



TOMAX
NEWS

Issue 10
20th Nov 2020



ALSO INCLUDED

MARKET SUMMARY

- Some shipping lines are beginning to announce a USD 1000 per TEU general rate increase for shipping on the Asia to Australia and NZ trade-lanes. This is an unprecedented move with rate increases usually announced at around UDS 300 per TEU.
- Severe equipment shortages continues to plague shippers in China scrambling to secure empty containers for loading as stockpiles grow in all major ports around the world pending re-positioning back to China.
- SA is in day 2 of a 6 day “circuit-breaker” lockdown with the most severe lockdown conditions implemented. The government has reported that there were zero new cases today.
- The Victorian government has announced that the border between SA and VIC will be closed with a permit system to be implemented by Saturday. Freight carriers will be exempted from the closure.
- Rail congestion is beginning to ease with slots becoming available to spot bookings sporadically.

REMINDER:

USA will be celebrating ‘Thanksgiving Day’ on Thursday 26th and Friday 27th of November. Businesses will closed on both days.

LATEST NEWS

REGIONAL COMPREHENSIVE ECONOMIC PARTNERSHIP (RCEP)

The regional comprehensive economic partnership – the issues for importers, exporters and trade professionals.

The long negotiated Regional Comprehensive Economic Partnership (RCEP) has been signed by Australia, China, Japan, Korea, New Zealand and the ASEAN Nations. RCEP is a massive FTA accounting for 58% of Australia's two-way trade in goods and services. Although, despite the large scope of the agreement, the impact for importers may be limited as Australia already has FTAs with the RCEP members.

Benefits of RCEP

The key benefits of RCEP for importers and exporters will be:

1. Increased likelihood of goods satisfying rules of origin. This is due to content from all RCEP members being counted when assessing whether an exported good qualifies under RCEP. This should be compared to bilateral trade agreements where only content from the two parties to that agreement counts as qualifying content.
2. Greater ease and efficiency of Australian companies integrating in global supply chains, as a result of content from 15 Asian Pacific countries constituting originating content.

3. Available mechanism for exporters to provide a declaration of origin as opposed to obtaining a certificate of origin issued by an authorised body
4. Declarations of origin and certificates of origin can be completed electronically
5. Better access into RCEP countries for Australian investors and exporters of services.

Commencement Date

The current status is that all parties have signed an agreement however, it is a long process before it becomes Australian law. The agreement is required to sit through a parliamentary approval process in Australia. Once approved, legislation will be introduced, ratifying the agreement. Ratification of the agreement must occur by at least 6 ASEAN countries and 3 non-ASEAN countries before the agreement can take effect. The agreement only comes into force for the countries who have ratified it. Realistically speaking, finalisation is unlikely to happen until late 2021 or early 2022.

Joining the RCEP

India, who was originally part of the RCEP negotiations, withdrew their involvement due to a shift towards more protectionist trade policies. Despite their decision, they are welcome to join at

any time should they change their mind. The RCEP membership is extended to other countries who may request to join. However, the countries require approval by all RCEP members before joining and a request can only be made 18 months after the agreement proceeds.

Considerations

As there are many multiple FTAs available, the task for importers and exporters is to consider the following:

1. Which FTAs do the goods qualify? This is important to note as the rules of origin differentiate from one another. A key benefit of the RCEP is that goods may qualify under RCEP which would not have qualified under a bi-lateral FTA
2. For goods who qualify under multiple FTAs, which FTA provides the lowest rate?
3. If multiple FTAs have the same rate, consider which has the easiest documentation requirements?

After establishing a choice, it is vital for the exporter and importer are on the same page. This entails the exporter both assessing the origin under the correct FTA and providing a proof of origin document

which satisfies the requirements of that specific FTA.

