



TOMAX
NEWS

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PLUS:

MARKET SUMMARY

- Shipping line container detention charges remain at the forefront of importer concerns currently with severe delays in the ability to return empty containers. Empty Container Parks are over capacity and often rejecting the dehire of containers despite a valid booking having been made. Trucking companies have mostly extended the required notice period for empty return to 4 business days, leaving most importers often with less than a day to empty the container upon delivery. Any delays in the availability of containers for delivery is having a major financial impact with the fees for container detention at record highs.

- Ocean freight rates on various import trade-lanes into Australia are falling as we head into August, which is traditionally when rates are starting to head northwards. Liner bookings on the China-Australia trade-lane remain weaker due to continuing lockdowns in China. It is unclear at this stage if consumer demand levels are affected by rising inflation and interest rates here at home and the data released by agencies over the next few months will be interesting to watch out for.

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](#)

LATEST NEWS



SYDNEY HIT WITH EMPTY CONTAINER CONGESTION

Empy shipping container congestion has recently spiked again in Sydney, causing importers and their transport providers to face added costs, according to the Container Transport Alliance Australia (CTAA). The added costs consist of empty de-hire delays, futile truck trips, yard storage of empties and additional administration.

CTAA Director, Neil Chambers, says, “the empty container chain in NSW is unfortunately broken. It only takes slightly higher import volumes, caused in large part by off-window vessel arrivals and bunching, and larger container exchanges from those vessels, coupled with delays due to weather events or other issues impacting on ECP capacity, and the system becomes chaotic and unsustainable.”

The congestion and delays come off the back of a relatively positive month in June, which saw over 80,000 TEU of empties being evacuated by shipping lines through Port Botany, with a load/discharge ratio of 1.07. Since then, the damaging weather events which lead to the abrupt reduction in the movement of empty containers away from Port Botany have left the main Empty Container Parks (ECPs) at or near capacity. As a consequence, the ECPs have not been able to accept extra empty equipment for

their client shipping lines and are asking importers and transport operators to reach out to shipping lines requesting for de-hire alternatives, which are not forthcoming.

Neil Chambers added, “trucks are literally driving down from ECP to ECP looking for a de-hire location, only to be told by ECP operations staff that they aren’t accepting that equipment anymore due to capacity constraints, or that a redirection has been notified. This is despite the transport operator having a valid Notification Window slot booking through the Containerchain truck-arrival notification system, which aren’t being accepted in good faith.”

To recoup the added costs of empty container handling, futile truck trips and yard storage delays, many transport operators have needed to implement additional fees. Furthermore, transport operators have revised their terms and conditions, now requiring their import customers to provide sufficient business-days’ notice of empty container availability for de-hire and clauses pertaining to any acceptance of container detention liability during the current climate.

Misuraca, J. (2022). Sydney experiencing empty container congestion. Retrieved from <https://mhdsupplychain.com.au/2022/07/25/sydney-experiencing-empty-container-congestion/> on 26th July, 2022.



BIOSECURITY ALERTS & CHANGES THIS WEEK

Please note the Biosecurity updates for this week:

CHANGES TO THE TESTING REQUIREMENTS FOR VITIS SPP. (GRAPE) FOR USE AS A NURSERY STOCK.

Effective from 28 July 2022.

The Department of Agriculture, Fisheries and Forestry has amended the post-entry quarantine testing requirements for *Vitis* spp. nursery stock following a review of import conditions. The review identified that the following eight viruses associated with *Vitis* spp. nursery stock are no longer considered to be of biosecurity concern to Australia:

- Arabis mosaic virus (ArMV) – grape strain
- Grapevine leafroll associated virus (GLRaV)-6, GLRaV-10 & GLRaV 11
- Grapevine red globe virus (GRGV)
- Grapevine syrah virus I (GSyV I)
- Grapevine virus F (GVF)
- Sowbane mosaic virus (SoMV) – grape infecting strain

As a result of the review, the overall number of polymerase chain reaction (PCR) tests has been reduced from 20 to 19.

Who does this notice affect:
Importers of *Vitis* spp. nursery stock, brokers and department staff.

Import permits:
Import permit holders will be contacted directly regarding permit variations.



