



TOMAX
NEWS

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PLUS:



MARKET SUMMARY

- Melbourne container terminal VICT is currently closed due to a second confirmed COVID case. The terminal ceased operations at 10pm Wednesday night, and it is currently unclear when it will return to action.
- Containers discharging from the vessel Xin Da Lian which arrived at Melbourne port on 21st September are currently being held from delivery under order from the container terminal operator, and potentially higher up by a government body. Information is scarce currently and it is not known what the reason for the hold is. Any customers with cargo on this vessel will be contacted by Tomax with updates.
- Courier parcel services are likely to experience serious delays over the coming weeks with many Transport Workers Union members taking strike action against a whole range of courier companies including Toll, StarTrack and FedEx.
- The vessel Thorstar remains at a berth in Sydney pending release by the AMSA after undergoing repairs. The vessel was initially supposed to be unloaded in Sydney on 1st September, but was found to have safety issues resulting in the order to present for repairs and further inspection. It is not known when the vessel will be released at this stage.



LATEST NEWS



COVID-19 CASE TRIGGERS CLOSURE OF VICT AGAIN!

Following another returned positive COVID-19 test by an employee, Victoria International Container Terminal has ceased operations for the second time. Announced last night, VICT will be stopping all operations across its whole site effective immediately.

The notice said, “we have just closed the front gate to prevent any more trucks from entering the facility and ask all trucks currently onsite to exit the terminal without completing their transactions,” the notice said. At this stage, we cannot confirm when we will be able to resume operations but will post updates as soon as that becomes clearer later tonight. This is a rapidly developing situation and we appreciate your patience while we work through the complexities of resuming operations safely.”

VICT will be liaising with the Victorian Department of Health and Human Services and Worksafe Victoria to identify the close contacts of the positive COVID case. According to the company, this latest COVID case was not located at any of the truck interchange areas. They also indicated that no penalty fees would be charged for listing or no shows resulting from the closure.

The container terminal at Webb Dock East was closed for deep cleaning purposes on Monday after a COVID case was discovered among its workforce. Quayside operations resumed at midnight and landside operations followed suit shortly.

Last week, DP World Australia’s Port Botany terminal shut down after a positive COVID case. It soon reopened the day after and prompted the company to implement mandatory COVID-19 vaccines for its entire workforce.

Meanwhile, after several cases of COVID were found in the workforce, Hutchison Port Australia’s Port Botany terminal was also closed.

Ports Australia has requested for the government to work more closely with the industry to create an action plan for COVID cases at container terminals. With the easing of restrictions due to take place over the coming months for both Victoria and New South Wales, this raises alarm bells of the potential surge in case numbers arising at the ports.



STARTRACK EMPLOYEES ON STRIKE, FEDEX STAFF TO FOLLOW

Disruptions to parcel deliveries nationwide will be expected, with hundreds of StarTrack employees in strike and soon FedEx staff to follow suit next week. The Fair Work Commission last night enabled today's strike action to take place, after StarTrack failed to prove that it would jeopardise lives or health due to the delay of integral supplies. The Transport Workers Union (TWU), whose members are participating in the protest as part of their enterprise bargaining campaign, offered a commitment that shipments of essential medical supplies would be exempted from the industrial action.

"Had StarTrack been genuinely concerned about any impact to vaccines or medical supplies, it would have worked cooperatively with the union to ensure provisions could be made, as undertaken by the TWU," said Michael Kaine, the union's national secretary.

Up to 2000 workers are planning to walk off the job according to the union. Michelle Skehan, StarTrack spokesperson, stated that approximately 750 staff were involved in today's industrial action, which she believes is under a third of the company's total workforce. Michelle continued, "the vast majority of our workers are continuing to work through extremely challenging conditions to deliver for our country. Today's action has been disruptive and will result in delays in parcel processing and delivery, particularly in Victoria." Nonetheless, the parcel and logistics service owned by Australia Post acknowledged there would be disruptions.

