

**INQUIRY INTO  
COASTAL SHIPPING POLICY AND REGULATION**

**House Standing Committee on Infrastructure, Transport,  
Regional Development and Local Government**

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## 1. Summary

The decline of coastal shipping in Australia has a range of negative implications which include the lack of modal transport choice for freight users, the dwindling of the Australian maritime industry, the failure to realise the environmental benefits of sea-borne freight, and the failure to realise the national security benefits of a vibrant Australian shipping industry.

An argument can be made that this decline has occurred, to some degree, through policy failure or inattention, in addition to other industry and economic circumstances, rather than as the necessary by-product of sound transport policy or the consequence of positive industry-wide reform/evolution.

The benefits of a revitalised Australian coastal shipping industry would be as follows:

- Improved domestic transport oversight and security.
- Improved transport efficiency and service of remote communities in Western Australia.
- Environmental benefits in terms of reduced greenhouse emissions in comparison to other modes of domestic transport.
- Environmental security of having high-quality Australian owned and manned vessels operating in Australian waters.
- Community benefits derived from reducing the social and safety impacts of road transport.
- Support and maintenance of a skilled maritime workforce.
- Contributions to national security and, potentially, to Australia's ability to service its military, regional defence, and peacekeeping commitments.
- Economic benefits from the creation of local employment, the growth of services directly related to the maritime industry, and tourism.

As domestic freight in Australia is projected to double in the next 10-15 years, the consequences of not having a viable coastal shipping industry are likely to be dire in terms of the strain on road and rail infrastructure.

It is therefore submitted that measures to reinvigorate coastal shipping should be pursued as appropriate in order to deliver these benefits.

## 2. Background

### 2.1 Fremantle Port

Western Australia is Australia's leading seaborne export state, with one-third of national exports by value and one-half by volume.<sup>9</sup> Fremantle Port is the biggest and busiest general cargo port in WA, handling 83 per cent by value of WA's seaborne imports and 25 per cent by value of seaborne exports.<sup>10</sup> The total value of trade in 2006-07 was \$24 billion.<sup>10</sup> The Port consists of two sections – the Inner Harbour and the Outer Harbour (20 kilometres south in Cockburn Sound). The Inner Harbour provides modern deepwater facilities for containers, break-bulk cargoes, livestock exports and motor vehicle imports. The Outer Harbour is a bulk cargo port that handles grain, petroleum, LPG, alumina, mineral sands, fertilisers, and so on. Container terminals on North Quay are privately operated on land leased from Fremantle Ports. The Inner Harbour also has several common user berths.<sup>11</sup> Both Inner and Outer Harbours are connected to interstate and intrastate rail networks.<sup>11,12</sup> The container trade has experienced strong growth, with 2006 levels around four times the level in 1990-91<sup>11</sup> and it continues to grow at or above ten per cent per annum.<sup>9</sup>

The Sea Freight Council of Western Australia, which was established in 1996 and is made up of senior private and public maritime representatives, sees sustained economic growth in Western Australia based on long-term international demand for resources.<sup>9</sup> A four per cent per annum annual growth rate in the State's economy equates to an

increase in the State's freight task of 100-150 per cent over the next 20 years.<sup>9</sup> Western Australia is vitally interested in sustainable freight logistics, and the Sea Freight Council believes that good shipping links ought to be a cornerstone of planning to achieve that objective.<sup>9</sup>

Shipping's share of the inter-capital non-bulk freight task (movements parallel to the coast) is currently very small, at just 3 per cent in terms of mass.<sup>13</sup>

The Western Australian government has taken steps to encourage freight-users back into coastal shipping.<sup>6</sup> Unfortunately, potential customers appear to have an entrenched perception that coastal shipping is insufficiently reliable by comparison with land-based modes. There is also the issue of an available and appropriately skilled maritime workforce at a time when the resources sector is booming.<sup>6</sup>

