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13 February 2025

The Committee Secretary
Parliamentary Joint Committee on Intelligence and Security
PO Box 6021
Parliament House
Canberra ACT 2600

By Email: pjcis@aph.gov.au

Dear Committee Secretary

International Forwarders and Customs Brokers Association of Australia Limited Submission in relation to the Transport Security Amendment (Security of Australia's Transport Sector) Bill 2024

We act on behalf of the International Forwarders and Customs Brokers Association of Australia (**IFCBAA**) and have been instructed to make the following submission to the review by the Joint Committee in relation to the Transport Security Amendment (Security of Australia's Transport Sector) Bill 2024 (**Bill**).

Introduction to IFCBAA

[IFCBAA](#) is the product of a series of bodies representing licensed customs brokers and international freight forwarders.

The most recent iteration of such bodies took place in 2020, when two industry representative bodies merged their operations on 1 July 2020.

As stated [here](#)



- 1 In Sydney on 30 August 1904 fourteen businessmen came together to determine ways and means for businesses to be appropriately represented in terms of customs and transport issues. At that meeting they agreed:

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- 2 "A meeting of licenced custom house agents be held for the purpose of forming a Licensed Customs House Agents Association."
- 3 The Customs Agents and Transport Association of New South Wales was born. The foresight of these strategic thinkers was honed over the next hundred years through the Customs Agents Federation of Australia, the Customs Agents Institute of Australia, the Customs Brokers Council of Australia Inc. and then into the Customs Brokers & Forwarders Council of Australia Inc. (CBFCA).



- 4
- 5 The Australian Federation of International Forwarders (AFIF) was created in July 1996 following the merger of two distinct organisations, namely: The Australian Federation of Airfreight Forwarders - 'AFAFF'- formed (as a Federal body) in 1977 and The International Forwarders Association of Australia -'IFAA'- representing the Seafreight Forwarders (formed in 1976). The merger was deemed to be a natural progression which mirrored the business of its combined membership, most of whom were active in both air & sea transport. Existing and new members could elect to be represented in the Air and /or Sea division of the new entity.

The Boards of both CBFCA and AFIF agreed that the industry requires a single peak body to represent members concerns and decided to merge CBFCA and AFIF. A single industry body, the International Forwarders and Customs Brokers Association of Australia Limited (IFCBAA) was formed and commenced operations on 1 July 2020.

Primary objectives of IFCBAA

As set out [here](#) the primary objectives of IFCBAA are

- *To raise the profile of International Trade Logistics and supply chain management service industry*
- *Establishing relationships and making representations to domestic and international Government bodies, agencies, statutory authorities and relevant industry organisations to benefit Australian trade and the international freight forwarding and customs brokerage industry*
- *To promote the professional development of IFCBAA members through the provision of education and training courses*
- *To support IFCBAA members to increase regulatory compliance and minimise business and individual risks*

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Examples of activities of IFCBAA

In meeting its objectives IFCBAA undertakes several activities including

- Providing education to industry including the Diploma of International Freight Forwarding (accredited by FIATA), the Diploma of Customs Broking (accredited by ASQA) and other education including delivering Compulsory Professional Development (**CPD**) education as legislated for licensed customs brokers by the *Customs Act 1901 (Act)* and other relevant education required by agencies operating at the border.
- Representing its members at committees and advisory groups convened by the government agencies operating at the border including the many such groups convened by the Australian Border Force (**ABF**), the Department of Agriculture Fisheries and Forestry (**DAFF**) and the Department of Foreign Affairs and Trade (**DFAT**). This has also included engaging with the Department of Home Affairs and its transport security work.
- Representation of members has also included submissions on Parliamentary Inquiries regarding proposed legislative developments affecting members and the review of consequences of actions of the border agencies affecting the interests of members and their customers.
- Engaging with representative bodies representing the interests of freight forwards and customs brokers overseas, including internationally, regionally and in the UK, the EU, Asia and the Americas.

