

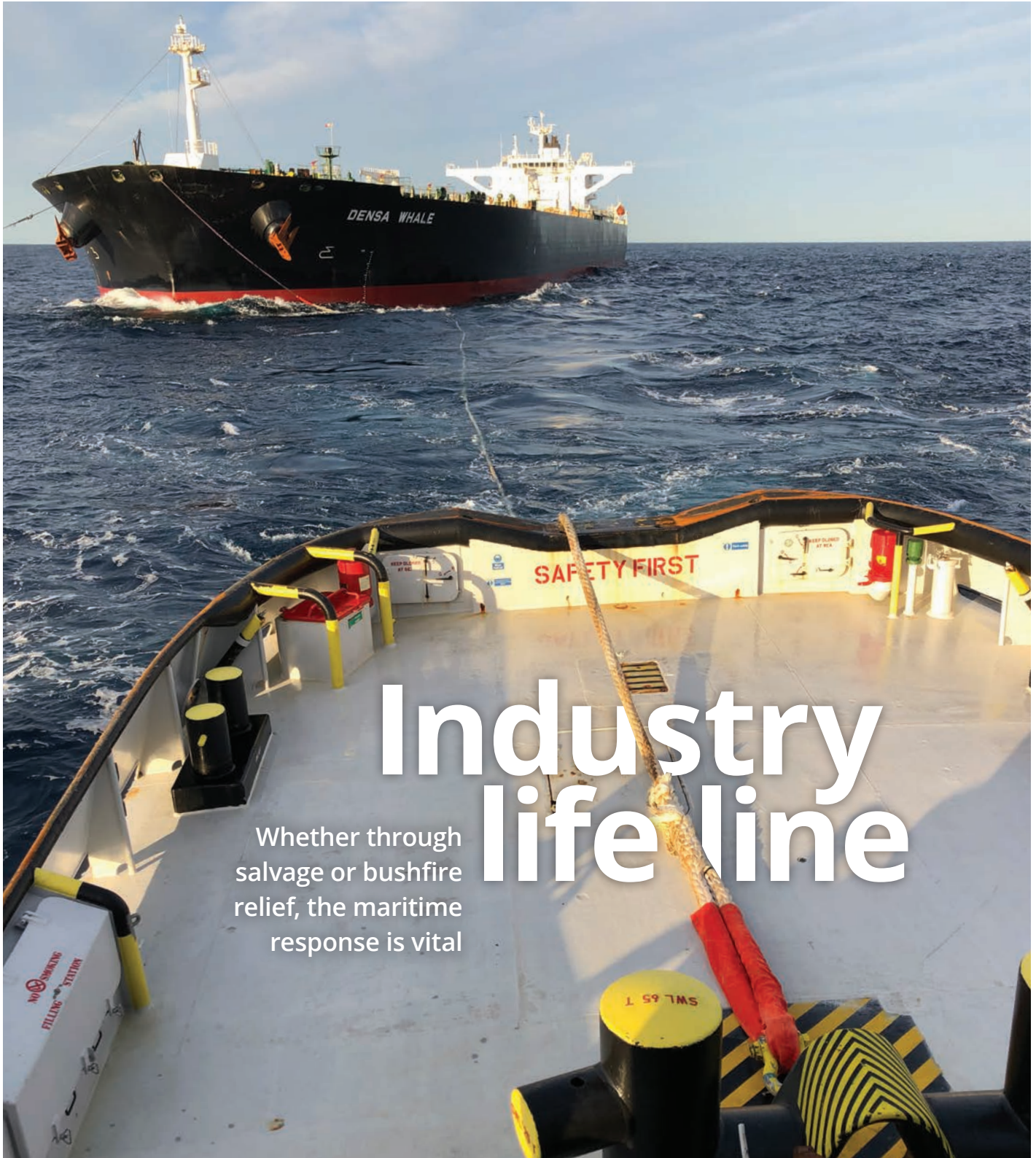
DAILY CARGO NEWS

The voice of Australian shipping & maritime logistics

First published in 1891

February 2020

the **dcn**.com.au



Industry life line

Whether through
salvage or bushfire
relief, the maritime
response is vital

18 Shipping plays support
role during bushfires

26 Incredible story of saving
a stricken oil tanker

40 Progressing the debate
over coastal shipping

ANL, THE SPIRIT OF ENDEAVOUR.




CMA CGM
GROUP



A full-page background image featuring a deep blue ocean with visible ripples, a distant green island on the horizon, and a clear blue sky with light, wispy clouds.

**ANL, THE SPIRIT OF
ENDEAVOUR.**

CMA CGM
GROUP



Since 1958, ANL has continually
endeavoured to support our clients
throughout Oceania with shipping and
logistics services.

Working with our customers and industry
partners to develop new services,
enhancing connections to

The CMA CGM Group network and
adopting new technology has long been
our focus and will continue to be so.

This journey reflects our collective drive,
at ANL we call it, the spirit of endeavour.

#ANLspiritofendeavour

Contents



FEATURES

- 26 Saving the Densa Whale**
Engage Towage tells the incredible story of salvaging a stricken tanker
- 32 Intermodals**
The importance of transport hubs in managing the growth in freight
- 40 Coastal shipping**
A range of views and proposals to revive Australia's coastal shipping
- 46 Victoria**
Leadership changes in port operators brings renewed commitment

COLUMNS

- | | | |
|---|---|--|
| <ul style="list-style-type: none">8 A word from the minister
Deputy PM McCormack on attracting foreign-flagged superyachts18 Fire and fury
The maritime response to Australia's bushfire crisis22 Women in maritime
Gender issues at 'tipping point'24 Freight & Trade Alliance
2020 agriculture fees and levies | <ul style="list-style-type: none">25 Industry opinion
Paul Bettany looks at global markets52 Industry opinion
M&A in transport and logistics54 Maritime law
Digital shipping and the challenges of cybercrime58 Industry opinion
Do we need a separate Department of Trade asks Llew Russell | <ul style="list-style-type: none">60 Trade law
Andrew Hudson examines trade winds for the year ahead62 Mission to seafarers
Caring for crew on cruise ships64 Out & about
The month's round up of events66 The grill
Interview with Cairns local Kerry Egerton from Ports North |
|---|---|--|

**INTERMODAL
SERVICES**



OUR DOOR-TO-DOOR SOLUTIONS BRING THE WORLD CLOSER.

Building on decades of experience, MSC aims to deliver a seamless journey for your cargo, serving all industries worldwide. We keep expanding our inland network and offer integrated truck, train and barge services to meet your supply chain requirements.

[msc.com/intermodal](https://www.msc.com/intermodal)

MOVING THE WORLD, TOGETHER.





Tents, caravans and vehicles are shrouded in the smoke from bushfires in Eden, New South Wales

From the editor



Welcome to the February edition of *Daily Cargo News*. In some ways this feels like the first edition for the year as it has actually been produced during 2020.

It has been a distressing summer, with terrible fires raging in many parts of eastern Australia. This continent has faced the fury of bushfires since the dawn of time, but there is a sense that this is beyond the 'normal' which many find disturbing.

In recent weeks, the maritime and logistics sector has stepped up, helping rescue those fleeing the fires at Mallacoota and Eden, or by raising money to donate to firefighters and agencies helping those in need.

Moving on to other themes, this edition contains several interesting features you're sure to find thought-provoking. We start with some great interviews on intermodal terminals and how they will help shape and manage the movement of freight around the country in years to come.

We also take a look at the ever-vexed issue of coastal shipping, with discussion about the right policy settings and the right philosophy to take on this topic overall. Can we finally get some movement on this issue? Read on and judge for yourself.

Finally we document some of the issues occurring within ports and logistics in the context of Victoria, one of the most important states for the movement of freight.

We're sure you will find this issue interesting, thought-provoking and enjoyable.

David Sexton
Editor, *Daily Cargo News*

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

thedcn.com.au



ISSUE NUMBER 1255 February 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
The *Densa Whale* under tow off the coast of New South Wales. Image: Engage Towage



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.



Combined capability and expertise across
five market-leading operations

End-to-end supply chain and logistics solutions

Committed to your business success

Where our customers go, we go



linx cargo care group

linxcc.com.au



Powering to a super future

The Special Recreational Vessels Bill was recently passed by both houses of parliament with the aim of making Australia a more attractive destination for foreign-flagged superyachts, writes **Michael McCormack**

THE PURPOSE OF THE SPECIAL

Recreational Vessels Bill is for an act to allow foreign special recreational vessels to apply for a special recreational vessel temporary licence to operate on the Australian coast if they choose to opt in to the regulatory regime. This will allow these vessels to be offered for hire or charter.

The special recreational vessel industry has advised it is expecting a large number of these vessels to be in the Pacific over the next 18-months for the Tokyo Olympics and the Americas Cup in Auckland.

The industry wants certainty that they can sail to Australia and be able to offer charters from this summer onwards.

Broader economic benefits are expected from the operation of these vessels in Australian waters. Australian businesses from florists and purveyors of fine foods to local tourist guides will have opportunities to supply these vessels with goods and services—not to mention what passengers might spend onshore in shops, cafes and restaurants. Much of this activity will be in regional areas.

There are some 5,000 of this type of vessel around the world. Many have wanted to come to Australia, but the disincentives have been too great in the past. Our neighbours in the Pacific, including New Zealand, have welcomed them, and that is business lost to Australia.

The bill should make coming to Australia more attractive for these vessels and bring the associated economic benefits. This is a first step in growing opportunities for more Australian businesses from visits by these vessels.

THE PROVISIONS OF THE BILL

Currently special recreational vessels cannot apply for a temporary licence under the Coastal Trading (Revitalising Australian Shipping) Act 2012. Recreational vessels are not covered by the act. This prevents them from offering charters. Temporary licences under the coastal trading act require a

minimum of five voyages and a voyage is defined from a port to a different port. This does not support the special recreational vessel operating model—often a single voyage to take advantage of an opportunity to offer the vessel for charter, and likely to be to and from the same port.

This bill establishes a means by which special recreational vessels can opt into the coastal trading regulatory scheme established by the coastal trading act. The owner, charterer, master or agent of a vessel will be able to apply for and obtain a special recreational vessel temporary licence for 12 months by providing information on the number of voyages, dates, loading and unloading

From Tasmania to Far North Queensland, there will be many tourist destinations that would welcome visits from these vessels.

port, the number of passengers and other information about the vessel.

An application fee will apply, but once a licence is granted the vessel can be offered for hire or charter.

The Australian government is committed to seizing hold of the economic potential of visits from these vessels for Australia, in particular for the regions. I have spoken to people in the industry. They tell me the opportunities are great. But they need certainty that they can come to Australia and offer charters. This bill will give them that certainty.

Also speaking on the Bill was Labor infrastructure spokesperson Catherine King. Below is an edited copy of what she had to say.

It is good that we in this place try to come together to resolve an issue that will potentially open a lucrative market for some Australian workers and small businesses along our coast. I thank the Deputy Prime Minister and his office for their engagement on this issue. Labor has acted in good faith and sought to meet the government's deadline whilst also providing appropriate scrutiny for this bill. I thank stakeholders, particularly the Maritime Union of Australia, Maritime Industry Australia and Australian tourism cruise operators for their active engagement

in what has been a very truncated process.

The Queensland Labor government has long championed the superyacht industry and released a superyacht strategy [in 2018]. The Queensland government predicts benefits from Cairns and the Whitsundays all the way to the Gold Coast. Off the back of their strategy, over 15,000 Queenslanders are predicted to work across the superyacht industry by 2021, contributing \$2bn to the gross state product. This work spans many roles on board vessels, as well as supplying goods and services and performing maintenance. ■



Catherine King, Labor infrastructure spokesperson



Michael McCormack, Deputy Prime Minister and minister for infrastructure

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.



EVERGREEN LINE

www.evergreen-line.com

News in brief

Full details at thedcn.com.au

MIDDLE EAST TENSIONS TO TRIGGER HIGHER MARITIME INSURANCE PREMIUMS

■ Political turbulence in the Middle East will likely lead to insurers and re-insurers raising premiums, head of marine and trade at UK firm DWF Law Jonathan Moss said.

Tensions were running high after the US decision to assassinate a senior Iranian general, leading to Iran firing missiles at a US base in Iraq.

"The latest chapter of turbulence in the Middle East will undoubtedly lead to insurers and reinsurers particularly in lines such as hull, war, piracy, terrorism, cargo and construction raising premiums, renegotiating terms of cover and introducing riders and endorsements to policies to reflect the increased risks of trading in the region," Mr Moss said.

"Insurers and reinsurers have been looking for a marked correction to the downward pressure on rates. The recent tensions, however, will lead to insurers and reinsurers imposing draconian conditions in policies, significantly increasing the costs of specialist insurance and pulling out of underwriting certain lines of business."

The risks were seen as particularly high in the Persian Gulf and the Strait of Hormuz, a comparatively narrow stretch of water separating Iran and the Arabian Peninsula. Attacks on ships transiting the Strait last year were blamed on Iran, albeit denied by that nation.

Mr Moss talked of additional challenges.

"Ships will have to navigate longer routes to avoid dangerous areas, ships' crew wages will rise owing to the heightened risks of attacks to vessels in the Strait of Hormuz adding costs to end consumers for commodities transported globally, hampering trade," he said.



"Bonded depot" approval for Wiseway

Global freight forwarder Wiseway Group announced its branches had been granted a 'Depot Licence' by the Department of Home Affairs under the Customs Act, with the latest one being in Perth.

With the granting of this licence, Wiseway secured a national presence with bonded warehouse capability across the Australian mainland in Adelaide, Brisbane, Melbourne, Perth and Sydney, as well as in Auckland, New Zealand.

Wiseaway's bonded warehouse capacity in Sydney has also reportedly increased with a Depot Licence being granted at its Chipping Norton facility.

This facility is in addition to the Bankstown facility.

Chief executive and co-founder, Roger Tong, said receiving the Depot Licence was a significant achievement.

"Many of our key clients are keen to use Wiseway as a national service provider for their import business, in addition to being their national service provider for their export business," Mr Tong said.

"Our presence in all Australian mainland capital cities will enable our clients to streamline their import processes and our dedicated imports team will assist their national needs. This will lead to greater efficiency and speed in the distribution of goods to the final consumer."

Mr Tong said they had completed all expansion projects envisioned pre-IPO with no further expansionary plans requiring significant capital outlay.

"We have established our expanded business platform over the last 15 months in order to truly diversify our income streams," he said.

Tony Khan



DHL Express Japan names Tony Khan as president

DHL Express named Tony Khan as president and representative director, DHL Express Japan effective 1 January, 2020.

Prior to this latest appointment, Mr Khan served as the general manager of the Central Asia Hub in Hong Kong, one of the three global hubs in the DHL Express network.

His latest appointment marked his return to Japan to lead the business.

"We are proud to have Tony Khan lead the team in Japan, and I am confident

that his deep-rooted experience with the country, as well as his proven track record will further strengthen our position in Japan," said Ken Lee, CEO, DHL Express Asia Pacific.

Mr Khan said he was honoured and excited to work with the team in Japan.

"My experience in operations and our continuous improvement program First Choice has taught me the importance of Kaizen, and I look forward to building on the good work of my predecessor," he said.

WISETECH ACQUIRES LOGISTICS PROVIDER IN SWITZERLAND

Global logistics solutions business, WiseTech Global, announced the acquisition of SISA Studio Informatica SA, a customs and freight forwarding solutions provider in Switzerland.

Based in Lugano, SISA is a prominent player in providing customs and logistics solutions including customs clearance, freight forwarding and bonded warehouse management.

WiseTech Global chief executive Richard White said SISA had accumulated a powerful breadth and depth of expertise for more than 40 years.

"With Switzerland the ninth largest economy by GDP in Europe, the third largest trading partner with the EU for exports of goods and the fourth largest trading partner with the EU for imports of goods, bringing SISA into the WiseTech group now, consolidates our considerable geographic foothold in customs clearance and border compliance," Mr White said.

SISA managing director Roland Schumacher, said they were delighted to join the WiseTech Global group.

AUSTRALIA BECOMES THE WORLD'S LARGEST LNG EXPORTER

Australia officially became the world's largest exporter of liquefied natural gas on an annualised basis, consultancy EnergyQuest reported.

In sending overseas an estimated record 77.5m tonnes of locally produced LNG in calendar year 2019, Australia topped former LNG export leader Qatar, expected to produce 75m tonnes in 2019.

The 2019 Australian LNG exports were more than twice those of the US, the world's other fast-growing LNG producer.

The US Energy Information Administration predicts the US to have exported 34.3m tonnes in 2019.

The Australian contribution came from across all three now fully established LNG hubs at Karratha in WA, Gladstone in central Queensland and Darwin in the Northern Territory - home to both the Ichthys and Darwin LNG projects.

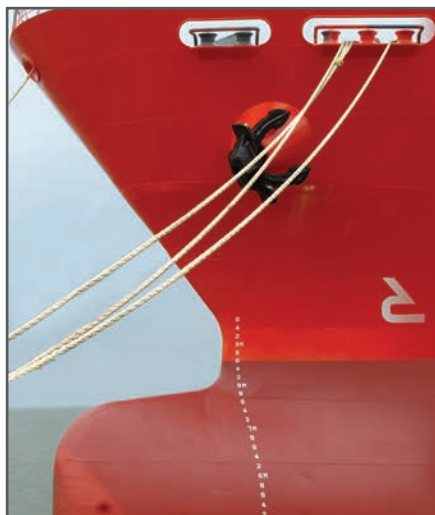
Total Australian 2019 LNG shipments were up by 11.4% on 2018, mostly due to the growth in production from the Ichthys project, operated by Japan's INPEX.

WA production was steady on 2018 and Queensland production was up by 8.2% to 22.4m tonnes, with both APLNG and QCLNG operating close to full capacity.

EnergyQuest chief executive, Dr Graeme Bethune, said while Qatar's final production figures for 2019 were still to be produced, Australian operational capacity of 88m tonnes now substantially exceeded the 77m tonnes of its Middle Eastern counterpart.

"The record Australian performance for last year is 2.5Mt above the forecast of Qatar 2019 production of 75Mt, contained in the December 2019 Australian Government Resources and Energy Quarterly," Dr Bethune said.





Role of DUKC hailed at Middle Eastern port

■ On 9 January the bulker *MV LMZ Phoebe* sailed from Saqr Port, United Arab Emirates, with a draft of 12.78m. This made it the first ship to use the newly installed Dynamic Underkeel Clearance System provided by OMC International.

RAK Ports commissioned the DUKC system for Saqr Port, which became live on 1 January, 2020.

The system is to allow vessels to load more cargo and take advantage of enhanced tidal windows, thereby loading deeper and allowing more time on the berth.

