Half a century of change

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Those of us who can look back half a century are looking into a world far different from the one we live in today. The pace of change is now so fast for most people it is hard to keep up to date with events.

So when I was asked to consider what changes I have seen take place in shipping over the past 50 years, my recollections of how things used to be, next to today, makes it feel as though one is entering a totally different world. My earliest recollections of shipping were in Fremantle as a boy, and of men lining up early in the morning to be picked to work on the wharves for the day. The successful ones got to heave heavy bags of grain off rail trucks and hurl them into slings, which were then lifted into the ship using the ships' three to five ton union purchase derricks. Inside the hold of the two or three deck ship, workers took the bags out of the slings and stowed them in the ship. It was hard work, but they were the lucky ones to get the job for the day. The others had to go home or try elsewhere for casual work for the day.

By the time I actually got to start work in the industry in 1967, bulk grain was loaded in bulk carriers, monster ships at that time of 30/50,000 tons deadweight. That was the era when container shipping had just started, with the Kooringa plying the trade between Eastern and Western Australia. Western Australia had its own fleet of six ships trading to the northwest of the State and into Darwin, from Fremantle and return. The only exception was the Koolama, which went east after Darwin and completed a round Australia trade, taking all kinds of cargo, including 12 passengers. Koolama was one of the three K class motor vessels, whereas the older D class ships like SS Dorrigo were all steamers. Steam ships were not uncommon in those days, the most welcome of which in Fremantle was Howard Smith's SS Balarr, which made regular calls from Queensland carrying, among other general cargo, bags of peanuts. Needless to say, there was always ullage from the hessians peanut bags, and for days after her arrival, peanut shells could be seen all over the wharf area at Victoria Quay.

The pioneering trade of container shipping in Australia grew quickly within the country, with cellular ships Kanimbla and Manoora taking up the coastal trade in 1969. This was closely mirrored by the international container fleet from the UK and Europe, commencing with P&O's Encounter Bay arriving in Fremantle on her maiden voyage in March 1969, followed by the ACT fleet of ACTA Shipping. These fully containerised ships of a nominal

Car carriers at MIRRAT Melbourne Terminal

capacity of some 13/1500 TEU saw the end of conventional liner ships carrying general cargo. Lines like Shaw Saville, Port Line, Blue Funnel, Bank Line etc., all disappeared from service. Port times were reduced from up to a week to just a couple of days, with the efficient handling of cargo in containers. The next development was advent of the roll-on roll-off tonnage, carrying both trailer and container cargo, the first PAD vessel arriving in Australia in 1971. From there the progression has been simply towards bigger, more efficient container ships, where capacity is now reaching up to 25,000 TEUs.

In the meantime, the general cargo trades specialised. Refrigerated cargo, once carried in reefer chambers in conventional three and four deckers, now started to trade in purpose-built refrigerated (reefer) vessels, carrying all kinds of produce from meats to fruits like bananas and grapes, requiring temperature control in increasing global seasonal trading patterns. Global trade as we knew it, was undertaking a major change, allowing people who only saw table grapes on their plate in summer, to now get their favourite fruit 12 months a year. The same applied for all kinds of fruits and vegetables. The reefer trade flourished from the 70's right through until after the turn of the century, however the lure of container shipping to the fresh produce trade, with the promise of a secure cold logistics chain, has now substantially swallowed trade from the conventional reefers. The combination of being able to purchase smaller quantities at a time coupled with cheaper freights, swung many shippers over to containers. Having retired out of the conventional cargo operations, the older liners were employed in carrying various other general cargoes, many of them becoming engaged in the booming cement trade of the 1970s. Heavy demand for cement in the Middle East and West Africa saw ships waiting at destination for six months and more. Many of these ships waiting for a berth in West Africa saw their cargoes solidify with the heat and humidity of the area. It kept lots of these older ships employed during a decade of heavy project construction in both regions. I recall one 1951-built ship I chartered, having been loaded with bagged cement from Korea, waiting for six months to get a berth at Dammam, then on being called into port promptly sank in the shipping channel. Some of these old liner ships went into unusual trades, being engaged as lighters from larger bulk carriers loaded with grain in draft restricted ports in places like India and Bangladesh.

