

1 July 2025

Strategic Fleet Policy Section
Department of Infrastructure, Transport, Regional Development, Sports and Arts
GPO Box 594
Canberra City ACT 2601

Email: strategic@infrastructure.gov.au

Dear Sir/Madam

RE: Independent Review of the Coastal Trading Act – Phase 2 Consultation

1. About Grain Trade Australia

Grain Trade Australia (GTA) is a national member association and is the focal point for the commercial grain industry within Australia.

GTA has over 295 organisations as members. Their businesses range from regional family businesses to large national and international trading/storage and handling companies who are involved in grain trading activities, grain storage, grain marketing advisory services, processing grain for human consumption and stock feed milling. GTA Members are substantial employers, from the farm gate through to end point consumption, and notably in rural and regional Australia. A full list of GTA Members is attached and can be found on-line [here](#).

GTA's core focus is to 'facilitate trade' in the Australian grain industry. Its products and services, including the [Australian Grain Industry Code of Practice](#), provides a self-regulatory framework across the grain industry to facilitate and promote the trade of grain within the Australian grain value chain.

2. The Strategic Fleet.

As noted in prior Submissions the implementation by the Department of an Australian Strategic Fleet is of interest to GTA, and its members given they are heavy users of both bulk and container shipping services for the export of grain and the importing of protein meals.

Grain is traded within a challenging and competitive global commodity market. GTA and its members experience international markets that are impacted by trade distorting measures such as tariffs and other trade restrictive arrangements. **GTA supports open and transparent markets including a bulk cargo and container shipping market that will support trade.**

GTA members operate currently within a relatively open and transparent shipping market that provides adequate service to the industry. Within this context, on behalf of its members, GTA provides comment on the Consultation for Phase 2 of the Independent Review of the Coastal Trading Act and its 2 Consultation Papers.

Consultation Paper 1 – New Second Shipping Register.

GTA has chosen not to comment on this Consultation as its focus is felt to be more aligned to shipowners and vessel operators.

Consultation Paper 2 – A Reformed Cargo Licensing Framework.

[Note: GTA has limited its response to the Licencing Framework and has chosen not to comment on crew arrangements as this is more aligned to shipowners and vessel operators.]

The proposed changes outlined in the Paper are of concern to GTA and its members in the effect they may have on the grain industry and its use of temporary licences.

Trade requires, (and functions best when there is) regulatory certainty and simplification for business and its processes. GTA's position has always been that an efficient supply chain is based on reducing cost, complexity, and the burden of un-necessary regulation. This certainly applies to coastal shipping.

An efficient and open environment supports and facilitates trade, creating improved efficiency, reduced costs and economic value for supply chain participants.

Grain companies will look to move grain interstate based on market signals, predominantly as a reaction to a severe drought in the eastern states where domestic demand for grain is the highest. These requirements for transshipment due to droughts occur irregularly and can be performed using land-based transport or via coastal shipping. It should be noted these movements will not occur until the market demand supports the additional cost of the freight and the logistics handling cost associated with transshipment. These drought movements may not be required for several years.

The current coastal trading licensing framework supported the movement of large tonnages of grain (**Approximately 6.08 million metric tonnes (mmt) were transhipped from WA and SA to east coast ports**) to the east coast during the most recent drought. The majority of these movements would have been under one-off or temporary trading arrangements.

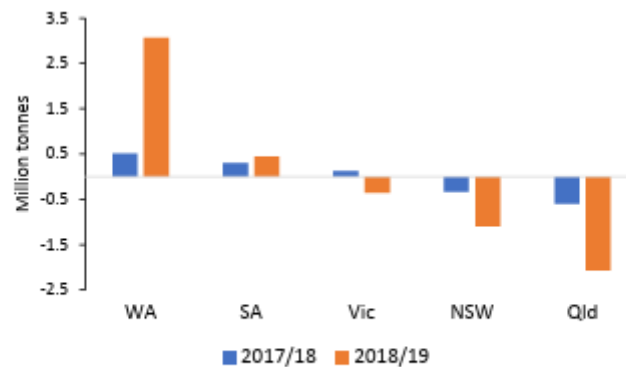


Figure 4. Coastal shipping flows of grain from or into each State in 2017/18 and 2018/19
Source: Based on data in an appendix in ACCC (2019)

Transshipments of grain are complex and expensive requiring an immense amount of planning and good fortune with externalities of weather and other ship movements). This is best performed without **excessive regulation** so that participants can retain flexibility through unfettered access to the shipping market.

Under current arrangements, a grain company can take out a licence to tranship specific tonnes (e.g. 150k mt) from one state to the other. The company can then engage with the global shipping market and contract individual vessels to the task over a timeframe. For example, they may load 4 vessels in concurrent months. Given the volatility exhibited in the spot shipping market the lead time to contracting a vessel prior to loading can be a short. The market for shipping will also often result in vessels being substituted for the original named vessel for numerous, largely operational constraint / efficiency, reasons.