FOOT AND MOUTH DISEASE NOT THE ONLY PROBLEM ON OUR RADAR

A new report has revealed the drastic economic impact foot and mouth disease would have if it entered Australia. The report by Regional Development Australia Central predicts it would deliver a \$1.1 billion hit to the Queensland economy alone as well as a loss of roughly 34,000 jobs. David Littleproud, Nationals leader, believes that “this is just a government that has lost control of its borders”, that this is the “time for leadership” and that Prime Minister Albanese needs to step in and get on top of this “biosecurity crisis” facing the nation.

Despite Foot and Mouth disease dominating the headlines, Australian officials advise there are other diseases on our door step to watch out for, with some already prevalent here.

JAPANESE ENCEPHALITIS VIRUS (JEV)

First detected in Australia in February 2022, the mosquito-borne virus’ presence was confirmed in 70 piggeries in Victoria, New South Wales and Queensland by biosecurity officials. Since then, 40 cases were found in humans and 5 people have died from the disease. The disease causes mummified piglets upon birth and neurological diseases in the pigs during their first year of life. Due to the record rainfall this winter, this has boosted the spread of JEV and can potentially infect a larger amount of people. As we are approaching the warmer climate, this will

promote the breeding capacity of mosquitoes and their migration further south. Currently, there is a JEV vaccine available for humans and a vaccine for pigs being developed.

LUMPY SKIN DISEASE (LSD)

The viral infection targets cattle and water buffalo, with symptoms including skin lesions, loss of appetite, fever, decreased milk production and in some cases, death. Originating from Africa, the disease has since stretched to China and South East Asia. Tim Mahony, University of Queensland professor, said it was one of the “clear and present dangers” for Australia’s agriculture industry. He said, “if it was to make it to the mainland and infect susceptible species, then we would see a lockdown of livestock populations. It’s mainly through insect-borne transmission, so that could be quite difficult to control in some areas.” He added that the disease had the ability to shut down Australia’s cattle export industry. Luckily, there have not been any outbreaks of LSD in Australia so far. Although, at the moment there is no LSD vaccine approved for use in Australia.

AFRICAN SWINE FEVER (ASF)

The highly contagious disease has the capability to kill 100% of the pigs it infects and can survive on items such as clothes, boots, wheels and uncooked, frozen or cured pig products. First documented in sub-Saharan Africa, the disease has since spread to parts

of Europe, China, Cambodia, Myanmar and Vietnam. Fragments of ASF and Foot and Mouth disease were detected in pork floss imported from China that was being sold in Melbourne. However, the fragments are not the same as the live virus and pose no threat to human health, so Australia remains free from the virus so far. Dr Kirsty Richards, senior veterinarian at SunPork, believes the threat of ASF poses as a great concern as the consequences would be 'catastrophic' if the disease got into Australia. At the moment, there is no vaccine available for ASF in Australia.

WHY SHOULD WE CARE?

Dr Mahony said if any of the diseases were to take hold in Australia, the impact would be devastating. He said, "Australia trading on our clean, disease-free image is a critical part of what helps us maintain some of these export markets that are so profitable for livestock industries." Additionally, the diseases would also have a major impact on Australian supermarkets. He added, "if our livestock industries get locked down and can't supply their suppliers, that's ultimately going to affect everybody in the cities as well. [People] should care because that's where our food comes from. We saw that in the pandemic, when abattoirs were unable to process animals, then you had shortages of meat in our supermarkets."

According to a recent analysis by a group of experts, there is a 42% probability Australia will experience a major animal disease outbreak in the next five years. The analysis also found there was a 1 in 5 chance of an African swine fever outbreak and an 8% chance of a lumpy skin disease outbreak.

WHAT'S BEING DONE?

Australia's border controls have been very effective in keeping FMD, LSD and ASF out of the country so far. Dr Mahony says, "I think we have a good, strong and historical culture of biosecurity. I think most Australians that go overseas understand what the

potential implications of bringing these things back are. Our government certainly does, so they've put the resources in there."