■ DUKC seeks to optimise the amount of cargo that any vessel can load by determining the maximum safe sailing draft for that vessel, given the conditions on the day.

This is achieved by digitally replicating the port with DUKC.

The DUKC incorporates detailed modelling of the shipping operations, numerical analysis of ship motions, hydrodynamic models, channel survey data, and the assimilation of real-time and forecast environmental conditions.

DP WORLD AWARDED 30-YEAR CONCESSION AT JEDDAH

■ Stevedore DP World was awarded a 30-year build-operate-transfer concession by the Saudi Ports Authority (Mawani), for the management and development of the Jeddah South Container Terminal at Jeddah Islamic Port.

DP is to invest up to US\$500m to improve and modernise the port, including major infrastructure development to enable the port to serve the ultra-large container carriers.

The Jeddah Islamic Port is on the Red Sea and was established in 1976.

It is the largest port in the Kingdom of Saudi Arabia with annual volumes of more than 6m TEU.

As a crucial link on the world's busy east-west trade route and the Kingdom's main commercial centres, the port currently handles 60% of the country's sea-imports and is a strategic hub that connects East-West cargo.

DP World chairman and CEO Sultan Ahmed Bin Sulayem said they were honoured to support the Kingdom's 2030 growth vision.

"We have committed to investing significantly to modernise the Jeddah South Container terminal, which will not only result in greater direct and indirect job creation but also deliver best-in-class efficiency and productivity to the Port's operations," Bin Sulayem said.

"We look forward to leveraging our strategic partnership with Mawani and the Ministry of Transport and National Centre for Privatisation to collaboratively develop the Kingdom's trade ecosystem while enhancing the nation's competitiveness."



Road work hell requires logistics chain patience

The Container Transport Alliance Australia called for patience and empathy during the West Gate Tunnel Project summer construction blitz in Melbourne.

Ramp closures and road works affecting the West Gate Freeway and the Western Ring Road caused delays for container road transport operators servicing Melbourne's western suburbs.

"Delays of over 30 minutes travel time between important freight districts in the west and the Port of Melbourne are already being experienced, with vital freeway ramps now closed such as those at Millers Road, Geelong Road and the M80 Ring Road leading to major truck detours, in addition to the traffic congestion on the M1 itself," CTAA director Neil Chambers said.

"These are important road works that are necessary to complete the West Gate Tunnel Project as the government has promised. But, the short term pain being inflicted on transport efficiencies shouldn't be underestimated."

Mr Chambers said patience was required from all parties as trucks were likely to be delayed, leading to late arrivals into key freight nodes such as stevedore terminals, empty container parks, distribution centres and customer premises.

"CTAA is contacting key parties to ask them to consider these extraordinary circumstances when assessing the impost of penalties applied to transport operators like wrong zone or no show fees at container stevedore terminals," Mr Chambers said.





Wharfies down tools at Fremantle

FORMER HAMBURG SÜD EXECUTIVE JOINS MIZZEN BOARD

■ Mizzen Group has announced the appointment of former Hamburg Süd executive Peter Creeden to its board.

Mizzen chairman Glenn Butcher said they were “thrilled to announce Peter’s appointment to the board” given his decades of experience in container shipping “which strengthens our company as we prepare for our next growth phase”.

Mr Creeden said, “I am thrilled to join Glenn and the team as I firmly believe Mizzen’s technology has the potential to transform rate management for both the shipping lines and freight forwarders and enable true dynamic pricing”.

Mr Creeden has more than 20 years of experience working for Hamburg Süd, in the US, Europe, Australia and New Zealand.

He is managing director at MPC International, chairman of the Industrial Advisory Committee and an Honorary Fellow at Macquarie University.



Peter Creeden

Two hundred wharfies at DPWA Fremantle container terminal stopped work for 24-hours, accusing the company of failing to bargain in good faith.

The strike was followed by further actions including rolling stoppages that saw every worker ‘down tools’ for the final hour of each shift, along with work bans.

“Wharfies at DP World’s Fremantle terminal are simply fed up after attempting to negotiate a new workplace agreement for 15 months,” MUA West Coast branch secretary Christy Cain said.

“What we’ve seen in that time is the senior management of the Dubai-based company issue ultimatums, threaten massive job cuts, and attempt to unilaterally strip away workplace rights, all in an effort to force workers to accept their demands.

“Dubai Ports needs to understand that Australian wharfies will not be bullied into handing over hard-won rights and conditions, and we are prepared to fight to ensure we receive our fair share of the

productivity gains we have delivered on the waterfront.”

DPWA Australia chief operating officer Andrew Adam later hit out at the union over claims the company had cancelled workers approved leave during the dispute.

“There are isolated shortages of key skills in certain areas where we need to cover in order to run our operation and service all of our customers,” Mr Adam said.

“That is because the PIA (Protected Industrial Action) has commenced on 3 January and we are just adjusting the skills in specialist key areas in order to be able to run our operation.

“This is a normal practice in terms of annual leave.”

Mr Adam said the number of workers affected was eight out of 150.

He described the union statement as “a deliberate misrepresentation of the facts to shift attention from the MUA’s mismanagement of the DP World enterprise agreement negotiations”.

SHIP’S MASTER CONVICTED AFTER FAILING TO REPORT

■ The master of a tanker ship has been convicted after failing to report “without delay” a main engine breakdown off Queensland.

The incident dated back to 31 January 2019 when the *Asphalt Spirit* was en route from Korea to Australia carrying 14,000 tonnes of asphalt.

The ship suffered a main engine breakdown at 4pm local time and began drifting 30km northeast of Point Lookout, a hamlet on North Stradbroke Island.

The ship’s master reported the incident via email to the Australian Maritime Safety Authority (AMSA) just after 10pm that night – six hours after the initial breakdown.

Modelling predicted the ship could run aground at the southern end of the island within the next 17 hours if it continued to drift without power.

AMSA, meanwhile, prepared to intervene with an emergency tug from Brisbane.

The ship’s master responded to AMSA at 1.30am on 1 February and confirmed it was impossible to repair the engine damage at sea.

In December the master pleaded guilty in the Brisbane Magistrates Court to one count of failing to report a marine incident to authorities without delay.



Cleaner freight plan scrapped

A deal aimed at encouraging the use of more environmentally-friendly trucks in inner Melbourne was scrapped.

The Cleaner Freight Initiative was announced in 2018 with a view to incentivising the use of modern lower emission trucks as a condition for them travelling through sensitive areas for longer hours on roads with truck curfews.

The initiative was the result of negotiation between the Victorian Transport Association and Maribyrnong Truck Action Group.

However the VTA confirmed the deal “will not proceed”, with chief executive Peter Anderson saying “the people of the Inner West and transport businesses that use the local infrastructure will not be able to share the benefits of this unique collaboration

between residents and industry”.

“Regrettably, Victoria’s transport bureaucracy was resistant to and unable to support the many great initiatives that would have incentivised industry investment, improved community amenity and better managed the thousands of heavy vehicle movements that are necessary daily,” Mr Anderson said.

“The movement of heavy vehicles in this area will continue to increase and the community issues will remain unchanged.

“The VTA will continue to work closely with all stakeholders to ensure heavy vehicle access to the Port of Melbourne is maintained, and that operators working in the area are mindful of safety and amenity concerns of residents.”

BMSB POLICIES “EFFECTIVE”, GOVERNMENT SAYS

■ Policies aimed at preventing a brown marmorated stink bug incursion have proven effective this season, a spokesperson for the Department of Agriculture said.

This followed a recent case where the vessel *Dugong Ace* was directed to leave Australian territory after it was assessed as posing an “unacceptable biosecurity risk”.

“Since leaving Australia, the operator of the vessel has worked with the Department to develop a plan to manage the biosecurity risk,” the spokesperson said.

Two vessels have been turned away this season.

“While we are just over the half-way point of the 2019-20 BMSB season, the policies put in place for this season have so far been effective,” the spokesperson said.

“In the coming months the department will begin to review the 2019-20 BMSB season and potential risk countries and tariffs for the 2020-21 BMSB season.”

According to the Department, for the 2019-2020 BMSB risk season (as at 8 January 2020), there were 115 detections of BMSB (live and dead), as compared with 312 detections for the entire 2018-19 BMSB season.

Smoke haze affects work at Melbourne waterfront

■ A heavy smoke haze over Melbourne affected operations and caused delays at Swanson and Webb Dock container terminals in mid-January.

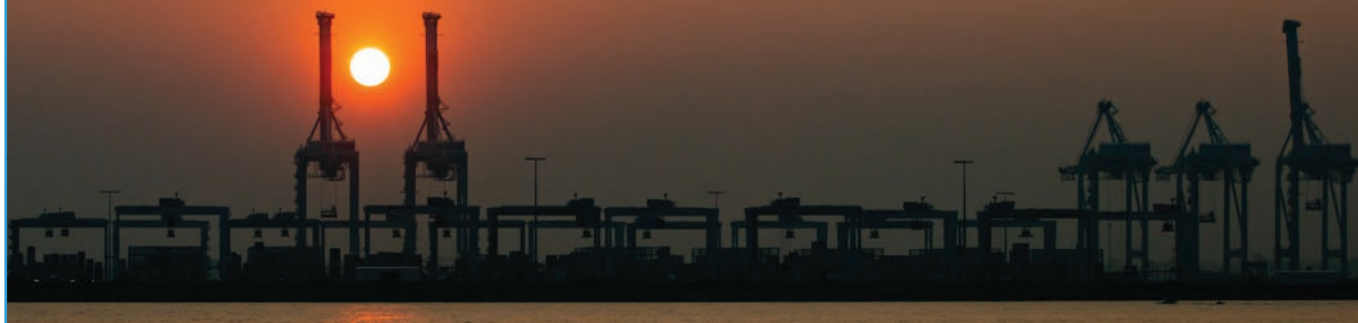
The Environment Protection Authority’s AirWatch website showed air pollution levels as “hazardous” at several monitoring sites across Greater Melbourne.

DP World Australia issued a statement saying, “due to the hazardous air quality engulfing Melbourne, vessel operations have ceased. Operations will begin once again when the air quality becomes safe”.

A Patrick Terminals statement said vessel operations at Melbourne East Swanson were impacted by smoke from the bushfires.

“Vessel operations have been disrupted,” the statement read. “Smoke haze is forecast to remain throughout the day which may cause further intermittent operational delays.”

A spokesperson for Victoria International Container Terminal at Webb Dock said that due to health implications from the smoke affecting Melbourne’s air quality, it had stopped operations overnight.



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 & Custom Brokers Liability
- Freight Pak Business Insurance
- Road Transport Operators Liability
- Warehouse Operators Liability
- Marine Cargo
- Marine Cargo Facility for Freight Forwarders
- 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

GLOBAL RISK MITIGATION FOUNDED ON LOCAL EXPERTISE

Townsville expands pilot boat fleet

■ Port of Townsville announced it was expanding its fleet of pilot boats to four.

Management awarded Hart Marine a \$3m contract to build a 17.3metre ORC vessel that is due for delivery later this year. The new high-tech vessel is to be slightly longer but have the same design features as the *PV Osprey* which was delivered by Hart Marine in late 2017.

Port of Townsville general manager operations Drew Penny said the new longer pilot boat's advanced technology and design features would make it a vital asset for pilot-transfers at Townsville, Lucinda and Abbot Point.

"Weather conditions at the three ports that our pilot boats service can be unpredictable, particularly in the wet season," Mr Penny said.

"It is essential that our pilot vessels provide a stable and secure platform for the pilots to transfer to and from ships 24 hours a day, seven days a week."

Design features include the ability to right itself if it capsizes in heavy seas. The boat will also have oversized rudders that give it greater manoeuvrability, wide side-decks that provide more room for pilots, as well as a wave-piercing beak bow to minimise pitching.

Every year, the Port of Townsville's pilot boats do 1200 transfers to and from vessels longer than 50 metres that are entering and departing the port.

The Port's pilot boats travel 139km north to Lucinda and 200km south to Abbot Point to provide the same service to vessels using those Ports.

Hart Marine general manager Graeme Taylor said the new boat met the demands of the work environment of North Queensland tropical waters.

This includes a cruising speed of 26 knots, a unique wave-piercing bow design to increase performance and safety and a suspended wheelhouse reducing noise and vibration.



The Pacific well represented in awards

Ports Australia, Gladstone Ports Corporation and Port of Brisbane were listed as finalists for the IAPH World Ports Sustainability Program 2020 Awards.

Solomon Islands Port Authority was also listed as a finalist in the section of Climate and Energy, for its Green Ports Project.

Australian and South Pacific nominations:

- Climate and Energy; Solomon Islands Port Authority (Green Ports Project)
- Resilient Infrastructure; Port of Brisbane (NCOS Online)
- Community Outreach and Port City Dialogue; Port of Brisbane (Offsite stormwater management and migratory seabird monitoring) and Port of Gladstone (sustainable sediment management)
- Governance and ethics; Gladstone Ports Corporation (indigenous affairs strategy), Ports Australia (ports and a sustainable Australia) and Port of Brisbane (marine cadetship).

"We were extremely proud of our Ports and a Sustainable Australia report last year – we're now even prouder of it being judged against the world's ports sustainability projects and in the running to win an award which carries significant global recognition," Ports Australia CEO Mike Gallacher said.

"I'd like to congratulate the Port of Brisbane and Gladstone Ports, both of whom have multiple entries in the running. Our newest international members, Solomon Islands Port Authority are also among the candidates and I wish them all the best.

"We're incredibly proud that we can help represent Oceania's focus on a sustainable future for the port industry and the communities its ports reside in."

IAPH managing director Patrick Verhoeven praised the quality of entries this year.

"We are delighted again to have so many innovative and diverse projects added to the WPSP portfolio," Mr Verhoeven said.

Winners will be announced during the World Ports Conference Gala Dinner, held in Antwerp, Belgium, on 18 March.



Mike Gallacher

INDUSTRY EVENTS

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

To notify DCN of events please email us at editorial@paragonmedia.com.au



TRANSPORT



DoAWR INSPECTIONS



DoAWR STEAM CLEAN



COOL ROOMS



PACKING/UNPACKING



OUT OF GAUGE

17 BAKER STREET, BANKSMEADOW NSW 2019



LCL / AIRFREIGHT FUMIGATIONS RUNNING **DAY AND NIGHT.**

Our in house qualified fumigation team can assist with your fresh produce and flower fumigation requirements.

FUMIGATION SERVICES:

- ✓ IN HOUSE FUMIGATION SERVICE
- ✓ 5 FUMIGATION CHAMBERS FOR LCL AND AIR FREIGHT PLM & AKE
- ✓ FRESH PRODUCE AND FLOWER FUMIGATION
- ✓ FCL AND LCL FUMIGATION SEA AND AIR
- ✓ REFRIGERATED STORAGE SOLUTIONS
- ✓ ON CALL FUMIGATION SERVICE

*Fumigation service available 24 hours Sunday to Friday. Saturday is open from 6:00 to 15:00. Times may vary depending on demand. Please call customer service to provide you with an exact timeframe and create a booking.



The Port of Eden on the NSW south coast

Port Authority of NSW: Nick Haenig, Svitzer

Fire & fury

Australians were shocked as bushfires ripped through parts of the country during the summer, but the maritime and transport sectors did their bit to help

AMIDST THE DESTRUCTION

wrought by fierce bushfires during the holiday season, the maritime and transport sectors ensured Australians were supported during their time of need.

Tug companies not only rescued people from the shore of the town of Mallacoota, they also provided temporary accommodation.

Trucking businesses made massive efforts in getting supplies to beleaguered towns and communities, while the Royal Australian Navy led the way with rescue and recovery.

Ports were crucial in ensuring a supply of goods to those in need.

Ports Australia chief executive Mike Gallacher expressed gratitude to firefighters while also acknowledging and thanking members who contributed to the relief effort.

“Like many industries, the indirect effects of the flames have been felt by the workers at our ports,” Mr Gallacher said.

“Our stevedores and port staff have been bombarded with oppressive smoke day-in-day-out, at times forced to down tools for the sake of their own health and safety, not to mention the mental strains of worrying about family, friends, or co-workers affected by fires.

“The effort by port staff and various players along the supply chain has been vital for keeping the flow of goods and resources from ship to fire-affected communities running, even more so while fires interrupt crucial freight corridors. It has formed a part of the incredible display of Australian spirit shown throughout the crisis and is something we at Ports Australia are immensely proud of.”

Mr Gallacher said they had been astounded by “selfless acts of sacrifice” by members of the port sector over the last few weeks and months.

“We’re pleased to join the Australian Cruise Association’s CEO, Jill Abel who in a recent statement thanked TasPorts in Burnie, Port of Melbourne, and Flinders Ports in Port Lincoln for taking in diverted cruise liners at short notice,” he said.

“Victorian International Container

The Cooma at the Port of Eden





Senator the Hon Linda Reynolds CSC looking at the bushfires in Eden while onboard an MRH-90 helicopter during a visit to HMAS Adelaide

Terminal has donated shipping containers and employed numerous fundraising initiatives such as supplying staff with vouchers to use in fire-affected towns to keep local trade moving. Port Botany should be proud of the way they've expedited the throughput of fire retardant so it can be quickly in the hands of firefighters on the ground.

"The *Far Saracen* vessel was first to arrive at Mallacoota with vital relief supplies after being tasked by the Victorian emergency coordinator."

Mr Gallacher said a special mention was appropriate for the team at the Port of Eden which had flames on its doorstep and crowds of residents swarming to the water to escape the blaze.

"The *Svitzer Australia* team at Eden graciously sheltered more than 80 of those residents on their vessels at the port and provided transportation for firefighters around Twofold Bay," he said.

"Our support is with the Port Authority of NSW who will continue working with the port to ensure its road to recovery is safe and smooth.

