



TOMAX
NEWS

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ALSO INCLUDED:

MARKET SUMMARY



- Record high freight levels remain in place for cargo on most world-wide trade-lanes. Rates are nudging USD 5,000 per 40' container in a never-seen-before market situation.
- Shipping lines servicing the China-Australia trade-lane have announced a GRI (General Rate Increase) for the 1st December 2020 at a level of USD 300 per 20' and USD 600 per 40'.
- Dumping duties on aluminium extrusions ex: China have been reduced in a move that brings a little bit of relief to importers (see the article on page 9).
- As a result of many lines not accepting bookings into Sydney over the past few months, the number of containers pending rail movement from the alternative ports of Melbourne and Brisbane into Sydney are become seriously backlogged. Daily bookings are at 140% of capacity resulting in delays of up to 13 days for containers to obtain a rail slot.
- Delays at the heavily congested transshipment ports of Singapore and Port Klang are nearing 3 weeks as the number of containers pending loading onto vessels builds up.
- The QLD border remains closed to Sydney and Victoria with a review of the situation expected to take place at the end of November with the hope that the restrictions will be lifted in time for Christmas.

LATEST NEWS

AUSTRALIAN STEVEDORES POCKETING REVENUE

Australian Stevedores are increasing revenue and profit margins, as a result of the highly controversial terminal access charges, in spite of the largest volume drop seen in a decade.

During the financial year ending in June 30, the country's 4 major terminal operators handled 7.57 million TEU. This figure was reportedly 4% lower according to the Container Stevedoring Monitoring Report 2019-20, published recently by the Australian Competition and Consumer Commission (ACCC).

In contrast, the report indicated that the industry revenue increased by 2.8% to \$1.42 billion (AUD), with revenue per lift up by 7.5% and profit margins up by 9.9% which was mainly due to stevedores increasing terminal access charges, the ACCC stipulates.

"Revenue from these, previously called infrastructure charges, rose 51.9% [to \$256.4m] in aggregate for monitored ports compared with 2018-19."

ACCC chair Rod Sims says, "while there may be justification for landside charges, excessive terminal access charges will nullify the benefits of greater competition between stevedores in providing services to shipping lines. However, regulation of

these charges is for state and territory government. Shipping lines contract with a single stevedore for cargo, and that means there is no direct competition in the provision of landside services. This makes these fees, to some extent, a 'take it or leave it' proposition for importers or exporters that have no direct choice of stevedore."

The "staggering" increase in charges since 2017 has left transport operators feeling complaining that they feel "held to ransom" by the brunt of pressure. The ACCC indicated that the stevedores at the 3 largest ports of Melbourne, Sydney and Brisbane have now charged excess of \$100 AUD per full container.

"Not only have charges increased each year, but higher landside revenues are now more than offsetting any fall in quayside revenues from shipping lines," ACCC said, in reference to the greater competition after introducing third terminals in Brisbane, Sydney and Melbourne which resulted in falling revenues from shipping lines for each lift.

Neil Chambers, director of the Container Transport Alliance Australia, said the ACCC "couldn't be any clearer" in its concerns over the increasing terminal