## 2.2 Coastal Shipping in Western Australia

Only one Australian dedicated coastal shipping line, Seacorp (Sea Corporation P/L), currently operates through Fremantle Port. The Fremantle-based company is an independent ship broking, ship agency and marine services provider incorporated in Australia.<sup>14</sup> Seacorp has a long-term State Government contract to provide coastal shipping services which link north-west ports with Fremantle and Darwin. The shipping services run on regular 17-day cycles, sailing between Fremantle, Dampier, Port Hedland, Broome, Wyndham and Darwin.<sup>14</sup> They are subsidised by the WA State Government.<sup>6,15</sup>

Seacorp currently carries 14 per cent of the total trade by road and sea within the Perth-Darwin corridor.<sup>16</sup> In 2007, Seacorp took delivery of a new and larger ship to cater for the "booming demand for cargo services".<sup>16</sup> The MV *Kimberley Rose* provides an extra 20 per cent cargo handling capacity.<sup>16</sup> It will release some of the pressure on road transport caused by the State's thriving resource industry.<sup>16</sup> Notably, it is the first time in almost

two decades that a larger vessel has been put on WA's coastal shipping service.<sup>16</sup> Seacorp states that its freight transport service offers a total package that delivers economic, environmental and social benefits to the region.<sup>14</sup> Part of the Seacorp shipping package includes contributions to the national Coast Watch program and the Weather Watch scheme, and committing the MV *Kimberley Rose* for pilot training.<sup>14</sup> Seacorp also draws on its association with Mediterranean Shipping Company (MSC) - the second largest container operator in the world - to offer shippers and importers a gateway to and from the rest of the world. This allows cargo to be shipped to/from the north-west via Fremantle to any of the 128 ports serviced in MSC's worldwide network.<sup>14</sup> The MV *Kimberley Rose* is ideally suited to transporting non-time sensitive and "awkward over-dimensional cargoes." An added feature is its ability to rendezvous with barge operators in remote locations to transfer cargo.<sup>14</sup> The *Kimberley Rose* carries three trainees on every voyage; one from each of the three maritime unions.

There is limited interstate coastal shipping through Fremantle, with imports of goods exceeding exports.<sup>6</sup> Some cargo is transported under a permit system by overseas vessels that are traveling between Australian ports.<sup>6</sup>

The Sea Freight Council of Western Australia believes that coastal shipping is presently under-utilised in respect of the domestic freight task.<sup>9</sup> Potential exists for increase in intrastate and especially inter-capital coastal shipping.<sup>6</sup>

### 2.3 Cabotage, Licences and Permits

The question of licences and permits under the *Navigation Act 1912* (hereafter "the Navigation Act") is an important issue for coastal shipping.

In that context, perhaps the most critical regulatory issue is cabotage – the limiting of access to a country's coastal trade to national ship operators or national flag vessels with national crews. Cabotage operates under Part VI of the Navigation Act and it constitutes a form of industry protection for Australian-registered ships. Cabotage

operates to ensure the quality of Australian shipping and the safety of maritime workers.<sup>5</sup> The supportive and protective effect of cabotage is limited and in some cases undermined by the provision of special permits that allow non-licensed ships to participate in Australia's coastal transport market.

Licences are granted subject to conditions that include the requirement that seafarers employed on the ship are paid Australian wages.<sup>5</sup> The *Navigation Act* gives preference to licensed ships, but does provide for non-licensed ships to operate in the coastal trade in certain circumstances. For example, this can occur when no licensed ship is available, or when the service that the licensed ship provides is inadequate. A non-licensed ship must have a single voyage permit (SVP) or a continuing voyage permit (CVP) to operate.<sup>5</sup> Permits may be offered when there is no Australian-crewed vessel available within a certain period of days of sailing.<sup>6</sup>

It is noted that the terms of the *Navigation Act*, with its reference to 'licensed' rather than 'Australian' vessels, has allowed foreign flagged vessels to employ crew on contracts that pay Australian wages but fail to meet other protected employment conditions. This is a clear abuse of the Act's intent.

It is submitted that under the previous government licenses were granted to such an extent that they exceeded the intended purpose of the license system and had the corresponding effect of undermining the intended operation of cabotage.

### 3. The Argument for a Greater Role for Coastal Shipping

There is potential for coastal shipping to occupy a stronger and more significant position in Australia's growing transport marketplace.

