



TOMAX  
NEWS

Issue 31  
14<sup>th</sup> May 2021

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PLUS:



# MARKET SUMMARY

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Protected Industrial Action (PIA)  
notification from the Maritime Union of  
Australia (MUA).

Patrick Terminals - Sydney AutoStrad

- A ban on the performance of overtime at Port Botany (Sydney) from 6am Thursday 20th May 2021 for 14 days.
- A ban on the working of shift extensions at Port Botany (Sydney) from 6am Thursday 20th May 2021 for 14 days.



DONG FANG

DFSU 772069  
45G1

MAX. GROSS TARE 32,500 KGS  
71,850 LBS  
3,800 KGS  
8,380 LBS

NET CU. CAP. 28,700 KGS  
63,270 LBS  
76.4 CU.M.  
2,697 CU.FT.



FOR REPAIR USE  
CORTEN OR EQUIVALENT

APPROVED FOR TRANSPORT  
SHOULD CUSTOMS SEAL  
BE APPLIED  
SEE SAFETY APPROVAL

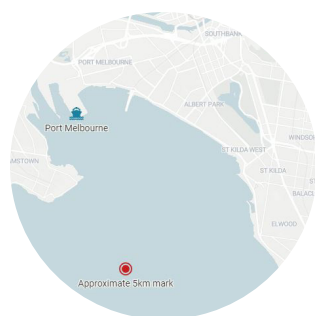
# LATEST NEWS

## SHIP JUMPING SEAFARER RESCUED

After jumping the Liberian-flagged oil tanker Kanpur (IMO 9299771) on Sunday night in Port Philip Bay, the 31-year-old Georgian seafarer has since been rescued by Water Police members. “(He) was found by the Air Wing about 5km from the dock clinging to a navigational marker at about 7:50pm”, a Victoria Police spokesperson said.



“Officers from the Water Police pulled the man from the water and conveyed him to Williamstown where he was medically assessed. The man was taken to hospital accompanied by Australian Border Force officials who were assisting the Department of Health and Human Services Victoria. It is expected the man will be transferred to mandatory quarantine once released from hospital. As a precaution the police officers who were in contact with the man have since isolated.”



Australian Maritime Safety Authority spokesperson stated that they were aware a seafarer jumped into the water from the Liberian-flagged vessel MV Kanpur, on Sunday 9th May whilst it was at anchor in Port Philip Bay.

“Victorian Police coordinated the rescue of the seafarer from the water and it is understood that he is currently in quarantine under the care of the state health department,” said the spokesperson, “AMSA will inspect the ship when it is due to come alongside in port tomorrow 12th May.”

Matt Purcell, International Workers’ Federation assistant Australia co-ordinator, said the

ITF is working with necessary authorities to determine the motivation behind the seafarer to jump overboard from the Kanpur and what support is needed for him and the rest of the crew.

“The vessel is currently at anchor but is due to berth on Wednesday 12th May. Once that occurs, representatives of the Australian Maritime Safety Authority, Border Force, Department of Health and Human Services Victoria and the ITF will undertake an inspection of the vessel and interview crew members,” Mr Purcell said, “The ITF is also in discussions with the vessel manager, Cyprus-based Columbia Ship Management, along with our Latvian union affiliate which has a collective agreement covering the vessel’s crew.”

Mr Purcell said it would be unfitting to remark further until the ITF had an opportunity to speak with the seafarer involved, and the rest of the crew, to better comprehend his motivation for jumping overboard.

Mr Purcell added, “we will also be seeking to ensure all appropriate assistance is provided to the remainder of the crew, including addressing any issues that may have contributed to this incident occurring.”

Confirmation by an Australian Border Force spokesperson revealed that the vessel Kanpur arrived at anchorage in Melbourne from New Zealand on Wednesday 5th May. The spokesperson stated that the ABF does not comment on individual cases and that quarantine arrangements are a matter for each state and territory. COVID-19 Quarantine Victoria confirmed to DCN that it was “supporting a maritime worker in hotel quarantine”.



