

ACROSS BORDERS

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PRODUCTIVITY COMMISSION TO EXAMINE AUSTRALIA'S MARITIME
LOGISTICS SYSTEM – THE HON BARNABY JOYCE

SIMPLIFYING LOGISTICS EDUCATION WITH WISETECH ACADEMY – BILL MURPHY

BIOSECURITY INITIATIVES AND INNOVATIONS TO KEEP CARGO MOVING – ANDREW TONGUE

“KEEPING AUSTRALIA'S INTERNATIONAL TRADE MOVING”



Australian Peak Shippers
Association Inc. (APSA)



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This brand-new facility will be constructed on Salta's Nexus Altona Industrial Estate located 19kms from the Port of Melbourne, situated in close proximity to major arterial roads including the Western Ring Road and the Princes Freeway. The warehouse offers excellent operational functionality, designed for major logistics and distribution requirements, providing access to High Productivity Freight Vehicles of up to 32m in length and 68.5-77.5t in weight. The facility will have 14m cantilevered canopy, five on grade roller shutter doors, five weather protected internal recessed loading docks, and a 10m clear internal height to the underside of the portal haunch.

The warehouse will be located adjacent the future proposed Altona Inland Port, a rail-based terminal which is connected directly to the Port of Melbourne via a dedicated turnout onto existing ARTC freight tracks. The new Altona Inland Port is expected to deliver significant cost savings and efficiencies transferring containers to and from the Port of Melbourne when compared to road transport.

Existing high-profile tenants in the estate include Maersk and ACFS Port Logistics, with other major logistics operations including DHL, Toll & Silk close by.

For leasing enquiries call

Clarence Perna, Head of Logistics and Strategic Projects
0475 200 111 | Salta.com.au



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ACROSS BORDERS

EDITION ONE 2022



Australia joins international competition authorities to target potential supply chain criminal collusion

In response to the Australian Peak Shippers Association (APSA) and Freight & Trade Alliance (FTA) call for government intervention, the Federal Treasurer made a welcomed announcement on 10 December 2021 that the Productivity Commission will complete a review into Australia's maritime system.

In parallel to this review, a joint announcement on 18 February 2022 by competition regulators in Australia, the USA, Canada, UK and New Zealand stated they are collaborating to monitor anti-competitive and potentially criminal conduct. Specifically, the group will be watching for cartels and other activities that materially impact competition, such as exclusionary arrangements by firms with market power.

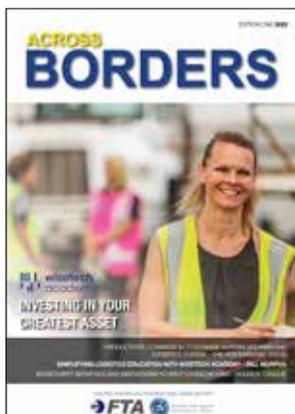
As highlighted in the Chair's report (refer pages 8 & 9), FTA / APSA provided a detailed submission examining long-term domestic trends, focussing on operational cost drivers, including industrial relations, infrastructure constraints and emerging business practices in ports and related transport networks that are adversely impacting the overall competitiveness of the Australian trade sector.

As we emerge from the peak of the COVID-19 Omicron variant and severe domestic weather conditions, our exporters and importers continue to report restricted access in maritime and aviation capacity, surcharges and record high freight rates.

In a meeting with the Deputy Prime Minister on 2 March 2022, we discussed the above matters, reforms that are progressing in the US and joint international competition regulatory agency activity. Importantly, it provided an opportunity to reinforce key elements of our broader advocacy for shipping reform to complement other federal government-led trade liberalisation measures.

We extend our sincere appreciation to The Hon. Barnaby Joyce and senior advisors for their ongoing engagement on international trade matters and for the foreword to this edition of Across Borders.

By PAUL ZALAI, Co-founder and Director,
Freight & Trade Alliance (FTA)



Front cover –
sponsored by Wisetech Academy

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Productivity Commission to examine Australia's maritime logistics system

By The HON. BARNABY JOYCE, Deputy Prime Minister and Minister for Infrastructure, Transport and Regional Development.

Prior to the COVID-19 pandemic, I think it's fair to say Australians seldom considered the logistics required to keep supermarket shelves stocked.

But when shortages triggered panic buying in the early days of the pandemic, supply chains and our reliance on maritime transport moved to the front of people's minds.

COVID-19 has highlighted the complex workings of the shipping industry – a sector that generally operates quietly and efficiently in the background, bringing goods in and moving commodities out.

The pandemic has shone a light on the fallibility of supply chains in today's "just in time" economy.

Australians across the length and breadth of our country now have a greater appreciation of the role the shipping industry plays in supplying the products we rely on – from essential goods like food, fuel and medicines to electronic products, cars and construction materials.

The full extent of the shipping industry's contribution to our economy – and social wellbeing – is significant.

Australia is the fifth largest user of shipping services in the world. Close to 99 per cent of the volume and 80 per cent of the value of our international goods trade is moved by sea.

In 2020-21, the combined dollar value of Australia's goods trade by sea totalled approximately \$575 billion.

The pandemic has been challenging for Australia's importers, exporters and supply chain participants with supply chain disruptions and higher freight rates driven by demand for international shipping services outstripping supply.

In Australia, these disruptions and higher costs have been driven by a combination of factors, including more demand for imported containerised goods, international terminal closures due to COVID-19, landside container congestions, industrial disputes and adverse weather events.

Australia has adjusted to the challenging global commercial environment and can be proud of how well it has fared

compared to some of our international counterparts.

Despite the disruptions, freight has continued to move through our ports and, in 2020-21, some of our major ports even reported record throughput.

Volumes at Port Botany increased 11 per cent to a record 2.7 million 20-foot equivalent units. We also saw Port Hedland grow exports of iron to 546.1 million tonnes worth \$153 billion.

Importantly, Australia's exporting businesses continued to send their products overseas, which is so important for our economy.



Meeting at the Commonwealth Parliamentary Office, Sydney - 2 March 2022
L to R – The Hon Barnaby Joyce (Deputy PM) and Paul Zalai (FTA/APSA)

Australia is the fifth largest producer and second largest exporter of coal – with export earnings totalling \$63.9 billion in 2019. During the pandemic, the shipping industry continued to support our mining and agricultural businesses – again resulting in record-breaking export earnings.

We are the world's biggest exporter of liquefied natural gas and in 2021 our shipments reached a record high of 80.9 million tonnes.

Impressively, Australia's resource and energy export earnings are on track to reach a record \$379 billion in 2021-22.

Without ships, we wouldn't be able to send these products overseas and we wouldn't be generating the export income that helps pay for the services all Australians rely on.

The shipping industry also provided a lifeline earlier this year when a once-in-200-year flooding event knocked out the rail freight corridor to Western Australia. The disruption to land transport movements was significant, once again demonstrating the importance of resilient supply chains.

The shipping industry stepped up in record time to assist and enable the freight movements that kept the economy moving while the rail corridor was repaired – allowing Australian businesses to stay open and Australian consumers to get the essential goods they needed.

As a temporary measure, I issued an exemption under the Coastal Trading (Revitalising Australian Shipping) Act 2012 to enable shipping of domestic cargo to and from WA without a coastal trading licence.

Australia's shipping sector has shown incredible resilience during the COVID-19 pandemic, but the Australian Government recognises that it has presented opportunities to address the broader issues affecting our nation's logistics system and supply chains.

As a first step, we have acted on calls from industry to review the issues affecting productivity by tasking the Productivity Commission to undertake an independent review to examine Australia's maritime logistics system.

To help assess the overall competitiveness of our ports, the inquiry will focus on identifying operational cost drivers, including industrial relations, infrastructure

constraints and technology uptake at Australia's ports and in related transport networks.

I would like to thank the Freight & Trade Alliance / Australian Peak Shippers Association for providing a submission to the inquiry and raising issues affecting members.

The Australian Government looks forward to receiving the Productivity Commission's report later this year and will carefully consider changes that can be made to improve the efficiency of our maritime logistics system.

“ *The pandemic has shone a light on the fallibility of supply chains in today's “just in time” economy.* ”



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"KEEPING AUSTRALIA'S INTERNATIONAL TRADE MOVING"



Australian Peak Shippers Association Inc. (APSA)

JOIN THE ALLIANCE

2022/23 Membership Benefits

ADVOCACY - Freight & Trade Alliance (FTA) and the Australian Peak Shippers Association (APSA) are the leading industry bodies representing the international trade and logistics sector. This is achieved by bringing together importers, exporters and logistics providers to form an influential advocacy body. Importantly, we also ensure that members are at the forefront of all emerging supply chain issues through our responsive operational support, professional development training, industry updates, commercial services and corporate events.



REAL TIME SUPPORT – FTA Premium Members have real-time access to our support services as an extension of your operational team – through our extensive network and access to key personnel across government and commerce, we can assist businesses with operational matters.

LEGAL SUPPORT – Providing legal counsel to FTA is Customs Global Trade Law (CGT Law) and Mills Oakley for APSA. FTA members are eligible to receive up to 30 minutes free legal support per issue from CGT Law.

TERMS & CONDITIONS – Exclusive to FTA members, for the one off payment of \$825 (incl GST) receive from CGT Law a clear, concise and legally robust set of trading terms and conditions

designed specifically for customs brokers and forwarders; a letter explaining the Terms & Conditions; a template credit application; a letter of authority; a credit application and guarantee; letter for use to customers introducing the new terms and conditions; ACCC Court Action Trading Terms Case; and updates to the documents due to legal developments (all proforma documents are provided in Word format).

INSURANCE SUPPORT – FTA Premium members receive free insurance review & support from Logical Insurance Brokers.

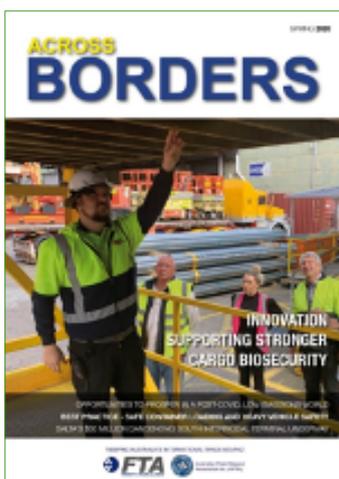
WORKPLACE / HR CONSULTANCY – FTA Premium Members receive hotline support via Employsure.

CONTINUING PROFESSIONAL DEVELOPMENT (CPD)

discounts apply to FTA members to attend our one-day conferences to assist customs brokers in meeting their annual licensing obligations. Each event provides participants with 24 CPD points towards the annual requirement of 30 in the licensing period of 1 April 2022 to 31 March 2023.

2022 / 23 LICENSING PERIOD CONFERENCES

Friday 6 May 2022 - Novotel Brighton Beach Hotel, Brighton Le-Sands
Saturday 7 May 2022 - Novotel Brighton Beach Hotel, Brighton Le-Sands
Friday 20 May 2022 - Hyatt Place, Essendon Fields
Saturday 21 May 2022 - Hyatt Place Essendon Fields
Wednesday 15 June 2022 - Novotel Brisbane Airport
Saturday 25 June 2022 - DoubleTree by Hilton Perth Waterfront



ACROSS BORDERS MAGAZINE –

we supply members a FREE member magazine providing expert commentaries on emerging trade and government reforms (both in hard copy and electronically).

ALERTS – our webinars, podcasts, daily notices (some content password protected) and weekly report keep members at the cutting edge of operational matters, reforms and advocacy activity.

EARLY BIRD REGISTRATION SPECIAL PACKAGE

Member Early Bird Registration - \$297 (incl GST) provides you with a unique 30+ CPD points including Continued Biosecurity Competency (CBC) as prescribed by the Department of Agriculture, Water & the Environment.

- attendance at one of the above listed CPD Border Compliance Program events – 24 CPD points
- complimentary access to mandatory Continued Biosecurity Competency (CBC) online via ComplianceNetFTA.com.au ; and
- complimentary access to a further 6 CPD points in Stream A via ComplianceNetFTA.com.au

REGISTER NOW at www.ftalliance.com.au/upcoming-events





NOTE: The Department of Agriculture, Water and the Environment reserves the right to add additional mandatory CBC sessions during the accreditation period should they be required.

ONLINE CPD / CBC – we offer extensive material via ComplianceNetFTA with courses, resources and online assessment available at listed prices. FTA members are offered unlimited CPD and CBC content for \$165 (incl GST) per person per accreditation period (1 April to 31 March).

APPROVED ARRANGEMENTS / DEPOT / RACA –

we have partnered with Andrew Christie Consulting to provide advocacy support to our newly formed Biosecurity Treatment Provider Reference Group (BTPRG).

AA, Depot and RACA application services available – price on application.



WISETECH ACADEMY –

FTA company member discounts apply for a wide range of high quality, cost effective courses provided by the WiseTech Academy, including:

- Approved Arrangement accredited training to manage onsite biosecurity risks.
- Section 77G Depot training to ensure all staff understand and meet licensing conditions.
- Safe Container Loading Practices and Chain of Responsibility

As a Registered Training Organisation (RTO 45574), the WiseTech Academy provides:

- TLIX0008 Comply with biosecurity border clearance (prerequisite training for NCCC and AEPCOMM Approved Arrangements)
- TLI50816 Diploma of Customs Broking

WOMEN IN LOGISTICS – is an initiative to support and facilitate opportunities for networking and professional/personal development for women in the supply chain sector with all profits going to charity.



BORDERWISE –

FTA members receive a significant discount on the use of BorderWise – easy access to comprehensive customs reference materials used by trade professionals to correctly classify goods and meet regulatory requirements at the border for import and export declaration reporting.

Note: Member discounts are itemised at our ‘Featured Sponsor’ link available from the FTA home page at www.FTAlliance.com.au

BRANDING – FTA provides members with access to its logo for use on stationery, email signatures & web sites.

DIRECTORY – FTA provides members’ details on a directory listing increasing access to new markets.

FTA Premium Membership is open to customs brokerages, freight forwarders, Section 77G Depots and Approved Arrangement premises.

- FTA’s Premium Membership rates are based on a scale of employees within a business / per ABN.
- Annual fee from time of subscription
- Membership pricing effective 1 July 2021 (includes GST)

Less than 10 employees \$880

Less than 30 employees \$1,265

Less than 50 employees \$1,595

Less than 100 employees \$1,925

More than 100 employees \$2,475

Further discounts are offered for online CPD / CBC registrations to businesses with six (6) or more registrations, with the option for an all-inclusive invoice for membership and training – price on application to czalai@FTAlliance.com.au

FTA Individual Membership: \$264 (1 April to 31 March) - is available to any licensed customs broker whose company does not hold FTA Premium Membership providing access to all online CPD / CBC courses and member discounts (1) to attend our annual one-day conferences and (2) for the use of BorderWise Software.

FTA Importer Membership & APSA Exporter Membership: \$2,200 per annum

Biosecurity Treatment Provider Reference Group (BTPRG) Membership: \$2,200 per annum

Affiliate Membership: \$2,200 per annum - for businesses and regulatory bodies affiliated with the international trade sector. Included as Affiliate Members are transport operators, law firms, software providers and government agencies - a unique opportunity to join the growing alliance as a valued member of the Australian freight and trade community.

Sponsorship – as per our prospectus, FTA and APSA offer a wide range of online media and events which provide unique opportunities for entities wishing to engage with the freight and trade sectors.

Membership forms are available at the JOIN THE ALLIANCE tab from the FTA website at www.FTAlliance.com.au

For further detail, please contact us on 02 9975 1878 or info@FTAlliance.com.au



TURN THE TIDE WITH SHIPPING REFORM

By OLGA HARRITON, APSA Chair / Global Logistics Manager - Manildra Group

The COVID-19 pandemic is in its third year and continues to cripple the sea freight industry, severely disrupting global trade and pushing supply chains towards breaking point.

Significant delays, cancellations, a lack of capacity with vessel space and equipment, landside logistics, and waterfront industrial disputes, have all jeopardised the commercial viability of many Australian exporters and importers. Exacerbating this situation, is high detention and demurrage charges.

On our roads, trucking companies have fallen short of drivers, while our warehouses have run out of space, and small businesses and consumers continue to pay sky-high freight costs as the local transport and freight industry impose increased costs to deliver goods to ports. Commentators have likened these logistics company impositions on transportation operators to “ransom”, leaving them with no choice but to pay the fees.

Ocean shipping rates are expected to stay elevated well into 2022, setting up another year of booming profits for global cargo carriers, but leaving Aussie importers, exporters and customers paying the price. Fully loaded ships idled off Port Botany for weeks because of port congestion.



“ *APSA and FTA have rightly assumed the role in leading the charge, prompted by the supply chain upheaval across the world.* ”

An industry that had plied the seas, largely unnoticed by the public, had a target placed squarely on its back.

The Australian Peak Shippers Association (APSA) and Freight & Trade Alliance (FTA) have been relentless in calling on the Australian Competition & Consumer Commission (ACCC) and state and federal governments to urgently intervene in reviewing competition protections given to foreign owned shipping lines, introduce regulation to prevent unfair cost impositions on shippers and implement substantial changes to ocean freight legislation.

APSA and FTA have rightly assumed the role in leading the charge, prompted by the supply chain upheaval across the world. Their knowledge, advice, and connections are second-to-none, and their motivation remains firmly on improving the ocean freight supply chain, ensuring real commercial value to Australian businesses, industries, and job creation.

On behalf of the industry, with APSA and FTA's unrelenting advocacy, we welcome the Federal Government's Productivity Commission's independent review into long term structural issues impacting the productivity of Australia's maritime logistics systems. This review will serve to “turn the tide,” and help restore and secure Australia's trade for all exporters and importers large and small.

Trade is the beating heart of our great nation. The efficient and effective delivery of goods in-and-out of Australia is paramount, while across the globe, the sea freight supply industry employs tens of thousands of people in fields from administration, transportation, logistics, operations, purchasing, customer service and more. These men and women turn up, day-in, day-out, 365 days a year, and are without a doubt the soul of the industry.

Despite these complex adversities, men and women in our industry have mastered a “juggling act”, coordinating, and delivering to customers around the world. Interacting with port terminals and departments, liaising with quality assurance and packaging, interfacing between stakeholders, ports, shippers, sales, and international customers – it's a mammoth feat. On behalf of our industry, we thank you.

On a positive note, we are delighted to confirm the APSA and FTA annual conference will be held on 30 and 31 August 2022 in Wagga Wagga, New South Wales. The conference will include panel discussions with members, key stakeholders and rural exporters and has an aim to maximise networking opportunities including a site tour of the Riverina Intermodal Freight & Logistics (RIFL) Hub with a cocktail function to follow at the exclusive Riverine Club, Wagga Wagga. Thank you to all the generous sponsors and to find out more information about the conference, email admin@auspsa.com

I look forward to seeing you all later in the year and wishing you good health and support.



Australian Peak Shippers Association Inc. (APSA)



FTA / APSA SUBMISSION TO THE PRODUCTIVITY REVIEW – AUSTRALIA'S MARITIME LOGISTICS SYSTEM

SUMMARY OF RECOMMENDATIONS

RECOMMENDATION 1 (shipping competition review) – repeal of Part X of the Competition and Consumer Act 2010, with retention of shipper collective bargaining provisions, leaving two options:

(1) foreign owned shipping lines to operate in line with competition laws faced by other businesses involved in Australian commerce; or

2) if deemed necessary for foreign owned shipping lines to have ongoing protections, expand the role of the ACCC (or introduce a federal maritime regulator) to administer processes to safeguard exporter and importer's interests, in particular, monitoring the appropriateness of shipping line (and contracted stevedore / empty container park) surcharges, fees and penalties.

RECOMMENDATION 2 (minimum service levels and notification periods) – introduction of an appropriate regulatory framework that provides exporters, importers and freight forwarders safeguards against 'exclusive dealings', ensuring minimum service levels and prescribed variation notification periods (minimum 30-day notice as per US regulation).

RECOMMENDATION 3 (infrastructure investment) – increase investment in infrastructure to address inefficiencies in the supply chain caused by larger ships, lack of rail access to Australian container ports and shortage of space in empty container parks.

RECOMMENDATION 4 (regulation of Terminal Access Charges) – the scope of the National Transport Commission (NTC) review of Terminal Access Charges be expanded to examine the potential of regulation to force stevedores (and empty container parks) to cost recover directly against their commercial client (shipping line) rather than via third party transport operators.

RECOMMENDATION 5 (regulation of container detention practices) – the need for federal government action and potential regulation, similar to US Federal Maritime Commission (FMC), to ensure reasonable container detention policies are administered.

RECOMMENDATION 6 (waterfront industrial relations reform) – the Federal Government to initiate a formal waterfront industrial relations review to provide immediate and future business continuity for what is an 'essential service' and our international gateway for major supply chains.

RECOMMENDATION 7 (implementation of Biosecurity reform priorities) – ongoing engagement and reporting between the Department of Agriculture, Water and the Environment and industry to achieve the four reform priorities identified in the Inspector-General of Biosecurity (IGB) report Adequacy of department's operational model to effectively mitigate biosecurity risks in evolving risk and business environments being:

(1) Regulatory maturity;

(2) Risk pathway partnership;

(3) Frontline focus; and

(4) Sustainable funding model.

RECOMMENDATION 8 (extension of IFAM funding) – the Federal Government should allocate additional funds to maintain the International Freight Assistance Mechanism (IFAM) and / or similar financial relief measures to support the air cargo supply chain sector until the end of 2023 (at minimum), with actual allocation of funds subject to periodic reviews pending the return of international passenger flight services





The fate of agriculture and regional economies at the mercy of international freight supply chains

By ASH SALARDINI, Chief Economist & General Manager Trade – National Farmers Federation

Agriculture the lynchpin of regional economies

Agriculture underpins the economies of most of Australia's regional areas, and agriculture is generally in the top three industries in terms of contribution to regional gross value of product. It is a \$75 billion industry that is fundamentally reliant on regional and rural Australia, with ambitions of becoming a \$100 billion industry by 2030.

The opportunities that agriculture provides go beyond the farmgate and can be utilised to supercharge regional Australia. There are significant opportunities to collocate food processing and manufacturing close to the point of food production, not near the markets and economic infrastructure of capital cities.

These opportunities are all predicated on the ability to access international markets, with over 75% of farmgate output being exported.

However, our international freight supply chains are a source of disadvantage in global markets. As an example, it costs the same to ship a container of grain from South Australia to Indonesia as it does from Canada to Indonesia. This is despite the Australian journey being some 10,000 km shorter (one-third the journey as compared to Canada).

The role of ports, shipping and freight

Given the export orientation of the agricultural sector, all these opportunities are reliant on effective, reliable and affordable freight transport to move these goods to port, and then onto international markets. The current state of our freight and logistics system acts as a major barrier to seizing these significant opportunities, and kickstarting the agricultural-led regionalisation agenda.



Photo taken by Billy Forrester

The freight sector is made up of diligent and hardworking individuals and organisations that ensure Australians are clothed and fed, and businesses, such as farmers, can get their goods to domestic and international markets. The problems associated with the cost and reliability of freight movements, is a systemic one that is beyond the action or inaction of any one individual or organisation within government or the freight supply chain.

