

DAILY CARGO NEWS

The voice of Australian shipping & maritime logistics

First published in 1891

January 2020

the **dcn**.com.au



# Regional ports

## Riding the cruise wave

**34** The new think tank  
for maritime logistics

**40** Market developments  
in LNG bunkering

**60** Notes from global  
cargo conference





Impex Personnel is dedicated to the personnel recruitment needs of Australia and New Zealand's vital Supply Chain industry, and is on hand to serve your needs.

With 20 years of experience in the industry our Placement Specialists know the Supply Chain inside out and are perfectly placed to provide the candidates you need, with the skill sets and experience you want.

Sydney | Melbourne | Brisbane | Adelaide | Perth | Auckland | Christchurch



# Sourcing the most important link in the supply chain. Your people.



## Impex Personnel Your supply chain placement specialists

Our thorough understanding of your business requirements ensures we will only propose candidates who have the right skills and right fit for your needs and culture.

Our commitment to proposing only the best and most suitable candidates and our desire to build long-term exclusive collaborations with our clients make us the perfect placement partners to fulfil your recruitment needs.



[impexpersonnel.com](http://impexpersonnel.com)

1300 85 85 15

# Contents



## FEATURES

- 26** **Cruise shipping**  
Overview of the impact of cruise shipping especially in regional areas
- 34** **Logistics and supply chain**  
Insights from a symposium organised by a new industry think tank
- 40** **LNG and offshore**  
Developments in LNG bunkering in Australia and LNG-fuelled ships
- 60** **The 20/20 vision from Malta**  
Peter van Duyn's summary of international cargo handling conference

## COLUMNS

- |   |   |  |
|---|---|--|
| <b>8</b> <b>A word from the minister</b><br>Agriculture minister Bridget McKenzie on export legislation       | <b>24</b> <b>Industry opinion: MIAL</b><br>Next ASA conference in Australia               | <b>56</b> <b>Port sustainability</b><br>Modelling the impacts of ship side thruster forces |
| <b>18</b> <b>Women in maritime</b><br>Interview: HFW's Hazel Brewer   | <b>50</b> <b>Workplace law</b><br>To be or not to be... an employer                       | <b>58</b> <b>Industry opinion</b><br>Llew Russell's predictions for 2020                   |
| <b>20</b> <b>Industry opinion</b><br>VTA on stevedore surcharges  | <b>52</b> <b>Industry opinion</b><br>IMO 2020 regulations – a step in the right direction | <b>62</b> <b>Out &amp; about</b><br>The month in industry events                           |
| <b>22</b> <b>Freight &amp; Trade Alliance</b><br>The need for customs brokers to have valuation dates clarity | <b>54</b> <b>Trade law</b><br>When the fine print matters in freight contracts            | <b>66</b> <b>The grill</b><br>Featuring All Ports International's Deanne Withers           |



## Marine Cargo Specialists

We offer a comprehensive range of risk protection for Freight Forwarders, Road Transport Operators, and Warehouse Operators. Underpinned by over 40 years of experience and global networks.

- Freight Forwarders Liability
- Freight Pak Business Insurance
- Road Transport Operators Liability
- Warehouse Operators Liability
- Marine Cargo
- Marine Liability
- Motor Vehicle Fleet



Contact the Midas team for all your insurance needs.

**1300 664 272** or **info@midas.net.au**

For further information visit our website [www.midas.net.au](http://www.midas.net.au)

**GLOBAL RISK MITIGATION FOUNDED ON LOCAL EXPERTISE**





# From the editor



Welcome to the first edition of *Daily Cargo News* for 2020. Those of us who have been around for a while will remember that '2020' used to be something of a buzz term for futuristic presentations and the fact the year has finally arrived is a little breathtaking.

However, we're glad to begin the year with features and special articles on some intriguing topics.

Our first 'cab off the rank' is the cruise sector. Cruise shipping has had its fair share of headlines over the past year. Mostly in relation to constraints on the Sydney market and where a potential third terminal may be located. The debates are likely to heat up this year, with work on a detailed business case progressing and the first round of community drop-in sessions held in Sydney in recent months.

In this issue we ask industry players their views on this and other issues. We also look at the impact of cruise shipping in Australia, specifically its role in opening up regional tourist markets.

On another topic, DCN documents the creation of the Australian Maritime Logistics Research Network. The AMLR Network held its inaugural symposium at RMIT recently, with key speakers from ports, universities, shipping groups and logistics companies to name a few.

With new sulphur regulations, voracious stink bugs and debates over infrastructure fees, there will be plenty to write about in 2020. DCN looks forward to bringing you another year of great stories from the shipping and logistics sectors.

**David Sexton**  
Editor, *Daily Cargo News*

**CORRECTION:** In the December 2019 issue (page 24) Craig Jackson of CSL Australia was incorrectly referred to as Craig Walker. DCN apologises for this error.

Stay up to date with the latest industry news and insights by subscribing to one of our subscription packages!

**thedcn.com.au**



ISSUE NUMBER 1254 January 2020

**Publisher**  
Lloyd O'Harte lloyd.oharte@thedcn.com.au

**Editor**  
David Sexton david.sexton@thedcn.com.au

**Deputy Editor**  
Paula Wallace paula.wallace@thedcn.com.au

**Creative Director** Lee McLachlan

**Production Manager**  
Grant Lopez grant.lopez@thedcn.com.au

**Electronic Services**  
Linda Saleh

**Advertising Sales Director**  
Lindsay Reed lindsay.reed@thedcn.com.au  
Tel: 0431 956 645

**Subscription Manager**  
James Hayman james.hayman@thedcn.com.au  
Tel: 02 9126 9713



**COVER IMAGE**  
By Ruth Peterkin



Published by  
**PARAGON DCN PTY LIMITED**  
ABN: 73 627 186 350  
PO Box 81, St Leonards, NSW 1590  
Tel: +61 2 9126 9709

**CEO**  
Ian Brooks ianb@paragonmedia.com.au  
**www.thedcn.com.au**

The *Daily Cargo News* is available to interested parties throughout Australia and overseas via subscription.

**For enquires please call 02 9126 9713.**

The publisher welcomes editorial contributions from interested parties, however, the publisher and Paragon DCN accept no responsibility for the content of these contributions and the views contained therein are not necessarily those of the publisher or of Paragon DCN. The publisher and Paragon DCN do not accept responsibility for any claims made by advertisers.

Unless explicitly stated otherwise in writing, by providing editorial material to Paragon DCN, including text and images, you are providing permission for that material to be subsequently used by Paragon DCN, whole or in part, edited or unchanged, alone or in combination with other material in any publication or format in print or online or howsoever distributed, whether produced by Paragon DCN and its agents and associates or another party to whom Paragon DCN has provided permission.





## Our value isn't added. It's already there.

At Hamburg Süd, the extra special service you get is a given. It's in our culture. You don't have to ask for personalised attention or local know-how. Our on-the-spot service is part of the service and it's all about ease of business. You make one call.

So too with our fail-safe cargo care systems – they're built in. It's the same with our service reliability and supply chain connectivity. What you get is seamless, effortless throughput, from first mile to last. Hamburg Süd – better service, and better value.



**No matter what.**

**HAMBURG SÜD**

[www.hamburgsud-line.com](http://www.hamburgsud-line.com)



# Ensuring export legislation moves with the times

Fresh legislation should make doing business easier for our agricultural exporters, writes **Senator Bridget McKenzie**

## WELCOME TO 2020. THE YEAR

ahead promises to be a busy one as the government pursues a robust agenda in the vital area of agricultural trade.

The introduction into Parliament recently of the draft Export Control Bill 2019 reaffirms the government's commitment to strengthening the competitiveness and productivity of Australian agriculture.

The Bill will make it easier for exporters to do business by untangling existing legislation and allowing for the certification of a broader range of goods.

Agriculture, fisheries and forestry exports are an economic powerhouse for Australia, expected to be worth around \$51bn in 2019-20.

As a premium and reliable producer of clean and green goods we have a competitive advantage—but it's an ever increasing and

This Bill provides clearer regulation that supports innovation and the export of a broader range of goods while ensuring that regulatory settings maintain the standards our trading partners expect.

This Bill also provides stronger deterrents for that tiny minority who might consider ignoring their legal responsibilities. It includes clearer monitoring and enforcement powers, new criminal offences and increased penalties for those who choose to flaunt our laws.

This Bill protects the businesses of our exporters who do the right thing and punishes those who threaten to undermine Australia's trading reputation.

In the 37 years since the Export Control Act 1982 took effect, the legislation has ballooned into a complex web of regulation.

This Bill consolidates export certification



**Senator Bridget McKenzie**, Minister for Agriculture, Leader of the Nationals in the Senate, Senator for Victoria

## This Bill will make it easier for exporters to do business by untangling existing legislation.

changing marketplace and drought is adding considerably to the challenge.

We need sharp and sensible export legislation that backs our farmers to ensure they can fully capitalise on lucrative export opportunities.

provisions that are currently scattered through about 20 Acts and 40 pieces of subordinate legislation.

In refining our export legislation, our government has worked hard with importing countries to provide assurances

that our level of regulatory oversight remains the same.

We've also consulted widely with industry and stakeholders to develop a legislative framework that's modern, supports innovation, is easier to understand and champions our green status.

This Bill is just one of many Liberal and Nationals Government initiatives to support agriculture's goal of becoming a \$100bn industry by 2030. ■



## Who helps those who are key to our industry?

Piracy, shipwreck, abandonment and separation from loved ones are just a few of the problems merchant seafarers face. Around the world, The Mission to Seafarers provides help and support to the 1.5 million men and women who face danger every day to keep our global economy afloat.

Your financial support would be much appreciated.

Donate now: BSB 062 074 Account 1000 8062 (Tax-deductible)

[www.missiontoseafarers.org.au](http://www.missiontoseafarers.org.au)



**THE MISSION TO SEAFARERS, Sydney**  
24 Hickson Rd, Millers Point NSW 2000  
Tel +61 (0)2 92413009  
[enquiries@missiontoseafarers.org.au](mailto:enquiries@missiontoseafarers.org.au)

Image supplied





THE 2019 DCN AUSTRALIAN  
**Shipping & Maritime**  
INDUSTRY AWARDS  
**WINNER**

PROUD WINNERS OF **CUSTOMS  
BROKER OF THE YEAR** AT  
THE 2019 DCN SHIPPING  
& MARITIME INDUSTRY  
AWARDS



# Australian owned, globally focused

All Ports International is proud to have been awarded Customs Broker of the Year. Professionalism and enhanced communication with our loyal customer base were crucial to our strong performance. Talk to us today and see how our specialist expertise, and innovative customer service, can make a real difference to your business.



[allports.com.au](http://allports.com.au)  
03 9933 3600

# News in brief

Full details at [thedcn.com.au](http://thedcn.com.au)

## Maurice James comes out fighting

QUBE managing director Maurice James used an industry lunch in Melbourne to make a robust defence of terminal access charges imposed by container stevedores.

Terminal access charges/infrastructure fees have become a feature of the Australian waterfront during the past three years, much to the chagrin of transport operators.

But Mr James told an ICHCA Australia lunch many of the criticisms by “squeaky wheels” were misguided.

Qube holds a 50% stake in Patrick, one of the stevedores that has imposed a TAC.

Stressing his view was a personal one, rather than the official position of Patrick, Mr James said shipping line consolidation had caused a significant impact upon stevedoring.

“So what you are seeing through the stevedoring industry is stevedoring rates all being driven to the lowest

common denominator by [shipping line] consolidation and, yes, by competition in stevedoring,” he said.

Mr James said the TACs were an outcome of the zest by governments for three stevedores in major ports.

He said Patrick and DPWA had previously argued importers and exporters were better off with fewer stevedores who would have economies of scale and could operate with lower unit costs.

“That [argument] didn’t prevail, state governments wanted third stevedores and the ACCC was pushing heavily. What’s the consequence of that?

“Third players coming in and committing capital and committing excess capacity into a market that creates competition,” he said.

“Top that off with ports going through privatisation and property costs going through the roof pre and post-privatisation.”

Mr James also described as “ludicrous” any suggestion rail access to Webb Dock should be prioritised over Swanson Dock.

“Now is the time to have a response to articles that do appear in the press from certain competitors at Webb Dock... about not doing Swanson Dock until they sort out Webb Dock. I think that’s ludicrous,” he said.



## TasPorts faces court action over competition

■ TasPorts is facing Federal Court action over allegations it sought to stop a new entrant, Engage Marine Tasmania, from competing with its own marine and towage business.

The case was lodged by the Australian Competition and Consumer Commission under the amended misuse of market power provision.

“Our case is that TasPorts sought to maintain its monopoly in towage and pilotage in Tasmania, resulting in higher prices and lower quality services,” ACCC chair Rod Sims said.

“This is the first case under the amended misuse of market power provision, an important law reform designed to protect the competitive process and help us address the harm that anti-competitive conduct does to consumers and the Australian economy.”

The ACCC argues TasPorts prevented Engage Marine from expanding in Tasmania by failing to provide long term berths for its tug boats and refusing to place Engage Marine on the shipping schedule. The ACCC also alleges TasPorts prevented Engage Marine from providing pilotage services at Port Latta (a privately-owned port).

In a statement, TasPorts denied it had breached competition law and noted the proceedings related to issues that arose about two years ago.

“The issues raised by the ACCC are complex, based on unique situations; they involve a law that has not yet been tested,” the TasPorts statement read.

TasPorts also stated it had co-operated with the ACCC in its investigation and remained focused on the efficient and safe operation of ports in the interest of all Tasmanians.



## VOLUNTEERS JOIN THE FIGHT AGAINST PLASTIC

A committed 48 volunteers recently boarded kayaks, dragon boats and paddle boards to help remove rubbish for the 'Moonee Ponds Creek Paddle against Plastic'.

This was the last of three 'Paddle against Plastic' events in 2019. The events are run by environmental group Ocean Crusaders and are backed by the Port of Melbourne.

The volunteers managed to collect 484kg of rubbish, filling a 12-metre skip bin.

Port of Melbourne also sponsored Ocean Crusaders to complete two days of cleaning on Thursday 28 and Friday 29 November which removed a further 1468kg of rubbish from port-related areas.

That means an impressive total of 1952kg rubbish was removed over the three days, and more than 3.5 tonnes of rubbish was removed during 2019.

All rubbish collected was sorted and entered into the Australian Marine Debris Initiative Database before being disposed of.

The dates for 2020 Paddle against Plastic events are soon to be released.



## Arrests for massive drug importation

Three people were charged in relation to Australia's largest onshore methamphetamine seizure, reportedly worth more than \$1bn, after the Australian Federal Police raided several Melbourne properties.

The AFP alleges two men (aged 37 and 38) and a woman (aged 37) were involved in the importation of more than 1.6 tonnes of illicit drugs – equal to almost 16 million drug deals – in stereo speakers from Bangkok.

In total, 1.596 tonnes of methamphetamine and 37 kilograms of heroin (a total of 1633 kgs) were detected with an estimated street value of \$1.197b and \$18.5m respectively.

This is also the largest seizure of heroin in Australia since 2017, according to the AFP.

AFP Deputy Commissioner Neil Gaughan praised the work of ABF and AFP officers.

"This joint operation has identified and removed serious vulnerabilities from the Melbourne waterfront – and we could not have done this without the support and assistance of the public," Deputy Commissioner Gaughan said.

## MARINE PILOT - MACKAY BASED

**NQBP is looking for Marine Pilots to join its Mackay based team**



- Professional atmosphere with strong focus on training and development
- Relocation available for you and your family
- NQBP is an equal opportunity employer, and encourages employees from diverse backgrounds to apply

**ABOUT NORTH QUEENSLAND BULK PORTS (NQBP)** NQBP is one of Australia's largest port authorities by tonnage throughput. More than half of Queensland's trade, by tonnage, passes through our ports at Weipa, Abbot Point, Mackay and Hay Point.

**THE ROLE** An exciting opportunity exists for an experienced and motivated Marine Pilot to join NQBP's pilotage service. Reporting to the Pilot Manager, the main responsibility of this role will be conducting safe and efficient pilotage of vessels in Hay Point and later Mackay port through utilising a high level of ship handling skills, port knowledge and general maritime expertise.

**SKILLS AND EXPERIENCE** To be considered for this opportunity you should hold a valid unrestricted Master Class 1 Certificate of Competency or Master unlimited Certificate recognised by the Australian Maritime Safety Authority (AMSA); a valid Australian driver's licence (or equivalent) and be able to demonstrate:

- Experience as a competent mariner ideally with ship handling experience as Master or Pilot;
- Knowledge of the regulatory framework pertaining to Pilotage in Queensland;
- Ability to utilise Microsoft Office programs, including Word and Outlook;
- Demonstrated willingness to employ new technology and adapt working methods to utilise technology safely and efficiently;
- Demonstrated ability to maintain confidentiality and communicate professionally to a wide

range of internal and external clients, both verbally and in writing;

- Demonstrated ability to work effectively in a team environment, resolve conflict and participate equitably in positive and successful teams; and
- Experience working effectively with minimal supervision, controlling workflow and organising work tasks to meet deadlines and achieve quality work outcomes.

A full role description is available on the [www.nqbp.com.au](http://www.nqbp.com.au) website and enquiries can be sent to [hr@nqbp.com.au](mailto:hr@nqbp.com.au) using the job title as the header.

**NOTE:** all roles include a pre-employment medical and candidates must be able to pass maritime security requirements/criminal history check as part of the recruitment process.

**SPECIAL ROLE REQUIREMENTS** Marine Pilots are available for work 24 hours per day, while on their designated pilotage roster (currently 7 days on, 7 days off) once qualified. Marine Pilot working hours are regulated by a fatigue Risk Management System. In accordance with marine legislation, Marine Pilots need to hold a current certificate of medical fitness while undertaking duty. To be eligible for a permanent role, applicants must provide proof of Australian citizenship or permanent residency.

**NQBP CULTURE** NQBP is an Equal Opportunity employer and encourages those with diverse backgrounds to apply, our workplace is dynamic, flexible and interesting. We have a team of diverse professionals who are committed to our values of Integrity, Respect, Excellence and Unity. Our staff pursue a high standard of environmental guardianship, performance and management, both of our own activities and those of commercial partners. NQBP also offers and encourages employees and their families to join our social club.

**APPLICATION PROCESS** Please apply via the [www.nqbp.com.au](http://www.nqbp.com.au) website with your current resume and a covering letter outlining your approximate availability for interview in March/April and why you are the best candidate for the role. Applications close 9am Wednesday 5 February 2020.

## Jim Cooper departs the Port of Melbourne

■ Jim Cooper confirmed he had left the Port of Melbourne and his position there as executive general manager commercial.

Mr Cooper, who had been in the role for 18-months, previously had been with the Port of Portland for 12 years including eight as chief executive.

In an email to DCN, Mr Cooper said his task at Port of Melbourne was to establish the commercial division and drive improvements.

"We restructured the commercial division with new heads of property and business development plus other new executives," he said.

"We also developed new strategies for these teams with a real focus on customers and improving the supply chain. I am particularly proud of the work I led in sustainability, which led to the publication earlier this year of Port of Melbourne's first Sustainability Report."

Mr Cooper said he wished "the fantastic team at Port of Melbourne well for the future, as it moves into a new phase of growth in trade through Melbourne".

"As for me, I am looking for my next leadership challenge in Melbourne's transport infrastructure world," he said.



## SHIP RECYCLING CONVENTION CLOSER FOLLOWING INDIAN ACCESSION

■ India acceded to the IMO Hong Kong Convention, the treaty that is to set global standards for safe and environmentally-sound ship recycling.

Gopal Krishna, secretary to the Government of India, Ministry of Shipping and Amitabh Kumar, India's director general of shipping, deposited the instrument of accession to the Hong Kong Convention with IMO secretary-general Kitack Lim during the 31st session of the IMO Assembly in London.

India's accession brings this convention a step closer to taking effect, with the required 15 states now party to it.

The Hong Kong Convention covers the design, construction, operation and maintenance of ships to ensure

they can be recycled safely and in environmentally-friendly ways.

Under the Hong Kong Convention, ships sent for recycling must carry an inventory of hazardous materials on board. Ship recycling facilities must provide a ship recycling plan.

Mr Lim urged other states to agree to the treaty as soon as possible.

"What happens to ships at the end of their lifetime is an important global issue with major consequences for safety and the environment," he said.

"I urge all countries yet to do so to ratify this important convention so it can enter into force and provide a consistent, global regulatory regime for this vital industry."

The treaty takes effect 24-months after three separate criteria have been met. It must be ratified by 15 states - but these states must represent 40% of world merchant shipping by gross tonnage, and a combined maximum annual ship recycling volume (during the preceding 10 years) of not less than 3% of their combined gross tonnage.

With India's accession, the number of states required has now been reached, but further tonnage and recycling volumes are needed before the convention can enter into force.

The top five ship recycling countries are Bangladesh, China, India, Pakistan and Turkey. Of these, India and Turkey are now parties to the Hong Kong Convention.



Akshat; David Sexton





## **AUCKLAND'S PORT SAVES LOCALS BIG BUCKS, REPORT CLAIMS**

■ Closing Auckland's port will increase the total cost of imports by between NZ \$533m and \$626m a year, a report claimed. The study examined what would happen if Auckland's port was closed and freight had to be delivered from other ports.

