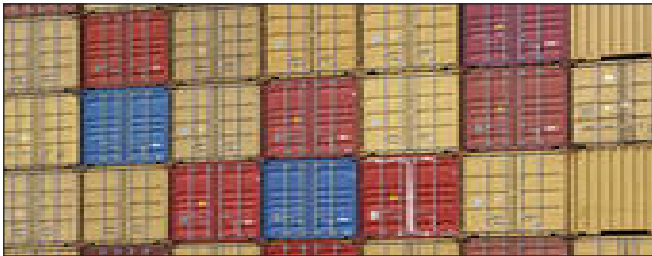


July 6, 2010



## Container shortage 'could last two years'

**Six million new boxes needed** Mike King IFW Tue, 6 Jul 2010



Equipment shortages could remain a feature of the container shipping landscape for up to two years, pushing shippers to use those supply chain providers still able to secure adequate capacity, according to one logistics major.

Claus Schensema, MD of GAC Forwarding & Shipping (Shanghai), told IFW equipment shortages were now so

acute that rates had become a secondary concern for many shippers.

"In central and northern China, the bargaining tool is [now] equipment, not rates," he added.

Alwyn Mendonca, MD of GAC Hong Kong, said the container shipping demand rebound had been so rapid that the entire industry had been caught off balance.

"No doubt, the fact that there are fewer boxes has helped some freight rates to double since the beginning of the year," he told IFW.

"However, researchers suggest that 6 million new boxes are needed, and that's equivalent to about two years of production.

"Hence, in spite of carriers now placing orders for new containers, there is very little hope that the current shortage is going to get better."

Schensema said that larger forwarders like GAC were able to use their purchasing power with carriers to keep cargo flows open, despite the shortage.

"Clients have learned that forwarders with year-round commitments to carriers are now able to leverage the investment in "guanxi" – relationships – to ensure clients' cargo is moved," he said.

### DP World defers UK listing

DP WORLD has confirmed that it is postponing its plan to list on the London Stock Exchange.

In a statement to Nasdaq Dubai, the port operator said: "the Board has decided to postpone the listing process until an acceptable system that supports the dual listing is available".

A DP World spokeswoman told Fairplay that the company was waiting for Nasdaq Dubai and the Dubai Financial Market to merge, after which Nasdaq Dubai will outsource its trading platform to DFM. She said there had to be "an acceptable trading system to link that platform to the LSE for seamless (fungible) trading". It was also necessary for regulators to ensure the system was "robust", she added.

The next opportunity for DP World to secure a UK listing will be next year, after its fully audited annual results for 2010 are released in late March. The company has said it will maintain its primary listing on Nasdaq Dubai.

DP World currently has a market value of close to \$7.5Bn.

## 'K' Line, CSCL and Hapag-Lloyd Join Forces

Direct Asia-Africa vessel sharing agreement to replace feeder service "K" Line, China Shipping, and Hapag-Lloyd are teaming up on a new direct service from Asia to West Africa.

"K" Line said the new service will replace its current feeder service from South Africa to West Africa using transshipment from Far East to South Africa.

The three carriers will deploy eight 2,500-TEU vessels, with "K" Line providing three, China Shipping four, and the remaining one vessel coming from Hapag-Lloyd.

The service will have a 70-day round trip voyage on the following rotation: Shanghai, Ningbo, Xiamen, Shekou, Port Kelang, Durban (South Africa), Tema (Ghana), Lome (Togo), Cotonou (Benin), Tincan Island (Nigeria), Durban, Port Kelang and back to Shanghai.

The service will start with the departure of the "CSCL Montevideo" from Shanghai on July 21. *The Journal of Commerce Online*

## MOL, NYK and "K" Line Team Up

Vessel-sharing alliance upgrades Asia, Mexico, South America Service  
MOL, NYK and "K" Line formed a new vessel-sharing alliance to upgrade their container service from Asia to Mexico and the west coast of South America.

MOL said it has been offering services from Asia to Mexico and the west coast of South America jointly with "K" Line and will launch the upgraded Asia-Mexico and WCSA service along with NYK.