Australia has one of the highest landside freight costs in the world. The cost of landside-transport and logistics in the pre-pandemic world represented more than 35% of the final price of grains, while landside freight costs represented two thirds of total freight costs for the export of vegetables, such as beetroot. This lack of affordability and reliability acts as a major barrier to international competitiveness.

The situation is equally challenging for port-side freight movements. There has been a significant escalation of port-side infrastructure charges. As an example, stevedoring costs have increased 30-fold over a four-year period! Coastal shipping regulations that reduce competition amongst service providers not only increase the cost of freight but damage the viability of coastal shipping as compared to landside transport.

The provision of port infrastructure suffers a similar fate. As an example, restrictions placed by state government on the development of a container facility at the Port of Newcastle to increase the sale price of the Sydney Ports assets has come at the expense of freight users, such as farmers. A container port facility at Newcastle would have provided significant increased capacity and competition for the provision of containerised freight movements,

increased access to containerised freight services to NSW grain growers and put downward pressure on port infrastructure costs.

Containerisation also provides greater access to markets in Asia with shallow ports that are not amenable to bulk movements.

The post-pandemic world has added yet more cost into the mix, with the cost of international shipping increasing by 300-500% in little over 18 months.

The solution

Addressing these problems requires more than just investing in new transport infrastructure, which is only one element to the solution. It requires:

- Integrated transport, energy, telecommunications and water infrastructure planning;

- implementing broader policy and regulatory reforms that stifle a truly world-class freight supply chain, including a more robust competition policy framework governing ports and stevedores;
- industrial relations reforms to stamp out the disruptions and inefficiencies that are adding further cost to the system; and
- working with international partners to ensure that the market for international shipping remains competitive and does not descend into cartel-like behaviour.



FTA WELCOMES SALLY BEETON



Sally Beeton – FTA Member Support Services – Training

Freight & Trade Alliance (FTA) is delighted to announce the recent appointment of Sally Beeton in a newly created role of Membership Support Services – Training.

Sally has an extensive career across commerce including 10 years' experience with Study Abroad and Student Exchange programs at Macquarie University bringing strong administration and communication skills.

Sally is looking forward to managing FTA's customs broker compliance training to assist members with their annual Continuing Professional Development (CPD) and Continued Biosecurity Competency (CBC) training requirements.

Sally will manage the ComplianceNetFTA online training platform, with particular focus on enrolments, members support and government reporting. Sally is here to assist you, "I aim to provide a friendly approach to member enquiries in a timely manner".

Sally's hands on responsibilities will allow Caroline Zalai, co-founder and Director of FTA, more time to manage strategic management goals in line with the organisation's fast growing member base and needs.

2022 FTA BORDER COMPLIANCE PROGRAM EVENTS

The following events will provide 24 CPD points for the customs broker licensing period 1 April 2022 to 31 March 2022 (8.30am to 4.30pm)

SYDNEY - Notovel Brighton Beach Hotel, Brighton Le-Sands
Friday, 6 May 2022
Saturday, 7 May 2022

MELBOURNE - Hyatt Place, Essendon Fields
Friday, 20 May 2022
Saturday 21 May 2022

BRISBANE – Brisbane Airport Convention Centre
Wednesday, 15 June 2022

PERTH – Double Tree by Hilton Perth Waterfront
Saturday, 25 June 2022

EARLY BIRD REGISTRATION SPECIAL PACKAGE

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- attendance at one of the above listed CPD Border Compliance Program events – 24 CPD points
- complimentary access to mandatory Continued Biosecurity Competency (CBC) online via ComplianceNetFTA.com.au ; and
- complimentary access to a further 6 CPD points in Stream A via ComplianceNetFTA.com.au

REGISTER NOW at www.ftalliance.com.au/upcoming-events





Australian Peak Shippers Association Inc. (APSA)



APSA CONFERENCE WAGGA WAGGA NSW 30 & 31 AUGUST 2022

REGISTER AT WWW.FTALLIANCE.COM.AU/UPCOMINGEVENTS

TUESDAY 30 AUGUST 2022

- **APSA ANNUAL GENERAL MEETING (members only)**
- **RIVERINA INTERMODAL FREIGHT & LOGISTICS (RIFL) HUB SITE TOUR**
- **WELCOME FUNCTION**

WEDNESDAY 31 AUGUST 2022

CONFERENCE PANEILLISTS

- Stephen King** [Commissioners, Productivity Commission]
- Georgia Nicholls** [General Manager – Rail Freight, Australasian Railway Association]
- Shaun Mooney** [Executive General Manager Commercial, Port of Melbourne]
- Darren McNamara** [Director Strategy Freight Branch, Transport for NSW]
- Lee Schmelich** [Country Manager Australia, Visy Logistics]
- Max Kruse** [Head of Commercial & Sales Intermodal - IMEX, Pacific National]
- Mark Owens** [National Transport and Logistics Manager, Manildra Group]
- Campbell Mason** [GM Commercial and Business Development, NSW Ports]
- Patrick Chan** [Chief Commercial Officer, Victorian International Container Terminal (VICT)]
- Jason McGregor** [ANL & CMA CGM Sales Director Australia] – global and domestic forecasts
- Kurt Wilkinson** [Vice Chair Australian Peak Shippers Association (APSA), Fletcher International Exports]
- Justin Bond** [Committee Member, Australian Peak Shippers Association (APSA), Head of Global Logistics and Customer Service, SunRice]
- Danielle O'Connor** [Group Exports Logistics Manager, Teys Australia]

Patrick Hutchison [CEO, Australian Meat Industry Council (AMIC)]

David Ironside [Assistant Secretary Plant Exports Operations Plant and Animal Exports Division – Department of Agriculture, Water and the Environment]

Arthur Spellson [Cotton Manager Australia, ADM Trading Australia, Director, Australian Cotton Shippers Association (ACSA)]

David Alpen [Regional Operating Officer ANZ at Treasury Wine Estates]

The Hon. Michael McCormack [Member for Riverina, NSW] INVITED

Gina Cass-Gottlieb [Chair, Australian Competition and Consumer Commission – INVITED]

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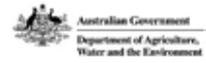
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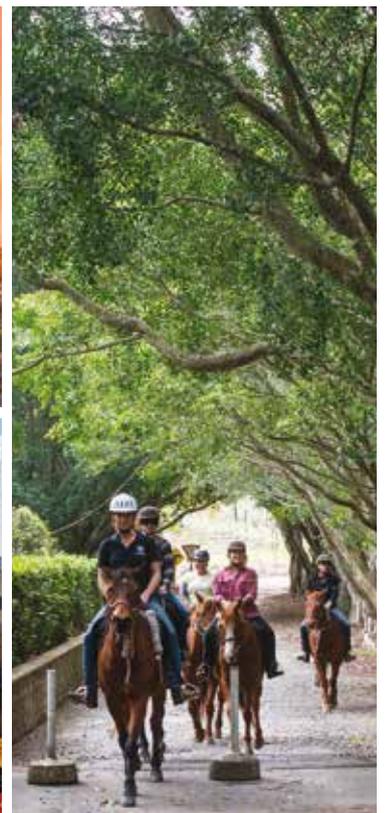
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NITL: Elevating the Shippers' Voice

By LORI FELLMER, Vice President Logistics and Carrier Management - BassTech International |
Chair of the Ocean Transportation Committee – National Industrial Transportation League

The National Industrial Transportation League (NITL) has a legacy of advocacy for US shippers and works tirelessly to earn the label “The Shippers’ Voice Since 1907”. As a founding member of the Coalition for Fair Port Practices, established to confront unreasonable practices surrounding demurrage and detention billing, NITL was instrumental in the Fact Finding 28 initiative of the Federal Maritime Commission (FMC) that eventually resulted in the May 2020 issuance of an Interpretive Rule. While not carrying the imperative of a regulation, the Interpretive Rule clearly and comprehensively outlined the relevant behaviour and practices that the Commission, if faced with a complaint, would consider unreasonable and therefore unlawful. Unfortunately, the rulemaking has not resulted in changes to practices despite ocean

carriers having deeply participated in the extensive stakeholder sessions that led to the Commission’s conclusion. As US businesses navigated through the pandemic and dealt with unprecedented congestion in our US ports crippling the flow of goods, ocean carriers continued to charge shippers and their trucking partners record breaking amounts of demurrage and detention. This behaviour was the brazen offence that propelled a movement throughout the US shipper community calling for reform of the fundamental piece of legislation governing US shipping, the Shipping Act of 1984 (the Act).

In May of 2021, the NITL issued a proposal that outlined specific language for modification of the Act, addressing not only demurrage and detention but also a collection of other concerns in the ocean transportation network that had been long-plaguing US shippers and had become magnified during the pandemic. The Act was last reformed in 1998, when the top ten ocean carriers controlled less than 40% of the global market. Compare that with today, when three carrier alliances, which operate with antitrust immunity, control more than 80% of the market and it is no surprise that the existing laws are proving inadequate to ensure that US businesses have access to reliable and economical ocean carriage.

As the summer of 2021 progressed, the reliability of ocean services continued to spiral to new lows while freight rates sky-rocketed to astronomical heights. With a spotlight trained on the suffering supply chains of US businesses and the associated product shortages, US exporters struggling to serve their overseas sales because of an ocean

transportation network that was failing them and looming concern about the inflationary impact of these events, we witnessed tremendous activity around supply chain issues by our federal government here in the US. In June, the FMC announced a new National Shippers Advisory Committee whose function is to advise the FMC “on policies relating to the competitiveness, reliability, integrity, and fairness of the international ocean freight delivery system.” In July, following a 3-month study by a specially formed Supply Chain Task Force, President Biden issued an Executive Order promoting competition in American markets, highlighting consolidation in the ocean container shipping industry and encouraging the FMC to “vigorously” address unjust and unreasonable practices related to demurrage and detention. Immediately thereafter, our Department of Justice’s Antitrust Division and the FMC signed the first interagency Memorandum of Understanding to foster cooperation and communication between the agencies to enhance competition in the maritime industry. By August, our House of Representatives introduced a bill, the Ocean Shipping Reform Act of 2021 (OSRA21), which included the NITL’s May proposal items and more. In February of 2022, our Senate introduced their version of an Ocean Shipping Reform Act. While the two versions of OSRA have differences, they both offer meaningful improvements to the Act that will enable it to better govern the ocean transportation environment of today.

A primary feature of both bills is the intention to convert the FMC’s Interpretive Rule of Demurrage and Detention into law. The concept is further expanded to address the untenable



position of the shipper and trucker communities who are today unreasonably burdened by excessive administration to dispute inappropriately billed demurrage and detention fees. Both bills offer relief by requiring carriers to certify the accuracy of their demurrage and detention invoices, offer access to the FMC for dispute resolution, lay the burden of proof on the invoice issuing carrier and enable the FMC to order refunds for wrongfully billed fees.

Beyond demurrage and detention issues, the bills enhance the current list of prohibited acts as found in the Act to prohibit discriminatory practices more specifically as they relate to the vessel space accommodation for shipments. The House bill goes further by, for example, requiring minimum service standards for ocean carriers. NITL continues to push for passage of a final bill, but whichever version of OSRA moves forward, it is likely that the details of these provisions designed to improve reliable access to ocean services will require a rulemaking by the FMC, during which process input from the shipping community and all stakeholders will be solicited.

The most recent development from our federal government is the joint announcement from the DOJ Antitrust Division and the FBI of an initiative “to deter, detect and prosecute those who would exploit supply chain disruptions to engage in collusive conduct.” The Antitrust Division is “prioritizing any existing investigations where competitors may be exploiting supply chain disruptions for illicit profit.” The DOJ also advised of their engagement in a global working group with the Australian Competition and Consumer Commission, the Canadian Competition Bureau, the New Zealand

Commerce Commission and the United Kingdom Competition and Markets Authority that is focusing on global supply chain collusion.

“It is impossible to know where this path will take us, but it is clear that our government has heard the voice of our shippers and is responding accordingly. It is encouraging and reassuring to know that it is not only US businesses but colleagues the world over who are speaking up about what has become an unworkable and unacceptable ocean transportation system and their governing bodies are also responding,” stated Nancy O’Liddy, Executive Director of NITL. “Hopefully, some balance will be returned so that all businesses will once again have the opportunity to prosper with some comfort that their ability to rely on common carriage for the ocean export and import of their goods has some measure of dependability.”

“ *A primary feature of both bills is the intention to convert the FMC’s Interpretive Rule of Demurrage and Detention into law* ”



Late news

As this article is being submitted there is a rapidly developing issue. The White House had issued a Fact Sheet entitled “Lowering Prices and Leveling the Playing Field in Ocean Shipping” which included a statement that President Biden is calling for robust reforms to the ocean shipping industry, including reforms that address the current antitrust immunity for ocean shipping alliances. The President further amplified his concerns during his State of the Union Address on March 2, where he announced, “a crackdown” on ocean carriers overcharging American businesses and consumers while stating that “capitalism without competition isn’t capitalism”. A Senate Commerce Committee hearing on pending OSRA legislation was held on March 3 and Chairman Maffei and Commission Dye answered probing questions by Senators, including about what authority the FMC is lacking in order to further help US businesses. The comments from Committee Chair Sen. Cantwell suggested that legislation to strengthen the authority of the FMC is forthcoming and that antitrust immunity for the ocean carriers was under significant scrutiny.

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Regional Australia reaps the rewards of a rich harvest

By CAMPBELL MASON, NSW Ports General Manager Commercial and Business Development

Australia has harvested what will be our most valuable winter crop ever. That prediction by the Australian Bureau of Agricultural and Resource Economics comes as strong growing conditions and booming commodity prices are expected to help farmers produce a record \$81 billion in agricultural output this financial year.

Much of that rich harvest was shipped offshore, driving agricultural exports to a high of \$64 billion, according to the bureau's Agricultural Commodities Report. The sector is reaping the rewards of decades of productivity growth in a record-breaking year, driven by bumper crop production and the highest prices for Australian agricultural produce in 32 years.

That combination of good seasonal conditions and prices are a welcome reward for farmers after many years of toil, from wheat and cotton growers in northern NSW to wine producers and meat exporters in the Riverina.

NSW Ports is proud to be a vital link in the supply chain that brings such high-quality Australian food and fibre to the world.

We work closely with Australian agricultural exporters, from paddock to port, handling millions of tonnes of diversified trade through our key gateways at Port Botany and Port Kembla, supported by several intermodal hubs in metropolitan Sydney, including our Enfield and Cooks River facilities.

Direct rail links and freight connections to our ports drive the export of Australia's finest regional commodities to global markets, in the most efficient and sustainable way possible. Almost 90 per cent of regional NSW container exports through Port Botany travel to the port by rail. Port Kembla, the designated location for NSW's next container terminal, handled more than 13 million tonnes of dry bulk product for export last year, much of which came to the port by rail.



Those essential regional rail links eliminate the double handling of containers by trucks, reducing travel times and handling fees while increasing supply chain efficiency for exporters.

As the seasons have turned around, the trade through our ports has naturally grown. Bulk grain exports increased from 15,000 tonnes in 2020 to 3.3 million tonnes in 2021 – an extraordinary and welcome increase for producers and all involved in the trade. The export of containerised grain also increased, more than sixfold, on the previous year.

As the nation's only container port with on-dock rail directly into each of its three container stevedoring terminals, containers at Port Botany can be transported from paddock to port by rail and onto a ship without needing to be transferred to a truck, saving time and money for exporters and businesses. Regular shipping services then connect Port Botany to our key export markets.

To meet the growing demand for rail, NSW Ports is investing more than \$120 million to double rail capacity at the Patrick's facility in Port Botany. This will deliver 33 per cent faster turn-around times, more rail windows for regional trains and decrease reliance on truck transportation.

Further investment, by NSW Ports and terminal operators, will be made to create capacity to handle 3 million TEU (20-foot equivalent units) by rail annually. We also welcome the investment by rail operators in new rolling stock to expand their carrying capacity.

The future looks bright for the people and businesses of regional NSW, with the establishment of major and much-needed developments that will deliver significant benefits to local economies. Exciting new projects, such as the Riverina Intermodal Freight and Logistics Hub and the Northern NSW Inland Port, will bring even greater connectivity for exporters in our invaluable regional areas.

We fully support such developments and applaud the work of governments and local authorities to bring such projects to life. A strong agricultural sector makes the nation stronger, as the results of our record winter crop make clear. NSW Ports is proud to play a part in helping our farmers reap such a bountiful harvest.





Keeping NSW's Economy Moving from Paddock to Port

NSW Ports provides key logistics and supply chain services to the people and businesses of regional New South Wales.

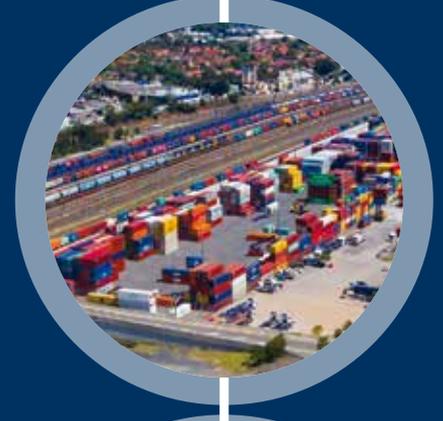
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They are from the Government, and they are here to help....

By ANDREW HARRIS, Resilience and Critical Infrastructure and TRISTAN ANDERSON, Transport and Infrastructure Strategy - GHD Advisory

With emerging geopolitical tensions, increasingly frequent major climatic events, global pandemics, cyber security attacks, and social disenfranchisement it is evident that to create a truly resilient Australia, the private sector needs to embrace government's leadership role, and government needs to lower any barriers to cooperating with industry.

Events, and combinations of events, which seemed distant and unlikely two or three years ago, are now understood to be well within the realms of possibility. The impact of these catalysts and how they impact our highly connected and integrated economy and supply-chains is evident even in straightforward cause-and-effect scenarios, this is particularly the case when the situation becomes more complicated.

Russia's brutal invasion of Ukraine sees international sanctions bite, the Rouble crashes, wheat prices rise, oil prices rise. Premium fuel at your local bowser soars past \$2.20 a litre. Deadly floods inundate the east coast of Australia. Essential services providers are on heightened alert for cyberattacks. The logistics sector has barely recovered from COVID-19, never mind the east-west railway disruptions. If this is the picture when conflict on the other side of the world exacerbates existing domestic and existential pressures, how do we prepare for a conflict closer to home?

Underpinning national resilience to these converging political, environmental, social and economic threats is supply-chain resilience, no longer supply-chain efficiency. Major supermarkets might have been able to drive down costs in the past, but it's the local retailers who've demonstrated the value of diversified supply-chains, some of whom have avoided stock shortages. Toilet paper became a truly fungible commodity as herd mentality created an ultimately unwarranted shortage, showing the importance of understanding human psychology within your supply-chain strategy. Meanwhile in the background, water utilities were reduced to minimal inventory of treatment chemicals having relied on just-in-time supply, it was the larger, more prepared, more resilient utilities who stepped in to help.

The Australian government is starting to see the benefit of recent years' efforts in beginning to take leadership of national resilience by cooperating closely with the private sector. With a headline focus on critical infrastructure through the Security of Critical Infrastructure Act Amendment (2021) and a subtext of supply chain and logistics, the Department of Home Affairs Cyber and Infrastructure Security Centre (CISC) is engaging directly with asset owners and operators in key sectors to maximise baseline and emergency resilience of our national essential services infrastructure. At the same time, in response to this legislative focus, the Department of Industry, Science, Energy and Resources (DISER) has delivered a range of grants to the private sector through the Supply Chain Resilience Initiative (SCRI). With the coordinating oversight of the Office of Supply Chain Resilience (OSCR) within the Department of Prime Minister and Cabinet, the federal government is seeking to mitigate national vulnerabilities where they lie: within the private sector.

Just as essential services infrastructure has been privatised and as manufacturing has increasingly moved offshore due to decades of emphasis on efficiency during times of relative global stability, an apparently sudden emphasis on security and resilience is forcing greater government

cooperation with critical infrastructure owners and operators, and an urgency to bring manufacturing back onshore. The only institution with the reach and impetus to direct this effort so broadly, and deeply, is the federal government, in partnership with the private sector.

Together, with domain expertise from across Australia's critical infrastructure sectors, technical consulting firms such as GHD, along with industry peak bodies, like Freight & Trade Alliance (FTA) and the Australian Peak Shippers Association (APSA), who work at the nexus of the public and private sector, can connect government efforts and resources to opportunities to secure our national critical infrastructure and supply chains across state and territory boundaries. The nexus between the public and private sector needs to continue to close to create a truly resilient Australia.





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Love meat tender – beef exports to Mexico surging

Australian meat exports to Mexico have risen significantly in the last five years, with a growing cohort of young, wealthy Mexicans powering a trend for top quality food at home and in restaurants.

Aussie exporter Jack's Creek – winner of four "world's best steak" awards – specialises in grain-fed Wagyu and Angus beef and has embraced the opportunity, with great results.

Family owned and run, Jack's Creek breeds and runs its cattle on a lush North West NSW property near the Great Dividing Range.

It was one of the first Australian companies to breed, grow, feed, process, and market Wagyu beef and today it exports to over 30 countries.

Patrick Warmoll, Jack's Creek Managing Director, says Mexico presents an exciting myriad of opportunities for the company, and for the Australian meat industry at large.

'Young consumers have more pesos to spend,' says Warmoll. 'They are fuelling demand for high quality food and a greater dining out experience. Mexican consumers are willing to experience new cuisines. They are more interested in branding and convenience.'

Working with Austrade, under the \$72.7 million Agribusiness Expansion Initiative which is helping exporters overcome the twin challenges of the pandemic and difficult trading conditions, Jack's Creek has already seen a surge in orders.

The appetite for premium chilled beef products from Australia has also increased, with Mexico traditionally a market for frozen beef cuts.

This is because Australian beef enjoys a global reputation for flavour, juiciness, tenderness, and quality, Warmoll says.

Mexico offers Australian beef exporters various opportunities. The main cut imported from Australia is thin flank. It is used in a variety of popular local dishes requiring thin, leaner beef cuts, such as fajitas. Jack's Creek has painstakingly carved its own niche.

'Touristic places like Cancun, Cabos and Mexico City consume the majority of the high-quality beef we've exported,' says Warmoll. 'We've found that the Mexico market is also strong for loin cuts, like rib eye, striploins, and tenderloins.'



Additionally, meticulous food safety, animal welfare and traceability standards underpin its clean and green credentials. Importantly, Australia's chilled beef has a world-leading shelf life.

Beef imports from Australia to Mexico were consistently higher in 2021 than 2020. From January to July 2021, Mexico imported 603.84 tonnes of Aussie beef - a 26 per cent increase on the same period in 2020.

Importantly, Australian exporters have better access to the Mexican market thanks to the CPTPP, which commenced in 2018.