FedEx will be shortly following suit next Thursday, after 97% of TWU members at the logistics company voted in agreement for a strike and talks about the company over a new enterprise agreement took place this week. Michael Kaine, TWU secretary, said workers are being hit by a double whammy of an increased workload and outsourcing jobs. He argued, "everywhere you look, transport workers are in the fight of their lives to stop insidious cost-cutting plans which would gut

the decent jobs that thousands of workers and their families rely on. After responsibly agreeing to defer bargaining for a year, FedEx workers have been battling for job guarantees for six months and management has dismissed them at every turn. If FedEx had no plans to outsource work, they would have given a commitment on day one."

Outsourcing and use of contractors and labour-hire workers are the same issues stalling an agreement at StarTrack, although that company argues there are already significant protections for permanent workers in place.

"As part of the current round of negotiations, StarTrack has offered to further enhance job security protections, including introducing new labour-hire conversion rights; enhancing casual conversion rights, and improving auditing processes to ensure outside hire supplier are providing EBA rates of pay," Ms Skehan added.

Although, the TWU are fighting for stronger job security guarantees, especially due to parcel delivery companies are posting a record high in profits from the spike in online shopping. Mr. Kaine added, "supply chains are at breaking point, crippled by the double whammy of mammoth demand which is driving record profits, and lethal cost-cutting from wealthy retailers. Operators then have the impossible task of trying to compete with exploitative gig companies like Amazon Flex, which threaten to obliterate good, safe jobs if regulation is not urgently forthcoming."

The TWU have stated that more than 90% of its members have voted in favour of strike action at Toll, StarTrack, FedEx, Linfox and Bevhchain. Toll employees were the first to walk out with roughly 7,000 workers going on strike during late last month.

AUSTRALIA'S FOREIGN AFFAIRS POLICY AND ITS POTENTIAL IMPACT ON TRADE AGREEMENTS

The team within the Department of Foreign Affairs and Trade that has responsibility for negotiating Australia's Free Trade Agreements must have observed headlines unfolding over the past week and wondered why anyone would make their job more difficult. The AUKUS Alliance may have strengthened ties with the US and the UK, but has resulted in France recalling their ambassador and an expected worsening of relations with China.

In the past few years, Australia has been attempting the difficult task of trying to negotiate favourable trade terms with China while at the same time being opening hostile on many other policy fronts. To date there have only been isolated trade impacts, but the AUKUS Alliance will present the greatest test. This test will not only be with China, but also the EU with whom Australia is currently negotiating a Free Trade Agreement.

In respect of the EU, the AUKUS Alliance has prompted France to call on Australia to be frozen out of the negotiations. Brussels has responded more diplomatically, focusing on the longer term relationship. However, it is important to understand that the EU Australia FTA is already facing challenges that tie in with broader policy decisions.

At the start of 2021 the EU released its new trade policy that states that "combatting climate change and environmental degradation is the EU's top priority". While the EU may not walk away from Australian FTA negotiations, France will certainly be able to use climate change as a reason to make negotiations difficult for Australia. Traditionally, sustainability and climate change commitments have not prevented Australia concluding any FTA negotiations. Australia has not had to make commitments that exceeded its own domestic policy. The EU may previously have been prepared to accept lighter Australian environmental commitments or agree to Australia setting aspirational targets. However, if the AUKUS Alliance results in a change in tone, the EU will be able to objectively use sustainability to effectively stall negotiations. Ultimately, Australia will be asking the EU to trust it to carry out its environmental commitments. France, for one, may need significant convincing before it is ready to accept any promises from Australia.

China has now officially requested to become a member of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). Membership of the CPTPP would be a massive political achievement for China given that the original Trans-Pacific Partnership was largely designed as a vehicle for the US to set the trade rules for Asia Pacific trade.

However, to become a member of the CPTPP China would require the consent of all current CPTPP members, including Australia. It is hard to see how China could meet the CPTPP's requirements regarding labour rights and restrictions on subsidies to state-owned enterprises. Australia could legitimately refer to these requirements as reasons to deny China CPTPP membership. Initially Australia's response to China's CPTPP request was to cite the current trade feud between the two countries. Australia is taking China to the WTO over tariffs on barley and wine. China has retaliating with lodging complaints regarding Australian dumping duties on three different Chinese categories of products. Despite the rhetoric, both countries have legitimate cases.