Australia's relationship with China

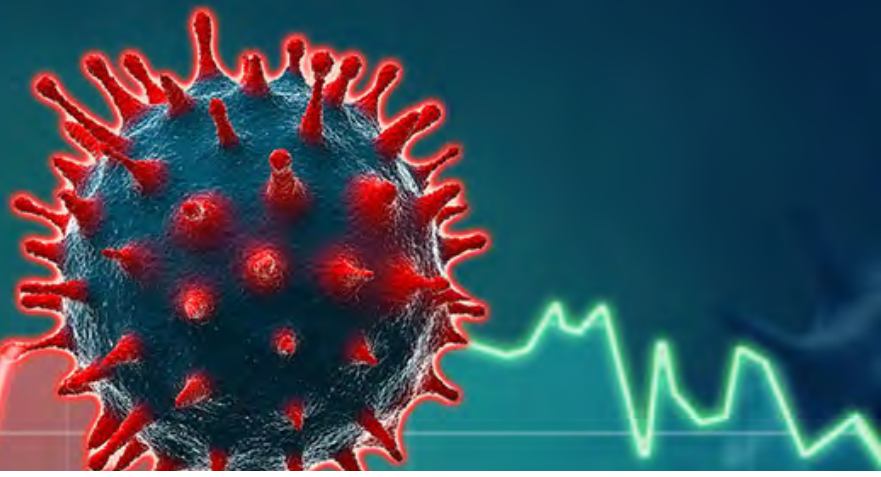
The timing may appear unusual for Australia to be entering into a trade liberalising agreement with China at a time where China has effectively banned the import of a number of Australian products, such as red wine.

The Morrison Government is hoping that the symbolic gesture of signing the RCEP will “reset” and amend the China, Australia trade relationships. Although RCEP may encounter difficulties in obtaining parliamentary approval should the Chinese Government continue or increase the restrictions on the import of Australian goods.

Reference: Wiese, R. (2020). THE REGIONAL COMPREHENSIVE ECONOMIC PARTNERSHIP – THE ISSUES FOR IMPORTERS, EXPORTERS AND TRADE PROFESSIONALS. Retrieved from <https://www.ftalliance.com.au/news/19557> on 17th November, 2020.



SOUTH AUSTRALIAN NEW COVID RESTRICTIONS



From early morning on Thursday 19th November South Australia entered into a 6 day “circuit breaker” lockdown in an attempt to take a pre-emptive approach to curbing any potential mass COVID-19 outbreak. The lockdown will expire in the early morning of Wednesday 25th November and subject to any changes from the government, businesses will be able to begin operating again. The details provided by the SA Government are as follows:

The Stay at Home period will begin at 12.01 am on Thursday 19 November will end on 12:01 am on Wednesday 25 November 2020. All people in South Australia will be required to Stay at Home for the entire period. Community activities including business, professional, educational, academic and government activities must stop operation unless it is carried out in line with this direction or does not involve leaving the home. All gatherings are prohibited other than between those who ordinarily reside at the home or as part of an activity occurring in accordance with this direction.

Essential workers

A person may leave the home for the purpose of undertaking duties as an essential worker which are classified as those people who perform work which is essential for the continued operation of any of the following operations/businesses:

- a blood bank (including blood collection and delivery)
- air transport (including airports)
- Australian Border Force and Commonwealth law enforcement and intelligence agency services
- bottle shop

- care services for people with particular needs because of homelessness, age, infirmity, disability, illness or chronic health
- childcare, early childhood education, primary/secondary schools
- consular and diplomatic services
- distribution centre
- emergency services being:
 - ambulance services
 - firefighting services
 - medical retrieval services (including Royal Flying Doctor Services)
 - military and defence services deployed activities in South Australia
 - paramedical services
 - police services
 - state emergency services
- essential health services
- essential infrastructure and essential services within the Essential Services Act 1981 (SA)
- factory or facility (only operations which would otherwise cause damage to the plant and equipment)
- financial institution
- freight services (including postal and courier services)
- hardware store
- hotel or motel accommodation
- journalists and media services
- National Heavy Vehicle Regulator compliance activities
- organisations that provide urgent services necessary for the health and safety of any person, animal or premises (e.g. plumbing, Centrelink services and Foodbank)
- pet store or veterinary clinic
- petrol station

- pharmacy
- post office
- primary industries (only to ensure adequate supply of food and care of crops and animals)
- production and distribution of food for sale by supermarket/butcher/fruit/vegetable store/fishmonger other than production at a red meat abattoir, liquor sales at a bottle shop and medical and pharmaceutical products
- public transport (including taxis and other public passenger services)
- state or local government services which are deemed essential by their Chief Executive
- supermarket, butcher, fruit and vegetable store or fishmonger (but not an indoor or outdoor market)
- truckstops and roadhouses
- vehicle repair and mechanical services (including roadside assistance).

