, I would like to record our deep appreciation for all that they have done.

Last but not least, I would like to thank my wife

Catherine for her understanding and support. She has accompanied me to most of the conferences and meetings and participated fully in the social programs. Catherine and I deeply treasure our association with IAPH. We will always cherish the fond memories of the happy times we shared with you during the last 10 years. The bonds of friendship we have forged will long endure. All in all, it has been a most rewarding, enriching and unforgettable experience; an experience we would gladly repeat any place, any time. We thank you very much for it.

## Address by the new President James H. McJunkin

Mr. Chairman, Ladies and Gentlemen:

As is my predecessor, Mr. Wong, I too am an alumnus of the Eleventh Conference which was held in Le Havre in 1979. It was my first conference. I find myself in somewhat the same state of mind as I had at that time; that is, being in a state of awe and terribly impressed that the ports of the world can and do work so effectively together for the betterment of the industry.

I must add that I have an additional feeling of great humility that you have elected me to lead IAPH for the next two years.

During the subsequent conferences, I have learned that despite our different cultural backgrounds and languages, it is not impossible to make lasting close personal friendship with fellow IAPH members. Although it is not formally expressed in our proceedings, the development of these personal relationships around the world may be the greatest advantage of participating in IAPH activities.

I am happy to note the prolific way in which IAPH has been raising families throughout the world. In fact, I feel overwhelmed when I receive the first copy of the annual publication listing our worldwide members from the Tokyo Head Office. I spend a few minutes looking at the various names of our members and savour a feeling of great relief as if I am well protected by members of my family to whom I am closely connected, and easily accessible by letter, fax or telephone. Indeed, this is the form in which our members communicate with one another, either on a port-to-port basis or via the Head Office in Tokyo when they need assistance from others. I am very proud of our communication network and encourage all of you to use IAPH's extensive links when giving and seeking information to and from your counterparts elsewhere.

Nonetheless, we in IAPH obviously must have our get-togethers — meeting and talking with our friends face-to-face, which is always far better than by fax. Thus, we are all delighted, of course, to have the opportunity to meet so many old friends and to make new ones throughout the world here in Miami.

I am very humble and grateful for the honor you have bestowed upon me by electing me President. The greatest honor, however, belongs to those who have preceded us. Without the efforts and skills of all those who have served as Officers, Executive Committee Members, Chairmen and Members of the Internal and Technical Committees, Legal Counselors and Liaison Officers, IAPH would not be what



New President Jim McJunkin delivers his inaugural address

it is today. It is only by all of our future efforts that IAPH can continue to meet the needs of the port industry, which are always increasing.

I also wish to compliment and thank Secretary General Kusaka, Deputy Secretary General Kondoh and the Head Office staff for their usual outstanding performance. The Head Office is most certainly the glue that holds the Association together. Mr. Alex Smith and his London Office is also a bastion of strength for IAPH. I ask you to continue your great efforts.

My special thanks to Carmen Lunetta and the Port of Miami for the outstanding conference we shall finish in a few hours. By the way Carmen is also an alumnus of the Eleventh Conference at Le Havre (Deauville). Congratulations, Carmen, on becoming a Vice-President.

My friend, Khim Wong, I have some very big shoes  
(Continued on Page 21, Col. 2)

## Invitation Address By the Host for the 17th Conference By Fernando Palao

Ladies and Gentlemen, it is an honor and a real responsibility to be handed the torch of Vice-President of the IAPH Conference from Mr. Lunetta. Following this Conference, after the work which has been done by Mr. Lunetta and his team, it is not really an easy task.

Myself, the Organizing Committee of the 17th Conference, and all the Spanish port authorities will join together in order to be able to organize an interesting 17th Conference in Spain in 1991. We shall discuss the challenges of the ports at that time and in the future and we think we shall also be able to establish a pleasant point of reference for all the port family that joins every two years.

It is really a difficult task to organize a conference like this, but at the same time it is a real pleasure to be able to do it at least once. Surely all of you have been able to read some of the brochures that we had in our booth during the first days of this Conference, and we will give you immediately after this session some additional information, at the same time as a glass of wine or champagne, about the conference that is being organized in Spain in 1991.

We invite all of you, every one of you, to the conference and we hope that we will see you all in Spain at that time. Thank you very much indeed!

Fernando Palao, the Host of the 17th IAPH Conference, delivers his invitation address



## Closing Address by the Conference Chairman Carmen Lunetta

Mr. President, we opened the 16th Conference with high hopes and great expectations. I hope you agree with me that now, after five very busy days later, we close with our hopes realized and our expectations a reality. Our two years of planning had one objective: to make this unique biennial gathering of the ports of the world as meaningful, as beneficial and, indeed, as pleasurable as possible. And I hope we accomplished that.

I thank you Mr. President, and I also want to thank the IAPH staff for the tremendous support and cooperation that we have had these two years. And I would like them to stand up, please, so we can give them a nice hand. Stand up!

You really have to work with these people on a day-to-day basis to truly realize the great asset they are to our Association. It would not be the accomplished Association it is today if it were not for them.

I also would be remiss if I didn't at this time recognize two other people who have been so important to me during this Conference. One is probably not in the room because she is still running around. That is Ms. Lori Goodman.

Ms. Goodman, we change hats Monday. I become the boss again, and you become the employee.

Secondly, I want to thank very much the gentleman who has worked very hard for the last year and a half, two years, in putting together what I think has been a very



Conference Chairman Carmen Lunetta (left) shakes hands with the new President McJunkin (center) upon closure of the Miami Conference

## Address by the New President

(Continued from Page 20, Co. 2)

to fill in following you as President. Your performance has been outstanding and I shall do my best to meet your expectations.

The evolution of IAPH is much like the evolution of container ships: each generation of ship is larger. The Association's mission, challenges and opportunities with each passing year become larger. As we face the fourth and soon the fifth generation of container ships, we also face the next generations of port problems. I pledge to you that I shall do my best to meet these challenges.

We do need the help of all of you if we are to continue and expand the IAPH way of helping ourselves by helping each other. With the very strong team of Mr. Mather, Mr. Cheung and Mr. Lunetta and the continued advice of Mr. Wong my task will be made easier and smoother. May I suggest that all of us remain in close contact with each other to maintain the strong and harmonious ties we have developed until we meet in Spain.

Thank you.

outstanding and dynamic program, and it has been a pleasure working with him, Mr. Greg Halpin. Greg, stand up!

Working with the IAPH Head Office, Executive Committee and Technical Committees, we structured a new integrated conference program, a program we feel responded to the needs of all IAPH members. We feel good about the results and, from what you have told us, we think we have pretty much accomplished that. I want to thank them very much also, if they will stand up, all the chairmen of the technical committees. Ladies and gentlemen, they are truly the backbone of this organization. They just made my life a little bit easier.

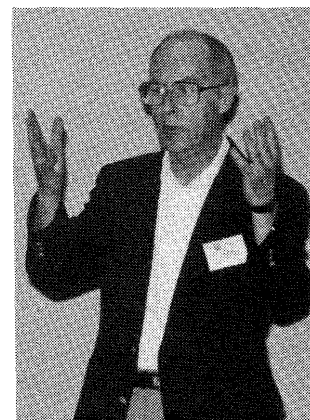
We think this week here in Miami we did indeed make this the Intercontinental Connection. But more importantly, we made the People Connection. The warmth of our Miami sun was matched by the warmth of your presence.

As you leave us, we hope the sun of our Miami memories will continue to shine on all of you and brighten your lives. We hope you come back and visit us again, now that you've had a small taste of our city and our state.

On behalf of myself and my staff and everybody, we hope you have a safe trip back to your homeland. Thank you for coming.

I now declare the 16th Conference closed.

Lori Goodman acknowledges the delegates appreciation for her work



Greg Halpin briefing the panelists on the working sessions

# Next Conference

## A Truly 'Moving' Experience

By Neil Sinclair, Executive Director of Lloyd's of London Press in New York

There can be no doubt that the 17th biennial conference of the International Association of Ports and Harbors will be a truly "moving" experience. For unlike every previous biennial conference the next major open forum of IAPH members will not be held on terra firma, but on a luxury cruise ship sailing between the Spanish Mediterranean Ports of Barcelona, Mahon, Palma de Mallorca, Ibiza and Valencia.

The conference, which is scheduled for the first week in May 1991, is being organized by Spain's General Direction for coast and ports, a division of the Public Works Ministry.

Fernando Palao Taboada, chairman of the 17th biennial conference organization committee and director-general for coast and ports, has hit upon this novel solution to the problem of providing in only a week the many hundreds of expected delegates with a general overview of Spanish harbors.

He said that by chartering a large, well-equipped cruise ship and planning an itinerary which included Spain's two busiest ports, the delegates would enjoy direct experience of his country's main seaborne trading facilities without compromising the conference's vital technical sessions.

The 31,500-ton vessel, which has 500 well-appointed cabins, will be moored in Barcelona harbor on Sunday

May 5 for boarding and an evening reception. Monday May 6 the conference will be formally opened, the first technical sessions will commence and the vessel will sail for Menorca and the Port of Mahon on the first leg of her six-day tour. By the end of the week delegates will have debated many of the key issues facing ports in the 1990s and at the same time have experienced some of the most attractive islands in the Mediterranean plus the largest industrial harbours in Spain.

Although Palao is confident of attracting a very large attendance for the entire week, he pointed out late arrivals or early departures won't have to miss the boat. There are good international airports at Palma de Mallorca and Valencia, while the Ibiza and Mahon have frequent domestic air links to all the main Spanish cities.

The detailed conference program is now being drawn up by Palao in close consultation with the chairmen of the IAPH's key technical committees. They will be reflecting on many of the lessons learned and issues raised at Miami. And, like Carmen Lunetta before him, Palao will no doubt look back on the previous biennial conference as a hard act to follow. He was full of praise for the way in which the Port of Miami had organized the 16th conference and accompanying social programs.

Our event will be different, of course, but we hope it will be just as enjoyable and informative, he said.

## 17th IAPH Conference in Spain

- Dates:** May 3 (Fri.) — 11 (Sat.), 1991  
**Theme:** The Challenges of Ports - Today and Tomorrow  
**Host:** General Direction for Coast and Ports, Ministry for Public Works (Ministerio de Obras Publicas y Urbanismo), Spain  
**Joint Organizers:**  
National Association of Civil Engineers (Colegio de Ingenieros de Caminos, Canales y Puertos), Spain  
Research Center for Public Works (Centro de Estudios y Experimentacion de Obras Publicas), Spain  
Ports of Barcelona, Palma de Mallorca and Valencia, Spain  
**Ports to visit:**  
Barcelona, Mahon, Palma de Mallorca, Ibiza and Valencia, Spain

- Special feature:**  
The pre-conference meetings of the Internal, Technical

and Conference Committees, the joint meeting of the Board and Exco will take place in Barcelona on Saturday and Sunday.

The working sessions and other business meetings from Monday through Friday will be held on board a passenger ship while she is in port.

The ship will be used as the logistical headquarters and will sail at night from one port to another.

## Draft Program

### MAY 1991

#### Friday, May 3

Registration in BARCELONA

#### Saturday, May 4

Technical Sub-committees.

#### Sunday, May 5

Technical Sub-Committees.

Boarding and Reception on board.

#### Monday, May 6

Opening Ceremony in BARCELONA.

First day of Technical sessions on board.

(Continued on Page 23, Col. 1)



# IAPH ANNOUNCEMENTS AND NEWS

## The 18th IAPH Conference in 1993

The site selection for the 18th Conference of IAPH to be held in the Asian region was one of the key items on the agenda for the post-conference meeting of the Board of Directors in Miami. As a result of the Board meeting held on the afternoon of Friday, April 28, it was decided that the 18th biennial Conference of IAPH would be held in Sydney, with the Maritime Services Board of New South Wales, Australia, acting as host. The Board expressed its deep appreciation to the other two candidates, the Ports of Fremantle and Kobe, which had given way to Sydney.

## The Mid-term Exco Meeting in 1990

Fremantle, Western Australia, has been selected as the site for next year's meeting of the Executive Committee. Due to the fact that the offers to host the meeting required

further confirmation at the time of the Miami Conference, President McJunkin and Secretary General Kusaka were delegated to take the necessary action to finalize the matter.

On June 2, 1989, the Secretary General received a letter by fax from Mr. Poustie, General Manager, Port of Fremantle, Western Australia, confirming that his port has now decided to host the mid-term Exco meeting in 1990. The exact dates and venue are to be announced in due course.

## IMO/IAPH Joint Survey on the Disposal of Dredged Material

IAPH Secretary General Kusaka has recently circulated a questionnaire among all IAPH members seeking their cooperation in providing data on the disposal of dredged material at sea.

The survey was originally conducted by the IMO's Marine Environment Division and its outcome was reported to the meeting of the Scientific Group on Dumping held in London in April this year. However, it was pointed out by several delegates at this meeting that the amounts of dredged material dumped at sea (i.e. seawards of the baseline) concerning which the Secretariat had been notified by Contracting Parties to the LDC did not reflect the actual situation in that they were considered rather low or represented incomplete data.

In order to help improve the situation, at the initiative of Mr. H. Haar, Chairman of the IAPH Dredging Task Force, who was attending the above IMO meeting as an observer, IAPH has embarked on conducting a survey among its worldwide port members so that additional information on the relevant matters can be obtained.

The IAPH Head Office in consultation with Mr. Jean Smaghe, Chairman of the Committee on Port and Ship Safety, Environment and Construction (COPSSEC) and Mr. Haar, has prepared a new questionnaire form. This was sent out to all IAPH members at the beginning of June, 1989. The closing date for returning the completed form by the respective members to the Tokyo Head Office has been set at July 31, 1989.

Secretary General Kusaka says, "I sincerely hope that, as a result of our members' generous cooperation, the working relations between IAPH and IMO will become even stronger and of yet greater mutual benefit."

The survey items include:

- Amounts of dredged material (in cubic metres or metric tonnes) in 1986 (respective purposes: purely for the maintenance of normal functions, for new construction or expansion, and for the removal of contaminated soil from the seabed)

### Draft Program

*(Continued from Page 22, Col. 2)*

Dinner and Departure for Menorca Island.

#### Tuesday, May 7

Docking at MAHON.

Technical Sessions on board. Visit to the Island of Menorca.

Evening departure for PALMA DE MALLORCA.

Arrival at PALMA DE MALLORCA.

#### Wednesday, May 8

Technical sessions.

Visit to PALMA DE MALLORCA.

Dinner on board. Departure for IBIZA.

#### Thursday, May 9

Docking at IBIZA.

Technical sessions.

Visit to Ibiza.

Dinner-party Ibiza style.

#### Friday, May 10

Early morning docking in VALENCIA.

Technical sessions.

Visit to VALENCIA.

Dinner and Closing Ceremony on board.

#### Saturday, May 11

Departure for BARCELONA.

Arrival and Disembarking in BARCELONA.

Departure for Post-Conference Tours.

- Amounts of dredged material both on land and at sea (purposes: beach nourishment, the creation of a marsh for birds, reclaimed land for commercial or industrial uses and sealing the contaminated soil within an enclosure)
- Additional information concerning land/sea disposal of dredged material, such as authorization/permitting problems encountered with maritime/environmental administrations
- Major sources of dredged material contamination

## IAPH Questionnaire on Container Dimensions and Ratings

The Cargo Handling Operations Committee of IAPH chaired by Mr. Robert Cooper of New Zealand has been trying to identify trends and impacts on ports from the changes in the ISO dimensions and weight ratings.

In this connection, IAPH expressed its concern to ISO by adopting a resolution at the Conference held in Hamburg in 1985 stating that IAPH opposes any change in standard container size which would make inefficient or uneconomic the full intermodal use of containers handled in and through ports and harbors.

At the Miami Conference, Chairman Cooper focused on this issue at the Technical Committee's Working Session held on Tuesday, April 25, and circulated a questionnaire to the participants. After the Miami Conference, the questionnaire was circulated to all members from the Tokyo Head Office on June 10, 1989. The closing date for the returns from IAPH members to the Head Office has been set at August 31, 1989.

The items covered include:

- The current situation and future plans concerning the handling of ISO containers
- Use of Terminals and Berths (common use/ exclusive use)
- Throughput of single client terminals
- Questions of changed container dimensions/ratings with shipping lines/ government agencies/ container handling equipment manufacturers, etc.

Furthermore, a letter from the United Nations Economic Commission for Europe (ECE) to IAPH has been attached to the questionnaire inviting IAPH members' attention to the ECE's planned seminar on the subject "Impact of Increasing Dimensions of Loading Units on Combined Transport", which is scheduled for November, 1989 in Geneva.