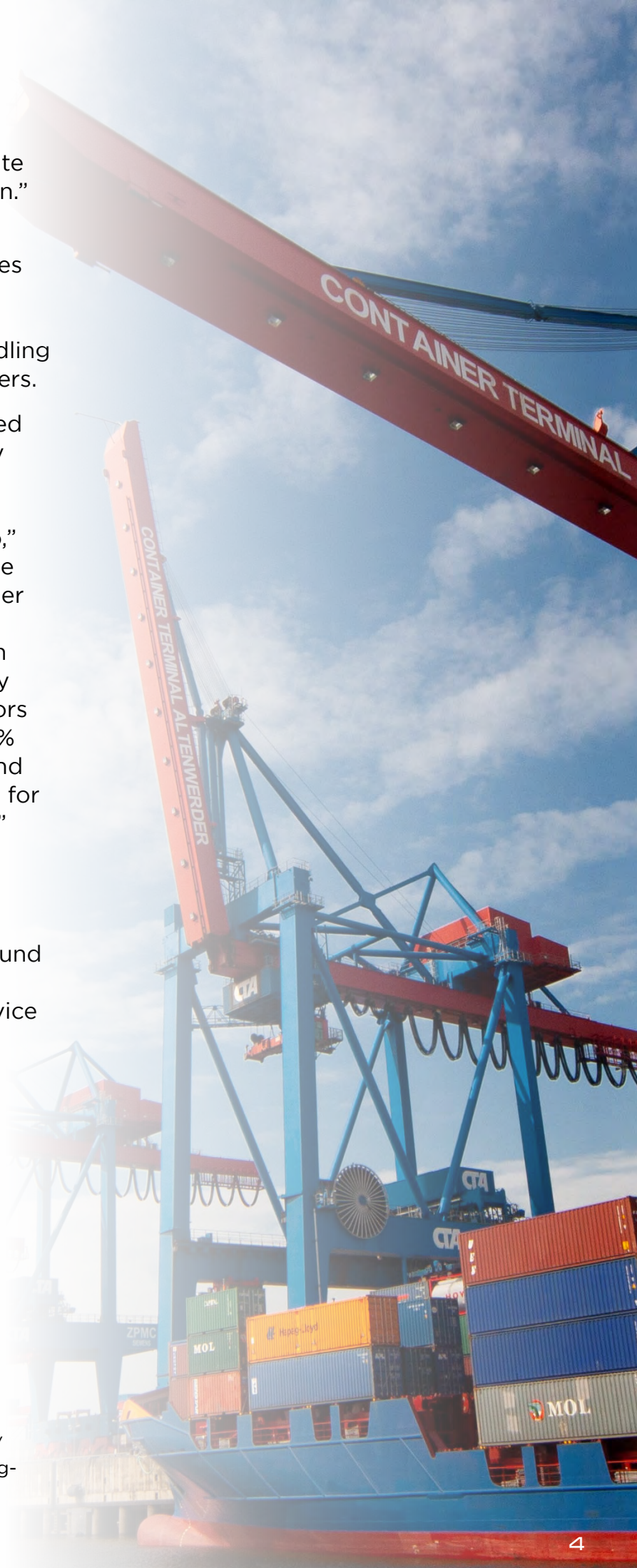
access charges. He says, “the issue of whether rampant stevedore charges should be regulated is a matter for state governments, yet to date, no state government has taken definitive action.”

In light of the average per lift revenue charged by stevedores to shipping lines falling 28% over the past decade, Mr. Chambers questioned the reasoning behind the increasing of terminal handling charges imposed by carriers on shippers.

“Have importers or exporters witnessed any of these savings being enjoyed by foreign container shipping lines being passed through in the form of lower charges in Australia? The answer is no,” Mr. Chambers claimed, “they can range from over \$400 for a 20ft dry container to over \$800 for a 40ft reefer. And, they have been going up, not down. In contrast, average revenue collected by the stevedores from transport operators for landside services has risen by 266% over the past decade. So, exporters and importers are effectively paying twice for the same stevedore terminal services.”

In addition, the ACCC report also stated that the stevedores’ average labour productivity fell by 4%, with a deterioration in average truck turnaround times. Mr. Chambers argued that the higher charges with deteriorating service levels was “not a desirable trend.”

Source: Whelan, S. (2020). Australian stevedores getting richer, but customers seeing poorer service. Retrieved from <https://theloadstar.com/australian-stevedores-getting-richer-but-customers-seeing-poorer-service/> on 9th November, 2020.



AUSTRALIA TO OPEN TRAVEL BUBBLE WITH CHINA

Prime Minister Scott Morrison has revealed that Australia is considering a future travel bubble arrangement with some Chinese provinces. Despite Australia recording 3 days without any Covid-19 community transmission, Mr. Morrison says the country will “proceed cautiously” regarding a lift on international borders.

Morrison says, “the situation in Europe and the United States is awful. And obviously, that presents great risks for people coming from those parts of the world to Australia.”

He indicated that there were ongoing discussions with countries such as Japan, Korea and New Zealand as well as other “low risk” areas across North Asia were also being considered.

