

18 March 2026

The Hon Anthony Albanese MP
Prime Minister of Australia
Parliament House
Canberra ACT 2600 (online & via email Tim.Gartrell@pm.gov.au & Dimity.Paul@pm.gov.au)

CC: The Hon Dr Jim Chalmers MP - Treasurer
Senator the Hon Don Farrell - Minister for Trade and Tourism
The Hon Catherine King MP - Minister for Infrastructure, Transport, Regional Development & Local Government
The Hon Julie Collins MP - Minister for Agriculture, Fisheries and Forestry
Dr Steven Kennedy PSM - Secretary, Department of the Prime Minister and Cabinet
The Hon Angus Taylor MP - Leader of the Opposition
Senator the Hon Matthew Canavan - Leader of the Nationals / Shadow Minister for Trade, Investment & Tourism
Senator Larissa Waters - Leader of the Australian Greens
Senator Pauline Hanson - Leader of One Nation
The Hon Tim Wilson MP - Shadow Treasurer
Senator the Hon Bridget McKenzie - Shadow Minister for Infrastructure & Transport
The Hon Darren Chester MP - Shadow Minister for Agriculture, Fisheries & Forestry

Dear Prime Minister,

Freight & Trade Alliance (FTA) and the Australian Peak Shippers Association (APSA) respectfully request that the Australian Government introduce targeted financial assistance for Australian exporters to offset emergency conflict, war risk and deviation surcharges.

FTA and APSA have received extensive feedback from members that Australian exporters are facing significant, unbudgeted cost impacts arising from shipping disruptions linked to the ongoing conflict in the Middle East. This event underscores a clear market imbalance, where extraordinary external shocks, such as the pandemic and now war, have transferred disproportionate cost and risk onto the Australian trade sector, with little practical ability for exporters to mitigate or avoid these impacts.

Key global maritime channels appear likely to remain impacted for a significant period, with no clear resolution in sight. Government support should therefore reflect the scale and duration of this impact and the broader implications for Australia's trade, productivity and economic resilience.

Given the cross-portfolio impacts spanning trade, agriculture, infrastructure and treasury, a coordinated whole-of-government response is recommended.

About FTA and APSA

FTA is the peak body for Australia's international trade sector, representing more than 530 businesses, including the nation's largest logistics service providers, exporters and major importers.

On 1 January 2017, FTA was appointed Secretariat for the Australian Peak Shippers Association (APSA), the designated peak body for Australia's containerised exporters and importers under Part X of the *Competition and Consumer Act 2010*.

Further information on the membership and representation of both organisations is available at www.FTAlliance.com.au.

Unilateral surcharges

Australian exporters are currently being subjected to emergency conflict, war risk and deviation surcharges ranging from approximately USD 800 to USD 4,000 per container, imposed unilaterally by shipping lines with little or no notice. In many cases, these charges are applied after commercial agreements have been concluded and cargo has been accepted for carriage.

These costs are not theoretical. Exporters must pay to recover, redirect or release their cargo. The Terms and Conditions of the Bill of Lading permit shipping lines to vary charges once cargo is received, but this mechanism is now being invoked frequently, broadly and without transparency.

Australian shippers have no meaningful ability to verify whether these charges reflect genuine cost recovery or profit expansion, particularly when cargo remains in the custody of foreign-owned container shipping lines.

Cashflow impacts

Surcharges create an immediate cashflow shock, often resulting in budget overspend in the current accounting period. Smaller exporters, particularly in agriculture and regional Australia, face escalating cashflow crises that threaten business continuity.

These impacts are compounded by “end-of-voyage” declarations, where shipping lines terminate contractual responsibilities mid-route, often accompanied by deviation surcharges of USD 800 per container. Cargo owners then bear the full cost of recovery, storage, rehandling, and onward movement.

Chilled and time-sensitive cargo is especially at risk, with shelf-life expiry leading to 100 percent product loss in some cases.

These costs risk undermining export competitiveness, regional employment, farmgate returns and broader supply chain stability.

Compounding cost pressures across the value chain

Emergency fuel surcharges are being applied not only by ocean carriers but also by air freight operators and domestic transport providers. For example, two major ocean carriers have introduced emergency fuel surcharges for refrigerated 40-foot export containers ranging from approximately USD 198 to USD 300 per container. Whilst another major ocean carrier, after implementing emergency fuel surcharge with effect from 16th March, has already announced a further 72.2% increase effective 27th March.

Across the air freight sector, some airlines are introducing 20–30 percent surcharges, while landside transport fuel levies have increased between 13 and 20 percent over just two weeks, with further increases likely.

These additional costs amplify the cashflow and budgetary pressures already faced by exporters (and importers) further underscoring the disproportionate burden imposed by external shocks on the Australian trade sector.

Australia's unique exposure

Australia lacks regulatory protections available in comparable jurisdictions. In the United States, for example, shipping lines must provide a minimum 30-day notice before new surcharges can take effect, unless formally exempted. Australian traders have no equivalent safeguard, leaving them structurally disadvantaged when dealing with the same global carriers.

Request for Government Support

FTA and APSA propose consideration of extraordinary event relief measures consistent to the approach taken to support affected businesses during the COVID-19 pandemic.

We respectfully request that the Australian Government introduce targeted financial assistance or compensation for Australian exporters to offset emergency conflict, war risk and deviation surcharges.

These could include a temporary surcharge relief scheme, for example grants or rebates per impacted container, with baseline consideration of USD 2,000 per 20ft container and USD 5,000 per 40ft or special equipment container, and access to short-term concessional finance or working capital support.

Long-term considerations

Beyond immediate relief, this situation highlights the need for long-term regulatory reform to introduce fairness, transparency and balance in carrier-shipper relationships.

FTA and APSA would welcome the opportunity to engage further with the federal government to provide member data, feedback on other international relief measures, case studies and practical options to support Australian exporters during this period of trade and supply chain disruption.

Thank you for your consideration.



Paul Zalai

Director and Co-Founder | Freight & Trade Alliance (FTA)
Secretariat | Australian Peak Shippers Association (APSA)
Director | Global Shippers Forum (GSF)