# \$66 MILLION NEWCASTLE AIRPORT RUNWAY UPGRADE

**A** \$66 million airport upgrade at Newcastle to widen its runway for accommodating longer-range flights is currently underway. The Federal Government believe the upgrade will increase freight capabilities and open up new export destinations for businesses located in the Hunter and Central Coast regions. Prime Minister Scott Morrison believes that significant economic benefits for the Hunter and Central Coast communities will result from the airport investment.

“This investment demonstrates our commitment to the Hunter economy, its workers and businesses and will deliver a jobs boom for the whole region”, says Mr. Morrison, “exporters in the region will be able to access increased freight flights into new international markets.”

He added, that the funding leverages defence investments at RAAF Base Williamtown. Upgrades to the Code E status would enable larger aircraft, such as Boeing 777s and Airbus 330s, to land in Newcastle with double the daily international flights expected in conjunction with a spike in daily direct domestic flights. The work will be finalised together with RAAF’s arranged runway maintenance at the Williamtown base.

Michael McCormack, Deputy prime minister and infrastructure, transport and regional development minister, said the government was committed to the aviation sector and maintaining Australia’s aviation infrastructure. He said, “this has ensured activity is sustained at the airport and today’s announcement

continues to back in this support to drive the economy and to maintain jobs for the Hunter region.”

Peter Dutton, Minister for Defence, said the government is committed to position Defence to increase our strategic competition in this moment and for the future. “The upgraded lighting and runway will ensure the airfield remains in line with modern industry aviation standards. This is critically important to support the operation of fifth generation aircraft into the future”, said Mr. Dutton, “the improved drainage will allow the Australian Defence Force to support operations through heavy weather events, such as seen in NSW with the recent floods.”

Dr. David Gillespie, member for Lyn, trusts that Newcastle’s airport upgrade was a great initiative that will encourage people to visit the new international markets for tourism and trade which will boost the region’s economy. He said, “this project will reduce cost and travel times for air freight movements benefitting our primary produces and attract more corporate, defence and aerospace to the Hunter.”

Construction plans to commence later this year with its completion in 2023, subject to parliamentary approvals.

Ackerman, I. (2021). Airport upgrade at Newcastle to boost freight. Retrieved from [https://www.thedcn.com.au/news/logistics-and-supply-chain/airport-upgrade-at-newcastle-to-boost-freight/?utm\\_source=DCN+Daily+Newswire&utm\\_campaign=68238cf347-EMAIL\\_CAMPAIGN\\_04\\_27\\_2021\\_COPY\\_01&utm\\_medium=email&utm\\_term=0\\_505d67c448-68238cf347-143548541](https://www.thedcn.com.au/news/logistics-and-supply-chain/airport-upgrade-at-newcastle-to-boost-freight/?utm_source=DCN+Daily+Newswire&utm_campaign=68238cf347-EMAIL_CAMPAIGN_04_27_2021_COPY_01&utm_medium=email&utm_term=0_505d67c448-68238cf347-143548541) on 10th May, 2021.

# HAPAG-LLOYD'S BILLION DOLLAR FIRST QUARTER PROFITS

Hapag-Lloyd reported its first-quarter profits for this year: a whopping US \$1.9 billion (EBITDA). The first quarter of 2021 saw an increase in the company's revenues by roughly 33%, to about US \$4.9 billion. Above average freight rates, which increased to about 38%, hitting US \$1509 per TEU (note: they were US \$1094 per TEU in the first quarter of 2020) is said to be the cause.

However, due to the ports and landside infrastructure congestion as well as the shortage of available shipping containers, transport volumes were a touch lower than the same quarter last year. The first quarter volume this year was about 3 million TEU compared to about 3.1 million TEU last year. Meanwhile, the bunker price this year on average, was 27% lower than last year- which the company believes had a positive impact on their earnings.

Hapag-Lloyd is expecting the EBITDA and EBIT for the 2021 financial year as a whole currently will undoubtedly exceed the prior-year level. In the short term, the company is predicting a continuation of these earning trends however, a gradual normalisation will take place in the second half of 2021.