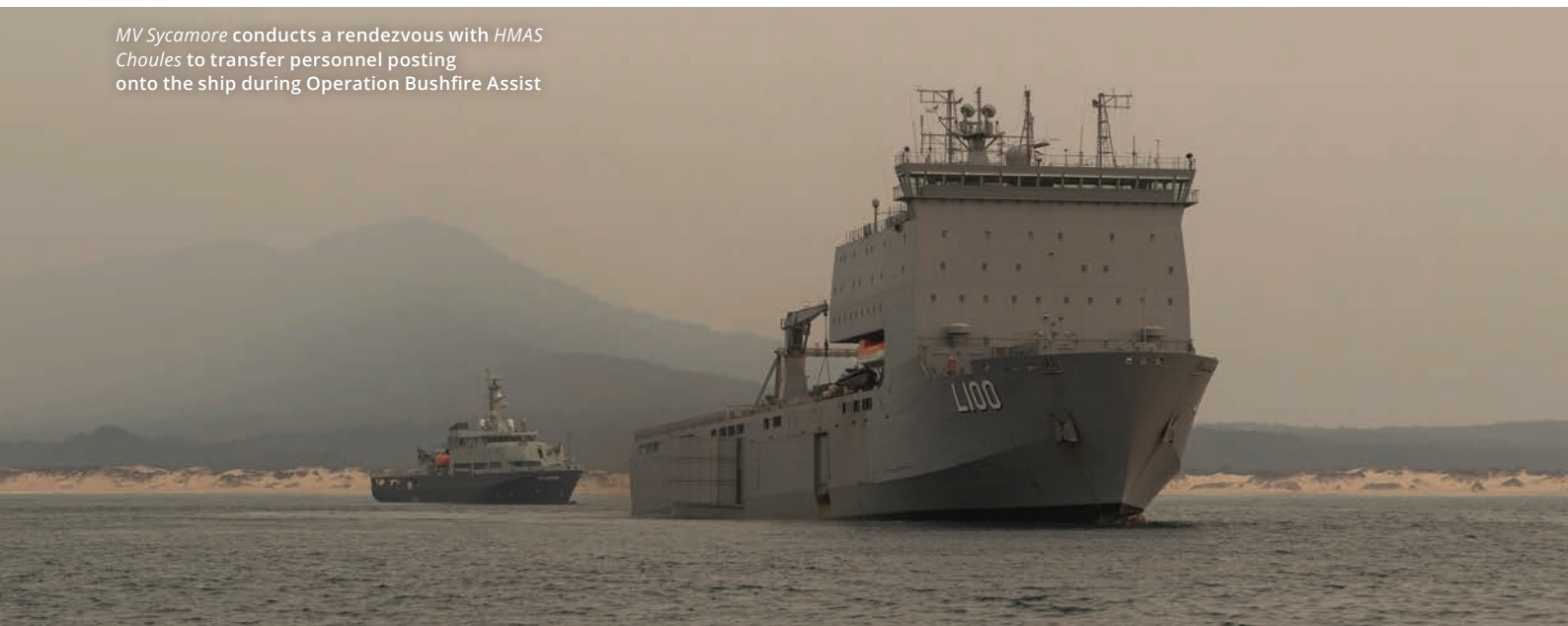
"Many other of our members have sent their support to Australian communities in various ways, as well as taking the grassroots approach in their operations which ensures the welfare of their staff directly and indirectly affected by the fires. Every act has made us feel even more honoured to represent them."

Mr Gallacher said Australia would fail without the 'blue highway' and the effort at the port gate, "so we'll be working closely with our members and government in the future to ensure our industry is doing



Michael Bright and Brett Collison with cricket gear to be delivered to fire-affected communities

MV Sycamore conducts a rendezvous with *HMAS Choules* to transfer personnel posting onto the ship during Operation Bushfire Assist





Hay about to be trucked from Portland to farmers in need near Bairnsdale

everything it can to assist devastated communities get back on track”.

While much of the nation's attention was on Gippsland/SE NSW, a terrible bushfire also wrought havoc on parts of Kangaroo Island, South Australia in early January.

This prompted a response from local ferry operator SeaLink which supported emergency services with the transportation of essential support personnel, supplies and services.

Additional ferry services operated during the night to ensure urgent delivery requirements could be met.

Sealink CEO Jeff Ellison said they had developed an initial support package worth half a million dollars for support of the local community including an initial \$200,000 financial donation to the KI Mayoral Relief and Recovery Bushfire Fund.

Sealink also provided free ferry passenger fares to the family and friends of Kangaroo Island residents during January.

Around the country, there were numerous examples of the shipping and transport sectors raising money and donating to important charities.

In other examples of selflessness, two drivers from LINX CCG volunteered their time to run two B-double trucks of donated hay from Portland to the drought and fire affected areas in and around Bairnsdale, Gippsland in mid-January.

Folks from Qube Logistics also made a special effort to get cricket gear to small cricket clubs in southern NSW whose equipment had been lost in the blazes.



Fires on King Island saw the local ferry support emergency services

Victorian Transport Association chief executive Peter Anderson said Australians, as expected, had responded magnificently, and with selfless enthusiasm and a great level of generosity.

“It has been humbling to witness the heroics of volunteer firefighters and first responders protecting life and property, as well as the generosity of ordinary citizens donating money, food, clothing, shelter and whatever else they can to fellow citizens impacted by the fires,” Mr Anderson said.

“The transport industry is most certainly doing its bit to help, with supply chain logistics a key part of virtually every aspect of bushfire response and disaster recovery.

“As an industry we should be proud of our efforts to support the early phases of recovery: images of convoys of feed for livestock; water, food and supplies delivered

to impacted communities; and people being transported out of fire zones are visual examples of how the transport industry is responding, with much more being done behind the scenes to minimise disruptions in the supply chain.”

Mr Anderson said as governments acted and communities recovered, it would be important for the role of supply chains and logistics to feature prominently in the long-term planning likely to be undertaken by permanent bureaucracies being established state and federally to respond to the permanent threat of bushfire.

“The VTA stands ready to advise these new agencies on how the transport industry can support their efforts,” he said.

Mr Anderson said short-term disruptions could be overcome but long-term supply chain planning was vital. ■

A new year with new challenges

The year ahead offers both opportunities and challenges in bringing about change within the maritime sector

A STRONG WOMAN, HELEN KELLER,

once said “Your success and happiness lies in you. Resolve to keep happy, and your joy will form an invincible host against difficulties”.

I’m reminded of her words as we head into a new decade, with the possibilities and new challenges that it brings.

Just over a year ago I asked you to imagine a vessel arriving at port and all the people involved in the safe and efficient movement of the vessel from port approaches to berth. I expect many of you imagined men in the roles of pilot boat coxswain, pilot, deck hand, navigation officer, master, VTS operator and shore side personnel.

Hopefully we managed to change that perception with a focus throughout 2019 on women in maritime, bringing greater awareness to their role globally.

TIPPING POINTS

Twenty-nineteen was amazing, full of stories of invincible women, told through articles such as the ones in this publication, as well as social media, including the Women in Maritime 365 Challenge on Facebook and Instagram. What did we learn? Well, that women in the maritime industry are reaching the ‘tipping point’ for social change. When I say tipping point I’m referring to Malcolm Gladwell’s book that looks at sociological studies on the structure of change. He presents thoughts

on the “magic moment when an idea, trend or social behaviour crosses a threshold, tips and spreads”.

The tipping point doesn’t have to be big, but can actually be about how small actions, taken at the right time, in the right place, through the right networks, with the right people, can move an idea into a trend. Consistent, compassionate, collective action, bringing about meaningful change.

There have been many studies on what that tipping point is. While initial studies, based on observation, speculated on ranges between 10% and 40%, a study posted in *Psychology Today* (May 2019, Damon Centola) proposed that 25% is the tipping point for social change. If you want to look further, check out Dr Centola’s papers and articles, including *How Behavior Spreads* (Princeton University Press).

HOW DO WE GET THERE?

How do we reach a tipping point for women in maritime? What can be done to move beyond 2% to reach 25%, or more, for women working in seafaring and shore based maritime positions?

There are some ways we can work towards the tipping point - Piotr Sztompka presents some of these in his book *The Sociology of Social Change*. They include looking at:

- actions taken by a large number and variety of individuals;



Jillian Carson-Jackson FNI FRIN, senior vice-president, The Nautical Institute

- collective organisation within social networks;
- roles undertaken by individuals;
- types of recruitment;
- context in which social change happens (location, political and economic climate).

EMPOWERING CHANGE

The work by local, national and international organisations to empower, support and encourage women in fields that may have been considered ‘non-traditional’ continues to support women in maritime.

As Captain Wendy Williams, the 2019 New Year’s Eve post for the WiM 365 Challenge, said, “Always be vigilant and control the reins of your own destiny. Never compromise on what you believe in. Empowering Women in the Maritime Community means inclusion, gender equity, balance and education”. ■

Post note: WiM Facebook and Instagram pages are continuing in 2020, under the guidance of So-yeong Lee from the Republic of Korea. Please continue to be active and support #womeninmaritime #balanceforbetter #IamOnboard and other related hashtags.

DRIVERS OF SOCIAL CHANGE

■ According to Malcolm Gladwell’s book there are a few elements that drive social change:

- The law of the few – where a few people with specific skill sets promote the change: ‘mavens’ (individuals who can spread influence through friends and family); connectors (those who know a lot of people, are able to influence); and persuaders (those with a natural tendency to ‘sell’ an idea, charismatic and enthusiastic).
- The stickiness factor – some element, quality or aspect that causes the idea to ‘stick’ in the minds of the public and influence behaviour.
- The power of context – linking an activity or movement to the environment or historical moment in which it is introduced. The idea of being ‘in the right place at the right time’.

Keeping the ports of NSW safe, secure and open to the world

Sydney Harbour | Port Botany | Newcastle Harbour | Port Kembla | Port of Eden | Port of Yamba

www.portauthoritynsw.com.au

Follow us @portauthoritynsw



Newcastle Harbour, New South Wales

2020 agriculture fees and levies

Paul Zalai, director and co-founder of the Freight & Trade Alliance, provides an update on the future of biosecurity levies to be implemented by the Commonwealth

THE MINISTERIAL-APPOINTED

Biosecurity Levy Steering Committee, including representation from Freight & Trade Alliance, reported to the federal government in May 2019. In December, the Minister for Agriculture publicly responded to the committee's eight recommendations.

The Minister declared the Biosecurity Import Levy, as announced in the 2018-19 Budget, would not proceed. This doesn't mean the levy has gone, simply it will be replaced by an "alternate biosecurity levy".

Below is a summary of commonly-asked questions and our preliminary responses.

Why is the 'Biosecurity Import Levy' required on top of an increase in cost recovery fees?

The federal government is imposing a requirement on industry to pay for more of the biosecurity task rather than funds coming from general revenue. This appears to align with the broader government mandate to deliver a surplus budget.

The department advised the increase in existing cost recovery fees would fund activities previously paid for from general revenue. Other activities that need to be paid for, but do not fall in line within established cost recovery guidelines, will be collected via a new mechanism being the alternate biosecurity levy.

In summary, at some stage in 2020, importers will most likely be paying two fees – an increased cost recovery fee from 1 January 2020 and a new/separate alternate biosecurity levy at a date to be advised.

Are African swine fever measures funded by the expanded cost recovery or alternate biosecurity levy?

No. A Ministerial media release on 11 December 2019 referred to \$66.6m being committed to arrest the threat posed by African swine fever. FTA followed up with the Minister's office who confirmed this is "new government funding" and will not be recovered via the expanded cost recovery or alternate biosecurity levy.



L-R: Paul Zalai (FTA/APSA), Margie Thomson (Cement Industry Federation), Stuart McFarlane (AFIF), Minister Bridget McKenzie, Rod Nairn (SAL), Mike Gallacher (Ports Australia), Peter Gneil (AIP) and Dimity McCredie (Cruise Lines International Association)

What activities will be covered in the alternate biosecurity levy?

We do not have complete detail. FTA will continue its advocacy for funds to be used to support importers in terms of increased and highly trained frontline officers (document assessments, inspections) and improved systems capabilities. The department has previously been restricted by government in increasing staffing levels. FTA will advocate for this cap to be altered in line with the need for resources.

A scenario we want to avoid is a "double-whammy" of increased fees with no commensurate improvement in service.

What will be the quantum of the alternate biosecurity levy and the collection method? When will it take effect?

We do not have any detail on these matters. The alternate biosecurity levy will be subject to a Parliamentary Act. Realistically it is highly unlikely before mid-2020.

Will industry be consulted?

Yes. Unlike the previously proposed Biosecurity Import Levy, the Minister has committed to commissioning a regulatory impact statement for the alternate levy. FTA sees this as important and necessary. We have also been advised there will be the formation of a new committee to

support developing the structure of the new alternate biosecurity levy. FTA, along with other DCCC members, has given a commitment to be a participant on this new committee.

What activities will be covered in the increased cost recovery fee?

In terms of activities covered under the fee increase, the cost recovery implementation strategy: biosecurity 2019-20 (CRIS) states this will pay for assurance and verification activities; increased analytical and intelligence activities; provision of technical scientific advice; and import pest and disease risk mitigation.

What will be the quantum of the increased cost recovery fee?

The effect of the government's decision to expand cost recovery for biosecurity is to increase the following charges:

- Full Import Declaration charge—air was \$33, modelled at \$37.34, rounded to \$38.
- Full Import Declaration charge—sea was \$42, modelled at \$48.45, rounded to \$49.
- Vessels greater than or equal to 25 metres—arrival charge was \$920, modelled at \$1053.09, rounded to \$1054.
- Vessels less than 25 metres—arrival charge was \$100, modelled at \$119.79, rounded to \$120. ■

Global markets and the impact on currencies

A look at prospects for global markets during the year ahead. By **Paul Bettany**

2019 WAS A RECORD YEAR FOR

equity markets in the United States, with the American economy booming and driving global markets. The strong economy translated directly into a tight labour market and strong wage growth. This allowed for an increase in disposable income and the consumer led economy to flourish, boosted by low interest rates.

The disruption to the supply chain in 2018/19 is fast being resolved, with the United States re-negotiating trade deals and seeing results. The US completed deals with their three largest trading partners, in China, Canada and Mexico, allowing global trade to resume and expand.

The United Kingdom has set its sights on a wealth of trade agreements in 2020, with the United States and Commonwealth nations being a high priority.

The massive disruption to the United Kingdom and European Union over Brexit was also somewhat resolved, with a general election giving a decisive victory to the Conservatives and Brexit.

The Australian economy suffered a slow-down, despite the unexpected re-election of the Coalition government, not helped by massive bushfires enveloping the country during the 2019/2020 year end period.

US/CHINA DEAL

Global markets received a 'green light' with the completion of the 'Phase One' US/China trade agreement which should remove uncertainties surrounding the supply chain. This is only the first part of a two-stage agreement, but importantly includes US exports, IP security, currency controls and financial services liberalisation. This should have a massive impact on global markets, as will the implementation of the US/Mexico/Canada trade agreement, which is due in early 2020.

The Brexit deal promises much, not only for the UK, but also for its prospective trading partners. The UK has set its sights on a wealth of trade agreements in 2020, with the US and Commonwealth nations being a high priority. This can only be a huge boon to global trade and thus growth.

CENTRAL BANKS AND MONETARY POLICY

Central banks across the world are at historically record low interest rates and record high liquidity. Monetary stimulus has been key to improving global growth and this may be a year of status quo.

The Federal Reserve has already indicated

that rates will remain steady, unless required, while the ECB and Bank of Japan are already in negative territory, leaving few options available.

The Bank of England will have a big year as the results of the 'Brexit' become more clear but growth expectations should remain high.

The RBA is at historically low levels for interest rates, but the stubbornly low growth rates and the recent bushfires may encourage further rate cuts.

US interest rates are trading at a big premium to other major trading competitors and their associated currencies, which should mean a serious appreciation over the 2020 year.

The Australian dollar started the year towards the bottom of their historically, cyclical trading range, well below 0.7000. The low interest rates, risk factors and the US premium promise the currency may go lower yet. This is in relation to the reserve USD, but may have much better prospects

trading against the EUR and the Yen, due to negative interest rate discounts. The GBP is likely to generate interest over the coming year and should attract a lot of upside.

GLOBAL GEO-POLITICS

The biggest foreseeable event on the geopolitical stage in 2020 is the US Presidential elections. Although this does not occur until November, it will still dominate headlines for much of the year. President Trump is always in the spotlight, changing the narrative and, from the Republican viewpoint, seeking to drive economic prosperity with low taxes and deregulation. The Trump trade policy, I would argue, is starting to come to fruition.

The most exiting prospects may come from the UK trade deals with the rest of the world. The UK was the great trading nation of the world for many years and would love to regain a semblance of that previously held, lofty status. High on the priority list will be the US and Commonwealth nations targeted for trade deals. Australia is likely to benefit from such trade agreements. These two top ten economies complement each other well and have many commonalities from the 'Empire' days.

FINAL THOUGHTS

The coming year promises to be one of strong global growth, as trade deals are implemented and benefits flow. Low interest rates around the world allow for funding of investment and debt, encouraging growth. ■



Paul Bettany,
partner, Collinson
& Co.

Saving the Densa Whale

Image: Towage



Winners of the Maritime Services award at last year's *DCN Australian Shipping & Maritime Industry Awards*, Engage Towage was singled out for its outstanding work in salvaging the stricken crude oil carrier *Densa Whale*. Here, Captain Rob Garrett, salvage master for the *Densa Whale* and director of Engage Marine tells *DCN's Paula Wallace* the extraordinary story.

The rescue of the *Densa Whale* is the largest salvage job undertaken by Engage Towage to date. The company is a joint venture between Engage Marine and towage company Smit Lamnalco.

In fact, there hasn't been a situation like it, involving a stricken, fully-laden aframax tanker off the Australian coast, in decades. The last comparable tow was that of a smaller tanker, the *Kirki*, off the West Australian coast in 1991.

For the recently formed entity Engage Towage, the salvage of the *Densa Whale* provided a great challenge for its Sydney team. The harbour towage and port services company - currently operating in the ports of Sydney Harbour, Botany Bay and Geelong - was first contacted by Captain Dave Fethers, Smit Lamnalco's managing director for Australia and PNG, at 2:08am on 6 May 2019.

"He said that a disabled, very large, fully laden tanker was drifting perilously close to the coast," Engage Towage's Captain Rob Garrett tells *Daily Cargo News*.

"We assembled a highly experienced crew in salvage and ocean towage on the wharf within the hour.

"As you could imagine it's a challenging task assembling the appropriate crew, rigging tow gear, preparing the vessel for the voyage and getting enough food provisions in normal hours, let alone at 3 am.

"Nevertheless, the crew took this in their stride and raided every 7/11 store within a 15 km radius, to secure enough food provisions for the early stages."



SL Diamantina towing the Densa Whale



SL Martinique connecting towline to the Densa Whale

... it had the potential to spill four times' the amount of heavy crude oil into the environment than the Exxon Valdez.

RECORD SPEED

When the Engage team departed the berth it was believed they could reach the casualty within nine hours. This came much to Captain Fethers' relief who commented, "that's great, it'll be on the rocks in 12 hours".

"With that fresh in our minds we pushed the Damen 2810 tug, *SL Martinique*, extra hard to have a bit more time up our sleeve," Captain Garrett says.

"She performed extremely well in what can only be described as very poor conditions, arriving at the location within seven hours."

The coast was clearly visible in the background and the crew was faced with connecting the tow in six-metre seas and strong winds.

