



**TOMAX
NEWS**

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PLUS:



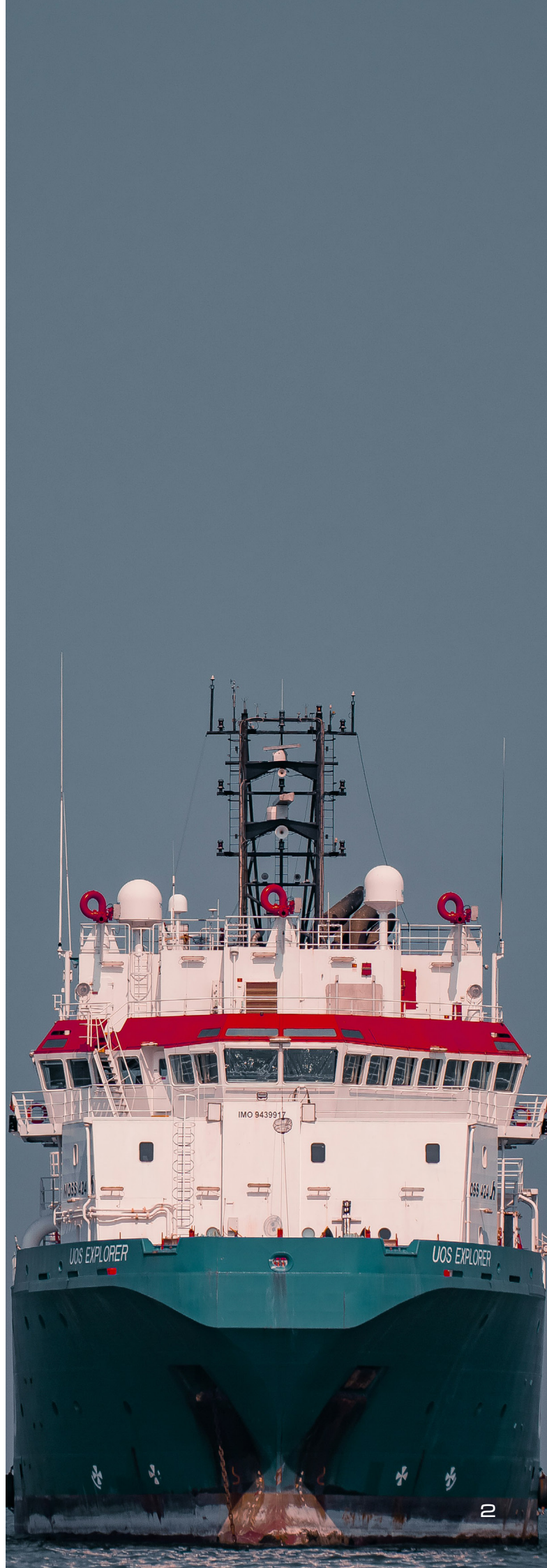
MARKET SUMMARY

- Industry is feeling the squeeze from many pressure points currently with inflation starting to ease but pricing for importers and exporters continuing to rise. Terminals and shipping lines continue to enjoy a relatively unregulated market in which they can increase pricing at will, often in a thinly veiled colluding environment. These charges are passed through by Tomax to our customers with no options available to avoid them, which increases cash flow and profitability impacts for Tomax and our clients alike. Through our industry association partners, Tomax is pushing to have improved regulation of these oligopolistic players put in place. Talk to your Tomax account manager if you would like to be involved in assisting with submissions being prepared.

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.

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ELECTRICAL TRADES UNION PROTECTED INDUSTRIAL ACTION

Brisbane container transport operators have been facing significant disruptions at DP World's Brisbane Terminal for several months due to many of the Terminal's Automatic Stacking Cranes (ASCs) being out of commission, sometimes for extended periods.

The unavailability of import containers in affected ASC Modules has caused significant challenges for fleet allocators, leading to truck turnaround times being extended by up to 4 to 5 hours. Consequently, transport operators have had to engage in difficult conversations with their customers regarding charges for truck delays (waiting time), futile trips, and additional landside container handling, resulting in higher operating costs.

The situation has been further complicated by the fact that a large percentage of container volumes through the Port of Brisbane are now being handled by DP World.

The situation has reached a critical point today, with DP World issuing a Notice attributing the unavailability of ASC modules to Protected Industrial Actions (PIA) being taken by the Australian Electrical Trades Union (ETU) in pursuit of its own Enterprise Agreement log of claims.

CTAA understands that this ETU PIA is distinct from the industrial actions previously taken by the Maritime Union of Australia (MUA), which have been withdrawn due to an in-principle agreement on their new EA with DP World.

The DPW Notice today reads:

DP World Brisbane would like to notify industry of current Electrical Trades Union Protected Industrial Action.