## IPD Fund: Contribution Report — US\$26,000 still needed

The contributions from members to the Special Port Technical Assistance Fund ("the Special Fund" as of July 10, 1989 are listed in the box in the right column. The amount received in contributions totalled US\$44,042. This reflects the contribution of US\$5,100 from two more donors since the last announcement.

### Contributions to the Special Fund (As of July 10, 1989)

Contributors	Amount
<b>Paid:</b>	<b>(US\$)</b>
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
<b>Total</b>	<b>US\$ 44,042</b>

\* 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

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# OPEN FORUM

## Safety in Ports and Harbors

**By F. Suykens**  
**General Manager**  
**Port of Antwerp, Belgium**

*The following is the text of a speech delivered by Mr. F. Suykens who represented IAPH at the BIMCO Conference held in Hamburg, Fed. Rep. of Germany on May 29, 1989.*

It is rather astonishing that a presentation should be made on safety in ports and harbours. When I looked it up in Oxford's Dictionary of Current English I found that a harbour is in the first place a shelter for ships and in the second place — taken then figuratively — a place of safety. All ports and harbours are therefore expected to be places of safety and shelter.

Safety in ports has many aspects.

We have **maritime access** which has been improved by increased dredging and river training works, for which new radar installations have been installed and vessel traffic systems have been organized, whilst satellite navigation is increasingly being used.

The consequence of all this is that in fact safety has greatly improved, even to such an extent that most tugboat owners and salvage companies in North West European ports complain very bitterly. Not only do vessels use fewer tugboats due to the fact that they are equipped with bow and sometimes stern trusters and that they are more manoeuvrable than before, but also there are fewer collisions and strandings, reducing considerably their income from salvage. On the River Scheldt, the access to the Port of

Antwerp, accidents per 1,000 vessels showed a 55% drop in the period 1981-1985 compared to the period 1959-1963.

The situation of the salvage companies is so bad that the representative of the Dutch trade union FNV pleaded that these companies should be subsidised by the Dutch Government.

Safety also has a relationship with **pilferage**, which at least in our port — and, I believe, in major European ports — has gone down due to the introduction of new cargo handling techniques such as containerisation, ro-ro and pallets, as well as the fact that modern cargo handling terminals are nowadays usually fenced off and guarded day and night.

A particular aspect is the one of **drug trafficking**, which is giving quite a lot of trouble to American as well as European ports. Public opinion and government officials take a very hard attitude towards drug traffic. This could endanger to a great extent everything which has been done to facilitate international trade. For this reason the International Association of Ports and Harbors has signed with the world-wide Customs Co-operation Council a memorandum of understanding. The objective of this memorandum is that increased co-operation between port operators and customs authorities could significantly assist those authorities in the gathering of information and other aspects of combatting systems fraud — in particular, drug smuggling — and that such co-operation would be of benefit to all ports in the legitimate trade, including port operators and their users and customers. The memorandum was adopted by IAPH at its 15th Conference in Seoul and the documents were officially exchanged between the two parties in June 1987.

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## IAPH Guidelines on Port Safety Revised

A second supplement to the "Guidelines on Port Safety and Environment Protection" has been completed by the Committee on Port & Ship Safety, Environment and Construction (COPSSEC). The Association published the original version of the Guidelines in 1985 and made a copy (red binder book) of it available to each IAPH member, undertaking that any additional information would be supplied to all of those who possess the original book as the supplement in question is completed by the Committee.

Following the first supplement completed two years ago, the second supplement was sent to all members from the Tokyo Head Office on June 7, 1989. Secretary General Kusaka in his covering letter records his deep appreciation to the COPSSEC team chaired by Mr. Smaghe for their commitment and dedication in updating this valuable publication.

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## Survey Results of Port Training Facilities Released

A 125-page report on port training facilities was recently completed by the IAPH Committee on International Port Development (CIPD). Following the Committee's final review of the report in Miami, the Tokyo Head Office printed a sufficient number of copies for distribution to all IAPH members and various international organizations with which the CIPD has close working relations in facilitating training opportunities for personnel from developed ports.

According to Chairman Kruk the survey form, which Mr. Kruk with his special assistant Mrs. Fienke de Groot in the Port of Rotterdam drafted, was sent to all Regular and Associate Members of IAPH following the Seoul Conference at which the proposal was agreed upon by the  
*(Continued on Page 26, Col. 1)*

Safety also has a relationship with **dockwork**, which in my own country and in many other countries is regarded as being unsafe, unhealthy and dangerous. When we look into the figures of the Port of Antwerp we find that yearly there are some 2,000 labour accidents leading to an average of some 4 persons being killed in the workplace. At present some 8,000 dockers are employed, a number which has gone down from 14,500 in 1965 and 12,500 in 1975.

Working in confined spaces on board ships from different countries, ages and types or in open hatches in all kinds of weather with cranes and derricks but also using on the quays heavy equipment such as forklift trucks and straddle carriers has as a consequence that the number of labour accidents in the port sector is one of the highest in the country — a bit less than in coal mining but about at the same level as in the building trade.

Most accidents are due to people falling (around 400) or objects falling (around 450) or to contact with moving objects and falling equipment (550).

Accidents due to exposure or inhalation of chemicals are rather exceptional (25), although these are usually well recorded in the press.

The frequency figure for labour accidents in the port went down from 170 per year in the sixties to 160 in the seventies and 150 on average for the last three years.

All accidents are regularly studied by the **Health and Safety** Committee which is compulsory in Belgium and which has several inspectors in the port. Accident prevention rules have been promulgated. Brochures and posters have been published. Protective clothing is provided and several first aid posts are operated all over the port. The most important element is however accident prevention training which is given to all new dock workers.

As the Port of Antwerp is also an important centre for the **chemical industry**, with some 20 firms having about 80 production units spread over 2,000 ha and employing some 10,000 people, detailed emergency plans and procedures have been worked out by the Centre for Prevention of Air and Water Pollution. Similar situations exist in other European ports with an important chemical industry.

Industries that process or store hazardous chemicals have to carry out a risk analysis, the risk being that there can be an emission of toxic gases and vapours. The analysis

includes a description of the possible accidents, the probability of their happening, the likely effects inside and outside the plant and the measures that will be taken to fight the ensuing emissions. All industries have the formal obligation to inform the security services without delay of the occurrence of a hazardous incident (fire, explosion, emission of dangerous gases or gases that cause inconvenience). In collaboration with the industry a standard procedure for an emergency call has been worked out, whilst each industry also has to draw up its own emergency plan in line with local disaster control plans.

We are all aware that today the **handling of dangerous cargoes** in ports is one of the hot topics which are being discussed in quite a few conferences and meetings. There is even a specialised magazine on dangerous goods in ports.

It is no doubt true that the volume of all chemicals and other dangerous cargoes has increased considerably. Some 50% of all vessels calling at the Port of Antwerp — and the same is true for most West-European ports — do load or unload so called dangerous cargoes. In 1987, the last year for which detailed figures are available, some 7.8 million tons of crude and 8.7 million tons of refined products were unloaded in or out of seagoing vessels in Antwerp whilst 8.9 million tons of products were loaded, giving a mineral oil volume of about 25 million tons. Chemical products handled reached about 9 million tons, evenly divided over loadings and unloadings and not including over 3 million tons of chemical fertilizer.

All in all some 37 million tons of so called dangerous cargoes in a total cargo turnover of more than 90 million tons are handled. For other world ports similar figures can be given. These products are not only considered dangerous because the number of accidents is bigger and accidents tend to take place during loading or unloading but in the first place because they could present a hazard to the ship and its crew during the sea voyage — and the consequences to the environment whilst at sea can sometimes be said to be disastrous. Public opinion worldwide is aware of the dangers which could arise to the maritime environment when a tanker runs onto a reef in Alaska or a container vessel loses a container with some herbicides in the Channel.

For this reason alone there will be increasing pressure not only against substandard vessels — just think of Port

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*(Continued from Page 25, Col. 2)*

CIPD members.

By the closing date, a total of 162 replies had been received at Mr. Kruk's office in Rotterdam, as against the total of 333 letters sent out.

The report includes information on:

Port of Training Facilities

Course Name

Course Schedule

Duration

Target Group

Language

Course Fees and other costs involved

Where to contact for more information

Subject to availability, additional copies may be obtained upon request to the Head Office in Tokyo.

## Visitors to Head Office

May 19, 1989 — **Captain Jochen Schonfelder**, Director

of Warehousing & Distribution, Dr. Hans Ludwig Betch, Head of Central Division Marketing, **HHLA** Hamburg

June 5, 1989 — **Mr. Robert Langslet**, Commissioner, **Mr. Paul E. Brown**, Acting Executive Director and **Mr. Travis A. Montgomery**, Director of Trade Development, Port of Long Beach

## Reports Distributed at Miami Sent to Non-participants

The Tokyo Head Office has sent to the members who did not attend the Miami Conference, the various reports which all the delegates received in Miami. They include the Secretary General's Report, Reports from the six Technical Committees and their sub-committees and a report on the IAPH/BPA representation work for 1987-1989.

State Control — but also against substandard crews.

Was not the stranding of the Amoco Cadiz in 1978 the ultimate inducement which led to the signing in 1982 of the Memorandum of Understanding (MOU) on Port State Control. Ultimately it should lead to "safe ships on clean seas". Gradually the provision of ILO Convention and IMO documents such as MARPOL with famous Annex I (oil residues) Annex II (chemical slops) and Annex V (garbage) are being implemented. This is sometimes quite a burden for the ports, in particular the provisions for the collection of chemical slops. The capacity of the reception facilities is difficult to estimate as more chemical tankers apply efficient stripping methods. There are, moreover, quite a few dedicated vessels and industries for which slops are part of the cargo. We can expect that international controls will gradually increase under the pressure of public opinion.

As far as the handling of dangerous goods in the ports is concerned, we should be grateful to IMCO (now IMO) for having published the **IMDG Code**, the newest version of which is expected to be published at the end of this year. Together with the UN number, IMO classes and the proper shipping name give a good indication to port authorities on the measures to be taken, the more so as we also have the publication in 1980 of the maritime safety circular 299 and its appendix "Recommendations on the safe transport, handling and storage of dangerous substances in port areas".

In Belgium the IMDG Code, as soon as it appeared in 1966, was immediately included in national legislation and it also forms the basis of the Antwerp Code on the handling of dangerous goods. In this loose-leaflet book all indications are given on the rules and regulations existing in the port for the acceptability of dangerous substances in the port area. As was said in general IMDGF rules apply but there are special regulations for explosives ammonium nitrate, chlorine cyanogen and similar gases, ferro-silicium and radio active material.

Indications are given in the Antwerp Port Code on the advance notification, the emergency procedures, fire precautions, and the reporting of incidents.

This does not mean that everything is always easy, as in Europe there is also the European Agreement on the International Transport of Dangerous Goods by Road (ADR). This has been drawn up along the same lines as the International Regulations Concerning the Carriage of Dangerous Goods by Rail (RID). They both adopt UN danger labels and use UN numbers for special identification. There are also the ADN (Rhine navigation) and the ADN for inland navigation.

Moreover, we have in Belgium a general regulation for Safety and Health (General Regulation for the Protection of Labour). Between all these different rules there are sometimes slight differences which do not make life easy.

For this reason an "**Information Centre for Dangerous Goods**" was established as long ago as 1960. Its task is to provide information, advice and co-ordination to avoid or to solve problems in connection with dangerous goods, especially as far as transport to and from Belgian ports is concerned. Its work is based on the following principles:

- the search for a judicious balance between what is economically desirable and what is from the safety point of view justifiable.
- co-operation between the authorities and business circles involved in these problems. Both the public sector and business are represented in its day-to-day running in working groups and on the Board.

- a well-documented secretariat which follows the evolution of problems concerning the transport of dangerous goods and maintains contacts with organisations in Belgium and abroad which are especially concerned with questions of dangerous goods. This enables initiatives to be taken in ample time and information to be obtained rapidly — mostly by telephone — about such items as the characteristics of a product, its classification and regulations to be observed. In day-to-day enquiries with regard to dangerous goods INPRO is regularly confronted by difficulties which ensue from a lack of harmonisation between the various regulations.

This is especially true in the case of the service industries in the port and transport sector, for whom the correct administrative and technical method for handling dangerous goods stands or falls with the basic information provided by the shipper with regard, for example, to the danger category, which must be both correct and clear.

Increasingly important for the port is the **storage of chemicals**. Already three specialised warehouses have been built for storing several IMO classed products which cannot be kept in a normal transit shed or port warehouse. Since the Sandoz accident all chemical firms insist that their dangerous products should be handled in accordance with the rules and with due diligence. For this reason two more warehouses which would bring the total capacity of the storage of dangerous goods to some 30,000 sq.m. are being built. They are, of course, equipped with sprinklers, fire-fighting equipment, separations, special sewers which can be closed off, reception possibilities for leaking drums and the such like.

Of particular interest to the captains and shipowners is the fact that in Antwerp any vessel can ask the judge of the Commercial Court to appoint a **nautical expert** who will advise on and certify the stevedoring of the cargo on board of a vessel. These experts, appointed by the Commercial Court, are experienced master mariner members of the Nautical Commission who have specialised in this particular trade, and the reports they give are highly valued because they can give a certificate that cargoes are stowed not only in conformity with the IMDG regulations but possibly also with different regulations existing in Singapore, the U.S.A. and elsewhere. The same section also supplies, when required, the **Container Packing Certificate** as laid down by the IMDG Code for dangerous goods stowed in containers.

Those observations illustrate the fact that dangerous cargoes are becoming more and more an international matter and that not only loading or unloading in one's own port has to be considered but also the handling of cargoes in other ports at which the vessel calls at this side of the ocean and at overseas destinations.

At the same time we should take into consideration the evolution of **electronic data interchange**. Applications for the handling of dangerous cargoes are still valid today by telefax or telex or on special forms. Gradually E.D.I. will be introduced in the communications between the port community and the port authority. We do realise that there should also be an exchange of information between the port authorities. For this reason the European Port Data Processing Association (**EVHA**) was founded in 1979 and comprises the ports of Amsterdam, Antwerp, Barcelona, Bremen, Bremerhaven, Bilbao, Cork, Copenhagen, Clyde

*(Continued on Page 28, Col. 1)*

# International Maritime Information

# WORLD PORT NEWS

## Changes in Chief of UNCTAD's Port Section

As a result of new organizational arrangements within UNCTAD, Mr. Eric Williamson, formerly Chief of UNCTAD's Ports Section, took up a new appointment on 1st May 1989 as Co-ordinator of the Shipping Division's Technical Co-operation and Training Programme.

From the same date Mr. Jacques Cambon took over as Chief of the Ports Section. Mr. Cambon is a graduate in both Civil Engineering and Economics and worked in the ports of Nantes — Saint Nazaire, Marseilles and Dakar, and with the Paris-based consultancy company BCEOM, prior to joining



Mr. Williamson



Mr. Cambon

UNCTAD in 1970. He has carried out a variety of research studies in port-related matters as well as being project officer for many technical assistance projects in shipping and ports.

## Program of Action for AAPA Port Members

Lic. Roberto Rios Ferrer, Director General of the Ports of Mexico, has produced a plan of action for a proposed program for AAPA's Caribbean and Latin American port members. His proposal is based on an analysis of survey of these ports conducted last fall.

Twelve port agencies, representing 10 countries, completed and returned questionnaires. They were: Argentina, Balao (Ecuador), Costa Rica, Chile, Haiti, Honduras, Jamaica, Manta (Ecuador), Mexico, Nicaragua, Panama, and Sistema Portuario Tampico-Altamira (Mexico).

## Safety in Ports and Harbors

*(Continued from Page 27, Col. 2)*

Port, Genoa, Harwich, Leixhos, Le Havre, Marseilles, Naples, Port of London Authority, Rotterdam, Tarragona, Trieste, Valencia and Venice.

EVHA is a voluntary association. It owes its existence to the willingness and determination of member ports to collaborate in an examination of data processing techniques to establish the feasibility of their application in an interport data communication network system.

Since its inception in 1979, EVHA has worked towards its objectives by establishing a pilot data processing and communication systems linking ports in seven of the maritime states of the European Community (EC), by completing a detailed study of dangerous substances handling procedures in European ports, and by contracting with a consortium of major European companies to determine system performance requirements and to propose the global outline of a final network concept.

Since inception, the European Community has funded the EVHA's work, in the amount of one million ECU's with the EVHA ports contribution being reflected in the number of man-hours expended voluntarily and free of charge.

It has not been possible to obtain further funding from the European Community to actually develop and install the system, but contacts were maintained with Lloyds and with network companies.

