



TOMAX  
NEWS

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PLUS:



# MARKET SUMMARY



- The global timber shortage has been affecting pallet availability and pricing for many months, and now severe shortages are being experienced around Australia. CHEP and LOSCAM have large shortfalls in supply and wait times to obtain pallets are now exceeding 10 days.

- Mass congestion and vessel arrival delays are causing very long wait times for vessel unloading in both Sydney and Melbourne. Vessels are very often either waiting for the extended periods, opting to omit various ports to reduce delays, or changing rotations in an attempt to fit into available terminal windows. Several vessels over the last few weeks were held up for 6-8 days before getting a berth in Melbourne. Industrial action, COVID cases and in transit delays are the cause of these issues and it is expected to be some time before the situation improves.

- Rising fuel prices are driving up the cost of international air freight despite a positive outlook with more flights looking to return over the next few months. Increases of around USD 50 cents per KG or more are being experienced on most trade-lanes.

- Container shipments from Europe to Australia are heavily delayed at the moment with some routes taking four months for arrival at destination. Pricing is also rising dramatically with several services being either cut, or overbooked for up to a month in advance. Bookings should be placed early to avoid missing required arrival dates.



## PALLET SHORTAGE STRIKES CHAOS

**T**here is a current critical shortage of pallets in both the global and national networks. There is a shortage of all pallets, not just CHEP and LOSCAM pallets. White pallets (lower quality and not always rackable) also are not available.

### **This shortage is attributed to:**

- Ongoing stock level growth, leading to the demand of pallets outstripping supply.
- Once released, pallets are being held in the market longer than usual which is resulting in fewer pallet returns (Source: CHEP Notification, September 2021)
- There is currently a worldwide shortage of timber impacting the ability of pallet manufacturers to produce more (Source: Australasian Timber, September 2021; ABC News, August 2021).

- A stressed and congested global supply chain, with long waiting times for timber shipments (Source: Australian Financial Review, May 2021).

As a result, the container unpacking capability of multiple businesses has been severely affected by this pallet shortage. Pallets are being bought at inflated prices to maintain service continuity, although, even this supply is becoming increasingly scarce. Unfortunately, it is anticipated that this constrained supply is likely to continue next year.

Tomax is currently facing a CHEP shortage with at least a 2 week waiting period for receipt.



# NEW INSIGHTS ON SUPPLY CHAIN LABOUR SHORTAGES

**A**s part of the research, Dr Hermione Parsons, director CSCL and Dr Roberto Perez-Franco, a senior research fellow, interviewed 21 senior executives from Australia's industry and government.

Dr Parsons said, "add the disruption to global supply chains because of the COVID 19 pandemic and you have the perfect storm. An increase in e-commerce and closed borders may have exacerbated it, but the problem was already there. Furthermore, supply chain shortages are not just for products or freight transport, but also for people, and the problem is far more complex than a shortage of truck drivers."

Michael Byrne, Chair of Centre for Supply Chain and Logistics Industry Advisory Board and Australia's International Freight Controller General said, "This is important research, the biggest risk areas for most companies in maintaining their business competitiveness are not decisions about whether to automate or what digital systems to use, but how to attract and retain the workforce they need".

The researchers identified four main challenges to recruiting in the supply chain: poor industry image; education gaps in the candidates they interviewed; poaching of staff between industries; and the impact of the COVID-19 pandemic. The biggest skills gaps were in truck driving, robotics, and data analytics.

"Perceptions may be shifting, but traditionally supply chain has been a 'Cinderella sector' and often invisible. If graduates are aware of the sector at all, they see it in terms of dirty warehouses and hi-vis vests, and most 'fall into it' rather than actively pursue a career in supply chain." Dr Parsons said.

Fellow researcher Dr Perez-Franco said, "Many of our participants identified a

shortage of talent in data analytics. The issue they identified is more complex than the mere challenge of attracting graduates with data analytics qualifications. The ability to understand and trust data can be just as important as the decisions about what to do with it. The greatest capacity gap is in the combination of operational supply chain knowledge and data analytics."

The research highlighted the importance of the modern supply chain workforce learning new skills and constantly adapting to new ways of doing things. There is an expectation they are tech-savvy and comfortable operating in an automated, digitally focused environment, proving many challenges.

"It will be critical to sell the next generation of supply chain workers on challenges and opportunities of a supply chain career," Dr Parsons said, "As well as the salary, millennials are looking for career paths that are both rewarding and flexible. Although flexibility will always be difficult in a sector that operates 24/7, it is increasingly possible in technology-driven areas where there is a capacity shortage."