The other change taking place, after container ships became the accepted liner vessels for general cargo movement, was the emergence of breakbulk shipping in the form of multipurpose ships that could handle both containers and general cargo, and handle large, oversize and heavy cargo that did not fit into containers. The Freedom class and SD14 became the early workhorses in non-containerised general cargo movement, often in short sea trades, especially in Asia and Africa. The demand for moving heavy pieces, previously handled by a heavy derrick on the old liners, not only continued but increased. Breakbulk and multipurpose ships started small, as did container vessels, in the range of 3000 to 8000 deadweight but slowly have increased to ships that are now over 30,000 DWT. The crane capacity has also radically increased from the standard 100 ton single swinging derricks to 4/500 ton cranes these days.

Globalisation brought with it the opportunity to reduce manufacturing costs, allowing project engineers to fabricate larger and heavier pieces of equipment destined for construction of major projects. Australia took advantage of these developments at many of the oil and gas and mining plants constructed around the country. Eventually the industry developed a more sophisticated response to this opportunity, building flat-decked roll-on roll-off, often semi-submersible, vessels that looked like a very large barge. Expansion of oil and gas exploration saw large fully and semi-submersible ships moving oil rigs around the globe on demand. The oil industry itself opted for crude oil to be carried in even larger ships, with tanker sizes rising to a massive 500,000 deadweight ton Ultra Large Crude Carriers (ULCC) in the 1980s. The lack of ports able to take such monsters and fears for the potential hazards of a ULCC accident has seen crude carrier sizes reduced to Very Large Crude Carriers (VLCC), in sizes ranging from 180,000 to 320,000 deadweight. Suezmax tankers of 120/200,000 deadweight were designed specifically to transit the Suez Canal. In the ore trades, ships grew larger as well, governed mainly by port restrictions at discharging ports, and generally maxed out at about 250,000 tons. However, Brazilian mining giant Vale, in an attempt to compete with Australian iron ore, and taking advantage of the expanded Panama Canal, built two series of some 67 ore carriers of 400,000 tons deadweight. So, from the day I started in shipping, where a large ship was a 60,000 tonner, things have really moved along to the ships of today, both in terms of size and sophistication. During that time, steam propulsion was phased out except for a short period in the 1980s, where steam made a brief comeback. Engine efficiency has also been constantly on the improve, with ships burning fuel more efficiently in the face of increasing costs of fuel, and more recently in the face of environmental concerns. Some ships are now powered by LNG, and even sail has been tested again to improve efficiency and save fuel costs.

The evolution of ships is not the only significant change in half a century. There has been a huge improvement in the way the whole industry operates. Safety has become a key feature of this change, in all facets of the industry from the International to the local port. Gone are the days when wearing a safety helmet on the wharf was met with ridicule, as it was in the late '60's. Protective clothing is now accepted throughout the industry, and the lowered death and injury list is evidence of the success of these changes. There are still some ports in the world where safety needs improvement but, overall, it is a much safer industry in which to work than it was. Security is the next area where there has been a significant difference. No longer can the public wander down to wharves on a Sunday afternoon around the country and have a look at the ships in port. Getting access to a wharf area, and on to a ship in port, is now something that nobody can do without appropriate passes, site induction and a valid business reason to do so. Even then, with the appropriate PPE you can only walk along secure areas, not wander around at will as used to happen. Changes were driven by increased automation of the industry, increased activity on wharves, and a history of people walking around the wrong corner at the wrong time to risk being collected by a forklift.