We are experiencing disruptions to some of our modules and equipment due to this action. Discussions are ongoing and we will continue to keep the industry advised of the progress. We thank you for your patience and understanding during this period of industrial action.

DP World Australia remains committed to reaching a new Enterprise Agreement that delivers improved productivity. There is a discussion in the Port of Brisbane Landside Logistics Forum (LLF) this coming Thursday morning, in which CTAA will be involved. It is hoped that DP World will be able to brief landside stakeholders at that meeting on the current situation and plans to resolve the dispute and restore terminal equipment reliability.

The question about how industry and government can work together in the longer term to protect the function of "critical infrastructure", such as unimpeded access to port operations, is also an item being raised by CTAA and a range of other organisations. CTAA will keep our Alliance companies abreast of developments.



BATTLING AUSTRALIA'S TRUCK DRIVER SHORTAGE

Australia's trucking industry is grappling with a persistent shortage of skilled heavy vehicle drivers, a critical issue given the sector's significant contribution to the nation's GDP. The reliance on road freight for more than two-thirds of non-bulk domestic freight highlights the vital role truck drivers play in keeping supply chains operational. However, inadequate staffing levels can lead to major business disruptions, affecting service delivery, timelines, and customer satisfaction.

The recent immigration surge in Australia, following years of closed borders, has been viewed as a potential solution to the truck driver shortage. However, most immigrants who find work in the road freight industry are employed in entry-level positions, driving vans and small trucks. The primary challenge lies in the shortage of long-haul and heavy vehicle drivers, exacerbated by factors such as Australia's ageing population, with the average age of long-haul drivers around 50.

As of February 6, 2024, there are 20,473 truck driver jobs advertised on Seek.com.au, indicating a significant demand for skilled drivers. The United Kingdom's experience with Brexit-induced immigration changes serves as

a cautionary tale, emphasising the potential impact on trucking when immigration policies shift dramatically.

To address the long-term challenges facing the industry, a comprehensive approach is needed. This includes professionalising truck driving to attract more candidates, with various heavy vehicle apprenticeships available or in review across states and territories. Additionally, improvements in heavy vehicle rest areas, as suggested by TMX for Healthy Heads in Trucks & Sheds (HHTS), are crucial to enhancing the working conditions for truck drivers.

The road freight sector is expected to grow by 56% by 2040, presenting a significant challenge that requires collaborative efforts between businesses, policymakers, and industry stakeholders. By addressing the root causes of the truck driver shortage and implementing sustainable solutions, the industry can navigate these challenges and ensure the continued efficiency of Australia's supply chains.

Dixon, J. (2024). Solving the truck driver shortage. Retrieved from <https://mhdsupplychain.com.au/2024/02/15/solving-the-truck-driver-shortage/> on 21st February, 2024.



RISE IN FOOD THEFT TRIGGERED BY INFLATION

Food is now the most frequently stolen commodity in the global supply chain, accounting for a third of all hijacking incidents. According to the British Standards Institution (BSI), food theft in the supply chain increased by 29% last year compared to 2022 levels. This rise in theft is attributed to the global impact of rising inflation, with thieves increasingly targeting basic goods that have experienced significant price increases. Food and beverage items now represent 22% of overall theft.

While the number of electronic thefts has remained steady, food in transit is often an easier target compared to higher-value commodities, as foodstuffs tend not to be shipped with tracking devices and anti-theft technology. Notable incidents last year include the theft of more than 47 tonnes of olive oil in Greece and the disappearance of 200 hams in Spain before Christmas.

Theft of agricultural food products has also increased, accounting for 10% of all thefts and one in 10 hijacking incidents. The BSI found that thefts from facilities in 2023 had fallen from 26% to 21%, but there had been a rise in thefts from containers or trailers, up from 4% to 14%. Thieves commonly target parked trucks in Europe, with nearly 68% of all reported thefts occurring in the road haulage

sector. This is linked to a lack of secure parking, as noted by Mike Yarwood, MD of loss-prevention at insurance-provider TT club.

The BSI report identified theft mitigation tactics for organisations to prioritise, including collaboration, recognizing how risks are changing, having an agile and adaptable mindset, taking a proactive approach to risk powered by data and actionable insights, and future-proofing operations as a new era of extreme climate events requires a new approach.

Jim Yarbrough, Global Director of Supply Chain Solutions at the BSI, emphasised the importance of supply chain intelligence solutions in helping supply chain leaders implement proactive and robust supply chain risk management strategies. He also highlighted the critical role of collaboration, as the shared experience of the global pandemic and subsequent geopolitical and economic challenges has shown that no single organisation can handle supply chain management on its own.

