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Committee Secretary  
Joint Standing Committee on Treaties  
Parliament House

Via webform: [https://www.aph.gov.au/Parliamentary\\_Business/Committees/OnlineSubmission](https://www.aph.gov.au/Parliamentary_Business/Committees/OnlineSubmission)

Via email: [jsct@aph.gov.au](mailto:jsct@aph.gov.au)

Dear Committee Secretary,

**Shipping Australia's submission on "JSCOT inquiry into the Convention on the International Organization for Marine Aids to Navigation".**

**A. About Shipping Australia**

1. Shipping Australia is the principal Australian peak body that represents the locally owned and the locally active ocean freight-focused shipping industry. We provide policy advice, insight, and information to just over 70 members, who, between them, employ more than 3,000 Australians. We provide policy input to Australian State, Territory and Commonwealth Government bodies. We are recognised across Australia by politicians, public service officials, national media and trade media as being the national association for Australian shipping.
2. Our membership includes Australian ports, the local arms of global shipping agents and domestic shipping agents, towage companies, the locally active arms of ocean shipping lines, and a wide variety of Australian-owned and locally operated maritime service providers. Services provided by our members include ocean freight shipping, local seaport cargo handling, domestic harbour towage, Australian marine surveying, and domestic pilotage, among other services. Our members handle nearly all Australian containerised seaborne cargo. They also handle a considerable volume of our car, and our bulk commodity trades.

**B. Executive Summary**

3. International shipping is vitally important to the Australian economy – to our imports, our exports, the jobs that are available to Australians and to our standard of living. While, of course, there are no areas of Australian life that are immune from review or reform, ocean shipping services are vital to Australia. It therefore follows that minimal disruption to, or cost impositions on, ocean shipping is in the Australian national interest as any factors that adversely affect shipping thereby adversely affect the Australian economy and the quality of life of everyday Australian families.
4. As global shipping is inherently cross-border in nature, it is essential that the industry is governed at the highest levels of global governance; international trade simply could not take place on a large enough scale to support all the economies of the world if this principle is not fundamentally observed. Australia should support this principle in theory, in practice, and in governance.
5. Australia should follow best practice in making rules / standards / guidance / policies / regulations / laws.

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### C. Importance of shipping to Australia

6. Exports and imports of goods and services (including intangible services) accounted for 25.8% and 19.9% of our gross domestic product in 2022, according to World Bank Data (accessed 06 July 2023).
7. The combined volume and value of Australia's import and export cargo (2020-2021), according to the Bureau of Infrastructure and Transport Research Economics (BITRE) publication, Australian Sea Freight 2020-21 was about 1.61 billion tons valued at about \$601.4 billion. **Approximately 99.93% by volume of all cargo that enters or leaves this country is carried by ocean-going ships.**
8. There were 6,315 uniquely identified cargo ships which together made a total of 30,613 port calls at Australian ports in 2020–21. This included 6,219 unique cargo ships that made 17,303 voyages to Australian ports directly from overseas ports, according to the Bureau of Infrastructure and Transport Research Economics (BITRE) publication, Australian Sea Freight 2020-21.
9. It was estimated in “Australian Trade Liberalisation: analysis of the economic impacts,” 2017 Centre for International Economics Report on Australian Trade Liberalisation for the Department of Foreign Affairs and Trade, that 1-in-5 Australian jobs were related to global trade. If that ratio still holds true today, then, based on August 2023 Australian Bureau of Statistics data which shows that over 14.1 million Australians were employed, global trade supports over 2.8 million Australian jobs.
10. It should now be obvious that ocean shipping services are vital to Australia. It therefore follows that minimal disruption to, or cost impositions on, ocean shipping is in the State and the Australian national interest as any factors that adversely affect shipping thereby adversely affect State economies & the Australian national economy.

### D. Governance of international shipping

11. We are always keen to emphasise that all activities, rules, policies, regulations, legislation, etc should be consistent with and aligned with International Maritime Organization (IMO) treaties, rules, regulations, and guidance.
12. The primacy of the IMO over international and national jurisdictions in the regulation of global commercial maritime traffic is an internationally accepted principle and it is consequently wholly inappropriate for national- and sub-national governments to write laws in this area which conflict with international maritime law.
13. This principle of IMO primacy is – or ought to be – especially true in Australia given that our nation is a founding member of the IMO, has held a seat on the IMO Council (the organisation's executive organ), has repeatedly sought re-election to that body and has signed up to the IMO Convention, the first article of which states that the purposes of the Organization are “(a) to provide machinery for co-operation among Governments in the field of governmental regulation and practices relating to technical matters of all kinds affecting shipping engaged in international trade... [and]... (b) to encourage the removal of discriminatory action and unnecessary restrictions by Governments affecting shipping engaged in international trade”.

### E. Principles for standard / rule / policy / law-making

14. Shipping Australia notes paragraphs 35 and 37 of the National Interest Analysis ([2024] ATNIA 6 [2024] ATNIF 9) which can be summarised as stating that there is no need for any impact analysis and that there are no foreseeable extra costs.
15. However, in Shipping Australia's view, any creation of any such body will – eventually – result in the creation of some kind of rules / policies / laws etc. Indeed, the very purpose of the creation of such bodies is to eventually produce policy and rules.

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16. Any future proposals that directly or indirectly flow from this body that are actually or potentially capable of significantly changing or creating rules, policies, regulations, legislation etc:
- a) should involve thorough and genuine consultation with industry;
  - b) should not have any pre-determined outcome;
  - c) should be based on evidence;
  - d) should identify and all reasonable courses of action and especially including alternative courses of action and taking no action at all, and whether there are any opportunities to simplify, consolidate, repeal, reduce, or reform existing rules, policies, regulations, legislation etc;
  - e) should be subject to a thorough quantitative and qualitative analysis, which reviews the costs and impacts of the proposal versus reasonable alternative courses of action and also against taking no action at all;
  - f) should have clear policy objectives that are capable of being achieved;
  - g) should be imposed at the minimum level possible necessary to achieve policy objectives and should use the best available regulatory techniques and technologies that do not entail excessive or unnecessary costs, delay, administrative compliance or use of resources;
  - h) should be subject to an appropriate review mechanism at an appropriate interval after entry into force.

#### **F. Shipping Australia's submission**

17. Shipping Australia agrees with accession to the Convention on the International Organization for Marine Aids to Navigation and the creation of various associated organs and bodies thereby required subject to the proviso that the implementation / ratification of the Convention in Australia leads to a consistent and harmonious application across all legal jurisdictions in Australia (howsoever defined) and one single legal regime that has one harmonious, single, and consistent set of rules and interpretation of rules.
18. If accession ultimately results in the issue (whether directly or indirectly) of standards / rules / policies guidance / codes of practice / laws / regulations / legislation / or other instruments, then these should be freely accessible online and should be available free of financial charge.
19. Any proposals in future for instruments as referenced in paragraph 18 above, or any other instrument having any kind of similar or equivalent effect, should be subject to the principles referred to above in paragraphs E.14 to E.16(h).

Submission authorised by:

Capt Melwyn Noronha  
**CEO, Shipping Australia**