The new service will offer two loops, one covering Mexico, Ecuador and Colombia and the other covering Mexico, Peru and Chile. The companies will also deploy larger vessels to the service to meet growing demand in Asia-Mexico and WCSA trade.

MOL said it will meet a broad range of customer needs in this expanding trade.

Loop 1, which is called WL1, will provide a 70-day round-trip weekly service using mainly 3,200-TEU vessels. It will have the following port rotation: Yokohama, Keelung, Hong Kong, Da Chan Bay, Xiamen, Shanghai, Busan, Manzanillo (Mexico), Callao (Peru), Iquique (Chile), Valparaiso (Chile), Lirquen (Chile), Callao, Manzanillo, Yokohama.

Loop 2, called WL2, will have a 63-day round trip with weekly departures using 2,000- to 2,100-TEU vessels on the following rotation: Tokyo, Busan, Shanghai, Ningbo, Nagoya, Yokohama, Manzanillo (Mexico), Buenaventura (Colombia), Guayaquil (Ecuador), Manzanillo, Tokyo.

WL1 will start service with the departure of the MOL Bravery from Keelung on July 22.

WL2 will begin service with the departure of the MOL Satisfaction from Busan on July 29. . *The Journal of Commerce Online*

## Industry Calendar of Events:

June 27-July7

### PMV Traffic Pattern Change

No outbound access via Commissioner/McGill

July 8

### CIFFA Golf Tournament

July 19-22

### HAZMAT Training Course

July 19-23

### Certified Port Executive Course

July 31-Aug 4

### ACPA Annual Conference & AGM

St. John's, Newfoundland

Aug. 12

### VTC Golf Tournament

Sept. 1

### Business of Shipping Course

Sept. 14-15

### Canadian Maritime Conference

Montreal, PQ



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# Survey: Little Interest in Northwest Passage

Breakbulk Online Wed, 06/30/2010

A recent survey by a Canada institution concludes the shipping industry has little interest in turning Canada's Northwest Passage into a major shipping lane, despite reports that warmer temperatures are making this normally ice-clogged waterway passable.

"These companies are really, really not interested in Arctic routes," said Frederic Lasserre of Quebec's Laval University. "It's never going to be a Panama Canal."

When Arctic sea ice dropped to record low levels in 2007, observers began to suggest the Northwest Passage could offer a money-saving alternative to southern routes. The passage could trim nearly 10,000 kilometers off routes such as London-Yokohama or Rotterdam-Singapore.

Foreign policy experts in Canada and the United States have been predicting commercial shipping through the Northwest Passage was a matter of when, not if. A handful of ships have traversed it, and last year, two icebreakers convoyed a Beluga ship from Vladivostok to Murmansk along the northern coast of Russia.

So Lasserre decided to ask shipping companies worldwide whether they would use the Northwest Passage. He contacted 125 shipping firms from Asia, Europe and North America and received responses from 34 carriers that represented 62 per cent of the ocean carrier market in 2008. Only 11 expressed any interest at all in shipping through the Northwest Passage.

The interested firms, all headquartered in North America, were mostly bulk carriers that already participate in the annual sea lift of bulk supplies to northern communities.

Lasserre received similar results from a second, more extensive survey last summer that suggested container carriers had the strongest resistance to the passage. Only six out of 46 container carriers would even consider an Arctic route, the results suggested.

Lasserre's report did not mention whether the multipurpose fleet had expressed any interest in the Northwest Passage. Sea ice will continue to be too much of a complicating factor, Lasserre said. Freeze-up and break-up is unpredictable. Even small bergs — called growlers — can slow down a cargo ship, ice-strengthened or not.

"What the companies are selling is not merely transportation, it's also schedules," Lasserre said.

"There's no interest in the shipping to incur delays or to have to pay the penalties that they would have to suffer. It costs them money."

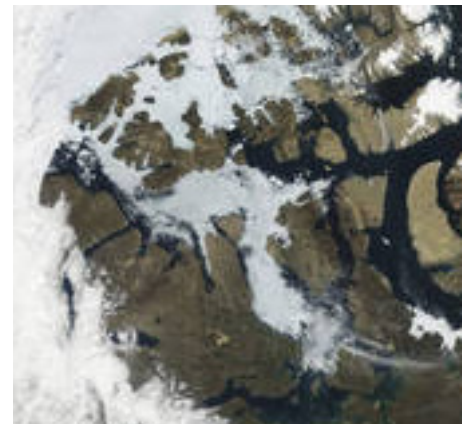
Also, ice-strengthened vessels are more expensive to build and are less fuel-efficient. Insuring ships through an Arctic route is also costly. It all eats away at any savings realized from a shorter voyage.