A debate is currently underway on whether to shift the port. PM Jacinda Ardern said her Cabinet agreed it was "not viable" for the North Island's main port to remain in Auckland.

But the study quoted by Ports of Auckland found "multiple negative regional and national impacts" such as more than NZ\$1.2bn a year in reduced GDP nationally, fewer exports and less investment.

Ports of Auckland CEO Tony Gibson said, "I am also very concerned about the increase in carbon emissions that would be caused by using distant ports to handle Auckland's freight".

## **ONE Commitment arrives in Melbourne**

There was a striking splash of pink (some say magenta) on the Melbourne waterfront recently, with the vessel ONE Commitment having docked at Melbourne for the first time.

ONE Commitment is operated by the Japanese group Ocean Network Express, whose ships and containers are among the most visually spectacular in the world.

Guests were invited aboard with a delegation from Port of Melbourne, Victoria International Container Terminal and ONE managers welcoming Captain Jaswinder Singh and his crew with a plaque presentation.

ONE Commitment (IMO 9629902) was built in Nagasaki, launched in 2013 and is flagged in Japan. It has a TEU capacity of 8560, has a dead weight of 89,880 and is 316metres in length.

Before calling at Melbourne, the vessel docked in Fremantle and Adelaide and later stopped at Sydney and Brisbane before returning to South East Asia.

A ONE spokesperson confirmed Webb Dock had to be used, with air draft restrictions for passing West Gate Bridge preventing ONE Commitment accessing Swanson Dock.



South Australia's leading port owner, operator and logistics specialist.



From ship to shore, road and rail, we can provide your complete supply chain solution.

### **Ports**

7 ports  
Pilotage & transfers  
Mooring  
Draft surveys  
Tide management  
Hydrographic services



### **Container Terminal**

Gateway to South Australia  
People safe and environment sound  
Onsite container depot  
Direct rail links and road connections to national highways  
Competitive transit times



### **Logistics**

Complete supply chains  
Customised solutions  
Road transport  
Warehousing  
Stevedoring

[www.flindersportholdings.com.au](http://www.flindersportholdings.com.au)

## Harbour master appointed CEO of port authority

■ Sydney harbour master Captain Philip Holliday was appointed chief executive and director of the Port Authority of New South Wales. The announcement was made by PANSW chair Robert Dunn.

Mr Dunn praised Mr Holliday's contribution to date.

"As Sydney harbour master and chief operating officer, Mr Holliday has shown great leadership at the Port Authority and a steadfast commitment to providing the safest and most efficient marine services in our ports," Mr Dunn said.

"Mr Holliday's appointment is the next step in a long and successful career in the maritime industry."

Mr Holliday joined PANSW in 2011 and has been fulfilling the role of acting CEO following an announcement in September that Grant Gilfillan would step down after 12 years at the helm.

"Mr Holliday's operational and commercial experience in the maritime industry will serve him well as CEO and I am confident that he will take the Port Authority into a new era," Mr Dunn said.

A recruitment process to fill the roles of Sydney harbour master and chief operating officer is underway.



Livestock transporter at Fremantle Port

## REGULATOR CONSULTS ON LINER COMPETITION EXEMPTIONS

■ A discussion paper on class exemptions from competition laws was released by the Australian Competition and Consumer Commission.

Liners providing cargo shipping services to or from Australia have broad exemptions from competition laws.

Part X of the Competition and Consumer Act permits liner shipping operators to enter into agreements with each other in areas such as freight rates, the vessels to be used, and the quantity and kinds of cargo carried.

Part X allows operators to make these agreements without risk of breaching competition laws.

The 2015 Harper Review of competition law found liner shipping industry exemptions under Part X, introduced during the 1960s, are outdated and should be repealed.

The Harper Review recommended the ACCC develop a class exemption for liner shipping agreements.

"These sorts of exemptions have become harder to justify, as cargo ships have become bigger and the industry has consolidated," Mr Sims said.

"We are also keen to hear from the industry about whether the class exemption should extend to collective bargaining by cargo owners and their representatives."

Submissions can be provided to the ACCC until 28 February 2020.

## Wilkie moves to ban live exports

Tasmanian independent Andrew Wilkie introduced another Private Members Bill in the House of Representatives aimed at winding down the live export trade.

This is the fourth time Mr Wilkie has sought to introduce the Live Animal Export Prohibition (Ending Cruelty) Act 2019, prohibiting the export of live animals for slaughter from 1 July 2022 and putting in place additional animal welfare safeguards in the interim.

"Live export is systemically cruel, not in Australia's economic self-interest and lacks popular support," Mr Wilkie said.

"No wonder so many Australians want to see this vile trade shut down.

"In recent years my office has been inundated with communications from tens

of thousands of people from around the country who are concerned about the live export trade. I've heard loud and clear that the community wants a complete ban on this vile industry."

Mr Wilkie said the Bill imposed additional animal welfare safeguards on exporters to ensure Australian livestock was treated humanely until the ban took effect.

"This is the fourth time I have tabled this Bill and it has never gained the support of the government or the opposition," he said.

"Yet Australians simply don't support this cruel industry. It's high time both sides of the Parliament took notice, started representing their constituents and supported this bill to ban live export."





Evergreen i-B/L, i-Dispatch

## Ever Innovative, Ever Efficient, Ever Reliable

By introducing the paperless i-B/L and digitalized i-Dispatch document transmission,  
Evergreen ShipmentLink portal is now offering  
a pioneering functionality to turbocharge your efficiency.



Dedicated to Enriching Your Life

**EVERGREEN LINE**

[www.evergreen-line.com](http://www.evergreen-line.com)

# Car carrier denied entry over stink bug risk

Car carrier *Orca Ace* was denied entry into Australia, due to fears it could be carrying the dreaded brown marmorated stink bug.

The destructive potential of stink bugs to agriculture and horticulture is well-documented and this is peak-time for the little beasts that are firmly established in parts of Eurasia and North America.

*Orca Ace* (IMO 9777814) is flagged in Panama.

Minister for Agriculture, Senator Bridget McKenzie spoke of the bugs' destructive potential.

"These pests hitchhiked their way into the United States in the late 1990s and are now widely established," Senator McKenzie said.

"The bugs are also spreading across Europe and are now in places like Italy,

Greece, Georgia and Romania.

"In the worst affected regions farmers have lost more than 90% of their crop"

Senator McKenzie said 312 brown marmorated stink bug detections were made on vessels and goods arriving in Australia in 2018.

"Finding these bugs measuring less than two centimetres on such massive vessels full of cargo is no easy task," she said.

"So far this year we have had

54 detections of brown marmorated stink bugs and my department works with importers and vessels to manage the risks they pose.

"The current risk aboard the cargo vessel was deemed too great to allow the ship to dock in Australia."



## MIAL EFFUSIVE OVER AUSTRALIA'S RE-ELECTION TO THE IMO COUNCIL

Maritime Industry Australia congratulated the Australian government and the Australian Maritime Safety Authority for Australia's re-election to the IMO Council.

Chief executive of MIAL, Teresa Lloyd, said the outcome was a reflection of Australia's maritime status, ensuring Australia was represented at "the highest levels of international maritime policy".

"MIAL applauds the effort expended by the Australian government to achieve this result," Ms Lloyd said.

"Australia's ongoing engagement at IMO is critical to maintaining a consistent global regulatory framework, a level playing field upon which to do business in Australia," she said, adding that it ensured Australia's interests will feature in the making of international shipping law.

Ms Lloyd said the Australian Maritime Safety Authority was "held in the highest regard" internationally for their dedication to ensuring the highest standards for shipping.

"The shipping industry is made better by AMSA's dedication, expertise and leadership which they apply at home via ship inspections and at the IMO in developing the laws that govern our industry," she said.

"The AMSA leadership team are great example of the need for Australia to ensure we have a pipeline of skilled mariners to rely on in the future to uphold these standards and preserve Australia's credibility internationally."

Ms Lloyd said the government needed to ensure there were work opportunities and training provided for our future seagoing officers and marine engineers.

She said Australia's re-election to Category B of the IMO Council confirmed its place as one of the 10 states with the largest interest in international seaborne trade.

The other nations are Argentina, Brazil, Canada, France, Germany, India, the Netherlands, Spain and the United Arab Emirates.

## CBFCA TEAM MEETS PETER DUTTON

The incoming board of the Customs Brokers and Forwarders Council of Australia recently met with the Minister for home affairs Peter Dutton to reaffirm their ongoing role in international cargo logistics.

They were joined by the minister's senior adviser Mathew Stock and "were pleased the minister advised that he was well aware of exactly who the CBFCA represented".

Chief executive Paul Damkjaer said the minister explained that as a result of CBFCA applications he had been advised by the commissioner, Michael Outram, that the Department was in the process of having the ABF redefine its objectives.

"Cargo and industry engagement are very much in their minds as the Department has recognised it's an area that has been neglected in recent times," Mr Damkjaer said.

"The board was well received and we trust that the CBFCA has once again continued with a positive view at ministerial level and reaffirmed our members are here to assist in the facilitation of cargo movement."



CBFCA representatives and Peter Dutton (second from right)



## PORT OF MELBOURNE UNVEILS ITS NEW HOME

Minister for Ports and Freight Melissa Horne officially opened the new premises of the Port of Melbourne.

The new, elevated offices at 839 Collins Street are in Docklands and provide impressive views of the port precinct.

Chief executive Brendan Bourke talked of the importance of the new office in ensuring a connection with port operations.

"The one thing that I've found in, not just among our staff but stakeholders and the businesses, that there is a degree of pride with what gets done around the port," he said.

"When we had – I'll say the opportunity but it was really the necessity – of moving out from where our previous offices were, as a management team, what we wanted to do was actually to recognise that we as the Port of Melbourne, the business, needed to be connected more strongly with the business that we serve.

"For me to be able to actually come to work and look at what is actually happening [at the port]. When our staff are at work and they look out the window, they feel like they are actually part of the port."

Minister Horne spoke of the importance of ports and freight.

"Ports and freight is just absolutely delightful. I feel in a way I have entered [the portfolio] in an incredibly lucky time," she said.

"Having started working in transport 15 or so years ago, we were talking about things now we are on the tipping point of actually delivering – the on-dock rail solution, the supply chain, the port access strategy.

"We have all of these things and now we have an impetus behind the ports and logistics frame that never I think was there before," Minister Horne concluded.

The opening was attended by a gathering of people from shipping, logistics and transport.



Brendan Bourke and Melissa Horne



## Qube sues Port of Newcastle

■ QUBE Holdings has taken legal action against the Port of Newcastle based on a dispute over who should own and operate quay-side cranes needed to unload ships at one of the two dry bulk berths.

The Qube documents, seen by *Daily Cargo News*, were filed in the Federal Court in Sydney.

The claim by Qube, based on parts of the Competition and Consumer Act, is that the port operator is using the introduction of new quayside equipment in an effort to move into stevedoring, allegedly a case of misusing its market power.

Qube also believes that PoN management is exercising power of its monopoly to ensure existing terminal users have no choice but to use the new service.

According to Qube's statement of claim, traditionally the PoN rented out access to two fixed gantry cranes and other receiving equipment at the berth most likely to be used by any of the three competitors that offer stevedoring services at the bulk terminal.

But the 50-year-old unloader cranes at Kooragang Berth 2 (K2) were decommissioned in June 2018 and have been dismantled to make way for a more modern crane and a new conveyor system.

The new crane, which is being built in Vietnam, is not due to be in place until later this year. So, since June last year, the PoN's customer stevedores have relied on shipboard cranes and mobile hoppers rented from the port operator to do their work.

Those hoppers, like the currently dormant crane service, are rented from the port for operation by the stevedores.

A Port of Newcastle spokesperson said it was disappointing that Qube had decided to pursue legal action "to gain a more commercially advantageous outcome for itself, at the expense of other stevedores".

"As this is now a legal matter, it would not be appropriate to comment further at this time," the spokesperson said.

## INDUSTRY EVENTS

2020	EVENT	
11 Mar	SAL NSW Shipping Industry Golf Day, Sydney	<a href="http://shippingaustralia.com.au/events">shippingaustralia.com.au/events</a>
23-26 Mar	12th International Harbour Masters Congress, Hobart	<a href="http://www.globalportoperations.com">www.globalportoperations.com</a>
27-29 May	MIAL: 29th ASA AGM & Conference, Darwin	<a href="http://www.mial.com.au">www.mial.com.au</a>
22 May	AFIF 2020 National Conference, venue TBA	<a href="http://www.afif.asn.au/events-afif">www.afif.asn.au/events-afif</a>

To notify DCN of events please email us at [editorial@paragonmedia.com.au](mailto:editorial@paragonmedia.com.au)

# Leading the way in maritime law

HFW partner Hazel Brewer is closing in on 30-years as a maritime lawyer. Here she speaks to Kendall Carter about her interesting career and offers some advice to those considering a career in maritime law

## How did you get into maritime law?

By accident. I expected to go into criminal law and started work as an articled clerk at a London law firm that had a reputation for dealing with difficult criminal law and civil rights cases. I worked for a year on serious medical negligence cases, which ignited my interest in litigation and working with people and experts from other professions. However, I also worked on a few criminal cases and realised I did not have the passion for criminal work. I requested a release to transfer the second year of articles (and eventually got the release after a lecture on the sanctity of deeds of article clerkship being second only to marriage vows) and then moved to a boutique city firm which primarily specialised in commodities and shipping. I had the opportunity to work for a number of the shipping and commodities litigation partners during that year. On qualifying I was offered a position in the property department, but held out for shipping and commodities, and did not look back.

the bill of lading); and one in the Court of Appeal, on a case that confirmed that being entitled to call on a performance bond was not an automatic entitlement to keep the proceeds by way of windfall profit if no loss had actually been suffered. However, there are many others which are memorable, one due to the loss of a vessel and terrible loss of life in days before port state control had the teeth it now has, and others due to the particular facts or the quirks of practicing in different jurisdictions.

## What makes maritime law special?

I think it has kept me mentally challenged and entertained because it is so varied. You have many different types of clients and people involved in maritime and international trade. In any one day you may be assisting blue chip companies, that have complex contracting and risk allocation regimes and internal processes to be followed, as well as taking calls from individuals or small companies looking to leverage gaps in the market, trading on



Hazel Brewer, partner, HFW

## Young lawyers need to be realistic about work volumes and levels of competition for pure shipping work

### Did you have a maritime background?

Apart from being born in the port city of Bristol, UK, and, as a child, being dragged around the SS *Great Britain* (the first iron built ocean liner with a screw propeller and the longest passenger ship in the world in 1843) as a summer holiday ritual, I had no maritime connections.

sale terms practically on the back of an envelope and fixing a vessel spot to carry their cargo.

### Are you able to mention any big cases in which you might have been involved?

I was involved in a case which went to the House of Lords on a question of what amounted to taking or demanding delivery under COGSA 1992 (first foot sampling of LPG at the berth prior to discharge did not amount to a demand for delivery under

### How have you been able to balance career and family?

When I had my first child my firm at the time had no maternity policy until I asked for one – they'd never had the need. Women lawyers now are thankfully much-better placed. Choosing the right life partner helps but it wasn't easy. I was a partner in London and when the eldest of my two children turned five and started school I found it incredibly tough. There was no longer any flexibility around his bedtime and with my hours in the office,

travelling etc there were weeks at a time when I barely saw him. When I asked (and then looked elsewhere) for flexible hours or a four-day week part-time work there was the attitude, 'you are a partner, why would you want to go part time?'. I left that firm and joined one in Dubai where I was working not as a partner but on different terms that worked for me which gave me an opportunity to keep working while also balancing family life. So I have had to step back in my career in order to keep going.

### Would you encourage young women to consider a career in maritime law?

I have had such an interesting and (mostly) enjoyable career to date (and I hope to last a bit longer yet) and made some very good friends along the way. It feels curmudgeonly not to be singing the praises of maritime law, but it is a tough market. Young lawyers need to be realistic about work volumes and levels of competition for pure shipping work, particularly in Australia. They may need to travel and work in-house to pick up higher volumes of experience. ■



# Sulphur 2020 is here

All vessels must use fuel oil with a sulphur content of no more than 0.50 per cent. This requirement started on 1 January 2020 and applies to any fuel used on board for propulsion or operation.

Vessels have three options to comply with the 0.50 per cent m/m fuel oil sulphur limit:

- fuel oil with a sulphur content not exceeding 0.50 per cent m/m
- alternative fuels that have a sulphur content of 0.50 per cent m/m or less, or
- exhaust gas cleaning system (EGCS), approved and operated in accordance with International Maritime Organization (IMO) requirements.

## Carriage ban on non-compliant fuel from 1 March 2020

Vessels not fitted with an EGCS will be prohibited from carrying non-compliant fuel oil from 1 March 2020. If you have non-compliant fuel remaining on board your vessel, this can no longer be used from 1 January 2020 and will need to be debunkered before 1 March.

## Exhaust Gas Cleaning Systems (EGCS)

If a vessel is to use an EGCS in Australian waters, AMSA should be notified of the following before first arrival at an Australian port after 1 January 2020:

- vessel name
- IMO number
- arrival port
- arrival date

- EGCS Scheme A or Scheme B approval
- make and model of EGCS
- open-loop, closed-loop or hybrid-type system
- results of all wash water testing undertaken in accordance with Appendix 3 of the IMO Guidelines for Exhaust Gas Cleaning Systems.

Crew members must be trained in the use of the EGCS and the system must be kept in good working order. EGCS approval documents and operational and maintenance records must be maintained on board the vessel for inspection.

AMSA expects full compliance with the low sulphur fuel requirements. Non-compliant vessels may be subject to detention, refused access or granted conditional entry to Australian ports in accordance with Australia's Port State Control policy. Vessels that are unable to provide wash water discharge data to AMSA, or evidence that samples have been taken for analysis, may be directed not to discharge wash water in Australian waters.

## Register of Local Fuel Oil Suppliers

AMSA maintains a national register of local fuel oil suppliers. Operators are encouraged to discuss their fuel requirements with fuel oil suppliers as low sulphur fuel oil may be available through long-term contractual arrangements at locations where heavy fuel oil is supplied.



Australian Government

Australian Maritime Safety Authority

For more information  
visit [amsa.gov.au/air-pollution](https://amsa.gov.au/air-pollution)  
Phone 1800 627 484

# Predictions for the maritime industry in 2020

While there are many challenges facing the industry, the shipping sector enters 2020 with reasons for hope, writes Llew Russell

## HAPPY NEW YEAR TO ALL DCN

readers. It is that time of the year when one's thoughts turn to the outlook for the ensuing 12 months. Hopefully global uncertainty will ease, notably an end to the US-China trade war with the Presidential elections scheduled for later this year, positive moves on Brexit as well as meeting the low sulphur fuel challenge will result in more concrete decision-making parameters. Nevertheless, the more astute will prepare for the unexpected and incorporate a degree of flexibility in their planning.

## SULPHUR CONTENT IN FUEL OIL

The immediate challenge has been complying with the 12-year-old amendments to the International Convention for the Prevention of Pollution from ships including setting the global limit of 0.5% sulphur content in ship fuel oil effective from this month. A number of vessels have had open loop exhaust scrubbers fitted and there is the possibility regulators in some countries may at some point penalise their environmental impact on seawater discharges of the scrubbed exhaust gases. This is unlikely to arise in the short term given the need for further

investigations into cumulative impact.

In addition, a number of vessels will switch to compliant fuels. As Angela Gillham, deputy CEO of Maritime Industry Australia commented in these pages last November, there was an increasing level of comfort that there will be enough of these fuels to meet marine demand. The regulatory treatment of non-compliant vessels, facilities/approvals for the discharge of heavy fuel oil, if required and importantly the passing on of the increased costs will remain challenges for the industry.

As Ms Gillham said, "The key will be compliance. The sulphur cap needs to be stringently enforced globally to ensure it is effective and does not lead to perverse outcomes".

This remains to be seen but I would predict that, with a few possible exceptions, it will be strictly enforced globally.

## LNG AS SHIP FUEL

In September 2019, CMA CGM announced the launch of the world's largest LNG-powered containership at a Chinese shipyard. The CMA CGM *Jacques Saade*, is the first in a new fleet of nine French-flagged, 23,000 TEU, LNG-powered

containerships. These vessels will join the group's fleet this year.

The largest container shipping company in the world, Maersk, has been more cautious and not followed suit to date in employing vessels more than 20,000 TEU given current global demand.

The question is what is the optimum size of international container vessels? It will vary between trade lanes but will these ULCS go the way of the very large crude carriers of 500,000GT which were found to be uneconomic because of the dis-economies that arose from long loading times and disruptions in the supply chain? A more sensible 350,000GT became the workhorse for VLCCs.

Importantly, to realise the benefits of the very low slot costs provided by the ULCS requires a fairly high utilisation which is going to be a problem in 2020 with global demand expected to remain soft and the challenge of high capital costs of landside delays. Nevertheless, this trend is expected to continue. Increased consolidation between shipping lines in the international container industry could be on the horizon but at a much slower pace than we have witnessed in recent years.