"The ship's crew did an amazing job, as did the crew on deck of the *SL Martinique*, and the initial connection was seamlessly made and the vessel was taken under tow," Captain Garrett says, clearly proud of his salvage team and the seamanship they displayed in undertaking this highly risky task with no injuries or damage to assets given the formidable conditions.

NEW CHALLENGES

With the vessel under tow the imminent threat of making contact with the coast had reduced but because of the weather conditions the operation was not out of trouble yet.

"We had a long night ahead of us with the weather deteriorating and nowhere to go except east, away from the coast," Captain Garrett says.

The challenge that faced the crew of the *SL Martinique* was that they were there all alone, and if they failed to keep the *Densa Whale* off the coast it had



The SL Martinique in heavy weather



FACT BOX

DENSA WHALE

AIS TYPE: Tanker (HAZ-A)
FLAG: Marshall Islands
IMO/MMSI: 9601223/538004593
ENGINE POWER: 19620 KW
LENGTH/BEAM: 274/48m
GROSS TONNAGE: 81186 tons
DEADWEIGHT: 158322 tons
CURRENT DRAUGHT: 9.0m
YEAR OF BUILD: 2012



Back deck of the *SL Martinique* submerged in a storm

The crew couldn't sleep as the tugs were being thrown around like toys in a bathtub.



Intense east coast low catching up with the tow

the potential to spill four times' the amount of heavy crude oil into the environment than the Exxon Valdez lost into Prince William Sound in 1989.

The biggest challenge throughout the 28-day tow was the weather. Captain Garrett says, "From the start to the finish we were not blessed by the weather gods and an initial port of refuge also proved a challenge".

CRITICAL NEXT STEPS

Throughout the first few days the port authorities of the east coast worked with Engage Towage and Smit Lamnalco Salvage to determine where the vessel could be berthed to discharge her cargo.

"Because it was fully disabled from a catastrophic engine failure and her sheer size, this was posing a problem as not many ports in Australia can handle vessels that size or accept the risk that the ship potentially posed due to her incapacity," Captain Garrett says.

"While all of this was being decided we had been instructed to hold position off the coast by the Master of the *Densa Whale* and this started to concern me."

The salvage team were getting weather reports via the radio and over the internet of an "intense east coast low" and when they plotted it on their charts, they were right in its path.

BOUND FOR BRISBANE

Finally, the decision was made to tow the vessel north to Brisbane and the team engaged a second tug from the fleet to assist the *SL Diamantina*.

"We connected the second tug up towing the disabled *Densa Whale* in a tandem tow, making our best speed on a north easterly course off the coast towards Brisbane," Captain Garrett says.

"The intense east coast low was looming upon us from behind and the realisation was that it was a matter of hours before it caught us, not if.

"We were getting pressure to keep the vessel safely off the coast and with a federal election weeks away, all parties were feeling the pressure of having a very large disabled tanker stuck in the middle of a storm perilously close to the coast."

The next 72 hours were some of the wildest seas the experienced salvage team had seen. They encountered wave heights of 14 metres (46 feet) and recorded wind speeds in excess of 60 knots (111 kilometres per hour).

Throughout the weekend the team could virtually not see the *Densa Whale* as visibility was reduced to well below the length of the tow. The deck of the *Densa Whale* had waves breaking straight over the top, washing away all of the life rings along the ship's handrails, as it also did on both the tugs.

"The crew couldn't sleep as the tugs were being thrown around like toys in a bathtub, the decks and the tow winches submerged as the decks were fully awash with waves," Captain Garrett says.

"There was no cooking to be done and dry provisions were the order of the day, even if we could eat there

wasn't much crockery left as it constantly sounded like a Greek wedding with the smashing of plates and cups in the galley.

"The crew had nowhere to go but face that storm together. With the comradery of the crew, a bit of good luck and the support from our shoreside team we somehow got through that weekend."

Captain Garrett says the most satisfying outcome was that all the crew from both the Engage Towage vessels and the *Densa Whale* were safe and that the vessels and the environment were not damaged.

THE WASH UP

So what have been some of the outcomes for the Engage Towage team from its experiences with the *Densa Whale*?

"It has made the very close-knit team at Engage Towage Sydney even closer and also demonstrated to the maritime industry that Engage Towage are a professional and capable company," Captain Garrett says.

The strength and resources of Engage Towage backed by the joint venture partners, enabled it to safely complete a job where the odds were against them.

"When I look back now with what we were faced with, I don't think many would've backed us to get the result we did," Captain Garrett says.

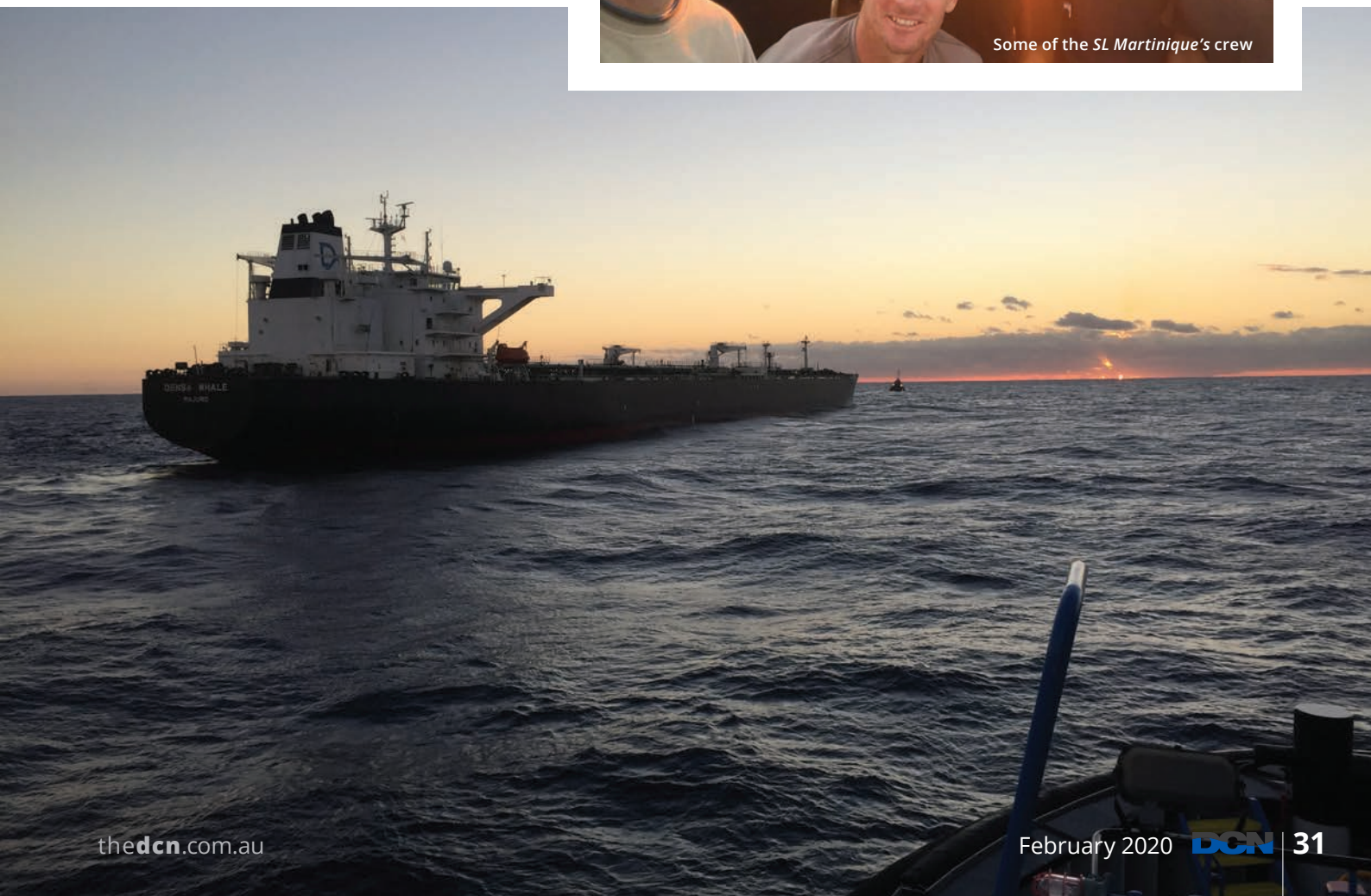
"We believe we have the team that can safely undertake more calls of assistance in the future and are working with our partner, Smit Lamnalco's salvage division, to further enhance our crews and vessels for this kind of work in the future." ■



The *Densa Whale* under tow off the New South Wales coast



Some of the *SL Martinique*'s crew



OPTIMISING

As the freight task and the Australian population soar, so more efficient means of handling these goods are required. This is where our intermodal terminals are so important, writes **David Sexton**



Maurice James can scarcely conceal his excitement when talking about the Moorebank Intermodal Project in Western Sydney, one of the most ambitious freight schemes in the nation's history.

Speaking with *DCN* at a recent event in Melbourne, he describes this "major project for Qube" which is set to represent a \$1.3bn investment for the prominent logistics company.

"That doesn't include some of the significant warehouses that we expect to develop. We're about half way through that, we've committed about \$600m at Moorebank already," Mr James says. "It is the largest freight hub Australia will see, over 243 hectares of land."

Mr James talks of a master plan of 850,000 square metres of warehousing on that land and planning approval for an import/export terminal or 'IMEX' and export rail terminal direct into Botany.

A future interstate rail

In respect of Moorebank, Qube is the developer, manager and the investor.

"In simple terms, we had a third of the land, the Commonwealth has a third of the land and the port authority will then lease to Qube for 99-years once we develop the warehousing," he says.

ROLE OF THE COMMONWEALTH

But what of the role of the Commonwealth in this project?

David Jurd is acting chief executive of Moorebank Intermodal Company, a government business enterprise established to facilitate development of the intermodal terminal at Moorebank.

It is wholly-owned by the Australian government and operates at "arm's-length" and with a commercial focus.

FREIGHT POTENTIAL

terminal was "a must" from the Commonwealth government given the traffic and freight constraints in Sydney.

The Commonwealth put in place an expressions of interest process way back in 2013-14 for those interested in developing their land.

"We eventually won that bid on this master plan," Mr James says.

"What not many people realise is the IMEX terminal is going to be fully automated. We're going to move boxes to warehouses with automated straddles and line them up for tenants at Moorebank."

In these days of heightened awareness of sustainability, Mr James speaks of increased use of solar panels, for example, the new Target warehouse is just short of 40,000 square metres and is to be the largest solar-panelled warehouse in Australia.

"Every warehouse will be solar-panelled. It will have an embedded power network feeding power back into every tenant," Mr James says.

Moorebank has been some years in the planning, but Mr James believes important progress has been made.

"There has been a long time talking about Moorebank, but the reality is here and we're pretty excited despite some of the challenges," he says.

"It really has been a challenge from a planning perspective and having to deal with two levels of government."

"That gives us the flexibility to maximise opportunities for private sector involvement and enable innovation, while still being accountable to our shareholders," Mr Jurd tells *DCN*.

"In 2015, MIC entered agreements with Sydney Intermodal Terminal Alliance – now fully-owned by Qube Holdings – for it to build and operate the intermodal freight precinct."

Core elements of Moorebank are to develop an import-export terminal with capacity of 1.05m TEU a year; interstate terminal with capacity of 500,000 TEU of interstate and regional freight per year; and high-specification warehousing of up to 850,000 square metres.

"We work very closely with Qube Holdings with both of us having contributed substantial land holdings," Mr Jurd says, reiterating Mr James' points.

"We have to when you consider the precinct is the same size as the Sydney CBD, straddling land owned by the Commonwealth and Qube Holdings."

MIC funds defined parts of the work – such as rail line construction and site preparation work – and ensures infrastructure is delivered to the required very high standards.

"When the facility is fully operational, our main role will be to ensure it is a flexible and commercially viable common user facility that is being made available, on reasonably comparable terms, to all rail operators and other terminal users," Mr Jurd says.





Bromelton intermodal in southern Queensland

We run the biggest interstate trains in Australia out of Parkes, 1.8km double-stacked.

Geoff Smith, SCT

Traffic congestion is a hot topic in Australian capital cities, a challenge which Moorebank is aimed to help overcome.

“Freight volumes at Port Botany are expected to triple by 2031. Moorebank Intermodal is designed to meet that challenge,” Mr Jurd says.

“At full operation, Moorebank will increase rail intermodal capacity within the Sydney basin by more than 50%. It will have the capacity to shuttle more than a million shipping containers annually between Port Botany and Moorebank - by rail instead of road.

“That equates to taking up to 3000 heavy truck movements off Sydney’s highways every day.”

The terminal is to include Australia’s largest purpose-built warehouse and distribution precinct, serviced by driverless shuttle carriers to deliver container contents to be unpacked and stored on-site or distributed in smaller consignments.

The interstate terminal is to put an additional 500,000 containers of capacity into the rail network that links interstate and regional centres, removing thousands of long-haul truck journeys from roads outside Greater Sydney.

NATIONAL SUPPLY CHAIN

In the long run, Moorebank is seen as a crucial part of the national supply chain.

“The intermodal terminal is an important part of the federal government’s National Freight Strategy,” Mr Jurd says.

“Its aim is to improve national productivity through building a more efficient supply chain, increasing freight capacity and enabling better rail utilisation.

“It is going to contribute to producing a safer and less congested network, and bring a range of environmental benefits, while delivering a faster, simpler and more cost-effective freight service to business and consumers.”

INTERSTATE TERMINALS

Someone else who knows plenty about intermodals is Geoff Smith, managing director of the SCT Group, one of the nation’s most prominent logistics businesses by way of its interstate rail and truck operations.

SCT operates at intermodals in such places as Bromelton (Queensland), Parkes (NSW) and Horsham (VIC) and Wodonga (VIC, the so-called Logic Terminal).

“We are building quite well. Wodonga is a region that there is a lot of volume there... so that is a priority for us. Then a priority also for us in Altona to keep building our capacity to keep investing which we are doing,” Mr Smith says in a recent conversation with DCN at their Altona HQ.

“We have plans in Altona to keep investing. We have plans to put in more rail infrastructure, more container capability.

“Ideally, we’d love to run trains directly into the port [of Melbourne] and we do that in Adelaide but we can also hub out of [Altona].”

BROMELTON

A notable intermodal facility for SCT is Bromelton in Queensland, south-west of Brisbane and in the stunningly beautiful Scenic Rim region.

Opened in 2017, the facility is seen as significant in the handling of regional freight into the future.

Mr Smith notes the project has progressed well since inception, albeit there are some challenges.



Peter van Duyn,
maritime
logistics expert

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 | +61 8 8447 0611 | info@flindersfwd.com.au



An aerial shot of Parkes Intermodal

“We operate off the coastal line. We recognise Inland Rail is going to cut a new line in through Toowoomba across [to Brisbane] but we are still happy with Bromelton as a location,” he says.

“There is some uncertainty around what the final timing will be around Inland Rail, particularly the end-to-end bits in Queensland and Victoria.”

There has been some variation to the Bromelton business model. Currently four trains a week run into and out of the site, whereas previously five trains operated, albeit smaller.

The Bromelton business currently depends on freight from down south being moved via the Sydney metropolitan network.

“The biggest challenge in Brisbane is trying to get through the Sydney network - that causes us some issues in terms of the sort of stringent time slots,” Mr Smith says.

“It is going to restrict us on that corridor until Inland Rail comes along.”

Another challenge for Bromelton is in collecting import or export freight and railing it into Brisbane Port via the Brisbane metropolitan network.

“And that has issues because like every other state and capital city, freight is not a priority. The passengers

– the voters – are the priority,” Mr Smith says.

“So that is always a bit of a red flag for us, something outside of our control.”

PARKES NATIONAL LOGISTICS HUB

SCT is, along with Pacific National, a major player at Parkes National Logistics Hub in central-western New South Wales.

“We went to Parkes about 10-12 years ago and set up essentially as a Sydney terminal,” Mr Smith explains.

“So we ‘road’ a lot of our freight from Queensland and from Sydney and then we have a nice big train out of there and we run to Perth.

“There’s a couple of reasons we did that. The first one is trying to find a terminal in Sydney is impossible and secondly, the types of trains you can run from Sydney to Parkes are small – they have to get through the hills.

“When you get to Parkes, we run the biggest interstate trains in Australia, 1.8km double-stacked.”

Mr Smith has no problem sharing Parkes with a competitor in Pacific National.

“It is great that Pacific National are there. Their trains come through there and they can reconfigure those more efficiently for the ones going to Perth,” he says candidly.

“And then it’s also, once Inland Rail comes, then there will be a whole bunch of other efficiencies that they will get, as we will as well. So we are both thinking ahead in that respect.”

Parkes has particular significance having been deemed a ‘special activation precinct’ by the NSW government where it is trying to create a community, including agriculture, renewable energy and abattoirs.

A ‘MEMPHIS DOWN UNDER’

Pacific National CEO Dean Dalla Valle spoke last year about why they were keen to operate from the site,

FACT BOX

SOME KEY AUSTRALIAN INTERMODALS

Moorebank Intermodal Terminal

Enfield Intermodal Logistics Centre and the planned Eastern Creek Intermodal Terminal in Sydney

Proposed Western Interstate Freight Terminal in Melbourne

The Bromelton precinct near Brisbane

Source: Australian Logistics Council



Leading Container Solution Specialists in Australasia

Find out more at:
royalwolf.com.au

in [royalwolftrading](https://www.royalwolftrading.com.au)

f [royalwolftrading](https://www.royalwolftrading.com.au)

🐺 [royalwolf_ausnz](https://www.royalwolftrading.com.au)



It [Moorebank] is the largest freight hub Australia will see.

Maurice James, Qube



Maurice James,
managing
director, Qube

drawing attention to Parkes being the home of the famous Elvis Festival.

“Parkes is known as the Elvis capital of Australia, but in the future, it will also be known in freight circles as the Memphis Down Under,” Mr Dalla Valle said at the time.

“Companies like Pacific National will have the added investment confidence to help create the largest freight and logistics precinct in inland regional Australia; akin to the major freight hub of Memphis in the interior of the United States of America,” he said.

Pacific National committed an initial \$35m to develop the company’s Parkes Logistics Terminal, located within the National Logistics Hub, and acquire rolling-stock such as freight wagons.

Mr Dalla Valle said Pacific National’s terminal would act as a future facility to consolidate hundreds of thousands of cargo containers, including boxes filled with regional commodities destined for overseas markets, to be hauled by rail across the length and breadth of Australia.

“Once the Melbourne to Brisbane Inland Rail project is complete, regional enterprises can use Parkes as the launching pad to haul goods and commodities by rail more efficiently between the ports of Botany, Brisbane, Melbourne and Fremantle,” Mr Dalla Valle said.