Telex machines were key communication tools 50 years ago *Image: home.bt.com*

On the international scale, safety has been heavily backed by international agreement, through UN backed organisations like the IMO. The safety rules apply also to seafarers where work practices have changed to protect the seafarer, and also the environment. The International Convention for the Safety of Life at Sea (SOLAS) 1974 set the protocol for the many changes and improvements to SOLAS since then, addressing key issues like carriage of certain cargoes, such as dangerous goods and bulk cargoes, whose properties can in certain conditions act like it was a liquid in the ship. Lifesaving equipment at sea, safe navigation and safe practices on board ship were introduced through the International Safety Management (ISM) Code. Other conventions like MARPOL, prompted by the famous Torrey Canyon disaster, where 120,00 tons of oil spilt into the sea off the coast of Cornwall in 1967, address pollution of the seas. First introduced in 1978, the STCW Convention set new standards for training of seafarers, with regular amendments upgrading these provisions. The recently introduced Maritime Labour Convention (MLC) set new standards in crew wages and living conditions on board.

Higher standards for ships under the Port State Control Inspection regime has also ensured ships now meet safety standards. I recall as a young agent waiting for a ship to complete berthing and looking up at the accommodation and seeing the sky through one of the lifeboats. I knew this was going to be a tough day, as the State Government Marine Inspector (pre AMSA) turned apoplectic when he too looked up to spot the holes in one of the lifeboats. The ship got a repair order about a metre long and spent an extra ten days in port. Few owners would take such a risk these days.

Communication is probably the greatest change I have seen in the industry. Ask someone under 30 what a telex is and you get a blank stare. Yet telex and cable were the key tools we had at our disposal 50 years ago. Even copying documents was a messy process using, initially a Fordigraph, then a Roneo machine; we had no such luxury as a photocopier. Preparation of documents was an equally messy problem with Bills of Lading usually requiring at least three originals and three copies, all squeezed into a typewriter, with copy paper in between the sheets. It was a nightmare making a mistake, requiring the dreaded white out fluid having to be applied to six copies, or if the mistake was bad enough having to load it all up and start again. Our communications with places like China and India were all via cable, and hence economy of words was an imperative. Cables were charged by the word so the industry managed to reduce words by using now well-known abbreviations like ‘satpmshexuu’ which simply meant Saturday afternoon Sunday and holidays excluded unless used, or ‘danrsaoclonl’ – discountless and no-returnable ship and or cargo lost or not lost. There were many other abbreviations, some not so polite!

Talking of communications, I had the privilege of working on the Baltic Exchange in the early 1970s. This ‘coffee house’ was the centre of the world in terms of shipbroking, during this period. It was a place where information was the centrepiece of its operation. News of cargoes, ship fixtures, commodity prices and any trade news that might affect the freight market could be found within an hour or two of walking the floor. A ship sinking, a coup in an African country, a shock drop in the stock market, were all hot gossip on the floor on any day. The Baltic was established in 1744 as a coffee house (originally called the Virginia and Baltick Coffee House), as a place where merchants and sea captains met to discuss the mercantile matters of the day. From about 1893, traders started to frequent the coffee house, grain traders being prominent. By 1891 the London Shipping Exchange was formally

Baltic Exchange, London, following the IRA bombing in 1992 *Image: Gulf News Archives*

