



Contemplating wearing socks again

By BRETT CHARLTON, Chair – Tasmanian Logistics Committee

The hand propping up the chin on a Zoom call, the precursory phone greeting starting with a sigh, the tinny annoying sound of a mobile phone on hold over a conference call, the delay when someone is called to speak as they look for the off mute button..... every day. Sigh. I don't know about you, but I am pretty much over it. That said, contemplating wearing socks again is something that crosses my mind from time to time. What a bloody nightmare this whole thing has been. Like many in my industry, I definitely feel like one of the lucky ones. There is not a day that goes past where I am not thinking about the aviation, hospitality, tourism, retail, arts and many other industries that are currently a part of the nearly 600,000 Australian's dealing with unemployment– it can bring a tear to your eye.

From a Tasmanian perspective the focus is caution whilst contemplating the other side. Over the last few months we have seen excellent engagement between industry and government on many issues. The absolute positive in all of this is that it seems that collaboration is an actual rather than a lofty goal. Bi weekly meetings chaired by the Minister for Infrastructure and Transport (the Hon. Michael Ferguson) with participation of senior members of the shipping and logistics fraternity of Tasmania sees open discussion around challenges and blocks that have varied from exemptions to the 14 day rule for international vessels to mental health of employees of the industry and everything in between. It is very encouraging to hear competitors speak openly of the challenges

in their part of the world and then to have them noted and usually addressed and resolved by the time the next meeting rolls around. Kudos to the industry and government for this. As we enter into a phase of the easing of restrictions the frame work for "COVID Safe" workplaces is emerging as what I can only relate back to post 9/11 security changes – it will be different and it will add more layers and I am sure at some point we will all be complaining about it – but I expect it will be a reality we will need to live with and like taking a belt off at an airport we will all get used to it (I never thought I would miss taking my belt off at an airport).

Tasmania's containerised volumes are up by around 4% year on year up to April 2020 which tells a positive story. Through general discussion around the State the theme remains the same, cautious but working as hard as ever. There are some sectors of the State that are feeling the pain the most and there are concerns around how they will push through, but the staples continue to trade reasonably notwithstanding the fact that we are entering the traditional low season for shipping (nonagricultural season). One has to feel sorry for Toll as they navigate another IT blow with some nerd behind a computer finding its way into their servers again, but the communication has been excellent and being a less frantic part of the year along with having some experience recently in dealing with these sorts of things has lessened the blow somewhat. Our live seafood industry crashed like everywhere else and there has been an enormous amount of work undertaken to find solutions to accommodate this trade as airlines and borders shut down. A recently announced "air- bridge" under the IFAM program will see a freighter leave Hobart for Sydney twice a week to connect for international flights to accommodate valuable fresh produce including abalone, lobster, oysters, lettuce and dairy – this is a shot in the arm that has been needed (I am told there is capacity south bound ex Sydney to Hobart on this flight just awaiting for an entrepreneur to fill). Like everyone in the shipping game presently, the volume restraints ex Asian ports coupled with the

increased rates is starting to bite. Whilst acknowledging that the international shipping world are struggling with volume forecasting and adjusting accordingly, the flow on effect of delays and higher costs are going to add to the angst of retailers and inputs into manufacturing markets at a time when they need it like a hole in the head. Whilst the world adjusts there is a niggling concern that triggers my spider senses that in the months ahead equipment for exports will be a challenge to deal with as well.

The other elephant in the room is the Australia China relationship. I cannot help but have concerns about the negative rhetoric that is confronting us daily around what is essentially our largest trading partner. Over the last ten years our total net exports for Australia has increased by a net A\$180 billion – sixty percent of that has come from China. Earlier in the month Deputy Prime Minister, the Hon. Michael McCormack, stated that "Trade equals jobs and more trade means more jobs." Surely now is the time to be looking to strengthen our trading partners rather than throw salt into wounds. If we needed an existential threat to realise that we are all the same species and as a planet we need to work together to overcome differences, then surely this is it.

I recently heard an interview with the Secretary General of the United Nations (Antonio Guterres) where he closed by saying "in relation to many other aspects of international cooperation, I hope that this will be a kind of wakeup call". I hope that the wakeup call is for the better and not more division.

Good luck out there.

