



TOMAX
NEWS

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PLUS:

MARKET SUMMARY

- Ocean freight rates may start to fall in the coming weeks with shipping lines starting to feel the brunt of reduced demand on most trade-lanes. Lines this week announced blank sailings on some southbound trade-lanes in order to keep their rates higher peak season levels, however there has already been a fall in the spot rate market during mid-November.
- DP World industrial action coupled with a surprise cyber attack has all but crippled terminal activity over the last 10 days in Australia. Many importers have been adversely affected with little relief provided from shipping lines in relation to container free time periods and detention waivers.
- Domestic transport prices continue to rise currently and many cargo owners are struggling to remain profitable in the face of the increases. Tomax operates a large fleet of vehicles all over Australia and can assist you to reduce your transport spend. Contact our friendly sales team today for more information on 1300 186 629.
- Did you know that Tomax has offices in Melbourne, Sydney, Brisbane, Perth, Shanghai and Seattle? As well as partner offices all over the world. We assist our clients with freight movements from any corner of the globe, including in break bulk, over-dimensional, and air/sea charter movements.

TARIFF CONCESSIONS GAZETTE (TC)

Tariff Concession Orders (TCOs) are an Australian Government revenue concession that exists where there are no known Australian manufacturers of goods that are substitutable for imported goods. When a new TCO is made, it is published in the Gazette by the Australian Border Force. The weekly Tomax Client Newsletter will contain a link to the latest Gazette document so that you can stay updated.

[CLICK TO VIEW LATEST GAZETTE](#)



DP WORLD INDUSTRIAL ACTION SCHEDULE IMPACT

DP World Australia has received additional Protected Industrial Action notices from the CFMMEU (Maritime Union of Australia division) for each of their Australian terminals at the following ports until the 27th of November 2023.

Brisbane: 20/11/2023 to 27/11/2023

Sydney: 20/11/2023 to 27/11/2023

Melbourne: 20/11/2023 to 27/11/2023

Fremantle: 20/11/2023 to 27/11/2023

Based on the updated dates above, the following will be affected by the planned Protected Industrial Action:

Service/Terminal	Schedule Impact
Sydney DP World	All receipt and delivery stoppage from Friday 17th Nov 06:00hrs through to Saturday 18th Nov 06:00hrs. All receipt and delivery stoppage from Monday 20th Nov 06:00hrs through to Tuesday 21st Nov 06:00hrs. Quayside and landside stoppage from Tuesday 21st Nov 06:00hrs through to Wednesday 22nd Nov 06:00hrs. All receipt and delivery stoppage from Thursday 23rd Nov 06:00hrs through to Friday 24th Nov 06:00hrs. All receipt and delivery stoppage from Friday 24th Nov 06:00hrs through to Saturday 25th Nov 06:00hrs.
Melbourne DP World	All receipt and delivery stoppage from Thursday 16th Nov 06:00hrs through to Saturday 18th Nov 06:00hrs. All receipt and delivery stoppage from Friday 24th Nov 06:00hrs through to Saturday 25th Nov 06:00hrs. Quayside and landside stoppage from Friday 24th Nov 06:00hrs through to Saturday 25th Nov 06:00hrs.
Brisbane DP World	All receipt and delivery stoppage from Thursday 16th Nov 07:00hrs through to Saturday 18th Nov 07:00hrs. Quayside and landside stoppage from Monday 20th Nov 07:00hrs through to Tuesday 21st Nov 07:00hrs All receipt and delivery stoppage from Thursday 23rd Nov 07:00hrs through to Friday 24th Nov 07:00hrs.



DP WORLD'S CYBER ATTACK WAS PREVENTABLE

DP World has confirmed the occurrence of data theft during a security breach resulting in the closure of ports across the nation. Experts suggest the breach was a result of the company's failure to patch a well-known security vulnerability. The specifics of the stolen data, whether it included information about employees or clients, remain undisclosed as DP World continues its investigation into the incident.

This confirmation coincides with the departure of government cybersecurity chief Air Marshal Darren Goldie, who was overseeing the response to the hack. His return to Defence and subsequent leave were attributed to a "workplace matter." A spokesperson for DP World stated, "we have confirmed unauthorised access and potential data extraction from our Australian corporate network. Evaluating the impacted data remains a priority. Due to ongoing forensic investigations, this assessment might take some time. We'll share updates as they unfold."

Reports indicate DP World neglected to address a vulnerability in one of its IT systems, exploited by Russian hackers before detecting the breach. This oversight led to the shutdown of company systems, disrupting around 40% of the nation's import-export capacity until operations were restored later.

Minister for Cybersecurity Clare O'Neil and the Australian Cyber Security Centre issued urgent warnings for businesses to promptly update vulnerable Citrix systems. These systems were exploited at an extensive scale by the Russian cybercrime group LockBit and its associates.

Vaughan Shanks, CEO of Cydarm, a cybersecurity software firm, explained that LockBit identified a vulnerability in Citrix Netscaler, commonly used by companies to deploy online applications. Exploiting this, LockBit scoured the internet for unpatched systems, affecting entities such as Boeing and the Industrial and Commercial Bank of China, among others.

While DP World or the government haven't officially confirmed the hack's cause, experts speculate that the Citrix vulnerability played a significant role. The situation mirrors recent incidents like Optus' outage, raising concerns about critical Australian infrastructure managed by foreign-owned companies and its implications for national sovereignty.

DP World gradually reopened terminals for truck operations, having moved 8000 containers of the 30,000 stranded during the shutdown. Nevertheless, ongoing stoppages and work bans by the Maritime Union of Australia continue to disrupt operations.