He continues, “we continue to hold these discussions with countries like Japan, we have had them before with Korea, the Pacific nations, of course, New Zealand has already been open for travel into Australia without quarantine arrangements. Out of many parts of Asia, particularly in North Asia, places like Taiwan and I would also say parts and provinces of China, Singapore, we are looking at what alternative arrangements could be had to channel visitors through appropriate quarantine arrangements for low risk countries.”

National Cabinet is due to discuss more about the international border this Friday, where further assessments, not decisions, will be made.

Reference: Woolley, S. (2020). Australia considers travel bubble arrangement with China. Retrieved from <https://7news.com.au/lifestyle/health-wellbeing/australia-considers-travel-bubble-arrangement-with-china--c-1554138> on 11th November, 2020.



STAFF SPOTLIGHT

Meet Seav Linh Sin who has recently joined the Transport Department at our Clayton office in Australia. Here is a little bit about our newest recruit!



MEET SEAV LINH SIN TRANSPORT OPERATIONS CLERK TOMAX LOGISTICS AUSTRALIA

WHAT IS YOUR ROLE AT TOMAX?

I am a Transport Operations Clerk who assists the Tomax Transport team.

WHICH SEASON IS THE BEST AND WHY?

I prefer winter because it is cooler and I can sleep more peacefully at night.

WHERE WILL YOU BOOK YOUR NEXT HOLIDAY ONCE BORDERS RE-OPEN?

Definitely Cambodia!

WHAT IS YOUR FAVOURITE MOVIE/ TV SHOW?

My favourite TV Show is "Love O20", a Chinese TV Series.

WHAT IS YOUR FAVOURITE ACTIVITY/ HOBBY?

My favourite activity is cooking.

WHAT IS YOUR FAVOURITE DISH TO COOK?

My favourite dishes to cook are Chinese cuisine.



FOCUS ON SOCIAL RESPONSIBILITY

We are proud of our client, Lifestyle Brands, whose directors have taken the amazing initiative to set up a NGO called the Cambodia Rural Students Trust. The impact on the lives of rural Cambodian students are profound and we greatly support the work they undertake.

ABOUT

Founded in 2011 by the Palti family from Melbourne, Australia, the Cambodia Rural Students Trust (CRST) is a Non-Government Organisation (NGO) registered with the Cambodian Interior Ministry. Our NGO sponsors our students' education, health and dental care, life-skill courses and monthly living allowances. Being sponsored to study also means being part of the NGO family a support system and hands-on learning experience in itself.

The CRST is an Australian Government registered Tax-Deductible Gift Recipient (DGR) and the Cambodia Rural Students Foundation Inc is a US Government registered public charity under IRS code section 501 (c)(c3).

POINT OF DIFFERENCE

- 100% of donations are used for education, mentoring and community projects. All admin costs are covered by corporate sponsors and they are externally audited pro-bono.
- The NGO is managed on the ground in Cambodia by our senior students, who are mentored in managing an organisation by a group of Australian business volunteers.



- All students contribute back to the community with regular volunteer commitments up to 2 hours daily. The entire NGO student family also volunteers once a month on a rural community project.

PROJECTS RUN BY CRST

Project Y: Frozen Yoghurt store located in Siem Reap's Night Market. Teaches university students how to run and manage a business. Provides CRST students training and experience in marketing, production, operations, sales, finance and HR. Enforces the importance of education as the key to breaking the poverty cycle.

Project G: Empowering Girls focuses on delivering education on women's health and sustainable feminine hygiene solutions to girls in rural Cambodia. In partnership with "Days for Girls" they also supply washable and durable feminine hygiene kits free of charge to all high school girls who participate in the workshops.

Project R: Plastic Education Program which aims to empower rural communities to employ environmentally sustainable practices through the "refuse, reduce,

FOCUS ON SOCIAL RESPONSIBILITY

reuse and recycling” of plastics. The environmental program reinforces plastic education and inspires ongoing action to become ‘plastic free’.

Project B: Bicycles for Education enables students the opportunity to complete their education by reducing the impact of schools being in long distance, as a barrier. By delivering and repairing bikes, students can have greater ease and motivation to travel to school.

Project V: The Volunteer Experience is run by the university students of the CRST NGO and offers a range of volunteer activities including building a country house for a family in need, delivering food supplies to the disadvantaged community, joining Project Y and G with sales and packing, planting trees, joining sport activities and donating to Project B.