What is most unusual, and may undermine the public statement by Australian politicians, is that while it talks tough on China joining the CPTPP, a bill was introduced by the Government in September to implement the Regional Comprehensive Economic Partnership (RCEP). RCEP is a massive FTA that represents China's response to the US/capitalist style CPTPP. Australia willingly signed up RCEP at a time when trade tensions with China were at its peak. It is now introducing legislation to ratify the agreement. At the very least Australia is sending mixed messages. It will be interesting to see how long Australia can continue its attempt to increase trade via trade agreements while at the same time taking difficult political stances that may be adverse to its trade partners. Australian importers should consider all available trade concessions and not proceed on the assumption that it is only a matter of time before an FTA with the EU is implemented or trade with China is expanded.



AFL GRAND FINAL PUBLIC HOLIDAY

Dear Clients,

Please be advised that due to the AFL Grand Final public holiday, our Tomax Melbourne office and Warehouse operations will be closed on **Friday 24th September** and will resume on Monday 27th September.

Our Tomax Perth Warehouse will be closed on **Monday 27th September** due to the Queen's Birthday public holiday.

Thank you!





HAPPY MID-AUTUMN FESTIVAL

中秋快乐！！

We are wishing you and your family good health,
happiness and a wonderful Mid-Autumn Festival!

愿你与你的家人健康幸福，度过一个美好的中秋节！

From Team Tomax



STAFF SPOTLIGHT

MEET TRIANA BURGESS

IMPORT OPERATIONS
TOMAX LOGISTICS USA

What do you do at Tomax?

I'm currently in imports; however, I bring sales and managerial skills to the table as well. I am here to fill any role that would serve Tomax well.

How do you spend your weekends?

I am very family-oriented, so I spend a lot of time visiting with them, and playing with my grandchildren. I'm also very social, and enjoy spending time with friends.

Do you have any pets?

I have 2 cats, named Symon—she's a little black werewolf breed (Lyoki), and Garfunkle - he's a Siamese/Himalayan mix.

What kind of music do you listen to?

I have very eclectic tastes in music, but I love classic rock. Pink Floyd is my all-time favourite band.

Do you live by any piece of advice/motto?

I live by a strict code of respect for all people, strong personal ethics, and hard work. That's how I was raised, and how I raised my son in turn. It's nice to see that he raises his children the same, so it's generational.

Name something you can't live without?

Love. It's the root of all beautiful things in this world.

Favourite places to visit in the States?

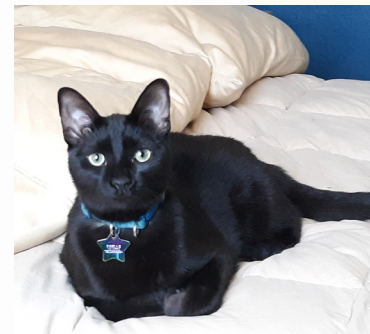
Any location that has a forest and/or water. I love the ocean, and just went on a trip to the coast here in Washington and stayed on the beach in a yurt.



Triana, Import Operations at Tomax



Triana and her husband, cheering on the Seattle Seahawks!