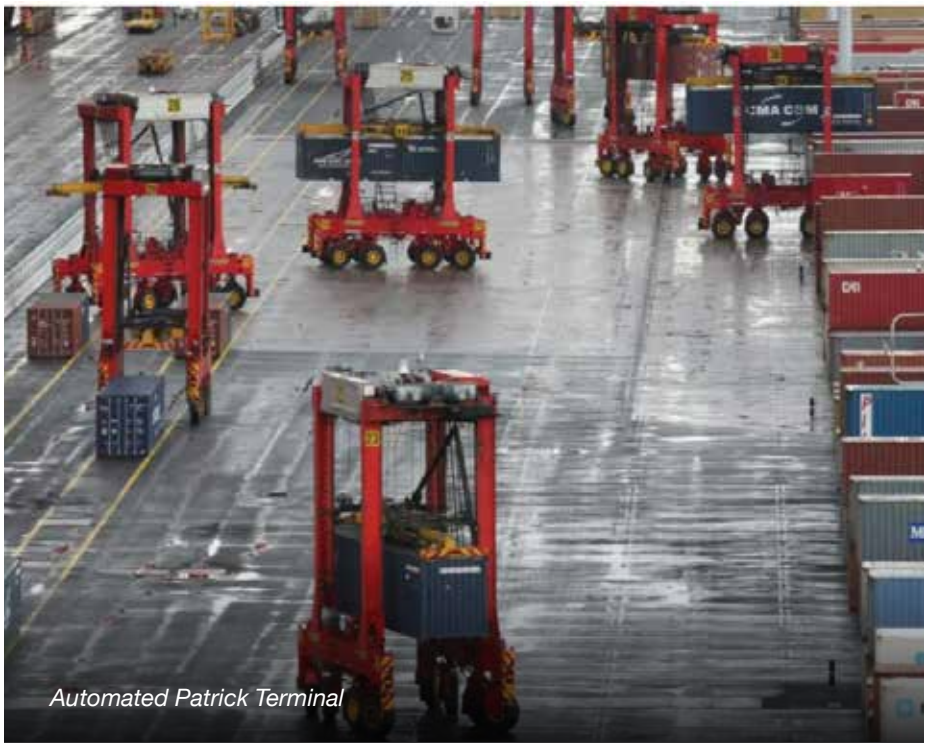
established, and in 1898 the London Shipping Exchange merged with the Baltick (sic), moving into its longterm location in St Mary Axe in London. The Baltic Mercantile & Shipping Exchange Limited was incorporated in 1903. It traded as the major shipping hub for decades, a place where cargoes were matched with ships on the floor of the exchange, often seeing trades concluded within just a few hours. I will never forget my first fixture of 30,000 tons of wheat from Sydney to Beirut in 1971, on a vessel called the Pan. The ship, in those days, had to go the long way around via the Cape of Good Hope during the Suez Canal closure (1967-1975). Unfortunately, on 10 April 1992, an IRA bomb planted in the street outside the Baltic saw it damaged beyond repair. The historic building was no more, and the exchange moved a few doors down in St Mary Axe. The site of the old Baltic is now one of the most recognisable buildings in the city end of London, known affectionately as "the Gherkin". Communications by then had moved on, and the value of the coffee house meeting place diminished, as centres like Hamburg, New York and, more recently Singapore, became the hub of shipping activity. Instant communication via the internet, with instant access to information, has also changed the world of shipbroker since the days of waiting for a cable reply three days later to an offer made.

Life at ports has changed radically in that half century period. The old system of the morning pick up (a practice well documented in Sydney's Hungry Mile) has turned into a system of full-time and casual employment on the waterfront. Although ship calls are much more regular, many ports still have peaks and troughs in terms of work, and therefore there will always be a need for some casual employment.

Anyone in the industry around the turn of the century will remember the events of 1998, with the Patrick waterfront dispute. Whilst it was a bloody dispute at the time, the benefits of the waterfront becoming a 24/7 operation have had a major impact on efficiency on our wharves. It was pleasing to see an end to the days where wharves shut down from noon Saturday until 7am Monday, as ships sat idle.

The number of Lines operating into Australia have changed radically over the years, and heavy competition has forced mergers of many lines, both in container and in other trades. Automation has been a key change on the waterfront, with many operations, particularly at container terminals, now managed by robotics. The use of fully automated ships and pilotage will be one of the future challenges, although much work has already been completed in this space. One day, future generations will ask 'did they really have people on board ships, steering them?' with the same incredulity the under 30 of today asks what a telex was.

When asked if I would spend my time in shipping again, I quickly answer in the affirmative. For anyone looking for a regulated, orderly working life, shipping is not the right profession. The constant challenges, regular surprises and journey often into the unknown, makes life in this industry exciting. The best planning in the world cannot prevent things going off the rails. However, once hooked into shipping most people stay in the industry. It is probably, outside the medical profession, one of the industries boasting the highest employee retention. In an age where people often change professions three or four times during their lifetime, it is rare to find people who remain in the same industry for half a century and more.



Automated Patrick Terminal