Rolf Habben Jensen, CEO of Hapag-Lloyd, said on the back of high demand for container transport services, the company had benefitted from higher freight rates, especially on the spot market. He says, "on top of that, bunker prices have been lower than in 2020. As a result, we concluded the first quarter with a very positive financial result and look back overall on a solid start to the year. While we remain optimistic for 2021 as a whole, the ramifications of the COVID-19 pandemic and the congested supply chains continue to present a huge challenge to all market participants. We will do everything in our power to help normalise this difficult market environment as quickly as possible and make as much capacity available as possible. We will also double down on our efforts to provide the best possible service quality to our customers – as we know that we can and must still do better on that front – and we will continue to implement our Strategy 2023."



Ackerman, I. (2021). Hapag-Lloyd reports a ripper first quarter. Retrieved from [https://www.thedcn.com.au/region/international/hapag-lloyd-reports-a-ripper-first-quarter/?utm\\_source=DCN+Daily+Newswire&utm\\_campaign=87bfa9b11f-EMAIL\\_CAMPAIGN\\_04\\_27\\_2021\\_COPY\\_01&utm\\_medium=email&utm\\_term=0\\_505d67c448-87bfa9b11f-143548541](https://www.thedcn.com.au/region/international/hapag-lloyd-reports-a-ripper-first-quarter/?utm_source=DCN+Daily+Newswire&utm_campaign=87bfa9b11f-EMAIL_CAMPAIGN_04_27_2021_COPY_01&utm_medium=email&utm_term=0_505d67c448-87bfa9b11f-143548541) on 14th May, 2021.

# THE 2021/22 FEDERAL BUDGET - THE IMPORTANT ISSUES FOR TRADE PROFESSIONALS

Looking from a trade perspective, the biggest news from the 21/22 budget involves biosecurity, which will receive a massive \$400 million funding boost. This is vital for importers who have experienced delays with the biosecurity clearance of their goods. It will also assist to maintain the credibility of Australia's exports. In addition, the budget contained interesting anti-dumping developments, a new intermodal terminal for Melbourne and a continued push for trade simplification.



**Biosecurity Funding -**  
The Government has committed \$400 million+ in new funding of various biosecurity programs. This is designed to both protect our agricultural industries and facilitate the faster clearance of trade.

Frontline biosecurity resources and people will see a huge boost with the following initiatives:

- Approx \$14 million per year to address the risk posed by African Swine Fever;
- \$25.5 million over 4 years for more modern technology that improves the accuracy and speed of pest detection at the border
- \$14.5 million over 2 years to address the Khapra Beetle threat.
- Approx \$80 million over 4 years for a variety of biosecurity ICT systems, technology and data analytics. However, only a fraction of this is devoted to the management of container cargo risks (\$1.5 million of a business case to improve systems). One exciting initiative will be the piloting of offshore risk screening using 3D x-ray technology.



Hopefully, these resources can address the real concern that the importing community has had with the timeliness of biosecurity actions at the

border. Clearly funding which increases the speed of clearance, without compromising biosecurity, is a win for everyone.



Another massive initiative is almost \$100 million over 4 years to manage the biosecurity risk posed by hitchhiker pests arriving in importer cargo. Little detail is given, other than the program will involve greater port surveillance, make greater use of innovative detection technology and be partially cost recovered from industry.



**Optimistic forecasts for FTAs -** The customs duty forecasts made provisions for the EU FTA, the UK FTA and the Australia-India Comprehensive Economic Partnership. While a quick implementation of the UK FTA is possible, the EU FTA is some way off being concluded and it seems extremely unlikely that an agreement with India will be reached. The impact of the EU FTA can be seen in the forecasted duty from passenger motor vehicles which is set to drop from \$340 million in 20/21 to \$70 million in 22/23.



**Melbourne Intermodal Terminal -** \$2 billion has been committed to deliver a new intermodal terminal in either Melbourne's west or north. The total funding of the project will be \$4 billion. The terminal is designed to help realise the benefits of a dedicated east-coast inland freight line with trains between the site and Brisbane expected by 2027. This should be contrasted to the planned intermodal site in Melbourne's South-East which will have a rail link to the Port of Melbourne and remove trucks from Melbourne's South-East and port area.

