



Australian Government

Department of Infrastructure and Transport

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Coastal Trading Bill Submissions

Feedback from Australian Shipping Consultants Pty Ltd

Objects of the Act

The objects fail to acknowledge and protect the public interests of cargo owners and shippers. This can be remedied by adding following sub section:

(e) "yet serves to provide efficient and cost effective freight solutions to Australian cargo interests (i.e. shippers)."

Without such acknowledgement, the objects would be seen as biased solely towards promotion and facilitation of shipping industry interests, to the exclusion and potential detriment of users and their legitimate interests. Indeed, the omission of "the Public Interest"—a longstanding cardinal condition of the permit system—is held to be flawed and contrary to the principle of equality under the law? The wording of Sec 286 of the Nav Act provided an appropriate balanced position, voided in current drafting.

Definitions, including the Meaning of Coastal trading

Whereas there is a definition for: "Emergency licence"; there is no definition for what constitutes an "Emergency"—nor is this definition to be found in Division 3 (only in the Explanatory document, which mentions: "...in emergency situations only, such as natural disasters or other critical emergency.").

A definition is required in the draft Bill, and it is suggested that an amplification of "other critical emergency" be given to "include industrial misadventures or incidents"

s.8—Meaning of Voyage

The drafting is repetitive—and in parts non sensical (i.e. notions of "turning around" and "empty ship")—and in the interests of clarity, sub sections (1) and (2) should be deleted in their entirety, leaving in place only current sub section (3)—now to be renumbered. (1).

Exemptions s. 13—Intrastate Voyages

Is the understanding, that the Minister can only declare the application of the Act, in cases where a request to this effect has been made by "the owner"—and if no such request has been made, the Act shall not apply (as is the case presently under Nav Act Part VI)?

General Licences

Nowhere does the Act define the status of Vessels under General Licence (only in the Explanatory notes is this definition to be found: Item 30: "General licences will provide those Australian registered vessels with unrestricted access to coastal trades..."?)

Temporary Licences

By purposely expunging the concept of "a single voyage"—for past 100 years being the governing criterion for a "coastal voyage permit—incongruously, the proposed criteria for a Temporary licence application are now predicated upon having a definable requirement for several (more than two in number..?) voyages (cargoes)—thereby effectively seeking to prohibit and prevent the performance of a single voyage (cargo)—other than by way of General licensed or Emergency licensed vessel(s)—even in cases where such licensed vessel(s) are unavailable, unsuitable or plain non existant.

This would not only cause frustration of purpose (i.e. by regulation effectively preventing movement of a single cargo by sea on the Coast) for apparent spurious reasons, seeking to impose punitive and deliterious conditions upon the movement of cargoes in the competitive market place. The added cost penalty thereby encountered, would likely cause such cargoes to either move by land, or be replaced by imports—to no subsequent advantage nor benefit to Australian shipping providers, as intended!

Many cargoes are by requirement of a one off nature, to be moved in a single shipment, performed by or as part of a single voyage. Such cargoes, one off project or other types, will continue as a demand in the market place, requiring servicing by suitably sized and equipped vessels, available on a timely and cost effective basis, vessels which by configuration and special purpose functionality (such as Multi purpose Heavy Lift vessels) would be unlikely to find sufficient demand on a consistant basis on the Australian Coast justifying applying for a General licence—and given this situation it cannot be responsible to legislatively prevent chartering in (under Temporary licence provisions) suitably available international vessels for such purposes (when no Licensed vessels available).

s. 34—Grant of temporary licence

Sub section (2)—Constestability of: Timely availability, economic competitiveness, general and specific suitability to perform required task—are presumably all equally weighted evaluation elements vested in (b) i.e. to be equivalent to those proposed by vessel under Temporary licence?

As regards (c), add to final line after word: "cargo" the following: "shall remain overriding"

In circumstances where competing shipping interests apply for licences covering the same cargoes, controlled by a shipper, that same shipper must not be dis-enfranchised out of determining best viable and competitive freight offer, and must be left in charge determining with whom he will fix his cargo(es), and

in turn who will apply for a Temporary licence (in his own right or that of the contracted shipping operator)—this will also avoid problems associated with multiple (speculative) applications by competing shipping operators.

Emergency Licences

Refer comments above (definitions).

Enforcement Provisions

No comments.

Continuation Provisions of Permits and Licences

No additional comments.

Transitional General Licences

No additional comments.

Other comments

No additional comments.

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