

AMIC advocates for Australian government review of shipping settings

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The Australian Meat Industry Council (AMIC) supports the Australian Competition and Consumer Commission (ACCC) annual Container Stevedoring Monitoring Report 2020-21 released recently. The report shed light on recent surges in demand for containerised cargo and congestion felt across Australia's supply chain, leading to major delays and shortages of export equipment. The report highlighted that freight rates on key global trade routes are currently up around seven times higher than they were on a year-to-date basis.

The report highlights several areas needing attention across the supply chain including:

- Addressing industrial relations and restrictive work practices issues across the supply chain.
- Ensuring that privatised ports do not levy excessive rents and charges.
- Repealing Part X of the Competition and Consumer Act 2010.
- Investing in infrastructure to fix inefficiencies in the supply chain caused by larger ships, lack of rail access to Australian container ports and shortage of space in empty container parks.

The report also sheds light on the existing inefficiencies within the supply chain and the importance of investing in infrastructure to improve on these fronts. Specifically, it recommends that public and private investments are made into Australia's supply chain to improve on inefficiencies caused by larger ships, lack of rail access to Australian container ports and shortage of space in empty container parks.

ACCC chair Rod Sims said international shipping line movements normally run lean and just-in-time, but a surge in demand and COVID-19 outbreaks have forced port operations to temporarily shut down. COVID related shutdowns at major global ports have consequently led to congestion and delays with a cascading effect across the world.

"The report and associated media coverage set a solid foundation for the advocacy AMIC has been undertaking directly with the Federal Government as well as through its membership with the Australian Peak Shippers Association (APSA)," said AMIC CEO Patrick Hutchinson.

"The outcomes of the report align tightly with and provide validation to the suggested Terms of Reference that were put forward as part of a coalition of 30 industry bodies on which AMIC sits.

"We are hopeful that this report will drive Government action in this space and ultimately trigger a Federal Government led review into Australia's shipping settings."

MEDIA RELEASE



While the report does not necessarily provide solutions for immediate relief, AMIC understands that these issues we are facing as an industry, are longstanding issues that have been ongoing for years. AMIC supports the report by the ACCC and agrees that the proposed structural changes are the correct approach.

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About

The Australian Meat Industry Council (AMIC), is the sole Peak Industry body representing the post-farm gate meat industry, including processors, smallgoods manufacturers, wholesalers and distributors through to independent retail butchers and exporters.

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