Reasons to leave home

One person can leave their home, per day, for the purposes of obtaining essential goods or service from a:

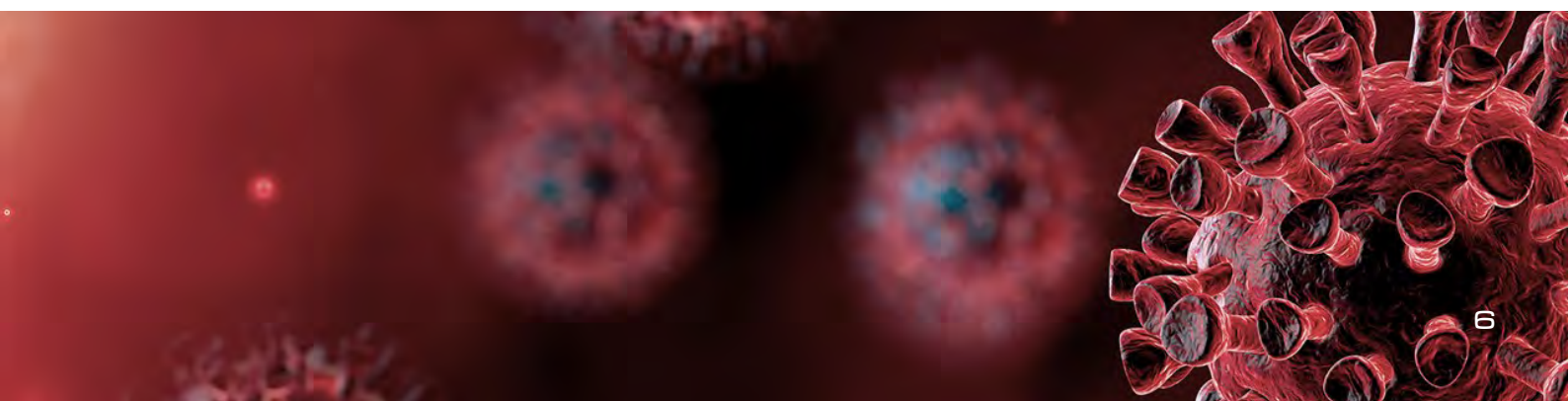
- consular and diplomatic services
- distribution centre
- financial institution
- hardware store
- premises commonly known as a bottle shop
- pet store or veterinary clinic
- petrol station
- pharmacy
- post office
- supermarket, butcher, fruit and vegetable store or fishmonger (but not an indoor or outdoor market)
- urgent services necessary for the health and safety of any person, animal or premises

- vehicle mechanical services.

Shops defined above may open and close at any time for the purposes of essential goods or services. A person may leave home with a dependent if they cannot be left at home alone.

People may also leave their home to:

- access child care, primary or secondary education services if the child is that of an essential worker, resides in the care of the State or there are circumstances of vulnerability
- adhere to shared parenting arrangements (court or otherwise)
- comply with a legal requirement at a place such as a police station, court or other home relating to justice or law enforcement
- donate blood
- ensure adequate supply of food, care and exercise to animals that are situated away from the home if no other person is available
- escape harm or risk of harm, including in relation to family violence or violence of another person at the home
- obtain essential health services
- provide care and support to a relative or other person due to their health or because of homelessness, age, infirmity, disability, illness or chronic health condition
- provide child-minding assistance so that the parent/guardian can leave to obtain essential goods or service and/or for the purpose of undertaking duties as an essential worker
- provide end of life support to an immediate family member
- undergo a COVID-19 test
- undertake work as an essential worker.
- People may also leave their home in an emergency situation.



STAFF SPOTLIGHT



**MEET
TERRI PIDCOCK**
COURIER DRIVER
TOMAX TRANSPORT

WHAT IS YOUR ROLE AT TOMAX?

I am a Courier Driver for Tomax Transport assisting with deliveries.

BEST WAY TO UNWIND AFTER A LONG DAY OF WORK?

With some Apple Cider!

DO YOU OWN ANY PETS?

I have 2 dogs: a German Shepherd named Karma who is 14 and a Staffy named Kamali who is 7.

WHAT IS YOUR FAVOURITE CHILDHOOD MEMORY?

My favorite childhood memory is living on a massive cattle/sheep station in Central Qld. I was born in Winton QLD so I am a bush girl born and bred!

NAME YOUR BIGGEST PET PEEVE?

Poor use of grammar!

IF YOU COULD EAT ONE FOOD FOR THE REST OF YOUR LIFE WHAT WOULD IT BE AND WHY?

My favorite food would have to be Roast Lamb. It was our Sunday roast for many years. The whole family would dress up for the occasion. I always associate it with good family times.