However, there are concerns about how well staffed border agencies are, as the increasing workload at airports and ports is taking its toll. Brooke Muscat, deputy national president said, "the ongoing reliance on casuals is negatively affecting arrival checks, worker safety, and passenger delays. Cargo and consignment biosecurity offices are understaffed on a regular day. CPSU members work hard and diligently to ensure our environment and agriculture is not infiltrated by pests or introduced diseases, but staffing pressure is making this work harder."

The union is calling for a federal audit of staffing and workloads. Meanwhile, the federal Department of Agriculture is continuing to recruit and grow the capacity of its biosecurity workforce, with recent government funding allowing for 18 new officers at airports and mail centres. Furthermore, a range of enhanced measures have been introduced including increased intervention at mail centres as well as mats to sterilise the footwear of travellers coming into Australia.

WHAT ELSE SHOULD WE WORRY ABOUT?

Experts believe new diseases are the biggest threat and concern. As Australia sits below a tropical hotspot with a high prevalence of mosquito-borne diseases, that is where about 70% of new diseases are originating from. With wild animals moving out of these populations and into human populations, we are having new diseases appear. These are of concern due to their unfamiliarity.

Chen, D & Phillips, A. (2022). Foot-and-mouth disease is far from Australia's only biosecurity risk — here are the other threats. Retrieved from <https://www.abc.net.au/news/2022-07-26/australian-biosecurity-risks-greater-than-fmd-alone/101267338> on 28th July, 2022.

Sky News. (2022). 'Now is the time for leadership' amid 'biosecurity crisis' facing Australia. Retrieved from <https://www.skynews.com.au/australia-news/politics/now-is-the-time-for-leadership-amid-biosecurity-crisis-facing-australia/video/9e0a47cab-3337b40453a12ce6d58c1dc> on 28th July, 2022.



ILLICIT TOBACCO SMUGGLERS FACE CONSEQUENCES

Following an investigation by the Australian Border Force, a member of the criminal network has been sentenced to three and a half years in prison for engaging in the importation of tobacco. On 26th November 2019, after a staggering 427,800 illicit cigarettes were discovered hidden in an air cargo consignment bound for Victoria, ABF officers launched "Operation Kalondra". The investigation revealed a syndicate was receiving millions of illegal cigarettes from China, whilst operating in Melbourne.

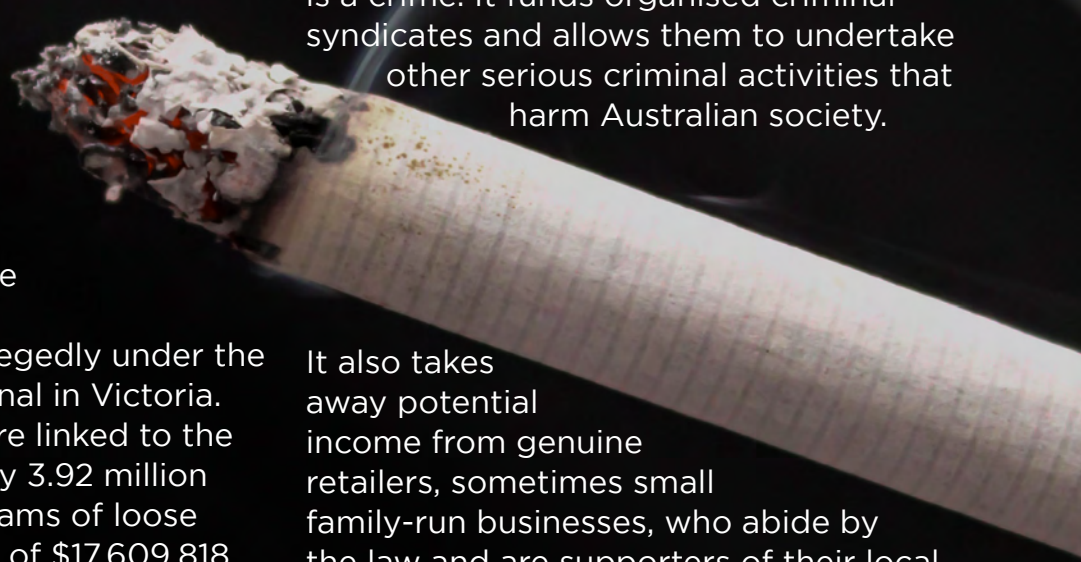
During November 2019 to March 2021, ABF officers successfully intercepted and seized five large consignments containing illegal tobacco, which were addressed to numerous people and companies allegedly under the control of a Chinese national in Victoria. ABF detections which were linked to the syndicate included roughly 3.92 million cigarettes and 8195 kilograms of loose leaf tobacco worth a total of \$17,609,818 in evaded revenue. On 4 September 2020, the Chinese national was arrested by ABF Regional Investigations officers and was subsequently charged with multiple offences linked to importing illicit tobacco. The course of the investigation saw ABF officers raid addresses in Bundoora and Reservoir, seizing \$183,000 (which was forfeited to the Commonwealth as proceeds of crime) as well as other evidence connected to the importation of illegal tobacco.