A faster anti-dumping duty system - Both local industry and exporters will welcome



the \$5 million investment into Australia's anti-dumping regime. The funding is designed to make the system faster and easier to navigate. An anti-dumping investigation

brings a period of uncertainty as to the duties applying to imported goods. Any funding that decreases the length of investigations is welcome. Specific funding highlighted was:

- \$1.3 million to the Anti-Dumping Commission to “provide importers and local manufacturers advice on whether goods are subject to anti-dumping duties”. Presumably, this is a reference to a system for providing rulings on the application of dumping duties.
- \$300K per year to allow the flexibility to apply different rates of duties for particular variants of imported goods.

The budget papers also suggested changing the dumping system so that goods that are subject to a tariff concession order will be automatically free from dumping duty. This will represent a very convenient method of applying for dumping duty exemptions. Of course, local manufacturers will need to ensure that TCOs do not exist for goods which they manufacture in Australia.



Air Freight – As previously announced, the International Freight Assistance Mechanism will continue until 30 September 2021, facilitating

the continuation of pre-Covid and new supply chains. With no increase in passenger international travel on the horizon, it is likely that this vital program will need to be further extended.



Simplified trade – Simplified trade was a major trade topic in the previous budget and the Government has expanded its funding in this area. Another \$37

million will be committed over 3 years to support initiatives to modernise and improve Australia's trade system, including a review of the regulatory processes and ICT systems that impact cross-border trade. The same problem remains – it's a good idea to simplify trade, but how will it actually be done.



Tasmanian Freight Equalisation Scheme - \$89 million over 4 years will go towards extending the scheme to eligible imported goods with no direct

Australia-made equivalent at a rate of \$700 per twenty-foot equivalent from 1 July 2021.



The budget highlighted the importance of manufacturing and agricultural exports in the post-COVID recovery. These industries are reliant on predictable and economic

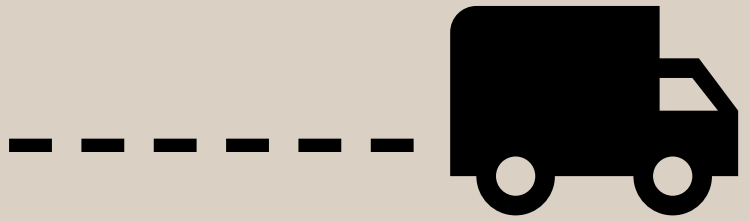
supply chains. Much of this depends on the attitude of the regulatory authorities rather than budgetary funding. Hopefully the Government will adopt a trade facilitative stance over the next 12 month period to build upon its investment in both biosecurity and manufacturing.



If you have any questions regarding any of the information, please chat to one of our Tomax team members on 1300 186 629.

FTA Alliance (2021). The 2021/22 Federal Budget - The important issues for trade professionals. Retrieved from [https://www.ftalliance.com.au/data/news\\_attachments/2021%20-%202022%20budget%20update.pdf](https://www.ftalliance.com.au/data/news_attachments/2021%20-%202022%20budget%20update.pdf) on 14th May, 2021

# STAFF SPOTLIGHT



## MEET JAKE MACDONALD Courier Driver TOMAX TRANSPORT

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

Chicken parma, chips and a salad because you cannot beat a good parma!

**YOUR FAVOURITE QUOTE?**

Just keep smiling!

**DREAM DESTINATION?**

Travelling around Australia.

**YOUR ROLE AT TOMAX?**

I am a Courier Driver who does deliveries all over the Western Regional parts of Victoria.

**HOW DO YOU UNWIND AFTER A LONG DAY AT WORK?**

I spend time with my family.

**YOUR GREATEST ACHIEVEMENT SO FAR?**

Raising my two sons, Ethan and Tyler.





# FRIDAY FUNNIES

Hope these jokes put a smile on your face as we welcome the weekend!

Two artists had an art contest. **It ended in a draw!**

What kind of tree fits in your hand? **A palm tree!**

Silence is golden. **Unless you have kids, then silence is suspicious.**

What do you call a droid that takes the long way around? **R2 Detour.**

Why did the student eat his homework? **The teacher told him it was a piece of cake!**

What did the Dalmatian say after lunch? **That hit the spot.**

What three words solve dad's every problem? **Ask your mother.**

How does a cucumber become a pickle? **It goes through a jarring experience.**

How does the moon cut his hair? **Eclipse it.**

Why did the teddy bear say no to dessert? **Because he was stuffed.**