Lasserre said some shipping is likely to increase, such as that serving Arctic communities or resource sites such as mines.

That's already happening. Last season, there were more such vessels in the passage than there were ships of all kinds just a few years before.

Mainstream industry opinion doesn't reduce the pressure on Canada to back up its Arctic ambitions, said international law professor Michael Byers from the University of British Columbia. He said it only takes one shipping company running the passage to cause a sovereignty or environmental problem. Byers points to Beluga's voyage over Russia's Arctic coast last season.

"What degree of public policy risk are Canadians prepared to accept?" he asked. "Getting on top of this and having the diplomatic policies in place is a no-regrets policy."



<b>Agent Vessel Forecast Statistics for past 28 days: June 5, 2010 - July 3, 2010</b>		
Number of Companies with working vessels during this period		<b>24</b>
Number of participating companies		<b>23</b>
Participation Levels :		
	Very High	<b>5</b>
	High	<b>10</b>
	Moderate	<b>8</b>
	Low	<b>0</b>
Average accuracy level		<b>47.11%</b>
Maximum accuracy level		<b>86.11%</b>
Minimum accuracy level		<b>15.00%</b>

<b>Agent Participation and Accuracy Explanation</b>		
Overall Agent Accuracy is based on the forecasting information supplied by the agent compared to the final state of the forecast as supplied by despatch. Agent participation is calculated based on the efforts of the agent in providing forecasting information via the Agent Vessel Forecast System. Participation is based on the comparison between the <u>number</u> of forecasted shifts as against the number of working shifts. Forecast accuracy is based on forecasted shifts and gangs <u>matching</u> with working shifts and gangs.		Percentage of working shifts forecasted
	Very High	<b>More than 90%</b>
	High	<b>61% to 90%</b>
	Moderate	<b>31% to 60%</b>
	Low	<b>up to 30%</b>

### Vancouver Dispatch - Casual Employee Utilization (June 27, 2010 - July 3, 2010)

Shift	Week Day	A Board		B Board		C Board		T Board		00 Board		Total Available	Total Dispatched	% Dispatched
		Available	Dispatched	Available	Dispatched	Available	Dispatched	Available	Dispatched	Available	Dispatched			
DAY	Sunday	58	46	29	11	15	5	12	3	2	0	116	65	56%
	Monday	55	55	49	49	30	13	27	9	17	16	178	142	80%
	Tuesday	60	57	23	11	11	3	13	4	8	1	115	76	66%
	Wednesday	62	61	34	13	11	0	6	3	7	4	120	81	68%
	Thursday	43	0	5	0	9	0	5	0	3	0	65	0	0%
	Friday	63	63	52	52	55	38	44	5	24	10	238	168	71%
	Saturday	70	70	52	52	58	44	39	1	15	6	234	173	74%
GRAVEYARD	Sunday	16	15	15	8	18	6	50	33	25	0	124	62	50%
	Monday	6	1	2	0	4	0	6	2	2	1	20	4	20%
	Tuesday	3	1			5	0	6	2	3	0	17	3	18%
	Wednesday	4	1	1	0	3	0	4	1	3	1	15	3	20%
	Thursday	28	25	42	30	51	1	25	0	9	0	155	56	36%
	Friday	6	5	4	3	6	1	1	0	3	0	20	9	45%
	Saturday	16	11	14	14	27	18	41	6	13	0	111	49	44%
NIGHT	Sunday	7	1	3	0	8	1	4	0	1	0	23	2	9%
	Monday	11	6	6	5	10	4	8	3	6	2	41	20	49%
	Tuesday	8	3	6	4	6	1	4	2	5	3	29	13	45%
	Wednesday	43	36	32	4	39	0	23	1	7	1	144	42	29%
	Thursday	7	0	2	0	3	0	3	1	3	0	18	1	6%
	Friday	37	28	15	9	33	2	51	3	14	1	150	43	29%
	Saturday	30	29	9	8	20	20	22	20	4	2	85	79	93%
<b>Grand Total</b>		<b>633</b>	<b>514</b>	<b>395</b>	<b>273</b>	<b>422</b>	<b>157</b>	<b>394</b>	<b>99</b>	<b>174</b>	<b>48</b>	<b>2018</b>	<b>1091</b>	<b>54%</b>

