

Major players in the Rotterdam port in the container sector

HPH-ECT

APMT Maasvlakte II

APMTR

RWG Rotterdam World Gateway

UNIPORT

- ECT - HPH
- ECT Euromax - HPH and Cosco Shipping
- APMT Rotterdam - APMT
- APMT Maasvlakte II - APMT
- RWG - DPW APL CMA CGM
Hyundai MOL
- UNIPORT - Steinweg Handelsveem

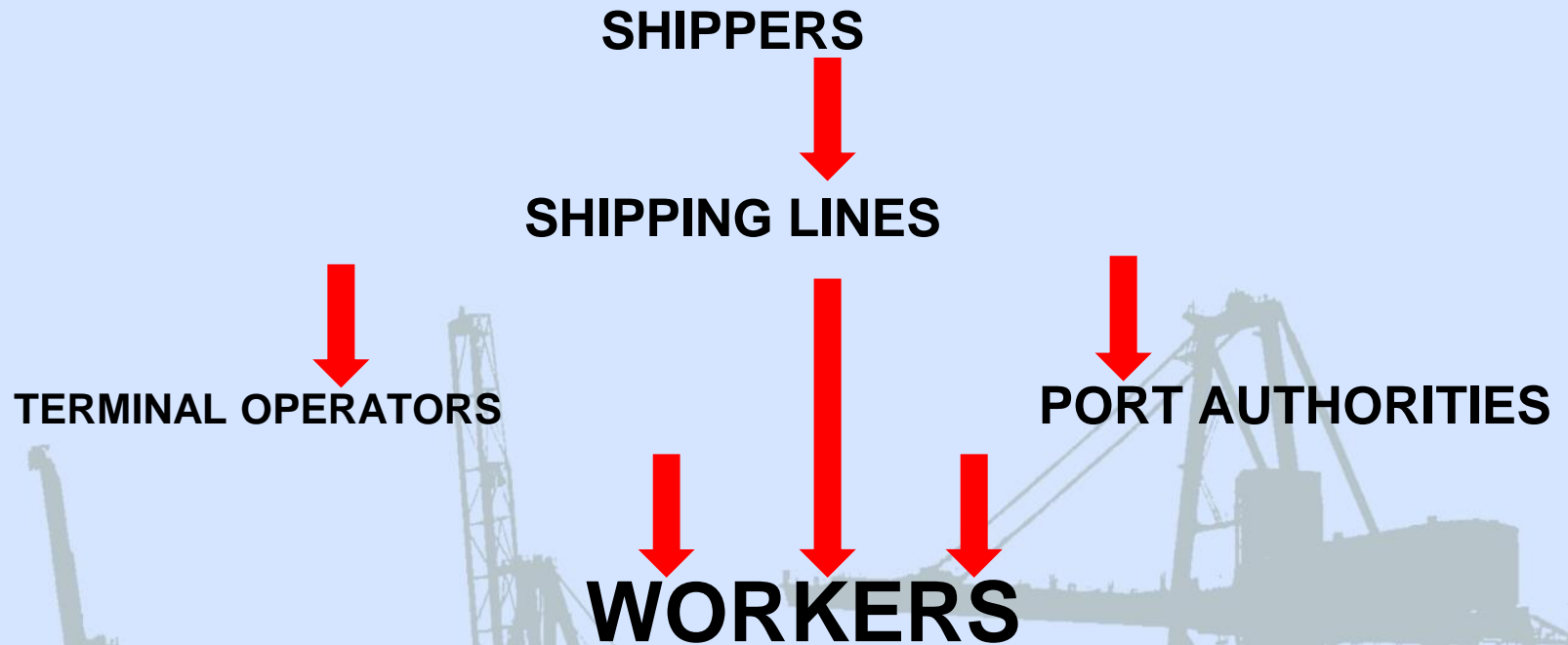
	# containers	gem. per jaar		% groei	gem. % groei	gem. % groei
		index 2004 = 100		t.o.v. jaar ervoor	per jaar sinds 2004	per jaar sinds 2008
2004	5.088.453	100				
2005	5.636.570	110,77	10,77	10,77%	10,77%	
2006	5.846.433	114,90	7,45	3,72%	7,25%	
2007	6.488.646	127,52	9,17	10,98%	8,49%	
2008	6.485.464	127,45	6,86	-0,05%	6,36%	
2009	5.900.114	115,95	3,19	-9,03%	3,28%	
2010	6.746.802	132,59	5,43	14,35%	5,13%	2,66%
2011	7.184.197	141,19	5,88	6,48%	5,32%	3,94%
2012	7.183.675	141,18	5,15	-0,01%	4,65%	2,95%
2013	7.006.301	137,69	4,19	-2,47%	3,86%	1,87%
2014	7.386.538	145,16	5,02	5,43%	3,27%	4,76%
2015	7.329.651	144,04	4,89	-0,77%	2,77%	1,73%

The background of the slide is a light blue-tinted image of a port. It shows several large gantry cranes used for loading and unloading containers from ships. The cranes are silhouetted against a lighter sky, and the overall scene is industrial and busy.

