



## **Maritime Union of Australia (MUA)**

### **Submission to the Senate Foreign Affairs, Defence and Trade Legislation Committee**

### **Inquiry into the Defence Capability Assurance and Oversight Bill 2023**

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**Authorised by:**

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## Who we are

This submission has been prepared by the Maritime Union of Australia (MUA). The MUA is a Division of the 120,000-member Construction, Forestry, Maritime and Energy Union (CFMEU), an affiliate of the 1.5-million-member Australian Council of Trade Unions (ACTU) and an affiliate of the 20-million-member International Transport Workers' Federation (ITF).

The MUA represents approximately 14,000 workers in the shipping, offshore oil and gas/wind energy, stevedoring, port services, passenger services, towage, dredging and commercial diving sectors of the Australian maritime industry. The MUA also represents seafarers crewing government ships. The MUA is also part of an Offshore Alliance with the Australian Workers Union (AWU) that jointly organises workers across the Australian offshore oil and gas industry.

The MUA represent workers across various areas of maritime operations. These include:

- Shipboard workers (ship's crew) including (i) marine crew; and (ii) in the case of passenger ships, non-marine crew (collectively defined as seafarers).
- On-water services workers servicing cargo and passenger ships i.e. workers involved in towage, mooring, pilotage, bunkering, waste removal.
- Harbour/river ferry workers.
- Seafarers who provide civilian crew to Defence, ABF, AMSA and Antarctic ships.
- Offshore oil and gas industry seafarers servicing oil and gas platforms.
- Offshore wind energy industry seafarers involved in survey, installation and operation of offshore wind farms;
- Onshore workers in ports who are required to interact with domestic and international ships docking at Australian ports and with landside workers involved in road and rail transportation to and from ports. International ships include both cargo ships and passenger ships, mainly large cruise ships, by also inshore passenger ferries. These workers include:
  - Container stevedoring workers (including dockworkers who board cargo ships to undertake lashing (securing) of containers);
  - Break bulk ship stevedoring workers (including dockworkers who board break bulk ships to assist with loading and unloading ship's hatches and decks);
  - Roll-on/Roll-off stevedoring workers who drive trailers and vehicles on to Ro/Ro ships, and lash cargo;
  - Cruise ship baggage handlers, operators of gangways or passageways used for the embarkation and disembarkation of passengers and wharf workers that load stores;
  - Port security workers.

## Introduction

The MUA welcomes the invitation to make a submission to this inquiry.

The submission is made in the context of the Final Report of the Strategic Fleet Taskforce which was submitted to the Government on 30 June 2023 and the public release of the Report of the Defence Strategic Review on 24 April 2023, which acknowledged the need for establishing a civil maritime strategic fleet.

## The key points we make on the Bill

We note that the Explanatory Memorandum (EM) for the Bill reports that in almost every review of Defence procurement, there has been a negative assessment of how Defence employs Test & Evaluation (T&E) and that one of the consistent themes in those reviews includes, inter alia, poor coordination between the various stakeholders in Defence T&E, including with industry.

The EM notes that in the AUKUS context, the United Kingdom has enacted a long-term partnership with industry to provide independent T&E and that the Bill establishes a Defence Capability Assurance Agency (DCAA) to enable effective Defence acquisition and sustainment as an Australian response measure.

We also note that the Bill provides for an agreement (expected to be long-term in nature) with an Australian industry partner. The EM says it is expected that the industry partner will provide depth of domain expertise and facilitate a consistent, comprehensive approach to T&E across the capability life cycle for all Defence systems and environments, via four key functions:

- Regulatory: The DCAA will regulate the qualifications and professional standards of the Defence or other industry workforce tasked to conduct T&E. This function will be managed by an element of the DCAA known as the Defence Capability Assurance Regulator (DCAR), facilitated by the industry partner;
- A T&E centre of excellence: The industry partner will provide a small but highly experienced workforce with competence in T&E across operational domains (land, air, maritime, space and cyber). T&E Centre of Excellence will also engage with the commercial sector where appropriate;
- Training: The industry partner would be responsible for the coordination and efficacy of T&E training (e.g. approving training providers and specific courses); and
- T&E infrastructure.

We support that core function of the Bill and urge the Committee to ensure the Bill provides for a robust collaborative role for industry that draws on the commercial expertise of relevant industry sectors such as the maritime sector, where there resides a wealth of expertise in ship survey, naval architecture, shipbuilding maintenance and repair, ship chartering, ship operations, ship propulsion systems as well as port operations. The commercial maritime industry also incorporates a highly qualified seafaring workforce involved on onboard and onshore roles.

As far as Defence's maritime procurement and civilian shipping industry partnerships are concerned, it will be important that the Committee is satisfied the Bill captures the opportunity for the strategic fleet that is likely to emerge from the Report of the Strategic Fleet Taskforce, which provided its Final Report to the Government on 30 June 2023, and Australian registered civilian shipping more broadly, to be a partner in Defence acquisition and procurement.

Partnering with the civilian shipping industry eliminates considerable risk and cost from aspects of defence procurement where tried and tested assets and operational practice could be of assistance to the Defence posture as outlined in the DSR. We are yet to see the synergies between Defence and the civilian maritime sector be fully explored, but the anticipated introduction of a strategic fleet provides the catalyst for that to change, and that needs to be recognised by the Committee and be captured by the Bill.

Finally, we recommend that the Committee propose that the Australian Maritime Defence Council (AMDC) become an important forum that the Defence Capability Assurance Agency (DCAA) consults with on the industry partnership aspects of its role. In future, we are anticipating that AMDC will be the principal forum for considering and developing strategic partnerships between Defence and the civilian maritime industry, and in that respect can be an important piece of the architecture in fulfilling the Objects of the Defence Capability Assurance and Oversight Bill 2023.