FRIDAY FUNNIES

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

What do you get from a pampered cow? ***Spoiled milk!***

Why did the coffee file a police report? ***It got mugged.***

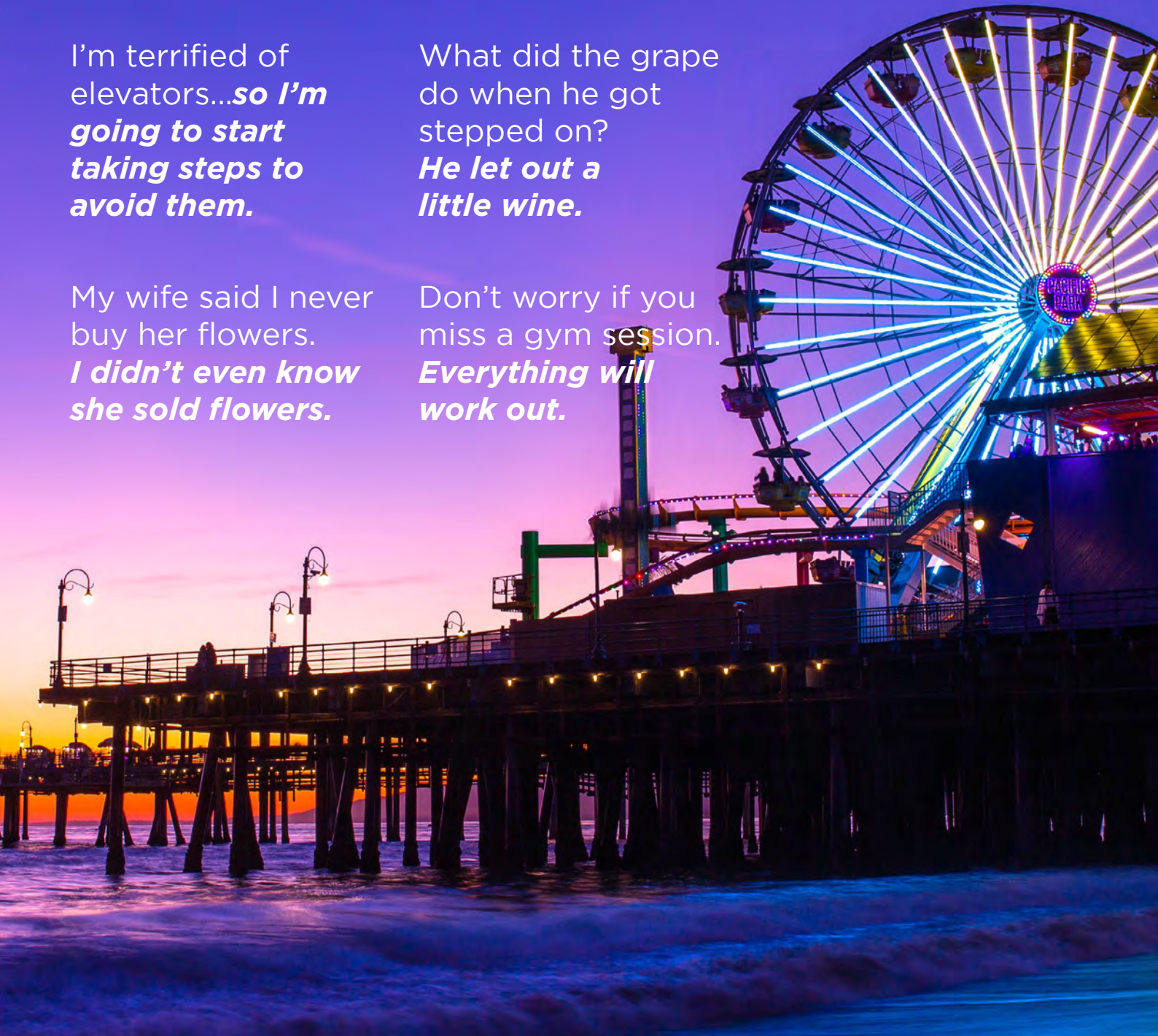
The shovel was a ***ground-breaking invention.***

I'm terrified of elevators...***so I'm going to start taking steps to avoid them.***

What did the grape do when he got stepped on? ***He let out a little wine.***

My wife said I never buy her flowers. ***I didn't even know she sold flowers.***

Don't worry if you miss a gym session. ***Everything will work out.***



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