'This agreement represents an opportunity to further deepen trade and investment ties between the two countries,' says Warmoll. 'Mexico is the second largest economy in Latin America. We believe a country with a population of 130 million is a great opportunity market.'

Jack's Creek also drew on Austrade's in-market experience and meat industry contacts, working closely with Austrade business development managers and trade experts who provided – among other vital support services - real time market analysis and advice.

Additionally, having dependable representation overseas is central to overcoming bureaucratic or regulatory obstacles, according to Warmoll.

'Having the right partners and distributors has been important to develop the brand and to import the product correctly,' says Warmoll. 'We have been able to expand sales to consumers, retailers, food service companies and wholesalers with our distributors.'

'Our partners have been in business for a significant number of years. They have

already created a network and are familiar with importing requirements. In addition, the customer service work has been outstanding. We believe this is due to the great communication, the training and the marketing between us and our distributors.'

Austrade collaborates with the Department of Agriculture, Water and the Environment on phytosanitary processes, including export certificates. It also works closely with the Department of Foreign Affairs and Trade in Mexico to improve export opportunities.

The Agribusiness Expansion Initiative supports Australian agricultural exporters seeking to diversify their market base and continue to grow sales in existing markets.

This targeted initiative has delivered a surge in Austrade services and trade experts both at home and abroad and assists Australian agri-exporters by:

- delivering valuable market and industry insights;
- providing information to understand market entry requirements;
- introducing Australian exporters to customers; and
- maintaining and value-adding existing relationships

The surge in services and rapid scale-up of specialist trade support for agribusinesses under ABEI has meant, to date, more than \$440 million in orders across more than 500 individual facilitated trade outcomes.

Additionally, more than 6,600 food and agribusiness users have logged on to Austrade's digital services giving them access to over 3,500 market profiles and intelligence reports.



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Could Northern freight hubs create a new bi modal import solution for Australia?

By SARA HALES, Head of Aviation and Air Cargo – Freight & Trade Alliance (FTA) | Director - AVISTRA

Unprecedented impacts to global shipping and aviation have heavily impacted supply chains both into and out of Australia.

Air freight costs into Australia have increased by 2.5 to 6 times pre COVID rates (varies by trade lane). Sea freight costs have also increased significantly, reliability and timeliness issues are also posing significant risk for numerous supply chains.

At AVISTRA we have noted an increase in the average value of air exports – driven by a reduction in lower yield product travelling on air (as a proportion of the overall air freight task). This change is likely driven by the interaction of increased air freight

rates and a low level of resilience to freight cost increases when considering what constitutes a globally competitive price for many of our exported primary industry products.

While the world moves on from COVID (hopefully), geopolitical conflict threatens to continue to complicate supply chains, and increase base costs such as fuel.

As shippers deal with significant cost increases, reduced capacity and fractured continuity of service globally, various multi modal and bi modal solutions have evolved to offer a blend of cost and reliability that meets the critical operational needs of many businesses.

Multi- (or bi-) modal service offerings, using a mix of sea and air, for example, offer a solution that costs less than air,

and offers greater reliability and more timeliness of delivery than sea.

For shippers who need to transport product across the world for the right price, in a reasonably timely and reliable manner, this is a good potential solution.

For Northern Australia, this presents an opportunity.

Darwin International Airport (DIA) engaged AVISTRA to develop an air freight strategy in 2021. As we together explored the opportunity for Darwin, and the cargo task into and out of the top end, we observed opportunities around latent capacity southbound out of Darwin, on both air and road. The typical supply chain either enters Australia, or starts, at the major cities on the east coast. Hundreds of trucks operate north bound to Darwin every month. Many return south empty.

In terms of air freight capacity, on the express freighter network and loose hold domestic airline capacity, a similar phenomenon exists. The northbound leg is the revenue leg. Southbound, significant under utilisation of capacity exists.

At about the time we thought about this we had a conversation with an aircraft operator looking to gain some efficiencies on the operation of a freighter aircraft from the northern hemisphere into Australia. In terms of asset utilisation, the option of turning the aircraft at Darwin was attractive. Turning the aircraft at Darwin could mean the aircraft could be deployed on two round trips in 24 hours rather than one, more fully unlocking the revenue earning potential of the aircraft, and also unlocking some efficiencies around crew operations including removing the need



to have crew positioned in Australia, on the particular sector being considered.

At the time, we were also thinking about issues with international crew being able to enter and leave Australia, and it occurred to us that crew flying from Singapore (for example) to Darwin return would possibly not even have to enter Australia at all, and that a dispensation might be available in order to permit this and preserve supply chains.

While we have moved on somewhat from the challenges around crew quarantine posed by COVID-19, we are still in a much-changed logistics environment.

Today, AVISTRA, DIA and other airline and freight forwarder industry partners are exploring a bi-modal import solution via Darwin International Airport. We've modelled significantly reduced flying time (obviously, Darwin is much closer to Asia than Sydney or Melbourne), and a resulting significant reduction in airline operating cost. We also speculate about gained fleet and crew efficiencies from the shorter sector.

Working with local trucking company, Shaws Darwin Transport, and with air freight export road transport provider, Wymap, we mapped an end-to-end logistics solution flying into Darwin, then by road to Brisbane, Sydney and Melbourne, and offering an estimated 30% reduction in freight cost when compared to direct air freight services.

Of course, it's a little slower, however, is more reliable than shipping, and 30% is a significant and attractive cost saving in an industry that will often quibble over cents.



And, around Christmas time, when retail stock matters and air freight capacity is heavily competed – this low-cost way of getting urgently needed stock into the country also offers an opportunity to add inbound capacity to Australia at a fraction of the cost of the previous paradigm.

Of course, the other benefit is reduced emissions, which as major companies move towards Scope 3 reporting may become more important as a selling point for any logistics solution.

DIA and AVISTRA will continue to explore this concept with interested airline, forwarder and shipper parties, with some conversations maturing quickly. The flip side, particularly around the peak period, is that Darwin offers a strong trade of export mangoes and melons as a backload to the northern hemisphere.

Allan Woo, Aviation Development Manager, Airport Development Group (who own DIA) said "Darwin is perfectly situated to serve as a hub for freight and

passenger services between Australia and key Asian markets.

Our infrastructure and freight facilities, including purpose-built cold storage and vapour heat treatment facility, offer airlines convenient, efficient, and cost-effective connections."

We're hoping that by thinking out-side the box we can unlock efficiencies in latent demand to offer a multi modal import solution for Australia that is cheaper than direct air, creates capacity where it is most needed, is faster and more reliable than sea transport.

There is a genuine opportunity to reposition northern airports like Darwin as an import port. Doing this effectively can help unlock airfreight capacity to more fully support the development of their export potential, while helping to solve challenging problems for Australia's importers and freight and logistics community.

The freight and logistics industry will innovate in response to current constraints and challenges. This is just one example of industry innovation creating new freight products which speak to the shippers' combined needs of reliability, timeliness, affordability, and availability of capacity.

DIA and AVISTRA welcome contact from any potentially interested parties. Contact AVISTRA in the first instance.



Global Recognition & Our Focus on Sustainability

By BEAU PAINE- Regional Vice President Cargo, OSEA | Menzies Aviation | Sydney

2021 finished on a high for our global cargo business as we were recognised with the Best Cargo Handling Operation Award at the annual GHI Pride of Ground Handling industry awards.

The GHI judges said Menzies had adjusted to the challenges posed by the pandemic to make sure processes were followed, interruption to customers and the supply chain was minimised and quality of service was upheld.

The award recognised Menzies recent growth and success as a result of being agile and flexible. It also acknowledged that we quickly adapted to support the increase in global air cargo, such as transporting PPE, and also secured a number of significant contract wins including:

- The launch of cargo handling at its single biggest cargo location to date with only 30 days' notice to provide a handling solution for 250,000 tonnes of cargo for Avianca at their regional hub in Miami.
- Expanded into new markets with joint ventures in Pakistan, Iraq and China where cargo will be a key component of services as Menzies looks to expand in these new markets.
- Developed a global partnership with Qatar Airways which has expanded from London Heathrow to 14 locations in Australia, New Zealand, USA, Macau and Bucharest with combined annual cargo volumes of over 200,000 tonnes.



Technology and innovation across Menzies' air cargo services was also put under the spotlight, with a focus on how efficient and effective technology is supporting the commercial growth plans of the business. Looking forward to 2022, we will be trialling robotic solutions in our Sydney and Melbourne facilities and also reviewing driver management processes and solutions with a focus on electronic reception and slot bookings.

Sustainability in Action

In April 2021, Menzies' launched a plan called **All In**, for a fair and sustainable future. The industry leading strategy has high-level goals across four key areas: **health & safety, legal & ethical, people, and the environment**. It also includes a commitment to becoming carbon neutral for Scope 1 and 2 emissions by 2033, Menzies 200th anniversary.

All In encapsulates Menzies commitment to making a positive difference in a changing world for its people, communities and the planet. The plan underpins Menzies' own sustainable growth and resilience, while also supporting the wider aviation industry.

In late 2021, Menzies became a signatory of the UN Global Compact and is participating in two UN Accelerator programmes, Target Gender Equality and UN Climate Ambition Accelerator Programme. Menzies has also committed to setting Science Based Targets and establishing transparent plans for achieving these, in line with the Business Ambition for 1.5°C campaign, limiting global temperature rise to 1.5°C. Alongside this, Menzies has reviewed carbon offsetting and socially responsible projects to invest in with ClimateCare, committing to purchase 43,000 tonnes of offsets.

Within our own operations, Menzies has been investing heavily in transitioning to electric and lower emission ground service equipment (GSE), where airport infrastructure allows, to reduce its carbon footprint and support customers' sustainability ambitions. For example, Menzies is providing fully electric aircraft turns at three European airports, and recently expanded its electric GSE fleet at Manchester Airport. In our cargo operations, we are actively converting

combustion forklifts to electric forklifts and have ordered 24 new Lithium Ion powered forklifts for our Sydney cargo operations. Menzies is also working alongside airline partners on a variety of sustainable aviation fuel programmes, most recently supporting British Airways by fuelling its transatlantic flight BA001 with sustainable aviation fuel.

Across the business, Menzies has implemented a Go Paperless initiative, which analyses paper use via monitoring software, and is digitalising processes and ways of sharing information with teams. A key example is the adoption of a document management solution for cargo which is active in London and is to commence trials in Sydney and Melbourne in 2022. Menzies is also collaborating with customers to identify where paper is produced as part of shared procedures, to either change or digitise these processes together.

As well as putting into place paper saving initiatives, Menzies launched the Menzies Aviation Grove, an initiative in partnership with registered charity Trees for Life, through which Menzies can donate funds for rewilding or tree planting in the Scottish Highlands. At a recent industry conference Menzies committed to planting trees on behalf of customers and will continue to donate trees to the grove.

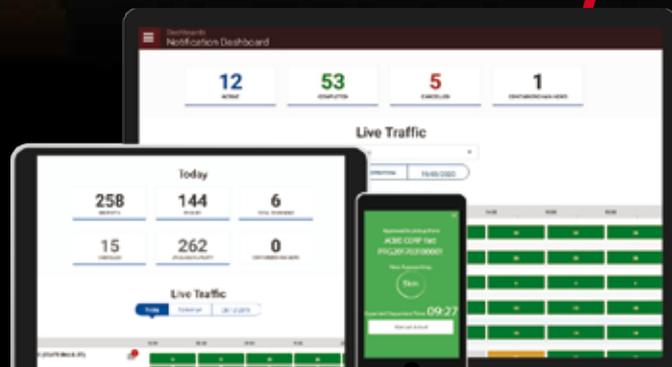
Internally, Menzies has set up an Equity, Inclusion and Belonging Working Group, which is developing positive actions for colleagues. A Women in Leadership development programme is being piloted following the backing of IATA's 25by25 global initiative to change the gender balance within the aviation industry. A Wellbeing Working Group has developed a Wellbeing Hub for Menzies employees to access support and resources, and Air Menzies International has developed a Wellness Programme for 2022.

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SALTA'S \$155 MILLION DANDENONG SOUTH INTERMODAL TERMINAL

Construction of the Dandenong South Intermodal Terminal, between Salta Properties and Victorian Government is about to begin.

Works will commence mid 2022 and the project is expected to take around 24 months to complete, becoming Melbourne's largest Intermodal Terminal.

The new terminal will be situated 35 km south-east of the CBD on Salta Properties' 180-hectare Nexus Dandenong South Industrial Estate.

Salta will invest \$155 million to construct the Nexus Dandenong South Intermodal Terminal on its property. Concurrently the Victorian Government and Commonwealth Government will jointly invest \$28 million to develop the adjacent government owned land to connect rail to Salta's Intermodal Terminal site boundary.

Two 700 metre rail tracks will be constructed within the Intermodal Terminal, linking to an additional 800-metre spur track being built by the Victorian Government to link the facility with the main line.

It is the Government's objective to retain Victoria's status as the number one destination for containerised freight in Australia.

The Dandenong South rail connection is just one part of the broader Victorian Port Rail Shuttle Network, forecast to cut freight transport costs by up to 25 per cent, while

slashing truck movements on suburban roads by up to 175,000 trips each year.

Sam Tarascio Snr, Salta Properties Founding Director, said in anticipation of the Intermodal Terminal, Salta has already made a significant investment into its Industrial Estate.

"To date, we have invested in excess of \$200 million into Nexus Dandenong South, which has been spent on land, road, and other infrastructure works," said Mr Tarascio.

"Nexus Dandenong South is regarded as a first-class industrial estate and appeals to tenants due to its connections to the city, the Port of Melbourne, and major logistic ariels to the South East," Mr Tarascio continued.

The value of Salta Properties' warehouse developments at Nexus Dandenong South Industrial Estate will exceed \$1 billion over the next three to five years. The estate is already home to major users of freight services including Woolworths' \$215 million Melbourne South Regional Distribution Centre, Bunnings' 40,000m2 Regional Distribution Centre, plus major logistics businesses, Mondiale VGL and Silk Contract Logistics.

"Significant capacity still exists for additional tenants, who can benefit from being located

adjacent to the Dandenong South Intermodal Terminal," Mr Tarascio added.

On completion, the Dandenong South Intermodal Terminal will be a 24 hour, fully automated terminal and will offer a safer working environment for users, setting a new benchmark in terminal innovation.

It will be equipped with the latest technology that enhances operational efficiency and supports future growth of up to 560,000 twenty-foot equivalent units per annum.

Trucks will have dedicated lanes for loading and unloading, and the use of Automated Rail Mounted Gantry Cranes (ARMGC) will reduce noise pollution because they are powered by electricity over diesel powered reachstackers, which also allows the cranes to lift and lower containers with precision, assisting in preventing damage to containers.

Another environmental benefit of the ARMGC is the use of a specialised power feedback system that allows the crane to generate its own power when lowering a container. This power is either redirected to assist other cranes that are performing a lift or is fed back into the grid. ARMGC also produce a smaller carbon footprint when compared to diesel powered reachstackers.

During peak periods, the automated cranes will have capacity to handle both trains and trucks simultaneously. While during non-peak periods, they can perform housekeeping functions (i.e. optimising the container stack for upcoming moves).

The Intermodal Terminal will be controlled by a state-of-the-art Terminal Operating System (TOS), which is best described as the brains of the operation. It instructs the cranes on what moves to perform and optimises crane operation time to efficiently manage operations.

The TOS is integrated with the vehicle booking system (VBS), which manages truck appointments at the terminal and the Gate Operating System (GOS) that coordinates truck entry and exit.

The entry and exits have an Automated Optical Character Recognition System, which provides high definition photos of containers to the terminal operator and scans the container registration number to inform the TOS.

“Salta Properties is currently in discussion with a number of major logistics operators

in regard to the terminal’s operations,” Mr Tarascio concluded.

For more information on the Dandenong South Intermodal Terminal, please visit: www.salta.com.au/projects/dandenong-south-intermodal-terminal/



Recruitment 2022

By LEANNE LEWIS, Managing Director – Insync Personnel

Recruiting new employees in 2022 is tougher than ever before due to a variety of reasons that include the pandemic, closed borders and excessive workloads which have all played their part in creating a talent shortage.

Insync Personnel has never had in its 10 years of business as many job opportunities available for experienced industry candidates as it does right now.

As positive as that sounds from a recruitment perspective, the office environment and employee expectations as we knew it pre-pandemic couldn't be any more different.

Candidate Driven Market

We've all been seeing and hearing about the Great Resignation through the past year, and the flow on effects. The market has seen a shift in power, with more job opportunities than candidates available - tipping the scales in favour of applicants (and they know it). With many employers eager to hire from a smaller pool of talent, demand has driven up the salaries and benefits available to these candidates.

Competing on salaries alone is going to be unsustainable, and this will drive more employers to focus on what value they can truly provide to their employees.

Focus on Employer Branding

In a competitive market, employers need to distinguish themselves from others looking to hire the same talent, and building a strong employer brand is a powerful first step.

The focus on employer branding has been going on for some time, however the current talent shortage has increased the need to position yourself as a great place to work.

With so many options on the table, candidates can be more discerning about who they work for, taking company culture, flexibility, and work-life balance into consideration. Organisations are providing more options to their employees to build stronger employer brands and reduce turnover. In addition, promoting your company mission, values, and a bit of personality can go a long way in attracting the right candidate.

Hybrid and Remote Working

Another key trend that we've seen emerge in the pandemic and expected to continue this year and beyond, is Hybrid and Work from home opportunities. Due to the pandemic, many businesses were forced to close offices. Organisations had to adapt, and thus came the widespread implementation of working from home.

Now that restrictions have eased, and offices reopened, much of the workforce is reluctant to give up the newfound comfort of remote work. As such, many organisations have now developed a hybrid approach, with employees splitting their time between office

hours and working from home. International Freight is not an industry known for its' adaptability when it comes to working from home but if you want to continue to ensure you are choosing from the widest pool of the best talent available in the industry, hybrid work from home options must be a choice.

Hire for Soft Skills

The International Freight & Logistics industry has lost a great amount of knowledge and skills due to the high pressure and unrealistic expectations of work throughout the pandemic. This will need to be re-couped quickly if we don't want it to get any worse.

Organisations are increasingly needing to hire for soft skills. Hard skills can be taught, but things like effective communication, collaboration and productivity are harder to change.

Remember that you were given an opportunity once to be trained and supported which has got you to be where you are today!



Risks surrounding abandoned cargo

By JOHN THOMSON, Senior Claims Executive – TT Club

With supply chain congestion and widespread delays in the container trades currently being experienced, abandoned cargo is likely to cause headaches for many forwarders and logistics companies. John Thomson, Senior Claims Executive at international freight transport insurer, TT Club in Sydney, sheds light on the ramifications and advises how to tackle the situation.

“ *Simple lesson – leave nothing to assumption; preparation and practice are key.* ”



Cargo abandonment has always been problematic, the surge in container demand over a lengthy period has however compounded container ship capacity issues, port congestion and consequent severe transit delays. Such delays and potential additional costs to the cargo owners do little to alleviate the practice of cargo interests to abandon their cargoes when faced with circumstances such as loss of their market for goods or even bankruptcy.

There can be many potential causes of cargo being abandoned at some point in the supply chain – understanding what they are should offer some protection. Most commonly, goods are abandoned at the destination port. For forwarders and others responsible headaches occur in dealing with the long-term storage issues, collecting outstanding charges, tracking down of interested parties and possible disposal of goods, all of which have a significant demand on management and operational resources.

In some cases, physical dangers may materialise. Even amongst sophisticated and well-ordered operations, it has been known that regulated consignments of hazardous and dangerous goods have simply been ‘lost’ in the system, causing potential fire, leakage and explosion risks. There is no room for complacency, and therefore ongoing, routine physical checks remain necessary adjuncts to technologies.

It is critical that forwarders and carriers make efforts to identify problematic commodities, routings and destinations. Other ‘red flags’ may include uncertainties concerning the nature of the shipper or sanctions issues. The simple lesson is that all bookings should be subject to deliberate business decision-making – and procedures should be crystal clear on how to handle all exceptions. Adequate advance consideration will lead to an informed commercial decision to decline the booking.

Similarly, be alert to the risks presented by counterfeit, non-compliant and prohibited goods. Inevitably, identifying such shipments, and the criminals who are seeking to exploit legitimate transport operations, presents substantial difficulty. It is likely that the goods will not be declared accurately, both as concealment of the illicit trade, and in terms of the nature or potential hazards presented.

Knowing your shipper is fundamental in identifying heightened risks. Not all cases of abandoned cargo involve a shipper who intentionally seeks to deceive but conducting careful due diligence will pay dividends. The reliability of the shipper is an important consideration in order to assess any heightened risk. Consider the routing of the cargo being presented for shipment. Deliberately develop knowledge over time in relation to usual trade routes for certain commodities.

The underlying sales contract will not usually be visible to the forwarder or freight operator, but its terms could point to an elevated risk of abandoned cargo. Be alert to factors that may indicate potential problems, not just where cargo is “shipped to the order of” but also changes in economic or market conditions.

TT Club has a mission to advise and help mitigate such problems and therefore has published a StopLoss document, Abandonment of cargo: Avoiding the pitfalls*. It is important to identify ‘red flags’ – certain commodities, such as waste, scrap, materials for recycling and personal effects. Furthermore, once the cargo is defined as abandoned, the publication outlines the role of enforcement agencies and the responsibilities of others involved in the supply chain.

As mentioned, certain commodities present more risk – and may be influenced by geographical or seasonal conditions. Being alert at the outset of the booking process may reduce exposure. Experience will complete your list, but here are a few commodities commonly presenting higher risk:

- Waste (all kinds including fabric, paper and wood)
- Scrap (metals, plastics, wood)
- Cargoes intended for recycling (often waste shipments with an alternate descriptor)
- Used computer equipment
- Used tyres
- Personal effects

While the reasons for abandoned cargo vary, most are relatively low value, high volume and often not newly manufactured goods. However – and particularly arising from cargo integrity concerns – it is important to recognise that declarations may also be fraudulent.

Abandoned cargo is not a new challenge. Every year delivery delay or failure of the consignee to collect cargo results in substantial storage, container demurrage and container detention costs. These issues are also invariably complex and require expensive management time to resolve. There may be no legal or contractual way to escape liability or recover the costs associated with abandoned cargo, including container demurrage, port storage, disposal costs or fines.

As a result, learning how to identify risks early to help mitigate the inevitable fallout is key. Commonly, TT Club recommends establishing effective due diligence procedures and develop specific processes to identify suspect shipments in order to stay one step ahead. Early detection and proactive management reduce losses. However, in the complex logistics supply chain such things are not always straight-forward; while sales pressures should be managed, relationships with partner operators may dictate tolerating certain bookings where assurances are less present.

In common with many troublesome issues, the reality is that abandoned goods effect a small fraction of transactions, although it will have a disproportionate impact on time, distraction and cost. Whatever the cause – be it mistake, fraud, insolvency or fiscal issues – the lessons need to be learned the world over. In addition to the financial implications, TT has been involved in a number of instances where dangerous goods have languished in terminal areas until their hazards were exposed.