Located at the intersection of the main western railway line running from Sydney to Perth, the future Inland Rail corridor from Melbourne to Brisbane, and the Newell Highway, Mr Dalla Vale described Parkes as “the perfect place” to establish

an intermodal freight terminal – a place where trains and trucks meet.

Construction of Pacific National’s terminal began in October 2018.

Mr Dalla Valle said once fully operational, Pacific National’s Parkes Logistics Terminal would have the capacity to process about 450,000 cargo containers a year, including the ability to haul double-stacked containers from Parkes to Perth.

“Pacific National is proud to be part of Parkes. Terminal construction is currently generating about 40 jobs, while the future terminal will have a workforce of 100 people,” he said.

He talked of the importance of Parkes in the overall context of Australian freight movement.

“Parkes Shire Council’s National Logistics Hub, Australian Government’s Inland Rail project, and NSW Government’s special activation precinct – three great ideas,” Mr Dalla Valle said.

THE FUTURE OF INTERMODALS

These big developments warrant some reflection on the role of intermodal terminals going forward.

It’s a theme taken up by maritime logistics expert Peter van Duyn from the Centre for Supply Chain and Logistics at Deakin University.

“I believe intermodal terminals are crucial to cope with the ever-increasing volume of containers in Australian ports in an environmentally sustainable manner,” Mr van Duyn says.

“Road transport alone will not be able to handle this. However moving containers by rail has to be commercially viable.”

He notes some challenges, however.

“Currently the port which moves the highest percentage on rail (Fremantle) is relying on government subsidies to make this happen.

“This is not sustainable in the long term,” Mr van Duyn says.

“I believe an environmental levy on trucks, as is currently in use in many countries overseas, will make this possible as well as efforts by ports, such as Melbourne, to provide true ‘on-dock’ rail.”

Mr van Duyn says another factor assisting in moving more freight off the roads was regulation which occurred in ports such as Rotterdam where, when tendering for a stevedoring concession, the port stipulated up to 50% of containers should be moved by rail or water – short sea shipping or inland barges.

“This is obviously hard to achieve in Australian ports as we do not have inland waterways and the number of transshipment containers (which are moved by short sea shipping) is low,” he says.

“Having said that it could stipulated in future concessions that ‘X’ percentage of containers has to be moved by rail.

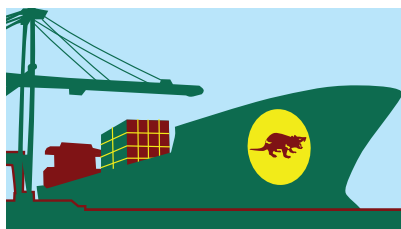
“Currently this number is regularly advocated by state government as a target, but they are unable to enforce this on the (privately owned) port authorities.” ■



Moorebank from the air



**International Harbour
Masters Association**



GLOBAL PORT MARINE OPERATIONS

12th International Harbour Masters Congress | 23 – 26 March 2020 | The Grand Chancellor, Hobart

THE NEXT WAVE – NAVIGATING TOWARDS THE DIGITAL FUTURE



The 2020 IHMA Congress is an unparalleled opportunity for maritime businesses to showcase their services and for port marine professionals from around the world to network, share their experiences and update their professional knowledge.

Join us in Tasmania - a destination of world-class maritime research, training and education - for this journey of innovation.

50+ Speakers
30+ Exhibitors
20+ Countries

***50% Discount for Young Professionals (35 years and under)**

HOST SPONSORS



GALA DINNER & AWARDS SPONSOR



EXHIBITION NETWORKING
DRINKS SPONSOR



TECHNICAL SITE TOUR &
LUNCH SPONSOR



IHMA PITCHING
COMPETITION SPONSOR



TECHNOLOGY SPONSORS



CONGRESS APP
SPONSOR



PEN SPONSOR



CARBON OFFSET
SPONSOR



WRITING PAD
SPONSOR



ENTRIES OPEN FOR THE 2020 IHMA AWARDS

Deadline for nominations: 28 February 2020

The IHMA 2020 Awards presentation will take place at the IHMA Gala Dinner on 25 March 2020.

Visit the website to view details of how to nominate for the categories:

- Safe, Efficient and Secure Port
- Outstanding Individual Achievement in the Profession of Harbour Master
- Port Operations Photograph of the Year



Brought to you by
informa connect

www.globalportoperations.com

Media Partner





Earlier this year AIMPE prepared a five-point plan entitled “Maritime Australia – A plan for renewing Australia’s maritime economy”. It contains AIMPE’s preferred view of “where to from here?”

However, it is apparent the government is looking for some simpler, focused measures that can be quickly implemented and will have a positive impact in the near term.

AIMPE submits one proposal that meets these criteria in the concept of an Australian Security Fleet. Fuel security and workforce development are issues that could both be addressed by the establishment of small group of tanker ships with the following features that are owned and operated by commercial shipping

companies; are Australian registered and holding a General Licence to trade on the coast; are Australian crewed with additional training obligations; and contracted to the Federal government.

A small group of tanker ships probably means six tankers; and any contractual consideration would necessarily be modest say \$5m per annum per ship. Below is some more detailed discussion of these broad features.

OWNED AND OPERATED BY COMMERCIAL SHIPPING COMPANIES

The Australian government has indicated no interest in re-entering the shipping industry as a vessel



Better coastal trading solutions

Martin Byrne and Michael Bakhaazi
from the Australian Institute of
Marine and Power Engineers offer their
thoughts on coastal shipping

operator – especially not in the area of commercial trading ships. Yet there is community concern about Australia's reliance on foreign shipping to manage our national liquid fuel demands. The solution would be for there to be a number of nominated vessels owned and operated by Australian companies which could carry out this important task.

Long-term chartering of ships would be a satisfactory alternative structure, but in that case the charterer should be required to be an Australian company of substance so the government and the Australian community can have confidence the arrangement will not collapse.

Since 2016 Australia has not had a major petroleum

tanker in the coastal fleet and so all of the coastal cargoes of both crude oils and petroleum products have been carried by foreign-flagged ships using the Temporary Licences.

In 2012 there were still five tankers operating on the coast with Australian crews – *Alexander Spirit*, *BP Fidelity*, *BP Loyalty*, *Hugli Spirit* and *Tandara Spirit*. One-by-one they were withdrawn from service and so there was no alternative available when the foreign ship operators sought the Temporary Licences.

There have been 2,222 petroleum cargoes carried on Temporary Licences vessels between Australian ports from 1 July 2012 to 22 October 2019. That averages out at roughly 300 voyages a year. However, there were 362



Temporary Licence voyages by foreign tankers in 2018 – two years after the last Australian-crewed tanker was withdrawn. There were 290 such voyages by foreign tankers up to 22 October 2019.

In terms of the volumes of cargoes carried by these foreign tankers, there has been 31,861,968 tonnes of petroleum carried on coastal voyages under Temporary Licence since July 2012. That's an average of around 4,350,000 tonnes of cargo a year on coastal voyages. The total amount of product and crude carried by foreign tankers between Australian ports was 4,565,426 tonnes in 2018 and there were 4,248,977 tonnes of petroleum [product and crude] carried by foreign tankers between Australian ports in 2019 (up to 22 October, 2019).

There have been five main players involved in applying for Temporary Licences for these coastal tanker trades since 2012: Ampol Singapore Trading; BP Australia; Caltex Australia Petroleum; Mobil Oil

Australia; Viva Energy Australia. Note: Caltex has ceased applying for Temporary Licences since 2015.

There is a substantial volume of petroleum trade being moved around the Australian coast – sufficient to support an Australian flag, Australian-crewed tanker fleet but the existence of the unrestricted access to Temporary Licences (combined with the absence of any major Australian flag tanker ships) continues to see these cargoes being dominated 99% by foreign flag, foreign-crewed ships while the Australian maritime industry languishes. Given south-east Australia's recent shortages of gas supplies – both for use as gas and for electricity generation – consideration should also be given to extending the proposed ship contracts to gas tankers. It is many years since the last Australian flag gas tanker (MT Kelvin) was withdrawn from service. Kelvin carried LPG for ICI [now Orica]. LPG remains the major gas cargo that has been carried on the Australian coast by foreign ships under Temporary Licences. Since 1 July 2012 there have been 625 voyages carrying a total of 1,656,674 tonnes of gas – mainly LPG and ammonia.

ROLE OF LNG

As arguably the cleanest burning hydrocarbon fuel, there is a strong likelihood that gas fuels will form an increasing proportion of Australia's fuel sources over the next few decades. AIMPE submits that such ships

A SHIPPING LINE'S PERSPECTIVE

ANL is a key player in the context of Australian coastal shipping. General manager commercial for intra Oceania trades **Chris Peck** describes some market trends

How have volumes been during the past 12 months?

Market volumes have remained consistent during the past 12 months and thus the market growth was not in line with our 2019 expectations where we were expecting 3-5%. As the economy in Western Australia slowed in 2019, we also saw the slowing of supply for major mining projects and construction industries – of which much is shipped from the Australian east coast. The port authority costs along with the stevedore operators' shipper based landside charges are making sea freight more unattractive as a mode for domestic cargoes.

What opportunities for growth do you see during the year to come?

Forecast growth and investment for the mining and construction industries in Western Australia paint a brighter picture, as does the continued growth of the food and beverage sectors.

What services does ANL operate in coastal trades?

ANL operates coastal shipping via our AAX and A3 services which serve all Australian ports on a weekly frequency

What does ANL see as the benefits for Australia in having more freight moved via the coast rather than by land?

The economic benefits to move cargo via sea are quite obvious, however, the environmental benefit cannot be understated. Customer attitudes are shifting – where the environmental impact is now being considered at decision-making level. The use of LSFO further enhances this with a sizable CO2 reduction.

Are you optimistic about the future of freight moving via the Australian coast?

The rising of costs of ancillary and administrative charges – both governmental and port operators – are leading to sea freight becoming more

uneconomic for customers whilst taxpayer subsidies for road and rail continue to assist with their pricing capabilities. To enable sea freight to continue to prosper, governments need to see the economic and environmental attributes that sea gives over land surface movement and assist in making it a real alternative. This will probably not happen in the short-term however, in the medium-term we believe that this will get higher on the political agenda and provide a more even playing field against the modes of road and rail.



Chris Peck,
general manager
commercial for intra
Oceania trades,
ANL



Who helps those who are key to our industry?



**THE MISSION TO SEAFARERS,
Sydney**

24 Hickson Road

Millers Point NSW 2000

Tel +61 (0)2 92413009

enquiries@missiontoseafarers.org.au

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

should be Australian registered and should each hold a General Licence under the Coastal Trading legislation. This guarantees vessel safety standards would be subject to the full terms of the relevant Australian maritime safety legislation.

The Australian Maritime Safety Authority would have flag state inspection and enforcement powers. The Australian Transport Safety Bureau would have investigation powers in the event of any incident.

The possession of a General Licence would allow the ships to carry any combination of cargoes between any set of ports [or locations] around Australia without being required to seek additional authorisation from the Department. At the same time this would not preclude international voyaging to secure and deliver petroleum from overseas locations to Australian ports.

AUSTRALIAN CREWED WITH ADDITIONAL TRAINING OBLIGATIONS

Many stakeholders in the Australian maritime industry have expressed concern about critical workforce development issues. The snapshot taken by the MIAL survey in 2018 should be regarded as a critical alarm about the risks to Australia of failing to plan for the renewal of the maritime workforce. A key objective

Consideration should also be given to extending the proposed ship contracts to gas tankers

Martin Byrne



Captain Tim Higgs, Australian Maritime Officers Union and Martin Byrne, federal secretary, Australian Institute of Marine and Power Engineers

is to provide more training opportunities for young Australians to obtain the necessary seagoing experience required to qualify for Certificates of Competency as Engineer Officers and Deck Officers. Such Certificates are issued by AMSA. Progression from new entrant to the highest level of Certificate takes around 10-years for both deck officers and engineer officers.

Any program which seeks to address the long-term supply of skilled maritime professionals for shore-based maritime occupations (e.g. marine surveyors, harbourmasters and pilots) would need to have a minimum 10-year time frame if it is to seriously address workforce development. One benefit of adopting this proposal in the coming months is there are still senior Australian officers with tanker

WHICH 'LEMMA' IS COASTAL SHIPPING?

MIAL's Teresa Lloyd explores the difficult choices that need to be made in relation to Australia's coastal shipping

■ Fun fact – 'dilemma' and 'trilemma' are, it seems, readily agreed terms. However, as the number rises the agreement/alignment between the Greek and Latin prefixes starts to waiver (quadrilemma/tetralema; quintilemma/pentalemma; all the way up to centilemma/hectalemma and beyond). This had me wondering, what order 'lemma' is Australia's coastal shipping? I started by establishing that coastal shipping was, in fact, a 'lemma'.

Lemma (noun), a situation in which a difficult choice has to be made between X alternatives, especially when these are equally undesirable.

A surprising number of examples of high-order lemmas are provided in the 'public policy' context and, helpfully, the final part of the definition (all alternatives being

undesirable) is usually overlooked. On that basis, we shall proceed on the understanding that coastal shipping is a 'lemma'. The question now remains, of what order?

Let's start with the undisputed facts: Shipping. Is. Good. It is the most energy efficient form of transport; has minimal land-based infrastructure costs; moving more freight off roads and onto ships would save millions in road construction and maintenance as well as reduce road trauma; is essential to service island communities; and so on.

Now for the not so obvious or agreed benefits, which ship is best to do that task. Herein lies our -lemma.

AN OPEN OR CLOSED COAST?

An open coast allows any ship to

undertake the coastal shipping task and results in lower cost shipping services. Foreign ships with a foreign crew will always be lower cost as they are in receipt of subsidies and/or incentives and can employ workers from developing nations, none of which Australian operators can do. And so, Australia gains access to cheap shipping but loses knowhow, skills, autonomy, capability, and so on.

A closed coast insists all coastal shipping be done by Australian ships with Australian crews. This delivers robust and sustainable skills, knowhow, capability and so on but at a high cost to the users of shipping services.

In between options allow for any number of permutations, however, current Australian policy settings limit us to one – a mix of Australian and foreign ships. Although it is hard to argue with the view that Australia's current policy settings are more akin to an open coast. If we apply the full definition of a lemma, what is clear is that the open or closed

endorsements who could operate these vessels and commence a major skills transfer to a young generation of Australian officers. If the process is delayed there is a real danger that these tanker endorsements will have expired creating another hurdle for any new operator.

CONTRACTED TO THE FEDERAL GOVERNMENT

The last 25 years' experience has demonstrated that low-cost foreign ships with foreign crews can deliver coastal cargoes around Australia. Whether operating with Single Voyage Permits or Continuing Voyage Permits prior to 1 July 2012 or with Temporary Licences since 1 July 2012, foreign ships with foreign crews have progressively replaced Australian ships and Australian crews especially in the tanker trades and in bulk trades.

The foreign-flagged ships with foreign crews do have a cost advantage. The reason for this cost advantage is due to a combination of factors but includes the lower corporate tax rates which apply to foreign companies (for example Singapore taxes maritime companies 0% tax on their corporate income) and lower personal income taxes for foreign seafarers (many maritime labour supply countries exempt international seafarers from the payment of income tax – 0% personal tax). It is also true Australian seafarers generally receive higher wages than foreign seafarers and that this is an element of the cost differential between Australian ships and foreign ships.

COST DIFFERENTIAL

All of these factors contribute to a cost differential between Australian ships and foreign ships of between \$3m and \$5m per ship per annum. A

federal government financial contribution in this order of magnitude should be sufficient to ensure the commercial ship operator could substitute an Australian ship for a foreign ship without the need to increase freight rates for the customer. Given the modest size of this proposal (six ships), a training effort of just one trainee deck officer and one trainee engineer officer per ship per annum is simply going to be insufficient to make a significant impact on the aggregate industry workforce figures.

To intensify the training effort and increase the throughput of trainees, consideration could be given to having more than one trainee engineer officer and more than one trainee deck officer per annum on each of the ships involved. ■



An open coast allows any ship to undertake the coastal shipping task and results in lower cost shipping services

coast options are truly dilemmas. They are equally undesirable, for different reasons. What is also clear is inserting a mid-ground option, such as exists now, to make it a trilemma doesn't provide a satisfactory outcome either.

There are other options. Providing incentives that match what other comparable nations offer so both companies and employees can be Australian, allowing mixed crews on the coast, determining what capability the nation requires and securing those assets (dare I say, a strategic fleet), looking beyond the coastal trade to deliver a big-ship maritime capability to the nation, and so on.

These are all realistic and viable alternatives and if introduced in the right

combination would result in a powerful Australian maritime presence which would add value to the nation while being internationally competitive and not pushing higher costs onto users of shipping services.

Unfortunately, none of the options the government has signalled they are prepared to consider during this current round of consultation will meaningfully shift our current alternatives or create new options.

If coastal shipping isn't really a lemma after all, does that mean that the minister can't get it wrong no matter what he chooses? Perhaps the better question to ask is which choice offers the most potential or which choice is a lost opportunity for our nation?

One thing is for sure, if it is a lemma it is more than a tri, and probably sits somewhere around the decalemma mark.

Public policy is the home of lemmas and when weighing the options for coastal shipping policy a sentiment that must be kept front of mind is that used by Air Vice-Marshall John Blackburn: "The lowest price at what cost".

Importantly, the government can end this lemma. They can adopt meaningful change to ensure Australia gets great shipping policies, not continue with undesirable ones. We'd love them to give it a go.



Teresa Lloyd,
CEO, Maritime
Industry Australia
Limited



CHANGING OF THE

Port Phillip is Victoria's trade gateway to the world, giving access to the state's two largest ports, Melbourne and Geelong. Keeping that gateway open 365 days a year is the responsibility of Victorian Ports Corporation (Melbourne).

The Port of Melbourne handled 97 million revenue tonnes of cargo in financial year 2018-19, including 3m TEU of containerised cargo, while Geelong handles more than 11m tonnes of cargo per year.

The trade through these two ports generates 3600 vessel visits to the bay per year. The safe navigation of these vessels in and out of the bay and in the port waters of the Port of Melbourne is managed by VPCM through the critical role of Harbour Master for the Port of Melbourne.

The port waters of the Port of Melbourne include the entrance to the bay (Port Phillip Heads) which means all vessels entering and leaving the bay transit the port waters of the Port of Melbourne.

CHANGE OF HARBOUR MASTER


VPCM's executive general manager marine and navigation and harbour master since 2014, Captain Roy Stanbrook, retired in January 2020.

Paying tribute to Captain Stanbrook, the CEO of VPCM, Rachel Johnson says, "Roy is highly respected for his demonstrated commitment to the safety and success of the maritime industry".