Lloyds has put forward a proposition for their Ports and Harbor Link (PHL) to be marketed, if necessary, independent of EVHA.

In the meantime most European ports have developed extensive port community EDI systems, the best known of which are MCP in Felixstowe, Datenbank Bremische Hafen in Bremen, Dakosy in Hamburg, Intis in Rotterdam and

Seagha in Antwerp. At this moment talks are underway in order to see if these port community systems cannot be interlinked.

A name has already been found — **Protect** — and this co-operation between port community EDI systems could lead to the solution that a ship's agent would advise his own port authority by means of EDI on dangerous products kept on board or loaded or unloaded in the port. At the same time he could inform the vessel's agents in the next port of the dangerous cargoes handled and vice versa. The freight forwarders on behalf of the shippers would also be involved.

Because of the good relationships between the port authorities and the port community systems, the experience which the five above named companies have taken into account and the geographical position of these ports, the pilot project would be restricted in the first stage to the 5 initiators.

However, the PROTECT project will be open for information on the ongoing activities to all ports willing to join the interport communication system after a successful trial.

The highest priority will be given to the design of the following electronic messages:

- a message about a ship's movements and a notification whether the ship is carrying hazardous goods or not
- a message giving a listing of the hazardous goods on board the vessel
- a message for the standard declaration of the hazardous goods.

These messages will be based on the existing UN/Edifact Standards.

In this way an exchange of information on the handling of dangerous cargoes will be obtained, which will make our ports and the international maritime community still safer than it is today.

It will lead to safer handling of safe ships in safe ports.



The program envisioned by Sr. Rios based on the survey consists of four general categories — (I) Analysis and Information; (II) Qualification; (III) Technical Assistance and Information; and, (IV) Coordination of Action.

Topics organized under these general categories include computer applications, planning, economic quantification of port services, international standards, cargo handling, port security, port maintenance, and commercial aspects of port activity. Specific interests include, as examples, statistics, traffic forecasts, hazardous cargo, fire fighting equipment, worker safety, port changes, and containers.

The program, to be coordinated through AAPA, would complement AAPA's "Puertos Amigos" program and would be based on cooperation between the countries of Latin America and the Caribbean as well as with other port members of AAPA. As Sr. Rios states: "It is hoped that the close relationship among ports and port authorities of the entire Association may result in a number of permanent relationships, encouraging the kind of assistance that 'Puertos Amigos' and other cooperative activities fostered in the past."

Sr. Rios' concept entails matching the needs and requirements of the Latin American and Caribbean ports with resources available, not only from AAPA and its members but from other international bodies such as the United Nations Conference on Trade and Development, the Organization of American States, the International Labor Organization, the Economic Commission for Latin America, and the International Maritime Organization. (AAPA Advisory)

## New Publications

### Container Terminal Productivity: A Perspective

By Thomas J. Dowd and Thomas M. Leschine. Washington Sea Grant Port Management Series Report No. WSG-AS 89-5. (Seattle: March 1989). 6 pages. Table. Order from: Washington Sea Grant, University of Washington, HG-30, Seattle, WA 98195.

The authors argue that to be properly understood, container terminal pro-

ductivity must be viewed from the perspectives of the international container system. The latter is composed of numerous interacting but often conflicting segments — carriers, terminal operators, stevedores, labor, port authorities, shippers, railroads, truckers, governments, and so forth. Maximizing the efficiency of one link may in fact degrade the efficiency of the system overall, effectively shifting bottlenecks from one segment to another.

Container terminal productivity is a measure of the efficient use of land, labor and equipment. In any terminal, limits may be imposed by physical and institutional factors. These limiting factors become variables that make it difficult, if not impossible, to establish industry-wide standards of "averages," or to make valid comparisons between one terminal and another. Rather, say the authors, "in many cases it is more important to compare productivity on a time-series basis, comparing productivity at a single terminal over two or more time periods."

They also stress the importance of linking cost and productivity data. By so doing, "it is possible to form one or a series of profit centers that allow the terminal operator to truly manage the terminal."

The authors of this perceptive study are professors with the Institute of Marine Studies at the University of Washington. They are now completing a report that will consider quantitative analysis of productivity at several container terminals. (AAPA Advisory)

### Lloyd's Maritime Atlas (New Sixteenth Edition)

This new edition of *Lloyd's Maritime Atlas* of world ports and shipping places has been totally redesigned. A new enlarged full colour map section includes an additional 480 ports and subports and other innovations include new fact panels on major commercial waterways worldwide. The Atlas has been designed to link directly with Lloyd's Ports of the World which contains even more detail on individual ports.

Price: UK £35, N. America US\$70.  
Postage: UK inclusive. N. America plus \$4 postage & packing

## The Americas

### Mr. Dominic J. Taddeo Elected AAPA Chairman

Port of Montreal General Manager and Chief Executive Officer Dominic J. Taddeo was elected Chairman of the American Association of Port Authorities for 1989-90 at the AAPA's annual spring conference, held recently in Washington, D.C. His one-year term begins November 1, 1989.



Mr. J. Taddeo

The AAPA provides an organizational resource to the ports of the Western Hemisphere, dedicated to the service of the port industry and the professionalism of port managers.

Its large corporate membership comes from three delegations: the United States, Canada and Latin America.

Mr. Taddeo said that as Chairman of the AAPA, he will stress continuity and cooperation during his term.

"As chief executive officer of a major world port on the North American continent, I am well aware that ports compete with each other. I am also conscious of the fact that ports must cooperate to encourage the development and use of waterborne transportation."

"We keep each other aware of government decisions — decisions that have a worldwide effect on the shipping industry. We also share common interests, including information of technical and administrative aspects."

"We must also deal with issues such as changing shipping patterns, increased competition, environmental concerns, demand for greater accountability and efficiency, as well as the decreasing availability of funds," Mr. Taddeo said.

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## Houston Leads in Int'l Waterborne Trade

The Port of Houston handled more foreign goods than any other port complex in the United States in 1988, according to tonnage figures issued recently by the U.S. Department of Commerce.

Foreign waterborne trade at the Port of Houston totaled 64.5 million short tons in 1988, up 13.8 percent from 1987. The 1988 total is the highest the Port of Houston has posted since 1979, when the port handled its record high of almost 64.9 million tons. In 1987, the port's foreign waterborne trade totaled nearly 56.7 million tons.

"The Port of Houston's role in international trade is expanding, and the 1988 foreign trade figures are confirmation of this growth," said Mr. James Pugh, executive director for the Port of Houston Authority.

Total Houston foreign tonnage in 1988 was valued at \$22 billion, up 13 percent from 1987's total of \$19.5 billion, Commerce Department figures show.

Imports to the port totaled 41.6 million tons worth \$10.9 billion, while exports totaled 22.9 million tons worth \$11 billion.

"The increase in foreign trade underlines the importance of ongoing improvements to the Port of Houston," Mr. Pugh said. "If the port is to remain competitive in the international market, we must make a commitment to such development projects as the proposed improvements to the Houston Ship Channel."

The U.S. Army Corps of Engineers has released a feasibility study that recommends deepening the channel to 50 feet and widening it to 600 feet. The proposal is currently under review by federal authorities.

Algeria was the port's top trading partner for the third consecutive year in terms of combined import and export tonnage. Houston and Algeria exchanged 7.3 million tons of cargo in 1988. Other top trading partners were Saudi Arabia, Mexico, Iraq and the Soviet Union.

Japan was the Port of Houston's top trading partner in combined import and export dollar value, exchanging more than \$2.2 billion worth of cargo with the port in 1988. Other leading

trading partners were the Federal Republic of Germany, the United Kingdom, Saudi Arabia and Algeria.

Cereals and Cereal preparations continued to be the port's top export commodity, weighing in at 10.5 million tons. Other top exports in 1988 were petroleum and petroleum products; organic chemicals; synthetic resins, rubber and plastic materials; and inorganic chemicals.

Organic chemicals were the top export in dollar value, totaling more than \$2.6 billion. Other top-value commodities were cereals and cereal preparations; specialized industrial machinery; synthetic resins, rubber and plastic materials; and unspecified chemical materials and products.

Among the Port of Houston's imports, petroleum and petroleum products again ranked highest in tonnage, surpassing 31 million tons. Other top imports were iron and steel, organic chemicals and related products, natural and manufactured gas, and crude and mineral fertilizers.

Petroleum and petroleum products also led the port's imports in dollar value, totaling nearly \$3 billion. Other top-ranking imports were road vehicles, iron and steel, organic chemicals and related products, and specialized industrial machinery.

The U.S. Army Corps of Engineers has not yet released the total tonnage figures for the Port of Houston. However, the total — which includes foreign and domestic shipments — is expected to exceed 118 million tons for the year, surpassing 1979's record tonnage.

## Long Beach Announces Port Leadership Change

The Board of Harbor Commissioners and Port Executive Director, Mr. Joseph F. Prevratil, have mutually agreed to a leadership change, it was announced at the Board meeting of May 15.

The Board of Harbor Commissioners recently declared its intention to finance the \$80 million Convention Center expansion. Mr. Prevratil has been asked, due to his extensive experience in the convention, hospitality and attraction industries, to manage the proposed development of this project. Mr. Prevratil, in agreeing to accept this

challenge, will cease to be executive director of the Port and will become an independent contractor.

When Mr. Prevratil accepted the position of executive director of the Port, both he and the commissioners agreed to review the situation in one year. As that year is now completed, this opportunity has presented itself and will allow him to return to the private sector.

The Board of Harbor Commissioners stated that Mr. Prevratil had made significant contributions to the Port during the past year — particularly in matters concerning reorganization, community and government relations, environmental responses and in Wrather/Disney and Convention Center matters.

Mr. Paul Brown, currently a managing director, has been named acting executive director. He will guide the West Coast's leading seaport toward the 1990s.

In addition, Mr. Brown is Managing Director of the Administration and Maintenance Bureau, a key component in the continued success of one of the nation's most innovative ports.

Mr. Brown joined the Port in 1971. He became Executive Assistant of Administration in 1977, was promoted to Director of Port Finance in 1979, and was named Managing Director in 1986.

## Port Growth Generates Local Job Opportunities

Recent expansion at the Long Beach and Los Angeles ports has created thousands of job opportunities for local residents. This widespread expansion has resulted in a dramatic increase in the multi-billion dollar foreign trade industry, which directly and indirectly supports hundreds of thousands of jobs around the ports, airports and rail yards, and the manufacturing and business community.

Without world trade, the Los Angeles area would not be the international business center that it is today, providing residents with one of the world's most dynamic economies.

Nationwide, the value of goods shipped overseas rose 27 percent in 1988 to \$322.2 billion, and imports climbed 8 percent to \$459.6 billion. The trade deficit last year was \$137 billion, down

24 percent from the record \$170 billion deficit in 1987.

The bulk of the international trade transported in and out of the L.A./L.B. Customs District passes through the ports of Los Angeles and Long Beach. A smaller share consists of air freight shipped through Los Angeles International Airport.

Foreign trade's economic impact on the Los Angeles Basin and on California in general, in terms of jobs and revenue generated, is substantial. It is because of international trade that we have become the major business and finance center on the West Coast, and trade has further diversified the economy.

California is a vital cog in the economic machinery of our overseas neighbors, just as they are an important part of our economy. The nations of the Pacific Rim, those countries with shorelines on the Pacific Ocean, constitute the bulk of the nation's trading partners. Today, the Pacific Rim is home for 43 percent of the Earth's population and is the world's most dynamic trade and economic region.

It may be surprising to find that California does more than 76 billion dollars worth of trade with Pacific Rim countries annually ... which exceeds our Trans-Atlantic trade by over 30%!

This incredible movement of cargo ... in and out of the harbor area ... has made the Long Beach/Los Angeles port complex the nation's busiest, with the combined ports handling over 125 million metric revenue tons of cargo annually. By the year 2020, that number is expected to triple, and that means jobs!

### **ACCESS Developed For Southern California**

A revolutionary prototype for a state-of-the-art commercial cargo information system has been developed to electronically interface with members of the Southern California international trade community.

The Automated Commercial Cargo Expediting and Search System (ACCESS) prototype features advanced methods of acquiring cargo status, delivery authorizations and carrier freight releases. It is designed to reduce telephone and courier charges, as well as eliminate document re-keying.

The prototype performs four major ACCESS functions: cargo status inquiry, cargo logistics, document preparation and transfer, and release hold notification. It will be housed at the recently-completed Grater Los Angeles World Trade Center in Long Beach.

The prototype represents a system that has been developed as a result of a joint project undertaken last July by WORLDPORT LA, the Port of Long Beach and the Los Angeles City Department of Airports. It was developed by Andersen Consulting with input from more than 200 companies in the Southern California trade community.

### **Los Angeles-Long Beach Cost-sharing Agreement**

Moved by environmental concerns, the Los Angeles Board of Harbor Commissioners has approved a cost-sharing agreement between the cities of Los Angeles and Long Beach for consulting services to determine whether the construction of artificial reefs would effectively provide new marine habitats at the local ports.

Last January, the port of Los Angeles and Long Beach, along with the U.S. Army Corps of Engineers, U.S. Fish and Wildlife Service, National Marine Fisheries Service, California Department of Fish and Game, California Coastal Conservancy, and California Coastal Commission formed an inter-agency biological mitigation team aimed at developing projects for restoring and enhancing the natural habitat of fish and other marine life. One project calls for the construction of artificial reefs to offset the biological impacts of future port expansion.

Having received a \$132,920 federal grant from the National Marine Fisheries Service, the ports would each contribute \$171,050 toward a 15-month, \$475,000 contract with the consulting firm MEC Analytical Systems Inc. to further study the viability of such reefs.

The two ports are moving forward with the 2020 Plan, a phased program of dredging, landfilling and facilities construction that will create the largest integrated marine-highway-rail transportation hub in the world, enabling the ports to handle cargo demands through the year 2020.

### **Md. Port Administration: New Executive Director**

Governor William Donald Schaefer named a long-time New York maritime industry official executive director of the Port of Baltimore.

Brendan "Bud" O'Malley, 52, currently assistant director of the port department of the Port Authority of New York and New Jersey, will direct the Maryland Port Administration (MPA) as of May 15.

"The Port of Baltimore needs a dynamic leader, someone who is well-respected throughout the industry — someone who knows his way around," Governor Schaefer said in announcing the new port director. "Bud O'Malley is all those and more — he has 28 years with the Port Authority of New York and New Jersey, and he knows his stuff."

Speaking of his commitment to Baltimore, Mr. O'Malley said, "The port needs to unify itself. This is an era of enormous competition. Management, labor, and the business community all must work together in a cooperative partnership in order to achieve the port's goals."

### **Double-Trolley Cranes For Seagirt Terminal**

The first double-trolley container cranes for the Port of Baltimore's new Seagirt Marine Terminal arrived on May 2, marking another milestone toward the opening of Seagirt late this summer. Only three other ports in the world have a similar type of ultramodern crane. The double-trolley cranes at Seagirt will be capable of lifting up to 55 containers per hour — more than twice as many containers as conventional container cranes.

"The new Seagirt Marine Terminal and its state-of-the-art cranes will boost our competitive position, by providing the highest possible level of efficiency in the loading and unloading of vessels," said Maryland Transportation Secretary Richard Trainor, who chairs the Maryland Port Commission.

A total of seven new container cranes, at a combined cost of \$29.7 million, will be installed at the Seagirt Marine Terminal. Three are double-trolley, and

the rest are single-trolley.

"The double-trolley cranes will give the Port of Baltimore an advantage that virtually no other port can match," said Mr. Brendan O'Malley, incoming Executive Director of the Maryland Port Administration. "Seagirt will enhance our efforts to attract new cargo to Baltimore."

The new cranes can accommodate the widest container ships in the world — those larger than Panamax vessels. In addition, the distance between crane legs is wide enough to allow 7 lanes of traffic to operate beneath the cranes.

While conventional cranes make about 25 lifts per hour, the new single-trolley cranes at Seagirt will handle up to 36 containers per hour. The double-trolley cranes will be able to load and unload up to 55 containers an hour, providing the fastest possible turnaround time for vessels.

According to MPA Director of Marketing Bruce Cashon, this technology will be an important tool for marketing the Port of Baltimore. "Our steamship customers are familiar with the technology at ports throughout the world, and the advantages of Seagirt will be evident immediately," he said.

MPA officials are particularly pleased that members of the International Longshoremen's Association (ILA), who operate cranes at the port, were involved in planning the design for the cabs in the new, state-of-the-art cranes.

