

Submitter	Freight & Trade Alliance (FTA) / APSA
Of the 3 proposed options for the Object of the Act in the discussion paper, which do you agree with most? Please explain why.	FTA/APSA believes that none of the proposed options fully align with the practical and economic realities of Australia's shipping industry. A clearly defined Object is essential, but it must realistically balance the goals of an efficient and competitive Australian shipping sector with commercial feasibility and strong industry support. Based on our discussions with the Department of Infrastructure, Transport, Regional Development, Communications and the Arts, we emphasise that the objectives should prioritise cost-effectiveness and avoid placing additional burdens on industry stakeholders. The focus should be on fostering a sustainable and adaptable shipping environment that allows for the inclusion of Australian-flagged vessels only if supported by clear commercial benefits and industry backing. This approach would better reflect the priorities of industry stakeholders and support meaningful growth in the sector.
Is the current licencing framework fit-for-purpose?	Yes
Are there alternative coastal trading regulatory frameworks that are better suited to Australia's coastal trading market? Please elaborate.	FTA/APSA believes the current licensing framework requires adjustments to ensure a balanced approach that supports Australian shipping without deterring foreign-flagged vessels, whose presence is essential for maintaining competitiveness and preventing cost increases. While fostering growth in the Australian-flagged fleet is a positive goal, an overly protectionist approach could inadvertently limit service availability and drive up costs for industry stakeholders. In particular, we recommend addressing regulatory burdens in coastal shipping, with such example being the complexity involved in moving goods from the East Coast to the West Coast via Singapore. The requirement for a formal declaration upon arrival on the West Coast creates logistical inefficiencies that could be streamlined. Ensuring that regulations support a competitive and flexible shipping environment, while enabling foreign vessels to complement domestic capacity, will better serve the industry's needs.
How can Australia's coastal trading regulatory framework better support the growth of the Australian industry while still enabling foreign vessels to engage in coastal trading?	FTA/APSA recognises that a balanced regulatory framework is essential to support the growth of Australian-flagged vessels while ensuring that the coastal trading market remains competitive. Any shift towards a more restrictive model should be carefully managed to avoid deterring foreign shipping lines, which play a critical role in maintaining service availability and controlling costs for Australian businesses. One potential approach could be a model that prioritises Australian vessels where feasible but allows foreign-flagged vessels to operate with reduced compliance burdens when Australian capacity is limited. This would encourage participation from both Australian and foreign vessels without creating overly restrictive conditions that could increase costs for end-users. A balanced framework would support a resilient and flexible market, ensuring that Australia's coastal trading system remains cost-effective and accessible.

<p>Should temporary licence holders who have held temporary licences year after year be required to transition to a General licence or a new category of licence that better represents the regularity of trading they engage in?</p>	<p>No</p>
<p>Is the current definition of coastal trading sufficiently broad to encompass relevant activities in the maritime industry today and in the future?</p>	<p>Yes</p>
<p>Please explain why.</p>	<p>The current definition appears adequate for existing operations, but with the expansion of activities such as offshore energy projects, a broader definition could be considered. This would allow for greater inclusion of emerging industries while still focusing on core trading routes.</p>
<p>Does the current definition of coastal trading account for or include emerging maritime developments and investments?</p>	<p>Not entirely. Adjustments may be required to address offshore developments and decommissioning activities, as well as supporting industries like offshore wind. Expanding the definition to include these could help Australia capture new maritime opportunities without altering existing trade routes.</p>
<p>How can the Act ensure that Strategic Fleet vessels operate competitively to help grow the Australian maritime industry?</p>	<p>FTA/APSA remains cautious about the commercial viability and industry appetite for a Strategic Fleet. As discussed in previous responses, there is limited evidence of broad industry support for such an initiative, particularly if it leads to increased operational costs or disrupts existing shipping dynamics. Ensuring competitiveness requires a clear demonstration of tangible benefits to industry stakeholders, as well as assurance that a Strategic Fleet would not impose additional financial or operational burdens on the sector. To address these concerns, further consultation with industry stakeholders is essential. Gathering feedback will help assess the realistic demand and operational impacts of a Strategic Fleet, ensuring any development aligns with industry needs and expectations. Only with thorough consultation and transparency can the Act support a framework that enables a Strategic Fleet, should it be pursued, to operate in a way that genuinely complements and strengthens the Australian maritime industry. Additionally, it is crucial to avoid an overly protectionist stance that could deter foreign shipping lines from the market. Foreign vessels play an essential role in maintaining service frequency and competitive pricing, and any Strategic Fleet should be designed to complement—not replace—this vital foreign participation. A balanced approach that integrates both Australian-flagged and foreign-flagged vessels will be key to fostering a resilient and competitive maritime sector.</p>

<p>Beyond the recommendations from the Strategic Fleet Taskforce, what else is required to ensure the Australian shipping industry can continue to grow?</p>	<p>To foster sustainable growth, it is crucial that the government implements key recommendations from the Productivity Commission's report on Australia's maritime logistics system, including a mandatory code to regulate Terminal Access Charges (TACs) and fees at Empty Container Parks (ECPs). Unregulated TAC and ECP charges burden importers, exporters, and logistics providers, impacting trade competitiveness. FTA/APSA supports repealing Part X of the Competition and Consumer Act (CCA), but the replacement framework must avoid discouraging foreign shipping lines from serving Australian trade. Shipping lines should show net public benefit, with provisions for businesses to negotiate collectively on fair terms. Key Actions: TAC Regulation: TACs imposed on transport operators without negotiation lead to high costs. A mandatory code overseen by the ACCC would help, but direct cost recovery through shipping line contracts could be more effective. Container Detention Fees: Detention fees are often applied unfairly when delays are beyond importers' control. A regulatory cap on fees and limits for specific scenarios, like regulatory holds, would provide fairness. Empty Container Parks (ECPs): ECPs impose high, non-negotiable fees for container returns. Regulating ECPs similarly to TACs would prevent arbitrary increases and protect the supply chain. FTA/APSA urges full implementation of the Productivity Commission's recommendations. These reforms will create a fair, competitive maritime logistics system, ensuring cost recovery aligns with industry standards and enhances Australia's trade competitiveness.</p>
<p>Should strategic fleet vessels be treated differently to other general licence holders? Are there any unintended consequences of treating a strategic fleet vessel in a different way to a general licence holder?</p>	<p>Differential treatment may lead to market imbalances and perceptions of unfair competition. A uniform regulatory approach would likely be more effective in maintaining industry support and avoiding unintended impacts on the wider market.</p>
<p>How can the Act support a training and workforce environment that encourages and grows Australia's maritime workforce and sovereign maritime skills?</p>	<p>The Act could support dedicated funding for training programs and marketing, create additional entry level opportunities, and provide incentives for companies to offer training berths. These initiatives would address workforce shortages and encourage skill development across the industry.</p>
<p>Please explain why.</p>	<p>If it's economically viable. Such a requirement could foster skill development in the domestic workforce, but it must be paired with financial or operational support to mitigate the cost for Temporary Licence holders.</p>