**Vancouver Gang Stats**  
**June 2010 (as at June 30/10)**

Shift	2/3 Man Special				Basic				Dock Gantry				Grain			
	Req	All	Rec	Shrt	Req	All	Rec	Shrt	Req	All	Rec	Shrt	Req	All	Rec	Shrt
Shift 1 (0100)	31	31	31	0	6	6	6	0	73	73	73	0	65	65	65	0
Shift 2 (0800)	28	28	28	0	95	95	95	0	87	87	87	0	167	167	167	0
Shift 3 (1630)	25	25	25	0	46	46	46	0	84	84	84	0	134	134	134	0
<b>Totals:</b>	<b>84</b>	<b>84</b>	<b>84</b>	<b>0</b>	<b>147</b>	<b>147</b>	<b>147</b>	<b>0</b>	<b>244</b>	<b>244</b>	<b>244</b>	<b>0</b>	<b>366</b>	<b>366</b>	<b>366</b>	<b>0</b>
<b>Percent of Shortage:</b>	<b>0.00%</b>				<b>0.00%</b>				<b>0.00%</b>				<b>0.00%</b>			

**Squamish Gang Stats**  
**June 2010 (as at June 30/10)**

Shift	2/3 Man Special				Basic				Dock Gantry			
	Req	All	Rec	Shrt	Req	All	Rec	Shrt	Req	All	Rec	Shrt
Shift 1 (0100)	0	0	0	0	1	1	1	0	0	0	0	0
Shift 2 (0800)	0	0	0	0	23	23	23	0	0	0	0	0
Shift 3 (1630)	0	0	0	0	23	23	23	0	0	0	0	0
<b>Totals:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Percent of Shortage:</b>	<b>0.00%</b>				<b>0.00%</b>				<b>0.00%</b>			

**Vancouver Island Gang Stats**  
**June 2010 (as at June 30/10)**

Shift	2/3 Man Special				Basic				Dock Gantry			
	Req	All	Rec	Shrt	Req	All	Rec	Shrt	Req	All	Rec	Shrt
Shift 1 (0100)	0	0	0	0	0	0	0	0	0	0	0	0
Shift 2 (0800)	0	0	0	0	238	216	216	22	0	0	0	0
Shift 3 (1630)	1	1	1	0	47	36	34	13	0	0	0	0
<b>Totals:</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>285</b>	<b>252</b>	<b>250</b>	<b>35</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Percent of Shortage:</b>	<b>0.00%</b>				<b>12.28%</b>				<b>0.00%</b>			