"During his time with VPCM, his stand-out achievement was the introduction of the innovative methods we are using to enable larger vessels to access the Port of Melbourne," Ms Johnson tells *Daily Cargo News*.

Taking on the role from January 2020 is Captain Kell Dillon.

"I am delighted to welcome Captain Dillon to VPCM. He brings a wealth of knowledge and experience in the maritime sector having held senior roles at the Port Authority of NSW, Port Kembla Port Corporation,



Aerial shot of Geelong Port, with GrainCorp on the left and Corio on the right

GUARD

Port authorities in Victoria have undergone leadership changes in recent months as they continue to meet the challenges of increasingly larger ships, writes Paula Wallace

NSW Maritime Authority, Sydney Ferries Corporation and the Royal Australian Navy,” Ms Johnson says.

LARGER VESSELS

Ms Johnson says navigational safety is VPCM’s top priority and its challenge is to maintain safety while “meeting the evolving needs of the commercial cargo operations of the ports”.

“A key part of this challenge is accommodating the increasingly larger container ships being deployed worldwide,” she says.

“Since VPCM’s inception in November 2016, we have worked closely with Port of Melbourne, the private organisation managing the port’s commercial operations, marine pilots, stevedores, towage operators and shipping lines to assess opportunities to accommodate larger vessels in Melbourne.”

Simulations and computer-based analyses are used to assess whether these vessels can safely navigate

Port Phillip Heads and berth in Melbourne. As a result of the assessments, a series of staged trials with incremental draughts has been underway since 2018.

The first trial, in August 2018, was the successful berthing of a 325metres LOA vessel at Webb Dock. At the time, this was the largest container ship to visit Melbourne. Since then, more trials have seen vessels with LOAs up to 337m berth safely at Webb Dock.

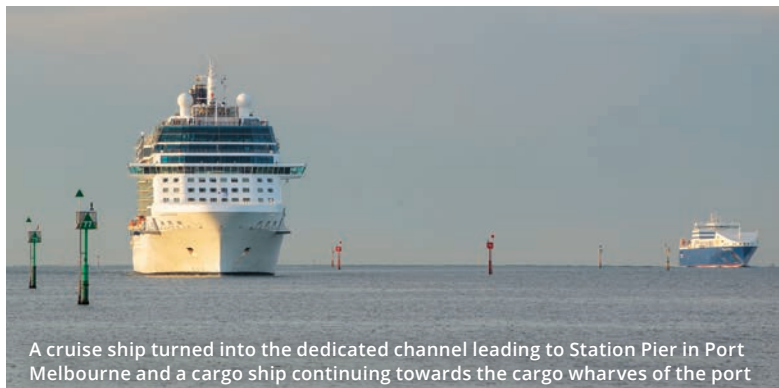
In November 2018, the first trial for Swanson Dock was undertaken. Further simulations and trials have resulted in the safe arrival of Bosporusmax vessels of 300m LOA and 48.2m beam and, in late December 2019, a vessel of 334m LOA became the longest vessel to visit Swanson Dock.

NAVIGATIONAL SAFETY

To enhance navigation safety for all vessels in Port Phillip, VPCM is replacing and upgrading its vessel traffic services system.



The *Stolt Sea* pictured with navigational aids



A cruise ship turned into the dedicated channel leading to Station Pier in Port Melbourne and a cargo ship continuing towards the cargo wharves of the port



Peter Mannion,
CEO, Victorian
Regional
Channels
Authority

The new enhanced VTS system has the potential to deliver a seamless passage from Port Phillip Heads to any berth in the bay.

VPCM will be able to provide levels of detection not previously attainable because the new system will allow VPCM to take advantage of features of previously installed advanced radars.

MARINE TOURISM

As well as navigation and safety, VPCM also manages the heritage-listed Station Pier, Victoria's premier cruise shipping and interstate passenger ferry facility.

Cruise shipping continues to grow in Melbourne as it does worldwide and the current season, 2019-20, sees 37 different vessels scheduled to make a record 112 visits to Station Pier.

Four vessels are homeporting – *Golden Princess*, *Carnival Spirit*, *Queen Elizabeth* and *Pacific Aria*. There will be 43 turnaround visits – 40 by the homeporters and three others making one turnaround each.

Station Pier is also the Melbourne home of TT-Line's two *Spirit of Tasmania* ferries which have sailed daily between the pier and Devonport in Tasmania for the last 22 years.

Ms Johnson says, "We look forward to planning the redevelopment of Station Pier to accommodate the increasing number of cruise visits and the changing requirements for newer vessels."

NEW CEO FOR VRCA

Peter Mannion, CEO of the Victorian Regional Channels Authority has been in the job since October last year. So, what are his early impressions of the organisation?

"I'm impressed by their desire to do the best they can, motivated and professional, with a dedicated focus on operational safety," he tells *DCN*.

Over the next 12 months, his focus will be on safety, licence to operate, commercial effectiveness, asset management and growth opportunities.

"I see the VRCA as an enabler and I want to ensure we are doing just that," he says.

Mr Mannion brings to VRCA a deep understanding of the shipping industry having been a member of Rio Tinto Shipping's leadership team for 12 years and a director of Rightship and Maritime Industry Australia.

He says managing a worldwide fleet with 200 plus ships carrying your cargo at any one time, teaches you to see the big picture quickly and to focus on the things you can control.

"There were a lot of moving parts," he says of his work with Rio Tinto Shipping. "So managing your risk was key to success, due diligence and good governance. It helped if you stayed calm."

SAFETY FOCUS

Safety is obviously one of the key responsibilities, if not the most important role of VRCA, in ensuring safe passage of all vessels within its waters.

Mr Mannion refers to it as "our license to operate and first priority in everything we do".

His plans to maintain and improve the safety function of the organisation in the near and long term are sustained and focused.

"Some call it chronic unease, you are never quite satisfied. Safety is a personal commitment, it's a way of being.

"We will continue our efforts to shine a light in that space through community engagement, engagement with our visiting ships and their crews, our pilots, tug operators, lines crew," Mr Mannion says.

"Those shipping and receiving cargo....all have a role to play and we'll keep talking to them about that."

MOVING SHIPS

VRCA is responsible for the safe passage of around 850 vessels a year, between the ports of Hastings and Geelong.

"Besides looking after the assets, buoys, beacons and maintaining chartered depths in the berths and channels, it's a bit like traffic management or airport control....situational awareness of the ship movements in and out is at the core of it," Mr Mannion says.

The bigger tankers, the odd cruise ship and livestock carriers with their deeper draughts and higher freeboard (increased windage) can be tricky.

"We don't employ the pilots directly, the ships do," Mr Mannion explains. "Our channels are compulsory pilotage channels with some exemptions and its normally one pilot per vessel in and out."

GeelongPort

Regional gateway to Victoria

LARGEST REGIONAL

port in Victoria.

Major customers include Viva Energy, Midway, Incitec Pivot, Boral and Terminals.



Port of Geelong handles over

12 MILLION TONNES

of product annually.



50%
of Victoria's
petroleum
distribution.



25%
of Victoria's
exports.

Trading in crude oil, petroleum products, woodchip, steel, grain and project cargo.

A major hub for

EMPLOYMENT & ECONOMIC ACTIVITY

Generates more than

1,800

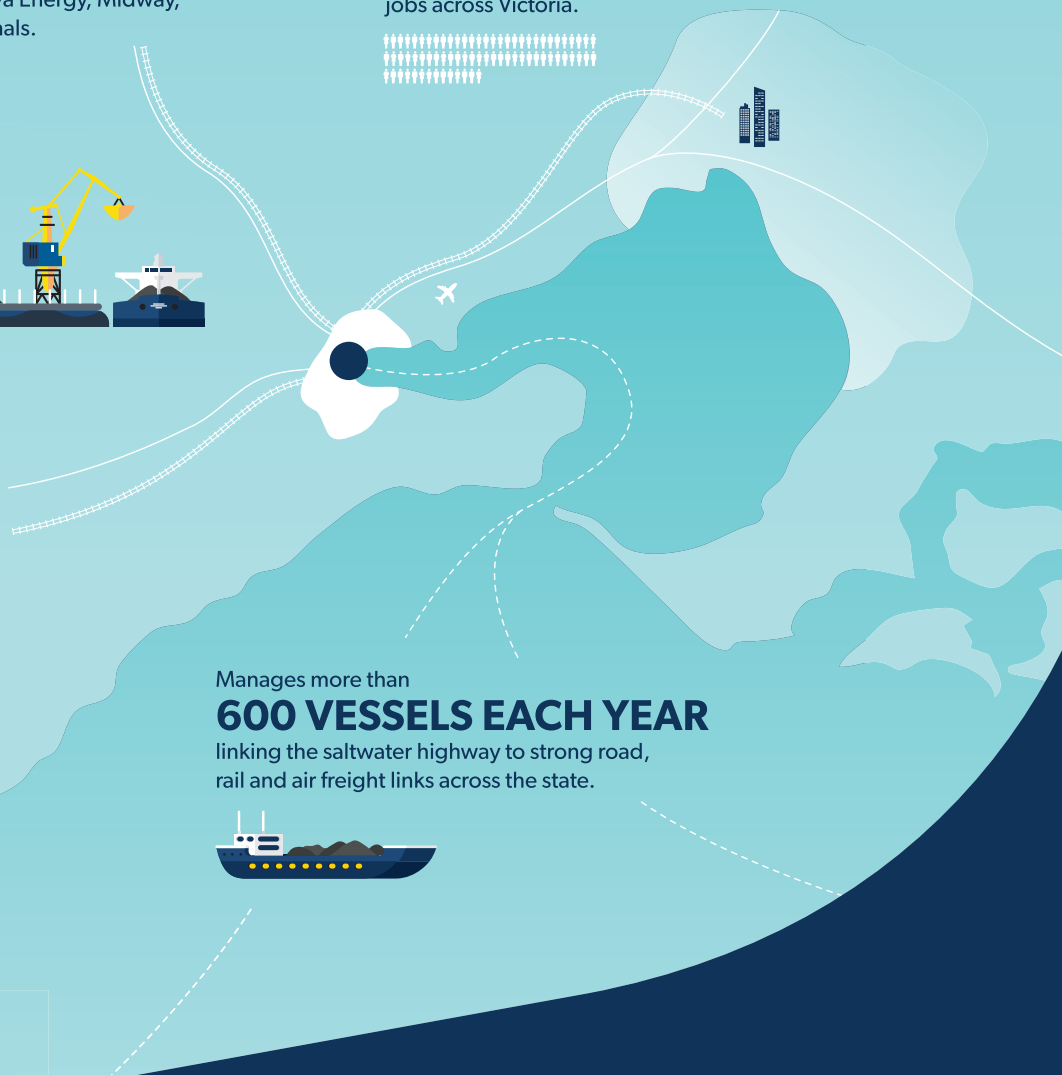
jobs across Victoria.



Manages in excess of

\$7 BILLION

of trade



Manages more than

600 VESSELS EACH YEAR

linking the saltwater highway to strong road, rail and air freight links across the state.



GeelongPort

GeelongPort is a key gateway to the regions in south-east Australia. By 2035, GeelongPort is expected to handle over 18 million tonnes per annum.

Working with you to move your bulk or project cargo.
solutions@geelongport.com.au

geelongport.com.au

PORT OF MELBOURNE LOOKS TO THE FUTURE

Keith Gordon, executive general manager operations at the Port of Melbourne talks to *Daily Cargo News*

Can you explain what kind of drivers are at play in relation to the port being able to receive larger vessels?

As Australia's biggest container and general cargo port, Port of Melbourne helps drive the Victorian economy and deliver prosperity, so it's important that we have a 30-year vision. One crucial element of the plan involves the appropriate infrastructure to cater for forecast vessel sizes. Vessel forecasts are based on industry consultation and analysis of the forward ship order book. It is important that Port of Melbourne gets the timing and specification of new infrastructure right as investment is long-term and significant in value. Given that investments made by the port are recovered from users of the port, it is imperative that infrastructure delivery follows industry demand as closely as possible.

What is the largest vessel that can currently call at the port and what kind of limitations does this place on trade?

When the port was privatised three years ago, the design vessel for the Port of Melbourne was 300 metres in length overall. During the last couple of years we have been working with many parties across the supply chain including terminal operators, the Harbour Master, Victorian Ports Corporation (Melbourne) and the pilots to safely optimise our existing assets. This has required significant investment and through comprehensive modelling, simulation and some infrastructure modifications, we are now able to handle container vessels up to 347m LOA – we've been able to cater for all vessels that wish to come to Melbourne.

What is the port doing to facilitate the call of larger vessels?

Port of Melbourne has undertaken a number of initiatives recently to progressively enable the acceptance of larger vessels. These include:

- vessel simulations and under keel clearance analysis;
- hydrodynamic modelling and berth interaction studies;

- progressive rehabilitation of Swanson Dock berths;
- selective dredging in the Yarra to increase manoeuvrability margins for large ships;
- dredging of Gellibrand turning basin to increase safety margins for Suezmax tankers;
- upgrade of Swanson Dock bollards to accept vessels to 140,000mts displacement; and,
- commencement of designs for a Webb Dock berth extension and preliminary dredging of the Webb Dock berth.

The cumulative cost of recent and future short-term investments to cater for increased vessel size is in the order of \$100m.

How is the port progressing in its plans to use more rail transport to and from the port?

Part of our 2050 Port Development Strategy is about ensuring that we have good ongoing access to support an efficient port supply chain. We want to provide increased rail capacity so that we aren't so dependent on road transport. Everyone we talk to says rail is a good thing and we are working on that – we've been working with the Victorian government and I think we're getting close to finalising an outcome.

I'm confident that Port of Melbourne can play a role in moving more cargo on rail which is good for at least three reasons:

- It's good for metropolitan Melbourne because it takes trucks off roads;
- It's good for regional exporters because they will have more cost-effective ways to get their goods onto ships and overseas;
- It's good for the environment and improves amenity for communities in and around inner Melbourne.

What are some of the strategic focus areas of port operations in the coming year?

Our 2050 Port Development Strategy provides a map for the future of the Port of Melbourne – it will guide the long-term growth and development at a steady, manageable pace.

The focus next year is our Big Ships Project and working with the state government to progress rail developments, as well as more detailed planning of the next tranche of container capacity.



Keith Gordon,
executive
general manager
operations, Port
of Melbourne



Maersk Skarstind at Port of Melbourne - close to 300m in length with a beam of 48.2m and a capacity of 9500 containers



The Port of Geelong can accommodate ships around 250m LOA/42m beam. The Port of Hastings can accommodate ships around 275m LOA/50m beam.

In the year ahead, Mr Mannion doesn't foresee any particular challenges from a pilotage point of view.

"But I suppose the longer term outstanding issue for pilots is the shrinking pool of talent and aging workforce, from which to draw recruits...that is likely to pose a challenge in the near future."

Mr Mannion suggests there would need to be a "very robust business case" for deepening the channel to accommodate larger vessels.

"It would require dredging which brings with it all the associated environmental and social issues, besides being very expensive," he says.

REGIONAL FOCUS

"I think regional ports have a huge role to play in taking out of already congested CBDs, (where traditionally major ports are located), those activities like bulk and breakbulk that are not compatible anymore with the major ports' location," Mr Mannion says.

"Both Geelong and Hastings are perfectly positioned to take that cargo (and their associated trucks) out of the city precincts and feed them directly into the national rail and road networks without ever going near the city itself."

VRCA is also taking a leading role in the development plan for the port of Geelong.

"We work closely with all port stakeholders in the preparing that strategy and plan," Mr Mannion says.

The plan includes delivery of a road network that incentivises higher productivity vehicles and promoting the use of rail through enhancing and expanding the local rail network.

"Cargo type would determine use and what is needed to enhance and expand the local rail network to fulfill this goal," Mr Mannion says.

"Good co-operation with all stakeholders and government departments is important as well as a long-term vision and an attitude of getting things done, as opposed to looking for reasons why they can't be done."

COMMUNITY RELATIONS

VRCA faces the same challenges as port operators around

the country, in securing land around its activities.

How are the ports of Geelong and Hastings currently addressing the issue of encroachment?

"With difficulty I'd have to say," Mr Mannion says.

"Ports are an essential service and/or piece of infrastructure and 90% of everything we touch in our daily lives has somewhere sometime, been on a ship at sea....that means it has been through a load and discharge port.

"Ports need the space within which to operate safely and efficiently, they also need some room for growth and certainly buffer zones around their activities separating them from the commercially active and residential public."

He says they are not "pop-up activities that can relocate easily", which means that access on the land side to road and rail and from the sea through channels are long-term asset rich investments.

"We can't simply move them or build from scratch in outlying areas to accommodate the ever increasing cry of 'not in my back yard'," Mr Mannion says.

Having said that, where the concerns of VRCA's community stakeholders are primarily in relation to safety and the environment, he says, "Community engagement is high, we host school tours through the port, we support local fishing clubs and yacht clubs in promoting this message: our big ships can't get out of the way of small craft.

"Channels are by definition narrow and deep, they are designed that way, big ships have to stay within them or go aground...with all that follows if they do. So that is a very big area of focus for us," he says.

Mr Mannion says the organisation is also aware of community sensitivity about dredging.

"We manage this through good governance, transparency and open communication," he says.

VRCA is also involved in the civic side of the city of Geelong and Hastings, where it has a seat at the table with the Committee for Geelong and/or the Chambers of Commerce.

"Such forums promote growth in the use and development of the regions which involves using port infrastructure in a sustainable way.

"As I say, our job is to enable and we take that role seriously," Mr Mannion says. ■

M&A in transport and logistics

Richard Arrage provides an overview of 2019 merger and acquisition activity in Australia and an outlook for the year ahead

READERS PERHAPS WILL BE

unsurprised that global deal-making contracted somewhat in 2019, given deep economic uncertainties with a trade war and the resulting risk of global recession and the general reduction in Chinese outbound investment.

In Australia, however, and more specifically in the transport and logistics industry, we have seen a consistent level of M&A activity throughout 2019, driven in large part by macro themes such as the inexorable consolidation of a highly fragmented market and the availability of historically cheap finance.

At the ASX-listed level, 2019 has seen a sobering decline in IPO activity. In our view, that theme is set to continue into 2020 although we see the medium-term IPO outlook as promising. However, those already-listed entities in the transport and logistics space were nevertheless relatively active in 2019.

LOGISTICS AND SHIPPING ACTIVITY

In the past year, Qube Holdings, through its logistics subsidiary, completed the

acquisition of integrated logistics player Chalmers for an amount in excess of \$50m. WiseTech Global acquired Containerchain in addition to a slew of offshore acquisitions, in Norway, Sweden, the US and South Korea, to name a few.

