

10 JULY 2019

62 Old Main Road Kloof, 3610; Tel: (0)31 8180320; www.sctsolutions.co.za

TOPICS

- 1. PORT DELAYS**
- 2. FUEL SURCHARGE DECREASE**

MASSIVE BERTHING DELAYS IN DURBAN PORT AMID ALLEGATIONS OF 'GO-SLOW'

Please refer to the below article regarding severe berthing delays in Durban port. We at SCT are monitoring the situation very closely with the shipping lines in order to find the best possible solutions for all our freight and will keep you updated as best as possible on all your shipments, but we caution that there is every likelihood of delays that are beyond our control. Please be assured we are doing all we can to prevent delays.

Shipping lines have reported backlogs of up to four days to turn around vessels at the Port of Durban – allegedly due to a go-slow after a delay in paying out employees' incentive bonuses. A source close to Durban port told FTW that all shipping lines were "currently facing huge berthing delays at Durban's container terminals. We have been informed by some sources that the terminal is on a go-slow and a strike is looming," the source said.

According to these sources Transnet Port Terminals (TPT) did not keep to their promise of paying their bonus at the end of June and furthermore TPT are saying that bonuses will only be paid if vessels meet CTOC (Container Terminal Operations Contract) requirements.

Staff are saying that they will not accept this proposal and that the terminal situation may get worse, he said.

The source said shipping lines were losing some US\$25 000 a day due to the delays. He said Coega port was also "seriously affected". He also alleged that acting Transnet group chief executive Mahomed Mahomed had addressed TPT staff last week, advising them that there was no money for bonuses which had sparked the industrial action. "This is going to be worse than the last one, and unfortunately lines and importers/exporters will suffer the most."

United National Transport Union (Untu) general secretary Steve Harris distanced the union from the industrial action saying non-unionised members were allegedly driving the go-slow at both Durban port and Coega. Untu represents 53% of Transnet employees. "We distance ourselves from the action that is being taken which is being driven by non-unionised members. Our shop stewards are meeting with our constituents and this morning we met with industrial relations (at Transnet). Management needs to deal with these people."

He said the norm for paying incentive bonuses was for Transnet to announce these on the morning the SOE's financial statements were released to labour and the public.

This is usually done at the end of June but because of the Zondo commission and the shenanigans that have been going on there is a delay in finalising the audit which will only be done now during the first two weeks of August," Harris said.

He added that he was in the process of contacting Mahomed to suggest some proposals to resolve the industrial action.

The South African Association of Ship Operators and Agents (Saaso) CEO Peter Besnard said he was aware that some employees had embarked on a go-slow over a dispute regarding incentive bonuses which had impacted vessel turnaround times. He said in some cases vessels were experiencing delays of up to four days to turn around. "It's terrible. The ships are piling up again outside the port and some bypass the port – they are all sticking to their guns at our expense," Besnard said.

Soon when they need money, they will look toward shipping lines for money.

Everything is affected and soon the truckers are going to pay the price again because the boxes are not going to move, and they won't be able to get the trucks out."

South African Transport and Allied Workers' Union (Satawu) spokesperson Zanele Sabela said the union was not aware of a go-slow. The union represents around 27% of Transnet staff. "Durban apparently has a backlog, but it is not industrial action as far as we are concerned," Sabela said.

Numsa's Eastern Cape representative Mbuso Ngubane said he was not aware of a go-slow at Coega Port.

TPT had not responded to questions at the time of going to print.

EXTRACTED FROM FTW

FUEL SURCHARGE DECREASE

Please be advised that fuel surcharges have decreased by 1%, rates effective immediately

Local 25%

Long distance (Coast to Gauteng) 25%



We thank you for your continued support and partnership

Mail: Graeme.impson@sctsolutions.co.za
Tel: + 27 (0)31 818 0320

Fax: +27 (0)31 818 0324
Mobile: +27 (0) 71 4140472