Simple lesson – leave nothing to assumption; preparation and practice are key

**stoploss-abandonment-of-ca*



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Working hard has always been a trait of the Tzaneros family but working smarter with a vision has been the real driver in the continued success of Terry and Arthur Tzaneros, and ultimately ACFS Port Logistics. (ACFS)

ACFS was founded by Terry and Arthur Tzaneros in December 2005, with the vision to create Australia's premier end to end containerised logistics offering, that includes services in Transport (Via road and Rail), warehousing (3PL, e-commerce, FAK), Depot services (FCL storage, Bio-security, Border Security), and empty container Depots. Since its inception, the company has built a strong customer base consisting of some of Australia's largest blue chip direct Importers, Exporters as well as Freight Forwarders.

Today, ACFS is the largest privately owned Container Logistics operator in Australia, moving over 900,000+ TEU annually (fully laden containers), and employs in excess of 1,500+ staff nationally.

What has been the core strategic vision of Terry and Arthur that has attributed to their growth and success? In essence the ability to read and see the next play, and move and or invest before the rest of industry as a leader in strategic solutions, that not only delivers cost efficient outcomes for customers, but more often than not changes the way the containerised supply chain is managed with the Customer's ever changing needs as the priority.

- **“One Team, One Brand, One Culture”**. As industry leaders, ACFS has invested consistently to foster a culture to be passionate, dynamic and always have a “can do attitude”. This vision has served the growth of ACFS across all of its business modules, and has also delivered a sense of loyalty amongst a large core of its employee group.
- **Location, Location, Location!** With the largest landside logistics on Port presence, this has proven to be a successful foundation for the business to provide a “spring board” for all of the services that ACFS provides in the supply chain to be successful.
- **Go West Zone Strategy**, has involved meticulous planning and execution over a 5yr period of late, to execute a property portfolio of facilities that connects Rail and higher productivity vehicle access to the Port.

Port Botany services	0 – 15km from the Port
• Enfield Services (30km from Port)	15 – 30km, 30 – 45km from the Port
• Spring Farm (60km S/W from Port)	45 – 60km, 60 – 75km from the Port
• St Marys (60km N/W from Port)	45 – 60km, 60 – 75km from the Port
• Rail Intermodals (Access via Higher productivity vehicles as well)	

The strategy executes a 15km zone for “final mile” delivery, so that not only are costs reduced, but delivery efficiency is improved with a level of certainty and capability that is unrivalled in the NSW market, whilst also increasing capacity and capability in the ACFS service offerings.

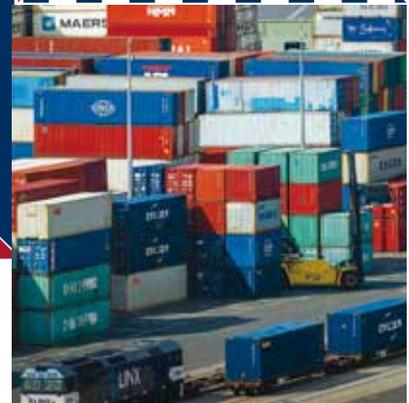


A Strategic Vision Realised in NSW



• **Rail Intermodals** - Since containerised vessels started calling Port Botany in the late 1960's, Australia has struggled to capture the usage of rail as a real alternative. All ACFS Facilities off port in NSW are connected via rail, and it's the intention of ACFS to provide the full suite of services of transport, depot services (Bio security, Customs) Warehousing (3PL and e-Commerce) and empty depots at each of these facilities. The latest Intermodal Hub at St Marys, is the ultimate demonstration of the Vision with a real "WOW" factor, that will have the potential to cater for over 70% of the ACFS volume in NSW which already exceeds 300,000 TEU per annum.

• **Information is Power.** Investment in the ACFS information systems to integrate with clients and providing real and valuable information for their clients adds significant value to the whole supply chain. Next generation capabilities are enabled through the analysis of data. Artificial intelligence is being trained with predictive analytics to enhance decision making. ACFS is investing heavily in the next generation of technology empowering customers with greater situational awareness across the supply chain. A platform where customers data and communication are at the core of its function. Working in logistics sometimes there is 'data overload'. It's great that you have ALL of the data, but inevitably, especially with large volumes, it can be difficult for customers to manage. Where ACFS is focusing, is how do they show what is relevant when it is required? How do they help customers manage MORE with less? A new platform that has been developed from the ground up, will empower customers to manage the exceptions, not the norm with predictive information capability.



Terry Tzaneros. Founder and Chairman - ACFS





Shipping Line Container Detention Charges – Are They “Reasonable”?

By NEIL CHAMBERS, Director – Container Transport Alliance Australia (CTAA)

The high demand for containerised freight over the last two years has brought many landside logistics challenges. One of the most insidious is high container detention charges levied by shipping lines for the late return of import empty containers, and detention charges if an exporter holds onto the export empties too long before packing and shipment.

Let's be clear from the outset. It is understandable for shipping lines to want their empty container equipment returned as quickly as is possible by the importer. They want their containers available for next use, be that repatriation overseas to be used elsewhere to generate freight revenue, or to allocate the boxes to an Australian exporter for the same commercial reason ... to generate more revenue.

It is usual for the Bill of Lading terms to incorporate clauses specifying that the terms and conditions of the Ocean Carrier's Tariff apply to container detention charges per day for late return.

Depending on the relative bargaining power of the shipper, longer detention free times may be negotiated with the shipping line. However, small to medium size (SME) importers and exporters generally have little bargaining power to amend the “standard form” contract conditions imposed through the Bill of Lading terms.

Shipping lines levy container detention fees directly to the importer. However, transport operators become involved in claims of detention liability if containers are not returned within the available “free days,” even though often the delays in the logistics chain are outside of their direct control.

Increasingly, this situation has escalated commercial friction between importers, forwarders and transport providers, with many transport operators refusing to accept container detention liability in the current trading climate (unless they are negligent), or otherwise amending their terms to require greater notice and time to achieve container de-hire.

But collectively, Australia's importers & exporters, forwarders and transport companies have a fundamental deep concern. And that deep concern is with the “reasonableness” of container detention policies and practices imposed by the shipping lines, as well as the quantum of the penalties applied.

In the United States, the US Federal Maritime Commission (FMC), after a lengthy inquiry and investigations, has issued an Interpretive Rule establishing principles on what will be considered “reasonable” or “unreasonable” in relation to the container detention policies and practices.

A fundamental tenant of the FMC's Interpretive Rule is an overarching principle of the extent to which detention serves as a financial incentive to “promote freight fluidity.”

The FMC clarifies that *“importers, exporters, intermediaries and truckers should not be penalized by demurrage and detention practices when circumstances are such that they cannot retrieve containers from, or return containers to, marine terminals because under those circumstances the charges cannot serve their incentive function.”*

Container Transport Alliance Australia (CTAA), Freight & Trade Alliance (FTA) and the Australian Peak Shippers Association (APSA) see merit in similar regulatory guidance in Australia.

Landside stakeholders are increasingly concerned with the imposition of container detention fees despite there being no

physical opportunity to de-hire an empty container in the timeframe imposed due to:

- The nominated return location being closed (i.e. limited operating hours, and/or closed on weekends / public holidays); or
- The nominated return location not having the gate or facility capacity to accept the return in a timely manner (i.e. no available de-hire timeslot in a reasonable timeframe); or
- Redirections of empty de-hires to an alternative facility from that nominated originally by the shipping line. This causes a lag in securing a de-hire timeslot, which, in turn, can lead to the container not being returned within the imposed “free time.”

Also, where shipping lines directly control empty container return depots, existing container detention terms provide no incentive for operational inefficiencies to be addressed, or for de-hire alternatives to be provided. Instead, it can be argued that shipping lines stand to profit by levying container detention fees despite the operational inefficiencies of their own facility contributing to late return.

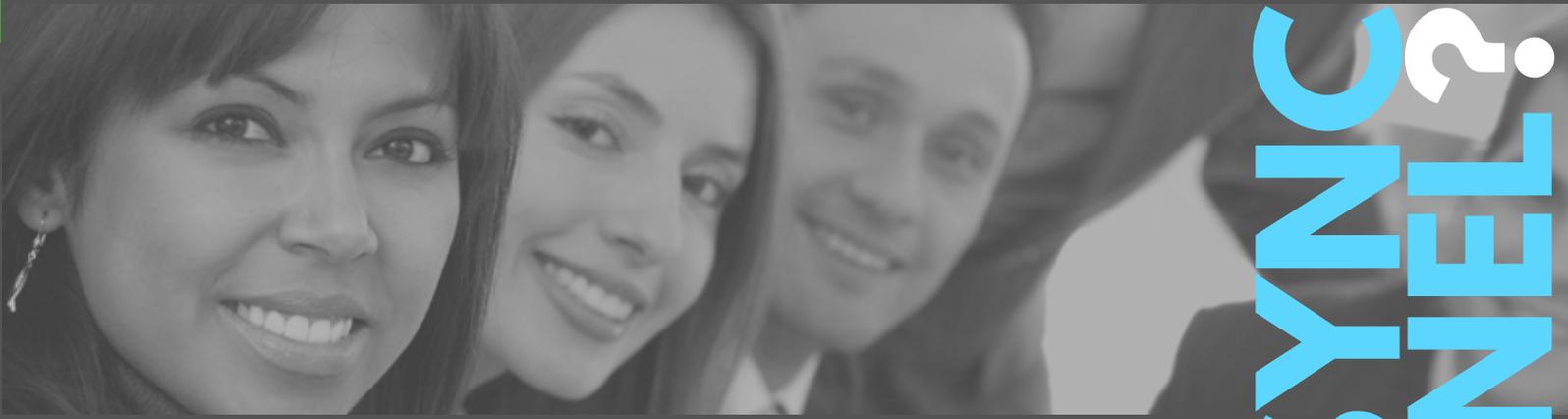
In CTAA's submission to the Productivity Commission's Inquiry into Australia's Maritime Logistics system we have recommended that powers should be vested in the ACCC to rule on the “reasonableness” of container detention policies and charges imposed in Australia, and to establish a container detention fee complaint and dispute resolution mechanism.

This reform is long overdue.



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Thinking of Selling Your Business? Now is the Perfect Time!

By ANTHONY PAPAS, Managing Director – ABBA Group.

1. Buyers Are Actively Searching for Acquisitions

As the market begins to reopen after the effects of COVID-19 we have seen the world of Mergers & Acquisitions (M&A) take off. One of the reasons for this being that many transactions were suspended during the 2020/21 lockdowns and buyers were anxious about how COVID-19 would affect business results. Due diligence was disrupted, and buyers were unsure of how to complete a transaction without travel. Sellers were also wary about how COVID-19 would affect their immediate cash flow, daily operations, and business worth.

However, as we said goodbye to 2021, sellers and buyers alike became far more confident about the business environment and started jumping back into M&A. Sellers now have a unique opportunity in the sense that buyers have almost 12 months of transactions to catch up with.

Another opportunity for sellers that has come from the M&A COVID-19 pause is that private equity and strategic buyers have been able to accrue massive cash reserves and are now urgently seeking growth. This has led to an increased amount of corporate and investor capital looking for appealing assets.



As well as this, certain industry-based trends are inspiring acquisitions and higher prices for sellers. These include:

- Freight and Logistics
- Industrial and Manufacturing – Abundant interest from family offices in “predictable” businesses
- IT Services – Substantial shift to Cloud and digital transformation
- Consumer – Massive interest in online or Amazon based consumer goods businesses
- People Services – Increased need for staff due to closed borders
- Engineering and Construction – Enormous Government spending on infrastructure internationally

2. The Price of Sales are High in Many Sectors

With such a strong interest being shown in most sectors from all buying groups, sales prices are strong.

As an overview, prices have been shown to be higher than expected recently. For example, if a business is usually valued at 3 times EBITDA, it is likely to currently be valued at 4 times. This can make a huge difference for someone looking for a large sale. There are, however, many elements that effect the valuation of each business. Nonetheless, the overall observation is that values for good businesses are currently largely up against the long-time average.

3. The Good Times Will Not Last Forever

Whilst buyers are currently flocking to a sector, they can run away even quicker. This means that NOW is the best time to sell.

We have seen many industries – such as IT, engineering, mining, and mining services, and various tech – thrive over the years. However, these booms remind us that a hot market for

acquisitions can rapidly chill. There have been countless examples of business owners considering selling during these successful times but were unable to transact. These business owners have then had to devote the next few years to restructuring their company and working to merely restore what they had before the industry crash.

So, if you are considering a possible exit remember that it is always better to sell whilst things are going well, and maybe now is the time to explore your options.

Based in Sydney NSW, ABBA Group specialises in business sales from \$1-50m. Their expert business sales agents have represented corporates and individuals in over \$500 million worth of acquisitions, divestments, and mergers since 2016, and are currently representing transactions with a total combined excess of \$800 million. In addition, ABBA Group have partnered with hundreds of domestic and global companies – and linked many overseas investors with lucrative local opportunities.

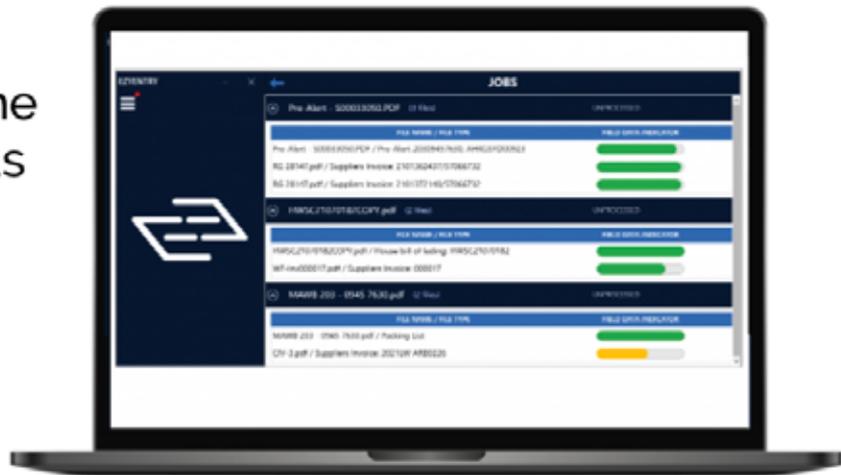
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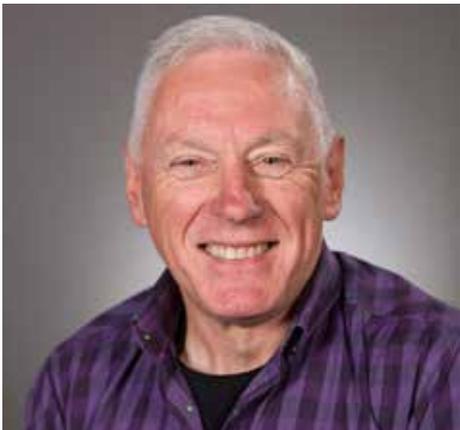
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Investing in your greatest asset

By BILL MURPHY, Head of Operations and Business Development – WiseTech Academy

At the time of writing, there are over 17,000 advertised positions in Transport and Logistics on one of Australia's largest employment sites. Attracting and retaining employees can be difficult. Attracting and retaining good employees can be nearly impossible. But there is a solution.

The logistics education gap

In the words of Benjamin Franklin, *an investment in knowledge always pays the best interest*. Never before has this statement been more accurate within logistics – an industry underpinned by the skills and knowledge of its people.

We operate within a shifting global landscape, rising customer expectations, increasing regulatory pressures and ever-changing compliance obligations. As a result, employee expectations and training requirements are constantly evolving.

We need our people to be at the top of their game just to keep up. Yet despite this, employee education and training in Australia is often over-looked. Informal, on-the-job training accounts for the majority

of employee development in the logistics industry, and unfortunately this can result in poorly trained, under-performing people.

Your greatest asset

What is more important to your business than your people? The success of your operations and the satisfaction of your customers is dependent on your people having the skills and training they need to deliver. Employee training goes a long way to solve many complex business problems and is proven to increase productivity, improve customer service, ensure regulatory compliance, and increase employee satisfaction. Training is an investment. According to HR Magazine, **companies that invested in employee training enjoyed 24% higher profit margins than those that didn't.**

Our people are our greatest asset, but with continued labour shortages and the 'great resignation', it's getting harder to attract and retain them.

The great resignation

A recent survey by PwC found that 38% of Australian workers planned to change jobs in the next 12 months. A Findex survey supports this, citing that more than half Australian SMEs are concerned about retaining their staff over the next 12 months. It's been dubbed 'the great resignation' and is a symptom of the post-COVID world.

In the battle for skilled staff, employee development and retention have become key metrics for many businesses across Australia. For the 11th year in a row, research from the Work Institute shows the top reason employees leave their job is because of a lack of career development.

The same Work Institute study tells us that the average cost of an employee leaving is 33% of the role's salary. These costs can be crippling to small and large businesses alike.

Where do I start?

How can you retain your people? By investing in them. A significant **94% of**



employees say they would stay at a company longer if it invested in their learning and development (LinkedIn Learning Report, 2020). The rewards can be great, with some studies showing an \$8 net benefit from every \$1 spent on training.

When it comes to staff learning, the question is often where do I start? Logistics is a unique industry, with complex supply chains and ever-evolving regulations, it's hard to keep up. But keep up we must.

The problem Australian logistics providers have faced to date, is the absence of a single source for staff education and training within the supply chain industry. WiseTech Academy is solving this.

Onboarding and training your staff once required significant time and capital investment, however, with the arrival of new technologies, logistics providers can now access highly effective training at the click of a button.

Simplifying logistics training

WiseTech Academy is the innovation of Richard White, Founder and CEO of WiseTech Global, a leading developer of software solutions for logistics, including its flagship software CargoWise.

"WiseTech is leveraging its success in the logistics software space to invest back into the industry," said Mr White.

"By empowering people through education, we can add even more value to the industry and help strengthen the global supply chain."

"Just as CargoWise helps to simplify logistic operations for businesses," he continued, "WiseTech Academy helps to simplify logistics education for businesses."

Be it employee onboarding, upskilling, reskilling, or regulatory and compliance training, WiseTech Academy now offers a range of courses in forwarding, customs broking, biosecurity, dangerous goods, compliance, risk management, cyber-

“ Our mission in Australia is to enable logistics businesses to grow and compete internationally by providing easy access to quality employee training and education. ”

**Richard White,
CEO, WiseTech Global**

security and more, as well as a suite of free induction courses for employees new to the logistics industry.

WiseTech Academy is led by former University of Technology Sydney Business Masters lecturer, Dr Tudor Maxwell, General Manager at WiseTech.

"We've had industry experts building highly targeted and effective logistics training for several years and have a great range of courses available for the Australian market," said Dr Maxwell. "As a Registered Training Organisation, we are committed to providing educational excellence through programs like our Diploma of Customs Broking, which is researched and written by licensed customs brokers."

"All of our courses are offered in a way that is flexible, convenient, and affordable," he continued. "Our Approved Arrangements Accreditation course is a great example. It's online, on-demand and provides the skills and knowledge required for you to undertake your role as an Accredited Person within a DAWE Approved Arrangement."

WiseTech Academy also offers businesses their own dedicated learning domains, allowing managers to choose only the most

relevant courses for their staff and business. There are no setup costs, ongoing fees, or lock-in contracts, ensuring your business invests only in the training you need, when you need it. The Academy's dedicated learning domains are perfect for onboarding new hires and upskilling and cross-skilling team members to meet the requirements of your business.

Delivering education in the right way

The global pandemic has reshaped the way we interact, communicate and learn. Heavily impacted, the education industry has adapted quickly to the changing needs of students. Employee learning is no different. With 57% of employees now expecting to learn in a 'just-in-time' way (EduMe), WiseTech Academy fills this need through personalised, relevant and on-demand logistics training for your staff.

Not only is on-demand learning expected, but its effectiveness continues to grow. Role-based learning pathways and online courses enable your business to guide employees toward highly targeted and profitable outcomes.

To keep up with this demand, WiseTech Academy is launching a new website in 2022. In addition to a range of logistics industry courses, the new site will offer innovative learning tools, hundreds of product-related courses, and a range of role-based learning pathways for logistics professionals, making it easy for employers to assign learning pathways for each staff member and view progress.

A time to reflect and plan

We know business can be tough and you don't always have the time to provide the training your team needs to be successful. We also know that finding high-quality, affordable industry training is not easy. WiseTech Academy solves these challenges.

As we settle into the new normal, now is the time to ask: What have you invested in staff training and development over the last 12 months? How are you planning to develop your people this year?

Whatever your business goals, the most effective way to retain staff, satisfy customers, drive performance, accelerate productivity, and most importantly, increase profit, is to invest in your people's training and knowledge. **And don't forget, an investment in knowledge always pays the best interest.**

To find out more about WiseTech Academy and how we can help your business, go to www.wisetechacademy.com



Economic Tectonic Plates shift in the Global Economy

By PAUL BETTANY, Collinson FX

The world has changed since the pandemic hit, more than two years ago. Western Governments followed the Chinese lead and decided to lock-down all of society and their economies. This was against all of the established protocols for 'Pandemic Management', which was established following the 'Spanish Flu Pandemic', more than 100 years ago. The protocols, paraphrased and put in simple terms, emphasised the maintenance of a functioning society, by keeping business and schools running normally, while protecting the vulnerable. This was completely upended when the COVID pandemic hit and lockdowns were introduced globally. The damage has been devastating, as it is not just the economic damage, but the social and personal costs, which are immeasurable. This was confirmed by the John Hopkins University study, which showed the lockdowns had no 'noticeable effect' on COVID related deaths, but a 'devastating effect' on economic and social ills.

The latest variant of the virus was the Omicron, which was highly infectious, but only as dangerous as a mild flu. The virus spread like wildfire around the world, infecting vaccinated and non-vaccinated, without prejudice. The virus was highly contagious, but had only a mild impact on those infected. The new variant therefore provided the most 'effective vaccine', that of natural immunity. This will likely turn the page on the pandemic, but how has this changed the structure of our economy, into the future?



Will government return the power, freedoms and rights of the people and business, confiscated in the name of safety and health? Globalism was exposed, throughout the crises, with the break-down of global supply chains. Will countries now move to more domestic production and more independent supply chains, for both production and consumption? The 'new normal' will impact the nature of international trade and logistics. And how we live and work.

The whole structure of the world economy has changed in two short years. The financial system has not been immune to these monumental changes and that could not have been better demonstrated, than with the recent outbreak of war in the Ukraine. The US and Western allies responded dramatically and with severe and unprecedented sanctions. They have imposed heavy restrictions on the Capital Assets owned and controlled by the Russian Central Bank and attempted to remove Russia's financial institutions from the SWIFT international payment system. This could signal a tectonic shift in global trade and finances. The Russians will need to move to their own payment system (SPFS), or the Chinese system (CIPS), (or a combination/marriage of both). These systems are already operational and will include many of their major trading partners, including India, Brazil etc. The fallout from this, has the potential to turn the established trade and financial system, upside down.