Under the proposed reformed licensing arrangement, the cargo owner **cannot apply** for a licence and must rely on the ship owner/charterer/agent to apply for a licence. This arrangement is not commercially feasible from a cargo owner perspective as it is restrictive, can create contractual and market/price risks and is simply not conducive of an efficient shipping market or movement of large amounts of grain in bulk. These arrangements will lead the shipper to increased exposure to risk within the commodity and shipping market, increase lead times and overregulation.

A further issue is **the licence is applicable to one vessel only**. Therefore, the example of a commercial contract for the 150k transshipment may require 4 licences. Performing vessels in the grain market are known at a very late stage (1-2 weeks prior laycan). Also, when a vessel is switched or substituted, it is not clear to GTA whether this may require a separate licence to be applied for. It would be problematic if a licence request takes time to process and be approved. The grain supply chain has fixed and tight laycans at load ports set by the terminal operator. Failure to meet the laycans due to licence issues will result in onerous penalties and potential cancellation of the shipment.

Timing and access to grain supply in a drought market is also critical as stocks of grain in eastern Australia can be depleted quickly reducing the lead time to plan and execute vessel movements.

In summary, GTA does not support the proposed changes to the Licencing Framework as they will create commercial contractual risks, impact practical access to the global shipping market in periods of demand leading to a potential shift to land based freight or the import of other country of origin grain. Grain is traded within a competitive international commodity market where time is critical, and these proposed arrangements will not improve or indeed support the trade of grain via coastal transshipment.

3. Conclusion

GTA welcomes the opportunity offered by the Department to provide comment on the Independent Review of the Coastal Trading Act – Phase 2 Consultation. The proposed reforms are **not acceptable** to GTA and its members as they are restrictive, overly bureaucratic and will have a serious impediment to what is a relatively open and transparent global shipping market.

GTA's members do not support initiatives and Government policy that inhibit, restrict and distort commercial trade. The proposed strategy is not market driven, evidenced based, and will increase commercial risks for GTA members.

Thank you for engaging with industry on these proposed reforms and I look forward to the Government considering our input and continuing to engage.

Thank you for your consideration of this response.