Qantas acquired a 19.9% stake (with a view to taking a majority position in due course) in listed player Alliance Aviation Services for “exposure to the resurgent resources charter market” for around \$60m, notwithstanding the ACCC’s ongoing investigation into the effect of the acquisition on competition.

On a global level, Kuehne + Nagel launched a US\$50m global investment fund, through its joint venture with the prominent Singaporean government-owned Temasek Holdings.

In the private M&A market, Australia’s largest privately owned shipping operator, Sea Swift, was acquired by Queensland Investment Corporation (owned by the Queensland Government) for a sum of around \$300m. QIC also holds a significant stake in the ownership of the Ports of Melbourne and Brisbane.



Richard Arrage, special counsel transport & logistics, CBP

In late October, the national media flagged Mediterranean Shipping Company’s acquisition of Western Australian-based Integrated Container Logistics, an acquisition which might be “indicative of such [shipping container lines’] intention[s] to expand from their on-water roots and into landside logistics”.

Silk Contract Logistics continued its strong acquisition spree by acquiring Rocke Brothers, a large Victorian-based wharf carrier, to go along with SCL’s prior (recent) acquisitions in Brisbane and Sydney. It is no wonder that informed commentators have pegged SCL as a likely investigator of a share market listing in 2020.

THE ROAD AHEAD

Certain forecasts based on early-stage global due diligence activity yield an expectation of year-on-year M&A growth globally of up to 10% in the first half of 2020. In Australia, however, at least in the short term, we expect any growth to be subdued. The transport and logistics industry in 2020 is not immune, though we expect themes of consolidation, cheap financing and emerging technologies to be contributing growth factors. ■

AREAS OF INTEREST

Beyond pure M&A though, key areas of interest for the industry in 2020 include:

- Use of the revamped mis-use of market power provision in the Competition and Consumer Act 2010 (Cth): Qube Holdings has alleged a breach of that provision by the Port of Newcastle (regarding the ownership and operation of quayside cranes at the Port) and the ACCC has instituted proceedings against the government-owned TasPorts (alleging a breach by TasPorts in its treatment of a new entrant to the Tasmanian marine pilotage and towage market, Engage Marine). In both instances, they are the first cases of their kind under the amended provision.
- Proposed class exemption for ocean liner shipping: The ACCC has released its discussion paper, and is set to consult industry, on the repeal of Part X of the Competition and Consumer Act 2010 (Cth) and the form and substance of a replacement block (class) exemption for liner shipping agreements (that meet a minimum standard of pro-competitive features) which might otherwise breach the competition provisions of Part IV of the Act.
- Stevedores’ “infrastructure fee” (sometimes called a “terminal access charge”) fallout: With government ministers now publicly rebuking stevedores for the recent spike in their so-called infrastructure surcharges, industry will be monitoring the situation closely with the possibility in New South Wales for investigations into the impact of the surcharges, and Victoria considering the regulation of prices and access at the Port of Melbourne.

Port of Melbourne



Australia's best connected gateway port





Concept for the Yara Birkeland autonomous container vessel

Digital shipping and the challenge of cybercrime

Digital technology is revolutionising maritime trade, but there are a host of legal implications as well writes **Ben Adamson**

A REVOLUTION IN SHIPPING IS

occurring. New technology allows the realisation of unmanned or autonomous vessels that could alter the shipping landscape in the same way steam-power, containerisation and satellite navigation and communications dramatically changed the industry.

Ashore, things are just as dynamic. Ports, terminals and the entire supply chain are embracing technology in an ongoing push towards much greater operational efficiency.

Aside from the practical and legal challenges that these developments pose, the coming digital era exposes shipping to a new threat: cybercrime.

DIGITAL TRANSFORMATION – WHAT SORT OF REVOLUTION IS IT?

The physical systems that control shipping are on the cusp of a digital transformation.

Crewless vessels, automated cargo handling, paperless shipping, blockchain and other new fringe technologies, open up staggering opportunities to improve efficiency and safety. An interconnected world looks like becoming an “internet of things” (IoT) – physical objects embedded with the computing power required to collect, process, and transmit data.

IoT does away with the notion of a ship as a collection of independent isolated objects or systems, such as a bridge, a main or auxiliary engine, or a box on a container vessel or in a port.

IoT creates a series of connected systems into feedback loops that enable automation. A digital era presents a dual challenge to the shipping industry: advance towards a more efficient system but mitigate against malicious interference, sabotage, espionage and unfair competition in what may seem a lawless online domain.

CYBER THREATS ARE SERIOUS AND GROWING

Cybercrime is unique in the sense that it typically extends or operates across national boundaries, involves multiple jurisdictions and promises to result in truly global incidents. A single cyber-attack could conceivably impact multiple companies, vessels, cargoes and ports, making it difficult to estimate or contain losses. Couple this with the fact that malicious online actors are often anonymous, making trace back very difficult, cyber-crime in the coming digital era mounts a serious challenge.

Much has been said about the impact of cybercrime on unmanned or autonomous vessels. These are mostly catastrophic scenarios of hackers taking complete control of large unmanned or autonomous vessels – digital piracy. While this is not the realm of science-fiction (autonomous

road vehicles already have been the target of hackers), a more likely scenario in the near term includes viruses or malicious software compromising a vessel's charting software or manipulation of, or interference with, sensor data necessary for navigation.

Broader examples of cybercrime ashore are as diverse as the industry is wide. Events already reported include diversion

have released guidelines on maritime cyber risk management for bridge, cargo handling, machinery, access control, passenger management, public networks, administrative/crew management and communication systems, as well as how to manage ship-to-shore interfaces and security during port calls.

The guidelines form a high-level "protect, identify and respond" - type

The challenge for owners and operators remains deciding on what shape and form prudent cyber-risk management takes. The following are three topics of discussion in the cyber-risk management space.

1. INSURANCE

As typical carriers' liability and cargo insurance policies are not designed to cover cyber risk, cyber-crime poses a unique challenge to the industry. Some cyber insurance policies cover first-party losses but do not extend to third-party losses – a point relevant when considering the impact of cybercrime across the supply chain. Until insurers understand the risk from a frequency and severity perspective, insuring cyber risk will not be straightforward. Fundamental legal questions surrounding the status and liability of unmanned vessels must be resolved, such as the potential interaction between manned and unmanned vessels in a collision or the status of the external "crew" controlling the unmanned vessel. As cyber threats are so pervasive, cyber risk management will have to be addressed at the same time as the larger practical problems.

A single cyber-attack could conceivably impact multiple companies, vessels, cargoes and ports.

of contract payments for freight and hire and sale proceeds to illegitimate parties; interception of codes and documents resulting in theft or mis-delivery of cargo; fraudulent e-bills; false ship fixtures and the list goes on.

HOW HAS THE INDUSTRY RESPONDED?

Regulatory frameworks to date have been reactionary. The IMO, flag states, industry associations, classifications societies and insurers' poolable cover

framework with the only concrete regulatory change being that a cyber-risk strategy must be incorporated into ship Safety Management Systems by the date of January 2021.

As cyber risk is dynamic and continuously evolving, limited only by the availability of new technology, the industry will play "catch-up" for some time yet. As new risks are identified, risk management will become tighter and more scrutiny applied to the management process.



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



Ben Adamson, associate, HFW

Along with providing a vessel, crew and equipment that is sound and able to withstand the perils of the voyage, the vessel must be suitable to carry the cargo. What constitutes a seaworthy vessel in the cyber age? As specialised cover to deal with cyber breaches develops, current guidelines such as that from the IMO are not prescriptive in the way that physical risks can be quantified and mitigated against.

Traditionally, security has been framed by the International Ship and Port Facility Security (ISPS) Code, focusing on detecting and preventing security threats against ports and ships.

New technology may force a shift towards broader cargo and supply chain security, as ships and ports become the conduit for illegal activity.

The current consensus is that cyber risk management will take the shape of organisational, procedural and technical measures to protect the vessel's systems, such as the bridge or cargo handling

system. Failure to properly identify, manage and avoid cyber-related risk through protecting the vessel's systems could be construed as failing to exercise due diligence to make a vessel seaworthy.

2. TIME CHARTERS

Time charters allocate risk between owners and charterers. Contract wording usually attempts to distinguish and allocate trading risks as against those associated with the management and navigation of the vessel and care of the cargo. Even in cases of "traditional" time charter disputes – for instance, physical risks to the vessel and cargo from unsafe ports or arrest of the vessel, the distinction is not always an obvious one. On the issue of cyber security, without express contractual wording there may be no clear indication as to whether this risk will fall to the management or navigation of the vessel or relate to the employment or trading of the vessel.

To further complicate matters, issues of causation arise demanding a detailed examination of the facts. This is not a straightforward task when considering cyberattack. Similarly, the classic definition of a safe port stems from physical or political risks. Cyber security introduces a risk outside these realms and could manifest itself from within the vessel or originate at a port. Is a port unsafe if the vessel trading to it is subject to a cyberattack or repeated cyberattacks?

Is a port unsafe if the vessel trading to it is subject to a cyberattack or repeated cyberattacks?

3. FORCE MAJEURE

Whether a cyber event may classify as a force majeure event depends on the construction of the force majeure clause, how the cyber event manifests itself, and whether the event was, in fact, beyond a party's control.

Cyber incidents are of differing scale and may not have as devastating an impact as traditional supervening events such as natural disasters.

Most force majeure clauses do not capture events beyond physical or legal impediments to performance obligations and in any event would probably not stretch to capture cyber events affecting payment obligations. It remains to be seen whether broadly worded clauses could conceivably capture a cyber event.

IS THE MARITIME INDUSTRY PREPARED FOR THE REVOLUTION?

As with other shipping revolutions, progress will likely occur over decades of painful development and risk-taking. Ocean-going shipping has enjoyed geographic isolation and until recently, has been less susceptible to shore-based interference and disruption. Along with ports and terminals, the focus has been on immediate challenges to physical security. With the coming digital age, new technology looks like converging that promises to link the entire supply chain. In this new order, cyber risk moves quietly from outlier to front and centre. ■



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



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

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
Phone 1800 627 484

Lessons from the past

Do we need a separate Department of Trade to leverage value from free trade agreements, asks **Llew Russell**

IN JULY 1971 I JOINED THE EXPORTS

transportation branch of the then Department of Trade and Industry in Canberra headed by Sir Alan Westerman. Interestingly Max Moore-Wilton (a future boss of ANL) was a section head in the same branch. However, it was to be the start of my 47-year career with the shipping industry.

At the beginning of 1972, the Whitlam Labor government came to power and the branch was transferred to the then Department of Shipping and Transport (later to become the Transport Department which also incorporated the Department of Civil Aviation).

I was transferred to the export finance and insurance section in the Department of Trade and Industry which, among other things, administered the export market development grants scheme which has been significantly watered down over the years. I was involved in the government's decision to convert the Export Protection and Insurance Corporation to the Export Finance Insurance Corporation which has helped many exporters break into higher risk overseas markets.

TREASURY AND TRADE

The two most powerful departments in Canberra post-World War Two and up to the early 1970s were Treasury (there was no separate finance department) and the Department of Trade and Industry.

Treasury opposed many concepts put to government by DoT&I, but under the then minister Sir John 'Black Jack' McEwen, the government accepted most initiatives.

In July, 1972 I joined the liner branch in the Transport Department and remained until I joined the Australia to Europe Shipping Conference as assistant director in 1981. An important objective of the International Liner Conference system was promoting and facilitating overseas trade. The system was supported by the Australian government and many overseas governments. The Australian government passed legislation in 1966 to support their operations with limited exemptions

from subsequent competition legislation. There have been six major reviews of this legislation but with a number of amendments it remains to this day. The ACCC has released a discussion paper on removing that legislation and replacing it with a class exemption. In developing that exemption, it is hoped trade remains a prime objective.

STRUCTURAL CHANGE AND AUSTRADE

The DoT&I was eventually broken up with Industry established as a separate department and the Department of Overseas Trade was created. This emphasised the importance the then government accorded overseas trade and there was a world-class system of trade commissioners working hard in our overseas embassies to support our exporters.

In July 1987, the Hawke government amalgamated the then Department of Trade and the Department of Foreign Affairs to form the Department of Foreign Affairs and Trade or DFAT. There were benefits for sharing resources and ensuring foreign policy and trade policies were aligned. However, I would contend there were disadvantages with possible conflicts when promoting and facilitating trade in countries that may clash with our foreign policy objectives. A department dedicated to promoting trade would be more effective in focusing on that objective and necessary logistics arrangements, including international shipping policies.

Austrade was established under the Australian Trade Commission Act, 1985 and was located in the Industry portfolio before moving to Foreign Affairs and Trade in 1991. In that year, its headquarters moved from Canberra to Sydney.

In May, 2016 the Act was amended to the Australian Trade and Investment Act to reflect the emphasis on attracting and facilitating foreign investment into Australia. Austrade has been effective. But the question is whether it could have been even more effective and focused if it was in a separate Department of Trade?



Llew Russell, former chief executive officer of Shipping Australia

GETTING VALUE FROM TRADE

Australian governments have rightly focused on expanding our free trade network but what are the KPIs to assess their effectiveness and what arrangements are there to exploit their potential? Pursuing free trade agreements could perhaps be put aside for a time until we are sure we are making best use of existing agreements. I believe there has been for a long time a gap in assessing government policies and ideas that could impact on our overseas trade and the shipping arrangements that support it. One example is the proposed tax to raise funds for biosecurity rather than levies that are cost recovered and accountable.

The government established an industry group to review the proposal and subsequently established an industry advisory panel without representatives of the shipping industry and ports. Have trade impacts again taken second place?

Trade minister Simon Birmingham is enthusiastic about our overseas trade. But is the advice he receives focused on making our logistics systems more productive? A separate Department of Trade would help. It definitely did so in the past. ■



A PROJECT OF RESPECT AND RECOGNITION

Picture taken Sunday 20th October 2019 following the Official Unveiling of the New & Remedial Works to the Merchant Navy War Memorial, Kings Park, Canberra, by the Minister for Defence, Senator The Hon. Linda Reynolds CSC. On the right & left hand side are the four new concrete blades which were installed to provide for four large Bronze Plaques to be commissioned that carry the names & respective ships of the 862 Australian Merchant Mariners who sacrificed their lives for their country in WWI (184) & WWII (678). The 30th Annual Commemoration was attended by some 140 including, WWII Merchant Navy Veterans (whose numbers are so sadly decreasing each year), members of Merchant Navy Organisations, Representatives of the Australian Defence Forces, Diplomatic and Consular Corps and representatives from a range of other Maritime related organisations.



THE MERCHANT NAVY WAR MEMORIAL FUND (MNWMF) PROJECT DEVELOPMENT FUND

The fund has been developed as an ongoing entity to financially support one of our Prime Objectives...*'To ensure the greater recognition of the vital role undertaken by the Australian Merchant Navy in WWI & WWII'*. It also seeks to encourage successive generations to take up our, and our predecessors', passion & commitment to ensure that future Merchant Navy recognition is as secure in the future as in the past & present. Our aim in all that we undertake is to *'Make a difference'*.

PROJECTS UNDERTAKEN BY THE MNWMF

- Completion in October 2019 of the extensive New & Remedial Works at the Canberra Memorial, in association with The National Capital Authority & our Architect & Construction Firm
- Annual Merchant Navy Commemoration Ceremonies at National Merchant Navy War Memorial, Kings Park, Canberra and at the Rookwood Memorial Garden, Sydney
- Annual provision of MNWMF Scholarships at the Australian Maritime College (AMC)
- Assisting the identification of Sea Going opportunities for AMC Cadets
- Sponsorship of the 'Young Achievement' Award at the Shipping & Maritime Industry Awards 2018 to 2020
- Financial support for other Merchant Navy Memorials around Australia
- Support of the Company of Master Mariners of Aust (CMMMA), The Merchant Navy RSL Sub Branch, The Merchant Navy Association (MNA)

NEW INITIATIVES 2020

- Developing strategies on how best to address achieving appropriate national approvals for the addition / inclusion of the Merchant Navy Logo / Badge on War Memorials throughout Australia
- Working with the National Flag Association (ANFA) to
 - (I) achieve a closer alignment of National Flag Day & Merchant Navy Day, both of which are 3rd September each year and
 - (II) achieve greater prominence of the Merchant Navy Flag

For more information:

www.mnwmf.com.au

DAVID FIELD: chairman@mnwmf.com.au

STAN MORIARTY: secretary@mnwmf.com.au

CONTRIBUTIONS MAY BE MADE TO:

The Secretary,
Merchant Navy War Memorial Fund Ltd (MNWMF)
PO Box 3058, Rosemeadow NSW 2560

or by EFT to:

Bank: WESTPAC Banking Corporation
Account Name: MNWMF Project Development Fund **BSB:** 032 197
Account No: 477 684 **Reference:** Include your name & organisation

Please note: If paying by EFT please forward an email with your name, organisation, address and phone number to secretary@mnwmf.com.au. A receipt will be forwarded for all donations received. MNWMF is currently pursuing an Application for registration as a Deductible Gift Recipient (DGR).



Trade winds for the year ahead

The year 2020 is likely to provide many trade challenges, but also opportunities for those who play their cards right, writes **Andrew Hudson**

AS I WRITE THESE WORDS, WE

are swaying on the precipice of escalation of war between the US and Iran. We are also stunned by the bushfire disaster taking the lives of animals and people as well as destroying properties and countryside. So, this is being written with a heavy heart and a fear that if the US and Iran escalate their war then the rest of 2020 may prove to be very short and trade is likely to be the least of our problems. However we all need to maintain our optimism that the world will, in fact, continue generally as we anticipate. That being the case I thought I should provide an update on some of the many events likely to affect industry in 2020.

BREXIT

With the outcome of the United Kingdom election in December 2019 delivering a clear victory for the Prime Minister Boris Johnson, he now has Parliamentary support to push through his Brexit legislation. Of course this does not mean that all necessary moving parts and processes are in place or are clear.

Readers would be well warned to re-read my recent article on the topic which also sets out several valuable sources of information on the issues to be addressed. It is also time to speak to your lawyers in the European Union and UK to see what new documents, goods standards and processes will need to be adopted including for clearance of goods and payment of duty which may now be payable.

Time spent now will not be wasted. Just don't wait for the film of Brexit with Gary Busey playing the British PM. Once Brexit is finalised, Australia will be in position to negotiate a free trade agreement with the UK and activate the series of mutual recognition agreement arrangements already negotiated with the UK.

INCOTERMS 2020

Of some excitement to those in industry, Incoterms 2020 came into effect on 1 January 2020 including some changes to the internationally-accepted terms of trade last updated in 2010. There are not a significant number of substantive changes

but a re-ordering of the text and colourings for terms warrant attention.

