



Australian Government

Australian Government response to the Senate
Rural and Regional Affairs and Transport
References Committee report:

The policy, regulatory, taxation, administrative and
funding priorities for Australian shipping

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Overview

The Australian Government **notes** the report by the Senate Rural and Regional Affairs and Transport References Committee (the committee) into the policy, regulatory, taxation, administrative and funding priorities for Australian shipping.

The Government provides the following response to the Inquiry's recommendations.

Australian Government response

The Australian Government's response to the inquiry report into policy, regulatory, taxation, administrative and funding priorities for Australian shipping is set out in detail below.

Recommendation 1: Quantify and review the level of subsidy across transport modes

The committee recommends that the Australian government quantifies and reviews the level of subsidisation across competing modes of transport to ensure that shipping is able to compete on an equal basis in assessing the infrastructure and markets it requires to operate.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 2: Review Australia's coastal trading framework

The committee recommends that the Australian government reviews Australia's coastal trading framework to ensure that Australian shipping supports the growth of emerging markets and trade, such as coastal LNG trading, offshore wind energy, and the expedition cruise sector.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 3: Continue funding the TFES and BSPVES programs

The committee recommends that the Australian government continues to fund the operation of the Tasmanian Freight Equalisation Scheme and the Bass Strait Passenger Vehicle Equalisation Scheme.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 4: Reform of the coastal trading licencing system

The committee recommends that the current licencing system be urgently reformed to clarify its objective; expand its scope, including covering intrastate trading; reform the application process and provisions along commercial lines; and introduce a new type of temporary licence for operators who meet minimum Australian content requirements.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 5: Require foreign-flagged vessels in Australian waters to pay Australian wages

The committee recommends that the Australian government requires foreign-flagged vessels to pay crew wages equal to those of Australian vessels while operating in Australian waters.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 6: Review of maritime industry tax concessions

The committee recommends that the Australian government reviews the maritime tax concessions currently in place to ensure that Australia's tax system is competitive with other jurisdictions, and that it promotes the use of Australian ships and crews.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 7: Strengthen the required background checks for Maritime Crew Visas

The committee recommends that the Australian government strengthens background checks to obtain a Maritime Crew Visa to better align with those required for applicants applying for a Maritime Security Identification Card, and monitor the ongoing applicability of the visa.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 8: Review the Maritime Crew Visa system for exploitation by visa sponsors

The committee recommends that the Australian government reviews whether the existing Maritime Crew Visa system is being exploited by sponsors to allow foreign maritime workers to be transferred to occupations which are not eligible for sponsorship.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 9: Reform the visa system for maritime crew

The committee recommends that the Australian government retains the existing Maritime Crew Visa for seafarers on foreign ships undertaking short port calls as part of a continuing international voyage; and introduce a new, or special conditions, Maritime Crew Visa that enables foreign seafarers to be in Australia for periods of up to 45 days for one of six specified purposes, being:

- ships undertaking interstate coastal voyages authorised by a temporary license issued under the Coastal Trading (Revitalising Australian Shipping) Act 2012;
- ships undertaking repairs, maintenance, or dry docking in Australia;
- mother ships at anchorage in a roadstead in coastal waters awaiting barge loading;
- ships docked or at anchorage holding inventory such as refined petroleum product awaiting access to an onshore storage facility or oil awaiting refining;
- ships involved in production and processing, e.g. maritime products; and
- ships held at an anchorage point or wharf for biosecurity reasons, or if detained by the Australian Maritime Safety Authority.

In all other circumstances foreign seafarers be required to hold a Temporary Skills Shortage visa (Subclass 482), similar to the Canadian system.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 10: Establish a strategic fleet and advisory taskforce

The committee recommends that the Australian government commits to establish a strategic fleet, and that a strategic fleet taskforce be established to advise on the legislative, operational, funding, and requisitioning arrangements necessary to establish a strategic fleet.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 11: Develop a maritime cluster taskforce

The committee recommends that the Australian government establishes an Australian maritime cluster development taskforce to advise on the development of a maritime cluster in Australia.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 12: Reform of Part X of the Competition and Consumer Act 2010

