



TRADE WINDS

THE LATEST IN INTERNATIONAL TRADE NEWS

MAY 2012

L.C. LOYNES & ASSOCIATES



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SPECIAL POINTS OF INTEREST:

- **Increased enforcement by road authorities on over-weight vehicles**
- **Your responsibilities explained**
- **Weighbridge trials in Sydney aim to increase awareness before crack down**

WELCOME

Welcome to the new look Trade Winds newsletter. We hope the information contained keeps you up-to-date with things happening in the world of international trade and here at L.C. Loynes & Associates.

In March this year McAfee Customs & Forwarding, a company with 20 years of service to the industry, merged with L.C. Loynes & Associates.

We'd like to welcome our new clients and Michael McAfee to the team.

Mike is continuing on within the new structure as a senior manager responsible for on-going service delivery and business development.

A big welcome too, to some other new faces around the office. Sue Brown has just started in Freight Operations bringing over 20 years experience to the role and James Madigan has been working as a part of the Project Consultancy team since March.

CONTAINER WEIGHTS AND CHAIN OF RESPONSIBILITY

Accurate declaration of weights and contents is critical, affecting the way a container is managed throughout the transportation process.

Misdeclared container weights, particularly overweight containers, pose a risk on road and at sea. On a vessel overweight containers influence stack weight and affects the stability and safety of vessels in heavy weather. On road excess weight or dimension can potentially damage the road infrastructure, affect the safety of other road users and is attracting increased enforcement activity.

In Australia, legislation provides for 'Chain of Responsibility' with legal liability applying to anyone in the transport chain responsible for (or with influence over) any goods being moved via road.

The maximum allowable weight on roads is measured at 42.5 tonnes of Gross Vehicle Mass (GVM). GVM includes the weight of the Prime Mover, trailer and empty container tare, in addition to the cargo weight.

The weight however is measured over the distribution of axle groups as maximum limits apply at each point, therefore a container can be over-

loaded at an axle point, and weigh less than 42.5 T GVM and still be issued with a violation. Distribution of weight is an imperative.

There are various types of offences that can occur for either gross or axle weight, with financial penalties for high level breaches in the tens of thousands of dollars.

Under the Chain of Responsibility Legislation the consignee/shipper is responsible for providing information and if this information is incorrect and found to be in breach, any costs associated with fines and/or court appearances, equipment damage etc will be the consignee/shipper's responsibility. Communicating these requirements with suppliers is therefore crucial.

We can only use the information provided by our clients to establish appropriate weights and dimensions.

If a shipper or consignee makes the appointment with their own carrier for transport of the container then they are the party responsible for the appointment and must supply required details and documents to the carrier.

CHANGES AT PORT BOTANY—WEIGHBRIDGE TRIALS

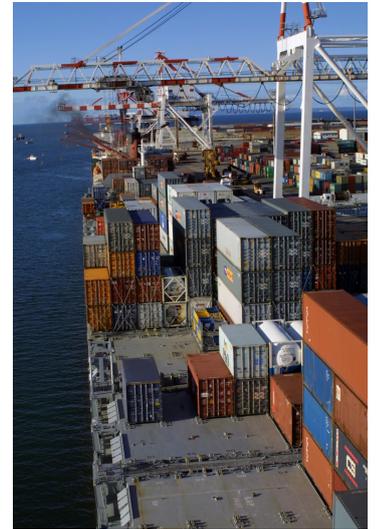
Trials are currently being conducted at DP World and Patrick's terminals at Port Botany, with recently installed Weigh-in-Motion (WIM) equipment to detect mass breaches for vehicles collecting imports. Industry guidelines are currently being developed as is an education and awareness program for industry prior to a formal trial period.

It is anticipated, that once fully operational, a new terminal handling charge (Levy) will be introduced on import containers to cover the new processes to meet Chain of Responsibility Legislation.

These measures have been introduced to increase compliance with mass restrictions for heavy vehicles on NSW roads, with enforcement activities still finding a substantial number of breaches.

It is important that we remind import /export clients about the need to provide accurate information on gross weight and weight distribution to ensure compliance with statutory requirements for transporting containerised freight.

Failure to do so may lead to delays in delivery, penalties and additional commercial costs.



FREMANTLE PORT

Fremantle Port is so congested the system is struggling to cope, with difficulty in getting carriers, lengthy delays, and storage charges making things hard for importers and their service providers.

It is unlikely there will be a reprieve any time

soon given the WA project boom and an associated surge in imports.

To manage the situation as best as possible, all documents need to be with carriers, preferably the week before container availability.

DP WORLD RECEIVAL AND DELIVERY OPENING HOURS

DP World's receipt and delivery opening hours have been extended to include Sunday as a working day, to address reduced capacity created by a major redevelopment of their operations. This means that Sunday is included in any given vessels import availability period and/or export receipt period and import storage charges apply on any

containers/cargo that exceeds its available free time.

That means a container available on Friday (1st day) is in storage by Monday, if not collected. To avoid excessive wharf storage charges arrangements can be made for weekend collection and storage at a lower cost than wharf storage costs.