It is also vital to remember that when seeking to use Incoterms, reference must be made to the correct version intended to be used. Additionally, incoterms are only part of any contract and many vital issues such as the identity of the parties, a description of the goods, the time of payment, security for payment, governing law and dispute resolution need to be included.

My colleague, Bethany Clark and I recently delivered a webinar on the topic for the Customs Brokers and Forwarders Council of Australia which may also assist.

THE AUSTRALIAN FTA AGENDA

This will be a busy topic requiring close attention to ensure proper compliance with the terms of the free-trade agreements and parties secure all appropriate benefits.

Australia has recently passed its domestic legislation to implement FTAs with Hong Kong, Peru and Indonesia with the Australia-Hong Kong FTA likely to be the first to start, even though it will mainly

advance trade in finance and investment.

I am part of small groups working with the Australian Border Force and the Department of Foreign Affairs and Trade to develop guidance material for implementation of all FTAs. Although the Regional-Cooperation and Partnership Agreement was announced as having been concluded (except for India) late in 2019, it is still subject to legal “scrubbing”, the signature by the parties followed by each countries’ domestic implementation, all of which may not happen until 2021. Stay tuned.

The other two major FTAs following Brexit will be separate FTAs with the UK and with the EU. Negotiations on the EU are more advanced although completion of all commercial and documentation requirements is still some time away.

THE WATERFRONT - THE ACCC AND STATE REGULATION

On 3 December 2019 the ACCC announced an inquiry into the broad exemption from Australia’s competition laws pursuant to Part X of the Competition and Consumer Act and its possible replacement with a class exemption from liner shipping agreements, such exemptions only applying to agreements that are not likely to substantially lessen competition or are likely to result in overall public benefits. This would be consistent to the recommendations in the 2015 Harper Review. Details can be found here with submissions open until 28 February 2020.

Once Brexit is finalised, Australia will be in position to negotiate a free trade agreement with the UK and activate the series of mutual recognition agreement arrangements.

The ACCC has expressed similar concerns on port access for grain exporters by way of release of the ACCC’s latest bulk grain monitoring report for the 2018-2019 year indicating issues for industry in dealing with the three dominant part services. As exporters suffer these problems combined with increased stevedore’s costs (discussed below), benefits from FTAs could be compromised.

The debate between industry and state governments on regulation of stevedores continues with significant increases in fees continuing even in NSW where the state

transport minister ordered stevedores not to increase their fees on 1 January 2020, orders which were ignored.

Industry will continue to work with the NSW Government and the NSW Productivity Commission on the effects of the rising prices. In Victoria, the state government had commissioned a report by Deloitte which is currently being considered by the Victorian state government minister. It may be left to the states to take action on these issues in conjunction with the CBFA and other industry associations.

AUSTRALIAN SANCTIONS OFFICE

After many years of submissions by industry, on 20 December 2019, DFAT announced the establishment of a new Australian Sanctions Office from 1 January 2020 together with a new online portal system (Pax) to replace the Online Sanction Administration System. The workings of OSAS have caused issues and we hope both Pax and the ASO will improve certainty as well as co-ordination with the work of the Department of Export Controls. DFAT was also helped by the recent issue of a new document on our sanctions regime.

NEW PROVISIONS ON WHISTLEBLOWING AND BRIBERY

Under the Corporations Act 2001, from 1 January 2020, certain companies are required to have a “whistleblower” policy in place. The requirement to have and

make available whistleblower policies generally applies to public companies; large proprietary companies; and proprietary companies that are trustees of registrable superannuation entities.

The requirement applies to not-for-profit/charitable entities operating as a company limited by guarantee but there is an exemption if the entity has a consolidated revenue of less than \$1m. A company is a large proprietary company for a financial year if it has at least two of the following characteristics:

- a) The consolidated revenue for the



Andrew Hudson, partner, Rigby Cooke

financial year of the company and any entities it controls is \$50m or more;

- b) The value of the consolidated gross assets at the end of the financial year of the company and any entities it controls is \$25m or more; and

- c) The company, and any entities it controls, has 100 or more employees at the end of the financial year.

Compliance with this obligation may be investigated by ASIC. Failure to comply with the whistleblower policy requirements is a strict liability offence currently attracting a penalty of \$12,600.

Further, late in 2019, the Commonwealth government introduced new legislation which would create a corporate offence for failing to prevent the commission of a foreign bribery offence by an associate of a body corporate. This would considerably toughen our regime.

KEY CASES

There have also been several recent cases, some involving Commonwealth officials found liable and jailed for assisting tobacco smuggling and importing exotic fish. More to come shortly including the decision of the High Court in *Pharm-A-Care* on the classification of “vita gummies” and “garcinia” weight loss preparations.

FINAL THOUGHTS

There is much to watch and I will continue to report through these means and at additional industry forums, conventions and conferences held by the CBFA along with many additional meetings with government and its agencies. Good luck to all for 2020. ■



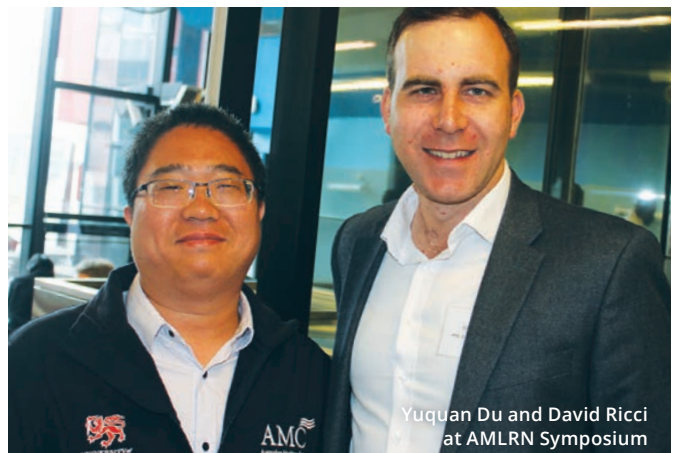
Dr Thuy Nguyen and Siddhi Pittayachawan at Australian Maritime Logistics Research Network Symposium



Kim Hassall and Michael Bell at AMLRN Symposium



Peter Martin and Candice Churchill at AMLRN Symposium



Yuquan Du and David Ricci at AMLRN Symposium

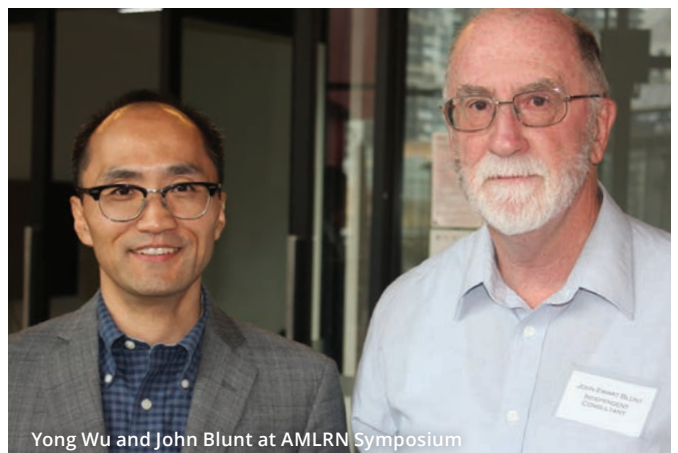
Industry events spark debate

THE LONG, HOT SUMMER HAS BEEN PUNCTUATED

by some interesting maritime events. In Melbourne, the Australian Maritime Logistics Research Network Inaugural Symposium was held at RMIT. The event attracted some fascinating speakers from Australia and overseas. Lively debate occurred, particularly in such areas as ports policy and the future of autonomous shipping. Organisers indicated they were very happy with the event and are considering the possibility of similar events in the future, judging by the level of interest.

Across town, at Melbourne's stately Windsor Hotel, people gathered for a lunch organised by the International Cargo Handling Coordination Association of Australia. Guest speaker was Qube managing director Maurice James who addressed such themes as Moorebank and the controversial topic of infrastructure fees. Mr James pulled no punches in arguing that rising infrastructure fees are a logical consequence of the zeal by state governments and the ACCC for having three stevedores operating at the nation's largest container ports, something he said Patricks and DPWA had argued against in the past on the grounds it would make sustainable business difficult.

Both events provided ample opportunity for networking and renewing friendships.



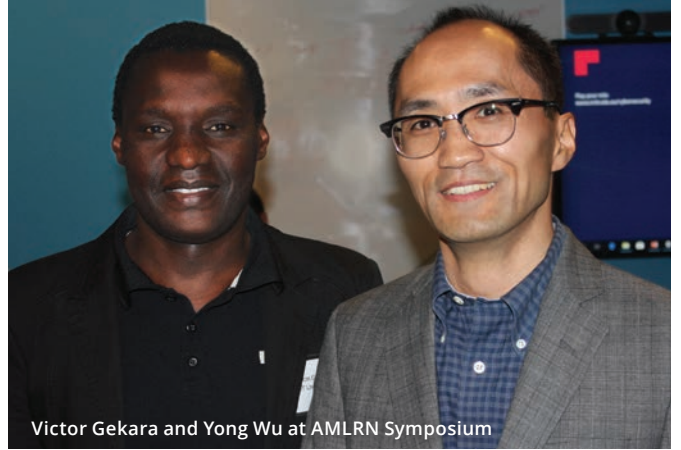
Yong Wu and John Blunt at AMLRN Symposium



Elsie Hooi and Peter Chambers at AMLRN Symposium



Oanh Nguyen and Aswini Yadlapalli at AMLRN Symposium



Victor Gekara and Yong Wu at AMLRN Symposium



Chris Brewster, Peter Cooke and Rod Begley at ICHCA lunch



Paul Lee and Shiva Madani at AMLRN Symposium



Kevin Malone, Alastair Urquart, Darren Fursman and Michael Colleton at ICHCA lunch



Bilal Khan and Vinh Thai at AMLRN Symposium



Jun Yan Ng, David Fairbrother and Jon Cooke at ICHCA lunch in Melbourne



Caring for crew on cruise ships

The festive season proved a great opportunity for the Sydney Mission to Seafarers Sydney to show its worth, writes **Reverend Un Tay**

IN EARLY DECEMBER, ON ONE

of our regular visits on board *Majestic Princess*, the HR manager came to me with an urgent request. She looked distressed, saying, "I need to buy five big Christmas trees, decorations and some presents for the vessel and crew. I have only three hours to do my shopping. I don't know where to shop". I said we could help. With the aid of our volunteer driver, Eze, we drove her to North Sydney. To our dismay, the first shop we visited had sold out of big Christmas trees - only small ones were available. So we went to another mall where she found what she wanted and bought the trees, decorations and presents. We got her back to the vessel an hour before her shore leave ended, much to her appreciation.

EXPLORER DREAM AND VASCO DA GAMA

Explorer Dream called at White Bay Cruise on 27 October, 2019. She was there for eight Sundays. Again our team of chaplains and volunteers were onboard visiting, providing pastoral care and support.

The major need for the crew at WBCT was transport to the city. Hence, we decided to provide a bus pick up at the terminal, taking crew to Darling Harbour, the Harbour Bridge and to our Mission, later returning them to the terminal. It was a tremendous success.

Many seafarers bought tickets to Sea Life (Aquarium), Wild Life Park & Madame Tussauds Wax Museum at Darling Harbour and some to Sydney Tower Eye. Over the few Sundays, we

brought more than 300 crew to the city and to our Mission.

The *Vasco Da Gama* was at WBCT for one Sunday. Prior to her arrival, the crew activity officer emailed requesting 150 SIM cards. Our volunteer, Jeremy, came on board with me and we spent more than four hours serving the crew with SIM cards, explaining data plans and recharging SIMs. Eze, our driver ferried them to the city and to our Mission. Though their visit was short, they had found a home away from home. Consequently they are looking forward to visiting us again.

We are thankful to God we were able to bring comfort and care. Because of our visit onboard the cruise ships and serving the seafarers, the officers from the management expressed their appreciation and heartfelt thanks for caring for seafarers with such compassion.

PASTORAL CARE TO OVATION OF THE SEAS

On 9 December, 2019, a group of tourists, mainly from *Ovation of The Seas* visited the White Island volcano in New Zealand. There was a terrible tragedy with 17 people killed and two missing, presumed dead. A week later the vessel returned to Sydney with six bodies being repatriated. I received a call requesting our chaplains go onboard to provide pastoral care and support to the traumatised crew.

Our team of chaplains, including a registered psychologist, went onboard. We were glad to be there for the crew. They shared how difficult it was during this

tragedy, especially for those crew who were asked to collect and pack the belongings of the victims. Due to frustration of some passengers, some crew were verbally abused. We managed to minister to several crew and they found comfort in prayers offered by our chaplains, counselling and happily received a pocket New Testament. It was indeed a sad incident.

Please continue to remember and pray for the victims' families, those injured (some still in hospitals) and the crew onboard.

MANY THANKS TO SHIPPING AUSTRALIA

On behalf of seafarers and MTS, I want to thank Melwyn Noronha from Shipping Australia for inviting us to the Christmas luncheon. The seafarers were happy and grateful for being invited and said they felt the warmth and love shown to them. Keep it up.

EQUIPPING STAFF AND VOLUNTEERS

Our focus this year is on mental health. We are grateful to Dr Lim, a registered psychologist specialising in this field. She is willing to partner with us to provide training for staff and volunteers to help them better serve and care for seafarers.

FUTURE EVENT

We would like to invite you to our next community information session in April, to meet seafarers and interact with them. Contact us on (02) 92413009 or email enquiries@missiontoseafarers.org.au for further information. ■

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"> Monthly Magazine Daily newswire email Website access – shipping data and news content Online access to our extensive maritime directory 	1 USER	\$795
	UP TO 5 USERS	\$2385
	UP TO 10 USERS	\$3975
NEWS PACKAGE		
<ul style="list-style-type: none"> Monthly Magazine Daily newswire email Website access – news content only Online access to our extensive maritime directory 	1 USER	\$590
	UP TO 5 USERS	\$1770
	UP TO 10 USERS	\$2950
ONLINE ONLY		
<ul style="list-style-type: none"> Daily newswire email Website access – shipping data and news content Online access to directory 	1 USER	\$675
	UP TO 5 USERS	\$2025
	UP TO 10 USERS	\$3375
VESSEL ARRIVAL REPORTS		
<ul style="list-style-type: none"> 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 	1 USER	\$1150
	UP TO 5 USERS	\$3450
	UP TO 10 USERS	\$5250
CONTAINER REPORTS		
<ul style="list-style-type: none"> Lists containers imported into Sydney and Melbourne Displays depots, availability and storage charge dates, ensuring you have the information to help avoid unnecessary charges. 	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

Ports North general manager corporate services, **Kerry Egerton**, talks about her job, growing up in Cairns and why Pat Rafter is an inspiration

What is your job and what does it entail?

I am the general manager corporate services for Ports North. We manage nine ports in Far North Queensland, with the main port and hub for our office and operations based in Cairns. My role includes the functions of company secretary, corporate governance, legal compliance, property management, land use planning, insurance, risk management, marine pilotage, safety, human resources, media/communications and community. I also get to be acting CEO from time to time which is another opportunity to wear a different hat.

How long have you been in this role?

I started with Cairns Ports Authority in 2001, and became GM Corporate Services for Ports North in 2009 following the sale of the Cairns Airport and Queensland Port Network Structure Review.

What do you like most about it?

Well it's certainly never dull. It's a big portfolio so there is a real diversity with the work. No two days are the same with new challenges continually rolling in the door to test, stimulate and make you think. I also work with a great team - some of whom have been here since I started at the organisation.

Where did you grow up and what are some early memories?

I actually grew up in Cairns when it was a very small town of 30,000 people. You knew everyone and life was very simple and carefree. After leaving Cairns and spending 20-years in Melbourne I moved back to a very different Cairns in 2001. A thriving international tourist city of 150,000 people

with so much development and improved public infrastructure. It is still an easy place to live and a great place to bring up a family I hasten to add.

Is it true you are a Collingwood supporter?

I'm afraid it's true! I love nothing better than a game at the Melbourne Cricket Ground when we win by a few points and the crowd goes absolutely nuts. As for players, I did have a soft spot for 'Daisy Thomas' who was great to watch when he was on fire, especially in our flag year of 2010. I was sad when he left to play for the arch enemy, Carlton, even though his best years were definitely with the 'pies. The Premiership year was such a special one, so many great contributions from so many players. Travis Cloke kicking a goal to level the scores late in the first Grand Final. Then Heath Shaw's amazing smother on Nick Riewoldt during the Grand Final replay. It is fair to say that I am a real Collingwood tragic and I wouldn't have it any other way.

What makes Cairns a great place to live?

I live in town on the waterfront near restaurants, bars, shops and beautiful parklands. The city precinct is always a buzz with people enjoying the outdoors and the many social activities and events that are happening. Everything is 10 minutes away, even the airport.

What do you enjoy doing in your spare time?

I am a little partial to good food and wine so I do spend a lot of time with friends eating and drinking bubbles. Walking my

little dog Indy is another favourite activity in between riding my bike and visiting the many walking tracks we have in and around the city.

Is there one Australian who you see as inspirational?

There are a few, but if I was to pick one it would have to be tennis champion Pat Rafter. His tennis career was exciting and ground-breaking - the grand slams, back-to-back US Open titles and the world number-one spot. But it was the way he carried himself throughout his career - he played with such grace and modesty. He was respected by everyone - he won the ATP Sportsmanship Award four times. He was a breath of fresh air in a sport which was becoming pretty heated. Off court he is a great humanitarian. I remember when he donated half of his US Open earnings to the Starlight Foundation. A beautiful boy.

Where is the best place to eat out in Cairns?

This is a tough one as there are quite a few. Salt House at the Marina is a great location for a long lunch, Rocco's at Riley for cocktails and tasting plates and Blackbird coffee in Oceania walk is a must.

What riles you?

Indiscriminate littering really upsets me. Why is it so hard to pick up after oneself? We see it on land, in public places, and on the water. There are so many issues about how we look after the planet, but a basic, fundamental and simple step to begin with is to simply put your rubbish in the right place. It's just so lazy to do otherwise in my humble opinion. ■



PROACTIVE | RISK MINIMISATION | CO-DESIGN



CUSACK & CO
MARITIME LAW SERVICES

Providing personnel with the right skills and right fit for 20 years.



Impex Personnel. The supply chain placement specialists.

On January 1 2000, at the start of the new millennium, Impex Personnel set out to be the best personnel placement specialists in the supply chain industry. 20 years later, while our systems and processes have evolved, our commitment to provide the best people for your recruitment needs remains the same.

Our Placement Specialists know supply chain inside out. Today we are better placed, and more focused than ever to provide the people you need, with the skill-sets and experience you want.

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

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