GOVERNMENT CUTS PROJECTS AMID INFRASTRUCTURE COSTS

The Federal government has axed 50 projects from the national infrastructure pipeline. Catherine King, the Federal Minister for Infrastructure, revealed on Thursday that funding would be pulled from “high-risk” projects, aiming to address cost pressures amounting to \$32.8 billion within the \$120-billion Infrastructure Investment Program.

Earlier this year, King announced an independent review of the program, conducted by Clare Gardiner-Barnes, Mike Mrdak AO, and Reece Waldock, which depicted a concerning state of the infrastructure investment pipeline.

“The review painted a dismal and regrettable picture of the pipeline’s health,” stated King during a press briefing. “The undeniable truth is that the previous government, led by the Liberals and Nationals, mismanaged this crucial program over the past decade.”

Under the previous government, the number of projects in the pipeline skyrocketed from nearly 150 to over 800. King highlighted that many of these projects lacked proper planning, accurate cost estimates, and were not prepared for Commonwealth investment.

A “MORE ATTAINABLE” PIPELINE

The review outlined 15 recommendations concerning the progression or discontinuation of projects and transitioning the program into a sustainable pipeline. The government has committed to adopting all recommendations either outright or in principle.

“We’ve taken action on the review’s suggestions to enhance efficiency and adaptability in delivering projects along nationally significant road and rail corridors,” affirmed King. “Projects situated along strategic national freight routes are now grouped into corridors. This approach will allow states and territories greater flexibility in managing project schedules based on their priorities.”

Innes Willox, Chief Executive of the Australian Industry Group, supported the focus on “high-benefit” projects. He expressed concerns about cost overruns, capacity constraints, and inadequate project evaluations, leading to an unsustainable infrastructure pipeline. Willox regarded the government’s reprioritisation as a necessary step toward reducing cost pressures and establishing a more achievable pipeline.

THE ROAD TRANSPORT SECTOR'S PERSPECTIVE

Although funding has been withdrawn from certain road projects, Roads Australia welcomed the review's release. The organisation found alignment between the reviewers' recommendations and the necessity of transitioning to a 10-year rolling infrastructure pipeline.

Ehssan Veiszadeh, CEO of Roads Australia, indicated that the review had set clear parameters for future infrastructure funding, providing much-needed certainty to transport stakeholders. He emphasised the importance of continuing to build transport infrastructure aligned with population demands while considering industry capacity.

STATE GOVERNMENT REACTIONS

The Western Australian government expressed disappointment as the federal government withdrew over \$300 million from the state's projects, affecting initiatives like the Great Southern Secondary Freight Network. Several impacted projects involved a collaborative cost-share model between state and federal governments and the private sector.

Rita Saffioti, WA's Transport Minister, noted the significance of these road projects in supporting key resource endeavours. The funding withdrawal might impact their delivery timelines. She highlighted disparities in cost overruns compared to projects on the East Coast, expressing a preference for cooperative efforts to streamline project pipelines rather than abrupt funding cuts.

"We're committed to these projects and will engage with key stakeholders to explore funding and delivery alternatives," Saffioti affirmed.

Williams, A. (2023). FIFTY PROJECTS CUT FROM INFRASTRUCTURE PIPELINE. Retrieved from <https://www.thedcn.com.au/news/law-regulation-trade/minister-cuts-50-projects-from-infrastructure-pipeline/> on 16th November, 2023.



CONTAINER FREIGHT RATES DROP

The Drewry World Container Index dropped by 2% to \$1469 per 40-foot container this week, marking a 43% decrease from the same period last year.

Presently, the latest WCI composite index stands at 3% higher than the average rates in 2019, before the pandemic, which were at \$1420.

The average composite index for the year so far is \$1695 per 40-foot container, significantly lower by \$980 compared to the 10-year average rates of \$2675, which were elevated due to the unusual COVID-19 period between 2020-2022.

Freight rates on the Shanghai to Rotterdam route declined by 4% to \$1227 per 40-foot container. Similarly, rates on the Shanghai to Los Angeles route dropped by 3% or \$79, reaching \$2208 per 40-foot container.

Rates on the Shanghai to New York route diminished by 2%, amounting to \$2621 per FEU or a reduction of \$40.

Conversely, rates on the New York to Rotterdam route increased by 2% or \$12, reaching \$614 per 40-foot container. Additionally, rates on the Rotterdam to Shanghai and Rotterdam to New York routes edged up by 1% to \$466 and \$1510 per 40-foot container, respectively.

However, rates on the Los Angeles to Shanghai route remained stable compared to the previous week.

Drewry predicts that East-West spot rates on these lanes will likely stay close to their current levels in the coming weeks.

The Drewry World Container Index gauges the movements of ocean freight rates for 40-foot containers in seven significant maritime trade lanes.

Ackerman, I. (2023). WORLD CONTAINER INDEX DECLINES. Retrieved from <https://www.thedcn.com.au/news/containers-and-container-shipping/world-container-index-declines/> on 15th November 2023.



FRIDAY FUNNIES

We hope the following jokes put a smile on your face as we approach the weekend!

I entered 10 puns in a pun contest hoping one would win, but no pun in ten did.

Someone stole my Microsoft Office and they're gonna pay.
You have my Word.

I told my wife she was drawing her eyebrows too high.
She looked surprised.

Parallel lines have so much in common.
It's a shame they'll never meet.

I waited all night to see where the sun would rise...
And then it dawned on me.

I threw a boomerang a few years ago.
I now live in constant fear.

Why did Shakespeare only write in pen?
Pencils confused him.
2B or not 2B?

What kind of tea is the hardest to swallow?
Reality.

Why was the broom late for work?
It over-swept.



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