



TOMAX
NEWS

Issue 21
19th Feb 2021



PLUS:



MARKET SUMMARY

- There are still many vessels being delayed on their journeys to Australia due to ongoing congestion both in Australia and overseas ports. Recent industrial action at Australian terminals has resulted in vessels having to change their rotation or being heavily delayed into their berths
- Tomax Logistics Warehousing has opened a new facility in the Perth suburb of Welshpool to provide warehousing,

storage and distribution services to clients [See [Page 06](#) for more information].

- Heavy snow is languishing the USA causing severe disruptions to the entire supply chain across the country
- Post Chinese New Year shipping market conditions still unclear with volumes remaining strong and shipping lines keeping late February freight rates at elevated levels



PORT OF MELBOURNE WITHDRAWS PROPOSAL TO INCREASE WHARFAGE FEES

The Port of Melbourne (PoM) has withdrawn its application to the Victorian Essential Services Commission (ESC) to change its prescribed service tariffs for wharfage.

PoM's withdrawal of its rebalancing application was warmly welcomed by the ESC stating that "the commission consulted on the port's application over four weeks from December 2020 until 1st February. During this process, a host of issues were raised by stakeholders which led to a series of discussions with the Port of Melbourne over recent weeks and ultimately, resulted in withdrawal of the application."

In a letter to the ESC, Brendan Bourke, Port of Melbourne CEO, wrote, "in order to provide further opportunities for port users and other stakeholders to provide their views, PoM has decided to temporarily withdraw the rebalancing application and defer the proposed tariff adjustment from 1st July 2021 to a later date."

He added, "PoM looks forward to ongoing engagement with the ESC to ensure that it is able to continue to make efficient investments in port infrastructure in the long-term interests of port users and Victorian consumers."

The ESC acknowledged the port's commitment in providing port users and other stakeholders with further opportunities to contribute to the process.

The commission stated, "given the ongoing nature of this process we will not be making any further comment at this time."

PoM's proposed tariff rebalancing is only related to wharfage fees for full containers overseas.

The proposal would have proceeded with the current wharfage fee for full inward containers and replace it with a wharfage tariff for full inward containers "that is \$10 per TEU higher than the current wharfage fee". This would apply to vessels that exceed the port design vessel of 300 metres in overall length x 40 metres beam. With full inward containers from vessels smaller than this, the current wharfage fee would continue to apply. Furthermore, the wharfage fee for full outward containers would have been lowered by approximately \$3.77 per TEU based from the current export wharfage tariff.

Ackerman, I. (2021). Port of Melbourne withdraws its proposal to hike wharfage fees. Retrieved from https://www.thedcn.com.au/port-of-melbourne-withdraws-its-proposal-to-hike-wharfage-fees/?utm_source=DCN+Daily+Newswire&utm_campaign=5e30f32049-EMAIL_CAMPAIGN_12_18_2020_COPY_01&utm_medium=email&utm_term=0_505d67c448-5e30f32049-143548541 on 15th February, 2021.

VICTORIAN INTERNATIONAL CONTAINER TERMINAL INDUSTRIAL ACTION

Victoria International Container Terminal Limited today released the following statement:

- The MUA intends to stop work for a full 12-hour shift on Friday, 19 February, commencing 6:00pm. This follows notification that work at the VICT terminal will stop for a 4-hour period tomorrow, Tuesday 16 February.
- Further 12-hour shift bans are threatened for Sunday, 21 February at 6.00 am, following immediately by a 24-hour ban commencing at 18.00, 21 February - therefore incurring a 36-hour concurrent stoppage of all VICT's operations and equipment maintenance
- From Monday February 22, VICT's control room will be banned from operating cranes unless the operations of each crane is unnecessarily manned by a dedicated quayside supervisor.

o These restrictive work practices would impose on VICT's automated technology workplace organisation favoured by the MUA that is still in place at manned terminals around Australia. VICT's technology and Safe Working Method Statements allows the safe operation of cranes without dedicated supervisors.

- In addition the MUA has imposed an indefinite ban on overtime, various restrictions on communications phone use and bans on interaction with anyone outside Australia.

If you require any further information, please do not hesitate to contact the Tomax Team on 1300 186 629 who are always happy to assist.

Source: Milici, S. (2021). Victorian International Container Terminal Industrial Action. Freight & Trade Alliance (FTA) Pty Ltd,





FURTHER DELAYS EXPECTED DUE TO SEVERE WEATHER IN U.S

Texans are battling the power outages from deadly storms which are expected to hit parts of the mid-Atlantic, South and Northeast. The crippled power generation has left Texans scrambling to find alternative heating and water. So far, 37 people have lost their lives nationwide from the winter storms. The heaviest snow is predicted from parts of Virginia to southern Pennsylvania and dangerous stretches of ice are forecast in North Carolina and the Washington, DC and Philadelphia areas. Furthermore, the difficult weather conditions have delayed shipments of the Covid-19 vaccine, causing implications for the pandemic as well.

As a consequence of the extreme weather, all trucking, warehousing and freight movements over the coming days are expected to be hit hard. Already, notices have been released from Shipco amongst others, advising the ceasing of warehouse operations from lunchtime today with further announcements expected tomorrow.