“AANZFTA's entry into force for Indonesia... presents an opportunity to grow further Australia and Indonesia's trade and investment relationship.”

FREE TRADE AGREEMENTS UPDATE

ASEAN-Australia-New Zealand FTA (AANZFTA): Indonesia entry into force

AANZFTA's entry into force for Indonesia on 10 January 2012 presents an opportunity to grow further Australia and Indonesia's trade and investment relationship.

In 2010 the value of trade between Australia and Indonesia was \$12.9 billion making

Indonesia our 12th largest trading partner globally and fourth largest within ASEAN.

AANZFTA provides for the progressive reduction or, for most products, the elimination of tariffs facing Australian goods to ASEAN countries over a transition period, and the elimination of all Australian tariffs on imports that meet the Rule of Origin requirements from AANZFTA Parties.



SHIPPING CHARGES AND ANNOUNCEMENTS

Shipping companies have advised the following adjustments to rates:

Canada West Coast to Australia

- Effective April 1, 2012 a General Rate Increase has been applied to cargo moving from Canada West Coast to Australia and New Zealand. Tariff rates and service contracts increased by US\$150/20' container and US\$300/40' container.

United States to Australia

- Effective April 1, 2012 a General Rate Increase has been applied to Dry and Reefer cargo moving from the United States to Australia and New Zealand. Tariff rates and service contracts increased by US\$150/20' container and US\$300/40' container.

China, Hong Kong, Korea and Taiwan to Australia

- Effective May 15, 2012 a Rate Adjustment for export shipments from China, Hong Kong, Korea and Taiwan to Australia was introduced. The increase is US\$300/20' and US\$600/40' for both dry and refrigerated cargo on top of existing ongoing market rates.

South East Asia and South Asia to Australia

- A General Rate Increase of US\$300/20' and US\$600/40' will be implemented on June 1, 2012 and applies to all shipments from South East Asia and South Asia to Australia.

Australia to Puerto Rico, USA and US Virgin Islands

- A peak season surcharge of US\$480/20', US\$600/40' and US\$675/40' high cube will be effective from June 10, 2012, on cargo from Australia to Puerto Rico, USA and US Virgin Island

Transport Announcement

The current fuel surcharge will be increased to +14% effective from June 1, 2012 .



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TRANSIT INSURANCE

The importance of Transit Insurance was once again highlighted with the grounding of the Rena off the coast of New Zealand late last year. It is a reminder to importers and exporters, depending on trade terms, to ensure they have adequate insurance.

Without specific insurance not only could you lose your cargo, but also be liable for part of the clean up and salvage costs (even if your own cargo is not damaged or lost).

To minimise your risk you should have adequate insurance to cover every shipment.

Insurance is also essential in local land based transport with no automatic coverage under general terms.

L.C. Loynes & Associates are able to offer a range of insurance options, including annual policies and shipment x shipment policies.





CHARDY COOKED IT

WHITE CHOC AND PEANUT BUTTER FUDGE SLICE



CAROLYN CHARD
COOK EXTRAORDINAIRE
AND OPERATIONS AT
LOYNES

- 150g butter
- 200g granita biscuits, crushed
- 2 tbsp honey
- 1 can (395g) sweetened condensed milk
- Salt
- 100g peanut butter
- 1 cup toasted and chopped macadamias
- 250g pkt white chocolate melts
- 5 tablespoons pouring cream
- 28cm x 18cm slice tray, lined

Make base by melting 100g butter and honey and combining with biscuit crumbs, then press into tray and refrigerate.

Melt the remaining butter and condensed milk slowly together for about 10 minutes until golden brown. It will have thickened so it comes away from the sides when stirring. Add a pinch of salt and stir in peanut butter and cook until it has melted evenly.

Spread the caramel evenly on base and sprinkle with macadamia nuts, pressing them into the caramel.

Melt chocolate in the microwave or over a double boiler and stir in cream. Pour over the slice and refrigerate for a day.

LOYNES SPONSORS ABACUS ALS TRIVIA NIGHT— SUPPORTING ASTHMA FOUNDATION QUEENSLAND

L.C. Loynes & Associates was proud to sponsor the Abacus ALS Trivia Night raising money for the Asthma Foundation Queensland (AFQ). The Loynes Team performed well and a great night was had by all. Congratulations to Abacus ALS for getting well on their way to meeting their \$10 000 goal for this year.

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L.C. Loynes & Associates is a 100% Australian owned firm, established in 1976, providing professional services in Customs Brokerage, Freight Forwarding, and Tariff & Trade Consultancy.

Based in Brisbane L.C. Loynes & Associates has affiliates in Sydney, Melbourne, Adelaide and Perth and a global network of carefully selected partners in over 120 countries.

In conjunction with providing a full suite of Freight Forwarding and Customs Brokerage services, Loynes has a team of talented Project professionals providing tariff and trade consultancy services to the major project sector.



"OUR EXPERIENCE IS YOUR GUARANTEE"

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