The students in CRST are motivated and inspiring future leaders. Together they volunteer for numerous hours per day on

top of their studies. They also volunteer in NGO’s unique social enterprise Projects.

For more information:

www.cambodiaruralstudentstrust.org



DUMPING DUTY RELIEF FOR ALUMINIUM EXTRUSION IMPORTERS

Recently the Australian Border Force (ABF) introduced some amendments to the Interim Dumping Duties for aluminium extrusions imported from China.

This comes as slight relief to importers who had been forced to pay as much as 101.9% duty on the inbound cargo value. The following table provides a detailed list of suppliers and exporters with a “Residual Exporter” status.

Cargo imported from residual exporters is subject to 11.5% dumping duty, down from the previous rate level of 29.8%. All other suppliers and exporters cargo is subject to 77.4% dumping duty, which has been reduced from 101.9%.

If you have any queries please contact Paul Watson via call 09 3544 4227 or email paul@tomax.com.au

Amendment of interim dumping duties for goods exported from China - effective 28th October

Exporter	Old Rate	New Rate
Residual Exporters	29.8%	11.5%
All Other Exporters	101.9%	77.4%

Which exporters and associated suppliers are considered residual exporters/suppliers:

Exporter	Supplied by
Foshan City Nanhai Yongfeng Aluminium Co. Ltd	Same
Foshan JMA Aluminium Co. Ltd	JMA HK Company Limited
Fujian Minfa Aluminium Inc.	Same
Foshan Yatai PVC and ALU Co. Ltd	Fo Shan Heng He Import and Exporter Trading Co. Ltd
Guang Ya Aluminium Industries Co. Ltd	Same
Guangdong JMA Aluminium Profile Factory (Group) Co. Ltd	Same
Guangdong Xingfa Aluminium Co. Ltd	Xingfa Aluminium (Hong Kong) Limited Guangzhou Parkson Logistics Services Co Ltd Guangdong Metals & Minerals Import & Export (Group) Corp
Guangdong Huachang Aluminium Factory Co. Ltd	Same
Press Metal International Ltd	Same
Foshan Lvqiang Metal Product Co. Ltd	Ansun Trading Pty Ltd
Fujian Fenan Aluminium Co. Ltd	Same
Guangdong Golden Aluminium Co. Ltd	Same
Guangdong Xingiu Aluminium Co. Ltd	Same
Guangdong Weiye Aluminium Factory Co. Ltd	Same

FRIDAY FUNNIES



We hope these funny or not-so-funny jokes can brighten up your Friday as we welcome another weekend!

What do you give
a sick lemon?
Lemon Aid!

I'm thinking about
removing my spine.
**I feel like it's really
holding me back.**

What's blue and
not very heavy?
Light blue.

Today I gave my dead
batteries away.
They were free of charge.

Ever tried to eat a clock?
It's time-consuming.

Imagine if Americans
switched from pounds to
kilograms overnight.
**There would be mass
confusion!**

There are three types
of people in the world.
**Those of us who are
good at math and
those of us who aren't.**