Goldstone, C. (2024). Rising inflation driving food supply chain robberies. Retrieved from <https://theloadstar.com/rising-inflation-driving-food-supply-chain-robberies/> on 20th February, 2024.

CONTAINER CRUNCH: OCEAN CARRIERS ADAPT TO CRISIS

In response to the Red Sea crisis, ocean carriers have temporarily halted the sale of containers and the return of equipment to lessors, to accommodate the additional ships chartered. Despite the prompt evacuation and careful container management, equipment supply remains tight in certain regions, such as India. Carriers are keen to avoid commercial setbacks due to equipment availability issues as markets adjust to the new 'new normal' of transits around the Cape of Good Hope.

When the Cape diversions began, shipping lines were estimated to have a global surplus of around 5 million TEU, accumulated during a pandemic-induced demand surge, leading to chronic port and landside congestion. However, Drewry's Container Equipment Forecaster report in November predicted a 2.6% contraction in the global fleet last year, with a further decrease expected this year, as carriers retired ageing boxes and returned equipment to leasing companies.

At one point, thousands of surplus boxes, part of a global equipment fleet of some 55 million TEU, were stacked in empty-container depots, incurring storage charges on top of daily lease-hire rates. This became a top priority for lines seeking to reduce operating costs amid falling freight rates and revenue.

During the early days of the Red Sea disruptions, some carriers warned of equipment availability issues, particularly in China ahead of the traditional lunar new year cargo rush. Some carriers offered equipment availability guarantees through premium surcharges, but this was short-lived, with several shippers reporting no container supply issues.

However, online container leasing and trading platform Container xChange reported a more than 200% increase in one-way leasing rates from Chinese ports to US destinations since November. CEO and co-founder Christian Reoloffs attributed this spike to a "notable shift in supply-demand dynamics," with the Red Sea rerouting being a primary catalyst.

Major container leasing firms are experiencing increased demand for equipment. Textainer, the second-largest container lessor, with a fleet of 4.3 million TEU and about to be acquired by private equity firm Stonepeak in a \$7.4 billion deal, reported a "solid full-year and Q4 result." President and CEO Olivier Ghesquiere noted that fleet utilisation had increased to its highest level of the year, at 99.3%, by the end of the fourth quarter.

Wackett, M. (2024). Ocean carriers determined to hang onto containers as supply tightens. Retrieved from <https://theloadstar.com/ocean-carriers-determined-to-hang-onto-containers-as-supply-tightens/> on 21st February, 2024.

WANT A CHANCE TO WIN \$2000?

JOIN  **OUR FREE**
FOOTY TIPPING
COMPETITION!!*

*Open to Tomax clients
and staff only



THURSDAY 7TH MARCH 2024

OR Paste the link below in your browser & enter password 'tomax':
https://www.footytips.com.au/comps/Tomax_2024_AFL_Footy_Tipping

STAFF SPOTLIGHT

MEET IVAN KOSTIC COURIER DRIVER TOMAX TRANSPORT NSW

What is your role at Tomax?

I am a Driver.

How do you spend your free time?

I spend my free time doing some motorbike maintenance and going for rides!

What is something that instantly puts a smile on your face?

Whenever my son returns from daycare it instantly puts a smile on my face.

Next destination on your bucket list?

I would love to travel to Japan.

Proudest achievement so far?

My proudest achievement so far is learning how to clean and adjust carburetor engines.

If you could travel to the past or future, what would you choose?

I would travel back in time to 331 BC, in Persia, to watch the Battle of Gaugamela.

Your favourite restaurant?

Braza Churrascaria - an Authentic Brazillian barbeque restaurant in Darling Harbour, Sydney.



Ivan and his son, Antonije



Braza Churrascaria

Ivan's next trip - Japan!



FRIDAY FUNNIES

Happy Friday! We hope these jokes can put a smile on your face!

I was just in the breakroom and someone threw milk at me...

How dairy!

70% of the earth is water and virtually none of it is carbonated.

So the earth is, in fact, flat.

Went to the doctor with a suspicious-looking mole.

He said they all look that way and I should have left him in the garden.

What do biologists wear to work on Casual Friday?

Genes.

What's the difference between Black Eyed Peas and Chick Peas?

Black Eyed Peas can sing us a song.

Chick Peas can hummus one.

Every morning I announce that I'm going running, but then I don't.

It's a running joke.

The CEO of IKEA was appointed Prime Minister of Sweden.

He's currently assembling his cabinet.

What starts with a W and ends with a T.

It really does, I swear!

If a child refuses to take a nap,

does that mean they are resisting arrest?

I sent my hearing aids in for repair three weeks ago.

I haven't heard anything since.

I've started telling everyone about the benefits of eating dried grapes.

It's all about raisin awareness.

What's a forklift?

Food usually.



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