In addition, industry bodies have advised the following delays affecting both Import and Export domestic moves within the U.S:

- Challenges faced with IPI cargo movement, driven by heavy Los Angeles port congestion, causing severe vessel delays (2-3 weeks) causing a reduction in the receiving window at the port.
- New York and Chicago gateways

predicted to face further equipment and driver shortages due to the severe weather conditions.

- Keeping containers on hand disrupts the flow of the LCL cargo, which compromises the ability to receive and process cargo efficiently, but to load and return containers on time.
- Covid-19 continues to be factor for staff.

Rail terminal updates:

- UP Rail have closed their in-gate in Los Angeles for the next 72 hrs due to severe weather conditions across the country. Delays are being caused at interchanges and destinations, creating a severe back log that they are trying to alleviate.

BNSF - had previous closures, possible closures due to the weather.

CN - closed for the rest of the week.

NS - congestion, possible shut down.

CSX - seeing delays getting reservation numbers.

SEA/PDX - UP closed for at least 48 hrs.

If you have any questions regarding any information, please do not hesitate to contact one of our friendly Tomax staff on 1800 186 629.

Reference: Hanna, J & Holcombe, M. (2021) Storm threatens to blanket East Coast in ice as Texans struggle for heat and water after days without power. Retrieved from <https://edition.cnn.com/2021/02/18/weather/winter-storm-weather-thursday/index.html> on 19th February, 2021.

INTRODUCING OUR NEW PERTH OPERATION



The Tomax Logistics Group is excited to announce a new expansion site in Perth, Western Australia.

The new Tomax 3,000 sqm warehousing, transport and logistics facility is located in Welshpool, in the heart of the Perth transport and industrial area. Tomax operations into Fremantle, the port gateway for Perth, and around metro and regional areas has grown significantly over the last few years.

Chris Chalmers, Tomax CEO, said, “This new facility in Perth will allow us to meet the increasing demand from clients for tailor-made warehousing and distribution services in Western Australia.”

Welshpool represents the fifth Tomax location in Australia (together with our four existing locations in Clayton, Hoppers Crossing, Dandenong and Brisbane [Yatala]), and the Tomax Group is focused on further domestic and international expansion over the course of 2021.

OUR NEW SITE:



15 Furnace Road,
Welshpool WA 6061



3,000 sqm



Opens Mon 22nd Feb 2021

Our new Welshpool site will be operational from Monday 22nd February 2021, and the new Tomax team members in Perth will be working hard from day one to deliver Tomax services to customers. The facility will be managed by Harvey Armstrong, and located at 15 Furnace Road, Welshpool.

Drop in and say hello to Harvey and the team and let us know if we can help you with any of your logistics needs. For more information on the new Perth operation you can also contact Chris, Leigh or Akash on 1300 186 629.

STAFF SPOTLIGHT



MEET BOB CAINE

COURIER DRIVER
TOMAX TRANSPORT

WHAT DO YOU DO AT TOMAX?

I am a Courier Driver (commonly known as “Uncle Bob”) in Tomax’s Transport Department. I deliver stock to Fast Times Skateboarding stores in various shopping centres across metropolitan Melbourne.

HOW DO YOU UNWIND AFTER A LONG DAY OF WORK?

I like to take our dog, Indie, for a long walk along the beach and on walking tracks along the canals near where I live. There are a lot of nice bush areas and I find it relaxing going away for an hour or so.

WHAT’S NEXT ON YOUR BUCKET LIST?

Over the years, I have travelled overseas to destinations including Asia, USA, Hawaii, Europe and the UK. I have wanted to and plan to (at some later stage) do a road trip around Australia. This will involve getting off the main roads and exploring the great outback - not the usual tourist spots! I’d like to explore within Australia from now on.

IF YOU COULD TRANSFORM INTO ANY ANIMAL/OBJECT FOR THE DAY WHAT WOULD YOU BE?

I would be a Dolphin because I like communicating with others and working as a team.

WHAT IS YOUR FAVOURITE CHILDHOOD MEMORY?

As a kid, I was brought up on a farm in Central Victoria. This came with many memories: harvest time was always fun, travelling into town on the school bus had its moments and by having three brothers and a sister, there was always mischievous things to get up to!

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

I like cooking and enjoy all types of cuisines. However, to answer this question, I cannot go past a good marinated lamb roast with veggies.



FRIDAY FUNNIES

We hope these funny or not so funny jokes will lift your mood as we welcome another weekend!

How many storm troopers does it take to change a lightbulb?

None. They are all on the dark side.

Why are elevator jokes so classic and good?

They work on so many levels.

I don't play soccer because I am good at the sport.

I'm just doing it for the kicks!

Why did the math book look so sad?

Because of all of its problems!

How do you tell if a vampire is sick?

By how much he is coffin.

What lights up a soccer stadium?

A soccer match.

What kind of shoes to ninjas wear?

Sneakers.

Did you hear the rumour about butter?

Well, I'm not going to spread it!

What do you call a cow that plays piano?

A moo-sician!