The USD remains the reserve currency of the world, but this could be challenged, now that a significant portion of the world is forced into trading and payment systems that are not USD denominated. This would cause an economic upheaval that we have not seen since WW2. There are further consequences of the Ukrainian situation, as it only aggravates the global energy crises, centred around Europe. Russia supplies much of the energy that keeps Europe functioning and this will only be incensed by these sanctions. This crisis may develop and extend, only exaggerating the rampant inflation, further destabilising interest rates and currencies.

Central Banks around the world, have been forced to recognise the most pressing economic problem facing them, and that is rampaging inflation. For more than a year,

Reserve Banks, have been ignoring the issue and labelling it as 'transitory'. Inflation is now out of the box and hitting economies, like a sledgehammer. The Bank of England, Bank of Canada, South Korean Central Bank and the RBNZ have all embarked on a new hawkish cycle of interest rate rises. The yield curve is on the rise. The RBA has resisted raising interest rates, as heavy COVID regulations/restrictions devastated much of the economy, and suppressed growth and inflation. That inflation train is now headed down the track, at full speed, and the RBA will need to look at raising rates in the very near future. At the heart of the aversion to raising interest rates, is the fear of suppressing economic growth, the economic recovery, and debt servicing costs. Governments have been spending like 'drunken sailors', during the pandemic and this has been funded by Central Banks buying up this debt (Monetising Debt). Historically low and regulated interest rates have allowed Governments to run enormous deficits and debt, but this option is suddenly disappearing as the cost to service said debt, sharply increases.

Global sentiment is plunging, and equities, bonds and currencies are all trading accordingly. US equities are correcting, experiencing extreme volatility, which has spread across all the asset classes. This has only been intensified by the outbreak of war in Eastern Europe. The Australian economy is recovering from the pandemic, but has many challenges ahead, with the supply chain threats only being antagonised by the Geo-Political issues surrounding China, Russia and others. There will be many tests for the AUD, as it copes with uncertainty and disruptions in markets, with rising interest rates and an inflationary economy. The good news is that commodity prices have been very strong, underpinning the economy and the currency.

To avoid currency risk, employ a pro-active risk management program. Plan and chart your foreign currency flows and talk to your professionals about adopting an appropriate strategy, using the available tools necessary, to mitigate liability



Resolve Your Staffing Shortages



Companies globally have been experiencing increasing challenges with the recruitment of local staff.

More forwarders, customs brokers, transport companies, importers and exporters have started to turn to offshoring solutions to proactively fill the gaps in the workforce.

OBP fully understands the industry and extends an innovative helping hand to freight forwarders worldwide. OBP employs highly educated freight forwarding professionals who have extensive knowledge of freight forwarding and logistics to ensure that clients receive exceptional support such as:

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“We didn’t start the fire.....”

By BRETT CHARLTON, State Manager Tasmania – DSV Global Transport & Logistics

A question often asked of me these days when contemplating the shipping and trade world is “what’s next.” Pandemic, congestion, surcharges, rate increases, capacity issues, industrial action, biological threats, climate change challenges, the great resignation, military action, automation.....I mean surely there is a break coming our way where we can just take a moment and stare at the sun, or even think about updating the lyrics of Billy Joel’s “We didn’t start the fire”.

Alas, as I write this, the entire internet of Tasmania has just gone down, and I am contemplating having to dig out some coins from the back of the couch to mail this article so it can be published. I mean you cannot make this stuff up. I just got off the phone with one of my customers and they are all looking out the window for a flash in the sky – madness.

From a bottom of the planet view (still would not want to be anywhere else), the services between the two main islands of Australia are travelling very well. The vessel operations of Tolls, Searoad and TT Line can only be highly commended in their commitment to the movement of freight to and from the State of Tasmania. If there is an award out there for managing the supply chain during a world of chaos, they should all get a trophy – a truly outstanding job and one that is not really appreciated or understood by the general population.



Another award should go to Tas Ports and the EPA for an outstanding job in averting what could have been an ecological disaster at the port of Devonport when a cement vessel sailed into the wharf and sunk two tugboats to the bottom of the Mersey River. A friend of mine who was dispatched to review the health of the river and the coast could not praise their efforts enough and from all reports, the only casualties were two cormorants’...one of which dived headfirst into the containment area (it seems us upright apes are not the only ones that can make bad decisions). Again, something that is not worthy to sell advertising in this current world of bad news press, so kudos to all involved in such an outstanding job.

With the good news of our island State acknowledged, one still has to be concerned about what is happening in the international trading community presently. I am sure there is plenty written in this publication around the challenges we all face in the logistics industry, and I am not going to pretend that I have any correct answers for countering the current barrage of chaos that we are all dealing with. With that said however, like most in the industry, I expect that contemplation of situations and outcomes is a space that we all enter from time to time and whilst the internet is down and the emails have stopped, now is as good a time as any to put a couple of thoughts out there.

With the recent floods in Adelaide and the situation around the supply chain with roads and rail compromised, it was excellent to see the fast action of the Department of Infrastructure in relaxing the cabotage rules to allow international ships to move cargo to supply Western Australia. Pretty much overnight we saw international shipping lines move to accommodate domestic cargoes and plug some of the gaps. I was not personally involved so cannot speak to the efficiencies or economics, but philosophically from afar, it appeared to be the right decision with good outcomes.

As I write, our friends, families and colleagues in Northern NSW and Southern QLD are experiencing a major weather event and I would expect that the same scenario of rail and road being cut off for Northern Queensland and supply chains between the two states would also come into question. I would hope that the same action is being undertaken to allow cabotage rules to be reduced to accommodate the movement of freight there as well.

The question now is what do we do to strengthen our infrastructure to accommodate these events. I think it is a brave person who does not plan for more of these in the future – the term “one in a hundred years” needs to be completely rethought. There is a narrative out there around a strategic National fleet. I have reservations around this direction as we have plenty of vessels already going around our coastline. The thought of an Australian fleet having to gear up with equipment, compete for berthing slots and go head-to-head with large multinational giants always seems to end with me shaking my head. I get the protection of the maritime industry and the disruption to rail and road models already in place, but maybe a rethink around using what capacity is already servicing our country to its full potential is something we need to consider.

Protection for our current Australian flagged vessels should be a given of course, but the cost of not being able to move freight around our country due to weather events may be the catalyst for this topic. As with everything these days, there seems to be an even split on the direction to take in this area – at some point we need to come to a consensus as talking is good, but not without definitive outcomes.

With complete contradiction to the above statement acknowledged, the power of the shipping lines is of concern presently. More and more we are seeing the large shipping lines working their positions to favor their bottom line. Nothing wrong with that of course, every capitalist venture on the planet is doing the same thing and that drives growth. The problem though is that the options for alternative solutions in the current (and potentially the future) position for exporters and importers are limited.

With some bias (full disclosure, I work for a freight forwarder), the ability to secure a suite of services for your customer is limited when a shipping line will only provide a door-to-door service or not offer a contract rate to the importer or exporters logistics partner. Whilst it economically suits the shipping line, the exporter or importer may not have invested in industry savvy people or indeed the IT needs for the various aspects of the process to get a container on a vessel. Indeed, as we see more and more people leave the industry, the ability for a company to secure a person with the knowledge of customs, biosecurity, cartage coordination, freight negotiation skills, booking systems, warehousing, documentation processing and

the myriad of other aspects of international trade is limited. More and more companies are turning to freight forwarding companies to assist them (if my conversations are anything to go by).

In an environment where some shipping lines (and I predict others will soon follow) are restricting their services to direct customers only, the reduction of options to freight forwarders not only is a disservice to the trade, but also puts more and more pressure on the skills market to try and accommodate these changes. Most of the processes are automated now and the removal of the

ability to speak to a person at any given time is confronting for those that need to think outside the parameters of a process driven system. There is a reliance on the skills and knowledge of freight forwarders to assist the importer or exporter through challenges of the most basic of shipping protocols, let alone in chaotic times.

Maybe in a generation or less everything will be automated and there will be no need to think about these sorts of things, but like the internet today, we are far from perfect in that space and there is still the need for a few grey-haired folk to get things done.

Oh, how I detest a cliché – but, at the end of the day, it is what it is, and we live in unprecedented times (slap me now). Kindness, thoughtfulness and working together will get us through – let us try to keep that as part of our ethos. Good luck out there.



FTA PARTNERS WITH CONSORTIA PROVIDING RAPID ANTIGEN TEST (RAT) KITS

Supporting members' staff safety and business continuity

By CAROLINE ZALAI, Director and co-founder, Freight & Trade Alliance (FTA)

During 2020 and 2021, responses to the pandemic in our personal and work lives was relatively clear as advised by respective state governments and health officials via Health Orders. The aim being to suppress COVID-19.

During this time there was little demand for Rapid Antigen Test (RAT) kits as the only testing regime recognised by state and federal governments was the polymerase chain reaction (PCR) test.

Everything changed last summer once New South Wales and Victoria were exposed to the Omicron variant. We now have to learn how to live with COVID-19, but also how to work with COVID-19.

Complicating matters, free PCR test sites could not keep up with the surge in demand and it was only then that commercially supplied RAT kits became an acceptable and essential mechanism to identify the fast-spreading virus. Supply was very limited and price gouging came into the competition regulator's focus.

In response to an extraordinary demand, particularly by supply chain participants, Freight & Trade Alliance (FTA) engaged leading business consultants, BDO Australia, to identify a large volume, reputable provider of RAT kits to support members in maximising the safety of staff and allow continuity of sustainable business operations.

FTA sought to provide a solution in providing competitive pricing and highly sensitive TGA approved RAT Kits for the industry.

Protective Health was selected with a proven track record as a leading supplier of quality medical supplies since the first peak of COVID-19. Located at Port Botany, HubX was selected as the warehouse and logistics provider to manage the projected large scale import and distribution exercise.

Stock sold out quickly in January and members were able to distribute their pre-ordered kits as a critical part of their approach to identify, isolate and contain the spread of COVID-19 in their workplaces and engagement with customers.

The overwhelming response encouraged the consortia to increase supply and in response to extensive member feedback, now provide options in the form of single use packs and variable quantity orders.

The bulk buying ability of the consortia has translated to a low and ongoing cost of \$6.99 (excl GST) per test:

- *Clungene Covid-19 rapid antigen test - 5 test pack format (self-test), (240 X boxes of 5 = 1200 tests per carton)*
- *Clungene Covid-19 rapid antigen test - 5 test pack format (self-test), (120 X boxes of 5 = 600 tests)*
- *Celllife COVID-19 Antigen Test - single pack format (self-test), 300 single tests per carton.*

Collection is available onsite from HubX Port Botany (Entrance via Gate 52). Deliveries to Sydney metropolitan or interstate locations are also offered at competitive commercial rates.

For further detail and to complete your order go to this link <https://www.protective.health/products/covid-19-self-test-kits-fta-bdo/?v=322b26af01d5>



Stephen Chard (Protective Health), Caroline Zalai (FTA) and Glenn Susnig (HubX)



Abandoned Cargoes – Are Freight Forwarders Exposed to costs?

By JAMES COTIS, Principal – Logical Insurance Brokers

Abandoned cargo is not a new phenomenon within the logistics industry. Every year containers and other cargo are left at ports around the world without being claimed.

However, there has been a clear uptick in incidents arising since the onset of COVID-19.

There are many reasons why shippers/consignees abandon their cargo, including bankruptcy, refusal to accept the goods because of discrepancies, disputes regarding quality and quantity of the goods and spoiled or delayed seasonal products. Significant damage to cargoes sustained during the movement or the shipper/consignee simply “disappears” also figure prominently.

Although there are numerous parties which can be impacted by abandoned cargoes, this article will focus on Freight Forwarders (Forwarders).

Forwarders can be exposed to liability for costs relating to abandoned cargoes when they issue House Bills of Lading (thereby acting as “NVOCC” or “carrier”), as this usually means the Forwarder is

acting as a principal to the contract of carriage. Under these arrangements, Forwarders will have contractual obligations to the shipping line for any associated costs.

Where Forwarders aren’t named on the face of a Bill of Lading, it is more likely that the named shipper is the actual shipper of the cargoes, and the Forwarder has acted as agent only. However, Forwarders may have exposure under “Merchant Clauses” now commonly appearing in carrier Bills of Lading. Therefore, Forwarders should review their contractual obligations in that regard to understand their potential exposures and determine if such clauses are legally enforceable in the jurisdictions in which they operate.

There is no doubt significant challenges are presented when Forwarders attempt to avoid abandonment of cargo issues as most incidents are complex (including jurisdictional issues, safety and condition of cargoes). Each incident will turn on its own set of facts. In almost all cases, costs will be incurred.

As Benjamin Franklin famously opined “An ounce of prevention is worth a pound of cure”.

Therefore, this article will focus on some basic risk management procedures to identify shipments requiring closer monitoring and steps to consider if Forwarders become caught within the abandoned cargo net.

Some cargoes are more prone to abandonment than others. Typically, goods abandoned at the destination port are low value, high volume cargoes.

Indicators identifying these cargoes include:

- Type of cargoes (waste and materials intended for recycling, scrap, used computer equipment & used tyres feature heavily);
- The Shipper (has the Forwarder dealt with them previously and were they reliable?; Are they financially viable?);

- Has the sale of the cargo been finalised?;
- Are the cargoes “usual” for the intended trade route?;
- The destination (jurisdictional aspects such as import restrictions [or sanctions], customs, safety authorities and crime agencies also feature heavily);
- Counterfeit, non-compliant & prohibited cargoes. Admittedly, these cargoes can be difficult to identify.

Conducting these simple (and other) verification procedures during the booking process is likely to identify potentially problematic cargoes early, thereby providing Forwarders with information to assist reducing their potential exposure. With good information at hand, Forwarders can make informed decisions as to whether to take the booking, and if so, determine how much additional operational attention will be required to keep track of the shipment and whether this additional work should attract higher charges. It is usually too late to unwind a difficult position when cargoes are on the water. We know from experiences we have had with our clients that managing shipments that have gone wrong demand significant resources to resolve and can damage commercial relationships.

As a special note, where Forwarders do not know or are unsure of the financial position of the shipper/consignee, consideration should be given to obtaining as much security as possible from them prior to engagement.

Determining when a shipment is deemed to be “abandoned” can sometimes be challenging to ascertain, however, it is likely when the consignee has no intention to take delivery, either by action or inaction. In many jurisdictions, cargoes that are unclaimed after 90 days of entry may be considered abandoned.

Where cargo is identified as being at risk of abandonment, it is vitally



important for Forwarders to act swiftly in attempts to mitigate potential ongoing costs. The costs involved in abandoned cargo can mount up quickly, including demurrage and detention costs, port costs, jurisdictional authority(s) costs and eventual cargo disposal costs. Where these costs are calculated to be close to or exceeding the value of the cargoes, it could be argued that the cargo has effectively been abandoned if the shipper/consignee is unwilling or unable to collect the cargo and provides no further instructions.

Forwarders should also urgently communicate with their local agents, making them aware of potential abandoned cargoes and request that they monitor the situation, as they can play a pivotal role in early identification, keeping clear and concise records of any costs incurred, and prompting action to mitigate costs.

Forwarders should actively call on shippers/consignees (and other contractually responsible parties) early to pay any outstanding charges to enable cargoes to be cleared and issue demands to the shipper and shipper/consignee for the cargoes to be collected.

The unfortunate reality is that oftentimes, Forwarders are not domiciled in the same country where the cargo is abandoned. This can be complicated where Forwarders, as part of their mitigation strategy, attempt to enforce liens over cargoes, particularly where different jurisdictions may have specific rules about how liens are exercised. This is where local agents can be of invaluable assistance as they understand the local conditions & can make introductions to local legal advisers where appropriate.

Additional difficulties occur where shippers/consignees refuse to pay, become bankrupt, or simply “disappear”. This leaves the Forwarder in an unpleasant position where shipping lines seek (or demand) all associated abandonment cargo costs from them, based on “Merchant” definitions contained within their shipping documents. In these circumstances, we recommend that Forwarders promptly seek appropriate legal advice.

It has been our experience that where Forwarders calculate the potential costs and approach shipping lines early regarding these charges, they are usually amenable to discussions around

discounts in relation to detention and demurrage costs. Unfortunately, the same cannot be said about costs recoveries such as port charges and cargo disposal costs. These costs are unlikely to be discounted and usually need to be paid in full.

There may also be exposure to fiscal liabilities such as tariffs, duties, levies, fees and other revenue collection imposts within the applicable jurisdictions.

We are often asked about the position liability insurers take in relation to abandoned cargoes.

Errors & Omissions (also known as Professional Indemnity) insurance policies respond where there have been allegations of negligence or breach of duty arising from an act, error or omission on the part of the insured entity (the Forwarder) and the shipper/consignee suffers financial loss. The cover would respond in relation to a mistake which is fortuitous, such as an error (negligence) in operations by the insured entity (the Forwarder), subject to the relevant policy terms and conditions.

Therefore, it follows that without fault or negligence attaching to Forwarders, Errors & Omissions cover can't respond.

The challenge arises where shipping documents contain Merchant definitions which catch Forwarders. That can mean Forwarders may be held liable for liquidated damages without any fault or negligence attributable to them.

Further, we understand that shipping lines are usually unwilling to change their documents to assist Forwarders which leaves them with potentially uninsured exposures (and subsequent costs) for abandoned cargo losses.

Some insurers/underwriters who specialise in the provision of liability/indemnity insurances to the logistics industry recognise this coverage gap and offer additional specific cover for abandoned/uncollected cargoes, however, the amount of cover is usually limited.

It is important to notify insurers immediately abandoned cargoes are suspected. Specialist logistics insurers will be able to offer practical guidance to assist mitigate exposure.

As can be seen, the commercial risk attaching to Forwarders in relation to abandoned cargoes isn't going away and needs to be managed. Therefore,

Forwarders need to be ever vigilant.

What are the key takeaways?

- Review all shipping documentation to identify potential exposures;
- Exercise Due Diligence when onboarding new shippers/customers and accepting shipments to determine if any “at risk” flags are raised;
- Well documented processes and good record keeping is critical;
- Take immediate action to mitigate exposure to costs;
- Approach stakeholders' early regarding payment of costs & collection of cargoes;
- Review insurance programs to determine the coverage on offer;
- Notify insurers early when abandoned cargoes are suspected.

It is important for Forwarders to recognise that risk mitigation must form part of their operational practice so that they will never have to go in search of a “pound of cure” in the event of an incident arising.



Who we are:

James and the team at Insurance Logic Pty Ltd t/ as Logical Insurance Brokers (ABN: 44 002 859 252; AFSL #: 237633) provide specialist risk management and insurance solutions to the logistics industry. Logical is delighted to be associated with the Freight and Trade Alliance (FTA) and is proud to be their appointed insurance adviser since its inception in 2012. James is also a regular presenter at FTA professional development events.

If you would like more information about how a carefully constructed insurance program can help protect your business, please feel free to contact James on 02 9328-3322, email jamesc@FTAlliance.com.au or visit the Logical Insurance Brokers website at www.logicalinsurance.com.au/logistics.





MANAGING STAFF IN A PANDEMIC

The challenges for human resources and staffing

By ALEX MILLMAN, Senior Associate and HAROLD DOWNES, Partner - Mills Oakley

The COVID-19 pandemic, and our governmental and societal response to it, has taken many twists and turns since it first arrived on our shores in March 2020.

With vaccination and “living with the virus” touted as the new way forward, the logistics and freight industry is under increased pressure to deliver the goods and services necessary to support this “new normal.”

This push for normality does not mean that the pandemic is over, and businesses are still left with the challenges of managing the effective delivery of their services, the safety of their personnel, and compliance with a myriad of government directions.

To vaccinate or not to vaccinate?

For the logistics industry, the question of whether staff should be vaccinated has mostly been taken out of the hands of employers by government directions,

either expressly with directions applying to workers in the industry (such as in Victoria¹ and Western Australia²) or as a necessity for crossing State borders.

Government intervention is not the end of the matter; employers must bear in mind their obligations under WHS legislation and determine whether vaccination is an appropriate control measure for their business, and if so, how it will be implemented.

Employers wanting to impose their own vaccination requirements must ensure that they comply with the consultation obligations under WHS legislation. Ignoring this can result in any requirement for staff to be vaccinated being unlawful and unenforceable.³

Considerations for employer-imposed vaccination mandates

Employers who decide to implement their own vaccination mandates do not have the luxury of asserting that they are merely administering a law imposed on them from on high, and as such need to take more care when developing their policy.

Critically, in order for any employer-imposed mandate to be a “reasonable” direction, it must be supported by coherent and evidence-based reason for its implementation.

This means that an employer cannot simply decide that vaccination is the best control measure for health and safety; they will also need to demonstrate consideration of other control measures (such as mask-wearing) and determine how these fit, or don't fit, into a workable WHS framework.

Ancillary matters such as a privacy, data security and discrimination must also be considered. Discrimination in particular needs to be given some thought, as vaccination may be refused on more than just medical grounds; in some rare cases, there may be genuine religious objections to vaccination. Alternative control measures to safeguard these employees will need to be considered.

¹ Pandemic COVID-19 Mandatory Vaccination (Specified Workers) Order 2022 (No. 3) and its predecessors

² Public and Commercial Transport Workers (Restrictions on Access) Directions (No. 2); Port Worker and Exposed Port Worker (Restrictions on Access) Directions (No. 2) and others, together with Booster Vaccination (Restrictions on Access) Directions (No.2)

³ CFMMEU v Mt Arthur Coal Pty Ltd t/a Mt Arthur Coal [2021] FWCFB 6059

Another critical consideration is the collection of vaccination information, and whether this will be “collected” (i.e. a copy of proof of vaccination will be kept) or merely “sighted”. The distinction is critical, as the Privacy Act 1988 (Cth) will apply to the former (and therefore the employee cannot be compelled to give the information), but not the latter.⁴

Employers who decide to collect copies of vaccination certificates will need to ensure strict security over those documents, as the Individual Healthcare Identifier noted thereon is subject to strict legislation; failing to adequately protect this information is a criminal matter.

Where employees are prohibited from working

As vaccination requirements become more common, the question of what to do with employees who refuse to be vaccinated becomes more pointed.

Ultimately, the question of whether an employee can be retained long-term whilst their unvaccinated status prevents them from performing their usual role is a commercial decision for the employer.

However, an employer is not obliged to retain an employee if the employee is unable to do the job they were hired to perform because of a government or employer-imposed vaccination requirement. In such a circumstance, it is open to the employer to dismiss the employee on the basis of capacity, specifically their inability to perform the inherent requirements of their role.

As these dismissals start to be considered by courts and tribunals, they have (so far) been consistently upheld as fair and valid, with respect to both government vaccine mandates⁵ and employer-imposed vaccination requirements.⁶

Critically in the case of requirements imposed by third parties – such as the local Chief Health Officer, or indeed by customers – alternative arrangements must be explored before proceeding to dismissal.