The quality, reliability and safety of Australian flagged vessels are high by world standards, as are the skills of Australian seafarers.<sup>5</sup> If Australian coastal shipping were to increase its freight transport contribution it may attract cargo currently carried by

overseas flagged vessels operating under permits.<sup>6</sup> Similarly, if coastal shipping was to achieve competitive neutrality in a broader set of transport circumstances, it could attract cargo from road and rail<sup>6</sup> and thereby deliver the potential economic, environmental and community benefits that are outlined below.

Seacorp's Managing Director has said, "There are many opportunities up and down the vast west coast to offer a logistical and economic advantage to companies and individuals needing to locate heavy, oversize or hazardous cargoes."<sup>15</sup>

The Australian Maritime Group commissioned the 'International and Domestic Shipping and Ports Study' (the Meyrick Report<sup>13</sup>) in 2007 as a basis for ongoing discussion. The report includes consideration of:

- The implications of developments in the legislative and regulatory environment, shipping, ports and logistics chains, with an assessment of likely impacts for Australia; and
- The potential for increasing the sea-freight share of the Australian domestic freight task, focusing on the current market, the required success factors, the basis of a contestable market based on 'optimal conditions', and the opportunities government/industry may have to support the future viability of coastal shipping.

### **3.1 Benefits of Coastal Shipping**

The Sea Freight Council of Western Australia states that an internationally competitive, economically sustainable shipping industry operating at the highest levels of safety in respect of crews and their vessels, offers related benefits of economic contribution, national security, environmental impact and maintenance of vital freight links under adverse climatic conditions.<sup>9</sup>

I have sought the views of Fremantle Ports CEO Kerry Sanderson, who identified the following benefits of coastal shipping<sup>6</sup>:

- Shipping is more efficient – ships can carry up to 30 times the freight of a train which can carry 60 to 80 times the load of a truck.<sup>6</sup>
- Sustainability – lower energy use and carbon/greenhouse gas emissions.
- Community benefits including reducing social impacts of road transport.
- Benefits to importers and exporters if Australian coastal shipping can offer lower rates.

The Fremantle Chamber of Commerce does not have a formal policy on coastal shipping but CEO John Longley is supportive of expanding coastal shipping.<sup>17</sup> The Chamber is closely associated with Fremantle Ports and supports any moves towards greater sustainability. The Chamber acknowledges the significant environmental and community benefits that would result from shifting road freight to sea freight.<sup>17</sup> North-west communities and resource industries in particular stand to benefit because shipping offers an efficient alternative to road transport for heavy loads and an alternative link during road closures in the wet season.<sup>17</sup>

This view is supported by the Manager of Wyndham Port, who says roads such as North West Highway up to Darwin are regularly impassable due to local weather conditions and that people can find themselves waiting weeks for freight consignments.<sup>15</sup> He views the shipping service as a lifeline.<sup>15</sup> Although road closures are less of an issue for communities further south, a Department of Planning and Infrastructure Transport Industry Policy Directorate Senior Maritime Policy Adviser believes the coastal shipping service is a critical transport alternative for the region, having the effect of keeping road costs down, generating savings of \$1.5 million annually on road damage, and offering a safer means for transporting hazardous and over-dimensional cargoes.<sup>15</sup> The service also injects up to \$3 million annually into the regions that the Seacorp vessel calls at, with a corresponding boost to regional



employment.<sup>15</sup> Seacorp states that it is delivering significantly reduced freight costs and is helping to improve the viability of marginal businesses<sup>14</sup> but it does operate with WA State Government subsidies.

John Longley also identified tourism as a possible benefit.<sup>17</sup> Many people fondly remember the *Centaur* operating between Perth and Singapore as a joint passenger and cargo ship. Currently cargo vessels are permitted to carry up to 12 passengers but there is an opportunity for new ships to be designed to capitalise on both tourism and trade.<sup>17</sup> Sectors of the tourism market may be attracted to this option, especially at a time when the cruise ship industry is booming, and this has certainly been the case in other countries.