# Dispatch Shortage Stats for June 2010

Shortages at commencement and post dispatch, month-to-date June 2010

0100 Shift					0800 Shift				
Rating	At Dispatch	Shifts	Post Dispatch	Shifts	Rating	At Dispatch	Shifts	Post Dispatch	Shifts
BULLDOZER (DOCK)	1	1	0	0	CARPENTER (CERT)	8	8	3	3
DOCK GANTRY	5	3	0	0	DOCK GANTRY	17	9	0	0
ELECTRICIAN (CER)	4	4	1	1	ELECTRICIAN (CERT)	5	5	4	4
F.E.L. (DOCK)	2	1	0	0	F.E.L. (DOCK)	5	2	0	0
FIBERCO TRUNK (B.O.)	2	2	0	0	FIBERCO TRUNK (B.O.)	1	1	0	0
H.D.MECH (CERT)	5	3	1	1	H.D.MECH (CERT)	22	18	19	15
MILLWRIGHT (CERT)	5	4	1	1	LOCIE ENGINEER	10	10	0	0
NEPTUNE TRUNK (B.O.)	10	6	2	2	MILLWRIGHT (CERT)	28	19	24	17
TOPSIDE	5	4	0	0	MOBILE CRANE (C.W.)	6	4	0	0
V.W. TRUNK (B.O.)	4	3	1	1	NEPTUNE TRUNK (B.O.)	11	5	0	0
1630 Shift					P.M. TRUNK (B.O.)	3	3	1	1
Rating	At Dispatch	Shifts	Post Dispatch	Shifts	PAINTER	5	4	5	4
BULLDOZER (DOCK)	3	2	0	0	PLUMBER (CERT)	1	1	0	0
CENT CHECKER	3	2	0	0	SHIP GANTRY	3	2	0	0
DOCK GANTRY	16	7	0	0	SIGNALMAN	0	0	0	0
ELECTRICIAN (CERT)	11	9	5	5	SPLICER	1	1	0	0
H.D.MECH (CERT)	21	17	6	6	SWITCHMAN (ALL SITES)	4	3	0	0
HLT (WHITE DOT)	2	1	0	0	TOPSIDE	22	14	0	0
LOCIE ENGINEER	1	1	0	0	TRACKMAN	5	4	5	4
MILLWRIGHT (CERT)	10	8	5	4	V.W. TRUNK (B.O.)	8	6	1	1
NEPTUNE TRUNK (B.O.)	2	1	1	1	WELDER (CERT)	2	2	2	2
SHIP GANTRY	5	3	0	0	WHEAT SPECIALITY	7	6	0	0
SWITCHMAN (ALL SITES)	1	1	0	0					
TOPSIDE	7	3	0	0					
V.W. TRUNK (B.O.)	1	1	0	0					
VT CHECKER	2	1	0	0					
WELDER (CERT)	2	2	1	1					
WHEAT MACHINE	1	1	0	0					
WHEAT SPECIALITY	2	2	0	0					

## Union Meeting Nights:

### Mainland Locals

Vancouver (500) July 14, 2010  
 New West. (502) July 14, 2010

### Vancouver Island Local

Chemainus (508) No Meeting

### Northern Local

Prince Rupert (505) No Meeting

Please be guided by the provisions of Article 15 in the Collective Agreement respecting working restrictions and conditions on Union Meeting Nights.



Increase your bottom line.  
Recruit the best workers. Reduce employee turnover.



**Security Industry**  
Attend a convenient 3-hour workshop for the Security Industry that covers effective recruitment and retention strategies.

You will receive a guide that includes a CD "toolbox" filled with customizable tips, tools, checklists, and sample HR forms.

**\$99 + GST**

May. 4: Vancouver, May. 18: Kamloops,  
Jun. 22: Nanaimo, Aug. 24: Prince George,  
Sep. 22: Burnaby, Oct. 19: Vancouver



**Marine Industry**  
Attend a convenient 3-hour workshop for the marine industry that covers effective recruitment and retention strategies.

You will receive a guide that includes a CD "toolbox" filled with customizable tips, tools, checklists, and sample HR forms.

**\$99 + GST**

May. 19: Vancouver, Jun. 23: Vancouver,  
Sep. 15: Nanaimo, Oct. 20: Vancouver,  
Nov. 16: Prince Rupert, Nov. 18: Vancouver

