



TOMAX
NEWS

Issue 89
15th July 2022



PLUS:

MARKET SUMMARY

- The lockdowns in China and reduced manufacturing output is having a large impact on shipping line space utilisation and as a result ocean freight rates on most trade-lanes out of China are beginning to fall. At a time of year when rates are usually on the rise, the reduction in shipping costs will be welcome news to importers who have been paying well over the odds for so long. Forecasting the market for the remaining of the year still remains difficult, but a tightening of space is still expected at some stage in the near future.

- Space availability on the US-Australia trade-lane is reaching critically low levels with booking availability pushing out to 2-3 months. The USA supply chain remains

in disarray with access to chassis, empty containers, and vessel space all at near record low levels.

- Email Address Change – Geoff Davidson: For those customers dealing with our Warehouse Manager – Brisbane, Geoff Davidson, please note that his email address has been updated to geoff@tomax.com.au.

Any emails which are sent to bne.depot@tomax.com.au will still be received for the time being, but please update your records with the new email address accordingly.

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. The weekly Tomax Client Newsletter will contain a link to the latest Gazette document so that you can stay updated.

[CLICK TO VIEW LATEST GAZETTE](#)





GERMAN DOCKERS COMMENCE STRIKE AMID CONGESTION DISASTER

Dockers walked out of German ports yesterday morning, commencing the 48-hour strike which is expected to paralyse the import and export trade of Europe's largest economy. Wednesday evening saw last minute talks between the employers, the Central Association of German Seaport Companies (ZDS) and the trade union ver.di, representing 12,000 port workers, suspended with no agreement in sight. The third 'warning strike' is the longest so far and will further aggravate port congestion at Hamburg's container terminals where currently, yard density stands at an unproductive level of 90%. Additionally, ships idled in the German bight are piling up with berthing delays, even before the stoppage, extending to up to 14 days.

Ulrike Riedel, ZDS's chief negotiator, labelled the latest stoppage "irresponsible" arguing that a two-day strike "can no longer be called a warning strike". She warned that the industrial action "damaged the international reputation and competitiveness of our ports" and "endangers the existence of many companies". She claimed that the "attempt to reach a solution at the negotiating table has also failed despite various proposals from our side due to the uncompromising attitude of ver.di. In view of the great importance that seaports have for the supply of consumers and the economy, I urge ver.di to finally agree to a conciliation so that we can come to a solution."

In response, ver.di's chief negotiator, Maya Schwiegershausen-Güth, emphasised the demands for "a real wage increase" for its

members, however she maintained that it was "still ready to find a negotiated settlement". She added that "against the background of the uncertain economic development" the current offer was "still insufficient" and "it distributes the risk of price developments unilaterally on the shoulders of the employees, especially in the second year."

Meanwhile, ocean carriers are assessing their options and depending on the stowage of their ships, are adjusting the rotations of their fleets in order to defer calls at Hamburg, Bremerhaven and Wilhelmshaven. If possible, carriers may overland some German cargo at Gdansk, Zeebrugge or Felixstowe (where congestion has eased significantly) for a later relay operation, but Rotterdam and Antwerp terminals are already heavily congested and would likely refuse to allow discharge of German import containers for transshipment. Maersk advised it had "decided to observe a full stoppage for rail, road and ocean freight for both import and export across our German terminals for the duration of the planned strike." They have evaluated all impacted vessels and have no plans to omit ports or stop operations.

Nevertheless, due to the increased berthing delays and slow-ship working on severely congested quays, this will result in carriers announcing a high number of blanked sailings from Asia in August and September with shippers suffering serious delays to their supply chains.

BIOSECURITY ALERTS & CHANGES THIS WEEK

CHANGES TO THE BICON COMMODITY CASE FOR THE IMPORT OF HUMAN THERAPEUTICS AND MEDICINES

Effective from 14 July 2022

The department has made changes to the BICON case Human therapeutics and medicines. The standard permit: Human therapeutics for use in clinical trials has been changed to exclude the import of oncolytic viruses. Importers of oncolytic viruses for human therapeutic use will need to apply for a non-standard permit by selecting the option 'Other'. Full assessment of these goods is required. Additional information has been added to information notices in various pathways including direction to alternative BICON cases that may better suit their goods.

