

20 June 2025

The Hon Dr Jim Chalmers MP – Treasurer (via email)

CC:

**The Hon Catherine King MP** - Minister for Infrastructure, Transport, Regional Development and Local Government

**Senator the Hon Don Farrell** - Minister for Trade and Tourism

**The Hon Dr Andrew Leigh MP** - Assistant Minister for Productivity, Competition, Charities and Treasury

Australian Peak Shippers Association (APSA) Executive and Committee of Management

## **PRODUCTIVITY REFORM: ADDRESSING MARKET FAILURES IN SHIPPING AND LOGISTICS**

Dear Treasurer,

Freight & Trade Alliance (FTA) and the Australian Peak Shippers Association (APSA) would like to formally thank the federal government for its response to our *2025–26 Pre-Budget Submission*, notably through the facilitation of a highly productive meeting on 13 June 2025 involving senior representatives from Austrade and Treasury.

This valuable forum enabled the exchange of detailed insights on two critical areas in need of regulatory reform being:

- the repeal of Part X of the *Competition and Consumer Act 2010* (CCA); and
- the introduction of a mandatory code to regulate port-related fees.

Building on this initial engagement and in light of Prime Minister Albanese's recent announcement highlighting the Federal Government's focus on productivity reform, we respectfully request the opportunity, as the designated peak shipper body, to participate in the *Productivity Roundtable* scheduled for August 2025.

### **ABOUT THE ALLIANCE**

FTA and APSA represent a membership of over 550 businesses, including high volume exporters, importers, customs brokers, freight forwarders, and logistics service providers.

Our alliance also includes a membership of leading industry bodies including the Australian International Movers Association, the Australian Council of Wool Exporters & Processors, the Australian Meat Industry Council, the Australian Dairy Products Federation, the Australian Horticulture Trade, the Australian Steel Association, Grain Trade Australia, the Feed Ingredients and Additive Association of Australia and the Tyre Stewardship Association.

**Importantly, APSA is the designated peak body for Australia's containerised exporters and importers under Part X of the *Competition and Consumer Act 2010* (CCA), appointed by the Federal Minister for Infrastructure.**

APSA is also Australia's representative to both the Asian Shippers' Alliance (ASA) and the Global Shippers Forum (GSF), representing exporter and importer interests globally across Asia, Europe, the Americas, Africa and Australasia.

## REPEAL OF PART X CCA

*Part X of the CCA* grants conditional exemptions from cartel provisions to international shipping lines that are party to conference agreements with the intent to ensure Australian exporters and importers retain access to reliable and competitively priced shipping services.

Under *Part X of the CCA*, conferences are required to provide information to and negotiate with APSA, a role fulfilled since its establishment in 1980. However, in practice, these protections have enabled foreign-owned shipping lines to exert disproportionate control over pricing and service levels; stifling competition, raising costs, and undermining supply chain resilience in our trade-dependent economy.

Similar provisions to *Part X of the CCA* existed in the form of the *Consortia Block Exemption Regulation (CBER)* administered by the European Commission. In April 2024, the CBER provisions were discontinued following comprehensive industry consultation that found no compelling case for retention of the exemptions. Since this time, shipping line consortia have continued and expanded, all be it in accordance with stricter compliance with European competition law.

FTA and APSA are of the view that this international precedent should give the Australian government confidence to implement a key finding from the Productivity Commission's December 2022 report titled *Lifting productivity at Australia's container ports: between water, wharf and warehouse* that *Part X of the CCA* be repealed placing the onus on shipping lines to show that their agreements provide a net public benefit before entering into agreements.

While advocating for such regulatory reform, it is essential that provisions are maintained to facilitate class exemptions allowing the international trade sector to collectively bargain in negotiating terms with shipping lines.

For the period that *Part X of the CCA* provisions are retained (short-term or ongoing), we request the Federal Government expand the role and of the Australian Competition and Consumer Commission (ACCC) and provide financial resourcing to APSA to more effectively perform its legislated peak shipper role, ensuring effective oversight of shipping agreements, monitoring of service levels, and protections against anti-competitive conduct.