For more information or to register, visit:  
<http://www.bcmea.com/hrsme>



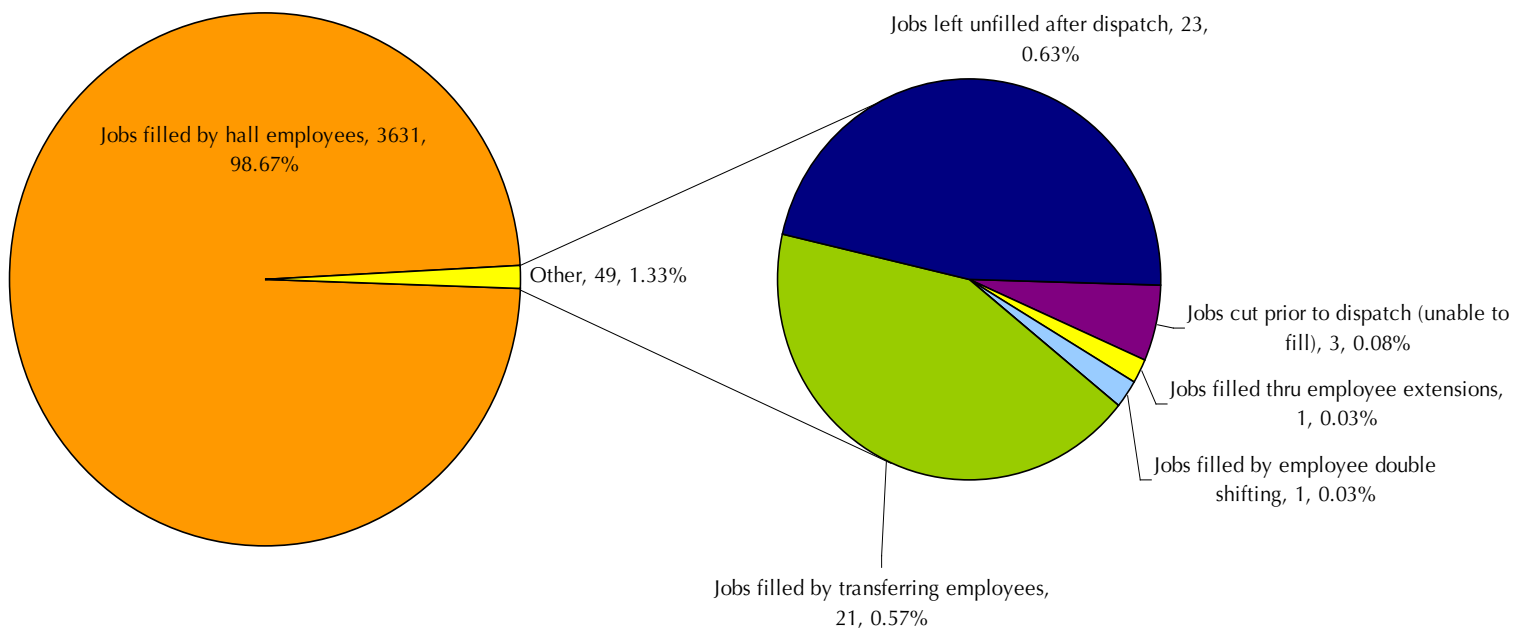
We wish to acknowledge funding support from the Government of Canada's Sector Council Program, Asia-Pacific Gateway and Corridor Initiative, and the Canada/British Columbia Strategic Training and Transition Fund.