Other potential benefits of an expanded coastal shipping service include contributions to the national Coast Watch program and the Weather Watch scheme.<sup>14, 15</sup> An expanded Australian merchant fleet may also have a role in future defence and national emergency operations as it did in East Timor (also see 4.5, below).<sup>5</sup>

A revitalised Australian coastal shipping industry could provide greater transport security. The Meyrick report suggests that the current domestic container shipping operations offered by international permit vessels are inherently volatile and unable to offer the level of service or space to contest the additional cargoes currently carried by land transport modes. International cargoes will always take priority over domestic ones. Withdrawal of capacity by international operators would also have implications for land transport.<sup>13</sup>

A paper presented at the NatShip 2004: National Shipping Industry Conference 'Coastal Shipping and National Distribution - Opportunities and Innovations' also listed the following attractions of an expanded role for coastal shipping:<sup>18</sup>

- Regular Australian flagged coastal shipping delivers immense value in the supply chain.

- Ships are warehouses on water, excellent for very heavy and non time sensitive freight.
- Freight rates are flat and not charged by weight.
- Extra transit times mean transporters can create storage savings.
- Economies of scale advantage of ships are enormous: a ship may take twice as long in transit as a train does, but it still has the capacity to carry 30 times the freight.
- The nation would benefit by a more dedicated approach to coastal freight.
- The nation would benefit from more expenditure on improving access methods in and out of ports.

### 3.2 Constraints on the Expansion of Coastal Shipping

According to a 2004 Parliamentary Research Paper, the Australian coastal shipping industry faces a number of challenges. These clearly include, as mentioned above, the questionable liberalisation under the Howard government of the approach to granting permits to non-licensed vessels; the increasing competition from rail in some market segments; and a possible shortage of skilled seafarers.<sup>5</sup>

From a Fremantle Ports perspective, I am aware that operative constraints or obstacles include:

- the lack of depth in the skilled workforce (maritime skills);<sup>6</sup> and
- the lack of confidence in the service reliability of shipping transport.<sup>6</sup>

Kerry Sanderson (CEO, Fremantle Ports) does not believe that the availability of berthing facilities is currently a significant constraint in Fremantle. The existing container terminals have sufficient capacity mid-week to accommodate greater coastal shipping traffic.<sup>6</sup> Shared use of berthing facilities is considered practical if Australian ships can operate efficient schedules in order to use available berthing windows.

The Sea Freight Council of WA recognises various operational constraints (for example, the fact that required tonnage is not always available), as well as commercial issues such as the perception on the part of freight users that shipping is less accessible than other transport modes.<sup>9</sup> However they suggest a major impediment may relate to the lack of a strongly applied national shipping policy.<sup>9</sup> The Council has noted approvingly the Maritime Union of Australia's argument that the previous Federal Government's application of the 'Ministerial Guidelines for Granting Licences and Permits to Engage in Australia's Domestic Shipping' was contrary to the spirit and objective of the *Navigation Act* cabotage provisions. The Sea Freight Council sees the key present policy barriers as:

- a fiscal regime that disadvantages local operators as against those from other developed countries with whom they compete;
- a legislative regime that imposes a variety of operational costs on local operators not borne by foreign vessels involved with the domestic freight task; and
- a set of industrial circumstances and general labour market conditions that could be improved both in the interests of competitive neutrality, and to up-skill and appropriately support an Australian maritime workforce.

#### 4. Facilitating the Expansion of Coastal Shipping in Australia

The decline of coastal shipping in Australia can be ascribed to a number of factors, and these include, at the government level, both policy actions and omissions. There is little doubt that the Australian domestic transport market could be designed to encourage a growth in coastal shipping, with all its attendant benefits.

The key, according to the Meyrick Report, is the creation of a supportive policy framework that stimulates innovation in, and promotes the use of, non-bulk coastal

shipping with the objective that such shipping be put in a position to attain competitive neutrality in the long-distance domestic transport marketplace.<sup>13</sup>

A range of supportive policy measures are detailed below.

#### 4.1 Addressing Labour Shortages / Increasing the Skilled Workforce.

The introduction of measures to address the skilled maritime labour shortage, and to up-skill the existing workforce, is an essential part of expanding an Australian coastal shipping industry.