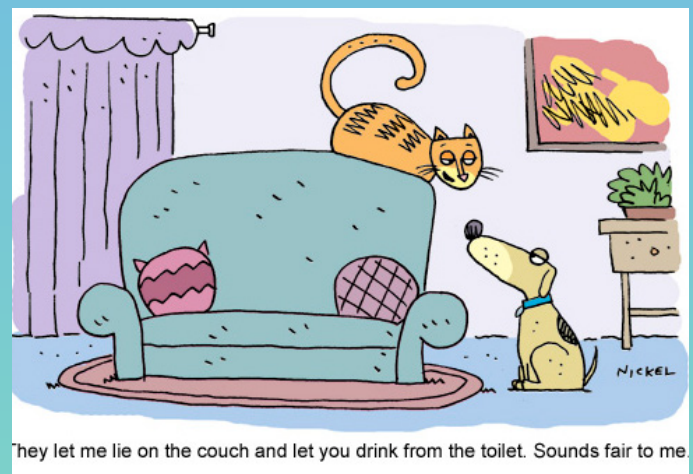
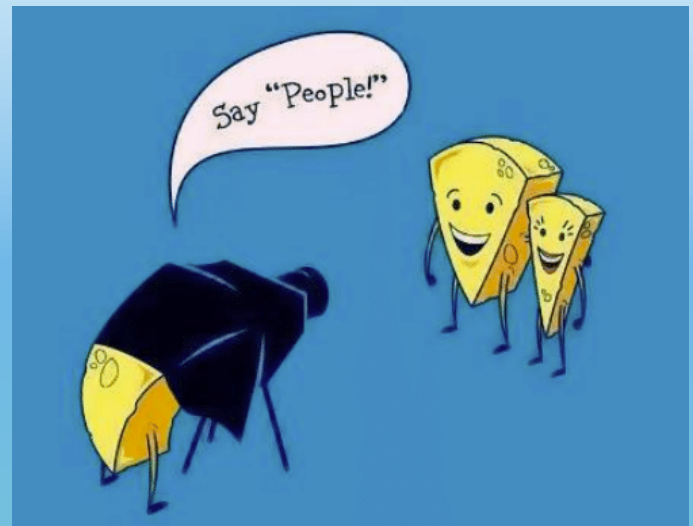
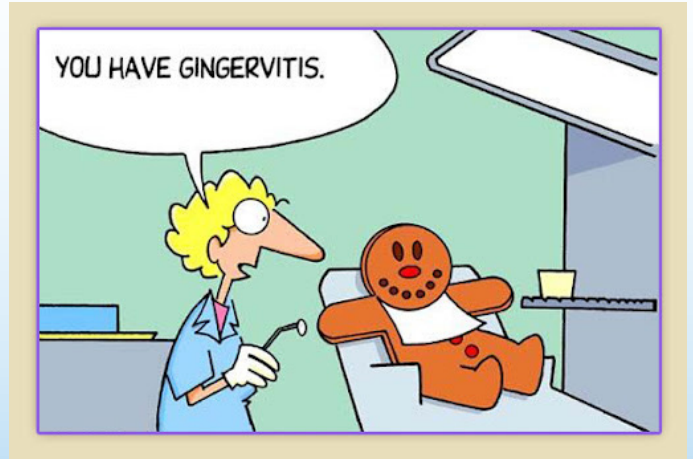
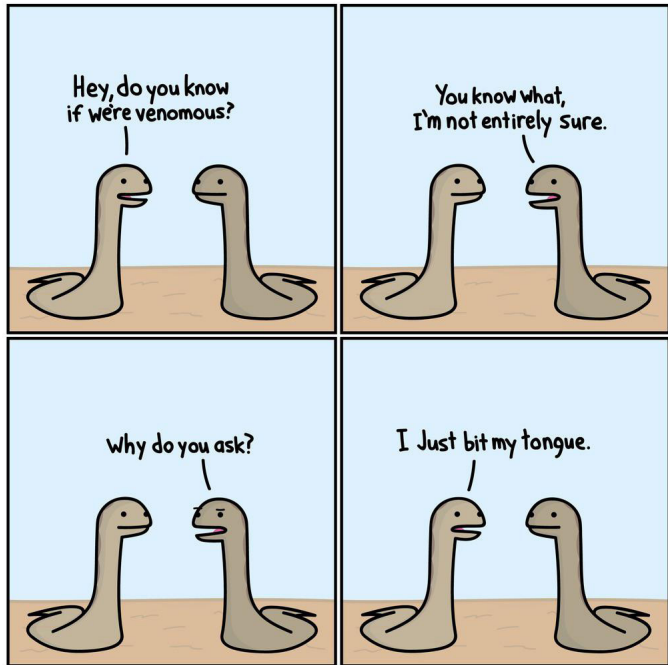
Triana's cats, Garfunkle and Symon!



Triana's grandchildren, Josh and Ashlynn.

THURSDAY FUNNIES

We hope these silly comics will put a smile on your face as we approach a long weekend!



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