## LARGER SHIPS

The increasing size of container vessels continues to impress with the *MSC Gulsun*, of 23,756 TEU being more than 400 metres long and 61.5 metres-wide undertaking her maiden voyage in July 2019.

MSC is progressively introducing eleven vessels of this size into the major trade lanes that can handle ultra large container ships. Other shipping companies such as Evergreen Marine Corporation has ordered 10 of these monsters and Hyundai Merchant Marine has ordered 12. Most of these vessels will have smart technology on board and feature energy saving devices to reduce fuel consumption and reduce vibration.

## AUTONOMOUS VESSELS

Innovative trials involving both vessels, ports, terminals, service providers and digitalisation will definitely continue in 2020. But what about the future of autonomous vessels?

Following on the transport of a box of oysters from England to Belgium last May in a vessel with no humans onboard, in September last year we witnessed NYK's first maritime autonomous surface ships trial involving a vessel sailing between China and Japan and then a coastal voyage. It had a crew on board but it was operated remotely by the Sherpa System for real ship navigation. NYK has a target of manned autonomous ships for safer operations, a reduction in crew workload and to tackle crew shortages in coastal shipping.

It is expected that in 2020 there will be an increased focus on trialling vessels of this type which are likely to be more successful in the long-haul trades than

director, MPC International noted in a recent edition of the *Shipping Australia* magazine, that CMA CGM had joined Maersk, Hapag-Lloyd, MSC and Ocean Network Express as a founding member of the Digital Container Shipping Association. Evergreen, Hyundai Merchant Marine, Yang Ming and ZIM have also joined as members.

Mr Creeden said, "The establishment of a strong digital strategy by the shipping lines is a great step forward for the industry. Hopefully it will keep up with the quickening pace and pressures that are coming from outside the industry".

This year will definitely see advances in this field. In addition, container and automotive/ro-ro terminals will embrace IT strategies that will see enhanced efficiencies in the way business is currently conducted.

The introduction of a vehicle booking system at Melbourne International Ro Ro and Automotive Terminal is but one example coming on top of a new terminal operating system. This trend is likely to result in the way, for example, tugs are ordered and delivered for service to reduce waiting time, reducing fuel through more efficient transit routes and faster response times. Automation is expected to increase in container handling and speed up the information flow.

## COASTAL SHIPPING AND BIOSECURITY

In other developments, we can expect the government to re-introduce revised coastal shipping legislation following a round of industry consultation which will hopefully result in the increased carriage of cargo by this more environmentally friendly and lower cost mode of transport. It also



**Llew Russell**, former chief executive of Shipping Australia

announced the membership of the recommended industry body now called Biosecurity Futures but it does not include a representative of the shipping industry which does not engender confidence in the comprehensiveness of the industry advice to government.

## FREIGHT RATES

While international container freight rates have been languishing during the last 12 months, supertanker charter rates rose sharply following a series of sanctions on a Chinese shipping company and limitations placed on the movement of Venezuelan crude oil tankers. In this section of the industry, innovation is also alive and well with, for example, Maersk using sail assistance in a trial on one of its tankers which resulted in a fuel saving of almost 9%.

## FINAL THOUGHTS

So how will 2020 compare with 2019? While there may be some welcome relief in global geopolitical issues, the IMO low sulphur fuel regulations will definitely impact both industry and customers. That will attract the most attention but as mentioned there are developments on the horizon that will deliver positive outcomes.

A number of the 2019 challenges, such as the need to tackle piracy in selected hotspots, will continue, but the industry is well known for its optimism and is expected to approach the next twelve months with a degree of hope. At the end of the year we will know whether that hope was well founded. ■

## The question is what is the optimum size of international container vessels?

crew-less vessels at least with the current state of technology. An interesting challenge for both international and national maritime regulators will be the future need to amend existing laws to cater for vessels of this type with potentially significantly reduced crew levels or no crew on board at all.

## TECHNOLOGICAL ADVANCES

Technological advances will continue this year on several fronts. Peter Creeden,

can be expected that the government will announce its decision on the recommendations of the industry group it established to advise on the proposed new biosecurity levy which was originally announced in the 2018 budget. It drew a strong industry reaction because of the proposed collection mechanism and the fact that it was a new tax which may or may not all be spent on improving our important biosecurity regime. Last November the Minister for Agriculture

# Time to cut the red tape while maintaining compliance

Customs brokers need clarity over valuation dates, writes Susan Danks

## IT IS ESSENTIAL REGULATORS

enforce their activities consistently, fairly and in an informed compliance environment. This places industry on a level playing field and, importantly, is a fundamental component of an environment where the deployment of highly-trained professionals is valued by the market of importers and exporters.

Licensed customs brokers not only support the vast majority of importers, they are the greatest asset of the Australian Border Force in ensuring compliance through extensive experience and in-depth, ongoing training. Given recent goods compliance updates show about 50% of recovered underpaid duty is through voluntary disclosure it would seem a logical progression in industry and government co-operation.

## DATE OF VALUATION

As a part of my role at FTA, I am grateful to be a member of several government and industry engagement committees. While many positive reforms are being discussed, one area of concern and frustration is the ABF method of calculating the valuation date. This being a prominent ABF compliance focus that started without prior industry consultation. This discussion has continued over three years through the Compliance Advisory Group and industry bilateral meetings.

While industry was assured in early 2019 the valuation date was no longer an issue, the December 2019 Goods Compliance Update indicates it is the second most common “error” update (reflected by 21.8% error rating off the 1,407 lines audited in the period 2018/2019).

We question the validity of the audit report when it continues to be prepared on the basis of what could be argued as incorrect ABF assessments. It impacts the perception of the value of other data as a minimum. We understand we shall soon receive a Draft Australian Customs Notice on this topic.

## LEGISLATION

The legislation provides at CA s.161J that the Valuation Date is the date that the goods departed from the place of export. The Act defines the place of export in s.154(1) place of export, in relation to imported goods, means:

- Where, while in the country from which they were exported, the goods, not being goods referred to in paragraph (a), were packed in a container—the place where they were so packed;
- Where the goods, being self-transported goods, were exported from a country by sea or air—the place, or last place, in that country from which the goods departed for Australia;
- Where the goods, not being goods referred to in paragraph (a), (b) or (c), were exported from a country by sea or air—the place, or first place, in that country where the goods were placed on board a ship or aircraft for export from that country;
- In any other case—a place determined by a collector.

As that date the FCL left “the place where they were so packed” is often difficult if not impossible to ascertain for sea freight, ABF’s long-standing policy and practice as outlined in ACN 2001/01 and the valuation “Instructions and Guidelines” has been to use the “on board” date on the bill of lading. This is readily ascertainable, does not delay clearance, and is in accordance with the relevant legislation. Officers however have required customs brokers find the date the container passed through the gate at the terminal. Neither a fast nor a realistic suggestion, especially when the net difference in duty payable as a consequence of varying exchange rates over a day or two would be small. And “near enough” is not what the legislation, which is clear in its requirements, provides. The Act requires that if you do not know the date



**Susan Danks**, head of customs and regulatory compliance, Freight & Trade Alliance and Australian Peak Shippers Association

the container left the place of export, the on-board date should be used.

## FINAL THOUGHTS

Importantly, this requirement is also not in accordance with the Commonwealth government’s policies in relation to cutting red tape. It is also not in accordance with the Department’s own published trade facilitation agenda, which appears to be understood amongst senior officers but less so by policy and compliance teams.

Too often as customs brokers we pick our fights and make commercial decisions to not pursue disputed matters further. Perhaps the time has come that we revisit those decisions where the legislation and ABF past policy and practice clearly support your contentions.

Back yourself and your knowledge because if you do not, an error that is no error may be recorded against your licence and the corporate brokerage licence. Remember that a penalty cannot be issued without due process. ■





**CUSTOMISED.  
DEPENDABLE.  
INNOVATIVE.  
ENVIRONMENTALLY  
SOUND.**



Adding value to your supply chain is what CSL Australia does best. Our specialised cement vessels use cutting-edge pneumatic technology that is built to meet and surpass the high standards of our customers, communities and environments in which we operate.



With a proven capability of fast and efficient discharge of cement powder and fly ash directly into shore-based facilities, CSL provides a seamless solution for your cement supply chain needs.

**PROUDLY CONTRIBUTING TO SAFE AND SUSTAINABLE  
SHIPPING IN AUSTRALIA FOR TWENTY YEARS.**

**CSLSHIPS.COM**



# Heavy hitters to converge on Australia in 2020

Darwin is to play host to an important maritime meeting for the Asia-Pacific region, writes **Alison Saunders**

## AUSTRALIA IS HOSTING THE ASIAN

Shipowners' Association's 29th annual meeting and conference in Darwin from May 27-29.

ASA is one of the most important shipping organisations in the world and its combined membership is estimated to control about 50% of the world's ocean going fleet. ASA was founded in 1992 as the Asian Shipowners' Forum and changed its name in 2016 to the Asian Shipowners' Association. Australia is a founding member of the organisation. Other members include China, Hong Kong, India, Japan, Korea, Chinese Taipei and the Federation of ASEAN Shipowners' Associations (consisting of Indonesia, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam).

To convey an idea of the weight of this group and the influential executives and identities involved with ASA, some of the organisations that attended the Bangkok conference in 2019 included shipping lines, energy companies and other maritime-connected businesses such as: A.P. Moller Singapore, BP-Castrol, China P&I Services (Hong Kong) Ltd, Evergreen Marine Corp. (Taiwan) Ltd, Hong Kong Cruise & Yacht Industry Association, Mitsui O.S.K. Lines Ltd, Nippon Kaiji Kyokai (ClassNK), Orient Overseas Container Line Ltd, Precious Shipping Public Company Limited and Yang Ming Marine Transport Corp.

During the Bangkok forum, ASA members discussed issues such as the importance of free trade, prompt enactment of the Hong Kong convention on ship recycling and IMO2020 and the move to low-sulphur fuels. The meeting also saw the election of MIAL chair David Parmeter as chair of the ASA.

## GREAT OPPORTUNITIES

In May 2019 it was announced that Maritime Industry Australia would be the host nation for the next conference. David Parmeter, who chairs both MIAL and the

ASA, believes hosting the event will be a great boon for Australia.

"It is a great honour to be chairman for the Asian Shipowners' Association, an organisation that provides one voice for Asian shipowners," he says.

"This is the fourth time Australia has had the honour of hosting the ASA and we are delighted to hold the event in Darwin for the first time."

Darwin was selected as the destination for the conference showcasing its maritime capability for merchant fleet owners and operators and to reinforce its position as the northern gateway to Australia.

## 'S' COMMITTEES

Five standing committees are formed in ASA and each is headed by a nominated chairman. The work of the 'S' committees is done between the annual ASA meeting, with each committee being committed to convene at least one meeting a year. The 'S' committees drive discussion on the topics of ship insurance and liability; seafarers; safe navigation and environment; shipping policy; and ship recycling.

During the annual gathering, all 'S' committees meet simultaneously and are attended by ASA members (including all MIAL members).

## A SPECIAL EVENT

This is a maritime conference like no other as it focuses on networking and building relationships within the region. While the meetings themselves are restricted to the members of the respective organisations,



**Alison Saunders**, communications manager, Maritime Industry Australia

the networking opportunities surrounding these events are considerable.

Early in the event, MIAL will be running a one-day seminar to discuss issues paramount to the Australian maritime sector. The eight ASA chairs are also to meet on this day. Further meetings are expected on day-two including the important Young Shipping Executives Forum, where the leaders of tomorrow get a dedicated networking and professional development experience.

The formalities of the ASA annual gathering are topped off with a beachside gala dinner. Delegates will also get the chance to go on a tour of Litchfield National Park or enjoy offshore fishing. ■

## KEY OBJECTIVES OF ASA

- To achieve common prosperity, mutual trust and co-operation in shipping.
- To promote closer unity and progress among the members in ASA in their common pursuit in shipping throughout the world.
- To promote and inculcate the freedom of the sea, safety at sea and the protection of the marine environment.



# Copping a bite at the port

Costs associated with accessing Port of Melbourne are increasingly being lumped on the landside operators, says VTA CEO Peter Anderson

## WITH STEVEDORE INFRASTRUCTURE

surcharges more than 40 times higher than they were in 2016, Port of Melbourne is on track to become the most expensive port in the southern hemisphere, to the inevitable detriment of the Victorian economy.

When the Victorian government leased the Port of Melbourne in 2016, earning itself a \$9.7bn windfall, there was a mixture of hope and scepticism from the transport industry, as a new vision, culture and resource was introduced by the Lonsdale Consortium.

Privatisation challenged old boundaries. There was optimism productivity gains would secure Melbourne's title as the national freight capital.

## INFRASTRUCTURE SURCHARGES

After three years, and average infrastructure surcharge increases by the three stevedores servicing the port of 4189% (yes, you read that correctly), it is abundantly clear this new environment has been to the overall detriment of the landside supply chain and road freight. With little legal protection, and operating from within a largely monopolistic environment, these freight carriers have been forced to bear the brunt of opportunities that other wharf-related stakeholders have now exploited. For example, the cost of moving a container by road has changed very little over the past four years – as we all know, low inflation in our generally stagnant economy has restrained growth in wages and other costs. However, the ancillary costs imposed and increased exponentially by the stevedores have skyrocketed well beyond any reasonable pub test's level of acceptance.

Timeslot booking fees per container have increased threefold from an average \$5.90 in 2016 to \$15.76 in 2020. Average annual vehicle booking system registration fees charged by Port of Melbourne stevedores have increased four-fold from an average of \$44.13 in 2016 to \$183.00 in 2020.

Vehicle no-show, time-slot and cancellation fees have had similar increases

– one stevedore that charged nothing for vehicle cancellations in 2016 will charge \$250.00 for this same service in 2020.

Can you think of any other industry where regular doubling and even tripling of charges in such a short period of time are the norm?

## A SOURCE OF ANGST

But the infrastructure surcharge – or terminal access charge as some are now calling it – is the real source of angst for road freight carriers servicing ports in Melbourne and around Australia. It was barely on the radar in 2016 when the average surcharge by stevedores servicing the Port of Melbourne was just \$3.57. Higher rent, energy and other costs was the main argument they used to justify what can only be classified as serial increases since then – the average infrastructure surcharge at the Port of Melbourne, per container, will be between \$98.76 – \$121.80 in 2020 – more than 40-times higher. These charges are generating millions of dollars a year back to the stevedores, who

limitations and the unpredictability of the next huge price increase, are a perfect storm for wharf carriers who face an uncertain future. Productivity and efficiency are the last priorities of those that impose the additional costs. There are no controls or predictability of the grab by these stakeholders to use wharf carriers as their margin collectors.

## VTA'S SOLUTION

The VTA has produced a *Landside Improvement Strategy* that addresses these issues. Some of the more than 12 issues covered include fees and penalties, vessel “bunching” and local access. The strategy has been developed to ensure all landside port-related stakeholders are dealt with fairly and openly. While it is being considered by the government it delivers on ensuring that the Port of Melbourne grows in its productivity and efficiency, and that the wharf carrier sector is not taken advantage of in the future. ■

## Productivity and efficiency are the last priorities of those that impose the additional costs

have been squeezed by other global market forces. They have become the burden of land-based transport operators who provide profits to the stevedores, in return for limited productivity gains.

The ACCC *Container Monitoring Report* showed truck turnaround times at ports nationally worsened to an average of 29.3 minutes. Currently, the Port of Melbourne has a container truck turnaround time averaging 51.5 minutes per load as sourced from monthly carrier data.

## LIMITED OPTIONS

There is no avenue for appeal and no means of offsetting the cost, with the wharf carrier being left with passing these costs onto their customer and the consumer.

Managing cash flow, being squeezed off the road by curfews and road access



Peter Anderson, CEO, Victorian Transport Association

**R**ecent figures from Cruise Lines International Association and the Australian Cruise Association show cruise tourism continues to have a major, positive impact on the economy.

The groups' latest annual Economic Impact Assessment, compiled by AEC Group, found the equivalent of 18,135 full time jobs were supported by the cruise industry in 2018-19, a 6.6% increase on the previous year.

It says 1240 cruise ship visits led to 3.8m passenger and crew visit days, resulting in direct expenditure by passengers, crew and cruise lines totalling \$2.5bn.

CLIA Australasia managing director Joel Katz tells *Daily Cargo News* the economic benefits of cruising have increased significantly in the past year, despite berthing constraints in Sydney.

"It's a very encouraging sign that passenger spending has increased considerably in 2018-19 and helped drive an 11.2% year-on-year increase in the total economic impact of the cruise industry in Australia," he says.

"This in turn led to a 6.6% increase in the number of jobs that cruising supports."

Total cruise passenger spending in 2018-19 increased 17.4% on the previous year to reach almost \$1.4 bn.

"As newer and larger ships come online and new developments like the Brisbane International Cruise terminal are completed, we expect growth to pick up in the 2020-21 season."

ACA CEO Jill Abel says the number of visiting cruise ships increased by 12%, with the majority of these being in the expedition/smaller ship category.

"This didn't reflect a substantial increase in passenger numbers however represents a very high yielding sector of the industry," she says. "The smaller ships also deliver economic impact that supports many remote and regional destinations."

"Another encouraging piece of data that came out of this years' Economic Impact Study is around the pre- and post-cruise spending on accommodation. The results show that cruise is injecting around \$450m into the accommodation sector."

If the cruise sector was a country, it would likely be Australia's 4th largest source of international visitors, says Mr Katz. Last financial year we welcomed around 300,000 international visitors by cruise.

Ms Abel says, "I believe there are great opportunities to further this growth with increased air lift capacity from North America and a full suite of cruises on offer now in Australia".

"As our members onshore are also able to work with the cruise lines to develop interesting itineraries especially to regional destinations not previously visited... I believe we will continue to see growth from the international sector."

One of the most important aspects of the industry's economic impact, says Mr Katz, is the dispersal of cruise tourism to regional areas around Australia.

"Cruise ships visited 47 different ports around Australia last financial year, which provides enormous benefits to businesses like restaurants, tour operators and retailers."

Ms Abel says, "Cruising is also able to deliver another income stream for regional areas previously more reliant on the agricultural business".

Several regions have been particularly active in developing cruise development strategies that identify potential new destinations and support the establishment of the ground operations and experiences needed to attract cruise visits.

The cruise shipping sector continues its remarkable growth and the creation of new markets from coast to coast, writes Paula Wallace



Mid West Ports has stepped up its efforts in order to make Geraldton a primary cruise destination

Mid West Ports Authority





# CRUISE CONTROL





The port at Broome is becoming an increasingly popular destination for the small/ expeditionary cruise market



**Joel Katz,**  
managing  
director  
Australasia,  
Cruise Lines  
International  
Association

“A great example is the town of Eden on the New South Wales south coast, where an especially passionate and active local community has helped attract infrastructure investment and create new experiences for visitors,” Mr Katz says.

“As a result, cruise lines have embraced the destination, and annual passenger numbers have grown from just a few thousand in 2014/15 to more than 40,000 expected in 2019/20.”

NSW received the greatest share of direct expenditure from the cruise industry in 2018-19, receiving \$1.55bn including \$1.54bn in the key gateway port of Sydney.

Among other states, Queensland received direct expenditure of \$490m, followed by Victoria (\$168m), Western Australia (\$109m), South Australia (\$67m), Tasmania (\$49m) and the Northern Territory (\$31m).

#### INDUSTRY TRENDS

Mr Katz says the cruise industry has made “enormous progress” in developing sustainability measures that will reduce emissions and protect the marine environment globally.

**CLIA cruise lines have invested more than US\$22bn in ships with new, energy-efficient technologies.**

**Joel Katz, CLIA**

“CLIA cruise lines have invested more than US\$22bn in ships with new, energy-efficient technologies and cleaner fuels like liquefied natural gas,” he says.

“This is part of the industry’s wider commitment to reduce carbon emissions by 40% across the world fleet by 2030.

“Cruise ships make up less than 1% of the global maritime sector, but our industry is at the forefront when it comes to developing new technology and environmental measures.”

Cruise lines are deploying measures like shoreside power and pioneering new forms of propulsion through initiatives like battery technology and hybrid engines.

Technology continues to have enormous impacts on the cruise industry, according to Ms Abel.

“Ship technology is advancing at a dramatic rate, making them more environmentally efficient,” she says. “It also helps passengers gain increased knowledge of the places they will visit and gain access to shore excursions impacting on their overall experience both onboard the ship and ashore.”

#### SYDNEY’S THIRD TERMINAL

CLIA strongly supports the prioritisation of a new Sydney cruise terminal, given existing cruise facilities at Circular Quay are at or near capacity during the peak summer cruise season. At the same time, Sydney’s second cruise terminal at White Bay cannot be accessed by larger ships that are unable to pass beneath the Sydney Harbour Bridge.

“Without urgent attention, Sydney’s lack of berthing options will continue to hamper growth in Australia’s cruise industry,” Mr Katz says.

“Following the federal government ruling out shared use of Garden Island, the industry has committed to working constructively with the NSW government to support the development of an additional cruise facility at Port Botany and looks forward to achieving a viable solution in the near future.”

Ms Abel says, “We acknowledge the hard work that is being put into this project by government and major stakeholders and ACA is very pleased to have been included in the discussions around the planning”.

“We do not have a preference to the location but we do recognise that the ongoing delay is limiting the industry’s growth in Australia – not just Sydney.”

#### REGIONAL NSW

The 2019/20 cruise season is the biggest ever for Eden and is predicted to generate more than \$9m in economic value for the region, driven by the increased visitation from cruise ships.

The Port Authority of NSW’s cruise development manager Natalie Godward believes that the southern coastal town is leading the regional cruise boom in NSW.

Since 2014, the Port of Eden has seen a significant year-on-year increase in cruise ship visitation, but the port was



# BRISBANE INTERNATIONAL CRUISE TERMINAL



## COMING IN 2020

We're proud to be investing in Brisbane, delivering a new world-class tourism facility and helping Queensland's cruise industry to grow.

**Find out more at [www.portbris.com.au](http://www.portbris.com.au)**

limited in its capabilities - cruise ships had to anchor in the harbour and tender their passengers onshore.

To meet growing demand and to ensure the south coast could make the most from cruise tourism, the port needed marine infrastructure that could better support both cruise ship visits and the transfer of cruise passengers.

"The local community played a vital role in the next steps, working with the Bega Valley Shire Council for over ten years to progress an extension of the Eden Cruise Wharf to allow ships over 300m in length to berth in the port and in turn encourage more visits," Ms Godward tells DCN.

The community's passion and perseverance paid off. The state, Commonwealth and local governments ended up providing the \$44m funding to support the project.

"This well and truly shows the impact that a small community can have when they work together," Ms Godward says.

On 15 September 2019, the 260metre Pacific Explorer was the first cruise ship to berth at the new wharf. The ship and its 2000-plus passengers arrived into Eden with a welcome from the community, local businesses and cruise representatives.

Next for Eden is a dedicated welcome centre facility for passengers embarking and disembarking from cruise ships. It is anticipated to be operational in 2020.

There are 22 ships forecast to visit Eden this season (September 2019 to April 2020), up from 15 visits last season. This will further increase in 2020-21 and includes seven maiden voyages.

In 2018-19 there was a 35% increase in cruise ship visits over the previous year, with 37 ships generating \$25m for regional NSW.

"Each ship brings thousands of tourists into Eden, who in turn will spend their day taking tours to regional attractions and supporting local businesses through hospitality and retail purchases," Ms Godward says.

The investment in marine facilities and infrastructure for cruise will also benefit Eden's wider maritime economy, providing better access and facilities for other local marine industries.

"For a small town like Eden to receive the level of cruise visitation that we are has an incredible impact upon our town, our people and our economy, it helps to add consistency in trade to a normally very seasonal inbound market," Ms Godward says.

#### SHORES OF GERALDTON

Geraldton in Western Australia is seeing remarkable growth for a relatively new port to cruise tourism. In 2018/19 the port welcomed eight ships to its shores and in 2020/21 has already secured 17 ship visits.

"With the investment of shore tension units we now berth all our ships, facilitating a much improved customer experience which has resulted in a substantial increase in the number of ships calling in to Geraldton," Mid West Ports CEO Dr Rochelle Macdonald tells DCN.

*Radiance of the Seas* will return in February 2020, at a length of 293m, but under the correct environmental and entry conditions, Geraldton Port may be able to accommodate a ship of up to 345m in length.

"This lends opportunity to potentially welcoming the likes of the *Queen Mary*," Dr Macdonald says.

Critical to the development of a cruise industry in the region was the appointment of a dedicated cruise officer, jointly funded by the City of Geraldton and Mid West Ports.

"We are seeing a significant increase of tours and experiences being developed in our region, specifically for the cruise market and we are receiving really positive feedback from our retail and café owners of their increased trade on cruise days as an example," Dr Macdonald says.

## Carnival Splendor settles in Australia

■ Carnival's cruise ship *Splendor* arrived at its new homeport in Sydney in December, making it the newest and largest ship in the country.

*Carnival Splendor's* first cruise from Sydney was an eight-night trip to New Caledonia visiting the islands of Noumea, Lifou and the Isle of Pines.

The ship will offer 53 sailings from Sydney until the end of 2020 - a range of seven to 12-day cruises to destinations such as the South Pacific and shorter 'fun size' cruises around Australia, from Tasmania to Tangalooma, Moreton Island.

Since Carnival's Australian arrival in 2012, the brand has experienced unprecedented growth with over one million Australians choosing Carnival for their cruise holidays.

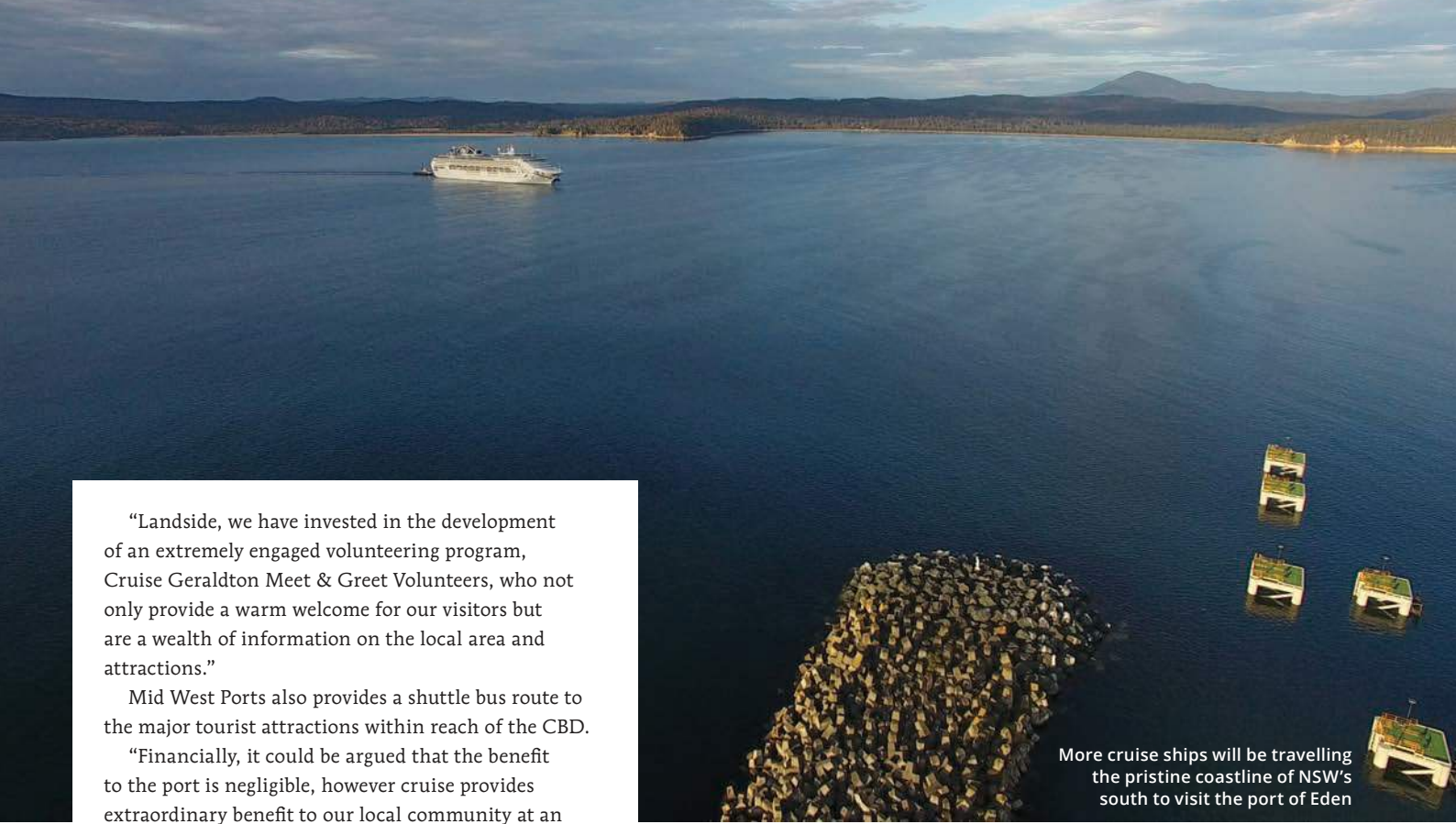
The company chose to re-position a larger ship in Australian waters to meet the growing demand. To ensure the ship was just right for the Australian market, *Carnival Splendor* went through an extensive Australian transformation at Sembawang shipyard in Singapore.

This season, *Carnival Splendor* will showcase new and exclusive features for the Australian market, including a waterparks for all ages, an aerial and illusion show, a spa including thermal suites and state-of-the-art fitness centre, a range of eateries and even "Australian-approved" coffee.



Carnival Splendor





“Landside, we have invested in the development of an extremely engaged volunteering program, Cruise Geraldton Meet & Greet Volunteers, who not only provide a warm welcome for our visitors but are a wealth of information on the local area and attractions.”

Mid West Ports also provides a shuttle bus route to the major tourist attractions within reach of the CBD.

“Financially, it could be argued that the benefit to the port is negligible, however cruise provides extraordinary benefit to our local community at an economic and social level,” Dr Macdonald says.

With cruise being a large contributor to tourism in the mid-west it is estimated that passengers and crew will spend \$10m on goods and services across the region in the 2019/20 season.

“The opportunity for the port however, lies with the ability to benefit from community engagement opportunities,” Dr Macdonald says.

“These relationships are invaluable to the ports community engagement vision and desire to work alongside our community in developing a diverse and sustainable economy for our region.”

In early 2020 MWPA will endorse the Geraldton Port Master Plan where the opportunity has been identified to develop a dedicated berth and passenger facility to cater specifically for cruise. The addition of this berth would improve passenger experience and also allow the port to meet new biosecurity regulations around international visitors and improve port efficiencies.

“In future years, we aim to increase our exposure as a ‘must visit’ destination to the international cruise industry through increased attendance at industry events, both as participants and exhibitors where relevant,” Dr Macdonald says.

#### DESTINATION BROOME

There has been an upward trend particularly in the small/expeditionary cruise market in Broome in recent years. Since 2016 the region has had a 36% increase in total cruise vessel visits.

“We recorded a total of 122 cruise visits in 2016 and 166 cruise visits in 2019. The medium/large cruise market has remained fairly constant but since the ACA conference was held in Broome in 2018 there has been a lot more interest,” Kimberley Ports Authority CEO Craig Faulkner says.

“There has been a lot of work and effort by Tourism WA and Cruise Broome working with retailers, shore

excursion companies and tour operators to improve the experience for passengers and make Broome a desirable destination.”

The largest market is the expeditionary cruises with small vessels operating directly out of Broome heading into the Kimberley Coast or slightly larger vessels operating between Darwin and Broome. The passengers are mainly all Australian residents wanting to explore the Kimberley coast.

The larger cruise market mainly originates out of Perth however some are coming down from Indonesia or Darwin, says Mr Faulkner.

The state government, together with KPA, recently invested \$15m on removing an impediment in the channel and increasing depth to enable longer vessel stays and a further \$750,000 on a new gangway.

### The smaller ships also deliver economic impact that supports many remote and regional destinations.

KPA is working with Kimberley Marine Supply Base to provide a floating wharf facility in Broome that will be able to cater for some smaller vessels with low passenger access, which are currently affected by the large tidal range in Broome. It is also hoping to include infrastructure for larger cruise vessels unable to call the existing wharf.

Mr Faulkner says KPA is committed to identifying improvements to current infrastructure.

“We will continue to work with Tourism WA and Cruise Broome to attract additional cruise vessels to the region,” he says. ■

More cruise ships will be travelling the pristine coastline of NSW's south to visit the port of Eden



Jill Abel, CEO,  
Australian Cruise  
Association

Jill Abel, ACA

# Personal injury onboard cruise ships

A case before the High Court of Australia has the potential to influence the personal injury claims of cruise ship passengers, write **Stephen Thompson and Ranjani Sundar**

Australia is the fastest growing market in the international cruise industry and is now a billion dollar industry. One in every 17 Australians is a cruiser. These holidays are eagerly anticipated and rank at the very top of exciting experiences that Australians want to enjoy again and again.

Whilst most cruisers have a wonderful time on their trip, personal injuries can occur on the rare occasion. On the whole, the cruise industry implements extremely caring and advanced policies and procedures to ensure the health and safety of their passengers.

Despite this, in some circumstances a passenger who suffers an injury may consider whether they have a right of action against the cruise line. If so, it can be confusing for both passengers and ship operators to navigate the various statutory regimes that govern personal injury claims arising onboard cruise ships.

The question of the extraterritorial application of the various State civil liability acts (CLAs) and whether the State CLAs ought to apply to the assessment of damages where an injury has been sustained outside the State (albeit the contract between the parties is governed by the State) is currently being considered by the High Court of Australia.

## QUESTIONS UNANSWERED

It is settled law that a person who suffers a personal injury outside of Australia, under a contract governed by Australian law, can bring an action for breach of statutory guarantee and apply for damages under the Australian Consumer Law (ACL) or applicable State CLA. Under section 60 of the ACL, a person supplying a service guarantees that the services will be rendered with due care and skill. Under section 61 of the ACL, a person supplying the service guarantees that the service will be reasonably fit for any purpose specified by the consumer.

What has not been answered is whether the quantum provisions of the State CLAs apply where there is a breach of statutory guarantees and the personal injury is sustained outside the State. This question is important, as the maximum amount that can be awarded to a claimant for non-economic loss under the ACL is \$251,306.62. The amount available under the State CLAs are significantly higher. By way of example, in New South Wales the maximum

amount that can be awarded for non-economic loss is currently \$658,000.

## RELEVANT CASES

In *Insight Vacations Pty Ltd t/as Insight Vacations v Young* (2011) 243 CLR 149, the High Court considered the extraterritorial application of the New South Wales CLA in respect of recreational activities undertaken outside of New South Wales. The cruise ticket expressly provided for New South Wales law to apply.

In that case, the claimant alleged Insight Vacations breached an implied duty to act with due care and skill under the *Trade Practices Act 1974* (Cth), after she suffered an injury while travelling on a bus from Prague to Budapest, as part of a travel package purchased from Insight Vacations. The High Court held that Division 5 of the New South Wales CLA, being the provisions dealing with recreational services, does not apply to services provided wholly outside New South Wales because the CLA does not expressly provide for extraterritorial application.

Notwithstanding the decision in *Insight Vacations*, personal injury claims arising onboard cruise ships continue to be dealt with under state civil liability schemes.

In *Scenic Tours Pty Ltd v Moore* [2018] NSWCA 238, the case considers in particular whether the non-economic loss quantum provisions under the New South Wales CLA applies to a personal injury sustained overseas.

The Court of Appeal held that there was no reason as to why the New South Wales CLA would be subject to any geographical limitation. Instead, the Court of Appeal considered that the non-economic loss quantum provisions of the New South Wales CLA were picked up and applied by section 275 of the ACL as surrogate Federal law. Despite the Court of Appeal holding that there was a breach of statutory guarantees under the ACL, the claimant was not awarded an amount for non-economic loss as he could not satisfy the statutory threshold in the New South Wales CLA for an award of non-economic loss.

*Scenic Tours* is currently before the High Court of Australia for determination and the case has potential to become a landmark decision on the question of the extraterritorial application of the quantum provisions in the New South Wales CLA. ■



**Ranjani Sundar**,  
senior associate,  
HFW



**Stephen Thompson**,  
partner, HFW



# The home of cruise in Australia

We bring the world's biggest cruise lines to Australia's biggest cruise market. Hundreds of cruise ships and 1.6 million passengers cruise in and out of our ports and terminals each year, bringing billions of tourist dollars and thousands of jobs to NSW.

We are Port Authority of New South Wales and together, we keep our ports open to the world.

[www.portauthoritynsw.com.au](http://www.portauthoritynsw.com.au)

Follow us @portauthoritynsw

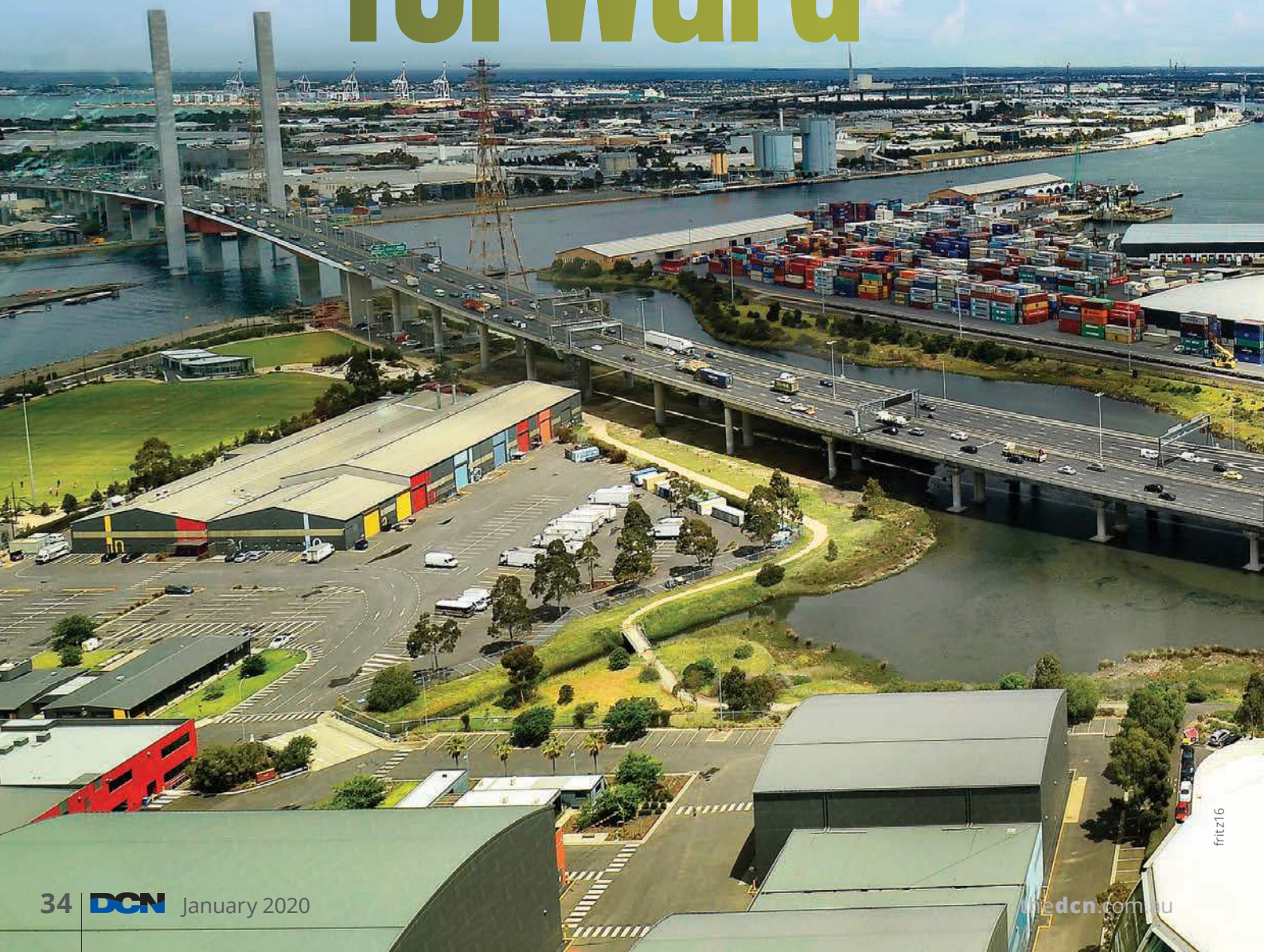


**Queen Victoria at the Overseas Passenger Terminal**  
Sydney, New South Wales



# Mapping a path forward

Key trends in the world of maritime logistics were outlined during the recent Australian Maritime Logistics Research Network Inaugural Symposium at RMIT in Melbourne. **Professor Vinh Thai** explains the thinking behind the formation of the AMLR Network and **DCN** editor **David Sexton** reports on selected presentations.





Australia relies heavily on the vibrancy of its maritime industry that is shipping, ports, and supporting sectors such as freight forwarding. Nearly 99% of Australia's foreign trade in terms of volume goes through its ports, according to the Department of Infrastructure, Transport, Cities and Regional Development. Maritime logistics is therefore critical to Australia's economy.

However, research on maritime logistics is fragmented with academics at several Australian universities often pursuing research independently and in a "silo" environment. In addition, given the practical nature of maritime logistics research, closer and more meaningful research collaboration between maritime logistics academics and industry professionals is required for impactful outcomes.

#### NEED FOR RESEARCH COLLABORATION

There is a need for a consolidated approach to create opportunities for research through improved networks, shared resources and synchronised effort to optimise outcomes for the maritime industry and Australian economy.

It is for these reasons that the AMLR Network has been established to help improve research collaboration and partnerships in order to harness the potential of the maritime industry in Australia. This joint academic-industry research network is perhaps the first of its type in the country's maritime industry.

The main purpose of the AMLR Network is to connect academics with experts in the field of maritime logistics, as well as with industry professionals and organisations that have interest in maritime logistics research and related activities. This is to achieve synergy in producing key outcomes in terms of applications for national and international research grants, development of a team with comprehensive knowledge and experience for advocacy and advice to government dealing with maritime logistics policy issues, high-impact joint research publications, joint HDR (Higher Degree by Research) supervision, and consultancy.

#### AMLR NETWORK'S INAUGURAL SYMPOSIUM

After several months of preparation, the Inaugural Symposium of the AMLR Network was successfully



Aerial view to Bolte bridge, harbour and container shipping docks in Docklands district on the Yarra River, Melbourne





## Things like artificial intelligence are becoming a reality much sooner than we thought

**Bilal Khan**, Port of Melbourne

launched on 10 December 2019 with founding industry partners from the Department of Infrastructure, Transport, Cities and Regional Development; Australian Peak Shippers Association; Australian Competition and Consumer Commission; Customs

Brokers and Forwarders Council of Australia; Port of Melbourne; DP World Australia; GeelongPort; Patrick Terminals; Australian Amalgamated Terminals; QUBE Ports; Australian National Line; Mainfreight; Agility Logistics; Chartered Institute of Logistics and Transport Australia; Shipping Australia Limited, and academic partners from RMIT University, Australian Maritime

College – University of Tasmania, University of Sydney, Griffith University, La Trobe University, University of Newcastle, and Swinburne University of Technology.

### MOVING FORWARD

The Network's agenda includes, among other things, organising its annual symposium and periodic technical workshops where academic and industry members gather to discuss contemporary and prospective research projects which shall lead to

industry- or government-funded grant applications for research solutions addressing industry problems.

The AMLR Network's vision is to gain recognition and become a think tank with expertise and capabilities relating to maritime logistics in the country, and this relies very much on the passion and hard work of all stakeholders involved.

### STAYING AHEAD OF THE CURVE

Among the keynote speakers at the symposium was Port of Melbourne head of commercial strategy Bilal Ali Khan who addressed the topic of the Port Development Strategy. Providing a PDS was one of the conditions of privatisation and Mr Khan says it was driven by "what Victoria wants" and the need to be adaptive.

"We are obligated to make sure the infrastructure is ready to facilitate [trade]," he says. "We have to be almost 'ahead of the curve'."

Mr Khan spoke of a five-year horizon and looking to medium-term goals as well as long-term ones with a "one bite at a time" approach via five-year blocks.

"We want to leave enough fluidity in the strategy that in five years' time, for example, right now everyone is talking LNG but if ammonia takes over then all of a sudden we are required, for example, to have facilities that provide ammonia," Mr Khan says.

"We need to have the facilities to facilitate that option. It is a strategy conversation, not etched in stone."

He says the PDS came about via extensive consultation with multiple stakeholders and interest groups.

"We have engaged with industry about our proposals – shipping lines, cargo owners, oil majors – and asked them 'what is it that they need?' What is it that they need from us to be able to facilitate trade?"



Researchers at the AMLR Symposium, **Dr Thuy Nguyen** and **Siddhi Pittayachawan**





**CBFCA**  
AUSTRALIA

Enrol now with CBFCA's International Trade and Logistics College for the leading Diplomas for the international supply chain sector



**TLI50816 Diploma of Customs Broking**



**TLI50316 Diploma of International Freight Forwarding (FIATA accredited Diploma)**

## ENROLMENTS NOW OPEN!



Learn from supply chain industry experts with a combined 400+ years' experience



Study while you work with flexible blended delivery



Gain a Nationally Recognised Qualification



Become a Licenced Customs Broker approved by Australian Border Force and Department of Home Affairs

**Call us:** (02) 9587 1986

**Email us:** [enquiries@cbfca.com.au](mailto:enquiries@cbfca.com.au)

**[www.cbfca.com.au](http://www.cbfca.com.au)**



## DIVERSIFICATION KEY TO LOGISTICS SUCCESS

■ QUBE managing director Maurice James believes market diversification is crucial in order to achieve success in the logistics context. Speaking at a recent lunch in Melbourne, organised by the International Cargo Handling Coordination Association (Australia), Mr James made known his views.

Describing the growth of Qube (a multi-purpose logistics business and stevedore with a 50% stake in Patrick Terminals), Mr James outlined the need to avoid being concentrated in one sector of the economy. This means diversifying one's product range and geographical locations "such as we can afford to have some downturns in one sector but other sectors of the market are performing very well".

"For example our investment in the forest industry in New Zealand and particularly very strong log exports into Asia. Our investment into bulk supply chains around mineral sands are in demand around the world," Mr James says.

"We embarked on that strategy and that has enabled us to continue to grow our earnings. It insulates us against movements in the dollar by balancing our volumes with a mixture of imports and exports – a natural hedge against the dollar. It also protects us in terms of downturns and cycles in particular commodities."

Mr James spoke of the development of Qube since 2007, when a group of people, many of them former Patrick employees after the hostile takeover by Toll, raised \$200m on the ASX.

"It has been a great journey. We now have market capitalisation of about \$5.5bn and about 6500 employees at 135 locations across Australia, New Zealand and a little bit of South East

Asia. It has been a journey," he says.

Mr James says they sought to avoid creating so-called "silos" within their business. This is when departments or management groups within a business fail to share key information, goals, tools etc. with other departments.

"Some of you would be familiar with the old Toll and the old Mayne Nickless and all those transport giants of Australia were very much 'silo-orientated'," he says.

"We wanted to make sure we were not like that."

Mr James speaks with pride about winning a shelf contract for six of Shell's supply bases across North Queensland, Darwin and Western Australia.

"We won that against traditional 4PL logistics businesses. The reason we won that business was because we

were able to offer integrated logistics," he says.

Mr James also offered some thoughts on macro-trends influencing the logistics sector.

"Certain commodities are facing challenges times," he says.

"New car sales are down 8-10% and imported vehicles down the same sort of amount in the three months to the end of September (about 7% down).

"This impacts not just Qube as a stevedore but it affects the whole market. It is really a question that we examine around what is happening in the economy."

"When you then get container volumes declining, you have to ask the question again, what is happening in the economy?"

Mr James noted trends in retail and housing influencing trade.

"What are retail sales going to do? We have a view that with lower interest rates, traditionally you see activity grow but activity hasn't been growing in that sense," he says.

"I think people are taking advantage of lower interest rates and paying off mortgages rather than spending as traditional economics would tell you. Not only that, we've faced droughts in New South Wales and grain volumes were down in FY18.

"Various parts of the market are really challenging."

Mr James also commented on the importance of Moorebank "a major project for Qube" with in excess of \$1.3bn in investment.

"We have spent about \$600m on it already (about half the \$1.3bn)," he says.

"It is a massive site and the largest freight hub Australia will see."



Maurice James

"We have got a long-term horizon but then how do you get there? You get there one step at a time. You adjust the planning outcomes. You review it every five years," Mr Khan says.

### INFRASTRUCTURE CHALLENGES

Mr Khan says when it came to infrastructure investment, the key questions were "when and where".

"When do you invest in infrastructure and where is the location?" he says.

"It has to be an integrated approach because, for example, everyone is moving towards electric vehicles. The forecast is actually for petrol demand to go down. In 40 years [the forecast is] there won't be any petrol

cars. We have to be prepared for that. That is why we need that integrated approach."

Another challenge, he notes, is the increasing size of container ships visiting Australia. However, shipping economics and physical constraints mean the really large container ships on the world's oceans are unlikely to call in Australia.

So just how big will they get in the Australian context? Mr Khan acknowledges this is tricky for port planners and operators.

"Global shipping lines make their fleet decisions for the north-south trade lanes – bigger ships from east-west are not necessarily economic for Australia," he says.



"This puts us in a very difficult situation in terms of trying to forecast what is the largest ship size that is going to arrive in Melbourne in the next five, 10, 20 years.

"We have to make sure we have the infrastructure that is capable of handling those kinds of vessels. That is one of the biggest challenges that we have.

"In 2012, you didn't have any of those greater than 8000 TEU ships coming to Australia. But now they are starting to trickle down," Mr Khan says.

### THE MARCH OF TECHNOLOGY

Mr Khan notes another key trend is technology.

"Things like artificial intelligence are becoming a reality much sooner than we thought. When that actually becomes a matter of infrastructure investment and development is something we need to be very conscious of," he says.

"Uberisation of freight and things like that are growing exponentially. Not just the waterside infrastructure but also the road network and how that interfaces with autonomous vehicles. It is trying to conceptualise something that doesn't exist right now and have a strategy to deliver that. It is one small part of that bigger conversation."

### COMMUNITY ENGAGEMENT

Mr Khan says what used to be the traditional footprint of bulk liquids in Williamstown and Yarraville, is now prime property.

## The main purpose of the AMLR Network is to connect academics with academics in the field of maritime logistics

**Professor Vinh Thai, RMIT**

"With prime property comes the issue of major hazard facilities. When you build a new tank facility... your property prices may not rise as you would like."

He mentions the protests in Williamstown and Yarraville about the development of Victoria International Container Terminal at Webb Dock, with residents concerned about potential disruption from lighting and noise.

"That was a major factor that had to be considered," he says.

"Whilst we are an infrastructure manager, we place a lot of importance and emphasis on engaging with the community. Because we are a city port, we are not in the back of beyond where people don't notice, therefore the community becomes very relevant."

### DIGITALISATION AND BLOCKCHAIN

Also speaking at the symposium was Son Nguyen, a PhD candidate at the Australian Maritime College,

who discussed trends around blockchain and digital applications.

Mr Nguyen, who is researching blockchain in maritime trade, spoke of it being "the next big jump of the shipping industry" after containerisation. He said blockchain technology required not only knowledge about its potential but also its documented current implications.

He notes current supply chains involving shipping companies and freight forwarders were complicated with many parties being inter-dependent and failure by one entity leading to failure elsewhere and causing "accumulated damage".

He says "ransomware" attacks on major shipping lines have caused "massive disruption" in physical operations as well as the payment flow.

"So to respond to this, industry is now applying blockchain or ledger technology to improve performance as well as the security of the information flow," Mr Nguyen says.

Such technology relates to the intersection of information management systems, meaning "the data in one block cannot be changed without changing the data of other blocks". He explains that this made it harder for attackers to alter data, with the ledger being distributed among all participants, meaning there was "no focal point for an attack".

"So blockchain has great potential to be applied to container shipping," he says. "It can cut off all the overlaps and redundancy in the network and benefit everyone."

Mr Nguyen says "operational risk" as well as cultural and economic factors have been a barrier to industry taking up this kind of technology.

"Several kinds of risk can be reduced or eliminated, but other kinds of risk will emerge," he says.

As part of his research, Mr Nguyen is to "reach out" to shipping companies, freight forwarders and others.

"I will reach out to chief information technology officers on operational management positions as well as blockchain specialists in these companies," he says. ■



**Victor Gekara and Yong Wu** at the AMLR Symposium

## FACT BOX

**WHAT:** Australian Maritime Logistics Research Network Inaugural Symposium

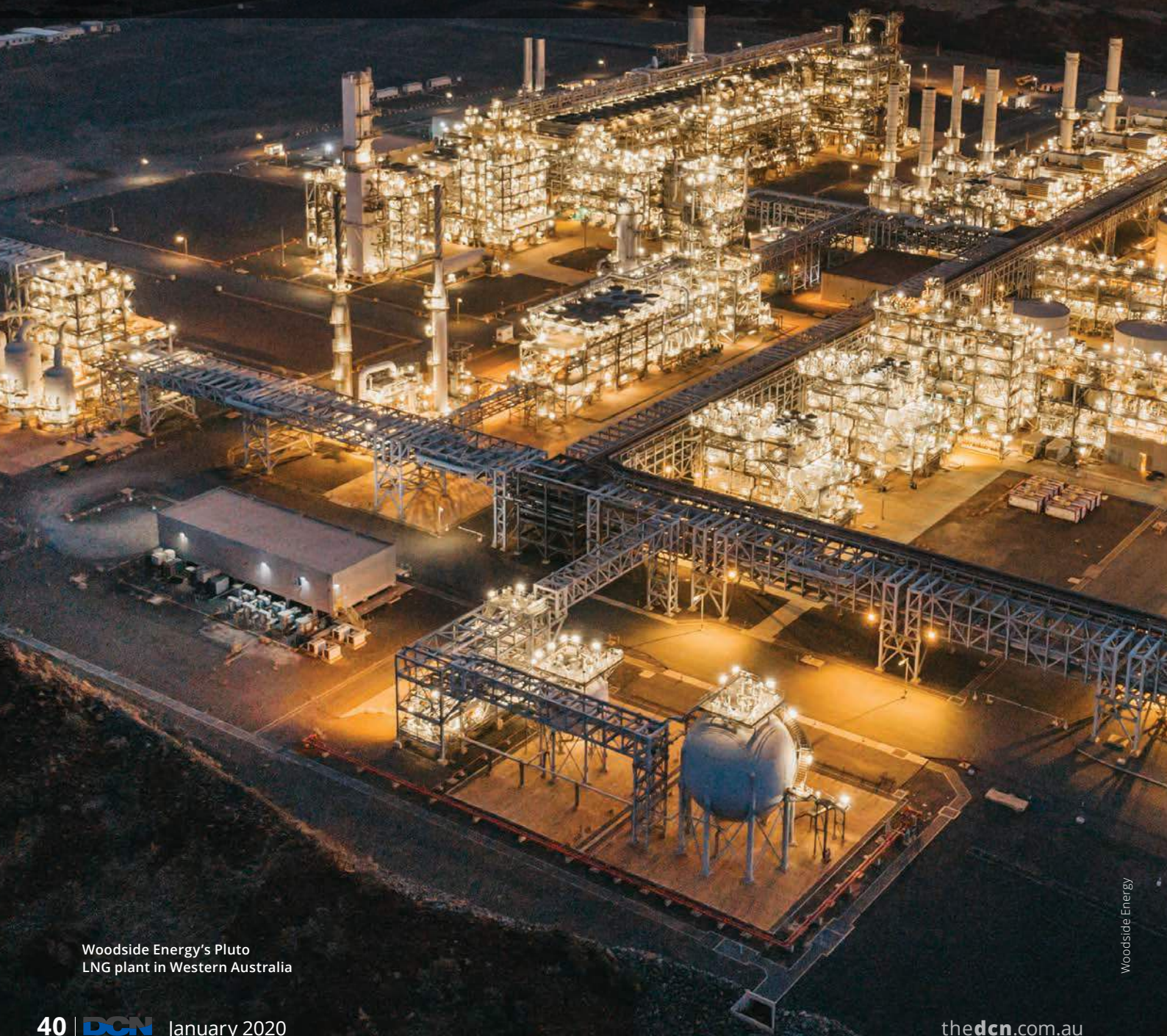
**WHERE:** RMIT, Melbourne

**WHO:** Academics and industry leaders from shipping and ports

**WHEN:** 10 December, 2019




# The imminent arrival of **LNG** **BUNKERING**



Woodside Energy's Pluto  
LNG plant in Western Australia

Woodside Energy





## Paula Wallace reports on the market development of LNG bunkering for vessels in Australia

**T**he market for LNG as a ship fuel is gathering pace in Australia. Last year BHP released a tender for the construction of LNG-fuelled bulk carriers to transport its commodities to Asia.

Woodside Energy is poised to commit to its bunkering solution for Western Australia, having tendered for its bunker vessel and completed design work with its selected ship owner in 2019.

On a life-cycle basis, using LNG instead of heavy fuel oil is estimated to provide up to 33% reductions in greenhouse gas emissions.

If all of the iron ore exported from the Pilbara was in LNG-fuelled ships it could provide a 5.8 million tonne per annum GHG reduction, which is equivalent to taking 1.8m cars off the road.

Margot Matthews, CEO of the LNG Marine Fuel Institute, tells *Daily Cargo News*, the situation for LNG bunkering has developed significantly in the last year.

“Australia is open for LNG fuelling business. Decisions are being made now both in the eastern and western states that will enable LNG bunkering in the near future.

“The key players are working, collaborating to ensure this fledgling industry is successful. This will benefit not only the industry but Australia as a whole upskilling workers, creating jobs and growing GDP.”

Last July, BHP announced it was going to tender for LNG-fuelled ships for up to 27m tonnes of its iron ore. That tender is in process and in November BHP stated it was intending to award the contract in the first quarter of 2020.

Australia will be competing for this business with China and Singapore, where bunker vessels have been committed and are under construction, and where in Singapore there has been pro-active government backing for LNG bunkering (e.g. grants to support bunker vessel construction). It will require bunkering in Western Australia to be internationally competitive.

There are already four LNG-fuelled bulk carriers committed to for the Australia-Korea iron ore trade, with commitments from POSCO and Hyundai Steel as charterers of two ships each, to be owned and operated by H-Line and built at Hyundai Heavy Industries with support from the Korean government. The first of these ships is due to be delivered in late 2020.

LNG is becoming increasingly recognised as the most viable alternative fuel for deep-sea shipping. A recent analysis by the International Energy Agency shows that the total cost per kilometre of an LNG-fuelled bulk carrier is marginally higher than for low-sulphur fuel oil, but that all other alternative fuels such as ammonia or liquid hydrogen are significantly more expensive, even

incorporating possible long-term cost reductions.

DNV GL's most recent outlook (Maritime forecast to 2050) also arrives at the same assessment, and forecasts significant growth in LNG fuelling over the next two decades.

“Further supporting this strong business case for LNG-fuelled vessels, Woodside has just ordered six vessels from Solstad Offshore. Two of which are anchor handlers and four are PSVs that would provide marine services for several offshore drilling campaigns in Australian waters,” Ms Matthews says.

### WOODSIDE'S DRIVE

The Woodside-operated Pluto LNG Project opened its LNG truck loading facility last year, a milestone towards development of a local LNG market for remote power generation and transport fuels.

Following the completion of commissioning activities, the facility initially will be able to deliver seven LNG truck loadings per day, each one transporting the equivalent of more than 80,000 litres of diesel.

At this initial capacity, replacing that diesel with LNG could reduce lifecycle GHG emissions by more than 120,000 tonnes per year. The facility's capacity can be doubled by moving to 24-hour operations, and further expanded if needed to meet growing future market demand.

Woodside's initial focus is on supplying trucked LNG to mining operations and communities in the Pilbara, Kimberley and elsewhere in WA for power generation. Trucked LNG also will be used to supply coastal marine vessels, including the LNG-powered *Siem Thiima* which joined Woodside's fleet in 2017.

Woodside is also planning to develop infrastructure for supplying LNG to the international shipping industry, particularly iron ore carriers on the busy trade route from the Pilbara to Asia.

Woodside chief operations officer Meg O'Neill says the Pilbara is an ideal hub for an LNG fuels market, with established LNG processing facilities located close to large-scale mining operations and port infrastructure.

“The Pluto LNG truck loading facility is a further demonstration of our commitment to supplying domestic gas, and highlights Woodside's drive to find new markets for our cleaner LNG,” she says.

“Around three billion litres of diesel are imported into the Pilbara every year, mainly for the mining industry. In addition, the ships exporting iron ore to international markets from the Pilbara consume approximately five billion litres of heavy fuel oil annually.



The Prelude FLNG facility as it leaves the SHI Shipyard in South Korea

## THE PRELUDE – THE SHIP THAT’S NOT A SHIP

■ The *Prelude* floating liquefied natural gas facility - located offshore, north-north east of Broome in Western Australia - reached a significant milestone last year, when the first shipment of LNG left the facility bound for Asia on the *Valencia Knutsen*.

*Prelude* FLNG is designed to extract, liquefy and store natural gas at sea, before it is transferred and shipped to customers. It is often referred to as a ship but is in fact the world’s largest FLNG platform as well as the biggest offshore facility ever constructed. It is set to unlock new energy resources offshore and produce approximately 3.6m tonnes of LNG per year.

*Prelude* was built by the Technip/Samsung Consortium in South Korea for a joint venture between Royal Dutch Shell, KOGAS, and Inpex. It is 488 metres long, 74 metres wide, and made with more than 260,000 tonnes of steel. At full load, it will displace more than 600,000 tonnes, more than five times the displacement of a Nimitz-class aircraft carrier.

*Prelude* will remain at its current location for 20-25 years, during all weather events, having been designed to withstand a category 5 cyclone. It is connected to a series of anchor chains which secure the facility to the seafloor.

LNG is made by taking water and other impurities out of the gas and cooling it to minus 165 Celsius. Condensate is also produced during the process.

*Prelude* is supported by three infield support vessels that provide security surveillance, emergency standby and product transfer support. Other multi-purpose supply vessels provide additional transport and logistical support, out of Darwin.

The offshore infrastructure is supported by onshore servicing. The helicopters that transfer personnel to and from *Prelude* are refuelled at the Djarindjin Airport, which is Aboriginal-owned and employs local people.

“Woodside believes that LNG produced here in Western Australia can replace those higher-emissions fuels, delivering environmental benefits while supporting the growth of local industries and creating new markets for locally produced LNG,” Ms O’Neill says.

### BHP’S LOW EMISSIONS LNG FREIGHT

Last year BHP released the world’s first bulk carrier tender for LNG-fuelled transport for up to 27m tonnes of its iron ore (around 10%).

“This is one of the most meaningful outcomes from the Green Corridor study. The response to the tender was overwhelming positive,” Ms Matthews says.

The Green Corridor project brought together stakeholders serving the Australia-China iron ore and coal trade route, together with LNG supplier Woodside, ship designer SDARI, and class society DNV GL, to develop a suitable LNG-fuelled bulk carrier solution for the route.

“The economics of LNG-fuelled vessels continues to improve and is now a ‘no brainer’ for this type of shipping in our region,” Ms Matthews says.

Research from Energetics estimates that using LNG instead of heavy fuel oil would reduce the GHG emissions generated by the iron ore carriers that ship iron ore from the Pilbara to Asia each year by up to a third.

Rashpal Bhatti, vice president, maritime and supply chain excellence said emissions resulting from the transportation and distribution of BHP’s products represent a material source of its value chain emissions (Scope 3).

“We recognise we have a stewardship role, working with our customers, suppliers and others to influence emissions reductions across the full life cycle of our products,” Mr Bhatti says.

“Through this tender, we are seeking potential partners who share our ambition of lowering emissions to the maritime supply chain.”

The tender is open to a select group of industry leaders, from ship owners, banks and LNG fuel network providers. The tender also seeks other innovative solutions that can lower GHG emissions and increase productivity from BHP’s freight requirements.

“While LNG may not be the sustainable homogenous fuel of choice for a zero carbon future, we are not prepared to wait for a 100% compliant solution if we know that, together with our partners, we can make significant progress now,” Mr Bhatti says.

### ON THE EAST COAST

With regards to the eastern states a follow-up to the green Corridor study is being conducted, according to Ms Matthews.

“Facilitated by DNV-GL, the study is pulling together data and making it possible for proponents to make sound decisions about how to progress LNG bunkering.

## KEY FACTS

**LOCATION:** Browse Basin, Australia

**DEPTH:** ~250 metres

**CATEGORY:** Floating liquefied natural gas

**INTEREST:** Shell 67.5%, INPEX 17.5%, CPC 5%, KOGAS 10%

**FIELDS:** Prelude & potentially other Shell natural gas assets in the region

**FLNG FACILITY PRODUCTION CAPACITY:** At least 5.3 million tonnes per annum of liquids: 3.6 mtpa of LNG, 1.3 mtpa of condensate and 0.4 mtpa of liquefied petroleum gas





# We keep Australia's economy moving

NSW Ports manages the key trade gateways that connect the people and businesses of NSW with the world.

We hold long term leases to manage Port Botany, Port Kembla, Enfield Intermodal Logistics Centre and Cooks River Intermodal Terminal through which millions of tonnes of freight are imported and exported to domestic and international markets each year.

We play a critical social and economic role within NSW:

- Contributing \$4.4 billion to the economy
- Supporting approximately 30,000 jobs

[www.nswports.com.au](http://www.nswports.com.au)







Woodside Energy's LNG-fuelled support vessel, the *Siem Thiima*

"This is opening up the possibilities of LNG in the eastern states with particular interest from Gladstone, Newcastle and Port Kembla ports."

The Australian Industrial Energy consortium is awaiting approval on an amended development consent, in order to proceed with its Port Kembla LNG import terminal project.

AIE's original timeline was to provide first gas by late 2020/early 2021. However, its customers expressed that their gas demands during peak season (typically between April and September) would exceed the volume approved in the current development consent already granted by the NSW Department of Planning.

As a result, AIE recently lodged a modification to its consent to increase capacity, an AIE spokesperson tells DCN.

"The modification is likely to take several months to approve, and while we are continuing conversations with a range of interested parties, we'd expect to formalise deals once the request for additional capacity is approved".

AIE has signed a preliminary agreement to provide 15PJ of natural gas per annum to Energy Australia. Further to this agreement, AIE is in negotiations with a range of industrial businesses and retailers looking to sure up supply over the coming years.

AIE's first priority is getting the terminal built and operational in order to supply natural gas to industrials and retailers.

"We have always maintained a potential interest in LNG bunkering opportunities, although no feasibility study on this has commenced," the spokesperson says.

"It's possible the Port Kembla gas terminal could be a bunkering hub for both local vessels and deliveries up and down the eastern Australian seaboard, but again, that's something we will explore further down the track."

#### LNG PROVES COMPELLING FOR VLCCs

SEA\LNG has released the results of its third investment study, which underlines LNG as a compelling investment solution for very large crude carriers on the Arabian Gulf to China trade route.

Conducted by Opsiana, the study demonstrates clear benefits of LNG as a marine fuel for a newbuild 300K DWT VLCC on the Arabian Gulf to China trade route, in comparison with other alternatives currently available and scalable to the shipping industry across three fuel pricing scenarios.

The business case in the study compares the relative investment performance of four propulsion alternatives: a conventional VLCC sailing with very low sulphur fuel oil; a scrubber-equipped VLCC sailing mostly with heavy fuel oil; and two LNG powered VLCCs, one with a high-pressure 2-stroke engine, the other a low-pressure 2-stroke engine.

The study clearly indicates that LNG as a marine fuel delivers a strong return on investment on a net present value basis over a conservative 10-year horizon. The analysis is bolstered by compelling paybacks from three to five years. ■



The Green Corridor project brings players together to explore LNG-fuelled shipping options for commodities being exported from Australia to Asian markets





# Dedicated to the extreme



Smit Lamnalco provides first-class, reliable and customised towage and marine services in Australia and PNG. No matter how remote or complex the operation, we are dedicated to exceeding expectations.

**Discover the possibilities at [smitlamnalco.com](http://smitlamnalco.com)**



Departure of an LNG carrier with the forward tug positioning to be made fast for T2 escort

# The rigours of LNG towage



T2 towage from the stern with another two tugs on the other side of the ship

The type and size of ships visiting the port at Gladstone requires a high level of expertise and flexibility on behalf of the towage provider. **Paula Wallace** speaks to Smit Lamnalco about its operations there

**T**he Port of Gladstone is the largest multi-commodity port in Queensland. In 2018-19, it had a total throughput of 124m tonnes, with more than 1,900 vessels visiting the port. Coal exports accounted for 70.2% of total port throughput, followed by liquefied natural gas at 20.9%.

Over the same period the Port of Gladstone received 324 LNG vessels and exported 21,570,655 tonnes of the commodity. Curtis Island has three wharves operated by LNG companies: Australia Pacific LNG, Santos GLNG and Queensland Curtis LNG.

Smit Lamnalco provides towage services for LNG at the Port of Gladstone. The company has a wide range of highly specialised tugs and dedicated crew, delivering tailored solutions to LNG terminals around the world. It has more than 50 years experience in berthing and un-berthing LNG carriers.

The company's operations manager Peter Sedgwick tells *Daily Cargo News* that they run a fleet of state-of-the-art LNG escort tugs in Gladstone.

"Smit Lamnalco built the five purpose-designed Robert Allen RAsar 3400 FiFi1 escort tugs for the Gladstone LNG operations through consultation with the relevant port stakeholders.

"They were selected by a team of experienced marine specialists. This decision has been duplicated in other Australian high demand ports," he says.

The RAsar 3400 are LNG escort tugs with 86tBP and free running speed of 15 knots, fitted with gas detection and gas-tight dampers on all air inlets and outlets, all controlled by a two-stage alarm gas safety system.

All electrical deck equipment is of an explosion-proof design; other equipment can be switched off using a single button in the case of a gas alarm. Modern touch screen technology is used to control systems, backed up by conventional controls.

In addition to the RAsar 3400 tugs, Smit Lamnalco maintains five Robert Allen Rampart 3070 (ASD) escort tugs and one Damen 3211 (ASD) tug in the port.

"The fleet combination is considered the most efficient for the operational profile in Gladstone. The Rampart design is widely accepted as a versatile, multi-purpose tug, well suited for Gladstone harbour towage," Mr Sedgwick says.

## HIGH EXPECTATIONS

Smit Lamnalco places much emphasis on training, assessment and development of its staff with



worldwide best-in-class training programs.

"In Gladstone, we have additionally developed several highly innovative and flexible approaches," Mr Sedgwick says.

He refers to the company's Indigenous trainee scheme, the training up of high potential GPHs to become tug masters and supporting deck crew to gain engineering qualifications.

Smit Lamnalco also runs in-house "Managing Marine Emergencies" first response training, and the award-winning "Crew Driving – Master Incapacitated" and "Master Relief for Inbound LNG Towage Operations" programs, developed specifically for the Gladstone LNG active escort operations.

"Our Tug Master Training and Check Program is designed to ensure that masters operating Smit Lamnalco vessels within the region are provided with initial and recurrent training opportunities in order to maintain a 'world-class' operational standard," Mr Sedgwick says.

"The program uses a cyclic training system as developed and used by airline check and training departments worldwide.

"The cyclic training system is a six-month rolling program which alternates between simulator and on-water training/checking events."

The intent of the program is for each Master to undertake two training events within a 12-month period. Senior masters meet annually to review the emergency training program for future improvement and lessons learnt.

"These standards are considered to be the highest within the Australian towage industry to date," Mr Sedgwick says.

"The LNG industry has some of the highest safety standards in the world today.

"Smit Lamnalco has invested in highly specific escort tugs and more importantly invested in our crew training and competency to be able to deliver this high expectation to the port users," he says, adding that Gladstone was the first port in the country to provide T2 escort towage.

T2 towage consists of having two escort tugs attached to the stern quarters of the ship and provides superior towage options to the ship.

#### GLOBAL EXPERIENCE

An advantage of being part of a global organisation is that Smit Lamnalco operations in Australia can access multiple layers of knowledge, experience and learnings from its worldwide associates.

"For example, cutting-edge LNG powered tugs in our Keppel Smit Singapore operations," Mr Sedgwick says.

"Also the outcomes from the Smit Lamnalco senior international position on the various oil and gas industry association boards and working groups (such as the LNG Support craft training) and collaboration with the Boskalis "Operational Excellence Team" for support and calibration."



On an international basis, Smit Lamnalco is well regarded in operations of floating storage regasification units in the LNG industry.

"We are an invited attendee and active participant at the Oil Companies International Marine Forum," Mr Sedgwick says.

The company is also a sponsor and supporter of the Society of International Gas and Terminal Operators and a founding member and shareholder of the Society for Gas as a Marine Fuel.

"We are the first and only company to have developed an eLearning program on emergency response principles for support craft in line with the new SIGTTO guidelines for both onshore and offshore LNG, which were developed after lobbying by Smit Lamnalco," Mr Sedgwick says.

**These standards are considered to be the highest within the Australian towage industry to date**

**Peter Sedgwick, Smit Lamnalco**

"The principles indicate the level of training and competency of the support craft crew and Smit Lamnalco is the first and only towage company to be putting its staff through the training."

The SGMF has recently published "Gas as a Marine Fuel: salvage principles for LNG marine fuelled vessels" in an effort to review and develop procedures for what can be a complex and different operation from a conventional salvage response.

"Another result of our work in emergency response and salvage in the LNG industry is the introduction of an emergency response officer at each LNG terminal or location," Mr Sedgwick says. ■

Tug masters training in LNG towage at SmartShips simulator in Brisbane



CMA CGM *Jacques Saadé* is the first in a new fleet of nine French-flagged, 23,000-TEU, LNG-powered containerships

# Launch of the largest LNG containership

September marked the launch of the CMA CGM *Jacques Saadé*, the first in a new fleet of nine French-flagged, 23,000-TEU, LNG-powered containerships. By Paula Wallace

**T**he commitment of shipping line CMA CGM's to energy transition to liquefied natural gas is clear. Back in 2017, the company chairman and CEO Rodolphe Saadé decided to make CMA CGM the first shipowner in the world to equip its nine future 23,000-TEU vessels with engines powered by LNG.

Mr Saadé was there in September when the first of these vessels, the CMA CGM *Jacques Saadé*, was launched at the Shanghai Jiangnan-Changxing Shipyard.

By 2022, the group's fleet will include 20 LNG-powered vessels, including nine vessels of 23,000 TEU; five vessels of 15,000 TEU; and six vessels of 1,400 TEU.

LNG helps to reduce emissions of sulphur oxides and fine particles by 99%; nitrogen oxides emissions by up to 85%; and carbon dioxide emissions by around 20%.

These new ultra large containerships will join the group's fleet in 2020 on the French Asia Line (Asia-Northern Europe).

These exceptionally large vessels (400 metres long and 61 metres wide) will be distinguished from the rest of the fleet by a special livery displaying an "LNG POWERED" logo.

In a world first, the CMA CGM *Jacques Saadé* is built around the tank which will contain the 18,000 cubic metres of LNG required for round-trip voyages on the Asia-Europe routes.

"With the launching of the... ship we demonstrate that energy transition can be effectively successful in our industry if all the players work together," Rodolphe Saadé says.

"It paves the way to a global shipping approach where economic growth and competitiveness can coexist with sustainability and the fight against climate change."

## CLOSER TO HOME

While the ultra-large vessels are a while away from operating on ANL's trade lanes, the company is committed to a long-term environmental approach in line with parent company, CMA CGM.

"Being aligned with the CMA CGM environmental strategy, ANL is firmly committed to the reduction of its carbon footprint for the protection of the environment and the preservation of oceans and biodiversity and the environment," ANL's marine manager Captain Andrew Stewart tells *Daily Cargo News*.

In response to compliance with IMO2020 regulations, ANL vessels were due to change fuel types in December 2019.

"ANL, as part of the CMA CGM Group set up the dedicated Countdown 2020 Working Group to anticipate the full range of issues arising from this new regulatory obligation in order to ensure the group's compliance: purchase of compliant fuel oil, cleaning of tanks and supply chain management," Captain Stewart says. ■

## FACT BOX

### CMA CGM *Jacques Saadé*

#### GENERAL INFORMATION

**DELIVERY DATE:** first half 2020  
**SERVICE:** French Asia Line  
**OWNER/OPERATOR:** CMA CGM  
**BUILDER:** CSSC Hudong & CSSC Jiangnan  
**YEAR BUILT:** 2020  
**FLAG:** French  
**NOMINAL CAPACITY:** 23,112 TEU

#### TECHNICAL INFORMATION

**LOA:** 400 m  
**OVERALL BEAM:** 61 m  
**TYPE OF VESSEL:** cellular  
**DRAFT:** 16 m  
**REEFER PLUGS:** 2200  
**ENGINE:** CMD-WinGD 12x92 DF  
**MAXIMUM POWER RATING:** 63,840 kW





# Gateway to trade and tourism in regional Australia



Mid West Ports strongly advocates gender diversity in the workplace and would like to congratulate our CEO, **Dr Rochelle Macdonald** on being awarded the 2019 Women in Shipping & Maritime Logistics Award.



Mid West Ports Authority has been overseeing safe, secure and efficient port and marine services in the Mid West region since 1969. MWPA manages one of WA's most diverse operations in the Port of Geraldton, facilitating trade to 27 countries and the east coast of Australia

[www.midwestports.com.au](http://www.midwestports.com.au)

Tel: 08 9964 0520 | PO Box 1856 | 298 Marine Terrace | GERALDTON WA 6531



# To be or not to be... an employer

Alexis Cahalan provides an examination of some recent issues that may impact labour hire arrangements and casual working relationships

## TODAY'S FLUID AND REACTIVE

work environments dictate the way in which businesses engage staff. Such relationships can range from full-time employment, to casual employment or labour hire arrangements. Sub-contracting is especially common in the freight forwarding sector where owner drivers provide their own vehicles and meet the vehicle's running costs and invoice the forwarder for the work actually done.

This article looks at some recent cases which have related to the duties of a host employer in labour hire arrangements and casual working relationships where, despite the terminology used by a company and worker to define that relationship, the worker is not, in fact, a casual employee.

## LABOUR HIRE

The traditional employer/employee relationship brings with it among other things, an employee's entitlement to leave loadings, sick leave and long service leave.

Labour hire arrangements can present an attractive alternative for businesses as it allows the workforce to be increased or decreased according to the demands of the business. While that may mean paying an increased hourly rate, it is without the ongoing commitments that go with permanent employment.

However, reliance on labour hire employees does not dilute the overriding responsibility the employer has for the overall safety of the workplace and all those who work in it, including labour hire employees.

## WHAT ARE THE DUTIES OF A HOST EMPLOYER?

An analysis of an employer's duty of care was recently analysed by the NSW Court of Appeal in *Williams v Metcash Trading Ltd*. The facts of that case were that Mr Williams was employed by a labour hire company Workforce Solutions Pty Ltd, which traded under the name of Tru Blue Recruitment Australia.

He was assigned to work at Metcash's distribution centre at Eastern Creek, Sydney. Metcash supplies goods to IGA stores and "pickers" were expected to meet certain performance targets. The centre had 46 aisles with shelves up to a height of eleven metres. Mr Williams claimed to have been injured on two occasions in 2012, one of these when he was lifting two boxes of dog food from underneath a high rack.

fact that he lifted two boxes rather than one box.

## SAFE HANDLING INSTRUCTIONS

There was evidence Workforce had given Mr Williams some instructions and an induction about safe manual handling as part of an induction process before attending Metcash's premises. Then again, at Metcash premises, he was taken through safe handling techniques which included the importance of lifting one box at a time. There was also evidence Metcash supervisors prevented staff from carrying extra items in order to increase their picking rates.

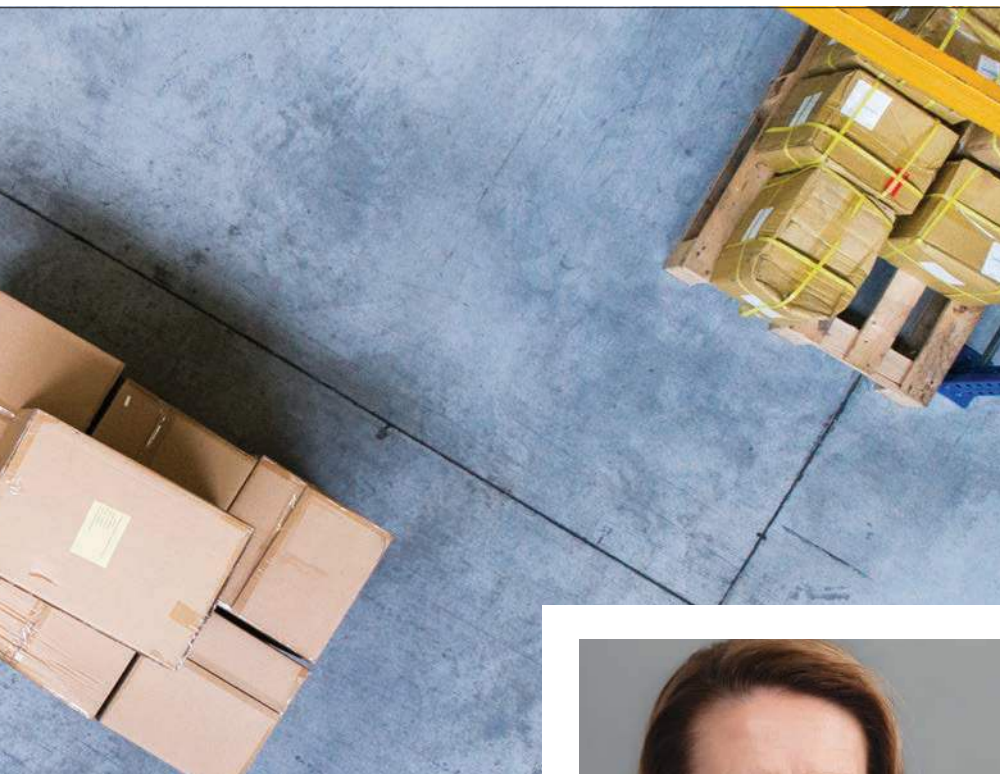
Importantly in examining Metcash's role, the NSW Court of Appeal held that as "host employer" it owed Mr Williams "a duty corresponding with or at least very similar to an employer's duty to take reasonable care to avoid exposing the

**Key to the decision was that Mr Skene had a predictable work pattern and had been provided with an advanced commitment of 12 months' work.**

At the first hearing, Mr Williams failed in his claim as the Court held his injury was not caused by the mechanism of removing dog food tins from the rack but rather because he had lifted two boxes of dog food at once contrary to instructions. On this basis Metcash was held not liable. However, on appeal ultimately it was found it was the height of the pick slot which caused Mr Williams his injuries, not the

worker to unnecessary risks of injury". In addition, the Court of Appeal stated that if there is a real risk of injury, then the host employer has a duty to devise a work method that eliminates risk or provides appropriate safeguards to eliminate such risk. In this case there was a sophisticated computerised product rotation in the picking section which provided such a safeguard.





### A HOST EMPLOYER'S DUTY

The duty of a host employer towards a labour hire employee is put as high as a duty corresponding with that of an employer or a duty very similar to an employer's duty. In a practical sense, this arises from the fact the host employer is in control of the workplace rather than the actual employer and is, therefore, better placed to observe and put into place measures to avoid the risk of injury.

In terms of risk management, host employers should ensure that labour hire employees:

- have been vetted by the employer and certified medically fit for the anticipated work or any pre-existing injuries declared;
- provide the appropriate certifications and qualifications;
- undergo induction and training from host employer before working on site;
- undergo and document training given by the employer specific to the worksite;
- in the event of an incident where a worker is injured, obtain contemporaneous statements from all relevant staff including other labour hire staff as they may not be located subsequently;
- retain copies of any CCTV footage showing the incident; and
- learn from the incident and implement measures which would avoid such an incident occurring in the future.

We have looked at a situation where a business uses the services of a worker without having them on their payroll but



Alexis Cahalan, partner, Norton White

is nonetheless effectively considered an employer. However, other issues can arise in a situation where an employer tries to meet the ups and downs of the business by hiring casual rather than permanent labour and paying the higher weekly rates that usually come with such an arrangement.

### WHEN IS A CASUAL WORKER NOT A CASUAL WORKER?

In *Workpac v Skene* the Federal Court was asked to decide in what circumstances a "casual worker" will be deemed to be otherwise. Mr Skene worked at a mine owned by Rio Tinto in Queensland. He was classified as a 'casual employee' in his contract of employment and his total hourly rate of pay was stated to be inclusive of a 'casual loading'. His employment was terminated in April 2012. With the assistance of his union, Mr Skene issued proceedings to recover unpaid annual leave entitlements under the Fair Work Act 2009 (Cth) following the termination of his

employment. A casual worker would not be ordinarily entitled to these payments. The Federal Court found that Mr Skene was a permanent employee and was, therefore, entitled to annual leave entitlements. Key to the decision was that Mr Skene had a predictable work pattern and had been provided with an advanced commitment of 12 months' work.

### OBSERVATIONS BY THE FULL COURT

The Full Court observed that it may have been possible for WorkPac to offset the casual loading payments made against the liability to Mr Skene if the casual loading payments had been specifically identified as a financial sum or percentage of pay in Mr Skene's payslips or other contractual documents. On the facts, however, no specific identification had been made and Mr Skene was entitled to compensation despite being paid casual loading during his employment. The decision has clear financial implications for businesses who employ casual workers.

Since the decision in *Skene*, WorkPac has commenced proceedings in the Federal Court as a 'test case' in *WorkPac v Rossato*. The case was heard by the Federal Court in May this year and judgment has been reserved. The Federal government also had its concerns and reacted by enacting the Fair Work Amendment (Casual Loading Offset) Regulations 2018 on 18 December 2018. The Regulations provide that where an employer classifies a worker as a casual and pays a clearly identifiable amount of money in compensation for the employee not qualifying for a casual loading entitlement under the Fair Work Act 2009 (Cth), and it is found that the person was in fact a permanent employee (as in *Skene*) and a claim for NES entitlements is made by the worker, the employer can seek to have the amounts paid as casual loading taken into account.

### FINAL THOUGHTS

Depending on the outcome of the decision in the *Rossato* test case, it would be worthwhile for businesses that employ staff on a casual basis to review current employment contracts to identify an employee's loading entitlements. For labour hire workers, this is not an issue, however, a business in this situation must be continually alive to the considerable obligations it has to ensure the safety of workers while both on and off site. ■

# IMO 2020 regulations – a step in the right direction

Transportation and third-party logistics provider C.H Robinson looks at the industry response to the IMO2020 regulations

## AS OF 1 JANUARY 2020, THE

International Maritime Organization ruled that marine sector sulphur emissions must be cut by more than 80% in international waters. The implications of IMO 2020 will be felt across sea freight and beyond. At C.H Robinson, we welcome this positive step towards reducing the environmental impact of sea freight.

IMO 2020 sets a precedent for requiring the lowest levels of sulphur oxide content to date (less than 0.5%) in petroleum-based fuels, used by carriers throughout the ocean freight industry, as opposed to the current limit of 3.5%. The change is being implemented as a start to reduce our global impact on the environment, with IMO's aim to reduce greenhouse gas emissions by 50% of 2008 levels by 2050.

## OPTIONS AVAILABLE

There are three options for ocean carriers to ensure they comply with the new regulations – use low sulphur fuels (e.g. diesel) that contain less than 0.5% sulphur oxides (i.e. MGO, VLSFO), install exhaust cleaning systems (scrubbers) onboard shipping vessels to remove sulphur oxide emissions from high-sulphur fuels or to use a range of alternative fuels such as liquefied natural gas.

It is clear the industry is still adapting to the new measures, with the true impact of the regulations to be felt in the next few years. As expected, there has been an introduction of fuel surcharges to offset the changes that companies have had to make whichever option they chose to employ.

## RUMBLINGS OF DISCONTENT

Unfortunately, not everyone in the industry is happy with the consequences of the regulations. More than 80 ports internationally have banned the use of open-loop scrubbers for ships operating in their waters. Because of this, shippers are more likely to either use compliant low

sulphur fuel or close loop systems prior to entering the surrounding waters.

We feel the impact to C.H Robinson's customers will be minimal since most Oceania trade will be conducted using compliant fuel or hybrid scrubbers that can be put into the closed loop format when required.

## OTHER MODES OF TRANSPORT

While the main focus of the regulations has been centred on the impact within the sea freight industry, C.H Robinson also has been monitoring the impact to other modes of transport such as air freight and road travel.

There is a possible tangible impact to the price of air fuel due to both diesel low sulphur fuel and jet fuel being made using kerosene. Therefore, an increase in the demand for diesel fuel has the potential to reduce the availability of middle distillates (kerosene), causing a spike in the costs of jet fuel. This increase would not only affect the cost of air freight but potentially commercial travel, making the cost of personal travel more expensive.

## CONNECTIONS WITH TRUCKING

There have been some discussions on the impact of IMO 2020 to the trucking industry within North America. In the run up to January 2020, we did not notice any impact to the trucking sector within Oceania however we can expect truckers and carriers to adjust their fuel surcharges in line with the market impacts and diesel supply.

Given fuel is a key global commodity, it will be interesting to track the market rates of both low-sulphur fuel and diesel prices to witness how the market is adapting to the changes required by IMO 2020.

## A SIGNIFICANT STEP

Despite the increased cost, the use of cleaner fuels is a significant step towards



Andrew Coldrey, vice president Oceania, C.H Robinson

reducing adverse environmental impacts and should be viewed positively by the ocean freight industry. The reduction of sulphur emissions will help to provide benefits such as improved air quality, reduced risk for respiratory health problems and a reduction in acid rain and acidified water.

Industry leaders are continuing to innovate and change, with alternatives coming onto the market, as the world looks to implement positive environmental action. Several companies are taking this positive action one step further, such as CMA CGM's announcement that it will cease utilising the Northern Sea Route in order to protect its unique ecosystems.

As industry around the world looks to make more environmentally responsible choices, the sea freight industry will need to continue to innovate and evolve in order to keep up. ■

*C.H Robinson provides transportation and third-party logistics services*





PROACTIVE | RISK MINIMISATION | CO-DESIGN



**CUSACK & CO**  
MARITIME LAW SERVICES



# When the fine print matters in freight contracts

A decision of the Victorian County Court shows freight forwarders need to ensure they benefit from terms and conditions, writes **Andrew Hudson**

## THE DECISION OF THE VICTORIAN

County Court in *Technology Swiss Pty Ltd and Ecology SRL v Famous Pacific Shipping Pty Ltd*, which was delivered on 30 September 2019 and published on 13 November 2019, has already received some industry attention. Much of the attention has focused on one of the outcomes of the decision which allowed the incorporation of the terms and conditions of the freight forwarder including a limitation of liability condition which reduced the award for damaged cargo. However, there were other important aspects of the decision which warrant equal consideration including recognition that the decision is limited to its relevant facts and cannot be taken as a wholesale endorsement of the incorporation of terms and conditions of trade in all circumstances.

Freight forwarders and others involved in moving cargo need to be careful to ensure that they benefit from their terms and conditions. Similarly, those whose cargo is being moved need to be aware of governing terms and conditions of trade, including limitation of liability provisions to manage their risks of carriage and secure appropriate insurance.

## BACKGROUND TO THE DECISION

The facts of the matter are set out in some detail, but for current purposes, the following essential points can be highlighted:

- The goods were a number of fog

cannons used to spray mist to suppress the dispersal of dust in mining and demolition operations.

- The first plaintiff had sold the goods to a purchaser in Bangkok, Thailand and had arranged for the transport of the goods by the defendant (FPS).
- On arrival in Bangkok, the goods were found to have been badly damaged due to having been improperly secured in the containers. The goods could not be repaired and were sold for scrap.
- The plaintiffs sued FPS to recover the value of the goods and associated costs and losses.

## DECISION SUMMARY

The court held the terms and conditions of FPS were adequately incorporated into the freight contract although they had not been provided by FPS and even though the plaintiff had not accessed them. In this case, the terms and conditions were referred to in the 'sign off' block and 'footer' of FPS emails which were in the extensive exchanges between FPS and the plaintiff. Importantly, the provisions not only referred to the terms and conditions but that they included provisions limiting or excluding liability.

The court held that the terms of the bill of lading issued for the shipment were not incorporated into the freight contract to limit liability. That finding was based on the BOL only being provided after the date



**Andrew Hudson**, partner, Rigby Cooke Lawyers

that the shipment left, that it had not been issued by FPS but by some other company in the group and that the BOL referred to terms on the conditions 'on the reverse' which were not actually on the reverse, and there was no other way to identify them. This conclusion avoided the need for a finding on the application of the Hague-Visby convention, although the court expressed the view that it would probably not apply.

## LIMITATION OF LIABILITY

One of the limitation of liability provisions in the FPS terms and conditions was enforced to limit liability to the replacement cost of the goods plus the cost of freight and insurance. There was no recovery of consequential losses. A further provision of the terms and conditions seeking to limit liability to a much lesser amount based on the weight of the goods (US\$2 per kilogram) was precluded due to the drafting of the limitation of liability provision. That provision had the effect that if an invoice was provided for the



goods, then liability would only be for the value of the goods plus freight and insurance (if paid). In support of that decision, the Court observed that limiting the claim to US\$21,600 based on the weight of the goods compared with the invoice value would have been “absurd”.

### PRACTICAL LESSONS

Some practical lessons can be drawn from the decision. To begin with, please have terms and conditions of trade and ensure they are comprehensive, work for the company, are communicated to customers and approved by insurers.

Over time thanks to investment by the CBFA we have drafted *Standard Terms and Conditions of Trade* for use by CBFA members along with associated documentation. We have also drafted versions required for specific client needs. The decision emphasises the need for such terms and conditions.

Most ‘freight contracts’ do not operate based on a formal agreement between the parties and are comprised by exchanges of emails and discussions. However, that is not always the case, and occasionally customers or their freight providers have more formal agreements in place which govern commercial and legal arrangements. Such was the case in the High Court case of *Siemens v Schenker* when a long-standing “overarching agreement” agreement between the parties which included a limitation of liability provision was found to apply to all freight being carried.

### A COMPREHENSIVE DECISION

The decision of the Victorian County Court is not binding on superior courts. However, in this case, it is a comprehensive decision drawing heavily on decisions of superior courts and would be given more weight. Each case will be governed by specific facts and should not be taken to apply or be binding in all other cases, even with similar facts or circumstances.

Where freight is organised through emails and telephone conversations or other means, a provider or freight will often try to limit liability by reference to “standard terms and conditions” which “can be found at the company’s website” or “at a link” or are “available on-demand”. Such arrangements can work if the references are clear enough, actually exist at the links or are actually provided on request. The longer the exchanges

## The court held that the terms of the bill of lading issued for the shipment were not incorporated into the freight contract to limit liability.

by email, the more likely would be the inclusion of the terms and conditions. There needs to be real discipline in such practices. Of additional assistance was that the “sign off” indicated that the terms and conditions included limitations and exclusions from liability – which should have put the customer on notice. Choosing not to review them will not save the customer from being bound by them.

### ZERO ‘ABSOLUTE ANSWERS’

Many of the questions I am asked focus on the application of standard terms and conditions of trade, whether for liability or other provisions. There is no one answer to

that question as it will be driven by relevant fact situations and conduct of the parties. However, this decision does confirm an approach in earlier decisions that the contents of a contract are those agreed to by the parties or which are implied by their conduct or normal practice in the relevant industry. This approach would allow terms and conditions to be incorporated by reference in emails so long as the text is clear (including general reference to terms and conditions and comment that the conditions include limitations or exclusions of liability). Of course, such terms and conditions must exist at the links where customers are directed. ■

## FURTHER POINTS

■ There are other ways to incorporate terms and conditions – for example, in the CBFA’s standard ‘Authority to Act’ there is reference to terms and conditions being included by reference.

Attempting to limit liability through BOL (or similar) is more difficult. The relevant BOL would need to be provided before departure of the ship and have proper references to the terms and conditions of that BOL. They would also need to be issued by the party providing the freight to the customer or otherwise be incorporated by reference in the standard terms and conditions of the party arranging the freight. That requires a clause setting out the precedence of clauses in the various documents as between the BOL and other terms and conditions.

There must be some doubt on the enforceability of the very low-level liability provisions based on the weight of the goods as opposed to their invoice value. This is especially the case where the value of the goods being carried is actually known and provided to the parties carrying the goods.

Parties who are seeking the provision of freight must pay careful attention to ‘standard’ terms and conditions and other provisions which may govern the freight of their goods. While they are rarely open for negotiation, it is important to know their terms to assist in managing risk and procuring appropriate insurance. However, many large corporates are able to dictate their own terms and conditions of carriage with their freight forwarder or other service provider.

The application of International Conventions governing sea or air carriage, including limitation of liability provisions can be difficult.





Section T overview of configuration

# The impacts of ship side thruster forces

New work can assist port operators in assessing the impact of bow and stern thruster operation, writes **Brett Miller**

## THE WATER RESEARCH LABORATORY

in the School of Civil and Environmental Engineering at UNSW Sydney recently undertook physical modelling of the effects of ship side thruster forces on existing armoured berths and ports.

Ship movement without supporting tug boats and the emergence of powerful self-propelled vessels has led to potentially devastating effects on structures that were not designed for jet impacts.

This has left port operators with a decision on whether to restrict bow and stern thruster operation or to update the protection of the structure and utilise physical modelling to get the crucial information they require.

## SCALING THE MODEL

Scale modelling was undertaken in a 4 metre x 7 metre x 1.4 metre deep basin for several ports. Froude-based scaling ensured that gravitational processes are reproduced, however it is important to use a model scale where the turbulence (Reynolds number) is sufficiently high. Different scales have been used for different models in the ranges of 1:13.5 to 1:20 to maintain adequate turbulence for the rock stability testing; that follow coastal engineering scaling rules for armour mass; provide adequate resolution and accuracy for model measurements; and

ensure the basin had enough space for water circulations and jet dispersion.

The recent ship-thrust models undertaken at WRL have been larger than the physical models used in previous recorded studies.

## DETAILS OF STUDIES

In each model study, measurements were made of velocities to understand how far away from the ship the jet will persist, the expected impact velocities on the embankments and seafloor and how parallel jets may merge.

For ships at the berth-line the bow thruster jets remained independent, however as a ship moved away, the merging of jets became important. *PIANC (2015) Guidelines for Protecting Berthing Structures from Scour Caused by Ships* provides advice and methods for estimating propeller exit velocities. We found that these analytical methods predicted larger (more conservative) velocities that decayed more slowly than what was observed in the physical model.

Testing of rock armoured embankment stability was undertaken by placing the bow, stern or rear propeller in a range of positions and operating at various speeds. The position of all rocks on the embankment were measured both before and after each test.

In general, the armour was found to be more "stable" than predicted by the

empirical methods in PIANC (2015) due to a combination of armour slope (the jet is pushing into the slope rather than across bed protection), jet dispersion and energy dissipation through the armour layers. However, careful consideration of the stable and failure criteria must be made. For a regular embankment, 5% of rocks moving might be considered acceptable without compromising the integrity of the structure, however for a ship-berth the criteria are more likely to be whether a single rock moves and has a possibility of moving into the berth pocket and limiting under-keel clearance.

## SAND-BASED MOVABLE BED

Testing was also undertaken in the physical models with a sand-based movable bed to assess whether a scour hole may be created and whether the embankment toe required further protection. Tests undertaken at mean sea level resulted in less bed erosion than tests undertaken at lowest astronomical tide. For risk mitigation of undermining due to scour, consideration might be given in operational constraints to allow larger vessels using thrusters to berth only at mean to high water levels.

Methods of increasing the protection of the embankment were considered. Testing of various ports have considered articulated concrete mattresses, large rock bags and concrete armour units. In each case, the designer has been provided with data allowing comparative assessment of upgrading the port and imposing operational limits on vessels.

## SUMMARY

In summary, physical modelling of the effects of ship side thruster forces on existing armoured berths has demonstrated that when an appropriately scaled model is used, the port design and operational restrictions can be balanced and optimised. While PIANC (2015) provides generally conservative analytical methods, modelling allows for a greater understanding of each specific port. ■



**Brett Miller**, manager  
Water Research  
Laboratory, University  
of New South Wales



# Complete supply chain specialists



Conveniently located at South Australia's gateway to the world.

Contact us to discuss your tailored supply chain needs.

Supply Chain Solutions  
Warehousing  
Distribution  
Customs  
Quarantine  
Transport

**Flinders**  
Warehousing &  
Distribution

[www.flindersfwd.com.au](http://www.flindersfwd.com.au) | +61 8 8447 0611 | [info@flindersfwd.com.au](mailto:info@flindersfwd.com.au)





The AMPI Pilotage and Port Logistics Conference held in Sydney in October

# Australia's marine pilots embrace the future

The conference of the Australasian Marine Pilots Institute, along with that of their Asia Pacific colleagues, took place in Sydney recently, writes **Peter Dann**

## THE AUSTRALASIAN MARINE

Pilots Institute Pilotage and Port Logistics Conference and 2nd Asia Pacific Marine Pilots Forum were held over four days from 28 October to 1 November, in Sydney. A total of 217 delegates from 17 countries attended the event.

The gala dinner on 31 October was a popular event and during the night an auction was held where more than \$3900 was raised. The funds will go to the Mission to Seafarers and Sister Mary of Stella Maris in Sydney, who support the crew of ships docked around Australian shores.

The keynote speaker Curtis McGrath's presentation *Triumph over Tragedy* was a highlight of the event. Curtis detailed his recovery after stepping on a land mine in Afghanistan and how he overcame extensive injuries to become a Paralympic champion kayak racer. He was given a well-deserved standing ovation at the end of his presentation.

## SCOPE OF PRESENTATIONS

The content for the conference was wide and varied but all of the presentations

had the theme of "embracing the future" intertwined through them. They covered subjects dealing with the shipping industry of the future, living with the age of big data, using a systemic approach to safety and the problems that are being created by the shifting legal seascape of marine pilotage.

Risk management was also covered in which it was determined that there is a need to ensure due diligence is closely aligned with risk management as well as the approach to risk assessment a court of law will take.

The airline industry was well represented with presentations on evidence-based training, flight safety management and the effective use of data by the airline industry to improve safety.

## SPECIAL MENTION

The presentation dealing with the pathway to highly reliable pilotage and port operations should have a special mention because the second part of the presentation dealt with an incident in Newcastle where a pilot fell off the pilot ladder back

onto the pilot boat. The pilot, Malcolm Goodfellow, told his story of the accident and the potentially life-threatening injuries he sustained. The journey back to health has not been an easy one and everyone in the room was moved by Malcolm's story, especially as he loves piloting but is now unable to do his former job.

Closely allied to the above incident was a presentation on the lack of trauma training for pilot boat crews and marine pilots as well as the lack of suitable first aid equipment to help deal with a serious incident. It is hoped in the near future that an AMPI-recommended scope of equipment and training for pilots and pilot boat crews will be produced. Brisbane and Newcastle pilots have already introduced new measures in regards to this.

## SHARED MENTAL MODEL

Situational awareness is critical to what marine pilots do and the importance of using that to assist in the development of shared mental models between the pilot and the bridge team is fundamental to



successful pilotage outcomes. Presentations on this subject included how to maximise situational awareness in marine pilotage where there is a need to find the right balance between visual and instrument pilotage to maximise SA.

Another presentation dealt with how to enhance bridge team SA in pilotage by finding ways for the bridge team to properly support the pilotage.

A third presentation dealt with one port's journey in creating standardised passage plans to allow for better monitoring by not only the bridge team but vessel traffic services as well.

Closely allied with the above is the use of proper passage planning and the use of an electronic master/pilot exchange (eMPX) where this is not only being used as a decision support system but also as a means to gain a maximum information exchange from the vessel before its arrival at the port. This will lead to better planning and safety outcomes.

The appropriate usage of data is also becoming a topic of concern, so the ethics around data were discussed with the point being made that the law is binding on directors of companies to protect data as well as people.

### AUTONOMOUS SHIPPING

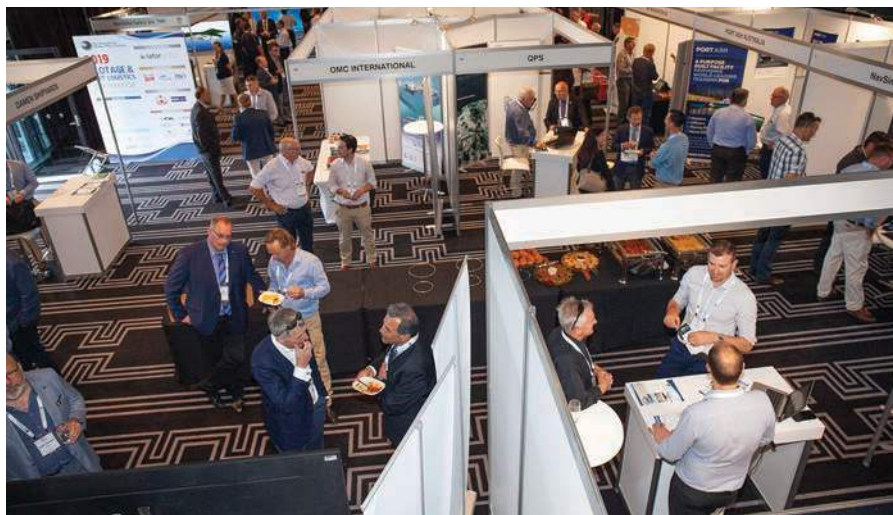
Marine autonomous surface ships are increasingly being seen as the way of the future and in some respects, this may be true. For example, the *Yara Birkeland* due to commence operation mid-2020 - a container feeder ship - is fully autonomous and will eventually be unmanned. It is estimated this vessel will have a significantly positive environmental impact by removing 40,000 truck journeys per year.

The regulatory framework around the MASS concept still has some way to go and the International Maritime Organization is currently working on it.

### OTHER TECHNOLOGIES

The use of simulators, pilotage positioning units, drones, new tug designs, helicopters, VTS and dynamic under keel clearance to help achieve better pilotage outcomes, were also discussed through several thought-provoking presentations.

Simulators were used to help train new pilots for a new port and the use of PPU's, now considered essential equipment, should be seen as a system itself but also part of the pilotage system.



**It is hoped in the near future that an AMPI-recommended scope of equipment and training for pilots and pilot boat crews will be produced.**

Drone design is continuing to improve and can offer a bird's eye view to further improve SA, though battery and wind constraints remain.

New tug designs have come to the fore that have enabled better assistance and presentations touched on how helicopter winching may be able to achieve a safer pilot transfer method.

Presenters discussed how VTS can be used to optimise support for pilots by monitoring and giving relevant information at the right time and how the effective use of DUKC helps maximise output from a port.

### MENTAL HEALTH AND THE PILOT CARD

The use of prescription drugs in the piloting world is a grey area and the question was posed about what effects the use of such medication have on piloting operations. Mental health, particularly in regard to depression, is considered a big problem in the maritime seagoing world at the moment and generated much discussion.

A presentation on the pilot card also gained attention. The pilot card has not been changed for around 40 years and the presenter asked the question of all of us - is it time for an update? This workshop style presentation asked for delegates' opinions on improvements to the ships pilot card design. This topic will be further discussed at the IMPA Congress next year, hopefully with the presenter's participation.

### INTERNATIONAL PERSPECTIVES

The International Maritime Pilots' Association gave its perspective on pilotage, which in part is to develop practical policies to further pilotage at the IMO.

The president of IMPA, Captain Simon Pelletier, also relayed the Canadian story of attempted competition and how the legislators after much lobbying have accepted and legislated that safety is best served by a single group of pilots in each area. IMPA believes that pilotage is not a business but rather a risk mitigation measure and needs to be protected from competition.

During the conference, presentations were also given by Asian pilots on preparing a port for ultra-large container vessels, the digitisation journey of Singapore's pilots, piloting large cruise ships in high density traffic areas (Yangtse River) and the pilot's role in the Korean marine traffic safety auditing system.

The conference finished up with an Asia Pacific Maritime Pilots' Forum general discussion. ■



**Peter Dann,**  
president,  
Australasian Marine  
Pilots Institute



Hon. Dr Ian Borg, Minister for transport, infrastructure and capital projects, Government of Malta, giving the keynote address

# The 20/20 vision from Malta

Peter van Duyn provides an overview of the International Cargo Handling Coordination Association 20/20 Cargo Vision conference, held at St Julian on the Mediterranean island of Malta

## RECENTLY I HAD THE PLEASURE

of attending the ICHCA International 20/20 Cargo Vision conference in Malta. I was invited to give a presentation on sustainable shipping. My previous visit to Malta was in 1997 when, as a fresh-faced third mate, I dry-docked for three weeks with the Shell Tanker *M/V Diadema*, to replace a damaged propeller shaft, and where I had a chance to explore the island. Looking at my old photos, a lot has changed in Malta since then.

The conference was held in the Hilton Malta Hotel in St Julian, one of the many hotels that have sprung up along the coastline to cater for millions of mainly northern European tourists who come and enjoy the year-round sunshine and Malta's rich history.

In fact, Malta's main source of income these days is from tourism and from wagering activities, providing income for the nearly 500,000 people living there. Malta is also a safe haven for many superyachts and has a large commercial

ship registry (ranked sixth in the world), due to its favourable tax regime and relaxed regulatory environment.

## PROCEEDINGS COMMENCE

The day preceding the conference included a tour of the Malta Freeport terminal in Marsaxlokk. The terminal was initially set up by CMA CGM (who still own 51%) in 2004 and now handles 3.3m TEU (mainly transshipments) per year. Malta Freeport was one of the main sponsors of the conference.

The tour was followed by an 'icebreaker' reception that evening. Due to my 30-hour trip travelling to Malta from Melbourne via London, I retired early and did some preparation for my presentation on sustainable shipping.

On day one of the conference, about 150 delegates from 23 countries heard Dr Ian Borg open the conference, Malta's minister for transport and infrastructure. He described the economy of Malta and its maritime-related activities such as ship repair and the numerous cruise vessels that

call at Valetta. This was followed by the keynote address, given by Heike Deggim, director of the Maritime Safety Division, International Maritime Organization.

The first half of the day was spent listening to experts from all over the world talking about progress that is being made in automation, both ashore and at sea, and





the effects of automation on the workforce. One of the issues in an automated environment is cybersecurity where a breach in the communication systems can result in major downtime in the operation.

## HEALTH AND SAFETY

After the lunch break there were several presentations on the progress of health and safety in the cargo handling industry and the potential improvements that automation could make. Unfortunately, still too many people die each year while working in the maritime industry, be it on ships or on shoreside. Each session was followed by a panel discussion and an opportunity for delegates to ask questions.

On the evening of the first day a cocktail party and awards evening was held at the historic Casino Maltese (a 19<sup>th</sup>-century building now used as a gentlemen's club which was heavily damaged by bombing in WW2 but magnificently restored to its former glory).

Two awards were given: the third TT Club Innovation in Safety Award, which attracted an international field of outstanding entries, won by a consortium comprising Künz, CSX Intermodal Terminals and Yardeye and accepted by Stephan Trauth of Yardeye. The LINX Cargo Care Group was the runner up with their Virtual Reality Safety Training video. This award was accepted by ICHCA Australia chairman John Warda on behalf of LINX. The other award was the John Strang A.O. Memorial Award, launched in 2017 in recognition of the Strang family's long support of ICHCA. The award was presented by John's daughter Sallie Strang, a director of ICHCA international and ICHCA Australia, to Health and Safety

Executive UK and accepted by Charles Oakley on behalf of the organisation.

## INTERNATIONAL THEMES

Day two started with a focus on cargo handling in the Mediterranean and Africa and the influence of the One Belt One Road project, (mainly funded by China), on road, rail and maritime-related infrastructure. Cargo integrity and supply chain safety was discussed at length and how we can reduce the high number of fatal accidents that are still occurring in the industry.

After lunch, sustainability in container and bulk cargo shipping was discussed as well as how the industry recovers from major incidents such as flooding and earthquakes.

The introduction of low sulphur fuel for use in ships engines worldwide, that came into effect on 1 January 2020, was discussed at length with the expectation that the cost of bunker fuel would go up with a flow-on effect to shippers. The IMO has adopted a policy to reduce the total annual GHG emissions related to shipping by at least 50% by 2050 compared with 2008 levels. A number of shipping lines and ports have adopted a more aggressive target in reducing emissions.

The conference ended with a summing up of topics discussed and the lessons learnt. Conferences like these present a great opportunity to hear international experts giving their insights into what's happening in the cargo handling industry globally and to catch up with peers in the industry.

## TECHNICAL PANEL MEETING

On the third and final day, the ICHCA International Technical Panel met with about 60 cargo handling experts to discuss challenges in the cargo handling industry

and share information about issues such as straddle carrier safety, bulk cargoes handling and dangerous goods.

The ITP represents a formidable body of expertise in cargo handling safety, legislation and operational best practice. The panel brings together experienced practitioners, legislators, consultants and other interested parties to debate and develop good practice in cargo handling worldwide.

The ITP consists of five working groups each led by an expert in their field such as automation, straddle carrier safety, dangerous goods, dry bulk cargo and supply chain incident analysis and reporting. They meet twice a year to discuss the latest developments in their respective fields and report to the wider industry.

## FINAL THOUGHTS

Overall it was a very successful conference, I just hope that the next one, to be held in 2021, will be closer to home.

In the meantime, the International Cargo Handling Coordination Association Australia will hold its bi-annual conference in April 2020 in Melbourne. ■

## FACT BOX

**WHAT:** International Cargo Handling Coordination Association

**WHERE:** Hilton Malta Hotel, St Julian, Malta

**WHEN:** 11-14 November 2019

**WHY:** A chance to discuss important industry trends including automation, international trade, safety and low sulphur fuel.

Peter van Duyn



Conference delegates at the St Julian Hilton Hotel



ICHCA Australia chairman John Warda receiving the highly commended Innovation in Safety Award on behalf of LINX Cargo Care Group



Andrew Newman and Andrew Jena at Svitzer party



James Mather and Steve Woolway at Svitzer party



Vanessa Coburn and Andrew Jackson at SAL



Dale Webster and Kate Wardle at SAL

# Shipping industry goes into party mode

## AFTER A LONG YEAR, THE WORLD OF SHIPPING AND

logistics enjoyed the chance to let down its collective hair at a few social events in the lead-up to the festive season.

Engage Towage held an event at The Edge bar near the Geelong waterfront, thanking clients for their support during 2019. The night was particularly well supported with guests coming not only from Geelong but Melbourne and interstate as well.

Meanwhile Shipping Australia held its Victoria Branch Christmas function at Kooyong Lawn Tennis Club. One highlight of the event was a presentation by veteran crime journalist John 'Sly' Silvester. Mr Silvester kept everyone enthralled with tales of the Melbourne underworld and the infamous gangland wars of the early noughties, famously profiled in the 'Underbelly' television series.

Svitzer Australia also had a get-together for its Victorian affiliates with a function at the Pier Port Melbourne bar. Guests were able to watch ships come and go on the waters of Port Phillip Bay while enjoying a drink or two.



Don Forsdyke and David Wittenberg at SAL



Sajid Hussain and Robert Grant at SAL





Michael Blake and Paul Raward at SAL



Tim Honig and Peter van Duyn at Svitzer party



Rob Chignell and Peter Popovski at Engage Towage



Mark Malone and Peter Mannion at Engage Towage



Adam Rowlison and Adam Domanski at Engage Towage



Eve He and Julius Danielczak at SAL



John Silvester and Charles Masters at SAL Victoria



Horrie Blanchett and Paul Rasmussen at Engage Towage

# Reflecting on 2019 and looking ahead

It has been a busy year for the Sydney Mission but the year ahead promises to be even bigger, writes Reverend Un Tay

## A WONDERFUL NEW YEAR 2020!

Wishing all our readers, friends, supporters and prayer partners of Mission to Seafarers Sydney, a wonderful and successful year ahead.

2019 was a great year. Our Mission grew in strength. As we reflect upon the year past, we would like to highlight a few key events and initiatives.

## OPERATION CRUISE TERMINAL

Our first OCT was during the last cruise season 2018/2019 where we set up a marque at the terminal distributing our brochures to tell seafarers who we are, where we are and what we offer. For the first time, we had 250 seafarers visit our centre from cruise vessels. At the same time, we offered them the opportunity to send their online orders to our Mission with the condition they collect them personally. It was a great success. So in cruise season 2019/2020 we are spreading our wings to White Bay Cruise Terminal without neglecting the crews at OPT. We provide bus services to collect seafarers at WBCT to Darling Harbour and Harbour Bridge and bring them to our Mission. Within five Sundays, we ferried more than 300 grateful seafarers to the city and back.

## INGE KOSAN

We made regular visits to the crew on board *Inge Kosan* (an oil tanker from the United Kingdom) when she was being repaired at Glebe Island for two months.

We conducted a Sunday Mass/Service on 21 July, 2019 as well as the Lord's Supper on 11 August, 2019.

## INFORMATION EVENING

Our first information evening on 23 July, 2019 was also another great success. This evening attracted much interest and created opportunities for friends and guests to meet seafarers and get to know more about their lives first hand. Many thanks to Wendy and Gary for this great initiative.

## PROVIDING PASTORAL CARE

One of our chaplains went onboard a cruise vessel to provide pastoral care, support and counselling to a traumatised crew. It was a tough week but comforting to know his ministry to the crew was much appreciated. Our chaplains are trained and prepared to help and minister.

## KAYAKING THE MIGHTY MURRAY

A great initiative by Gary, Troy and James to raise more than \$17,000 by kayaking five days, 404km on the Murray River in November. A tremendous achievement.

## AWARDS SHORTLISTING

For the first time, MTS Sydney was shortlisted for two ISWAN awards namely, *Seafarer Centre of the Year* and *The Dr Dierk Lindemann Welfare Personality of the Year*. We were proud to be shortlisted and would like to thank those who nominated and supported us.

## CHRISTMAS THANKSGIVING CELEBRATION

We ended our year with thanksgiving and praise to our great and gracious Heavenly Father for the blessings He showered upon us. We had a record attendance, (more than 60). Thanks to staff and volunteers for organising this great event.

## MENTAL HEALTH

One key area we would like to focus on this year is mental health. This is a challenging issue and seafarers face greater need than others due to their unique circumstances.

We hope to engage a registered psychologist to partner with us soon, who can provide training for our staff and volunteers.

As I submit this article, I received a request to board a cruise vessel to provide pastoral care, counselling and support to a crew as they repatriate six dead passengers to Sydney from the White Island Volcano eruption. Spare a thought and a prayer for bereaved families, relatives and friends.

## A BRIGHT FUTURE

The New Year 2020 brings fresh hope. To meet seafarers' needs, we must be:

- proactive by taking positive steps and acting in advance to deal with any reported difficulties;
- innovative - learning to think outside the square; and
- creative - bringing fresh ideas and initiatives. ■



A ship's crew on their way to the MTS Sydney on the Mission bus



Reverend Un Tay speaks at the Christmas/Thanksgiving celebration



# SUBSCRIBE TODAY!

Stay up to date with the latest industry news and insights by subscribing to one of our subscription packages.

INDUSTRY PACKAGE		Prices do not include GST
<ul style="list-style-type: none"> <li>Monthly Magazine</li> <li>Daily newswire email</li> <li>Website access – shipping data and news content</li> <li>Online access to our extensive maritime directory</li> </ul>	1 USER	\$795
	UP TO 5 USERS	\$2385
	UP TO 10 USERS	\$3975
NEWS PACKAGE		
<ul style="list-style-type: none"> <li>Monthly Magazine</li> <li>Daily newswire email</li> <li>Website access – news content only</li> <li>Online access to our extensive maritime directory</li> </ul>	1 USER	\$590
	UP TO 5 USERS	\$1770
	UP TO 10 USERS	\$2950
ONLINE ONLY		
<ul style="list-style-type: none"> <li>Daily newswire email</li> <li>Website access – shipping data and news content</li> <li>Online access to directory</li> </ul>	1 USER	\$675
	UP TO 5 USERS	\$2025
	UP TO 10 USERS	\$3375
VESSEL ARRIVAL REPORTS		
<ul style="list-style-type: none"> <li>Lists all vessels due to arrive at the major Australian ports of SYD, MEL, BRI, ADE, FRE, PKB. Listed by vessel name, IMO number and agent</li> </ul>	1 USER	\$1150
	UP TO 5 USERS	\$3450
	UP TO 10 USERS	\$5250
CONTAINER REPORTS		
<ul style="list-style-type: none"> <li>Lists containers imported into Sydney and Melbourne Displays depots, availability and storage charge dates, ensuring you have the information to help avoid unnecessary charges.</li> </ul>	1 USER	\$1500

Corporate licenses are available for your whole team

For more information please contact...

James Hayman, james.hayman@thedcn.com.au or (02) 9126 9713

**thedcn.com.au**



# The grill

## Deanne Withers from All Ports International, talks work, photography and being a Collingwood supporter

### What does your job involve?

I am the managing director of All Ports International, Melbourne. I don't have a specific "job" but every day brings new challenges and hurdles. My days fly by. I'll assist staff while also doing management tasks and looking for ways to improve services. I take clients compliments and share them with staff and take on board negative feedback and try to learn.

### How did you get into logistics?

I completed year-12 in 1992 and had a "gap" year. Mum was frustrated with me sitting on the sofa and told me to get a job. A friend knew the then owner of All Ports and the rest is history. I started as the runner but worked my way around the office to become general manager in 2014. I was employed by All Ports for 25 years and now I own it. I am sure [former boss] Peter O'Connor wouldn't have seen that coming back in 1992 because I sure didn't.

### Why is logistics a great sector in which to work?

Every day is different. We do the same stuff, import and export but there is always a hidden gem. It's intriguing to say the least and when most people ask what you do, they say "ah". I don't think they quite grasp our industry as it is a little unique even though most things everyone touches would have been imported. Working closely with the ABF is also satisfying in keeping Australia safe.

### What are some early memories?

I grew up as the baby of four children. I have three older brothers who made me strong so I thank them for that. Some may call it strong, others may call it stubborn.

I recall wanting to play cricket (which I hate) with my brothers in the backyard. I whinged so they'd let me have a bat. Well the last laugh was on me as they would line me up with a tennis ball wrapped in electrical tape and bowled directly at me! My brothers won that day. My folks had a holiday house at Lake Eppalock, around an hour's drive from Melbourne. We would be there every weekend and Christmas holidays. We'd water-ski from dawn to dusk and they are the family memories I'll keep forever.

### What did you want to be when you were growing up?

I always wanted to be a photographer, it's in my year 12 bio to be a photographer and I still love it today. After 22 years of marriage I have my husband trained just to stop and smile for me. He knows it is quicker to work with me than against me. I've passed this trait down to my girls who both love it and are studying photography at high school.

### Where do you live? What makes it a great place to live?

We currently live in Taylors Lakes, close to our girls' high school. It's a lovely area to live in, quiet and the parklands are an awesome spot to walk the dog. We'll remain there for a further year while our youngest daughter finishes high school. A sea change may be on the cards.

### What do you enjoy doing in your spare time?

Spare time, I don't have any! Seriously, I love to walk and work out. We currently foster a Border Force puppy and she is full of energy so a walk with her is exercise in itself. During winter our family likes to

snow board. We are regular visitors to Mt Hotham and it's a great way to turn off.

### To where would you like to retire?

I'd like to remain in Melbourne. Australia is beautiful and the more I travel the more I enjoy coming home. While we have other beautiful states, Melbourne is in my heart. I'm such a proud Melbournian and think our city is superb.

### As a Melbournian, you must have an AFL club?

I am a proud Collingwood supporter although I do still have all of my teeth! My entire family (except my husband) is Collingwood so growing up I really had little choice. My husband and I allowed our daughters to barrack for either Collingwood or Essendon when they were young so we were lucky enough to get one of each. There was no way our girls would barrack for any other teams. My greatest memory was being at the MCG to watch Collingwood win the 2010 Premiership against St Kilda. The celebrations went well into the night.

### Tell us about your family.

My husband and I have been together since 1992, high school sweethearts and married five years later in 1997. Our first daughter Jemma was born in 2001 and our second daughter Phoebe was born 18-months later in 2003. Having the girls close in age is a great thing now but at the time, I didn't know any better and just got on with being a mum to two kids under two. Now they are older and being a mum to two girls means we have a communal wardrobe but it's a little frustrating to find your 16-year-old wearing the top you spent 10 minutes looking for. ■





*We Deliver Value*

价值 · 因运而生



## COSCO SHIPPING LINES

COSCO is proud to be consistently recognised for excellent value and service by the Shipping & Maritime Industry



THE 2019 DCN AUSTRALIAN  
**Shipping & Maritime**  
INDUSTRY AWARDS  
HIGHLY COMMENDED

2019 Highly Commended  
Liner Trade Award:  
Australia to North East Asia



THE 2019 DCN AUSTRALIAN  
**Shipping & Maritime**  
INDUSTRY AWARDS  
HIGHLY COMMENDED

2019 Highly Commended  
Liner Trade Award:  
Australia to South East Asia



THE 2018 DCN AUSTRALIAN  
**Shipping & Maritime**  
INDUSTRY AWARDS  
WINNER

2018 Winner of the  
Liner Trade Award:  
Australia to North East Asia

[coscoshipping.com.au](http://coscoshipping.com.au)

# See further and manage shipments faster with **LIVE**

## The end-to-end track and trace platform from Containerchain

LIVE by Containerchain offers a complete, real-time view of your cargo movement from ship to shore. Seamlessly book transport jobs from point to point. Reduce manual processing. Proactively manage issues before they arise. And spend much less time chasing information from within the supply chain.



- **BOOK** transport jobs
- **TRACK** container movements
- **VIEW** connected transport & devices in real-time
- **ACCESS** digital documents
- **SOLVE** problems and issues proactively
- **REDUCE** inefficiency and the cost of the unknown