Consideration might be given, for example, to allowing Australian crews to train on foreign ships, in the way that the dredging industry currently places staff on overseas vessels.<sup>6</sup> Australian crew could get credit for working on overseas ships while they are here. One foreign vessel is operating on the North West shelf with Australian crews and this could perhaps be used as a case study.<sup>6</sup> Training opportunities could be enhanced by a review of the tax system as it relates to taxation of Australian crew working on foreign ships. An Australian training on a foreign ship may not be treated as favourably as they would be if training on an Australian ship.<sup>6</sup> Career appeal could be enhanced by greater training investment based on the introduction of a tonnage tax.<sup>9</sup>

Other initiatives that might enhance the development of the maritime workforce include multi-skilling, mixed manning, and the review of seafarers compensation.<sup>9</sup>

Challenger TAFE in Fremantle is one of only three equivalent service providers in Australia (others are Hunter Institute, Newcastle and the Australian Maritime College, Launceston).<sup>19</sup> I am aware that Challenger TAFE is making its own submission to the inquiry. Kingsley Waterhouse, Director Maritime, Challenger TAFE, believes there are three key areas where Commonwealth policy would support maritime training<sup>19</sup>:

- Recognise maritime training as a 'Skills shortage area' to attract eligible funding in the same way as automotive, building, hospitality and tourism industries are

currently able to do. Challenger TAFE has identified a specific need to upgrade simulation training equipment to meet industry expectations.

- Review funding, and work with the Western Australian government to ensure that TAFE lecturer salaries are brought in line with equivalent industry remuneration in order to attract and retain staff.
- Promote the relatively new Maritime Training Package produced by the Commonwealth Department of Education, Employment and Workplace Relations (DEWR) to ensure industry awareness, and ensure that the package is congruent with compliance requirements of the Australian Maritime Safety Authority and State agencies.

#### 4.2 Infrastructure Support for Coastal Shipping

The ability of coastal shipping to compete in the domestic transport market is naturally dependant on price, transit times, service reliability, and the extent to which related freight transport links or facilities support the delivery to and from port depots.

Service reliability, transit times and freight schedule integrity rely on the capacity for smaller, coastal operators to gain timely access to port facilities. For this reason the provision of dedicated infrastructure or, alternatively, fixed berthing windows for use by coastal shipping vessels could overcome the disadvantage between such vessels and larger foreign operators.

I note that Fremantle Ports is planning for a number of new container and general cargo berths in the Outer Harbour. The new facilities, with their road and rail connections, are likely to be required by 2017 to accommodate the overflow expected when the Inner Harbour reaches its freight capacity limit. It is anticipated that the two harbours operating together will have the capacity to handle the anticipated trade levels for the foreseeable future.<sup>12</sup> I am advised that this will in turn provide additional capacity and provide wider berthing windows for Australian coastal ships.<sup>6</sup>

### 4.3 Review of Commonwealth Government Transport Policy

This Inquiry itself is recognition of the need to examine Commonwealth transport policy with regard to Australian coastal shipping. It is regrettable that shipping and maritime policy has not been included in recent installments of Commonwealth transport planning (e.g. Auslink). At the same time, the number of Australian registered vessels has declined in the period 1998 – 2006 from 70 to 48 vessels. The dwindling of investment in coastal shipping across that period has been even starker.

The directly relevant areas of policy/regulation that should be examined include:

- The regulatory impediments that exist in the areas of ship registration and duty payment, with due consideration given to the viability of establishing a ‘second register’.<sup>9</sup>
- The proper function of cabotage and the negative effect of the liberalised granting in recent times of permits for non-licensed vessels.<sup>5,20</sup>
- The Commonwealth administration and oversight of national transport policy.
- The scope for Commonwealth support of infrastructural support for coastal shipping.
- A general review of the operation of the *Navigation Act*.<sup>9</sup>
- The concept of an Australian merchant marine (see 4.5, below).

It should also be noted that government policy has the potential to indirectly impact on the future modal share of domestic shipping in a number of ways. Regulations across a spectrum of transport related areas, including those which deal with road limits (size and weight), driver fatigue, fuel emissions, and carriage of hazardous cargoes, are all capable of delivering a competitive advantage to domestic shipping as against other modes of transport.<sup>13</sup>

#### 4.4 The Creation of an Australian Merchant Marine

The United States of America has traditionally supported and protected its domestic shipping industry to a much greater degree than Australia. Section 27 of the *Merchant Marine Act (1920)*, also known as the *Jones Act*, requires that all water transportation of goods between US ports be on US-built, owned, crewed, and operated ships.

*Jones Act* ships constitute a large and service-ready merchant marine, and maintain a pool of loyal, well-trained US crews. A commitment to the intended and proper function of cabotage in Australia, with the addition of appropriate administrative structures (for workforce training and vessel maintenance compliance), could have the dual function of supporting coastal shipping and increasing Australia's defence and peacekeeping capabilities.

## 5. Conclusion / Recommendations

### 5.1 Summary

It is clear that opportunities exist to support a greater role for coastal shipping within the domestic transport market, and the arguments for doing so are compelling. In addition, there is every indication that this would be supported by the key stakeholders.

Coastal shipping is especially suited to transporting non-time sensitive and heavy, large dimension, or dangerous cargoes. Benefits centre on economies of scale and associated environmental and sustainability gains as against other transport modes, including lower energy use and reduced carbon/greenhouse gas emissions. Economic benefits cited include savings in road maintenance, reliability of supply during adverse weather conditions (a particular benefit to north-west stakeholders) and regional employment. Community benefits include reducing heavy truck transport on our roads. Training to expand the skilled maritime workforce would benefit the local workforce. Other potential benefits include contributions to the national Coast Watch program, Weather

Watch, tourism (in the case of combined freight/tourism vessels) and national security (in the case of an Australian merchant marine scheme).

Commonwealth involvement in shipping and navigation includes maritime safety and security, the marine cargo liability regime, and the issue of licences under the Navigation Act to allow vessels to operate on the coastal trade route.<sup>5</sup> The Commonwealth is also responsible for setting transport policy and related training policies.

Strategies to support the growth of the Australian coastal shipping industry would need to address the existing obstacles, which include a shortage of skilled maritime workers and a range of legislative settings, market conditions, and infrastructural shortcomings that negatively affect the economic competitiveness and reliability of shipping.

The Sea Freight Council suggests a major impediment may relate to the lack of a strongly applied national shipping policy.<sup>9</sup> The Council also believes that coastal shipping currently operates under a legislative regime that imposes a variety of operational costs on local operators not borne by foreign vessels involved with the domestic freight task.<sup>9</sup> A supportive policy framework from governments to stimulate innovation in and promote the use of non-bulk coastal shipping in a manner that allows real choice between the various modes of transport has been identified as a key factor.<sup>13</sup>

## 5.2 Recommendations

- That a national shipping policy be developed to support the expansion of Australian coastal shipping in view of the significant economic, environmental, security, employment and social benefits that this would bring.
- That Commonwealth legislation, including the Navigation Act, and relevant Commonwealth policies, including transport policy (shipping, road and rail), infrastructure planning and regulatory impediments in the areas of ship



registration and duty payment, be reviewed to identify opportunities to support the expansion of Australia's coastal shipping as a competitive alternative to road and rail freight transport.

- That consideration be given to the training of a larger skilled maritime labour force, including the following measures:
  - Examine the Commonwealth role in providing training incentives and reducing competitive barriers, for example those relating to taxation;
  - Recognise maritime training as a 'Skills Shortage Area', eligible funding for appropriate DEWR funding;
  - Ensure adequate funding for local training providers, e.g. Challenger TAFE Fremantle, which has identified a specific need to upgrade simulation training equipment to meet industry expectations;
  - Review funding and work with the state governments to ensure TAFE lecturer salaries are brought in line with industry standard in order to attract and retain staff;
  - Promote the Maritime Training Package produced by the Commonwealth DEWR to ensure industry awareness; and
  - Ensure that the DEWR Maritime Training Package is congruent with compliance requirements of the Australian Maritime Safety Authority and State agencies.
  
- Finally, that consideration be given to establishing an Australian merchant marine that would dovetail with the expansion of Australian domestic shipping. National security, peacekeeping operations, maritime workforce development and coastal shipping can all be served by Commonwealth policy and regulatory support of coastal shipping in return for reciprocal arrangements with regards to naval compliance, readiness, and participation.

## End Notes

<sup>1</sup> [www.sro.wa.gov.au/collection/harbour.asp#state](http://www.sro.wa.gov.au/collection/harbour.asp#state)

<sup>2</sup> [www.merchant-navy-ships.com/index.php?id=18,0,0,1,0,0](http://www.merchant-navy-ships.com/index.php?id=18,0,0,1,0,0)

<sup>3</sup> Stateships Annual Report, 1995

<sup>4</sup> [www.parliament.wa.gov.au/hansard/hans35.nsf/\(ATT\)/81BC63AA5542C23748](http://www.parliament.wa.gov.au/hansard/hans35.nsf/(ATT)/81BC63AA5542C23748)

[2565FF0008F1EA/\\$file/A1016007.PDF](http://www.parliament.wa.gov.au/hansard/hans35.nsf/(ATT)/81BC63AA5542C23748/2565FF0008F1EA/$file/A1016007.PDF)

<sup>5</sup> *Coastal shipping: an overview*, Richard Webb, Economics, Commerce and Industrial Relations Section, 3 May 2004, Parliamentary Library Research Paper No.12, 2003-04

<sup>6</sup> Kerry Sanderson, CEO Fremantle Ports, pers. com.

<sup>7</sup> Sally May, Head of Maritime History, WA Museum pers.com.

<sup>8</sup> Explanatory Statement issued by the authority of the Parliamentary Secretary to the Minister for Transport and Regional Services *Trade Practices Act 1974 Declarations Pursuant to Subsection 10.03(2) of Part X*.

<sup>9</sup> International & Domestic Shipping & Ports Study (Meyrick and Associates). A response to the Australian Maritime Group from the Sea Freight Council of Western Australia, January 2008.

<sup>10</sup> [www.fremantleports.com.au](http://www.fremantleports.com.au)

<sup>11</sup> Submission No. 153, 10/3/06 Fremantle Ports

<sup>12</sup> *The Great Freight Task. Is Australia's transport network up to the challenge?* House of Representatives Standing Committee on Transport and Regional Services, Canberra, July 2007

<sup>13</sup> International and Domestic Shipping and Ports Study, 23 April, 2007, prepared for the Australian Maritime Group (AMG) by Meyrick & Associates / GHD / Booz Allen Hamilton  
[www.meyrick.com.au/html4/Docs2/11018%20MA%20DTEI%20AMG%20Report Short%20Summary 010507 PDF.pdf](http://www.meyrick.com.au/html4/Docs2/11018%20MA%20DTEI%20AMG%20Report%20Summary%20010507%20PDF.pdf)

<sup>14</sup> [www.seacorp.com.au](http://www.seacorp.com.au)

<sup>15</sup> *Better freight transport for regions*, Intersector September 21, 2006

<sup>16</sup> *Coastal Shipping makes come back to Western Australia*. Western Australia's International Resource Development Magazine, Prospect. September - December 2007.  
[www.seacorp.com.au/assets/public/File/0907%20Prospect.pdf](http://www.seacorp.com.au/assets/public/File/0907%20Prospect.pdf)

<sup>17</sup> John Longley, CEO Fremantle Chamber of Commerce, pers.com.

<sup>18</sup> *Coastal Shipping and National Distribution - Opportunities and Innovations*, Greg Gibbins, Director, FCL Interstate Transport Services Pty Ltd, NatShip 2004 National Shipping Industry Conference. [www.amsa.gov.au/Natship\\_2004/proceedings/GregGibbins.pdf](http://www.amsa.gov.au/Natship_2004/proceedings/GregGibbins.pdf)

<sup>19</sup> Kingsley Waterhouse, Director Maritime, Challenger TAFE, pers.com.

<sup>20</sup> While a number of Commonwealth Acts govern coastal shipping operations, Part VI of the *Navigation Act* 1912 which deals with cabotage, directly affects coastal shipping. The purpose of the Act, when promulgated, was to protect Australian shipping from unfair foreign competition and to maintain safety and living standards for Australian seafarers. Part VI was not proclaimed until 1921 so cabotage has applied since that time.<sup>5</sup>