"We assembled a committee of crane operators at the Port of Baltimore to help us develop the cabs for maximum comfort and efficiency," said Mr. Tony Chiarello, MPA Director of Operations. "The committee selected the layout of controls in the cab as well as an orthopedically-designed seat to reduce fatigue."

The final three cranes for the Seagirt Marine Terminal are due to arrive in Baltimore in the fall. Two single-trolley cranes were installed at the new terminal in December 1988.

## **ACES Now Available For NY-NJ Region**

The Automated Cargo Expediting System (ACES), a fast, accurate and inexpensive electronic system for the interchange of oceanborne cargo information, is now commercially avail-

able to all of the more than 500 organizations engaged in maritime cargo transactions in the New York-New Jersey metropolitan region, Port Authority Chairman Philip D. Kaltenbacher announced recently.

"The ACES system is now on-line for service in the New York/New Jersey Port! It places this Port in the vanguard of electronic data interchange of cargo information in the United States and marks an important milestone in the history of this harbor," said Chairman Kaltenbacher.

"ACES will result in a more expeditious flow of marine cargo through the Port of New York/New Jersey. It will strengthen our region's capacity to meet the competitive challenges of the future at home and abroad," Chairman Kaltenbacher added.

"The system's capabilities were successfully demonstrated to the Port Community Working Committee by GE Information Services in an extensive pilot program during the past five months," he stated.

The committee is composed of 11 organizations representing steamship lines, custom house brokers and marine terminal operators: Extensive testing by committee members during the pilot program resulted in programming, software and standards improvements.

"Each sector of the maritime community worked side-by-side to create the ACES system for the common good of the entire industry," said Chairman Kaltenbacher.

Using an electronic data interchange network (EDI), ACES will provide benefits to each element of the industry involved in the movement of oceanborne cargo. Shippers can realize increased cash flow from on-time deliveries or inventories. Steamship lines can offer faster service by eliminating unnecessary delays. Custom house brokers can obtain up-to-the-minute cargo information for their clients. Terminal operators can achieve more efficient use of their facilities with more rapid turnaround of containers.

"ACES can result in significant reductions in time, with some cargo being cleared the same day instead of four days. The cost of transmitting a document on the system can be as low as twenty cents, less than the cost of a postage stamp," said Chairman Kaltenbacher.

In 1986, the Port Authority authorized a \$250,000 development fund and organized the working committee comprised of representatives of each sector of the industry and the bistate agency, each with an equal voice.

The Port Community Working Committee (PCWC) unanimously selected a system that would make use of the industry's existing on-line computers as well as the more simplified personal computers for non-automated firms. This minimized the capital costs for system participants who bear the full cost of system use.

An electronic data interchange (EDI) network, in concert with an electronic mailbox system, met all the PCWC's system needs, including security and cost effectiveness.

GE Information Services (GEIS), one of the leading third-party EDI network services providers, was selected to develop and implement the project. GEIS operates one of the world's largest commercially available teleprocessing networks, which can be accessed in 750 cities world-wide in 97 countries.

GEIS Trade & Transportation Manager Robert Creasy stated, "We are very pleased with the success of the pilot program. With the commercialization of ACES, we are looking forward to bringing its benefits to all operating organizations in the Port."

During the pilot program initiated at the end of last year, steamship lines, custom house brokers and terminal operators interchanged up to nine standardized business documents, or transaction sets, involved in the movement of oceanborne cargo. Electronic data interchange reduced the volume of paper in files, the amount of telephone transactions, the volume of mailed documents, and significantly reduced the time it previously took to disseminate or receive information.

A steamship line importing cargo can now send an arrival notice directly into a custom house broker's assigned mailbox. The broker will be able to access information from all carriers through that one mailbox. Brokers will also be able to receive status information regarding cargo from terminal operators. A freight forwarder can electronically book export cargo directly with the ocean carrier.

Among the pilot program partic-

ipants were Atlantic Container Line, Sea-Land Service, Trans Freight Lines, and Maersk Lines for the steamship lines; Leading Forwarders, Inter-Maritime Forwarders, Brauner International, Silvey Shipping, and Trans-World Shipping for custom house brokers; and Maher Terminals and Universal Maritime Services for terminal operators.

Future enhancement of the ACES system will include intermodal links, such as railroads and motor carriers. Later phases will investigate the feasibility of incorporating transaction sets for federal agencies, such as U.S. Customs, the Food and Drug Administration and the Department of Agriculture.

### **Charleston's Service to US Grain Growers**

The Port of Charleston may seem distant and remote to the midwestern farmer, but when it's time to put in this year's corn crop, America's grain growers will find the Port closer than they'd ever thought possible.

Dekalb-Pfizer Genetics, an international researcher of hybrid seed crops has chosen the Port of Charleston as its site for bringing seed into the United States. The seed corn, the origination of which is Chile, is destined for the drought-stricken heartland. Dekalb-Pfizer has already made commitments to dealers and customers to have the seed available in time for planting.

Mr. Emerson A. Wells is distribution manager for Dekalb-Pfizer. Of the time-critical nature of the shipment, he explained: "Farmers are planting corn right now in the midwest, the last shipment of seed won't get to Charleston until the 5th, but we have made commitments to our dealers and customers that we will have that seed unloaded, processed, and on their farms in Iowa ten days later. So it's going to take a lot of coordination to get it done. But it is important to get it done. It's important to the agricultural economy and the midwestern farm communities."

The choice of the Port of Charleston in accomplishing that timely mission came after much consideration by Mr. Wells. "We visited two other ports, but we came away from Charleston with the distinct impression that the people

were here to make our life easier, not more complicated and to help us expedite things." Commenting on the quality of service at the Port of Charleston, Mr. Wells noted, "This may be one of our smoothest moves ever."



*One of the crane housings of the Port of Tacoma's two new container cranes is off-lifted from barges at the newly-constructed Terminal 3.*

### **New Container Cranes at Port of Tacoma**

Terminal 3, the Port of Tacoma's new \$33 million container facility, is nearing completion with the erection of its two post-Panamax cranes.

"The Port is spending \$9 million on these cranes to obtain state-of-the-art equipment that will make this facility the most efficient and productive on the West Coast," said Mr. Jack Fabulich, president of the Port Commission.

The unassembled Kone-designed cranes were barged in March from Vancouver, B.C., where they were fabricated at the Versatile Shipyards. A workcrew in Tacoma offloaded the pieces on the new 950-foot pier at Terminal 3 and is working seven days a week to have the facility fully-operational by July.

Both articulated cranes will be shared with the adjoining Terminal 4, which is currently used by shipping lines such as ACT/PACE, Blue Star, Columbus, Hoegh, Maersk Line, and Star. The new cranes and the two Sumitomo cranes delivered fully-erected in 1986 for Terminal 4 will be able to traverse on a curved crane rail between the two terminals. This will enable either ter-

The Port of Charleston has a long-standing reputation for excellence in waterfront cooperation. For getting the job done, no other port can equal the high level of professionalism and teamwork that makes the Port of Charleston unique.

terminal to handle any size ship.

The Terminal 3/4 complex of 65 acres will have a total of six container cranes to help handle the Port of Tacoma's container volume, which grew 12% in 1988 to 782,000 TEUs.

The Kone-designed cranes will have a 145-foot outreach and 61-foot back-reach, with a capacity of 50 long tons. The crane additions bring the number of container cranes at the Port of Tacoma to 14.

The combined terminals have two berths totalling 1,900 feet at Terminal 4 and one berth of 950 feet at Terminal 3. They are immediately adjacent to the Port's recently-expanded North Intermodal Yard, which can double-stack containers on railcars and have them arrive in Chicago within 66 hours or New York within 100 hours.

### **Oakland Welcomes MOL's First DST**

Officials of the Port of Oakland welcomed Mitsui O.S.K. Lines's\* (MOL) first westbound double-stack

train (DST) to use Oakland as an export load center on May 22 at the Southern Pacific intermodal rail yard in the port's Outer Harbor. MOL has begun twice-weekly dedicated westbound DST service over Southern Pacific's Central Corridor through the Sierra Nevada mountains. The trains carry international and domestic container shipments moving from New York and Chicago to the Port of Oakland.

"Oakland as an export load center is very important to MOL," said Mr. Masahito Hidaka, Mitsui O.S.K. Line's assistant vice president and regional manager, who is based in San Francisco. "For the first time MOL's pacific Southwest cargo loadings equal or exceed import loadings, and export cargo net revenues in Oakland account for nearly 40 percent of our total net earnings for this service. Thus, we are constantly striving to improve MOL's service for our customers and expand our account base," Mr. Hidaka explained.

By routing these trains to Oakland MOL can "offer customers better cut-off time for their westbound cargo in New York and Chicago as well as a significant cut in transit times to ports in the Far East and Southeast Asia," added Mr. Garry Brown, vice president of Mitsui O.S.K. Intermodal, Inc. (MOI), in Chicago.

This reduction in transit time via Oakland is especially vital in the shipment of fresh fruit, foodstuffs and other high-value commodities, Mr. Brown said.

MOL began routing East Coast and Midwest cargoes to Oakland because of the availability of the Southern Pacific's "Triangulated Service." Under this routing, DSTs originate in southern California and move eastbound filled with import cargoes, then return to Oakland with intermodal export containers and domestic cargo. The double-stack rail cars are returned to southern California to complete the "triangle" and begin another cycle.

Arrivals of both the New York and Chicago DST services are scheduled to coincide with the sailings of MOL's "Alligator"-class vessels every Tuesday from Oakland. MOL operates six such ships, each carrying the equivalent of 2,800 twenty-foot containers, in its weekly service linking the Pacific Southwest ports of Los Angeles and

Oakland with ports throughout Japan, the Far East and Southeast Asia.

In Oakland MOL vessels call at the Seventh Street Public Container Terminal, which is operated by Marine Terminals Corporation under a five-year management agreement with the Port of Oakland.

*\* An Associate Member of IAPH*

## **Tests Prove Oakland Dredge Material Safe**

The Port of Oakland's plan to use dredged materials to reinforce the land side of levees protecting Twitchell Island and the Lower Jones Tract in the Sacramento-San Joaquin Delta indicate that the project will not result in significant adverse impact on the quality of drinking water in the Delta.

Mr. William E. Vandenberg, head of the Port's Environmental Division, told the Oakland Board of Port Commissioners at a work session that the exhaustive testing procedure is completed and the preliminary results indicate there will be no acute and no chronic toxicity effects on aquatic organisms as a result of dredge disposal.

The staff of the Central Valley Regional Water Quality Control Board, which must issue Waste Discharge Requirements (the equivalent of a dredge disposal permit) before the Port can provide the levee support, has been concerned about toxicity and about salinity impacts on drinking water.

The Port, in conjunction with the Water Board, has been working together for several months on a testing program, performed by qualified testing firms, to determine whether the dredge material is acceptable for disposal on the Delta Islands. The bulk of the material had already been approved for ocean disposal by the Corps of Engineers and the Environmental Protection Agency, but a new series of tests was identified to determine whether it is suitable for land disposal.

The Port plans to dredge its 35-foot Inner Harbor Channel to a depth of 38 feet in the first phase of a program that eventually will bring the channel depth down to 42 feet. The greater depth is needed to accommodate a new class of ships that is already using Oakland as a major port of call. The new ships

require a 42-foot channel, but they can use Oakland on a limited basis now by coming in with a partial load of containers and by waiting for high tide before entering the Oakland Estuary.

In order to bring both the inner and outer harbor channels down to 42 feet, an additional 6.5-million cubic yards must be dredged. The U.S. Army Corps of Engineers, which must perform the additional dredging, is currently studying the disposal site problem and is scheduled to find an acceptable site, or sites, by December 1991.

The Port prepared monitoring and contingency plans for the Delta disposal project. The flow of saline water and chemicals from the dredge material will be closely monitored. Provisions will be made for controlling any water quality exceedences that could have an adverse impact on Delta waters.

The dredge material will help reduce the danger of levee breaks that could cause floods that would draw in excess saltwater from San Francisco Bay and destroy valuable agricultural lands. Both Twitchell Island and Lower Jones Tract are governed by Reclamation Districts that have responsibility for maintaining the levees but lack adequate sources of fill that would reinforce them. The Port of Oakland will provide the dredge material without charge to the Reclamation Districts.

The Oakland project has strong endorsement from State and local Farm Bureaus, State and local chambers of commerce, labor, Bay Area Ports, the State Department of Water Resources, and political and environmental officials.

The Port hopes to begin work on Phase 1 dredging in July and complete it by early October, before the rainy season begins.

In addition to an around-the-clock monitoring program, the Port is proposing a "quality assurance/quality control program" for dredging, transport and delivery of the dredged material; biological and water quality monitoring; on-island material placement and erosion controls; on-island hydraulic controls, and a contingency plan for treatment of drainage water if monitoring warrants it.

Failure to accommodate the new larger ships in the container trade could mean the loss of an estimated 10,000 Bay Area jobs.



## To Seek Consensus On Dredging Issues

The Oakland Board of Port Commissioners approved a memorandum of understanding with the Bay Planning Coalition aimed at developing a regional dredged materials disposal plan for the San Francisco Bay Area.

The Commissioners agreed to put up seed money to a limit of \$100,000 during the first year of the program. The Bay Planning Coalition would take on responsibility for raising the remainder of a \$250,000 annual budget among transportation companies, businesses, ports, fishermen, sports enthusiasts, environmentalists and others concerned with dredging issues.

At the present time, the main disposal site is off Alcatraz Island. Environmentalists and fishermen claim the site is rapidly being filled and an alternate location must be found.

The U.S. Army Corps of Engineers is studying alternatives and says it will take until December 1991 to come up with an approved location.

Meanwhile, the Corps of Engineers says it will be necessary to find disposal sites for some 50 million cubic yards of dredged materials over the next five years.

The Bay Planning Coalition would seek consensus on a plan that is both economically viable and environmentally sound.

According to the Port of Oakland's Acting CEO and Executive Director, Transportation Services, Mr. James J. O'Brien, the decision by the Port to go forward with this effort followed the recognition that raising the public's awareness level of the need for a regional dredged materials management program was a key to resolving this critical issue facing the Bay Area. The Bay Planning Coalition was selected as the most appropriate vehicle for this effort after an in-depth analysis by Port staff and Commissioners of the alternatives available.

Under the guidance of a broad-based steering committee, the Coalition staff would work with all the interest groups involved in the dredging issue to avoid polarization and to encourage agreement on permanent disposal sites in the Bay, in the ocean, or on land.

The memorandum covered a one-year period, but it said the time could

## Africa/Europe

### Port of Rostock in brief

The three seaports Rostock, Wismar and Stralsund as well as the ferry terminals Warnemünde, Sassnitz and Mukran are situated on the Baltic Sea coast of the G.D.R.

Railway ferries connect Warnemünde with Gedser in Denmark, Sassnitz with Trelleborg in Sweden as well as Mukran with Klaipeda in the Soviet Union.

With a yearly handling of more than 20 million tons Rostock is the largest port in the G.D.R. and at the top in the Baltic Sea Zone.

Being the largest seaport with over 250,000 inhabitants Rostock is the economic centre at the Baltic coast. The town has two efficient yards, an internationally renowned university and an engineering school of navigation instructing the rising generation for G.D.R.-shipping and foreign shipping companies. It is home port for over 160 ships belonging to the country's merchant fleet and for a fleet of 50 ships of the deep-sea fishery. By 22 national and international shipping lines via Rostock there are relations with more than 400 ports in the world.

The tradition of shipping and of the port in Rostock passes back to the foundation of the town, celebrating its 775th birthday in 1992.

Rostock had been the most important Baltic port during the Middle Ages and in the 19th century. Then it lost its importance. It had been so much destroyed during the Second World War that it hardly could be used.

After the foundation of the G.D.R. in 1949 the need of port capacities has increased so fast that it could not be covered by the existing small and obsolete Baltic ports.

In 1952 the establishment of an own merchant fleet with a fast growing stock began. But these ships were too large and it were too much to be taken up by one of the existing ports.

be extended if the goals were not met by then.

These were the two most important reasons for the construction of a completely new seaport in Rostock, which came on stream in 1960. Today ships up to a length of 230 meters, a width of 32 meters and a draught of 38 feet can call at Rostock.

At 10 kilometers of quay 36 berths are available in the "new" port and further 7 berths in the former port for smaller ships up to 5,000 tdw.

The year 1988 has been the most successful year in the young history of the Rostock port.

Dispatching 3,802 ships under 69 flags totally 20,741,000 tons had been handled, made up by 3,073,800 tons of liquids, 11,205,000 tons of dry bulk goods and a general cargo portion of 6,462,200 tons.