Who does this notice affect:

Importers of oncolytic viruses for use in human therapeutic clinical trials, Pathway Operations Cargo - Assessment, Client Contact Group.

<https://bicon.agriculture.gov.au/BiconWeb4.0/ViewElement/Element/WhatsChangedNotice?elementPk=1820670>

CHANGE OF UNPACKING AND INSPECTION REQUIREMENTS FOR SUNFLOWER KERNELS FOR HUMAN CONSUMPTION

Effective from 14 July 2022

The department has published updated onshore requirements to improve the clearance process of sunflower kernels for human consumption. This change specifically removes the "under department's supervision" requirement for unpacking as the unpacking of sunflower kernels no longer requires the supervision of biosecurity officers prior to inspection. It also removes the "partial inspection" option for onshore inspections as sunflower kernels will only undertake full unpack inspections at an appropriate approved arrangement site.

Who does this notice affect:

Sunflower kernel importers, their brokers and sunflower kernel permit holders, Pathway Operations Cargo - Assessment and Inspection.

<https://bicon.agriculture.gov.au/BiconWeb4.0/ViewElement/Element/WhatsChangedNotice?elementPk=1855289>

GARLIC DOCUMENTARY INFORMATION UPDATE

Effective from 13 July 2022

Import conditions have been updated for the importation of Garlic bulbs for human consumption. A new condition has been added to confirm the origin of goods is linked sufficiently from the Permit to the Phytosanitary certificate, or re-export Phytosanitary certificate (where applicable). The Place of origin detailed on the Phytosanitary certificate must match the country listed on the Permit.

Who does this notice affect:

This notice affects importers of garlic bulbs for human consumption, brokers and Pathway Operations Cargo - Assessment and Inspections.

<https://bicon.agriculture.gov.au/BiconWeb4.0/ViewElement/Element/WhatsChangedNotice?elementPk=1831908>

ICR RECOMMENDATIONS FOR KOREAN GRAPES

Effective from 12 July 2022

Updated import conditions have been published for the importation of fresh grapes from Korea. These updates come from the import conditions review recommendations for Korean Grapes. The updates include, the re-formatting of conditions and a new pest risk management table. The reformatting of import conditions allows a clear and consistent structure that defines responsibilities prior to arrival, required measures and on arrival verification outcomes. The updated pest risk management table clearly identifies pests associated with this pathway.

Who does this notice affect:

This notice affects importers and brokers of fresh grapes for human consumption, from Korea, and Pathway Operations Cargo - Assessment and Inspections.

<https://bicon.agriculture.gov.au/BiconWeb4.0/ViewElement/Element/WhatsChangedNotice?elementPk=1824013>

IMPORT CONDITION CHANGE FOR PET FISH FOOD CONTAINING SALMONID MATERIAL

Effective from 12 July 2022

The department has finalised a review of the BICON case for fish and fish products for use as pet food and stockfeed. As a result of the review some changes have been made. These changes include:

- Simplifying the BICON pathway.
- Pathway for goods containing salmonid material are no longer required to adhere to a restricted level of salmonid material in a product.
- The Standard permit for Pet fish food containing up to 2% salmonid material has been changed to Pet fish food containing salmonid material.
- The requirement for official government certification attesting the salmonid material be treated with a moist heat of 100°C for at least 30 minutes has been changed to a moist heat of 85°C for 25 minutes.

Who does this notice affect:

All importers of Pet fish food; Pathway Operations Cargo - Assessments; Client Contact Group.

<https://bicon.agriculture.gov.au/BiconWeb4.0/ViewElement/Element/WhatsChangedNotice?elementPk=1827712>

CHANGES TO GENETIC MATERIAL (NUCLEIC ACIDS AND DERIVATIVES) EXCLUDING PLANTS AND PLANT PATHOGENS

Effective from 11 July 2022

On 1 August 2022 the following changes will be published to the Genetic material (nucleic acids and their derivatives) excluding plants and plant pathogens BICON case:

- Content will be updated to clarify that both genetic material derived from or homologous to sequences from specified organisms is permitted. This will ensure importers have a clear pathway for information on, and to apply for import permits for, synthetically produced genetic material.

What does this mean for you?

There is no action required from current permit holders. The department will not be amending current active import permits unless permit holders apply to vary their import permit via their BICON account (fees apply) to request the updated conditions.

