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For Immediate Release

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## **BREAKBULK SHIPPING MAKES A MAJOR CONTRIBUTION TO AUSTRALIA'S ECONOMIC DEVELOPMENT**

"In the public's views the mention of shipping may conjure up images of large container or bulk ships but rarely do they include images of breakbulk or multi-purpose ships.

"A new breakbulk shipping study by Shipping Australia seeks to correct the balance.

"It has been calculated that breakbulk shipping accounted for 12% of the value of world seaborne trade so it is far from insignificant", Llew Russell, Chief Executive Officer of Shipping Australia said today.

Breakbulk shipping carries mining equipment, farm machines, steel, timber, newsprint, paper pulp, all types of project cargoes such as refinery equipment, transformers, windmills and general cargoes such as ammonium nitrate in bags, locomotives, copper coil etc.

The author of the report, Matthew Whittle, a policy advisor in SAL, said "the 2009 SAL breakbulk report focussed on the principal breakbulk ports in Australia but this report emphasises more the influences that have shaped breakbulk shipping operations in Australia today.

"A survey of Australian breakbulk shipping providers was conducted to gauge their perspectives and interestingly all respondents were involved in providing services to the mining industry. To explore this relationship further, three major mining ports are reviewed in this report", he said.

"The need for greater accessibility to the ports in North Western Australia has been recognised and competing proposals for the development of port facilities in the Pilbara are reviewed. The implementation of an off-shore biosecurity inspection regime, approved by Australian authorities, is also identified as an opportunity to increase the efficiency of import operations in the Pilbara as there is currently a lack of screening capability in the region."

"In fact, in comparing a range of port services and facilities with overseas ports, which respondents utilised, they were critical of all aspects relating to Australian ports. Only in five of the seventeen aspects considered, were Australian ports described as better. Vessel turnaround time, lack of availability of skilled labour and overall efficiency was rated as below international standards", Mr Whittle said.

One aspect of the survey provided the opportunity to follow through on a recommendation from the 2009 breakbulk report to further research the design of key performance indicators (KPI) for port performance. The KPI's chosen for research in this report were, per port call, the 'revenue tonnes, time in port and total port costs'.

These are objective measures that are consistent with efficient port performance but they can also be influenced by events outside of the province of the port. The development of a reporting regime that shared relevant information with participants would be a useful tool to measure and improve the productivity of respective breakbulk supply chains over time and will be pursued by SAL.

**Editor's note:**

To view the report, please visit <http://shippingaustralia.com.au/publications/>.

For additional information please contact Llew Russell, Chief Executive Officer on 0414 958 247.

*Shipping Australia is a peak national shipping association comprising 35 member shipping lines and shipping agents that would be involved with over 70% of Australia's container and car trades and over 60% of our breakbulk and bulk trades.*