All transport, handling and storage orders are realized within a co-operation agreement between all firms concerned in the handling.

Within this agreement the port is the stevedoring and storekeeping firm for all goods to be handled. Orderer of the good is the sole forwarding agent of the G.D.R., the VE Kombinat Deutrans. It works both on behalf of the foreign trade organizations of the G.D.R. and for third.

The VEB Schiffsmaklerei acts as mediator between the interests of the shipping and the port. It alone holds the right to booking of cargo, to acquisition of tonnage and freight for foreign flags. Besides it takes the clearance, the preparation of the cargo documents and the settlement of the port dues and sea freights for all ships.

By reason of a lacking inland connection by waterway Rostock has been designed as railway-port.

Under direction of the national railway the dock railway ensures the delivery and removal of 90 to 95 percent of all cargos. The remaining are transported over the autobahn, leading directly from Berlin to the port.

Independent firms realize the controls of quantity and quality. The majority of the 6,000 employees of the port Rostock had been educated in the vocational school of the port, existing since 1964. Here hundred boys and girls yearly get their certificate as skilled worker for stevedoring, storage and cargo inspection. In addition the education in 12 technical professions was realized.



Rotterdam Municipal Port Management/Freek van Arkel

## Mozambique Port Being Redeveloped

Amsterdam Port Consultants (APC) reports good progress in the redevelopment of the Port of Beira in Mozambique. The Netherlands and several Nordic governments are jointly supporting the upgrading of the Port of Beira as one of the main elements of the Beira Corridor which provides landlocked countries in Southern Africa (such as Zimbabwe) access to the sea independent of the Republic of South Africa. APC is in charge of the programme.

Amsterdam Port Consultants is a non-profit organization in which the Amsterdam Port Management, the Port Employers Association and a number of specialised private sector companies make their expertise available for port development.

APC chairman and Beira project director is Mr. Kees d'Angremond who is also managing director of the Amsterdam Port Management. "So far, we have cleared the harbour area, set up a temporary container yard and repaired equipment, ranging from tugs and pilot launches to fork lift trucks and other cargo handling equipment," Mr. Kees d'Angremond said. "The results have been very satisfactory: cargo flows have doubled and, perhaps

## General Cargo: Positive Trend at Rotterdam

The volume of goods handled in the port of Rotterdam in the first quarter of this year increased by 3.6% on the same quarter of last year, from almost 67 million tonnes to 69.4 million tonnes. As expected, there was no improvement on the exceptionally good final quarter of 1988 (75.3 million tonnes). The Rotterdam Municipal Port Management believes there is no reason for dissatisfaction. The published figures indicate that particular quarter was a peak.

The world economy is healthier than expected, and prospects remain favourable although a regression in growth is possible. The volume of incoming goods in the port of Rotterdam increased considerably in 1988. The Rotterdam Municipal Port Management expects to see stabilisation in goods handling in 1989.

The figures for the first quarter seem to confirm this. The volume of general cargo handled continued to develop well with the growth in world trade. There was a 10.2% increase on the first quarter of last year, from 13.1 to 14.4 million tonnes.

As far as bulk goods are concerned, there was some growth in the handling of mineral oil products compared with the same quarter of last year (14.7%). In contrast, the volume of coal handled decreased considerably (-17.3%).

more important, delays have practically been eliminated," he said.

## Operations Speeded Up

Mr. Kees d'Angremond said that another important factor for ship-owners and cargo forwarders is that the rate of loading and discharge has now reached a level similar to the rate in European ports. "This applies both to conventional general cargo and containers. When I was in Beira recently, I talked with several captains

who could leave port days ahead of schedule because the vessels were handled in 25% of the time they anticipated.

"The safety of navigation has also improved greatly. Nighttime navigation is possible again, and a dredging programme is nearing completion to allow deeper draught vessels to enter port," Mr. Kees d'Angremond said.

As day-to-day problems in the Port of Beira are solved, APC will begin the second part of its commission: the transfer of know-how and training.

## Foreman Rewarded for Container-positioning

A Port of Gothenburg employee recently received the highest reward for a productivity-increasing idea ever paid out by the Port. Mr. Tommy Eriksson, a 42-year-old port foreman recently promoted superintendent, got Swedish Kronor 200,000 (18,000 pounds sterling) for a method of positioning containers under container cranes.

Mr. Eriksson's idea was to fit transmitters of infrared light on the cross-bars between the cranes' land-side legs, and reflectors on the sides of terminal trailers and straddle carriers. The reflected light impulses are received and interpreted by a sensor, which is connected to a traffic-light-type display. This display gives instructions to the tractor or carrier operator to proceed further, to reverse or to stop.

The method is already in use on all container cranes at Gothenburg's Skandia container harbour. It is an improvement with the present tractor-trailer operations system, but it will be close to a necessity with the straddle-carrier-based system now being gradually introduced at Gothenburg. This is because a straddle carrier, in the case of loading, leaves the container under the crane and proceeds to the container park to pick up another one. Thus, the possibility to adjust the container's position afterwards is limited.

Mr. Eriksson's idea was developed by the technical staff of the Port.

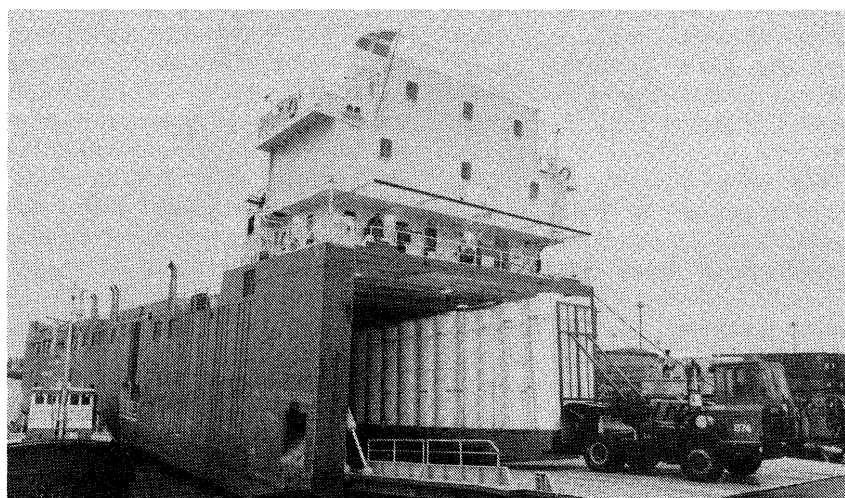


*The container positioning system developed within the Port of Gothenburg works with infrared light.*

## Gothenburg Ro-lux Cassettes



In the STORA terminal at Gothenburg's Alvsborg facility, paper reels for export are being put on Ro-lux cassettes that act as unit-loads between terminals. The paper fed to the terminal by special river feeders is put on Ro-lux cassettes already at the mill. Ro-lux components include cassettes, a hydraulic low-lift trailer, and a specially-equipped terminal tractor.



The 'Shuttle Göteborg' at Gothenburg. On the ramp is a Ro-lux unit with a paper load from up-river STORA mills; the unit will be transferred to a Tor Line roll on, roll off vessel for transport to the U.K. or the Continent.

## Colombia Coffee to Port of Helsingborg Again

Since March 1989 the Colombia coffee to Scandinavia has been shipped to the Port of Helsingborg which accordingly henceforth is a port of transshipment for all Colombia coffee to, besides Sweden, Finland, Denmark and Norway.

The vessels, belonging to the Colombian shipping company Flota Mercante Grancolombiana S.A., have previously called at Gothenburg.

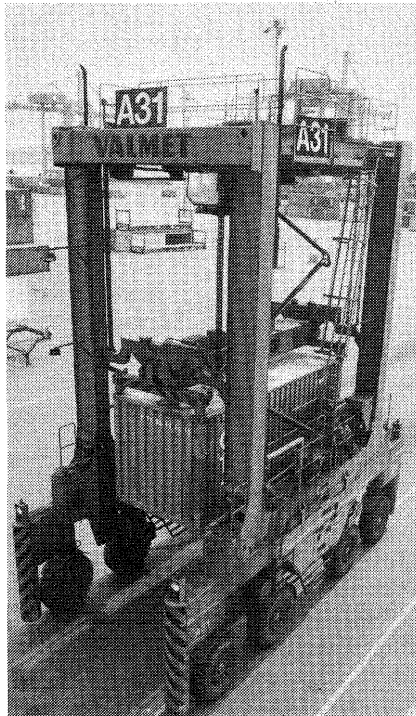
The main freight imported is PSL and containerized coffee in bags coming from Colombia while the export cargo consists of mechanical/chemical cargo and forest products.

## Gothenburg to Buy 7 More Straddle Carriers

The Port of Gothenburg has decided to invest the equivalent of 2.5 million pounds sterling in seven straddle carriers, increasing the total number of straddle carriers at the Port's Skandia container harbour to 22. With the addition of the seven new machines, it is expected that the full effect of a straddle carrier-based cargo handling system will increase container crane productivity by 25 percent.

Straddle carriers will take over most of the work done today by tractor-trailer combinations and forklifts in interaction. This means that straddle carriers will feed the shore-to-ship container cranes with containers picked up by the straddle carriers themselves in the export container lot. It also means that straddle carriers will be seen even more in yard work, like loading and unloading lorries.

One important factor when using straddle carriers to feed container cranes is the precision with which a straddle carrier driver can put down an export container under the crane; unlike a terminal tractor driver, he cannot easily adjust the container's position afterwards. The Port of Gothenburg has developed its own



*A Valmet 40102 straddle carrier*

positioning system to facilitate this operation.

The straddle carrier investment is part of a 3.5 million pound sterling investment package that also includes a new terminal lay-out, repaving of part of the terminal area, and the construction of another straddle carrier "stable" in addition to the one commissioned in 1988.

The seven new straddle carriers, all Valmet 40102s, are to be delivered in late 1989 and early 1990. All Port of Gothenburg straddle carriers are Valmets.

## Port of Lisbon Faces Big Challenge of 93

Port of Lisbon plays a vital role in the Portuguese economy and it is expected to reach an even more significant importance with the advent of the Single European Market in 1993, due to exceptional access conditions of its estuary and geographical location, at the world crossing of the shipping routes.

Under the "guidelines" of that philosophy, several actions have been done in 1988, all of them trying to found the port in modern structural bases, allowing it to face successfully the big challenges to come.

Together with an intensive organization activity, technical-economic-financial research has been done in order to allow the definition of the port's development policy till the end of this millennium. However, the port's management has already accomplished some actions which are determinant for the port's future development, focused on a proactive position, essential on the 93 horizon.

The most important aspects to point out in this respect are the conclusion of an agreement regarding the use of modern telematic concepts in a project that few ports have at the moment, and the acceleration of the plans related with the Trafaria-Bugio link for land reclaiming purposes, which will allow the construction of multi-purpose terminals, with an area of about 2,000 acres, 17-meter water depths.

Maritime transport being responsible for 90 percent of the total foreign trade in Portugal, almost 30 percent is carried through the port of Lisbon.

The sea cargo throughput has reached in 1988 around 13,565,000 tons,

plus some 1,600,000 tons should be added coming from river traffic.

To the above sum, the foreign trade totalled 8,708,000 tons, referring 7,233,000 tons to imports and 1,475,000 tons to exports. The remaining 4,474,000 tons of sea cargo refer to cabotage between the port of Lisbon and the Azores and Madeira, to transshipment and to coastal shipping between Lisbon and the other mainland ports.

Not considering the oil, port of Lisbon holds the most important position in the Portuguese ports foreign trade.

The 280 shipping lines, most of them calling the port on a regular bases, connecting Lisbon to other 400 ports throughout the world, have entered 4,946 times in 1988, with a total of 31,780,000 GRT (2.1 percent more than in 1987). Noteworthy is the increase of foreign ships which have entered the port (136 more and 1,368,000 GRT in plus).

15.7 million tons were handled in the port, having sea cargo totalled about 13.6 million tons. Bulk solids have reached 5.6 million tons (nearly 42 percent of the total), having registered an increase of 2.8 percent. General cargo assumed a growth rate of 6.1 percent, fixing itself in 3.6 million tons, which overtopped the 2 million tons mark of containerised cargo. The rate of containerised cargo growth was 6 percent including transshipment and 9.4 percent excluding it.

Remarkable in the general cargo is the amazing growth in the cars traffic: 46,000 cars were handled in 1988, compared with 18,000 in 1987. Having increased about 14 percent, Ro/Ro cargo assumes a growing importance. It is foreseen that at least 1/4 of the TIR traffic could potentially be reached by Ro/Ro traffic. To face that increase, a new Ro/Ro terminal is now under progress in Alcântara.

Important fact is also the growth trend of containerised rate over the general cargo. From 53 percent in 1987, it surpassed 54 percent in 1988. However, if we include transshipment, the rate jumped to 56 percent.

In 1988, 192,968 containers (237,620 TEUs) and 2,031,275 tons were handled in the port of Lisbon, compared with 181,366 (about 219,366 TEUs) and 1,916,412 tons in 1987.



Door-to-door containers represented about 67 percent of the total, while in 1987 this rate was 62 percent.

From the containers handled in 1988, 96,060 (about 50 percent) correspond to the Santa Apolónia Terminal, 45,695 (some 28 percent) to the Liscont terminal and 41,754 (about 24 percent) to Santos quay.

Regarding the figures, it is still clear that the port of Lisbon continues at the top of the Portuguese ports as far as bulk solids and general cargo throughput are concerned.

### **Sir Keith: Excellent Future for Port Industry**

Speaking at a recent Annual General Meeting of shareholders of ABP Holdings PLC, the Chairman, Sir Keith Stuart, expressed strong support for the Government's decision to abolish the National Dock Labour Scheme, and predicted an excellent future for the port industry after abolition of the Scheme. Sir Keith said:

"The Dock Labour Scheme has created many problems for the ports which have been subject to it. It has increased costs and imposed rigid demarcation lines in an industry where flexibility and cost effectiveness are so vitally required. The abolition of the Scheme will not only bring significant benefits to the ports themselves but also more widely to the country as a whole.

"The abolition of the Scheme will mean that U.K. ports will be able to compete on more equal terms with our Continental rivals, and also provide British exporters with a more cost effective service. I also believe that the port areas will once again be able to attract a wide range of transport and similar businesses to locate themselves in 'docklands,' with a consequent increase in overall levels of employment.

"The abolition of the Scheme will of course mean, and should mean, real changes in the way in which we operate the ports in the future, but ABP and other port employers have made it clear that we have no intention of returning to a casual labour system. We are ready and willing to enter into local negotiations in each port to sort out future working arrangements, and we have also given assurances that the Dockers' Pension Scheme will be maintained.

"For all these reasons I cannot see

any purpose in strike action by RDWs. The only results of strikes would be a loss of earnings by dock workers in the short term and a loss of jobs in the longer term. I cannot conceive that strikes will persuade the Government to change its mind, nor will they change ABP's view that the abolition of the Dock Labour Scheme is a long overdue and beneficial reform. Any strikes, therefore, by RDWs will be quite futile.

### **Massive Increase in '88 London Riverborne Trade**

Riverborne trade in Central London showed a massive increase in 1988. Figures just released by the Port of London Authority show that cargo handled by riverside wharves upstream of the Thames Flood Barrier increased by 546,289 tonnes (or 10%).

In 1988, there were 6.1 million tonnes, in sharp contrast to the 1987 figure of 5.5 million tonnes. The increase is due to higher imports in aggregates, oils and fats. In addition, one million tonnes of London's rubbish is transported by barges from depots in West and Central London to landfill sites downriver in Essex.

The increase in trade in central London is yet further confidence by Britain's exporters and importers in the River Thames as a commercial highway and the PLA's bid to alleviate congestion on London's already overcrowded roads.

Overall, the Port of London had its best year since 1980, with a total of 48.9 million tonnes compared with 43.8 million tonnes in 1987. London's trade figures are 15 million tonnes ahead of its nearest competitor and remains Britain's largest port.

### **PLA: Good Progress in All Three of Its Divisions**

PLA made good progress in all three of its divisions in 1988.

Group turnover at £82.4 million was £2.7 million up on 1987, while operating expenditure at £69.3 million fell by £1.4 million. The overall profit for the year was £28.5 million after tax although this was distorted by exceptional income from a major property sale. Excluding exceptional items and the pay and severance cost of surplus dock workers, the movement in profit before

## **Asia/Oceania**

### **Waterfront-reform Plan Welcomed by AAPMA**

The plan to restructure the Australian waterfront industry with the aim of improving the nation's trade performance which has been recommended by the Inter-State Commission (ISC) has been welcomed by the Association of Australian Port and Marine Authorities (AAPMA).

