Shipping Legislation Amendment Bill 2015 [Provisions] Submission 14



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20 August 2015

Committee Secretary
Senate Standing Committees on Rural and Regional Affairs and Transport
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Submission to Senate Committee Inquiry: Shipping Legislation Amendment Bill 2015

Thank you for the opportunity to provide a submission to the Inquiry. Coastal shipping is an important issue to Alcoa of Australia (Alcoa) as our integrated mining, refining and smelting system in Australia depends on shipping for the provision of key raw materials and the distribution of some product. In particular, coastal shipping is used for the transport of alumina from our Western Australian refineries to the Portland Aluminium smelter.

Alcoa supports the coastal shipping amendments being proposed by the Commonwealth Government and believes they will significantly increase efficiency and flexibility leading to potentially substantial cost savings. International alumina and aluminium markets currently represent very challenging circumstances for Alcoa's Australian operations and reduced operating costs facilitated by the proposed reforms will help increase the international competitiveness of our Australian facilities.

Alcoa supports the submission provided by the Australian Aluminium Council and in particular draws the Committee's attention to the request for modification to the proposed 10 day waiting time for permit approval. We believe the 10 day restriction would be impractical without also being accompanied by a 24-48hr turnaround "emergency" permit provision to allow shippers to respond rapidly to unforeseen circumstances. For example, vessels may have to be substituted due to weather delays, port congestion and force majeure events. Without an ability to qualify a vessel within 24 – 48 hours, disruptions to raw material supply and therefore production, present a substantial risk to our Australian operations.

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Alcoa welcomes the opportunity to provide this brief submission, in support of the Australian Aluminium Council submission. If the Committee requires any further information from Alcoa, please do not hesitate to contact the undersigned

Yours sincerely

Tim McAuliffe

Director Government Relations; Environment & Sustainability Alcoa of Australia Limited