



AUSTRALIAN INTERNATIONAL MOVERS ASSOCIATION

Competition Policy Review Secretariat
The Treasury
Langton Crescent
Parkes ACT 2600

6 June 2014

Dear Secretariat,

I am writing to you as the Chairman of the Australian International Movers Association (AIMA) which is the peak body representing the Australian household goods and personal effects shipping industry.

The membership is concerned by the potential impact of changes to the regulation of international shipping lines foreshadowed in the current review of the Competition & Consumer Legislation. Our concerns specifically relate to clause 3.3.5 which refers to the removal of existing exemptions granted under Part X of the Competition and Consumer Act 2010 for providers of liner shipping services.

The exemption afforded by Part X has enabled exporter associations such as AIMA, whose members are mostly small to medium Australian owned businesses, the capacity to collectively negotiate with the international shipping lines. Over a period of many years, these negotiations have been able to achieve considerable savings in the cost of freight which have in turn been passed on to consumers, as well as other important benefits such as guaranteed space on vessels all year round and flexible equipment use, all of which ultimately benefit the consumer in a significant way and which we believe would not be the case if the lines were forced to apply for authorisation.

It is also our fear that rescinding Part X exemption and combining it into Part VII of the legislation or indeed removing it all together, will result in a contraction of vessel sharing arrangements and a general reduction of the minimum levels of service exporters receive from the shipping lines, resulting in higher freight charges to consumers and reduced access to equipment and services.

We ask you to give careful consideration to our concerns and urge you to consult with exporters and industry peak bodies such as the Australian Peak Shippers Association (APSA) before introducing any changes to the legislation.

Yours faithfully


Andrew Wilson

Chairman
Australian International Movers Association

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