The President, Mr. John Jenkin, said that AAPMA particularly supported those aspects of the plan which proposed extensive decentralisation of operating arrangements, a change from the present industry employment system to enterprise or company employment, waterfront award restructuring, the removal of the levy system controlled by the Association of Employers of Waterside Labour (AEWL)

tax was from £11 million in 1987 to £13.9 million in 1988.

Port trade increased by over five million tonnes to 48.9 million tonnes. The gains were spread evenly over oil, coal, aggregates and mixed general cargo. The PLA's own Port of Tilbury maintained its progress, handling an additional 100,000 tonnes.

The River was at its busiest for many years with well over 28,000 vessel movements in the year — some 2,500 more than in 1987. On 1st October, PLA assumed responsibility for pilotage, adding 167 employees to the River Division.

In his Statement, PLA Chairman Sir Brian Kellest reports goods progress in all of the major tasks the PLA set itself in 1988 and says, "We are now able to start the process of progressive discharge of liabilities and repayment of debt, an essential preliminary to setting up the Divisions as fully free-standing financial entities."

Sir Brian concludes by saying "the major task ahead of us now is to rise to the challenge and opportunity afforded by the end of the Dock Labour Scheme and establish a new industrial relationship which will make us more efficient and competitive, to the benefit of all."

and of the present arrangements for the inter-port transfer of labour.

At the same time AAPMA would welcome greater stability of employment in the industry with greatly improved scope for meaningful training and career path development.

The AAPMA is an association of 33 member organisations representing public sector port and marine authorities responsible for the operations of 61 ports throughout Australia, employing around 7,000 people and employing assets valued at over \$3,000 million.

The ISC Report recommends that Port Authorities take increased responsibility for influencing the action necessary to achieve improved efficiency and reliability on the waterfront.

Mr. Jenkin said: "The weight of evidence presented supports a recognition that a major structural reorganisation of the waterfront industry is imperative.

"The strategy is founded on a complete restructure of the industry. It is evident that total reform on the waterfront cannot be achieved in a piecemeal way with isolated pockets within the industry, as this only further promotes the segregation of industry skills and limits the most efficient use of available resources."

He said the AAPMA considered the ISC estimate of savings to be achieved by implementing its package of reforms to be conservative and could be in excess of \$1,000 million per year.

The ISC recommendations recognise the need to decentralise organisational structures and management decision-making out to each individual port.

Mr. Jenkin said it would be necessary for each port to develop a plan of operation suited to its needs and designed to optimise the efficient use of the resources available to it and to provide the level of reliability and service required by its customers.

"Individual ports and employers must have the flexibility to determine their workforce requirements and be responsible for their operating costs," he said.

Port communities as a whole and the State Government to whom port authorities are responsible expected these authorities to play a more direct role in ensuring that the total port operation works efficiently and that port facilities achieve greater productivity, Mr. Jen-

kin said.

Port authorities would seek to co-operate with port services providers to maximise utilisation of port facilities.

Mr. Jenkin added that timing was a critical element in the implementation of the recommended package, as the momentum for change now existing might be lost.

## **ISC Waterfront Investigation Report**

### **Implementation**

- Three person independent implementation authority to oversight the plan and supervise the release of government contribution

- full time chairperson and two part time members

- small secretariat

- An "in principle" agreement between the Federal Government, ACTU, stevedoring employers and unions for initiating and progressing the stevedoring and international container depots elements of reform plan.

- Under the agreement release of Government financial contributions to be contingent upon satisfactory progress with all aspects of the industry plan by the other parties.

### **Stevedoring Industry**

- Change from present industry-based employment arrangements to enterprise-based employment arrangements within 3 years.

- Introduction of improved workplace practices following individual workplace assessments.

- Introduction of new job structures based on skills acquisition and demonstrated competency, incorporated in an integrated career path.

- Development of new training program to meet the competency requirements of new job classifications. Federal Government contribution of \$2 million for industry training facilities and \$6 million towards cost of on-the-job and off-the-job training.

- Special recruitment program to regenerate the stevedoring industry with 1,000 new recruits under the age of 30 being brought into the industry over three years.

- Special retirement and redundancy package to enable 3,000 employees to leave the industry over three years. Federal Government grants of

\$145 million to meet half the redundancy cost with the other half being met by stevedoring companies.

- Removal of "gangway watchmen" classification from the industry involving redundancy of some 200 gangway watchmen.

- Use of supplementary workforces to meet peak labour requirements and contracting out of maintenance work.

- Termination of existing cross-subsidisation of stevedoring labour in small ports.

- Development of integrated labour forces in small ports with coverage by port authority unions and introduction of commercial stevedoring labour pools in intermediate size ports where this is more efficient.

- Renegotiation within six months of key awards and industrial agreements to give effect to restructuring proposals.

- Continuation of joint ventures but with greater regard to their obligations under the Trade Practices Act.

### **International Container Depots**

- The elimination of existing industrial constraints on international container depot operations.

- Redevelopment of container depot productivity schemes to make them more relevant to individual workplaces.

### **Bulk Terminals**

- Introduction of enterprise-based labour arrangements with WWF agreeing to withdraw its coverage of bulk-loading operations.

### **Industrial Relations**

- Industry examine whether guidelines for handling safety disputes can be improved and Federal Government departments examine whether present industry safety code can be developed for enactment as legislation.

- Enterprise managers and employees should examine scope offered by certified agreement for introduction of workplace-based agreements.

- Employers and employees should commit themselves to adhere to agreed disciplinary and dispute settlement procedures.

- Insertion in awards of stand-down provisions that can be put into effect within 24 hours.

### **Port Authorities**

- State and Territory governments



should review current allocation of port functions with a view to a more appropriate balance between departmental and port authority responsibilities.

- Port authorities should remain as statutory authorities rather than become private companies but their structure should be changed to give them greater autonomy with governmental strategic oversight being through corporate plans and performance targets.

- Port authority legislation should be reviewed to provide clear port charters and port authorities should be required to publish corporate plans.

- Port authorities should grant leases and licenses for the shortest term consistent with stable operation of individual facilities and should keep under review the possibility of providing facilities to enable entry of other operators.

- Port authorities should scrutinise the accounts of monopoly port service providers to ensure prices charged are justified.

- Port authority board members should be appointed on the basis of individual expertise.

- State and Territory governments should establish economic rates of return on port assets and review them annually.

- Port authority annual reports should contain sufficient detail to provide a clear indication of performance.

- The Association of Australian Port and Marine Authorities (AAPMA) should further develop standard guidelines for port pricing and port authorities should take immediate action to reduce reliance on wharfage charges. Prices should be set to provide an economic rate of return on market value of assets used.

- State and Territory governments should consider the impact of the ISC plan on port authority staffing levels and the need for special retirement/redundancy programs to facilitate restructuring.

#### **Importers and Exporters**

- The Implementation Authority should monitor and assist the new shipper bodies.

#### **Trade Practices**

- Federal Government should en-

sure the Trade Practices Commission (TPC) has adequate resources to develop expertise in transport areas and waterfront in particular.

- The TPC should consider merit of third party intervention under the Industrial Relations Act when there are possible trade practices implications.

- The TPC should give consideration to action under the Trade Practices Act if satisfactory progress not made in area of industry levies and container depots.

- The business activities of port authorities should be subject to the Trade Practices Act or equivalent State/Territory legislation.

### **Waterfront Restructuring To Start Immediately**

A comprehensive three-year program to reform Australia's shipping and waterfront industries was outlined by the Minister for Transport and Communications, Mr. Ralph Willis.

The program is based on Government acceptance of proposals made by the Shipping Reform Task Force and the findings of the Inter-State Commission on the waterfront.

Mr. Willis said that when in place the reforms would result in savings to the economy approaching \$700 million annually.

"These savings will be achieved through improved shipping and waterfront efficiency and reliability over the next three to five years," Mr. Willis said.

"This will enable industries which depend on transport infrastructure to themselves become more flexible and efficient."

At the centre of the shipping reform strategy is a reduction in crews on existing ships and a continuation of the progress already made by the Hawke Government in reducing crews on new ships to international levels.

As a result, the average crew size on major trading ships will drop from 29 at present to 21 over the next three years.

"Average crew sizes on such ships were 33 when we came into office. By 1992 initiatives taken by this Government will therefore have reduced average crew sizes by 36 percent in less than a decade," Mr. Willis said.

"A voluntary early retirement scheme will compensate for the estimated loss of 1,000 jobs over the next three years or 20 percent of the workforce on trading ships."

In order to promote rapid change and to ensure that crew cost savings can be quickly passed on to users, the Government has decided to provide financial assistance, including:

- 30 percent of the cost of the voluntary early retirement scheme, up to a ceiling of \$24 million over the period of the reforms;

- up to \$5 million in training assistance — half the estimated cost of the expansion of skills upgrading programs needed to facilitate recrewings;

- extension of the present fiscal regime of capital grants and accelerated depreciation for new ships for a further five years until 30 June 1997;

- extension of the taxable grant until 30 June 1992 to cover the cost of necessary modifications to existing ships for operation by smaller crews; and

- rebate of the component of marine diesel excise allocated to road and rail transport from 30 June 1992, which is currently \$3 million a year.

"The Government has accepted the recommendation of the Shipping Reform Task Force that the present policy that coastal cargoes be carried in Australian controlled and crewed ships wherever possible be maintained," Mr. Willis said.

"We agree with the Task Force that new guidelines should be issued for the operation of the permit system, including the use of permits for continuous trading for up to three years. This will increase efficiency and flexibility in the coastal shipping market.

"The Government will also ask the Prices Surveillance Authority to inquire into and monitor coastal shipping rates.

"If it becomes clear over the next three years that shippers relying on others for their coastal shipping are not benefiting from these reforms through lower freight rates, the Government will give serious consideration to including price as one of the criteria used when assessing permit applications."

Mr. Willis said the Federal Government's waterfront reforms would concentrate on the stevedoring and international container depot industries, State Government-owned port

authorities, and measures to create a more competitive commercial environment.

"The Government has consulted in detail with industry parties," he said.

"As recommended by the ISC, the Government will commence immediate negotiations with the ACTU, stevedoring unions and employers on an in-principle agreement for substantial reform of the stevedoring and container depot industries.

"The Government is confident that such an agreement can be finalised within the three-month timetable set by the ISC."

Its main elements will include:

- the introduction of enterprise-based employment at major ports;
- a one-off special retirement and redundancy package for 3,000 existing employees and a recruitment program to bring 1,000 new recruits aged 30 or less into the industry over three years;
- provision by the Government of up to \$154 million towards the cost of redundancy payments, training, skills audits and job redesign projects, with similar contribution from employers;
- phasing out of cross-subsidisation of stevedoring labour costs in small ports; and
- Trade Practices Commission scrutiny of uncompetitive practices in international container depots and in the towage industry.

"The introduction of enterprise-based employment at major ports will improve competition, enhance employer/employee relationships and reduce costs to consumers," Mr. Willis said.

"The special retirement and redundancy package, coupled with the recruitment program, will rejuvenate the industry ensuring an effective and properly motivated workforce."

The Minister said there was room for substantial improvement in the performance of port authorities and that the Government had endorsed the thrust of the ISC's recommendations relating to ports.

"I have already written to State and Northern Territory Ministers asking them to give early consideration of the Inter-State Commission's recommendations on ports. I will be seeking to meet with them soon to implement measures to improve port efficiency.

"The Trade Practices Commission has an important role to play in creating

a more competitive waterfront environment and the Government will ensure that it has sufficient resources to apply the Act effectively to those areas identified by the Inter-State Commission."

Mr. Willis also announced that the Government would establish shipping and waterfront implementation authorities to oversight the restructuring process and control the release of Federal funds to meet the Government's objectives of making the shipping and waterfront industries more efficient.

The two authorities will be established shortly.

### **Broad Role Urged for New Reform Authority**

A broad role for the planned Waterfront Industry Reform Authority has been urged by the Association of Australian Port and Marine Authorities.

The authority is the linchpin of the reform strategy and its role should not be confined to the supervision of the in-principle agreement yet to be negotiated between the industry parties, says the AAPMA.

The AAPMA also calls for the appointment of the President of the Inter-State Commission, Mr. Ted Butcher, as the Chairman of the new authority.

The Federal Government announced plans to set up the authority to oversee and monitor the day-to-day implementation by the industry of the reform plans agreed to by the industry parties and the Government.

These plans are to be based on three-year in-principle agreement, to be reached within three months, between the Government, ACTU, stevedoring unions and employers on restructuring the stevedoring and international container depot operations.

The AAPMA, an association of public sector port and marine authorities responsible for the operation of 61 ports throughout Australia, made its comments in Sydney on June 6 in its first statement on the Government's announcement.

"The composition of this authority is quite crucial to its success and to gathering the momentum which the situation now demands," the AAPMA

said.

"Much of the industry considers it is imperative that Mr. Butcher be given the enormous responsibility of guiding this vital implementation process to a successful conclusion."

The President of the Association, Mr. John Jenkin, applauded the bipartisan support given to the fundamental thrust of the Inter-State Commission findings by both the Government and the Opposition in Parliament on June 1.

"No doubt this support is based on the recognition that the waterfront situation is a national problem of considerable proportion and longevity which will require the development of national teamwork if it is to be resolved," he said.

The AAPMA welcomed the proposal to hold special Federal/State consultations and said, "It is even more vital that the same spirit of bipartisanship extend to the development of a co-ordinated plan whereby all Australian Governments are committed to an effective implementation of the ISC recommendations."

The AAPMA noted that its submissions to the ISC inquiry contained recommendations that figured prominently in the ISC conclusions and also verified the port authorities' acceptance of their own responsibility. Much work in the ports' area had already commenced.

The association, for example, had initiated an approach to the Australian Customs Service to join forces in developing Electronic Data Interchange systems to replace the "archaic paper-work systems." Qantas and other industry groups had become involved and Tradegate Australia had been formed to provide a networking system and associated services that would soon be available to users in the port communities.

The AAPMA also pointed out that the Sydney and Melbourne port authorities had recently launched comprehensive proposals to change the principles of port pricing to a user-pay basis from the Commodity Tariff System used by State Governments to collect public revenue since pre-Federation days.

"These proposals are now on the table for public discussion and consultations, and foreshadow considerable change," the AAPMA said.

The association said that while the broad proposals for the in-principle agreement identified a difference between the mainland capital city ports and the regional and bulk ports, there might need to be greater recognition of the fundamental differences.

"It needs to be understood that some Australian bulk ports are now operating at efficiency levels that are the envy of our trading competitors," the APPMA added.

"We need to be concerned with extending to the other ports the factors contributing to those efficient operations.

### **Rous Head Project at Fremantle 25% Complete**

The \$30 million project to deepen the inner harbour and construct a facility for small commercial boats together with an industrial park is running to schedule.

The sea and bund walls have now been joined to contain the 30-hectare reclaimed area.

Overall, the project is about 25 percent complete.

The names of the development — Rous Head Harbour and Rous Head Industrial Park — have been approved and commemorate Captain Henry John Rous, a friend of Captain James Stirling.

Rous Head, which was named for him, was once a limestone promontory at the northern entrance to the Swan River. Although this lost its significance due to port development, the new harbour's name re-establishes Captain Rous's links with the earliest days of the Swan River settlement.

Chesterton International, which has been engaged by the Port Authority to lease the 30-hectare industrial estate, reports that there has been strong interest in the development.

The company's Harold Turen said that about 40 lots have been proposed and these are likely to be put to tender in November.

He said that the lots which front the 16-hectare harbour water would suit a wide range of industries including marine fleets, boat builders and firms specialising in underwater technology.

Lots adjacent to the ocean could be used for office developments with the remainder likely to attract various users

including import/export and providing.

Mr. Turen said that leases would be offered for terms up to 21 years. Market rental levels would be established before tenders were called and there would be three-yearly rent reviews.

He said that lots would probably range in size from 2,000 square metres to more than 1 hectare.

The Rous Head Industrial Park would feature extensive landscaping.

*(Port of Fremantle)*

### **Mr. Fenton Appointed Chairman of GPA**

The appointment as Chairman of the Gladstone Port Authority of Mr. Graham Fenton maintains a long association of the Fenton name with the Port of Gladstone.

Mr. Fenton was first appointed to the Board as a government appointed member in 1982 following the retirement of his father, Mr. Mark Fenton, who had served as a member of the then Gladstone Harbour Board for 18 years.

In 1985, only three years following his appointment to the Board, Mr. Graham Fenton was elected Deputy Chairman, in which position he gained valuable experience.

Mr. Fenton possesses a modern and aggressive viewpoint suited to the accelerating pace of one of the world's leading Ports.