On 18 July 2022, at the County Court of Victoria, the man was sentenced to 3 years and 6 months with a non-parole period of 2 years and 3 months. Jessica Fensling, ABF Acting Superintendent, believes the sentence sends a strong message to anyone who is tempted to partake in the illicit tobacco trade.

She said, "there is a common misconception that engaging in the illicit tobacco trade is a victimless crime, but that is wrong...Buying illicit tobacco is a crime. It funds organised criminal syndicates and allows them to undertake other serious criminal activities that harm Australian society."

It also takes away potential income from genuine retailers, sometimes small family-run businesses, who abide by the law and are supporters of their local community." Smuggling tobacco can result in severe penalties including up to 10 years' imprisonment and /or a fine of up to five times the amount of duty evaded.

Ackerman, I. (2022). Air cargo cig smuggler sentenced to years in prison. Retrieved from <https://www.thedcn.com.au/news/specialist-shipping/air-carwgo-cig-smuggler-sentenced-to-years-in-prison/> on 27th July, 2022.





ASSISTING TRUCK DRIVERS TO PREVENT VEHICLE FIRES

The NSW Environment Protection Authority (EPA) has released a new Preventing Fires - Truck Inspection Manual, which aims to equip drivers with the inspection skills to identify and correct faults which could potentially cause heavy vehicle fires. This manual can be downloaded by clicking [here](#).

Karen Marler, EPA's director of environmental solutions, says the main aim of the manual was to assist truck drivers and owners reduce over 200 truck fires which Fire and Rescue NSW attend to annually. Marler says, "truck fires are major incidents that can be extremely dangerous and result in smoke and water pollution, cargo loss and extended road closures."

Often trucks catch fire due to a mechanical or electrical fault, which a trained eye could have spotted and thus, prevented any fire outbreaks. 8% of all heavy vehicle insurance claims consisted of non-impact truck fires.

Developed with the help of industry experts, the manual is a user-friendly guide training truck operators on how to inspect vehicles and identify problems before they result in

a fire. The guide extends past pre-journey checks, enabling drivers to identify faults such as overheating brakes and electrical faults during transit, and how to address problems which develop on the open road which could cause the vehicle to catch fire.

Marler continued, "no driver wants to experience a truck fire and the actions needed to avoid that outcome can be as simple as noticing chafing on high current cables, such as battery cables. When the cargo is dangerous goods, the consequence can be particularly high and can carry significant risk to the safety of drivers, road users and the environment."

She urges that the manual should be in the hands of the maintenance manager of every fleet and every heavy vehicle mechanic as well as drivers and that "the EPA would like to see the Manual adopted as part of regular routine checks."

Trade Trucks. (2022). GUIDE RELEASED TO HELP TRUCK DRIVERS SPOT FIRE RISKS. Retrieved from <https://www.tradetrucks.com.au/industry-news/2207/guide-released-to-help-truck-drivers-spot-fire-risks> on 27th July, 2022.

STAFF SPOTLIGHT

JAMES SHU

OPERATIONS MANAGER
TOMAX LOGISTICS SHANGHAI



What do you do at Tomax?

I am based in the Tomax Shanghai Office and I am in charge of air freight, bookings and payments.

What are your hobbies/interests?

Building Lego and Bandai Gundam models and playing Nintendo Switch.

Which season do you prefer?

Winter.

Favourite foods?

Coffee, barbecue and chocolate.

Best place to travel to?