It is important to appreciate that unless the employee’s contract specifically provides for it, an employee prevented from working in these circumstances cannot be stood down without pay. At best, their absence must be some form of leave; in most cases, unless the employee

elects to access annual leave or long service leave, unpaid leave is the only option available.

Working remotely – the shift to the home office

Tied-in to the question of “alternative arrangements,” and more generally over the course of the lockdowns of the last two years, is the management of employees working remotely.

Working from home can give rise to unique challenges, largely because the traditional workplace structure is heavily disrupted.

Employees working from home must understand that their employer’s policies and procedures continue to apply, as does the employer’s right to supervise their employee. Any misconduct or poor performance is not rendered immune from discipline merely because it happened while the worker was at home.

Similarly, employers need to be aware their obligations to their employees do not cease merely because the employee is not physically in the office. In particular, employers are entitled – and indeed must – take reasonable steps to ensure that their employees’ home workspace is safe.

Whilst this is often understood as ensuring an ergonomic set-up of the home office, there are other, perhaps more sinister, matters to consider. Research undertaken in 2020 demonstrated a marked increase in the incidence of domestic violence while employees were forced to work from home during lockdowns.⁷

If an employee is a victim of domestic violence, the employer has a statutory obligation to eliminate or minimise the risk of this whilst the employee is at work; if the employee is working from home, this can be almost impossible. It may well be that the risk of working from home is greater than the risk of working in the office; employers should ensure that they have clear pathways for confidential discussions of this nature to occur.

On a more banal note, employers will need to consider how they regulate an employee’s working hours when working from home. Whilst the employee who prefers to work at midnight may have excellent work ethic, for an award-covered employee this may be a very expensive exercise for the business if not adequately managed.

Practical tips

Howsoever a business decides to proceed into the uncertain future, it is essential they be able to prove the steps that they have taken.

It may be a very lawyerly suggestion, but maintaining accurate and up-to-date documentation of the business’s decision-making process in relation to any of these matters is critical.

If any matter is challenged, a business is much better placed to defend its decisions if it can rely on contemporaneous records of the decision-making process. Without this, the business is forced to rely on the fallible memories of its senior employees, some of whom may not be available by the time a case ends up in a courtroom.

Perhaps most importantly, businesses need to avoid the trap of “following the pack”; each business must decide what is appropriate for its own specific circumstances rather than assuming that others have the right of it.

“ Working from home can give rise to unique challenges ”



This article is intended to provide a limited analysis of the subject matter covered. It does not purport to be comprehensive, or to provide legal advice. Any views or opinions expressed are the views or opinions of the author, and not those of Mills Oakley as a Firm. Readers should satisfy themselves as to the correctness, relevance and applicability of any of its content, and should not act on any of it in respect of any specific problem or generally without first obtaining their own independent professional legal advice.

⁴ Lee v Superior Wood Pty Ltd [2019] FWCFB 2946

⁵ Auchamp v Association for Christian Senior Citizens Homes Inc [2021] FWC 6669; Tew v The Bethanie Group Inc t/a Bethanie Aged Care [2022] FWC 96

⁶ Callender v MCI Southport Properties Pty Ltd t/a Southport Day Hospital/Cosmetic Evolution [2022] FWC 164

⁷ Carrington et al (2020) Impact of COVID on Domestic and Family Violence Workforce and Clients: Research Report QUT Centre for Justice, QUT, Brisbane, Australia.



Minimise disruptions to your business whilst saving money and time by choosing to outsource

By MATTHEW BROWN, Sales Director – The Compliant Group



You may have heard the term ‘the great resignation’ being mentioned across virtually all media platforms. This term is being used to describe the mass resignations that are currently sweeping the western world as businesses around the globe return to a phase of relative normality post COVID. This normality has in most cases, included a return to the standard working from the office arrangement, which has been poorly received by a significant number of employees. Many of these employees over the previous 2 years have enjoyed the mostly unheard-of 100% work from home arrangements, which have in turn given them a genuine taste of work-life balance. This balance is often promised as part of a business’s onboarding pitch to new employees but has been rarely delivered pre-COVID. For a significant number of employees who have been instructed to return to the office, even for only 2-3 days per week, it has, and is, proving to be one of the key reasons to find a position that continues to offer them the flexibility they have enjoyed. This reason accompanied with the understandable lack of pay rises throughout 2020/21 is causing an unprecedented level of movement in the Australian labour market. The Australian Bureau of Statistics figures show more than 600,000 Australians are intending to resign this year alone - approximately 5% of the total workforce. A recent survey by consulting firm PWC found even more alarmingly, 38% of workers are aiming to find a new job in the next 12 months.

Unfortunately, this is not going to bode well for onboarding new staff in the Australian supply chain sector (including freight forwarding, customs and transport), which has traditionally been one of the most difficult sectors to recruit experienced staff prior to the onset of COVID19. When coupled with the challenges faced by the supply chain sector in shipping, airfreight and landside subsectors, the demand (and salaries) for experienced staff has never been higher, nor supply as low as it is today.

The challenges outlined above have prompted companies in the sector to consider labour alternatives, such as increased levels of automation and outsourcing to offshore specialists, enabling these companies to maintain their service levels to their clients and minimise their operational costs substantially.

Companies who engage with an outsourcing partner are immediately at a significant advantage to their peers currently attempting to hire locally. These companies have previously identified relatively high cost, non-revenue generating and often menial tasks. As a result, these companies have outsourced those tasks enjoying a reduction in their direct costs of up to 70%. This has now enabled them to invest more time & money in upskilling the majority of their local workforce to focus on revenue generating and solution-based approaches in serving their client base. Services to their clients have been maintained and weathering the ongoing skills crisis more easily by having a cost base far lower than their competitors has occurred. Whilst many people are divided on this subject, outsourcing can also be viewed as a tool that helps you retain elements of your local workforce that may have looked elsewhere during 2022. There are numerous tasks that your local staff simply don’t want to do, as they provide little job satisfaction for them and can prompt them to seek out more challenging work elsewhere. Perhaps job satisfaction could be improved by shifting these tasks to an outsourced provider to reduce costs for your business and to increase your employees job satisfaction, which would be a good outcome for your customers. Happy staff is generally associated with better customer service.

If you were interested in investigating the viability of outsourcing as a possible solution for your business, consider Compliant Business Processing (CBP).

CBP is an Australian owned, logistics focused BPO. At CBP, we currently have more than 300 staff servicing more than 60 Australian and New Zealand container transport, freight forwarding and customs businesses.

Some of the tasks CBP are completing for our clients include:

- Job registration (import & export)
- FAK registration
- Transshipment monitoring
- Manifest reporting
- Monitoring/releasing arrival notice
- EDO’s – uploading and validation
- Check status reporting
- Subby Runsheet validation & calculation
- Updating system details – including delivery & dehiere dates
- Compiling
- Doc chasing
- Request/monitor EDO’s
- Initiate timeslot requests
- Autorating
- Job registration
- Email management
- Monitoring LCL & FCL availability
- Container detention management
- Uploading/forwarding documentation including Haz docs & Quarantine directions
- Invoicing
- AP processing
- AR processing

Utilising an outsource solution to compliment your local team will assist you in staff retention and ensure you retain your competitive advantage within this ultra-competitive industry.





WHAT LIES BENEATH?

Using a Security Operations Centre-as-a-Service to Find the Dangers Lurking in the Deep

By JONATHAN SHARROCK, Chief Executive Officer – Cyber Citadel

Cybercriminals have capitalised on the difficulties businesses have faced in the last two years, and the increased reliance on remote connections and cloud-based services. Last year saw supply chain attacks quadruple. From the Colonial gas pipeline attack in the US to the Kaseya attack which affected global services including grocery stores in Sweden and schools in New Zealand.

2021 was the year of Ransomware – increasing threefold on the year before. It is becoming a fast-growing business, offered as Ransomware as a Service (RaaS) – an almost satirical take on Software as a Service (SaaS) – by many infamous groups such as Darkside and REvil, who are also acting as Access Brokers selling security credentials on to bidders on the dark web.

2022 must see companies face these developments head on, with a clear plan to assess their risks and fortify their defences.

Cyber risk is dependent on three things: **threat**, **vulnerability**, and **consequence**.

Threat is the danger an organisation is exposed to. They can be data breaches, business interruptions, asset misappropriations, and extortion. The most likely threat, and the extent of the attack, will depend on the business sector, the cybercriminal or their client, and the motivation behind their attack.

Vulnerability is the weakness of an organisation's defences; this is not just technical defence but also the vulnerability of employers to blackmail or the complexity of supply chains. In 2022, 60 percent of security incidents are predicted to involve supply chain issues, specifically with third parties. Thus, companies relying heavily on external suppliers will be at greater risk.

Consequence is how damaging an attack could be: the level of debilitation if operations were to halt, the importance of confidence, and the backlash if data were to be lost or made public. Consequence is difficult to predict.

Cyber risk is managed through strong and proactive cybersecurity, by having a tight and well-practiced incident response procedure, and by having comprehensive cyber-insurance. Whilst cyber insurance is important, strong cybersecurity should come first. To get

the most out of insurance, businesses must have mitigations in place.

You need to demonstrate that you have understood and taken measures to reduce risk and respond effectively to an attack.

You must be self-aware and ask the right questions, and you need to have some answers.

Insurance providers will try to shift responsibility and reduce their pay out rate. Already premiums are increasing – in some cases by 40-50% – to meet the rising frequency of ransomware. But more significantly, insurance providers are reassessing outdated policies not designed for the vast modern cyber threat landscape. This was demonstrated recently when pharmaceutical company Merck won a case against its insurance provider who had previously refused to pay out after the NotPetya ransomware attack of 2017. The provider claimed the attack was subject to an 'Acts of War' exclusion due to Russian-Ukrainian hostility at the time, but since this exclusion did not explicitly mention cyber incidents and did not specify overtly state-backed acts, it was found not to apply.



We should therefore expect insurance policies to be updated, with more exemptions and exclusion clauses, effectively reducing your coverage.

If there are any holes in your network security, for example unsupported legacy operating systems, or systems not updated with the most recent security patches this could void your insurance. If you show cybersecurity negligence, for instance by not updating antivirus software or not regularly backing up data, then this could void your insurance.

It is therefore vital that businesses learn how to guarantee their insurance policies will hold up. A great resource is the ASD Essential 8, a checklist of measures set out by the Australian Cybersecurity Centre. Cybersecurity specialists Cyber Citadel have also provided a wealth of information on security as well as the threat landscape on their YouTube channel (<https://www.youtube.com/cybercitadel>).

To some extent the insurers can't be blamed for reinforcing their policies. The Department for Financial Services in New York recently warned providers that companies are relying on insurance to cover their digital assets rather than implement good cybersecurity practices, and thus passing the responsibility of cybercrime back to the insurer.

This must be turned around. The good news is that improving cybersecurity reduces the number of claims, which brings down premiums, but also means that claims are more likely to be accepted.

Improving cybersecurity is good for everyone. But how do you know if you're doing enough?

Organisations should carry out a Security Posture Review. This includes vulnerability and penetration testing and incident response planning, and assess current security protocols against regional and industry-specific standards. You should

also compare your security protocols against the terms of coverage in your insurance.

In addition, the best approach going forward is continuous network monitoring. Once considered a huge financial and time investment, and unfeasible for many smaller sized businesses, continuous monitoring is now available as a subscription-based Security-Operations-Centre-as-a-service (SOC-as-a-service) from specialist cybersecurity providers like Cyber Citadel (see Aegis SOC-as-a-service).

Using such a service, which includes a Security Posture Review and Red Teaming, will provide you with the gold standard for assessing and monitoring your network. And if you need to make an insurance claim, you can guarantee you will have everything necessary to demonstrate your due diligence when it comes to cybersecurity.

ENVIRONMENT



The challenge of growing business in a sustainable and responsible way

By KAI LINCOLN, Managing Director – SEKO Omni-Channel Logistics

For many companies, the idea of environmental sustainability and corporate responsibility has been viewed as a “nice-to-have”; Something that big corporations who had the money to spend on resources or consultants could roll-out in their annual reports to make everyone feel good about their positive contribution to the world. For those of us in supply chain, the mere idea of trying to make a positive impact on the environment while we ship, fly, truck and rail things around the world using fossil fuel burning engines seems like a fanciful idea for an animated Disney movie.

The biggest countries in the world seem to struggle with even agreeing on targets, let alone agreeing on strategies and material changes that they can make to turn the dial on global warming. In fact, some national leaders don't even acknowledge that it's a thing.

However, despite all of this, there is a trend emerging for real environmental and social responsibility change that is being driven by the actual consumers themselves.

According to a report by consulting firm McKinsey & Company, during a recent

survey, 66% of all respondents and 75% of millennials are now saying that sustainability is being considered when making a purchase. These are the same groups who believe that companies, especially large corporations, have as much responsibility as governments for

implementing positive change to society. This isn't just limited to developed nations, but as developing nations are often at the coalface of environmental impact and social injustice, there are many of their consumers who are also willing to pay a bit more for a "better" product; Think-tank Nielsen IQ have reported that 41% of Chinese consumers are looking for eco-friendly products.

Many similar reports raise an important point – consumers aren't just looking for a company that makes positive environmental change, but those that are prioritising numerous aspects of society; Environment, social welfare, human rights and community are a few of the key areas that consumers are now looking at when making purchasing decisions. In this age of information at our fingertips, it is easier than ever for consumers to base their decisions on a myriad of variables, not just price or brand.

So what? As supply chain providers, why is this important to us?

Our customers, often being wholesalers, retailers and manufacturers, are genuinely starting to seek suppliers who are aligned with their own goals and policies around sustainability and social responsibility. In the last 12 months I've begun to see and hear both first-hand and rhetorical proof that logistics companies are missing out on new business because they don't have their own plans in place. Corporate procurement policies are now starting to demand plans, reports and real proof of action before they will accept companies as suppliers.

Planning and executing a program for your company should be made a priority, but it's a challenge – everyone already has their full-time job and hiring someone who isn't necessarily viewed as revenue generating can be a real hit to the P&L. It's very tempting to try and throw this at someone as a side-project, but as many have seen in business, when it's not a priority, progress can be slow or non-existent. Consultants can help you get moving, but they're expensive and aren't necessarily a realistic long-term option.

While you might not thank me for pointing out all of the reasons why not to make this move, let me try to find some justification in why to make the move.

Despite it being easy to cast the lens of a cost-centre over a resource responsible for your sustainability and social responsibility platform, a change of mindset could be the shift that allows you to make this a priority.

Recognise the reality that you **1.** Might miss out on business because of a lack of strategy/action and **2.** Can actively pursue businesses whose procurement policies are aligned with your new focus. Regardless of how you resource this action, there is further good news!

Though creating a corporate sustainability and social responsibility program is a relatively new concept, for those companies who are familiar with the relatively old concept of plagiarising, we simply need to look around at the big companies – competitors, retailers and suppliers – to see what they've already started focussing on. Fortunately, the blueprints are readily available within their annual reports, which are available on their websites.

Let's look at Adidas, one of the world's most recognisable footwear and sporting goods brands. Their annual report points to the elements of their business that they feel are important. Reduction on plastic waste is a huge focus for them and in this pursuit are partnering with other companies like All Birds and Lululemon to find alternatives to production materials that have previously been harmful for the earth. They are measuring their baseline and their annual improvements in this space. A strict focus on code-of-conduct and compliance is a key pillar of the business, aiming to eliminate discrimination and promote diversity. The entire report is long and quite wordy, but with a bit of reading, you could easily skim through a number of these reports, starting to capture and categorise what's important for existing or potential clients.

By taking this list and aligning it with your own business values, you should be able to fairly quickly begin to see a roadmap emerging. **1.** What is important for you? **2.** What is important for your clients? **3.** What do we think we can achieve? **4.** Set yourself some goals in traditional goal-setting fashion – Specific, Measurable, Achievable – you know how it works and then **5.** Communicate internally and externally. Make this a change and a challenge for your entire business to be aware of and let your customers know what you're doing. You may be surprised to find that this triggers new conversations with old clients or, better yet, new conversations with new clients.

Though I've never considered myself to be much of a drum-circle playing, dreadlock donning hippy, reflecting on my career and the negative contribution I've had on the earth by making it cheaper and easy to move cheaper goods to shoppers who want things easily has not been great.

I've got two kids who will inherit our mess and we are at an opportunistic point in human history where we can tackle the challenge of growing business in a sustainable and responsible way.

So, I leave you with that challenge, to decide if the earth, the people that inhabit it and the generations that will inherit it, are worth your time and effort to make them a priority now.

“ *In the last 12 months I've begun to see and hear both first-hand and rhetorical proof that logistics companies are missing out on new business because they don't have their own plans in place.* ”



GEODIS to open a new warehouse facility at Brisbane Airport (BNE)



From its new facility, GEODIS, a global leading transport and logistics services provider, will provide airfreight, ocean freight, contract logistics and customs brokerage solutions for its customers in a wide range of market sectors, including automotive and FMCG.

Strategically located at Brisbane Airport, the new site will have easy access to key locations, being only 14km from the central business district, and 22km from the Port of Brisbane. It will serve the growing logistical needs of GEODIS' customers.

The planned 4,500m² warehouse facility, which is due to be operational by second half of 2022, will feature 4,000 pallet locations, 1,500m² of bulk space, and a cool room for perishable goods supply to marine and hospitality logistics customers, especially cruise lines.

Stuart Asplet, GEODIS' Sub-Regional Managing Director, Pacific Regional Director Sea Freight, Asia Pacific said: "At this new facility, GEODIS will showcase its expertise in import and export services including customs brokerage to ensure complete supply chain transparency. GEODIS in Brisbane already has a strong package of solutions for our customers. This new, strategically positioned facility will not only enable us to meet the fast-changing needs of our customers today but will give us ample room to grow our offerings in the market."

BNE Property is delivering the purpose-built warehouse at Brisbane Airport's Export Park, a precinct home to large-scale warehousing, freight handling, and distribution centres, as well as catering, wholesaling, and storage facilities.

Martin Ryan, Brisbane Airport Corporation Executive General Manager Commercial, said: "It's fantastic to have another great tenant join BNE's growing business community. Brisbane Airport's size, accessibility, and amenity continue to attract great commercial and industrial businesses, and we are extremely pleased that GEODIS has selected BNE as the perfect place to continue to grow its business."

GEODIS in Australia features 30,888 m² of warehousing space across seven locations and offers customers end-to-end solutions spanning a large range of services, including freight forwarding, supply chain optimization, and contract logistics.

www.geodis.com

GEODIS is a top-rated, global supply chain operator recognized for its commitment to helping clients overcome their logistical constraints. GEODIS' growth-focused offerings (Supply Chain Optimization, Freight Forwarding, Contract Logistics, Distribution & Express, and Road Transport), coupled with the company's truly global reach thanks to a global network spanning nearly 170 countries, is reflected by its top business rankings: no. 1 in France and no. 7 worldwide. In 2020, GEODIS employed over 41,000 people globally and generated €8.4 billion in revenue.



Clean freight forwarding as a given, not an option

By MICHAEL BLAKE, Chief Executive Officer – ZILCH Forwarding

The global marketplace has seen a dramatic shift in how countries, industries and businesses prioritise sustainability and emissions reporting.

Yet until now, the transport sector has struggled to adapt to the growing market need for greater transparency into logistics emissions and for cleaner pathways to market.

Decarbonisation is occurring in various sectors at a growing rate, yet the transport sector has struggled to adapt to the growing market need for greater transparency into logistics emissions and for cleaner transport options.

ZILCH Forwarding was built from discussions with like-minded colleagues on the poor state of environmental standards in our industry. In setting up ZILCH we decided to address these issues and create a transport and logistics enterprise built around clean supply chains.

Headquartered in Melbourne, established in 2021 and certified carbon neutral by Climate Active, in collaboration with my father, Paul Blake – a past chair of the Australian Peak Shippers Association (APSA) and a

team of industry-leading experts who are extending on the experiences and ambitions of their logistics emissions advisory group, Scope3, we aim to make sustainable, global freight forwarding simple.

ZILCH is an off-the-shelf freight forwarding solution that has sustainability and the reduction of carbon emissions at its core, rather than as an option to choose from or one that costs you more than the standard service.

One of the key reasons we started ZILCH is, when we were giving companies advice (as Scope3), we noticed they were having trouble integrating the capability into their own supply chains due to other priorities – sustainability priorities or otherwise. So we created ZILCH so shippers can take meaningful action now to clean up their supply chain without the headaches and costs of bringing the skills into their business.

Despite still having a “startup” status, ZILCH already has the runs on the board to make a real difference immediately, as evidenced through Scope3’s world-first logistics emissions transparency and management project with Swinburne University. This project involved the development of a real-time greenhouse gas (GHG) measurement system for all modes of road transport, with the intention of equipping service providers with the information required to meet the growing expectations of their clients.

ZILCH is also fully certified by Climate Active – a partnership between the Australian Government and Australian businesses – as confirmation of the company’s commitment to best-practice, international standards and genuine emissions reduction.

As a contributor to global warming, transport is already behind other sectors and forecasted to fall further behind. However, we see a major energy transition occurring in the transport sector – the hunger is there – and we are here to help our clients play an active role in making it happen.

www.zilchforwarding.com, www.scope3.com.au and www.climateactive.org.au

“*ZILCH Forwarding was built from discussions with like-minded colleagues on the poor state of environmental standards in our industry*”





Don't Lose Sight

Even as we digitize, logistics is still about the people

By JULIAN ALVAREZ, Chief Executive Office - Logixboard

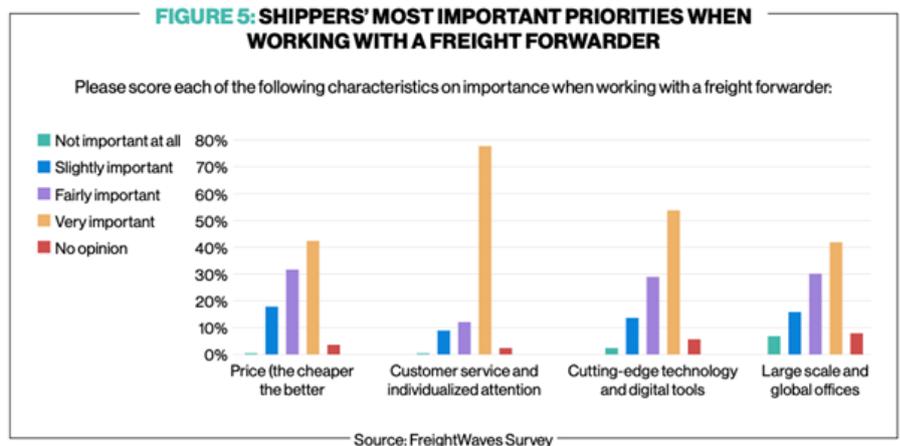
This story has been told before. From the warehouse-like Costco to the completely online Zappos, time and time again successful companies are built by going above and beyond for their customers. And while some may argue that crediting these businesses with “revolutionising customer service” may be a bit generous, these case studies are certainly nice reminders of the power of a great customer experience.