STAFF LIST

TOMAX LOGISTICS: AUSTRALIA

Belinda Karipidis	Accounts Clerk	belinda@tomax.com.au
Billy Kirpis	Sales Support	billy@tomax.com.au
Brett Watson	Customs Compiler	brett@tomax.com.au
Cameron McKenzie	Registrations Officer	cameron@tomax.com.au
Chelsey Holmes	Key Account Manager (Brisbane)	chelsey@tomax.com.au
Chris Chalmers	C.E.O.	chris@tomax.com.au
Dale Rozario	National Sales Manager	dale@tomax.com.au
David Garner	VIC FCL Cartage Coordinator	david@tomax.com.au
Debbie Jones	Director	debbie@tomax.com.au
Desiree Nepia	Interstate Cartage Coordinator	desiree@tomax.com.au
Edmond Kong	Customs Compiler/Classifier	edmond@tomax.com.au
Eirini Moore	Credit Controller	ar@tomax.com.au
Fiona Yu	Import Operations	fiona@tomax.com.au
George Paizis	Fleet Manager	george@tomax.com.au
Irene Keedle	Reception/Admin	irene@tomax.com.au
Ivy Zou	Key Account Manager	ivy@tomax.com.au
James Wright	Driver	james@tomax.com.au
Josh Lamb	Documentation Officer	documentation@tomax.com.au
Julia Murdoch	Key Account Manager	julia@tomax.com.au
Justine Kerr	Media Manager	justine@tomax.com.au
Kerryn Palmer	Invoicing	kerryn@tomax.com.au
Kirsty Buselli	Sales Support	kirsty@tomax.com.au
Leigh Kerr	Business Development & Wholesale Manager	leigh@tomax.com.au
Lilin Rang	Import Operations Supervisor	lilin@tomax.com.au
Marc Regan	International Sales Manager	marc@tomax.com.au
Mary Whitson	C.F.O.	mary@tomax.com.au
Natalie Leonardi	Credit Controller	ar@tomax.com.au
Nicole Xi	Import Freight Manager	nicole@tomax.com.au
Paul Watson	Customs Manager	paul@tomax.com.au
Ravi Warna	Accounts Supervisor	ravi@tomax.com.au
Rita Wang	Customer Service Officer	rita@tomax.com.au
Sam Wallace	Customs Compiler/Classifier	sam@tomax.com.au
Sandy Chalmers	Invoicing	sandy@tomax.com.au
Sarah Keast	Operations Supervisor	sarah@tomax.com.au
Seav Linh Sin	Transport Operations Clerk	linh@tomax.com.au
Shawn Solomons	Customs Broker	shawn@tomax.com.au
Shawn Xiang	Customs Compiler	shawn.xiang@tomax.com.au
Soucheng Chan	Transport Manager	soucheng@tomax.com.au
Stephen Edwards	Senior Customs Broker	stephen@tomax.com.au
Tammy Guy	LCL/Air Cartage Coordinator	tammy@tomax.com.au
Zoe Pei	Export Operations	zoe@tomax.com.au

TOMAX WAREHOUSING: AUSTRALIA

Akash Gill	Warehouse Manager	akash@tomax.com.au
David Wheatley	Warehouse Hand	warehouse@tomax.com.au
Edvin Kevelj	Warehouse Administrator	edvin@tomax.com.au
Kabul Soni	Truck Driver	warehouse@tomax.com.au
Leo DeMaria	Assistant Warehouse Manager	leo@tomax.com.au

TOMAX TRANSPORT: AUSTRALIA

Bob Caine	Driver	bob.caine@tomax.com.au
David Gulle	Driver	david.gulle@tomax.com.au
Geoff Davidson	Warehouse Storeman (Brisbane)	bne.depot@tomax.com.au
Geoffrey Lee	Driver	geoff.lee@tomax.com.au
Glenn White	Driver	glenn.white@tomax.com.au
Ian Scott	Driver	ian.scott@tomax.com.au
Ivan Eshow	Driver	ivan.eshow@tomax.com.au
Jake Macdonald	Driver	jake.macdonald@tomax.com.au
James Laging	Warehouse Hand	james.laging@tomax.com.au
Jesse Smith	Driver	jesse.smith@tomax.com.au
Jessica Kong	Administration Assistant	jessica@tomax.com.au
Jimmy Wilson	Driver	jimmy.wilson@tomax.com.au
Joe Prasad	Driver	joe.prasad@tomax.com.au
Karl Baldonado	Driver	karl.baldonado@tomax.com.au
Ljube Cvetanovski	Driver	ljube.cvetanovski@tomax.com.au
Mark Szczepanik	Driver	mark.szczepanik@tomax.com.au
Martin May	Driver	martin.may@tomax.com.au
Mitchell York	Operations Manager	mitchell@tomax.com.au
Stephen Greenslade	Driver	steve.greenslade@tomax.com.au
Stephen Redmond	Driver	stephen.redmond@tomax.com.au
Terese Pidcock	Driver	terri.pidcock@tomax.com.au
Warren Strutt	Driver	warren.strutt@tomax.com.au
Warren Van Eeden	Driver	warren.vaneeden@tomax.com.au
Warren Richards	Driver	warren.richards@tomax.com.au



TOMAX



tomax.com.au
1300 186 629
03 9544 4227

Australian HQ
19/202 Ferntree Gully Road
Clayton VIC 3168