Pat O'Shannassy
Chief Executive Officer



Membership List as of 8 May 2025

Member Type	Member Level	Account Name	Primary Contact	Website
Ordinary Member	A1	CBH Group	Ben Macnamara	www.cbh.com.au
		GrainCorp Australia	Robert Spurway	www.graincorp.com.au
		Viterra Australia	Philip Hughes	www.viterra.com.au
			3	
	A3	Cargill Australia	Zsolt Kocza	www.cargill.com.au
			1	
	A4	ADM Trading Australia	Darryl Borlase	www.adm.com
		Australian Grain Export Pty Ltd	Tim Martin	www.australiangrainexport.com.au
		Bunge Agribusiness Australia	Stephen Bennett	www.bunge.com
		Louis Dreyfus Company Emerald Australia	David Johnson	www ldc.com
			4	
	B1	Arrow Commodities	Dominic Vanzella	www.arrowcom.com.au
		CHS Broadbent	Steve Broadbent	www.broadbentgrain.com.au
		George Weston Foods	Michael Schmidt	www.gwf.com.au
		Manildra Group	Peter Sloan	www.manildra.com.au
		Riordan Grain Services	Jim Riordan	www.riordangrains.com.au
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	B2	Centre State Exports	Jeff Voigt	www.centrestateexports.com.au
		ETG Commodities	Peter McMeekin	www.etgworld.com
		Inghams Enterprise Pty Ltd	Matt Clarke	www.ingham.com.au
		J K International Pty Ltd	Sandeep Mohan	www.iki.com.au
		Ridley Agriproducts	Reagan Stroud	www.agriproducts.com.au
		Riverina (Australia)	Jon Mulally	www.riverina.com.au
		Wilmar Trading (Australia) Pty Ltd	Matt Albion	www.wilmargavilon.com
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	B3	Allied Pinnacle	Brett Duczmal	www.alliedmills.com.au
		Brahman Commodities	Michael Aikman	www.brahmancommodities.com.au
		Cofco International Australia	Sarah Pan	www.cofcointernational.com
		Demeter Grains	Barry Mansfield	www.demetergrains.com.au
		K M & W M Kelly & Sons	Matt Kelly	www.kellygrains.com.au
		Quadra Commodities	Robin Cassar	www.quadra.com
		Qube Logistics (SB) Pty Ltd (T/A Qube Agri)	Jeremy Brown	www.qube.com.au
		Robinson Grain Trading	Adam Robinson	www.robinsongrain.com.au
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	C1	Agracom	Joe Hallman	www.agracom.com.au
		Agrisk (Market Check)	Brett Stevenson	www.marketcheck.com.au
		AGT Foods Australia	Michael Brittain	www.agtfoods.com/australia
		Associated Grain t/a Agrocrop Processing Australia	Russell Darbey	www.agrocorp.com.au
		Australian Food & Fibre Processing	Peter Webb	www.australianfoodandfibre.com.au
		Australian Fresh Milk Holdings (AFMH)	Jill Smith	www.afmh.com.au
		BFB Pty Ltd	Shane Bird	www.bfb.com.au
		Blairs Produce Company	Sean Blair	crt.com.au/store/blairs-produce-company/
		Boolah Farms Pty Ltd	Stuart Tighe	www.boolah.com.au
		Castlegate James Australasia Pty Ltd	Kevin O'Brien	www.castlegatejames.com.au
		COPRICE	Hugo Steinfert	www.coprice.com.au
		Darwalla Milling Co Pty Ltd	Gary Heidenreich	www.darwalla.com.au
		DDT Holdings	Rajeev Saraff	www.ddtholdings.com.au
		Deckert Group Pty Ltd	Chris Deckert	www.deckerts.com.au
		Esperance Quality Grains Pty Ltd	Neil Wandel	www.esperancequalitygrains.com
		Fletcher International Exports	Joe Masters	www.fletchint.com.au
		Fodder Link Pty Ltd	Cameron Angel	www.fodderlink.com.au
		Hanlon Enterprises	Chris Coates	www.hanlonenterprises.com.au
		Hazeldenes Chicken Farm	Marcus Dingle	www.hazeldenes.com.au
		IGH Commodities	Brad Bryant	www.igh.net.au
		Inari Australia	Karan Singh	www.inariaustralia.com.au
		Irwin Stockfeeds	Bryan Irwin	www.irwinstockfeeds.com.au
		Itochu Australia Ltd	Ayush Rajvanshi	www.itochu.com.au
		Jerilderie Grain Storage & Handling	David Barlow	www.jgsh.com.au
		Laucke Flour Mills Pty Ltd	Roger Laubsch	www.laucke.com.au
		Lawson Grains	John Marshall	www.lawsongrains.com
		LPC Trading Pty Ltd	Simon Langfield	www.lpc trading.com.au
		Malteurop Australia Pty Ltd	Eric Fisher	www.malteurop.com/en/australia
		MC Croker	Jason McPherson	www.crokergrain.com.au
		MSM Milling Pty Ltd	Peter MacSmith	www.msmmilling.com.au
		Namoi Cotton Ltd	Nathan Hunter	www.namoicotton.com.au
		Pentarch Agricultural Pty Ltd	James Whiteside	www.pentarch.com.au
		Premium Grain Handlers P/L	John Orr	www.pgh.com.au
		Queensland Cotton Corporation	Ashish Govil	www.qcotton.com.au
		Reid Stockfeeds Pty Ltd	Ian Reid	www.reidstockfeeds.com.au
		Rex James Stockfeed	Natasha Davies	www.jamesstockfeed.com.au
		Rivalea (Australia) Pty Ltd - Animal Nutrition	Andrew Philpotts	www.rivalea.com.au
		Riverina Oils & Bioenergy	Krissy Campbell	www.riverinaoils.com
		SunPork Farms Feed Mills	Mark Young	www.sunporkgroup.com.au
		Thompson & Redwood Pty Ltd	Stephen Lamond	
		ThriveAgri Pty Ltd	Charlie Brown	www.thriveagri.com
		TSS Grain (Tasmanian Stockfeed Services)	Trevor Macleod	www.tasstockfeed.com.au
		Unigrain Pty Ltd	Ervin Leong	www.unigrain.com.au
		Viridis Ag	Chris Reeves	www.viridisag.com
		W B Hunter Pty Ltd	Stewart Coombes	www.wbhunter.com.au
		Wilken Grain	Richard Wilken	www.wilken.com.au
		Woods Grain Pty Ltd	Bruce Woods	www.woodsgrain.com.au
		XLD Commodities	John Tuskin	www.xldgrain.com.au
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	C2	Access Grain Pty Ltd	Wade Humphries	www.accessgrain.com.au
		Adams Australia Pty Ltd	Ian Mack	www.adamsaustralia.com.au
		Aditi UVG	Harshad Kale	www.aditiuvg.com
		Aditya Birla Global Trading (Australia)	Surya Jain	www.abgtrading.com
		Advantage Grain Pty Ltd	Chris Nikolaou	www.advantagegrain.com.au
		Ag Connex Pty Ltd	Geoff Barker	www.agconnex.com.au
		Agmark Commodities	Richard Alcorn	www.agmark.com.au
		Agri Om Australia Pty Ltd	Kishore Bulchandani	www.agriom.com.au
		Agri-Oz Exports (Aust) Pty Ltd	Francois Darcas	linkedin.com/in/francois-darcas-4a440577
		Agromin Australia Pty Ltd	Rajni Patel	www.agromin.com.au
		Alliance Grains	Luke Walker	www.alliancegrains.com.au
		Arya Pulses Australia Pty Ltd	Aravindhan Ravindraraj	www.aryapulses.com.au
		A T Waterfield & Son Pty Ltd	Brad Waterfield	linkedin.com/in/brad-waterfield-8767869b
		Australian - Asian Agricultural Exports (AAAX)	Mick Connolly	www.aaax.ws
		Australian Choice Exports Pty Ltd	James Hunt	www.australianchoiceexports.com.au
		Australian Grain Storage	Matt Bailey	www.sunrice.com.au