He sees the next three years as being one of Gladstone's most active periods, with throughput tonnages forecast in excess of 30 million tonnes per annum.

The Authority recently completed a Proposal for the Development of the Port for the period of 1989-92 in response to interest shown in the district by many industry development proposals. Most of the Port's six facilities will be able to adequately service this projected usage.

*(Port-Talk)*

### **Gladstone Authority: 75 Years of Progress**

At 8:00 p.m. on 6 March 1914, the first members of Gladstone's Port Authority, then known as the Gladstone Harbour Board, assembled in the Town Hall and embarked upon the business of their first meeting — and so began the 75-year history of the Gladstone

Port Authority.

After three quarters of a century, Gladstone Port Authority is celebrating and rightly so!

The achievements of those 75 years resulted from the determination of the people in this area to see the Port of Gladstone occupy a prominent position amongst the Nation's ports. Nature had already intended that to be so.

Men of great vision nurtured a dream which became reality. Gladstone's Port rose from an obscurity, that was to a great extent, forced upon it by some from other areas who sought to see it stifled. Against formidable odds, it rose to a position where today it ranks as a world class Port.

Gladstone holds a unique position in Queensland, having been transformed from primarily an outlet for pastoral products, to a giant in the shipment of minerals from this rich State.

The present Port Authority decided that the 75th Anniversary celebrations should centre around the importance of the Port to the Community. Events will be arranged to give the Community the opportunity to learn more of the Port's operations and plans for the future.

While the occasion is an opportunity to remember and give thanks for the past, it is also a time to look to the future with a zeal that will ensure the efforts of past generations will attain even greater rewards.

*(Port-Talk)*

### **Burnie, Launceston Agree to Join Forces**

The Burnie Port Authority and the Port of Launceston Authority have agreed to pursue amalgamation to form a Northern Tasmanian Ports Authority.

The new Authority will take over the powers and responsibilities of the two existing authorities and will be responsible for the administration for the ports at Burnie and in the Tamar River.

It is proposed that the existing port authority boards would remain (under a different name) and would act primarily as local area advisory bodies although, in the case of Burnie, they will continue to be responsible for the Burnie-Wynyard Airport.

Discussions with the State government regarding enabling legislation are proceeding.

A target date for implementation of the amalgamation is July 1 this year.

The following information is a summary of facts about amalgamation.

### **Facts About Amalgamation**

Waterfront industries are widely perceived as being high cost, low efficiency operations which stifle our development as a nation and disadvantage us as individuals.

Federal and State governments recognise the need for fundamental reform and have created a climate in which that reform may take place.

The Tasmanian Government has sought greater co-ordination and co-operation among port authorities for the benefit of Tasmania as a whole.

The port authorities have found themselves unable to respond because the charter under which they operate (established by the Marine Act 1976) focuses on individual activity.

In order to initiate the realisation of benefits for the State as a whole, the amalgamation of the Ports of Launceston, Devonport and Burnie to form the Northern Tasmanian Ports Authority has been proposed.

All three ports are financially sound and therefore the amalgamation is approached from a position of strength. No one port is therefore particularly advantaged or disadvantaged by the proposal.

The amalgamation proposal provides for the Board of the Northern Tasmanian Ports Authority to be essentially the combination of existing port authority boards.

In addition to existing Wardens having a seat on the full board, they will sit on port commissions in their own areas to look after local interests.

Savings in the order of \$2.3 million per year may be realised by the amalgamation, some 80% of which results from the rationalisation of capital expenditure programmes. Such rationalisation is possible because of the elimination of divisive and damaging pseudo-competition between the ports.

There will be no redundancies or sackings as a result of amalgamation. Some of the above-mentioned savings are derived from rationalisation of personnel. However, personnel reductions will only be realised through natural attrition.

In addition to the above-mentioned administration cost savings, industry

users of port facilities estimate that substantial additional savings may also be realised.

Under the Northern Tasmanian Ports Authority, the wharf areas at all three locations will continue to be developed, but on a co-ordinated basis. The interests of each individual region will be protected by a legislative requirement for a 75% majority vote of Board members for any major capital development.

While the existing three port authorities are currently in financially sound positions, the formation of a Northern Tasmanian Ports Authority creates an entity which, by synergy, results in a substantially stronger and more robust unit than could be achieved by the individual authorities themselves.

*(Newsletter)*

### **Newcastle Ready to Face Challenges of 90s**

The Port of Newcastle was ready to face the challenges of the 1990s, Acting Port Manager, Mr. Geoff Connell, said.

Mr. Connell outlined the port's performance and recent developments in operations to the first quarterly briefing for more than 70 of the port's customers.

Expenditure during the quarter was 7 percent below budget; income was also below budget, but this was due to external forces which had caused a reduction in movement of coal, aluminium and iron ore.

Charges for the port's biggest customers — the coal shippers — were reduced by 7 cents a tonne at the end of March, as a result of closure of the Carrington Basin Coal Loader and continued efficiencies at the Port Waratah and Kooragang Island loaders.

Mr. Connell said the most significant development for the Port was the recent State Government decision to form a Corporation as a subsidiary of the Maritime Services Board for the Port of Newcastle.

The majority of the Corporation's eight-member board, to be appointed soon, would represent regional interests associated with the port.

The Chairman would also be a member of the main Board of Directors of the Maritime Services Board.

Internally, the major area of

achievement for port management during the quarter had been in the area of Human Resources.

The Human Resources branch had been reviewed and rationalised, with a provision made for appointment of an Industry Training Officer.

A safety management training program had also commenced and a rehabilitation co-ordinator had been appointed to train senior staff in fulfilling their obligations under the MSB's policy and legislation requirements.

Negotiations on an aggregate wage were continuing with the Seaman's Union of Australia. This should result in greater flexibility and efficiency from staff in those areas.

Further talks were now underway with the Newcastle Trades Council and individual unions regarding award and industry restructuring.

A union/management steering committee had continued to work successfully and had completed new projects aimed at improving efficiency in the payroll operations and cargo handling areas.

"When the new administrative structure takes effect on July 1 we will be more than prepared to move into an exciting new phase of challenge in the 1990s," Mr. Connell said.

### **New Pricing Deal for New South Wales Ports**

The Maritime Services Board on 11th May announced a new pricing structure to affect all ports in New South Wales.

The General Manager, Mr. Les MacDonald, said the new structure had been developed to ensure that all groups on the waterfront — shipping companies, cargo consignors and stevedores — paid a fair price for the use of MSB services and assets.

"We are determined to end a system that has allowed some port users to subsidise others," he said.

"The old system of charges began as nothing more than a tax on people who sent goods by sea.

"There were differing rates for different goods with no relationship as to the costs the port incurred in handling them.

"That system will end.

"It is not possible to tinker with it any more to make it work in today's circumstances."

The new pricing structure, developed along lines similar to those operating in the U.S., would allow costs for vital exports such as coal and grain to fall.

Costs for ship owners and importers of cars and containerised goods would increase — but only add a small amount to the cost of individual items.

Under the existing pricing structure, the Port of Sydney incurred a financial loss for each visit of the QE2.

"At present the Port of Sydney receives \$6 per passenger when the QE2 berths at Circular Quay," Mr. MacDonald said.

Rates would differ between ports, according to vessel size and the demand for MSB facilities and services.

Mr. MacDonald said the new structure superseded a 150-year-old system of statutory charges.

This did nothing to encourage port efficiency and could not be properly linked to the actual services the MSB provided.

"They were inefficient, inappropriate and extremely difficult to justify or explain," Mr. MacDonald said.

"They resulted in a ridiculous situation where we were charging some organisations to use their own facilities — while some stevedores were using 50 percent of our wharves free of charge."

Under the new structure, ships would pay for pilotage and a navigation services charge (based on gross registered tonnage) each visit.

This charge would recover costs of providing breakwaters, channels, navigation aids and port communications systems, currently worth an estimated \$500 million in NSW.

The new pricing structure would be introduced in several phases with the long-term aim of achieving full cost recovery.

By the end of the first phase, the MSB expected to recover more than half of its costs in providing navigation services to shipping; its revenue from private berths would fall by one quarter of the current level.

Mr. MacDonald said the new rates represented less than one percent of the freight rate (the ship's charge to customers).

Stevedores and cargo consignors/consignees would pay to hire berths and other facilities.

These charges would be commercial

in nature and cover the MSB for providing and maintaining wharves and cargo facilities, workers amenities, services (water, power, etc.) security, cleaning and workshop facilities.

The stevedores would pay a form of rent, while initially, consignors continuing to pay the MSB a rate would do so according to the weight of their cargo, rather than commodity type.

Mr. MacDonald said the new pricing structure was the latest step in the MSB's program of management reform.

In recent years it had reduced total operating expenditure by \$50 million, reduced staff by 15 percent, frozen charges, eliminated wasteful work practice, rationalised assets and reduced debt exposure by \$155 million.

"This new structure gives us a base to improve efficiency on the waterfront, to reduce waste and boost our export industries," Mr. MacDonald said.

The MSB would consult major customers in each port during the next month to determine specific levels of new charges.

## **Port of Nagoya Entering New Phase**

In the wake of its dramatic expansion as an international port serving Central Japan, the Port of Nagoya is now entering a new phase in its development, one brought about by overall trends in globalization, information intensification and technological innovation.

The environment in which the Port operates has been further affected by other major changes, such as appreciation of the yen and intensified trade friction. In order to sustain its vitality and its capability of contributing to the economic advancement of the local region, the Port of Nagoya will not only have to improve its existing services, but also vigorously pursue an incorporation of functions entirely new to it, in accordance with needs reflecting a new, global perspective.

In consideration of these factors, the Nagoya Port Authority instituted the Port of Nagoya Planning Committee in August of 1986. Composed of prominent members from various sectors, the committee was asked to undertake multifaceted studies and deliberations concerning the advisable orientation of the Port's long-term

development.

All segments of the surrounding community now depend on the Port of Nagoya to meet a wide range of economic and social needs. Therefore, in addition to its role as an international trading port where goods, information and ideas from round the globe are exchanged, the Port must also become a center of activity for industry, research and development programs, and also an attractive environment for public use and recreation activities, all in harmony with the development of the surrounding area. The three core

### **Core Concepts**

**1. Enhancement of the Port's Functions in International Trade and Distribution**

**2. Coordination with the Development of the Nagoya Area as One of the World's Leading Industrial and Technological Regions**

**3. Opening of the Waterfront for Community Use**

concepts form the orientations toward this end.

Today, at the threshold of the 21st century, Japan is being asked to play a leading international role in trade and technology. With its central location in Japan, the Port of Nagoya is in a unique position to provide both the facilities and infrastructure for this task, due to its long experience with trade, distribution, information, and technology. Based on these currents, we envision the Port of Nagoya soon becoming Japan's premier "Gateway to the World".

As an international trading port, the Port of Nagoya serves a vital role in the economy of the entire Central Japan region. To continue its function, the Port of Nagoya must develop comprehensive facilities, enabling it to efficiently handle the entire range of cargo in future transportation systems. This will also call for the implementation of data processing systems that handle all types of distribution data, as well as the reinforcement of central control functions for all port operations.

But distribution is only one aspect of the Port of Nagoya. The Port also encloses a huge industrial complex and serves as a center for research and development, encompassing advanced industries such as aerospace, marine resource development and new mate-

rials. In order to support these activities and stimulate the regional economy the Port must also serve as an information base for R&D and technology. Furthermore, the creation of a cosmopolitan environment for rest, work and play, to make optimal use of the Port's waterfront, is necessary.

### **Yokohama Dockworkers Working on Sundays**

The loading and unloading of container cargo on Sunday is continuing smoothly in the Port of Yokohama under the terms of the agreement reached last year between the Japanese Harbor Transportation Association and the two national dockworkers' federations — the National Council of Dockworkers Unions of Japan and the Japanese Confederation of Port and Transport Workers Unions.

At the insistence of the unions, Japan's dockworkers traditionally have not worked on Sundays. Last Year's agreement broke this practice. Under its terms, the dockworkers agreed to work on Sunday provided such work was restricted to:

- (1) Carriers who pay the whole of the officially approved charge;
- (2) Ocean-going, full container-ships; and
- (3) Movement of cargo between the ship and the CY with loading limited to cargo delivered to the CY by the previous day.

Moreover, under the agreement, unloaded cargo would not be moved out of the CY the same day, while the dockworkers would restrict their work on the docks on Sunday to the daytime hours. *(Port News)*

### **Container Terminal Performance at Kelang**

Container Throughput — KCT handled through the terminal in 1988 a total of 319,557 TEUs, an increase of 16.9 percent over the 1987 figure of 273,335 TEUs. For the month of December, 29,832 TEUs was registered, the highest ever achieved in a single month since the terminal started operations. Imports was up by 17.7 percent from 140,557 TEUs in 1987 to 165,443 TEUs in 1988, whilst exports increased by 16.1 percent from 132,778

TEUs in 1987 to 154,114 TEUs in 1988.

#### **Service Level**

\* Gantry crane performance ... notched 27 container moves per hour maintaining the 1987 performance level

\* Vessel turnaround time ... was 9.5 hours, ensuring quick dispatch of the vessels.

\* Gantry crane availability ... was marginally up from 85.00% in 1987 to 85.81% in 1988.

\* Straddle carrier availability ... has improved from 75.61% in 1987 to 87.86% in 1988.

\* Berth utilisation ... increased from 43.7% in 1987 to 53.3% in 1988.

#### **Intermodal Traffic**

Container movement by road ... increased by 8.3 percent from 236,221 TEUs to 255,966 TEUs in 1988.

Container movement by rail ... increased significantly from 23,333 TEUs in 1987 to 46,534 TEUs. This represents a 99 percent growth in rail container traffic.

### **Port of Penang Records Positive Growth**

The Port of Penang recorded a strong growth in most sectors of port traffic in 1988. Cargo tonnage for the year increased by 8% to register 8.44 million tonnes.

The volume of cargo imported through the Port rose by 7% to 4.99 million tonnes. Exports were up by a significant 9% to a volume of 3.45 million tonnes.

1988 was a good year for the Container Terminal in Butterworth as container traffic surged by a commendable 24% to record a throughput of 155,117 TEUs.

A notable increase of 27% was recorded for containerized cargo. Some 2.68 million tonnes of cargo in containers moved through the Port in 1988.

The remarkable growth in container traffic was due to the increase in the export of manufactured products from the industrial hinterland of Penang, Kedah Darul Aman and Perak Darul Ridzuan.

Shipping traffic rose by 4% to register the arrival of 3,806 ships with a gross registered tonnage of 15.2 million tons showing an increase of 0.6% over that of 1987. *(BERITA pelabuhan)*

### **One-stop Info Centre For Penang Port Users**

The Commission recently introduced a one-stop approach in providing information to users of the Penang Port in its effort to constantly upgrade its services.

This approach facilitates port users to use the Commission as a channel of communication for inquiries on port-related services offered by other government agencies as well as the private sector.

In another effort to facilitate port users to estimate their costs, the Commission offers a consolidated tariff for charges incorporating transport and forwarding.

As an added incentive, the port offers special volume discounts and preferential rates for cargo traffic that is substantial. *(BERITA pelabuhan)*

### **Group to Draft Plan for Auckland Development**

Ports of Auckland Ltd., the Auckland Regional Authority and the Auckland City Council have combined their professional resources to set up a special study group to draft a plan for the long-term development of the Port of Auckland.

The Chairman of Ports of Auckland Ltd., Mr. R.G. Alexander, in announcing the study, said the company recognises the importance of fully developing the capacity of the present port area. However, it was likely in the foreseeable future it would be necessary to expand the port to meet the needs of increased trade, as well as to accommodate changes in ship and cargo handling technology.

"The economic welfare of Auckland and its region depends heavily on the Ports of Auckland being able to efficiently handle the imports and exports so vital to New Zealand's primary and secondary industries.

"The study group will be headed by an independent port and marine consultant, Mr. John M. Wallace, of Sydney. Mr. Wallace has been involved in similar projects throughout the world. A former Executive Chairman of the Maritime Service Board of NSW, Australia and Vice President of the International Association of Ports and



Harbors, he has extensive experience in ports and port development," Mr. Alexander said.

The members of the steering committee to whom the group will report comprise the three chief executives of the organisations concerned — Mr. Robert Cooper, Ports of Auckland; Mr. Colin Knox, ARA; and Mr. Bruce Anderson, ACC, together with Mr. Wallace.

The study group brief is to compile a Port Development Plan for the Port of Auckland which will meet the requirements of the port in the short and medium term (10-15 years), and be capable of progressive expansion and implementation beyond that time to meet the future needs of the port.

