

The Senate Standing Committees on Rural and Regional Affairs and Transport
P.O. Box 6160
Parliament House
Canberra, ACT 2600

**Submission to the Senate Rural and Regional Affairs and Transport Legislation
Committee's Inquiry into the Coastal Trading (Revitalising Australian Shipping)
Amendment Bill 2017.**

You will excuse my bluntness when I state that I consider the naming of this Bill to be deceitful, it implies that Australian shipping will be assisted by these proposals, whereas its intention is to destroy it and to advance the interests of foreign shipowners and local elements inimical to the re-establishment of an Australian maritime industry.

1. My Credentials

I am an Australian born Master Mariner and gained my Masters (Foreign-Going) Certificate in Australia in 1967. I have served in the Australian coastal and international trades, in all navigating officer capacities including Master and in the mid 70's, I came ashore as Assistant Marine Superintendent with P&O Lines of Australia.

Thereafter I managed a small tanker company in the South Pacific, following which, I was employed General Manager of a shipbroking company and more latterly as Shipping Manager of a large mining company until my recent retirement.

All up I have been actively involved in the shipping industry for more than 60 years. I have no current union or business affiliations save for my continuing involvement in the Company of Master Mariners of Australia and the Navy League of Australia. The objectives of both organizations being to promote the professional standards, safety and efficiency of the maritime industry.

2. The Proposals

I view the proposals as a deliberate attempt to destroy the Australian Maritime industry. Removing the requirement for foreign vessels to comply with the five voyage minimum will mean that the Australian coast will be open to any foreign ship can apply for a temporary licence to trade for a single voyage or continuous voyages. Under the current five voyage arrangement foreign shipowners and shippers are required to show that there is sufficient volume of business to justify a temporary licence.

The proposed changes only serve the interests of foreign flag vessels, invariably flag of convenience vessels chosen by shippers for the cheapest crews and rates and whose interests are opposed to the Australian shipping industry and against the national interest. Cabotage is not protectionism; every country has the right to retain sovereignty of its own coastal trade and the preservation of its own maritime safety standards and national integrity.

Who are these interests ? The Aluminium Council representing the industry which has disposed of its own ships but at the same time enjoys subsidies through cheap electricity. Manufacturing Australia, I didn't realize that we manufactured anything in Australia any more, its all been sent off-shore. I suspect, the Farmers Federation will have

made a submission and will support the proposals. Why should they be heard when they enjoy the most generous government subsidies and all agricultural exports are shipped in foreign bottoms? Similarly, I expect that Shipping Australia, will argue in favour of the proposals, as the organization represents the interest of foreign shipowners and their agents.

The Minister already has broad discretionary powers under the present Bill, but presumably seeks undisputed authority.

3. Historically, it was coastal shipping alongside the horse that opened up this country. From the early 1800s, shipping services operated all around the Australian coast, establishing ports and towns. Shipping services have the same potential today.
4. Australia is one of the largest bulk mineral and agricultural exporters in the world – iron ore, coal, wool, wheat, barley, natural gas, alumina, salt, wood chips, uranium, petroleum and LNG yet with the exception of a small proportion of LNG, all the other commodities are carried in foreign ships. Is there another country in the world so reliant on shipping for the carriage of its exports and imports, but with no ships of its own to carry them ? **Can there be a greater indictment of Australia's shipping policy ?**
5. Our total reliance on foreign vessels to carry all our exports is bad enough, but to consider that we should now rely on foreign vessels to carry our domestic cargoes, shows a reckless disregard for national security. As Senators will be aware, most of our oil refineries have been shut down and all Australian flag or licensed tankers have left the Australian coast; thus, we are now **wholly reliant upon foreign flag tankers for our fuel security.**
6. There are approximately 70 ports around Australia, which rely on approximately 4,000 – 5,000 skilled and qualified people to provide round the clock services essential for port operations Harbour Masters and Port Administrators, Pilots, Marine Surveyors, Tug crews, Linesmen. All have some form of seagoing qualification requiring a minimum of maritime experience, which may vary from 3 to 15 years. Pilots who number approximately 400 nation-wide, will have served at sea in the shipping industry, usually as Masters or senior Officers for a minimum of 10 years. These skills have been learned in Australian coastal and international ships, but with the run down in Australian shipping people are already asking where their replacements will come from.

The shipping industry covers seagoing personnel - Masters, Mates, Engineers and Ratings - estimated at around 10,000, employed in the nation's ships, ferries and other vessels, mostly in the coastal trade but some trading internationally.

The survival of the Australian maritime industry is now in doubt, through lack of capital support, but more importantly through lack of any political interest, particularly since it would seem that the current Government is intent on ensuring its extinction.

I request that the Senate Committee consider the nation's security and reject this proposal.

Yours faithfully,

E.J. Wilson