She said one of the most significant workforce trends during the pandemic has been the move to remote work, and while people will return to their offices, attitudes to working from home have changed. "A number of those we spoke to, acknowledged there were difficulties in attracting women to the sector, but they also acknowledged there were shifts in the right direction," Dr Parsons said, "The need to employ more women in operational roles was seen as key to improving levels of diversity."

Wallace, P. (2021). Research reveals insights about supply chain labour shortages. Retrieved <https://www.thedcn.com.au/news/logistics-and-supply-chain/research-reveals-new-insights-about-supply-chain-labour-shortages/> on 20th October, 2021.



# AUSTRALIA'S LARGEST HEROIN ONSHORE DETECTION

The Australian Border Force and the Australian Federal Police announced that authorities have seized the largest heroin shipment ever detected in Australia. About 450 kilograms of the illicit drug was intercepted inside a shipping container of tiles sent from Malaysia to the Port of Melbourne, leading to the arrest of a Malaysian national.

On 14 October, the man was charged with possessing and importing a commercial quantity of a border-controlled drugs, namely 451 kilograms of heroin. The maximum penalty is life imprisonment.

The shipment arrived at the Port of Melbourne on 29 September 2021, where ABF officers examined the sea freight container of ceramic tiles which was addressed to a Melbourne business. They located packages with distinctive red heroin branding and after conducting testing, the substance within those packages returned a presumptive result for heroin. AFP investigators assessed a total of 1290 heroin packages, weighing about 451 kilograms, making it the largest onshore detection of heroin in Australia with an estimated value of \$140 million.

The heroin was removed from the shipment and the consignment delivered to an industrial precinct near Melbourne's Tullamarine Airport on 7 October.

On 15 October, AFP investigators executed a number of search warrants on businesses and residential premises. Krissy Barrett, AFP Acting Assistant Commissioner Southern

Command, said the AFP has strong and enduring relationships with its international partners in the fight against drug trafficking. "We have a strong relationship with the Royal Malaysia Police (RMP) and in particular the RMP Narcotics Criminal Investigation Department," she said, "we continue to work together in identifying and disrupting transnational organised crime syndicates that seek to harm both our nations and generate millions of dollars of profits from criminal activity."

Chris Holzeimer, ABF Commander, said that despite pandemic-related border disruptions, the ABF proceeded to effectively hinder attempts by criminal syndicates wanting to carry narcotics into Australia. "The ABF remains alert to all attempts to illegally import dangerous narcotics into the country. Syndicates might vary their concealment efforts, but our officers have the technical expertise to defeat them," Commander Holzeimer said.



Wallace, P. (2021). Authorities seize heroin in largest-ever onshore detection. Retrieved from <https://www.thedcn.com.au/news/law-regulation-trade/authorities-seize-heroin-in-largest-ever-onshore-detection/> on 19th October, 2021.

## NEVER MIND THE SHIPPING CRISIS, WE HAVE A QUARANTINE CRISIS!

By Peter McRae

In the olden days we could take our quarantine files to a quarantine office, take a ticket, wait to be called and then sit in front of a quarantine officer and have all our entries processed. Some will say that it was a painful exercise, some will say at least we knew that our entries would be processed on the same day, and some will say that this process should be brought back. In those olden days we encountered a continual rotation of quarantine staff at the front counter and we would need to educate the new recruits in how to process the entries. It was always the way with Quarantine, they would rotate staff every six months.

Years later, quarantine then introduced the Cargo Online Lodgement System (COLS), which would be the solution to all of our concerns and would make quarantine entry processing a breeze; everything would be sent to a mailbox and then it would be processed.

Quarantine only processes entries five and a half days of the week. The industry is working seven days a week. The wharves are working seven days a week. Quarantine needs to change with the times. Yes, quarantine still rotates staff and yes new recruits still give us elementary directions; we still need to educate them and push to have our entries re-assessed by a tier-two supervisor.

One example of why the quarantine system is in a crisis is because recently our company volunteered an entry because we did not have the packing declaration at the time of lodgement. We then received the packing declaration when China returned from holidays and therefore submitted the entry to COLS. We joined the five to seven day processing back log and then we were forced to change our entry to say that the packing declaration was valid and then re-submit and join the queue for a re-assessment. This is a pure example of incompetence on their part and they still charged us to process the entry.

COVID-19 commenced in February 2020. Quarantine has had more than 20 months to get its affairs in order, it is now using the COVID-19 excuse to appease industry that they are under pressure and in the same tone they are saying entries are being submitted late (by industry) and that it cannot keep up.