Lijiang, Yunnan Province, China.

If you could have a superpower, what would it be?

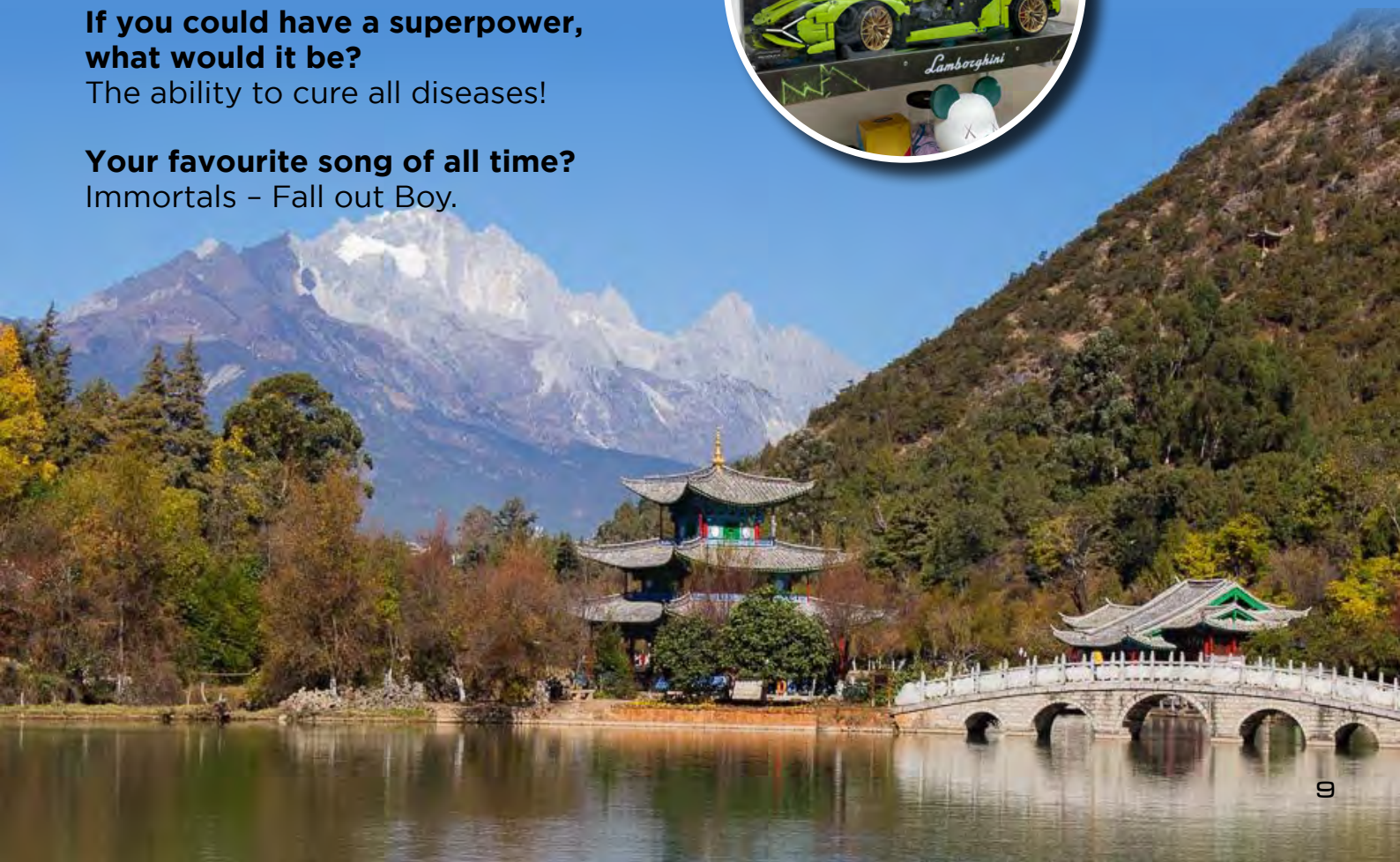
The ability to cure all diseases!

Your favourite song of all time?

Immortals - Fall out Boy.



James' Lego Creations



SPOT THE DIFFERENCES

See if you can spot the 5 differences between the two images:



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