## MANDATORY INDUSTRY CODE TO REGULATE PORT-RELATED FEES

Like all commercial operators, stevedores and empty container parks face operating costs such as rent, labour, infrastructure and utilities which they should either absorb or pass on to their direct commercial customers (i.e., shipping lines). Shipping lines can then decide whether to absorb or recover those costs through negotiated freight rates with importers, exporters and freight forwarders.

However, under current arrangements, stevedores and container parks impose incontestable landside fees directly on road and rail transport operators, bypassing normal commercial negotiation and distorting market dynamics.

This concern was identified by the Productivity Commission in its report *Lifting Productivity at Australia's Container Ports*, which recommended the introduction of a federal regulatory framework via a mandatory industry code that included:

- limiting fee changes to once annually with prior notification to the ACCC and industry;
- empowering the ACCC to reject unjustified increases, with baseline fees indexed to 1 December 2022;
- mandating data collection on fees, revenue and performance;
- requiring annual reporting to transport ministers and the Treasurer to ensure transparency and accountability.

In parallel to this report and to the credit of the Victorian Government and the National Transport Commission, an attempt was made to address this matter with the implementation of voluntary protocols.

Experience has demonstrated that these voluntary measures lack enforceability and have proven ineffective in curbing significant price increases. Notably, the 52% increase imposed on exporters by DP World at the Port of Melbourne in February 2024 served as a catalyst for the Victorian Minister for Ports and Freight to advise FTA and APSA that the matter had been referred to the Federal Government for further consideration of national regulatory intervention.

Alarming, in recent years, empty container parks have adopted pricing practices like those deployed by stevedores. Rather than recovering operational costs from their commercial clients, (i.e., shipping lines), we have observed a growing and increasingly aggressive trend of imposing vehicle booking system fees directly on transport operators.

**Conservative estimates indicate that these incontestable charges levied by stevedores and empty container parks exceeded \$1 billion in 2024 alone.**

The view of FTA and APSA was also reflected in the *2023-24 ACCC Container stevedoring monitoring report* that highlighted concerns about limited competition on landside charges charged by stevedores and notification fees charged by empty-container parks leading to poor outcomes for Australian consumers and businesses.

Upon launching this report, the ACCC provided a media statement on 20 December 2024 stating that stevedores appear to have increased their total prices via these mechanisms imposed on transport operators above levels they expected to negotiate with shipping lines.

ACCC Commissioner Anna Brakey specifically referencing *“Reform may be needed to improve the efficiency of the container freight supply chain. Measures may be needed to address apparent market failures relating to landside charges levied by stevedores and notification fees levied by empty-container parks.”*

A mandatory code, overseen by the ACCC, would provide a consistent regulatory framework nationally, protect businesses from arbitrary fee increases, and improve price transparency. The ACCC is well-positioned to administer this regime, given its experience in the maritime logistics sector and its established regulatory capability.

FTA and APSA look forward to continued engagement with the Federal Government to support the implementation of well-considered legislative reforms aimed at improving productivity by reducing supply chain costs and unlocking significant growth opportunities for Australian exporters and importers



**Paul Zalai**

Director and Co-Founder | Freight & Trade Alliance (FTA)  
Secretariat | Australian Peak Shippers Association (APSA)

## REFERENCES

- 9 January 2023 - [Productivity Commission review of Australia's maritime logistics system](#)
- 19 January 2023 – [FTA / APSA submission to the Productivity Commission and Ministerial correspondence](#)
- 5 March 2024 – [correspondence from The Hon. Melissa Horne MP \(Victorian Minister for Ports & Freight\)](#)
- 13 December 2024 – [ACCC commentary: Stevedoring industry profits remain elevated as competition concerns emerge](#)
- 20 December 2024 - [2023-24 Container stevedore monitoring report](#)
- FTA / APSA collated stevedore and ECP data – refer attached