The group will consider the economic background, physical conditions, port traffic projections, shipping trends and their impact on their needs of the port in the future.

Mr. Alexander said he much appreciated the recognition of the importance of this subject and the support of the Mayor, Dame Catherine Tizard and the Regional Authority Chairman, Mr. Colin Kay and their respective organisations.

Mr. Alexander said that all the parties acknowledged that the necessary port development must not be pre-empted by short-term considerations or decisions.

"The Ports of Auckland Ltd. is accountable for developing its business plans and this includes a responsibility for port planning. However, because any specific proposals for port development will require co-ordination with statutory planning processes, which are the responsibilities of the ARA and the Council, and with the planning of transport links and supporting infrastructure, the three organisations have agreed to work together on the development plan."

The study group's work is expected to be completed by mid-year when it will be reported to the three organisations.

## **Port's Contribution To City of Auckland**

The major contribution that the port makes to the life and economic viability of the City of Auckland and the surrounding regions has been highlighted

by the economic impact report, the Chairman of Ports of Auckland Ltd., Mr. G. R. Alexander said recently.

"The port is sometimes criticised for 'spoiling' the Auckland waterfront, yet these uninformed critics fail to recognise the importance of the port as an income earner both directly and indirectly," he said.

The city had been established in Auckland because the harbour provided sheltered and safe anchorage.

"This is still the case today, but modern ports require land area, cranes and mechanical equipment, and skilled manpower. The port at Auckland is not vacant disused docklands like London. It continues to be New Zealand's largest and busiest port, handling 6 million tonnes of cargo every year.

"Every day we have ships in the port, handling thousands of tonnes of cargo. That provides direct employment in the port but also indirect employment in many factories, and processing plants in the Auckland and Waikato regions, because that is where the materials go to or come from. These are the cargoes handled in the port each day. In turn, these employees shop, spend their leisure, buy homes and generally support the commerce of the region.

"That is why this study is so important in identifying the economic benefits to the area, and the employment opportunities," Mr. Alexander said.

"We are not opposed to waterfront development but we do have to ensure the needs of the port are met now, and provided for in the future. Overseas trade trends are continually changing. New ship design is also changing, and the facilities of the past may not be suitable for the future.

"We cannot 'freeze' the port as it is now, and say 'This will do for the future!' It definitely will not do. We need to plan for the needs of the future, and the benefit of this is reflected in the economic impact study."

### **Highlights**

Highlights from the McDermott Miller research study are:

- Economic activity which is directly or indirectly dependent on trade through the ports of Auckland contributes an estimated \$7.5 billion to the national economy (1988 figures). This represents 13 percent of the national

Gross Domestic Product — a measure of New Zealand's total economic output.

- Some 87,000 people are employed in the Auckland region producing these products or services which are port-related, with a further 200,000 outside Auckland contributing to the trade of the port. This gives a national total of 289,000 or 19 percent of New Zealand's employment.

- Auckland has a tradition, since 1840, of encouraging or facilitating New Zealand trade. Overseas exports handled at Auckland represented 28 percent of the national seaport total by value (1988 figures). Overseas imports through Auckland and Onehunga accounted for 60 percent of the total seaport imports by value.

- Auckland handles mostly high-value products. Average value per tonne of exports through Auckland was \$2,706 compared with \$781 for Tauranga, and \$961 for the remainder of New Zealand ports. Equivalent figures for imports were \$3,181 per tonne through Auckland, \$393 per tonne for Tauranga, and \$641 per tonne for the rest of New Zealand.

- The Ports of Auckland and Onehunga have a double impact on the economy of the region, helping port-dependent production (i.e., import of raw materials and/or export of finished product), and, secondly, through providing jobs and demand for local services needed to run the port.

- The Auckland region's importance relates to its high percentage of intensive labour industries in the area. These include manufacturing, electrical machinery, chemicals, rubber and plastic products production, and transport equipment. Each of these industry groups is significant in its own right, and, each is concentrated in the Auckland region.

The study highlights the close integration of the Port of Auckland with its hinterland, and the advantages which the port offers to importers and exporters both through its location, and its well-established links with the farms, factories and distributors of the region.

It also points out that increased efficiencies and productivity in the port will help these port-dependent sectors to grow. The net gain from this should far exceed any loss to the regional economy resulting from lower expenditure on port operations.

## Port of Tauranga Ltd. in brief

### Objectives of the Company

To operate the Port of Tauranga, and such other Ports as may be decided in the future, upon a fully commercial basis with the prime objective of:

Providing an adequate return on the equity invested by the shareholders in the total operation. This will be achieved by:

- Ensuring that an efficient and economic service is provided to users of any Port under the control of the Company, including consignors and consignees of all cargo shipped either into or out of the Ports, and all vessels calling at such Ports.
- Ensuring that an adequate and effective environment is provided for efficient and economical services including stevedoring, marshaling, and other cargo handling operations.
- Being acknowledged as a good employer of staff by the payment of fair rewards, the provision of good facilities, fulfilling work opportunities and regular briefing of, and consultation with, staff on policy, progress, and

people.

- Demonstrating a concern for the community in which it operates.

### Major Highlights

- Total revenue from trading operations was NZ\$11.293 million.
- The Company achieved a post-tax profit NZ\$3.544 million for the period. This represents a return of 12.9% on shareholders funds.
- Total trade was 1.9 million tonnes which was 2% ahead of the total at the same period last year. There have been some significant changes in the composition of trade. The log trade which recorded just under 500,000 cubic metres was largely responsible for the growth in exports that has occurred.
- The directors have made a decision to proceed with a NZ\$25 million, two berth expansion programme at Sulphur Point which is located on the Tauranga side of the harbour. The development is necessary in order to cope with the forecast increase in trade over the next decade.
- An extension southwards was made to the multi-purpose crane rails enabling more flexibility in the operation of the multi-purpose crane.
- The Directors have devoted significant time to the issue of waterfront

labour reform. This is the major issue to be resolved over the next several months. It is the view of the Directors that each port must be free to develop a local solution appropriate to the needs of each port.

## PSA Hires Tugs on Time-sharing Scheme

By Leong Peng Tuck  
Marine Craft Department

Ship arrivals at Singapore have increased significantly from 27,077 in 1980 to 35,966 in 1988. The Port of Singapore Authority's (PSA) tugs now perform about 59,000 jobs a year as compared to 36,233 in 1980, an increase of 63%.

Despite these increases, over 95% of vessels requiring tug assistance are serviced without delay.

To provide efficient tug services, PSA's policy is to maintain a modern fleet of tugs. The older craft are replaced with new and highly manoeuvrable tugs equipped with firefighting and anti-oil pollution capabilities.

Tugs are used to assist vessels in berthing/unberthing, shifting and towage operations in the port. To meet orders promptly during peak hours, PSA requires more tugs from private operators under a time-sharing scheme, which was implemented on 1 Apr 89. Peak hours fall between 0500 and 1000 hrs, and between 1500 and 1800 hrs.

The scheme basically involves pooling together suitable tugs operating in Singapore to supplement the PSA fleet during peak periods. For tug owners, this means better utilization of their tugs during the slack periods and additional revenue as well. At the same time, PSA will be able to provide even better service levels to the shipping community without costly investment in new tugs. Under the scheme, tug owners must register their tugs with PSA. Their tugs must meet certain specifications so as to be in line with PSA's standards for tug services.

In Singapore, the potential sources of supply are the shipyards which have their own fleet of tugs. Shipyards' movements are mainly confined to the daytime. Outside these hours, their tugs could be hired to PSA for subsequent deployment to better service vessels calling at Singapore. (PSA News)

## Ports of Auckland Ltd.: \$7.2 Million Profit

Ports of Auckland Ltd. on May 23 announced a pre-tax profit of \$7.2 million for the six months ended 31 March 1989.

Total revenue during the period was \$51,074,000, and provision for taxation is \$1,835,000, providing a net profit of \$5,395,000.

The Chairman of Ports of Auckland, Mr. R.G. Alexander said that almost all segments of the business had performed ahead of targets in terms of profitability and performance.

Total trade in the port was 3.1 million tonnes, up 10 percent on the same period last year, and Mr. Alexander said the port was on track to exceed 200,000 TEUs throughput for the year.

The company had embarked on a major programme to re-equip the mobile cargo handling plant fleet, and this would reinforce the improvement in productivity, he said.

Mr. Alexander said that the company had a clear objective of reducing port charges in real terms by not less than 10 percent during the first two years.

"I am pleased to report that port charges are being held at their May 1988 levels, with a 2 percent reduction in shipping wharfage and pilotage charges, to take effect from 1 June 1989. Further price reductions are planned for October of this year.

"The result of the company's trading reflects very much the major improvements which have been achieved in productivity. The company is in the business of selling port services, and success is dependent upon our ability to provide efficient, cost effective service to our clients.

"Everyone in the company has taken on our 'customer driven' philosophy, and the major improvements on truck turnarounds, ship exchanges, new trades and cargoes and streamlined operations have contributed to our good result," he said.

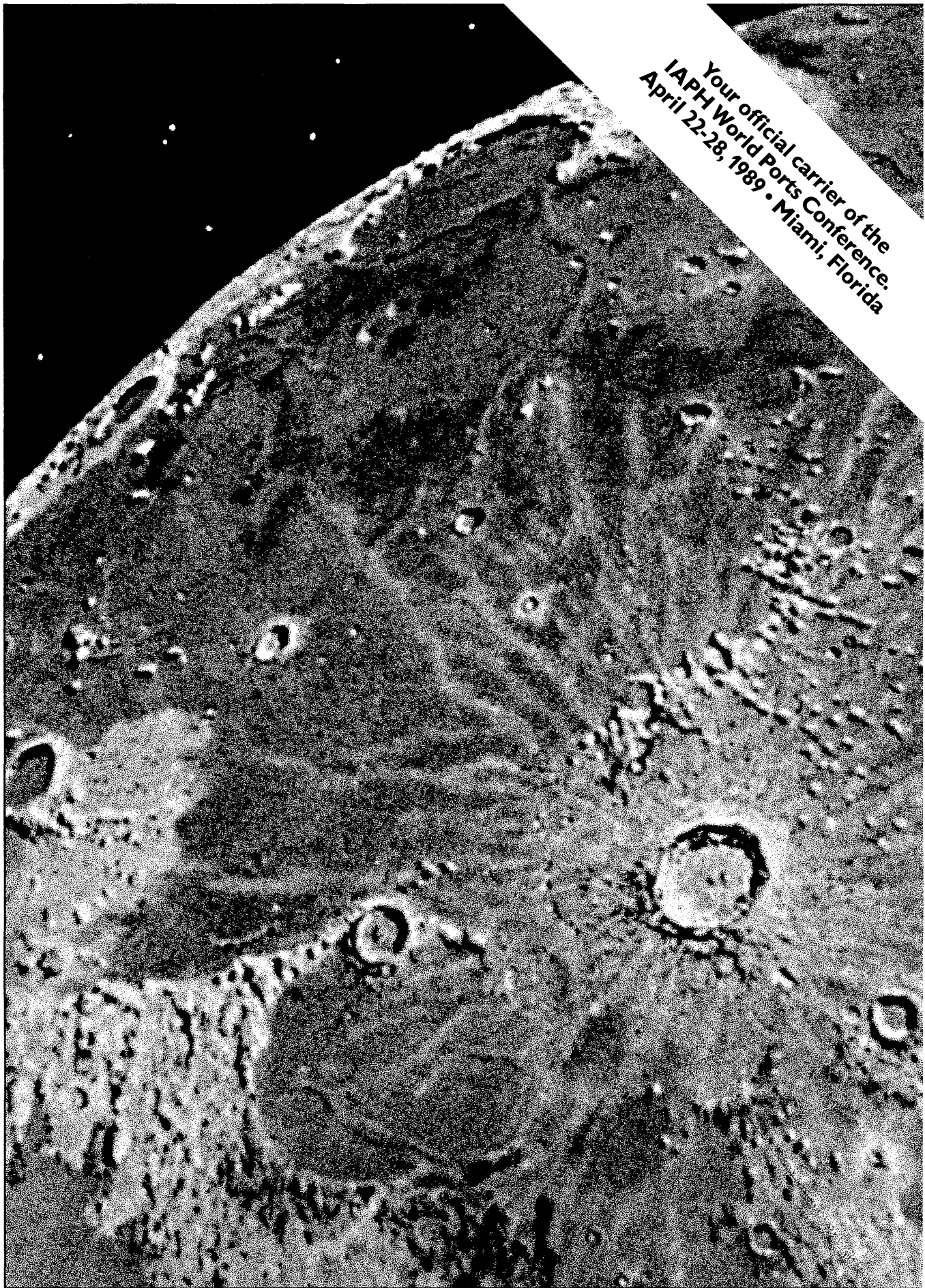
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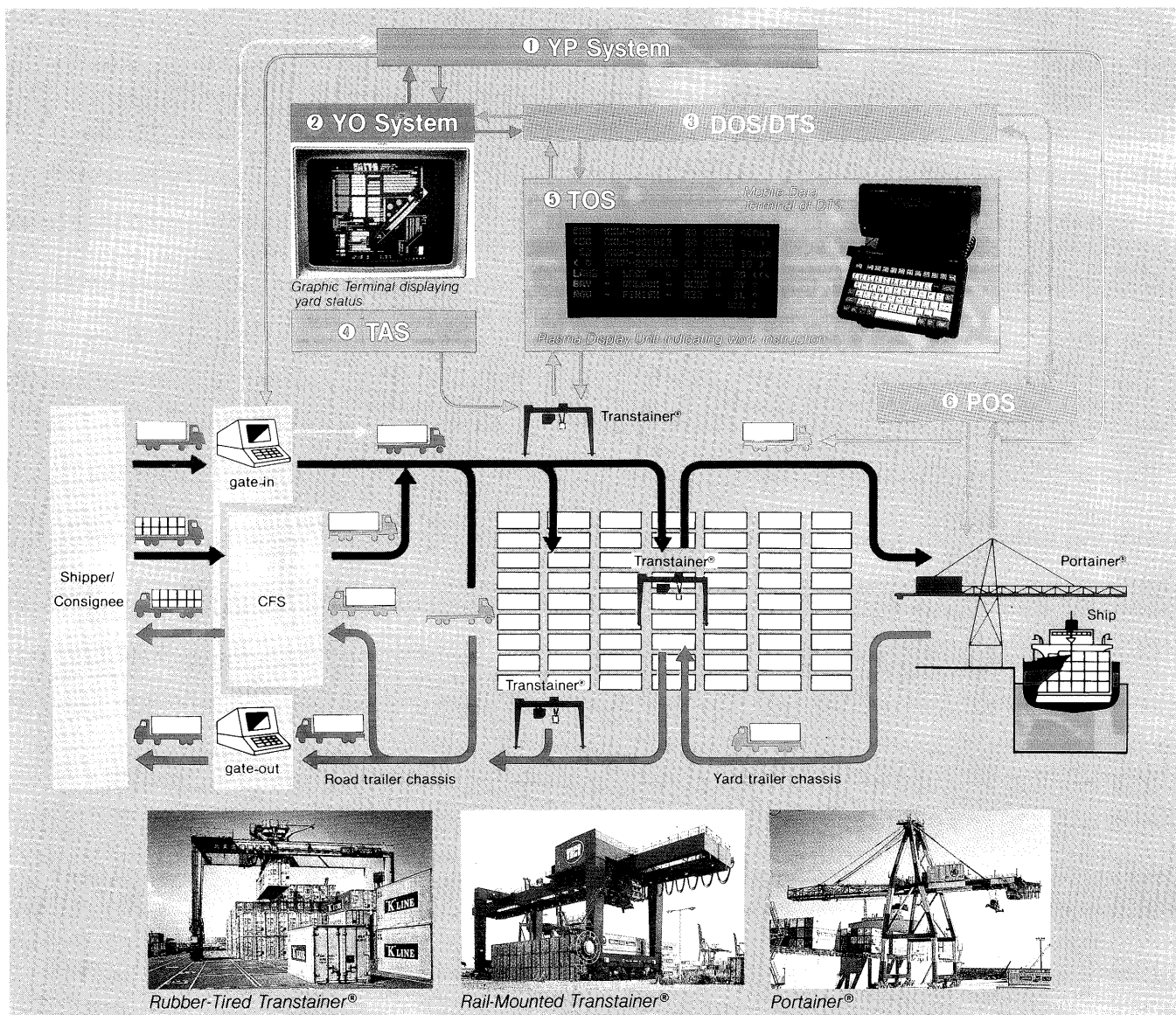
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