Let's be clear, when Australia's largest manufacturer and supplier of goods goes to sleep for up to two weeks during Chinese holidays - what does quarantine expect the importing community to do? China comes back to work and the influx of work returns. How do you explain to a customer that they need to pay storage and/or detention because quarantine cannot release their goods.

Quarantine is a user-pay system. If we want a direction we pay for that direction. Quarantine is providing a sub-standard service and there does not appear to be any light at the end of the tunnel until late November - but I don't see this problem going away anytime soon, considering that we are right in the middle of peak period for Christmas and we have high levels of imports caused by the demand of on-line purchases (since February 2020).

Self-Assessed Clearance (SAC) declarations are free - quarantine does not charge for SACs to be released, can anyone please explain why SACs are free. Yet, they are assessed by a quarantine officer and more than likely receiving priority over the entries that are being processed and charged. It is very simple - SACs should be charged a processing fee just like customs entries over \$1000.

### Solution:

- Quarantine should stop rotating staff.
- Quarantine should operate seven days a week.
- Quarantine should charge a fee for SAC release processing.



# RECORD BREAKING SHIP BERTHS AT PORT BOTANY

**P**ort Botany recorded its heaviest ship to berth at the port when containership MSC Asya entered the port last Friday. The ship had the deepest draught of any ship to have berthed in not only Botany but the whole of Australia.

When berthed, MSC Asya had a displacement of 140,252 tonnes and a draught of 14.8 metres. The previous maximum allowable draught for Port Botany was 14.6 metres. Built in 2008, the vessel, has a cargo capacity of 9200 TEU and is 336.68 metres long (LOA).

Port Authority of NSW's decision to employ OMC International's Dynamic Under Keel Clearance (DUKC) technology at Port Botany, played a role in making this accomplishment possible.

Myron Fernandes, Harbour master for Sydney Harbour and Botany Bay, stated that Port Botany handles ships of similar lengths and capacity on a frequent basis, although MSC Asya is the deepest and the heaviest containership yet to call at Port Botany.

"While the DUKC is an important part of what made it possible to bring a ship with a 14.8-metre draught into the port, the work of the pilotage and VTS teams in this achievement was equally as important. We've now proven that Port Botany can accommodate ships with similar draughts easily and safely...Through this recent

achievement, the Port Authority of NSW has managed to showcase greater efficiency and capacity outcomes at the port without the need for significant changes in infrastructure," Mr Fernandes said.

Mr Fernandes said that a crucial aspect of this achievement is being able to safely manage ships with deeper draughts, enabling the facilitation of greater cargo-carrying capacity.

Peter O'Brien, OMC managing director, advised that Port Botany has been operational for about six weeks. However, for close to 30 years, OMC's DUKC system has been operating in other ports in Australia and abroad. He believes that managing the ports more efficiently and safely becomes increasingly important as the containerships which arrive in Australia increase in size.

He says, "the first vessel brought into port using the system was in 1993 at Hay Point in Queensland," he said. Risk mitigation is an important part of what DUKC does, it allows port managers to bring larger vessels in, and do it more safely. When you're sailing outside what you traditionally do, in terms of draught, it requires full confidence the systems that make it possible, and we're honoured privileged to have the trust of the industry."

Ackerman, I. (2021). MSC Asya berths at Botany, breaks records. Retrieved from <https://www.thedcn.com.au/news/ports/big-ship-berths-at-botany-breaks-records/> on 19th October, 2021.

# STAFF SPOTLIGHT

**JAMES LAGING**  
**WAREHOUSE HAND**  
**TOMAX TRANSPORT**



**What is your role at Tomax?**

I am a Forklift Operator and Warehouse Hand.

**How do you unwind after a long day of work?**

A nice hot meal and a cold beer.

**Favourite place to dine at?**

Any pub with a good parma and chips!

**Dream holiday destination?**

Remote 4x4 tracks all over Australia!

**Do you have any special talents?**

I am a great weather forecaster and have been nicknamed “James Bunn” by my Tomax colleagues!

**Greatest invention of all time?**

The 4WD because of the freedom it gives you!

**Your biggest role model?**

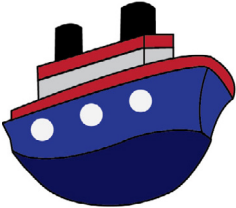
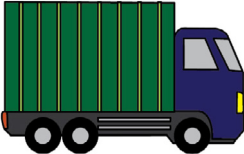
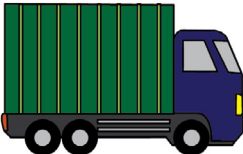




The Leyland Brothers for traveling all over the countryside.



# SUDOKU

See if you can fill in the squares to ensure every row and column only contains 1 of each of the following icons:



Answer:

