



Australian Shipowners Association

5 July 2007

Monika Kruesmann
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Department of the Senate
PO Box 6100 Parliament House
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Dear Monika,

Senate Inquiry: Workforce Challenges in the Transport Industry

Thank you for the opportunity to appear before the Senate Committee for Employment and Workplace Relations on 19 April 2007 to discuss issues related to its inquiry into workforce challenges in the transport industry.

The purpose of this letter is to address two questions taken on notice during our appearance before the committee in April. These questions are addressed below.

Question on notice – Senator George Campbell: *“Are you aware of the second five year plan that has recently been released by the Minister for Transport?... They have released an executive summary. Is there any consideration in that plan about the use of coastal shipping as part of the transport system in the future, or is it primarily focused on roads?”*

Response: I believe that the plan referred to by Senator George Campbell in his question is the report prepared by John Bowdler and Associates Pty Ltd, titled *‘Evaluation of the Australian Logistics Industry Strategy’*. ASA was invited to make a submission towards that report and did so during November 2006. To date only the executive summary of the report has been released and it is fair to say that the consideration of shipping in the summary is negligible.

Given our submission, we expect the full report to give consideration to the use of coastal shipping as an efficient and sustainable mode of transport that can significantly contribute to servicing a freight task that is forecast to grow considerably over the next decade. ASA advocates the use of shipping as a

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viable transport alternative and points to positive indicators such as a negligible need for infrastructure support in comparison to other modes and greater efficiency where environmental factors such as greenhouse gas emissions are concerned¹.

Question on notice – Senator Barnett: “...In the media recently there has been quite a lot about port incapacity. It was on the front page of the Australian last week...Can you reflect on some of those issues and concerns about that incapacity and what we should be doing about it? Can you share those views with the committee?”

Response: The capacity of ports is an issue that is obviously dependant upon a variety of factors. One of those factors is undeniably the availability of suitable maritime skills. As was mentioned under section 5.3 of our submission (*competitive pressures within the maritime industry*), a number of sectors within the transport and logistics industry rely on the availability of seafaring skills.

This is not a suggestion that the incapacity issues being reported in the media at the time were directly influenced by a lack of suitable skills, but rather a point to emphasise that the broader transport and logistics industry values and relies on those with specialist seafaring skills and experience to perform their operations.

Even now, through direct communication with other industry sectors, we are seeing that other sectors within the industry such as regulators, surveyors, and indeed ports, are suffering as a result of a severe shortage of seafaring skills.

I trust the above responses are adequate for the purposes of the Senates Inquiry. Please feel free to contact me on (03) 9646-0755 or via email evan.westgarth@asa.com.au should you require further information or clarification.

Yours faithfully,



Evan Westgarth
Manager – Employee Relations

¹ 'Sea Transport Efficiency and Greenhouse Gas Emissions' – Australian Shipowners Association 2005