<https://bicon.agriculture.gov.au/BiconWeb4.0/ViewElement/Element/Alert?elementPk=1855278>

ADDITION OF PHILODENDRON NANGARITENSE TO MEDIUM RISK PLANTS FOR USE AS NURSERY STOCK

Effective from 9 July 2022

The Department of Agriculture, Fisheries and Forestry (the department) has completed a Weed Risk Assessment for *Philodendron nangaritense* and has determined that this species does not pose a weed risk to Australia. As a result, this species has been added as a permitted species of the BICON case 'Medium risk plants for use as nursery stock'.

Import permits:

Current import permits will not be updated to reflect this change, any permit holders intending to import this species will have to apply for a variation to include this additional species.

<https://bicon.agriculture.gov.au/BiconWeb4.0/ViewElement/Element/WhatsChangedNotice?elementPk=1855269>





RAIL LINE GRADUALLY REOPENS AFTER SEVERE FLOODING

After heavy rainfall and severe flooding halted operations last week, the Hunter Valley rail network is gradually reopening. After its closure from July 5th, coal deliveries to Port of Newcastle and local power stations were disrupted. However, following successful works by local authorities, the Australian Rail Track Corporation has announced that services are returning to the line with limited operations.

On Wednesday this week, the SES reportedly opened the floodgates at Maitland Station and ARTC and its contractors have been assessing the damage while reinstating the signalling and track equipment. The first trains delivered coal to power stations on Thursday evening, with more expected to run today. The ARTC have been working closely with power generators and authorities including the SES to resume services in a safe and timely manner.

Wayne Johnson, ARTC group executive Hunter Valley network, said, “getting services back so soon is testament to outstanding work by our team and our contractors, showing commendable resilience in extremely difficult working conditions. We have prioritised coal trains as the first trains to resume service given the importance of resuming supply to power stations, with agricultural products for food production to

commence soon after..We will keep the local community informed as we move the network back to normal operations.”



Williams, A. (2022). CRITICAL FREIGHT RAIL LINE GRADUALLY RE-OPENS AFTER FLOODING. Retrieved from <https://www.thedcn.com.au/news/bulk-trades-shipping/critical-freight-rail-line-gradually-re-opens-after-flooding/> on 15th July, 2022.

NSW FREIGHT RAIL UPGRADE DONE AND DUSTED

The \$40 million rail upgrade to 13 kilometres of the South Coast line is now complete and paving away to larger freight movements on the line.

Sam Faraway, New South Wales minister for regional transport and roads, believes the upgrade will play a crucial role in ensuring more freight can be transported by rail in NSW. He said, “the NSW government is securing a brighter future for NSW families. We are achieving this by building infrastructure that increases productivity around the state to ensure people have their goods and services sooner. Rail freight is the most sustainable and cost-effective way to transport large quantities over long distances – one 600-metre-long train can carry the equivalent load of more than 54 trucks and enough wheat to make more than 250,000 loaves of bread.”

In light of the surging freight demand along the South Coast rail line, increasing the capacity will make a significant difference, as users will be able to reach markets quickly and efficiently. Mr Faraway continued, “thanks to this upgrade, it is anticipated an additional 350,000 tonnes of rail freight will be moved along the South Coast Line each year which will provide a welcome boost to the local economy.”

Peter Poulos, Parliamentary Secretary for Wollongong and the Illawarra, said the government is improving NSW’s supply chain network in order for communities to receive the goods and services they want, when they need it most. Peter said, “since 2011, \$5.15 billion has been committed to upgrading the Princes Highway from Albion Park to the Victorian border. These upgrades along with the completion of the rail line will transform the way freight moves across our state, which helps local businesses, our economy, and most of all, families.”

By July, larger freight trains are expected to be operating on the South Coast Line.

Mark Owens, Manildra Group national transport and logistics manager, said the truck upgrade to 25-tonne axle loading between Berry to Bomaderry and the tunnels between Kiama and Berry grants the company the ability to operate heavier and longer services through the network. Mark said, “this ultimately means we can meet both our current and future growth targets for both inbound raw materials to our Bomaderry facility and for our export freight to Port Botany to meet the export market, which benefits both regional employment and the NSW trade and economy.”



Ackerman, I. (2022). NSW FREIGHT RAIL UPGRADE COMPLETE. Retrieved from <https://www.thedcn.com.au/news/bulk-trades-shipping/nsw-freight-rail-upgrade-complete/> on 13th July, 2022.