• ECT Home	5%
• ECT Delta	47%
• Euromax	17%
• ECT total	69%
• APMT(R)	16%
• Uniport	5%
• RST	10%

BEFORE 2014

INFLUENCE AND BALANCE OF POWER IN PORT & MARITIME INDUSTRY



- **AFTER 2014:**

SHIPOWNERS/TERMINAL OPERATORS



SHIPPERS



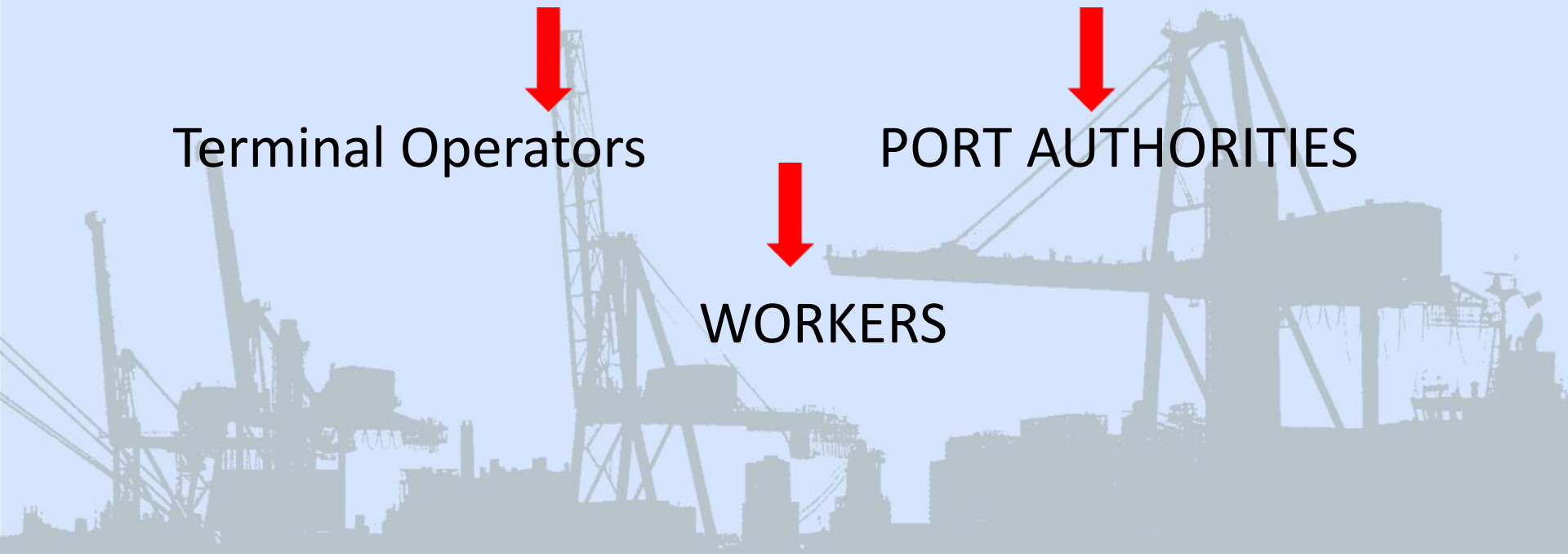
Terminal Operators



PORT AUTHORITIES

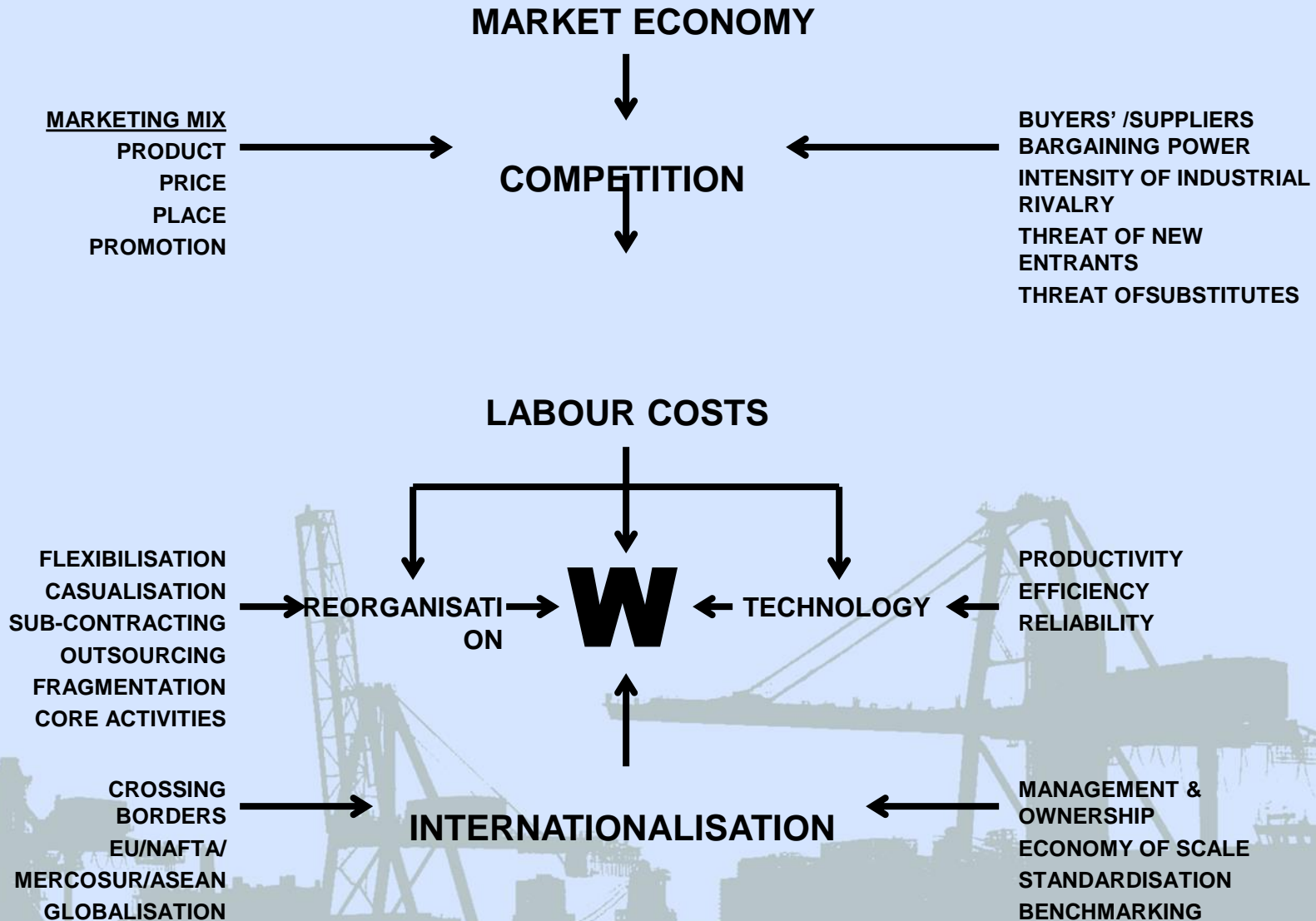


WORKERS





INFLUENCES ON WORKERS





TRENDS, DEVELOPMENTS AND COMPETITION

- AUTOMATION
- OVERCAPACITY ON TERMINALS
- MEGASHIPS
- OVERCAPACITY AT SEA
- BALANCE OF POWER IS SHIFFTING





AUTOMATION

- Higher level of automation means shifting terminals costs
- Labour costs are variable costs
- Automation costs are steady costs
- Terminal operators make choice of automation because with bigger ships it is more difficult to get enough Dockers in roster to handle the containers? Pool system is the answer
- Why not Pool system? Break the union!



OVERCAPACITY ON TERMINALS

- Overcapacity means lower tariff for handling costs
- Lower tariff and less containers means lower income terminal operators
- With less containers you need less manning on conventional terminals
- With automated terminals lower tariff for handling costs the terminal costs remains the same -> problem on the finance



MEGASHIPS

- MEGASHIPS cause problems
- Upgrading scale costs more than savings
- Size of port calls affects hinterland
- If Megaships are out of the window automated terminals can not bring them back easily. Manned terminal can do that
- Not enough containers for megaships.
- Container shipping lines are working together to reduce costs
- Effects physical health of lashers



MEGASHIPS

- More lashing in less time
- Normal amount of lashing spread over several ships/days and so teams
- Now friction: no increasing manning level in shifts because amount of lashing remains the same and so also budget
- No longer job rotation because of automation
- More wear by pressure of work and so physical damage



MEGASHIPS/SHIPPERS

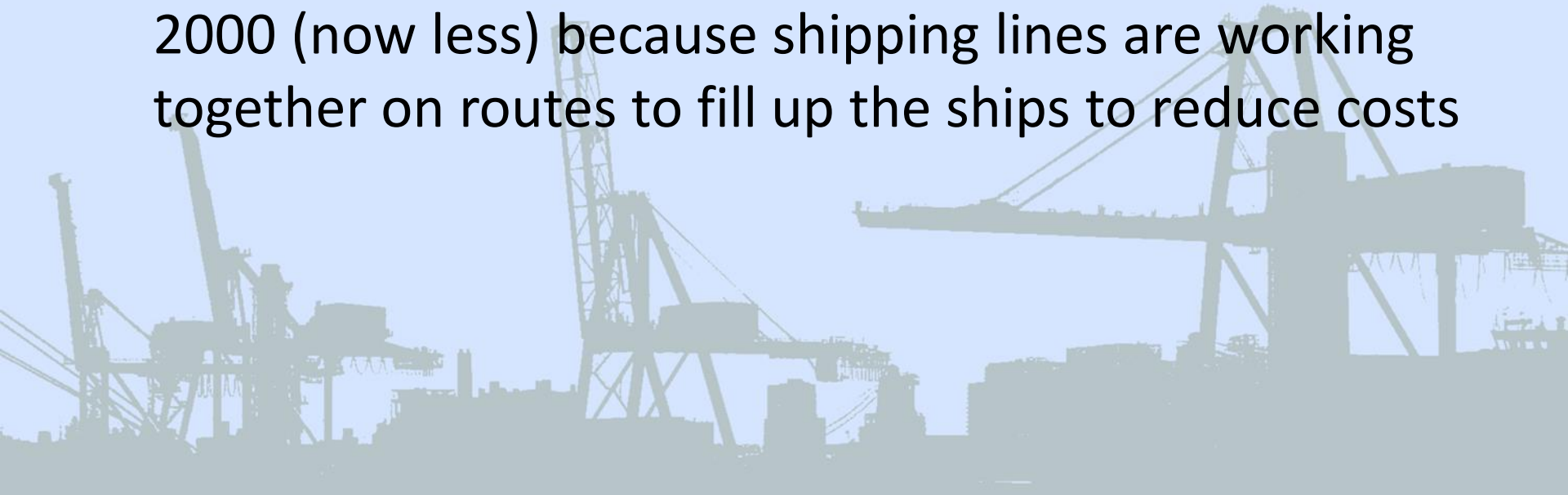
- Because of overcapacity in container lines tariffs drops to € 150 per container (Asia-Europe) on the spot market
- If contracts between shippers and shipping lines expire in 2016 lower income for shipping lines and at the same time big investments in Megaships





MEGASHIPS/SHIPPERS

- Shipping lines lay off ships to minimize overcapacity and to increase tariffs
- Shipping lines cancel sail off different ports to reduce costs
- Bargaining power of shippers is different then in 2000 (now less) because shipping lines are working together on routes to fill up the ships to reduce costs



