

Improving delivery times

I am delighted so many people have suddenly become interested in the issue of speedy delivery of raw materials, components and finished goods. Some are so interested they think it is the topic which should determine our approach to Brexit. I want to ask the question what actions could we take to cut down delivery times more if people think this is such an issue.

Lets take a complex supply chain. The company concerned needs imported components from India and from Slovakia to meet an automated manufacturing system. The typical delivery time from Slovakia by road transport is four days. The typical delivery time by sea transport from Mumbai is 20 days. Immediately when we look at this issue we see that the short time it takes to get through the port of Dover from Slovakia or through the port of Southampton or London Gateway from India is tiny compared to the lengthy time it takes by sea or road. The sea journey is probably a bit more predictable than the road journey, as it is less open to congestion and delays. The sea journey does also need two road transport journeys to get to and from the ports involved, whilst the road journey from the continent needs a short sea crossing to tackle the English Channel.

The investment needed to cut journey times and unreliability includes investment in the road networks involved. I do not know all the details of the road congestion from Slovakia on the continent, but can vouch for the delays and unreliability the shortage of capacity from Dover or from Southampton to a factory in say Birmingham can cause. This would seem to be a more sensible worry than the idea that after Brexit lorries will face unacceptable delays at our ports.

We need to remember that the bulk of our trade with the EU is imports, not exports. That means the crucial port movements occur in UK controlled ports. It is the UK authorities who will have the task of checking standards and tax liabilities, as they do today whilst we are still in the EU. We have no reason to set up a complex system at the port which will cause more delay or so called friction. We can continue to use Authorised Economic Operators. electronic manifests and on line assessment, tax collection and clearance of most cargoes. Trade within the EU today requires complex calculations of VAT, other transaction taxes, quality and safety checking and other compliance. Most of this occurs away from the port. We have no need to make it too difficult when we are out of the EU.