Preliminary observation – Scrutiny by the Senate Standing Committee for the Scrutiny of Bills

We note that the Bill has already been subject to scrutiny by the Senate Standing Committee for the Scrutiny of Bills (**Scrutiny Committee**).

We have reviewed Scrutiny Digest 1 of 2025 (**Digest**) which includes comments by the Scrutiny Committee as to concerns it has in relation to the Bill. The Digest indicates that it is awaiting responses from the relevant Minister in relation to the Bill. IFCBAA shares the concerns of the Scrutiny Committee in relation to the issues referred to the Minister and believes that the Bill should not proceed until the Scrutiny Committee receives an adequate response from the Minister.

Concerns of IFCBAA in relation to the Bill

We have been instructed to share the additional concerns of IFCBAA relating to the Bill as follows.

- IFCBAA has ongoing concerns about the extensive use of strict liability in the new offences created by the Bill. IFCBAA (and its predecessor bodies) have consistently objected to the use of strict liability offences in legislation governing the border environment and has made many submissions to this effect previously. We note that the Scrutiny Committee has already raised concerns regarding the use and quantum of strict liability penalties in the Bill. IFCBAA shares those concerns. For current purposes, even

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if the Government insists on the imposition of strict liability offences, the levels of penalties should be reduced significantly with penalties for individuals far less than for companies. Further, the option of Infringement Notices (with further reduced penalties operating under legislated Guidelines) as used by the ABF and DAFF would be a more reasonable compliance action under the Bill as well as more practicable for the Department enforcing compliance with the Bill.

- Page 6 to the Explanatory Memorandum to the Bill suggests that the overall financial impact of the measures contained in the Bill would be low. With respect, we believe that this assessment is incorrect. From experience we believe that there would be significant expense to the relevant Department to educate relevant staff on the provisions of the Bill. Further, there will be significant additional costs for industry including amending Transport Security Plans, educating all relevant staff and customers as well as corresponding changes to business practices and likely increases in insurance premiums (on account of new obligations and exposure to new offences and penalties). Will the Federal Government be contributing to the costs to industry from the new Bill including information packs and speakers to discuss the new requirements?
- What additional training requirements will be required for organisations with RACA sites other than ATSP and Annual accreditation testing for Air Cargo screeners?
- Will the Department include a review and possible standardisation of TSP programs for RACA sites. i.e. Minimum and clear standards?
- Does the Department intend to bring standards in line with international standards i.e. ICAO or TSA?
- Will the Department increase field site information sessions as part of working with industry? Now, most in industry only see officers every 1-2 years which only seems to entail audits and issue fines.
- Who will bear the cost of these changes? Government, airlines, terminal operators?
- Will there be implementation of new technologies to drive down security operational costs which will only increase with the imposition of new obligations and offences by the Bill?
- Significant additional information needs to be provided on the operation of the “demerit points scheme” as provided for in the Bill for the aviation sector. For example, how long will the “points” be kept in place before expiring?
- The Bill (and the legislation it amends) are likely to fit into the definition of a “Customs – related law” under section 4B of the Act. Will the ABF exercise jurisdiction over industry under the relevant legislation as amended by the Bill or will it only be exercised by the Department?

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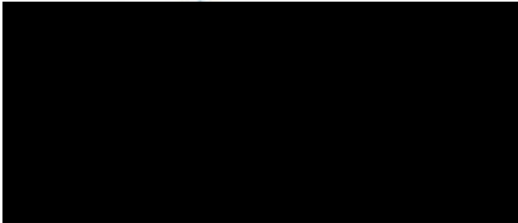
Recommendation in relation of the Bill

IFCBAA members are clearly affected by the Bill and the legislation it amends.

While IFCBAA endorses legislation or regulation enhancing transport security (including the general intent of the Bill), IFCBAA recommend that the concerns of the Scrutiny Committee and IFCBAA (and other concerns) be addressed before the Bill proceeds through Parliament.

IFCBAA would be pleased to provide further details of its concerns or its views on Australia's transport security regulation.

Yours faithfully



Andrew Hudson
Partner