Now it appears the freight forwarding industry is due for their own reminder of that power. Having robust analytics, reporting and visibility at their fingertips as a standard in their personal lives, shippers now expect the same, if not more, from the freight forwarders managing their business.

A wave of digital forwarders has swept through the market promising shippers that they will meet these new expectations. Focused mostly on shipment visibility, these well-funded giants are dazzling shippers and wrecking traditional shipper-forwarder relationships that have existed for decades. While the jury is still out on if these digital-first forwarders can execute, they are still leaving incumbent forwarders scrambling to slowly and awkwardly bolt digital systems to their TMS or emptying their pocketbooks to build custom solutions.

In the cries of “digitize, digitize!” that follow, it's easy for many freight forwarders to get swept up and forget what they already have on their side: the freight forwarding know-how, a long history with clients and the right people in the right places.

This means all they are missing is a tool. A sharp contrast to the digital-first forwarders that are, essentially, only a tool.



With customer service still the highest priority by far for shippers when working with a freight forwarder, Julian Alvarez, co-founder and CEO of Logixboard, recognised an opportunity for traditional forwarders to gain a competitive edge. It would take more than simply checking off the “dashboard” or “visibility” box though.

Working closely with freight forwarders and shippers, Julian and the team at Logixboard went to work identifying the precise pain points and inefficiencies that needed to be solved to improve the Customer Experience for shippers. Then they started building.

The result? Well for Logixboard partners the results have been win after win. You can visit Logixboard.com to read some of the case studies in depth, but here are a couple of highlights.

- One partner went head-to-head with freight forwarding giants to win over \$2.3M in new revenue... in 4 months!
- Another partner won back over \$2.5M after implementing Logixboard
- A 3rd partner generated \$50M in new revenue in addition to improving retention

How? The Logixboard team dedicated themselves to building a white-labelled, online customer experience platform that would arm incumbent freight forwarders to compete and win in today's market.

This of course ultimately led to including functionality like shipment visibility, container events, centralized messaging, document sharing, accounting, and analytics into the system – but it's also more than that.

Logixboard is built to be easier to use and faster to implement than anything else on the market. By developing the solution as plug-and-play, Logixboard's low overhead helps it quickly return a positive ROI.

Seattle-based Logixboard (and of course the investors in their latest round of \$32M in funding) continue to push their white-label product forward in the aim that it will help every freight forwarder respond to the call of their clients to modernise.

While the complex nature of logistics makes it hard to say it is a perfect fit for every forwarding company, it is easy enough to find out if it's right for yours. The Logixboard team tells us it takes only a 30-minute conversation to explore the solution and determine if it's a fit. And, if it is, they can have you marketing the solution in days, and rolling it out in under 4 weeks.

For more information go to www.info.logixboard.com

LOGIXBOARD

Wondering Women & Industry join forces to help Northern NSW Flood victims

Wondering Women is a group of ladies based in the Sutherland and Bayside area who have joined together to connect and support each other whilst enjoying a good walk and other social activities.

The organisation was co-founded by Lisa Tilsed, a highly regarded Global Account Manager in the logistics industry and Adriarn Crane, St George Bank Manager. Joyce Campbell, who is also a member of the group and leading motivation and skills trainer in the industry, stated that “walking assists with our mental health, taking our mind off everyday stresses”.

Wondering Women launched their Flood Disaster Support Project to assist families that have been affected by the devastating floods in Northern NSW.

Justin Bailey, Managing Director of Wymap Group donated their services to help transport and facilitate the loading and delivery of the goods to the Lismore showground. Local businesses in the region assisted with the distribution to those poor people who have found themselves at the mercy of nature. Justin stated “that the moment I got the call from Lisa and understanding the overall impact to families and communities in affected flood areas it was an easy decision to support. Seeing the unbelievable work done by the Wondering Women and their friends and family first-

hand on Sunday in the pouring rain was such a great feeling to be a part of. Wymap Group prides itself on supporting industry when we are met with challenges such as the current devastation throughout Queensland and New South Wales”.

For further information about Wondering Women or to assist or donate to the appeal please contact Lisa Tilsed and Adrian Crane 0422095890 or at wonderingwomen2230@hotmail.com



WOMEN IN LOGISTICS SUNDOWNER WALK & NETWORKING FUNCTION

A collaboration between Freight & Trade Alliance (FTA), Wondering Women & Next Leap Training Solutions.



Building on the success of the FTA Women in Logistics Forums over the last 10 years, in 2021 we joined forces with Wondering Women and Next Leap Training Solutions to host the amazing sunrise walk at Bondi Beach with over \$10K being donated to charity.

Please join us at our first event for 2022 to celebrate both the ladies in our industry and the male colleagues who continue to encourage and support us.

A great way to end the week connecting with your peers. We will also have some raffle items on the night, with all the event's profits going to our chosen charities – **Bayside Women's Shelter** and **Waves of Wellness Foundation**.

- Date:** Friday 13 May 2022
- Time:** Bayside Walk (5.30pm – 6.00pm) followed by Networking Function (from 6.00pm)
- Venue:** Novotel Brighton Le-Sands outside in the Pavillion Area
- Cost:** \$49.50 (incl. gst) - includes 1 x welcome drink and light meal

Tickets are available at www.FTAlliance.com.au/UpcomingEvents

Event and sponsorship enquiries to Caroline Zalai at czalai@ftalliance.com.au

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WOMEN IN LOGISTICS



Adriarn Crane & Lisa Tilsed, Co-founders of Wandering Women, coordinated in excess of 1500 ladies to unite as a community to help those suffering in the floods



Members of Wandering Women - Adriarn Crane, Sonja Stansell, Bronte Tilsed, Jan Lindsay, Colleen Treloar, Donner Brouwer, Lisa Tilsed, Sharon Cameron, Eunice Vidgen-Polock, Joyce Campbell, Tracy Davidson, Margaret Dorrell, Raelene Bransky, Donna Kenny, Michael Anagnostou (owner of Novotel) – Photo by the Leader



Wymap Group, helped deliver all our donated proceeds to those in Northern NSW. They arranged the labour and semi-trailer, re-packing the load and safely delivering the goods to Lismore on Monday 7 March 2022. This was one of the first trucks to be unloaded.



Some of the fabulous Wandering Women!



Wymap Group re-packed the loose cartons to pallets, shrink wrapped them, lashed for safe delivery and easy unpack at the Lismore Showground.



A 10 year old donated hand-made soft toys with a personal note from the heart.



Megan McCracken, Ella Cahtarevic, Kerryn Woonings and Kendall Messer

In December 2022, WISTA WA Chapter enjoyed a sundowner at North Fremantle. Guest speaker and leadership coach at Pleiades Consulting, Megan McCracken spoke about female representation in freight and logistics providing inspiring and helpful guidance. An enjoyable end to the year for all who attended.



Working together to keep our supply chains operating in challenging times

By SIMON ATKINSON, Secretary of the Department of Infrastructure, Transport, Regional Development and Communications

The past two years have highlighted the critical importance of our freight and logistics sector and reinforced that every link in our supply chain matters. In recent months, Australia's freight sector, domestic producers and our importers and exporters, already grappling with supply chain issues related to the COVID-19 pandemic, have been confronted with a variety of new challenges. The Adblue shortage, flood damage cutting road and rail access to Western Australia and the Northern Territory, and more recently major flooding in Queensland and New South Wales have shown our supply chains are vulnerable to disruption.

COVID and these more recent challenges have also highlighted the importance of collaboration between all Australian governments, the freight and logistics sector and the users of freight services. The willingness of industry to work in partnership with government to navigate through difficult circumstances has been key to Australia's ability to respond and maintain our connections across the country and around the world.

Since the beginning of the COVID-19 pandemic, Australian governments, regulators and industry have worked together to understand its impacts and consider responses. Open lines of communication have been critical and maintaining these relationships will be important going forward. My department has valued the ability to talk to the Freight & Trade Alliance (FTA), to obtain the most up to date supply chain information and for advice on potential issues of concern.

In late 2021, many Australians learned of the importance of Diesel Exhaust Fluid (also known as AdBlue) for the first time. As an additive for many modern diesel engines, Diesel Exhaust Fluid is critical to the operation of a large proportion of Australia's trucking fleet.

When it became apparent that a temporary shortage of Diesel Exhaust Fluid was imminent, and there would be challenges sourcing the technical-grade urea (TGU) required to manufacture it, Australian Government departments worked closely with manufacturers and distributors of Diesel Exhaust Fluid, fuel retailers, transport and logistics bodies to boost domestic production and secure supply internationally.

My department worked closely with shipping lines to expedite the delivery of Diesel Exhaust Fluid and TGU, provided Australian manufacturers and distributors with potential shipping options, and facilitated expedited customs entry and clearances. Without the cooperation and responsiveness of the shipping and logistics industries, supply would have been very seriously affected.

In late January 2022, significant rainfall in South Australia flooded parts of the Stuart Highway and damaged approximately 300 kilometres of the east-west rail freight line, affecting road and rail freight services to and from Adelaide, Perth and Darwin. The Australian Government worked with state and territory governments and industry to quickly restore freight access to ensure the continued flow of essential supplies to affected communities, and supported industry in securing alternative freight methods. This collaborative effort between government and industry is another illustration of the benefits that can be derived when we work in partnership.

To ensure critical supplies kept moving to Western Australia, additional capacity was found by a number of shipping companies, and this has been taken up by supermarkets and others to carry a variety of essential goods.

I sincerely appreciate industry's efforts in responding to the significant pressures of the last two years. The resilience of the freight and logistics industry in particular has been critical to ensuring Australia's supply chains continue to deliver essential goods and services for all Australians. Cost-effective, reliable and resilient supply chains are essential to Australia's social and economic well-being and our future prosperity. The Australian Government will continue to work collaboratively with industry to understand and address issues facing the freight, transport and logistics sector, our supply chains and supply chain participants.

As a next step to building greater efficiency and resilience into our supply chains, it is critical we understand the fundamental drivers behind longer-term, structural issues that may be affecting productivity. With this in mind, I encourage all of your members and readers to engage with the Productivity Commission's inquiry into Australia's maritime logistics system to ensure all viewpoints are considered.

I appreciate FTA and the Australian Peak Shippers Association's (APSA) ongoing commitment to supporting importers and exporters, and improving our freight and trade systems. I wish you all the best for the year ahead and look forward to continuing our strong relationship.



Making cross-border trade easier for Australian businesses

By RANDALL BRUGEAUD, Head of the Simplified Trade System Implementation Taskforce

The Australian Government is committed to making cross-border trading easier and less costly for the thousands of Australian exporters and importers. The current cross-border trade environment can be expensive and time-consuming for businesses, with multiple regulations and government jurisdictions requiring navigation. COVID-19 has had both positive and negative impacts on trade. On the positive side, it has proven that government is able to move quickly to streamline and digitise processes as it responded to the pandemic. On the negative side, the cost of doing business has increased and capacity and performance issues across the end-to-end supply chain have introduced challenges that are likely to remain for some time.



“*If we make cross-border trade cheaper, faster and easier, Australia will become more competitive on the global stage.*”

The Simplified Trade System (STS) agenda is led by the Minister for Trade, Tourism and Investment and co-sponsored by the Minister for Home Affairs, the Minister for Agriculture and Northern Australia, and the Minister Assisting the Prime Minister and Cabinet.

The STS agenda represents a significant opportunity to drive microeconomic reform and improve efficiencies for agencies and businesses of all shapes and sizes. Making cross-border trade rules simpler and providing more modern systems and processes will provide direct benefits to businesses, support increased trade volumes and ultimately create more jobs in Australia.

Implementation Taskforce to coordinate trade reform

The whole-of-government STS Implementation Taskforce (the Taskforce) was established in July 2021. Over the last 8 months, the Taskforce has been working with industry and government players to coordinate, integrate and align cross-border trade reforms. As part of its work, the Taskforce has been able to complete the first ever baseline of Australia's current cross-border trade environment. The baseline includes all regulations and ICT systems that support Australia's cross-border goods trade, mapped directly against the end-to-end user journeys for importers and exporters.

The Taskforce is building on existing trade reforms in government and we're benchmarking ourselves internationally to ensure that we understand our current maturity and that we learn from the experiences of other countries who have completed or are undertaking major trade transformations.

What's different about the Taskforce is we're placing businesses at the centre of our whole-of-government, national approach. We're working with state and territory governments as they play a critical role in the cross-border trade environment and many are undertaking trade-related transformations, such as Transport for NSW with its Freight Community System.

Putting business at the centre

Putting business at the centre is critical in ensuring the success of the STS agenda. We have been listening to trade-related businesses of various sizes and types, across Australia and internationally. We've discussed what's working well and what can be improved with Australia's cross-border trade system. We've conducted roundtables and a Town Hall; we've presented at government-business fora and we've completed the first round of a broad public consultation process.

Business engagement has been guided by the STS Industry Advisory Council (IAC). The IAC is chaired by Mr Paul Little AO, who has extensive experience in the freight and logistics sector and the broader cross-border trade environment. Other members of the IAC have been drawn from businesses with an interest in cross-border trade and with networks that inform our transformation efforts.

What we've learned to this point

Our baselining has shown that Australia's cross-border trade environment relies on outdated and complex regulations and systems. Business and industry stakeholders have also been very clear about the challenges they face in cross-border trade. We've heard that they need to navigate multiple channels to find the information they need.



We've also been told that paper is too often part of the process, and this creates inefficiencies, particularly where the same information needs to be provided multiple times. And linked to all this, we've heard that businesses often need to work with multiple agencies to coordinate their trade activities.

Designing the future of Australia's cross-border trade system

While it's been important for us to understand the current state and the issues business face, our focus moving forward is to design a future cross-border trade environment that is efficient, effective and sustainable. First and foremost, we're ensuring that the future state delivers a business experience that is simple, integrated and intuitive. Our aim is to deliver a regulatory environment where the rules are simple and fit-for-purpose and where technology and processes are modern, connected and supported by harmonised data standards which align internationally. We also aim to deliver a funding model that is fair and sustainable and a workforce that's capable, skilled, and adequately resourced.

Outcomes to date

The Taskforce is not starting from scratch – the Australian Government has been investing in trade system modernisation for many years. As part of the STS reform agenda, the Government announced a \$137 million package in the 2021-22 Mid-Year Economic and Fiscal Outlook (MYEFO). The measures in this package will make it easier

and less costly for Australian businesses to import and export goods. They will improve the trade experience for businesses, simplify regulations, align government agency processes, increase digitisation and enhance data collection and sharing.

The STS program will incrementally deliver benefits in the short, medium and long term. Investments from MYEFO already include initiatives that will deliver early benefits to business, including the ability to book and manage biosecurity inspections online and real-time notifications on the operational status of the Integrated Cargo System.

Investments made at MYEFO also includes foundation work to enable more significant transformation, including the alignment of border processes between agencies and establishing a framework to support 'cross-border trade data sharing by default'.

Next steps

What we have learned from businesses and from across government will inform the next phase of the STS reforms.

A critical part of the future vision for cross-border trade is a 'tell us once' model for business-government interactions. We have heard from businesses that providing information multiple times takes time and costs money. A 'tell us once' trade system, as part of a broader single trade environment, will simplify interactions between government and business for imports and exports, provide rules that

are easier to follow and ensure security outcomes are maintained and enhanced through the improved use of data.

Foundations to transform the trade system through improving cross-border trade processes will align accreditation and authorisation schemes across government, better share data and develop more sustainable funding models.

Business is at the centre of all this work. As our focus shifts from understanding the current state of the cross-border trade system, businesses will be deeply involved in co-designing the future trade system.

Simplifying cross-border trade will streamline trade processes, make it easier for Australian businesses to compete in global markets, and boost our economy. It will allow the thousands of importers and exporters that trade internationally to focus more on productivity, growth, and diversification and less on navigating the complexities of the cross-border trade environment in which they operate.

For more on the Simplified Trade System and the work we are doing, including information on recent consultations and how you can get involved, visit www.simplifiedtrade.gov.au





Initiatives and innovations to keep cargo moving

By ANDREW TONGUE, Deputy Secretary and Head of Biosecurity, Australian Government Department of Agriculture, Water and the Environment

The Australian Government is currently responding to an outbreak of Japanese encephalitis virus in Australia and Lumpy skin disease detected in our region. For the latest information or to report an outbreak, please visit the Australian Government Outbreak website: <https://www.outbreak.gov.au/> or call the Emergency Animal Disease Watch Hotline on 1800 675 888.

Biosecurity serves the Australian economy by protecting our agricultural industries, environment and way of life from harmful pests and diseases. It is a key focus of the Australian Government's Simplified Trade System and Deregulation agendas, and commitment to helping the agricultural sector meet its \$100 billion target by 2030.

With increased demand for document assessment and inspection services for imported goods, and COVID-19 changing international container trade logistics and consumer purchasing habits, the Department of Agriculture, Water and the Environment is reviewing its approach to managing risk.

Industry is telling us they want reduced clearance delays at the border, an appropriately skilled workforce on the ground, and a more cost-efficient biosecurity system – and we are listening.

To solve the biosecurity challenges of the next decade, we are developing and trialling new initiatives and innovations that will deliver a stronger and more efficient biosecurity system, while we keep cargo moving.

Green lane and rural tailgate inspection trials

Through an import supply chain proof-of-concept trial we are reimagining how we do business at the border. The trial tests if existing importer business assurance systems can deliver equal or



RingIR fumigants device

Image attribution/source: RingIR Pty Ltd

better biosecurity outcomes in managing biosecurity risk across supply chains.

Working with importers from different sectors, we currently have seven trial pilots underway. Many of these are showing that participating importers can consistently mitigate biosecurity risk within their supply chains.

The pilots are expected to be completed this June, and they will inform the further development of a trust-based biosecurity risk management scheme – a green lane for importers. This will be a gamechanger for both the department and industry.

While import requirements will not change, there will be less red tape for these importers. Logistic providers, agricultural and other businesses will benefit through reduced congestion at the border. It will also allow our biosecurity officers to focus their attention on areas of greater risk or operational reform.

We are also commencing a private beta trial for industry to conduct rural tailgate inspections. If successful, this will allow up to 41,000 containers to be inspected by accredited industry participants each year. Recovering around 6,800 inspection hours a year, our officers will be able to focus their inspection effort elsewhere.

AEPCOMM improvements

To allow more importers to benefit from the speed and efficiency of Automatic Entry Processing for Commodities (AEPCOMM), we are considering an expansion of the range of approved commodities and a review of the associated fee structures.

We are also working on better interaction between AEPCOMM and third-party cargo logistic software, to allow for more seamless document lodgement where required. Resources and training material will be developed to make lodgements simpler for users.

Biosecurity Portal

We have begun to trial the Biosecurity Portal – a new, 24/7 online portal that enables importers, brokers, and approved arrangement providers to make and change import inspection bookings online.

The portal replaces the current email form and integrates the Australian Government's MyGovID to authenticate users with the Agriculture Import Management System (AIMS).

Users will have access to a suite of other self-service options including being able to view Biosecurity and Imported Food Direction information.

A beta version of the portal has been tested with a trial group to ensure it is fit-for-purpose. Further releases will be delivered in a phased approach with the portal being available nationally later this year. Our aim is to give industry a more efficient tool for managing import biosecurity inspection bookings.

3D x-ray trial for air cargo

We are continuing to develop our 3D x-ray technology to enhance biosecurity risk detection in mail, traveller, and cargo pathways.

Working together with Rapiscan Systems and New Zealand Ministry for Primary



Image attribution/source: Techmatics NZ

Hades-5Z
Industries, we are developing algorithms to automatically detect biosecurity risk items. Preliminary results show a success rate of 70-80% in detecting organic material such as meat and fruit, which can carry plant and animal pests and diseases into Australia.

We are buying more 3D x-ray machines, three of which will be installed in our mail centres. The first of these will be up and running in the Sydney Gateway Facility in April.

Based on the success of 3D x-ray units already used at mail centres, we are now working with an industry partner on a proof of concept for inline 3D x-ray screening for air cargo.

Improving workforce capability and capacity

With international travel resuming, we are working closely with the Department of Home Affairs and the airports to predict future traveller volume.

Our Biosecurity Operations Division is planning a gradual redeployment of biosecurity officers to make sure our resources are located where they are needed. We are also recruiting additional staff to ensure a strong biosecurity presence at all entry points.

Our officers are also being given better training and decision-making tools to perform their roles as skilled and professional regulators, capable of making lawful, transparent, and accountable regulatory decisions.

The establishment of a dedicated Biosecurity Training Centre is critical to achieving this, with courses expected to commence for new recruits from 1 July. Pathway-specific training will be available for our existing staff, and to industry in the

future.

We are incorporating new technologies in our training programs, including trialling the use of virtual reality and augmented reality technology, and a telepresence robot in the classroom for remote learners. We have also been working with Charles Sturt University on a virtual farm gate experience, so our officers understand how important it is to protect our agricultural industry.

Innovative technology for biosecurity inspections

Through a number of innovative projects, we are investigating ways to modernise how we carry out break-bulk inspections at the Australian border. These innovations aim to make inspections easier, more efficient, and safer for industry and our own staff. They will also help improve our ability to identify biosecurity risk material, no matter how small.

Hades-5Z

In partnership with New Zealand Ministry for Primary Industries we are trialling a remote-controlled robotic camera called the Hades-5Z to initially assist with biosecurity inspections of containers, vehicles, and machinery.

The Hades-5Z is a small, 4WD robot that can move under vehicles and through any crawl space. It also has interchangeable wheels that can be used on different ground conditions. The robot works through a live video feed to an operator's tablet, allowing inspections to be carried out from a safe distance. This enables staff to inspect otherwise dangerous or risky environments.

The trial, scheduled to take place around Australia in late March, will test the Hades-5Z on different surfaces and in





Spot in action with an articulated arm designed specifically for the pilot

Image attribution/source: Corematics Pty Ltd

different lighting and weather conditions, including a heat stress test. We want to make sure it can tackle all kinds of conditions while continually providing clear images for officers to identify biosecurity risks and make timely, informed decisions.

RingIR

We are exploring the use of vapour-detection technology to identify and quantify gases in the air, even when there are only a few molecules per billion molecules of atmosphere.

RingIR's portable sensor technology can detect gases in real-time, so operators

know when there is a risk of exposure to harmful chemicals.

A project was conducted with RingIR last year showing that the technology could detect methyl bromide, sulfuryl fluoride and phosphine. RingIR is now working to build a portable prototype for operational use and field trials later this year.

We are also trialling the technology to see if it can detect the presence of specific pests associated with containers — starting with native species in a laboratory setting as a test case.

This trial is in partnership with AgriBio at LaTrobe University. If successful, a future trial of this technology will focus on exotic pests such as brown marmorated stink bug and khapra beetle.

Projects involving RingIR's technology are scheduled to be completed by 30 June 2022.

Spot

This year we are piloting Spot, a four-footed agile robot created by Boston Dynamics.