The committee recommends that Part X of the *Competition and Consumer Act 2010* be reformed to ensure that it supports operators' continued access to frequent and reliable liner cargo shipping services at competitive rates and to ensure that liner service providers do not engage in anti-competitive behaviour.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 13: Develop policies to enhance maritime employment and promote seafaring as a career

The committee recommends that the Australian government identifies, develops, and implements policies to arrest the decline in Australia's maritime employment opportunities, and promotes seafaring as a career for younger Australians. This process should be guided by a maritime workforce development stakeholder forum.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 14: Increase resourcing for the prevention of and response to shipping incidents in the Great Barrier Reef Marine Park

The committee recommends that the Australian government adequately resources the Great Barrier Reef Marine Park Authority to ensure it can effectively prevent and respond to shipping incidents into the future.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 15: Develop a national approach to waste reception in ports

The committee recommends that the Australian government works with state and territory governments to develop a consistent national approach to the provision of waste reception services in ports.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 16: Strengthen AMSA's ability to detain vessels for environmental damage

The committee recommends that the Australian government strengthens the Australian Maritime Safety Authority's ability to detain ships which have caused, or are suspected of having caused, environmental damage, irrespective of the type of event which caused the damage.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 17: Improve wreck identification and removal and strengthen cost recovery measures

The committee recommends that the Australian government considers all options, including ratifying the Nairobi International Convention on the Removal of Wrecks, to improve its management of wreck identification and removal in Australia, and strengthens its ability to recover any costs incurred recovering and removing cargo which has fallen overboard from a ship.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 18: Develop a fuel security strategy

The committee recommends that the Australian government develops a fuel security strategy, which will include proposals to transition to locally-sourced fuels as well as address supply issues.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 19: Meet IEA obligation to maintain 90 days of fuel supply

The committee recommends that the Australian government meets its obligations as a member of the International Energy Agency to maintain emergency oil stocks equivalent to at least 90 days of annual net oil imports.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 20: Develop a national security strategy that ensures supply of essential items

The committee recommends that the Australian government develops a national security strategy, supported by an Australian shipping capability, to ensure that Australia's supply of essential items is not disrupted during crises and emergencies.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 21: Advocate for and enforce the rights of international seafarers

The committee recommends that the Australian government continues to advocate for improved safety standards, including work health and safety standards; working conditions; and wages for international seafarers, and rigorously enforces all existing protections and standards.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 22: Improve counselling resources for international seafarers

The committee recommends that the Australian government, in consultation with key stakeholders, improves counselling resources available on international vessels through the development of a Marine Order regarding employee assistance programs.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 23: Expand jurisdiction of the ATSB and commission a review of the National Law

The committee recommends that the Australian government improves safety on domestic vessels, including by expanding the jurisdiction of the Australian Transport Safety Bureau to include incidents on domestic vessels; and that the Australian government commissions an independent review of the *Marine Safety (Domestic Commercial Vessel) National Law Act 2012* to consider whether it provides clear and simple standards for training, crewing, and qualifications to improve marine safety on domestic commercial vessels.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 24: Amend the Navigation Act 2012 to ensure consistent vessel standards

The committee recommends that the Australian government amends the Navigation Act 2012 to restore an appropriate balance in ships that are covered by the Navigation Act as Regulated Australian Vessels, and those covered by the *Marine Safety (Domestic Commercial Vessel) National Law Act 2012* as Domestic Commercial Vessels, to ensure the Navigation Act provides the default standards for Australian commercial ships.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 25: Review regulation of privatised ports

The committee recommends that the Australian government reviews the regulatory arrangements for Australia's privatised ports to ensure that they are fit-for-purpose and achieve optimal outcomes for the broader economy.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 26: Review land use around Australia's key ports

The committee recommends that the Australian Government works with state and territory governments to review land usage around Australia's key ports, with the aim of reducing congestion and ensuring adequate land is available for future port expansion.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 27: Ensure consistent management and regulation of port infrastructure and ports

The committee recommends that the Australian Government works with state and territory governments to review the National Ports Strategy to ensure that there is a nationally consistent approach to managing and regulating port infrastructure and port services in ways that support the development of Australian shipping.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 28: Investigate stevedoring infrastructure charges

The committee recommends that the Australian governments works with state and territory governments to investigate the increased use of infrastructure charges by stevedoring companies at Australian ports and to assess whether they should be regulated.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.