



AUSTRALIAN COMPETITION
& CONSUMER COMMISSION

Container stevedoring monitoring report 2017-18



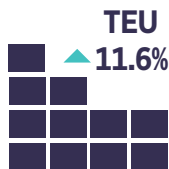
Industry changed significantly over 20 years. Productivity is much higher now, but there has been little improvement in recent years.



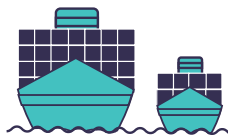
East coast quayside competition is stronger than ever with three operators. Quayside competition is reducing stevedoring prices to shipping lines.



Stevedores are using infrastructure charges on trucks and trains as a response to falling prices for shipping lines. The impact of the charges on transport operators and cargo owners is worthy of consideration by government.



Industry benefited from strong growth in demand for container stevedoring services. All ports recorded growth; Melbourne, Fremantle and Sydney recorded very strong growth.



Some stevedores investing heavily to accommodate increasingly larger shipping vessels.



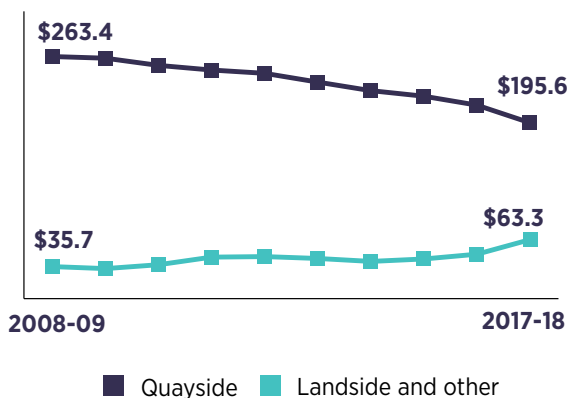
Profits fell sharply due to lower stevedoring rates, higher costs (particularly property) and entry of a new stevedore.

Key industry results 2017-18

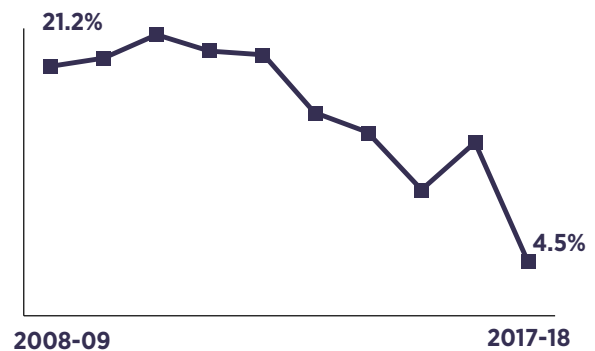
Revenues, costs and profits

Total revenue	Revenue per lift	Cost per lift	Profit margin*
\$1328 m	\$258.9	\$247.2	4.5%
▲ 6.8%	▼ 1.2%	▲ 10.7%	▼ 10.2 pp

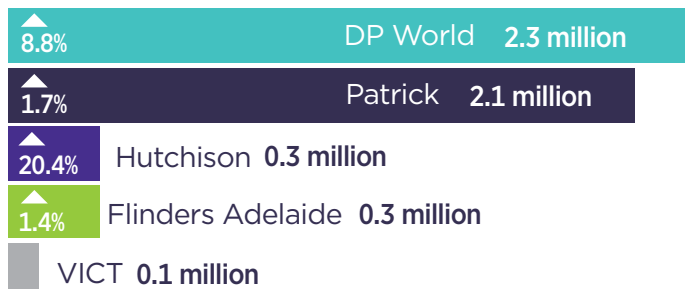
Per lift revenue



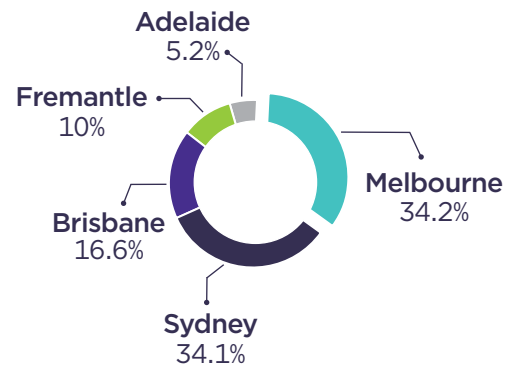
Profit margin*



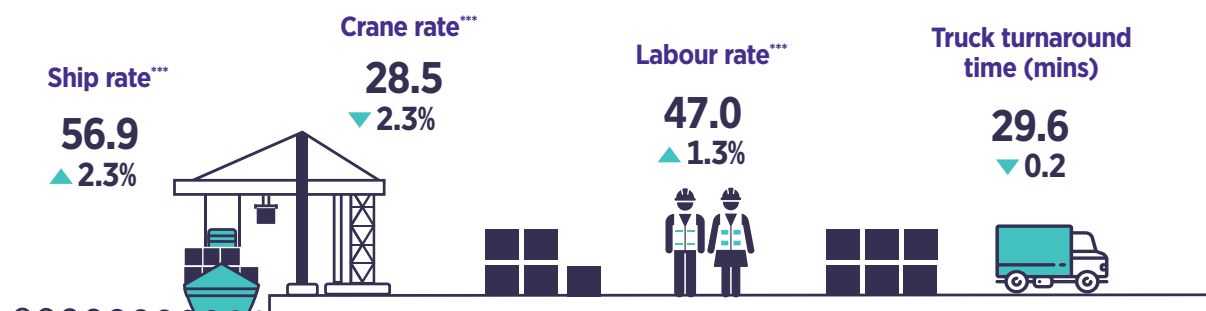
Lifts per stevedore**



TEU per port**



Container terminal productivity



* Earnings before interest, tax and amortisation (EBITA) as a percentage of total revenue

** Includes international container terminal volumes only

*** Containers per hour