With the right technology, Spot can be used to live-stream, take images, collect data, detect harmful gases, climb stairs, and traverse indoor or rough outdoor terrain with ease. It can be operated with a remote control or programmed to operate autonomously.

Spot can carry up to 14kg and has an arm that can open doors and pick up items. We will be testing its capability in a number of locations, carrying out tasks including collecting environmental data and radiation readings, and performing a container inspection.

These initiatives and innovations are being trialled in alignment with the Commonwealth Biosecurity 2030 strategy to support a Simplified Trade System. By partnering with industry, simplifying imports, trialling new technologies, and investing in a skilled and responsive workforce, we are ensuring a stronger and more efficient biosecurity system for the future.





Is sea freight a viable option for exporting perishable vegetables?

By GLENN HALE and JOHN LOPRESTI – Research Scientists, Agriculture Victoria.



Victorian asparagus is currently exported by air to Japan (Photo: Glenn Hale).

The value of Australia's fresh vegetable exports has been increasing by an average of 10% per year over the past decade and was valued at A\$276 million in 2020, of which Victoria contributes approximately one-third with a gross annual value of more than A\$80 million

The primary fresh vegetable exports from Victoria include asparagus, broccoli, cauliflower, leafy salad vegetables, celery and carrots, with the largest export markets currently in Japan, Singapore, Korea, and other South-East Asian countries. Despite COVID-19 trade disruptions, 10,076t of Victorian fresh vegetables, worth over A\$50 million were exported in 2020.

Air freight is the preferred choice for some vegetables that have a limited shelf life after harvest. Prior to the global pandemic, over 90% of asparagus, broccoli, cauliflower and leafy salad vegetables were exported by air freight due to their perishable nature. However, sea freight is increasingly becoming an important commercial option for vegetable growers and exporters to be competitive in target markets, particularly due to economies of scale and the much larger produce volumes that can be exported in a single shipment.

More recently the advent of the COVID-19 pandemic, which has led to border closures and travel restrictions, has seen reduced air freight capacity

and subsequent significant increases in air freight costs. Sea freight appears to be a commercially viable and less costly option, but the inherently longer shipping requires fresh produce to survive the two-to-four-week journey from Australia. Produce is also expected to have adequate quality and storage life to allow for further transport, distribution and retailing, whilst meeting consumer quality requirements at the point of sale.

After harvest the storage life of most important Victorian vegetable crops is currently limited to one to two weeks when stored at low and optimum temperatures (e.g., 0 to 2 °C). With air freight and supply chain issues expected to continue for some time yet, alternative packaging and storage options that can be used with sea freight are required to ensure a viable export pathway remains for all Victorian vegetable producers.

Taking a research and innovation approach, this project aims to maximize the storage potential and quality of important Victorian vegetable crops exported by sea freight by:

- determining which vegetable cultivars are most suitable for export;
- testing of commercial modified atmosphere packaging (MAP);
- comparing the performance of different crop cultivars under simulated sea freight conditions; and
- optimising current harvesting, cooling and postharvest treatment practices.

Such an approach will enable the development of new sea freight export protocols and recommendations so that Victorian vegetable export volumes are maintained, whilst potentially enabling the vegetable industry to diversify into new export markets.

This project 'Maximizing vegetable storage potential and quality during sea freight export' is funded by the 'Food to Market Program' which is a \$15 million state government initiative under the new strategy for Agriculture that helps provide financial support for projects investing in the Victorian agri-food supply chain. AUSVEG is a partner in the project.

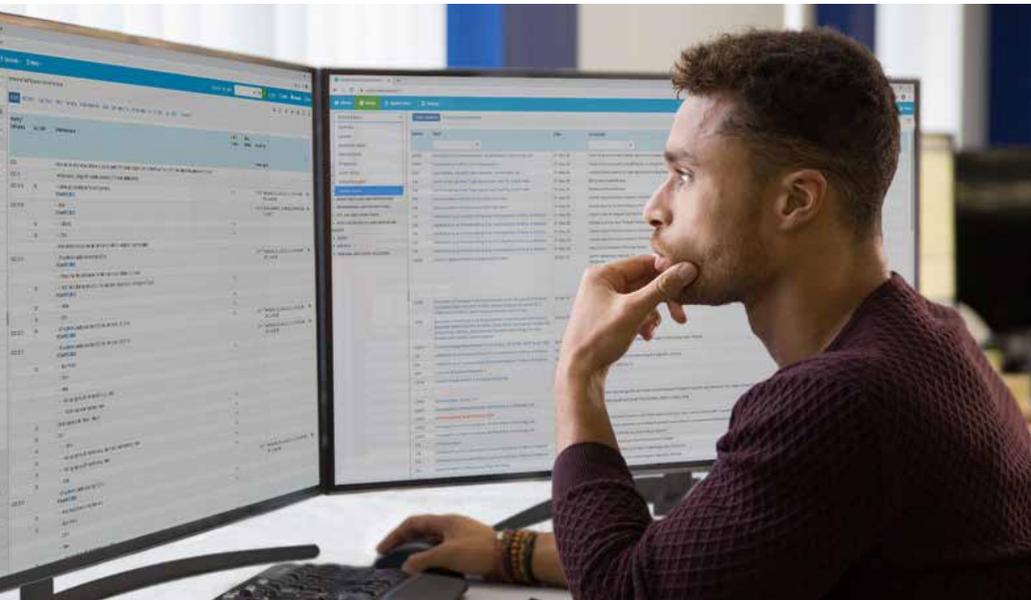
For more information contact:

John Lopresti (Project Leader) at Agriculture Victoria on 0419 997 740 or john.lopresti@agriculture.vic.gov.au



BorderWise: Taking the complexity out of compliance

Compliance at the border is an ever-changing and complex exercise and as any trade professional knows, it is important to get it right. Penalties for incorrect reporting and non-compliance can be severe and impact your bottom line.



As some parts of the world begin to move forward into the next phase of recovery, companies and governments are looking to technology to help them optimise their processes and succeed in this new normal.

BorderWise is a web-based product that brings together a range of cross-border content and data – including law and regulation, Tariffs, and duty rates – whilst delivering unique advanced search functionality for importers, exporters, customs brokers, legal experts and other trade professionals.

In a single window, it provides an integrated Tariff Nomenclature for each country, to ensure measures are easy to find and are fulfilled. You can search and bookmark thousands of global customs publications, including tariff classifications, legislation, prohibitions

and restrictions, Dual Use Goods and Munitions Lists, CITES, Prohibited Imports and Exports, and Dumping commodities.

The libraries contain Free Trade agreements in full text, their specific Rules of Origins, Product Specific Rules and Certificate of Origin or Declaration of Origin requirements, so you can do all your due diligence checks before you import or export.

Comprehensive and reliable information at your fingertips

To avoid delays at the border and meet customer expectations amid complicated border requirements, trade professionals must make decisions and increase their output faster than ever before.

Keeping up with ever-changing cross-border requirements and regulations from Customs and other partner Government Agencies – such as Biosecurity – when declaring goods for import or export purpose from a single country is complex, time consuming and requires knowledge of the numerous measures and laws that apply.

For many trade professionals and legal experts, BoderWise is their daily go-to for the information they need to do their job with speed, quality and accuracy. It gives them peace of mind and the ability to focus more on their core business and customers.

Global rollout continues

BorderWise's libraries deliver the complete collection of the World Customs Organisation's Harmonised Commodity Coding System publications, including the Explanatory notes, Compendium of Classification Opinions and Alphabetical Index.

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BorderWise can be accessed via web application, making it even easier for you to make timely and accurate decisions. Fully integrated into CargoWise, it can be used by existing customers to significantly enhance their productivity. It is also available to industry professionals as a standalone application via a monthly on demand license.

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Visit www.borderwise.com to learn more about this comprehensive tool.

Australian Border Force Focuses Attention on licensed customs depots

By RUSSELL WIESE, Director – CGT Law

A licensed depot under the Customs Act is effectively an extension of Australia's borders. Goods can enter the depot without the lodgement of an import declaration, the payment of duty or full security screening. Given that a key slogan of the Federal Government is "Strong on Borders" it should come as no surprise that the Australian Border Force (ABF) has been cracking down on licensed depot compliance.

A licensed depot permits importers to move goods from the port or airport for either short term storage or unpacking and deconsolidation. Goods leave the depot when entered for home consumption or moved to a licensed warehouse for longer periods of storage.

The ABF focus on depots relates to three functions of the depots:

- storing goods securely in accordance with depot conditions;
- not moving or interfering with goods under customs control; and
- reporting the receipt and deconsolidation of goods.

The degree of ABF compliance activity can be seen from the type and level of infringement notices issued in the 2020 – 21 financial year. By number, the offences attracting the highest number of infringement notices were:

1. section 33(6) – directing or permitting another person to move, alter or interfere with goods that are subject to customs control
2. section 77R(1) – breach of a condition of a depot licence
3. section 64ABAA(9) - failure to meet reporting requirements for outturn report

4. section 243V(1) – false or misleading statement in cargo reports or outturn reports

While there were about 21 infringement notices issued in respect of a breach of a depot licence, there was only one infringement notice issued for breach of a warehouse license and no infringement notices issued for a breach of a customs broker's licence.

To make the message even clearer, the ABF highlighted in a number of channels, its action in cancelling the licence of a major depot in Sydney. The cancellation followed covert and overt action by the ABF which resulted in concerns being held by the ABF that the depot's processes could be vulnerable to infiltration by organised crime syndicates.

One of the differences between compliance regarding imported goods and depot compliance is how easily the ABF can identify depot breaches during an audit. The ABF can within minutes of being on a premises identify the following breaches:

1. allowing a person to enter a licensed area without making a record of their entry or exit – All the ABF need to do is approach any individual who is not an employee and verify whether their entry was recorded
2. CCTV footage must be maintained for at least 30 days – All the ABF need do is request the footage
3. the ABF must be notified of any matter affecting the physical security of the depot – If the ABF identify any defective gates, locks, fencing or alarms it will be relatively easy to demonstrate a breach.

With many customs compliance issues there are difficult issues of law that need to be debated. However, depot security breaches are often very clear. In addition, due to the need to maintain CCTV footage for 30 days, it is not difficult for the ABF to review past depot activity to identify breaches.

Similarly, breaches regarding cargo reporting can be equally easy to detect. As each movement of the goods is communicated to the ABF, it is not too difficult for the ABF to run reports to identify whether goods were initially reported and then out turned in the required timeframe.

The consequences of a breach can be significant. On top of infringement notices, the ABF can seek to revoke a depot licence where it is satisfied that there has been non-compliance with a depot licence, or it is otherwise necessary to cancel the depot licence for the protection of the revenue or for the purpose of ensuring compliance with the Customs Act.

It is possible to dispute the ABF's assessment and it is not the case that a notice of intent to cancel a licence always translate into an actual cancellation of a licence. Whether it is an initial audit or a notice of intention to cancel a licence, it is important that the depot licence holder:

- take the matter seriously;
- act quickly in responding to the ABF;
- investigate whether the alleged breaches actually occurred;
- if the breach occurred:
 - o what was the reason for the breach;
 - o were there any extenuating circumstances that contributed to the breach;
 - o what steps will be taken to prevent a future breach;
- demonstrate to the ABF why, despite any breach, the depot can make a positive contribution to the security of Australia's borders and the facilitation of legitimate trade.

In seeking to respond to, or even better prevent, breaches of a depot licence, the key is to go beyond telling staff what the correct way of acting is. It is necessary to not only emphasis the need to comply, but to:

- carry out training to ensure that employees understand their obligations;
- implement detailed standard operating procedures so that staff understand how to meet their obligations; and
- implement an effective quality assurance program to identify whether the training and new procedures are actually working.

These steps need to be carried out in respect of physical security, cargo reporting and accounting for goods under customs control.

It is clear that depot compliance is important to the ABF and for this reason alone it needs to be important to license holders. While it is always difficult to take attention away from day-to-day operations, spending time now on compliance could prevent time consuming future audits, costly infringement notices and, at worst, the cancellation of your depot licence.

Russell Wiese is the director of CGT Law. Russell has extensive experience in dealing with ABF audits and non-compliance notices concerning licenced depots and warehouses.



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Australian Radiation Protection and Nuclear Safety Agency to present at upcoming Freight & Trade Alliance (FTA) CPD events across Australia

By Helen Alexander, A/g Senior Officer -Governance and Strategic Partnerships, Office of the CEO and Dr Chris Brzozek, Science Officer (Research) Assessment & Advice - Australian Radiation Protection and Nuclear Safety Agency

The Australian Radiation Protection and Nuclear Safety Agency (ARPANSA) is working to raise awareness of the health risks associated with laser pointers and laser toys. As the Australian Government's primary authority on radiation protection and nuclear safety, ARPANSA promotes safety of products that use radiation, including laser pointers that are imported and supplied into Australia.

ARPANSA has teamed up with the Freight & Trade Alliance (FTA) to increase awareness of safety concerns relating to laser pointer products that are available to consumers in Australia at very low cost.

Lasers can be found in laser pointers, lighting systems such as indoor home lightshows or outdoor domestic lighting displays as well as common children's toys, such as 'lightsabers,' toy guns, pet toys, etc. There are regulations in place to prevent the importation and sale of lasers that exceed the power output limit.

Power limits and health impacts

All laser pointers that are available to the Australian public must have an accessible radiant power output of

less than 1 milliwatt (1 mW) of visible wavelengths. Lasers with an output below this are considered safe for accidental exposure due to low risk of injury to the eye. Protection from laser pointers that comply with this limit occurs as a result of the human instinct called the 'aversion response'.

This automatic response to very bright light, includes pupil contraction, looking away and blinking when a laser beam shines onto the eye. Laser pointers that are over 1 mW are prohibited weapons in most jurisdictions in Australia. For lasers with this higher output, the aversion response is no longer sufficient to protect the eye from damage.

In addition to injuries caused from even momentary exposure to higher power lasers, temporary visual effects can occur when the beam is shone into the eyes of unsuspecting people. This can result in a 'dazzle' or 'flash-blindness' effect where the exposure leads to disorientation and collateral injury including death for people doing safety critical activities like driving or operating machinery. When the beam is stared at directly, the potential for harm from the laser becomes much greater. Injuries resulting from staring into the laser beam include permanent damage to the eye and subsequent partial or total loss of vision.

Incorrect labelling

It is a requirement in Australia for lasers to be labelled according to the hazard. This information includes the class of the laser, the power output and the wavelength. Unfortunately, Australian studies have shown that the labelling applied to laser products often does not appropriately reflect the hazard. A recent test of a laser pointer bought within Australia and advertised as having an output of 0.1 mW (labelled as <1 mW) found an output of 115 mW. More than 100 times the legal safety limit.

In one study, the majority (42 of 44) of laser pointers tested failed to meet the output restriction of less than 1 mW (Wheatley, 2013). All of the 44 laser pointers were advertised as being less than 1 mW and



Common Laser Pointers like this often exceed the power limits and can cause serious injury

most fell within a hazard category where the indirect reflections of the beam had potential to cause eye injuries. These products are available to consumers for under \$20.

Find out more

Unreliable specifications and deliberate misrepresentation of the output power provided at point of sale are an increasing problem. Laser pointers available for sale are rapidly becoming more powerful. ARPANSA is working to improve the safety of laser pointers available to the general public and facilitate better compliance with existing regulations. For professionals interested in learning more about the risks and what to look out for, ARPANSA is presenting at a series of Freight & Trade Alliance (FTA) continuing professional development events across Australia. For more information on the upcoming sessions, please contact FTA or email: government@arpansa.gov.au

Wheatley, T. 2013, Laser pointer Prohibition – improving Safety or Driving Misclassification, School of Engineering and Information Technology, UNSW Canberra, Australia. Paper 101.



Laser lights can have a dazzling effect



Licensed depots and warehouses are a key focus of the ABF –

Are you ready?

CGT Law has noticed a sharp increase in ABF audits and infringement notices regarding breach of depot conditions, cargo reporting and movement of goods under customs control. The ABF has also publicised its cancellation of a major Sydney depot. The message is clear, if you want to operate a licensed depot or warehouse you must achieve a high level of compliance.

Don't wait for a suspension or cancellation notice from the ABF – the best strategy is to respond clearly and fully to any identified claim of non-compliance

If you have experienced a negative ABF audit or are concerned about your depot or warehouse compliance, don't hesitate to contact us. As with all areas of customs law, FTA members received 45 minutes complementary advice.

Customs and Global Trade law has helped clients:

- understand their obligations as a license holder
- implement internal quality assurance programs
- review depot and warehouse standard operating procedures
- respond to notices of an intention to suspend or revoke a license
- seek withdrawals of infringement notices
- resolve disputes regarding cargo reporting
- draft warehouse and 3PL terms and conditions



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STREAMLINING THE CARGO INTERVENTION MODEL

By PAUL ZALAI - Director FTA | Secretariat APSA

On 31 January 2022, Freight & Trade Alliance (FTA) and the Australian Peak Shippers Association (APSA) provided a preliminary submission in response to the Simplified Trade System (STS) reform agenda and a specific project referred to as the "Streamlining the Cargo Intervention Model".

For further detail on the STS, please refer to the article by Randall Brugeaud (Head of the STS Implementation Taskforce) on pages 56/57.

A summary of the FTA / APSA submission is provided below:

A NEED FOR INCREASED INTERVENTION

The current Container Examination Facilities (CEFs) deployed by the Australian Border Force (ABF) at major containerised seaports are now out-dated necessitating reform.

The alternate ABF proposed sea cargo model includes:

- continuation of 100% profiling / risk assessment against cargo reports / Full Import Declarations (or a variation of the reporting models into the future);
- on a risk assessed basis, an increased percentage on today's levels (to be advised) to be scanned on-site at stevedore facilities; and
- on assessment of images, a percentage (to be advised) to be transported to a site within the port precinct for ABF and / or DAWE examination.

Preliminary concerns raised from industry appear to be in terms of the 'footprint' required at stevedore premises for scanning and limited availability of separate sites within port precincts for the physical examination of goods within containers (assuming larger facilities are required above and beyond current CEF sites).

INTERMODALS AND OFF-AIRPORT SCANNING

As suggested by industry representatives, FTA/APSA see significant merit in using rail scanning technology with the potential of 100% x-ray of containers going to/and from intermodal terminals. Understandably, ABF/DAWE concerns are for the need to then establish multiple examination facilities and / or a reliance on mobile examination

solutions. FTA/APSA see an opportunity to progress this initiative by limiting the scanning deployment to facilities with a prescribed minimum throughput.

FTA/APSA see this as requiring immediate consideration as many of the facilities are now in a final design phase and could incorporate needs within these 'green-field' sites. Importantly, this could also be showcased as an early deliverable towards the government's broader agenda of border and biosecurity protection.

A similar model was suggested during the discussion on air cargo with the potential to 'carve out' air cargo consolidations moving to express courier facilities and to high volume freight forwarder depots.

This would ease congestion at on-airport cargo terminal operations (CTOs) with scanning to be completed off-site under strict underbond conditions. The proposal has merit as a means of keeping these airport gateways free of congestion and to keep cargo moving. While new 'green-field' sites such as Western Sydney Airport offer new modelling opportunities, legacy facilities were not intended and built (fit for purpose) for deconsolidation and to do so will likely introduce OHS issues amongst others.

COSTS

FTA/APSA noted that any associated costs for these processes must be borne by the Federal Government and remove the onus

on stevedores (and potentially intermodal terminals / depots) from using their own mechanisms to cost recover operational costs against transport operators. FTA/APSA provided evidence that stevedores currently charge exorbitant Terminal Access Charges with industry having no means to influence service or price.

Should the Federal Government opt to recover costs from industry, this would no doubt require further industry consultation. Assuming the cost recovery will be collected from importers via the Import Processing Charge (IPC), FTA/APSA see merit in the introduction of a differential (lower) payment from Australian Trusted Traders and 'green lane' biosecurity participants that presumably require a lesser level of intervention.

REGULATION

FTA/APSA note the current CEF arrangements whereby stevedores allow at least one day's free storage from the time the container is cleared and returned to the stevedore. FTA/APSA is of the view that a similar arrangement (preferably offering 3 days free storage as per normal commercial practices) be maintained and extended to any licensed premise handling underbond goods (sea and air cargo).

Shipping lines also charge container detention penalties for delays in the dehire (return) of empty containers to nominated locations. This is generally 7 days from the time of container discharge / advertised availability. FTA/APSA see a need to provide importers with protections, via regulation, to ensure the 'detention clock' commences from the time cargo is cleared from border / biosecurity intervention.

Opportunities clearly exist to increase the percentage of cargo x-rayed, increase detection of illegal imports and to better manage biosecurity threats. FTA/APSA applaud the government representatives in their initial stakeholder engagement to implement reforms with a focus of doing so in the least disruptive way for industry.





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CONTINUED BIOSECURITY COMPETENCY (CBC)

In order to maintain your accreditation for the class 19.1 NCCC and class 19.2 AEPCOMM approved arrangements, accredited persons must complete the continued biosecurity competency (CBC) sessions stipulated by the department in a given CBC period (1 April to 31 March) by the due date.

Failure to comply with CBC requirements will result in suspension or cancellation of your accreditation. Additionally, it may result in sanctions against the biosecurity industry participant.

The mandatory CBC Activity for 2022-23 period will be held in the second half of 2022 and further details in relation to the live webinar and assessment will be advised by the Department.

This CBC Activity and assessment is included in the member CPD & CBC Training Package for the customs broker licensing period ending 31 March 2023.

Cost: \$165 (incl. gst)

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Friday, 6 May 2022 & repeated
Saturday, 7 May 2022
Novotel Brighton Beach Hotel, Brighton Le-Sands

MELBOURNE

Friday, 20 May 2022 & repeated
Saturday, 21 May 2022
Hyatt Place, Essendon Fields

BRISBANE

Wednesday, 15 June 2022
Brisbane Airport Convention Centre

PERTH

Saturday, 25 June 2022
Double Tree by Hilton Perth Waterfront

2022 AUSTRALIAN PEAK SHIPPERS ASSOCIATION (APSA) REGIONAL CONFERENCE

WAGGA WAGGA

30 & 31 August 2022
Riverina Intermodal Freight & Logistics Hub (RIFL) Tour
Welcome Cocktail Function - Riverine Club
Conference - Wagga Wagga RSL

2022 WOMEN IN LOGISTICS

13 May 2022
Sundowner Brighton Beach Promenade Walk (5.15pm)
Followed by Networking Drinks & light meal (6.00pm)
Novotel Brighton Beach Hotel, Brighton Le-Sands

ONLINE TRAINING

FTA and APSA offer practical online training at www.ComplianceNetFTA.com.au with resources and online assessment available at listed prices. Members are offered unlimited Continuing Professional Development (CPD) and Continued Biosecurity Competency (CBC) training for \$150 (excl GST) per person per accreditation period (1 April to 31 March). Further discounts are offered to businesses with multiple purchases with the option for an all inclusive invoice for FTA Premium Membership and CPD / CBC training - price on application to czalai@FTAlliance.com.au

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