# Dispatch Shortage Statistics:

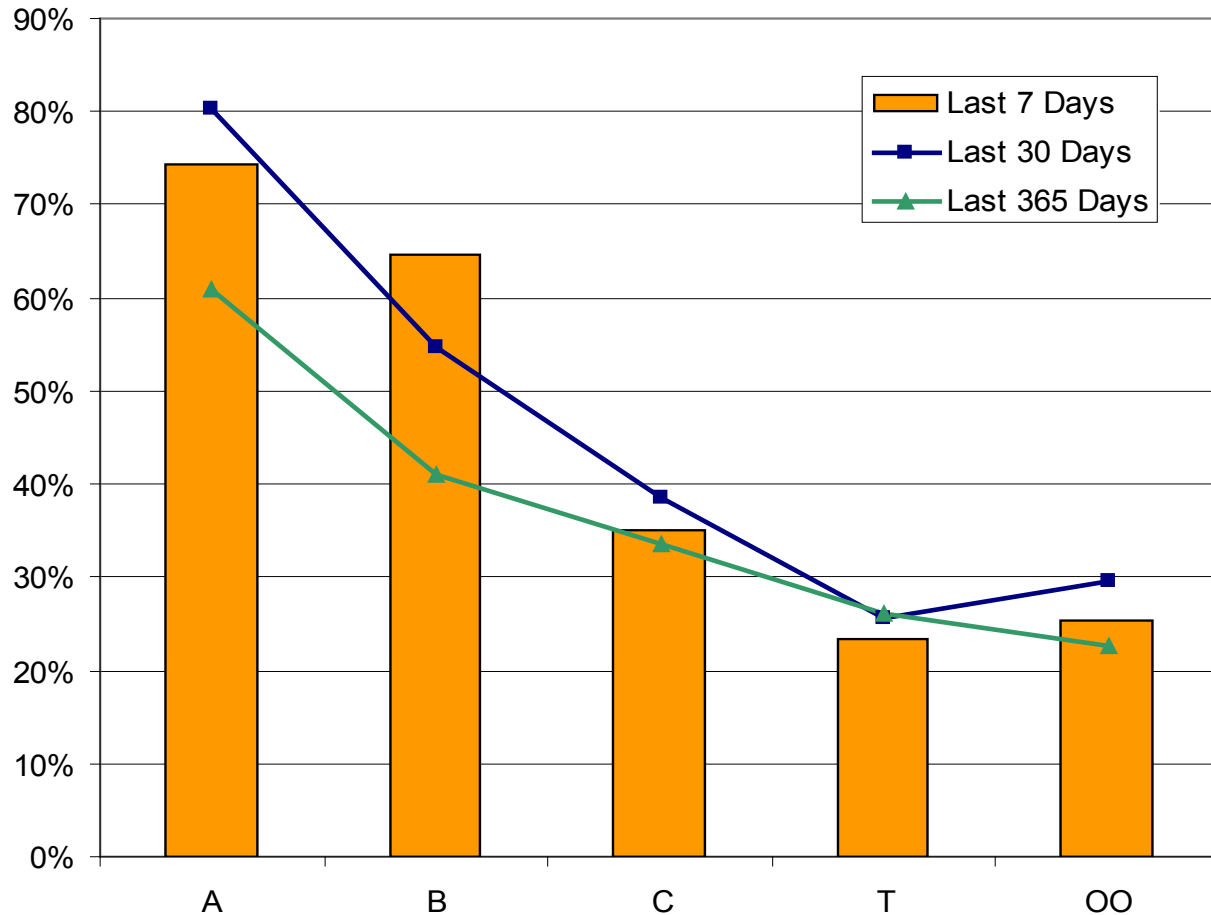
For the Period Sunday June 27, 2010 to Saturday July 3, 2010

JOB	Jobs cut prior to dispatch (unable to fill)	Jobs filled thru employee extensions	Jobs filled by employee double shifting	Jobs filled by local 502 employees	Jobs filled by transferring employees	Jobs left unfilled after dispatch	TOTAL
40 TON & RACK					1		1
BULK OPERATOR			1		4		5
CARPENTER						1	1
CHECKER (DOCK)					1		1
DOCK GANTRY					3		3
ELECTRICIAN						1	1
H.D. MECHANIC						5	5
HEAD CHKR		1			2		3
HT SIGNALS					1		1
KOMATSU OP					1		1
LOCIE ENGINEER					2		2
MILLWRIGHT						9	9
SHEDMEN	2						2
SHIP GANTRY					2		2
SWITCHMAN					3		3
TRACKMAN	1					1	2
WELDER					1	6	7
<b>TOTAL</b>	<b>3</b>	<b>1</b>	<b>1</b>		<b>21</b>	<b>23</b>	<b>49</b>

*Explains how shortages were handled by Dispatch*



## Vancouver Casual Employee % Dispatched per Dispatch Board



### Future BCMEA Meeting Dates:

#### Finance & Audit Committee

Tuesday, Sept. 21st 2010  
9:30am - 11:30am  
5th Floor Boardroom  
349 Railway Street

#### Direct Employers Committee

Wednesday, Sept. 22nd 2010  
9:30AM - 11:30AM  
5th Floor Boardroom  
349 Railway Street

#### Board of Directors Meeting

Tuesday, Sept. 28th 2010  
9:30am - 11:30am  
5th Floor Boardroom  
349 Railway Street

#### Finance & Audit Committee

Tuesday, Oct. 19th 2010  
9:30am - 11:30am  
5th Floor Boardroom  
349 Railway Street

### Your Feedback:



Have something for the  
BCMEA Bulletin?

Send your comments  
or contributions to the  
Bulletin's Editor at  
[editor@bcmea.com](mailto:editor@bcmea.com) or  
(604) 694-2324.