AUSTRALIANS SMASH ONLINE SHOPPING RECORDS!

Over the past financial year, a record 9.3 million Aussie households bought goods online, keeping Australia Post caught up in the busy madness.

For the second time in Australian history, the total amount of households who shopped online across the nation surpassed the 9 million mark. This figure exceeded the 9.1 million milestone from the previous financial year, with online purchases increasing by nearly 12%.

According to Australia Post, the 6 months between July to December 2021 were particularly strong during the height of the pandemic, which saw a spike in Australians switching to e-commerce. An average of 5.6 million households purchased something online each month in FY22, which is reportedly 1.5 million more compared to the average in FY20.

In NSW, where extended lockdowns took place, there was a growth of more than 27% year on year and was crowned the highest participation compared with its share of population, with almost one in three making an online purchase. Significant growth on online purchases was also seen in ACT with more than 27% year on year and WA, which saw 14% year on year.

Since its launch in 2016, over a billion parcels have been delivered via Australia Post's online parcel management platform. Rose Yip, Australia Post Head of eCommerce Analytics, says the growth in online shopping "had accelerated beyond expectations throughout the pandemic." Rose says, "we've seen more than 900 million parcels delivered in the last three years alone, which says so much about how quickly eCommerce has grown in a short amount of time. It's now the norm for so many Australians, with more than 5 million households regularly shopping online every month, which is why we've not only increased our network capacity but we're investing in more new facilities, technology and our fleet to set up a strong and sustainable network for the future."

Cranswick, E. (2022). Australia Post: Australians smash online shopping records in FY22. Retrieved from <https://mhdsupplychain.com.au/2022/07/12/australia-post-australians-smash-online-shopping-records-in-fy22/> on 13th July, 2022.

STAFF SPOTLIGHT

MEET VINNIE KIONG →

WAREHOUSE ADMINISTRATOR
TOMAX LOGISTICS WAREHOUSING



What do you do at Tomax?

I'm the new Warehouse Admin at Dandenong!

What are your hobbies/interests?

I'm often drawing or making D&D resin dice.

If you could meet any celebrity alive or dead, who would it be?

Probably Hideo Kojima, I want to know his creative processes when it comes to video games.

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

Birds, I love our feathered friends!

Are there any goals you would like to achieve?

Honing my creative skills, I want to branch out what mediums I work with.

The best place to visit in Victoria?

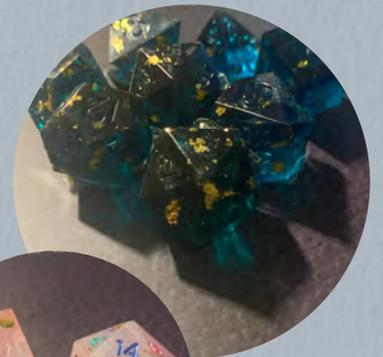
I haven't traveled recently, but I'm a sucker for the yumcha spots around Melbourne! Shark Finn Inn and Golden Leaf are wonderful comfort food.

Do you have any hidden or not-so-hidden talents?

I can sleep and never feel refreshed!

Settle the debate! Playstation or Xbox?

Playstation for sure, so much more variety with its exclusive games.



QUICK RIDDLES

See if you can solve the following riddles!
Answers will be revealed in next week's newsletter.

1. What has hands and a face, but can't hold anything or smile?
2. If you don't keep me, I'll break. What am I?
3. You're running a race and at the very end, you pass the person in 2nd place. What place did you finish the race in?
4. I have a tail and a head, but no body. What am I?
5. What 2 things can you never eat for breakfast?
6. When Grant was 8, his brother was half his age. Now, Grant is 14. How old is his brother?
7. Two fathers and 2 sons spent the day fishing, but only caught 3 fish. This was enough for each of them to have one fish. How is this possible?
8. You'll find me in Mercury, Earth, Mars and Jupiter, but not in Venus or Neptune. What am I?
9. It has keys, but no locks. It has space, but no room. You can enter, but can't go inside. What is it?
10. I can fill a room, but I take up no space. What am I?



Australian HQ
19/202 Ferntree Gully Rd
Clayton VIC 3168

tomax.com.au
1300 186 629
03 9544 4227