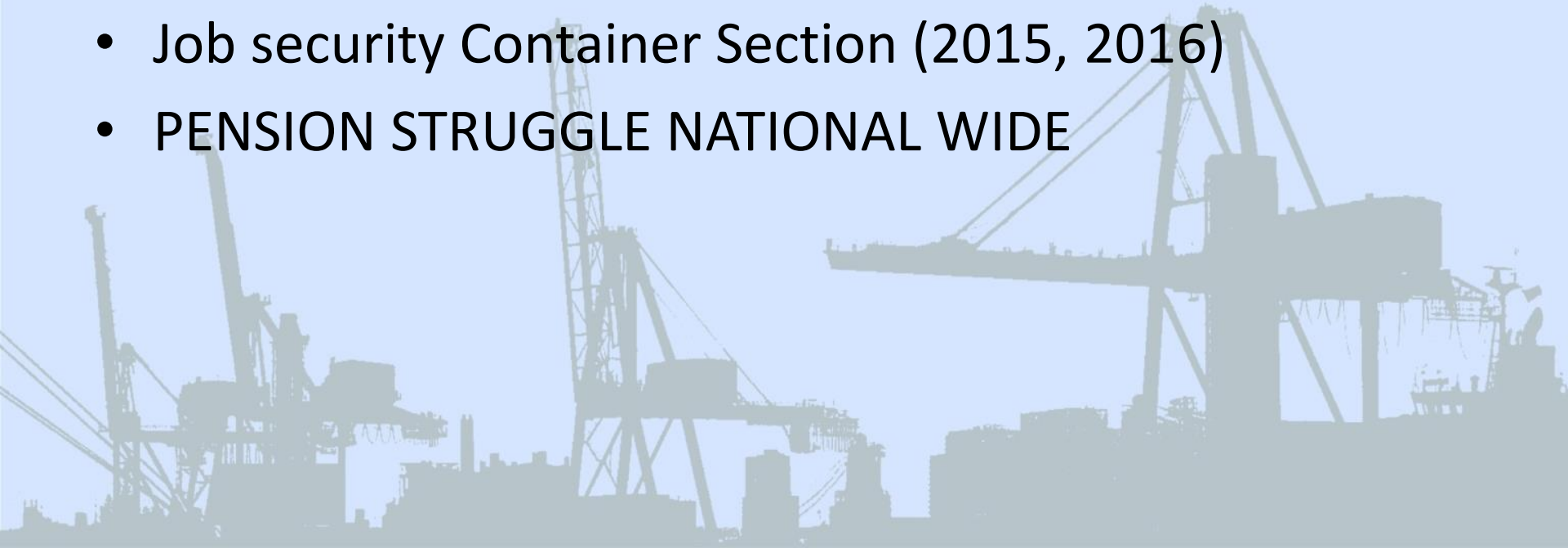
- No employers association
- No Sector CLA's
- No Sector research between union/employer
- 48 CLA's include 1 Sector CLA
- Unions: FNV Havens and CNV Vakmensen



- In 2000 3500 employees (include office staff)
- In 2016 3500 employees (include office staff)
- After the transition of containers from MV to MV II a reduction of approximately 800 jobs
- Blue collar in 2000 2200 in total
- Blue collar in 2015 21500 in total
- The reduction of 800 jobs

STRUGGLES IN THE CONTAINER SECTOR IN THE LAST 15 YEARS

- Port Package I, II (2003 and 2006)
- CLA's (ECT, APMTR, LASHING COMPANIES)
- Recognition at APMT MV II 2013
- Recognition at RWG 2015
- Job security Container Section (2015, 2016)
- PENSION STRUGGLE NATIONAL WIDE



LACK OF COORDINATION/RESPONSIBILITY

- No employers Association
- Port Authority: clients of the port are our counterparts
- Employers and Port Authority only driven by competition
- Divide and conquer strategy of employers



- ITF, ETF and IDC coordination network
- Sometimes difficulties with Works Councils about strategy and goal
- Vision on their own company and no vision on the sector
- Very narrow thinking: “ if we are cheaper, faster and more flexible/automated we can win”
- Ideology of competition: tomorrow somebody else is cheaper, faster, flexible/more automated



COORDINATION BOARD

- The unions from Belgium, France, Germany, The Netherlands and the UK decided to establish the North Range Port Unions' Coordination Board to work together on common collective targets, to develop a common approach to automation and to jointly counter the effects of overcapacity on port workers.

THE DAMAGE OF AUTOMATION/ROBOTISATION

- Radiomen deck
- Radiomen wall
- Crane driver
- Gate inspections
- Gate documentation
- SC-driver
- Tug master (FTF)
- Planners
- Checkers
- Labour pool workers
- Lashing gangs- job rotation

- Green field terminal versus Braun field terminals
- **Green field terminal:**
- How to organise the new Dockers?
- Most of them are not familiar with Dockers society
- How can we meet them on the terminal?
- No collectivity, lunch breaks, one man positions
- If we wait till they are not happy the damage is already done
- **Braun field terminal**
- Current dockworkers become the new ones

- Less workers, less income for the union less power
- Different type of workers, no dockers tradition mentality, different approach to organise
- Megaships
- Overcapacity will last for at least 10 years



THANK YOU!





WHY AUTOMATION?

- Rule of thumb: a dollar spent on terminal operation leading to faster vessel turn around is 10 dollars saved on vessel operation.
- An automated terminal and its infrastructure is built for 25-30 years, so the design has to be able to cope with the demands in 25 years and beyond:
 - As example: ECT Delta (designed in 1987) was designed for 200 berth moves per hour and 100 moves at the landside at the same time.
 - Today the demand has increased to 400 berth moves per hour, and the landside demand (simultaneously) increased to 150 moves per hour.....
- The perceived risk of an upfront investment is easily paid back by the hugely greater revenues of an automated terminal.