



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**HOUSE OF REPRESENTATIVES**

**BILLS**

**Shipping Registration Amendment (Australian  
International Shipping Register) Bill 2012**

**Consideration in Detail**

**SPEECH**

**Thursday, 31 May 2012**

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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## SPEECH

**Date** Thursday, 31 May 2012  
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**Questioner**  
**Speaker** Truss, Warren, MP

**Source** House  
**Proof** No  
**Responder**  
**Question No.**

**Mr TRUSS** (Wide Bay—Leader of The Nationals) (12:47): I have five amendments that I wish to move. I think it might suit the convenience of the House if we deal with the first one alone and then maybe the others in a separate question. I move:

(1) Clause 3, page 2 (line 11), at the end of subclause 3(1), add:

;and (e) promotes competition in coastal trading; and

(f) ensures efficient movement of passengers and cargo between Australian ports.

This amendment is to the objectives of the Coastal Trading (Revitalising Australian Shipping) Bill 2012. Clause 3(1) of the bill lists the objectives of the bill. It says:

(1) The object of this Act is to provide a regulatory framework for coastal trading in Australia that:

(a) promotes a viable shipping industry that contributes to the broader Australian economy; and

(b) facilitates the long term growth of the Australian shipping industry; and

(c) enhances the efficiency and reliability of Australian shipping as part of the national transport system; and

(d) maximises the use of vessels registered in the Australian General Shipping Register in coastal trading.

The amendments that I propose are that two additional objectives be added, one promoting competition in coastal trading and the other ensuring the efficient movement of passengers and cargo between Australian ports.

The coalition believes that these two additional clauses to the objectives will make it clear that Australia has no intention of closing its coast and supports competition in shipping to promote the efficient and cost-effective movement of freight. The minister has clearly stated, earlier and again today, that it is not his intention to close the coast to foreign flagged vessels, yet the prescriptive requirements to obtain a temporary licence could be interpreted as an attempt, at the very least, to discourage international participation.

This amendment to the objects of the act makes it clear that in addition to supporting the Australian shipping industry and Australian flagged vessels, Australia's coastal trade must be efficient and internationally competitive. It should be noted that clause 34(2)(f) of the Coastal Trading (Revitalising Australian Shipping) Bill 2012 states that the minister may have regard to the objects of the act when determining whether or not to grant a temporary licence. Additionally, clause 63(2) gives the minister the power to issue a 'show cause' notice if a temporary licence is being used in a way that circumvents the objectives of the act.

The coalition amendment will make it clear that our coastal shipping industry should be competitive and efficient. It makes it evident that both foreign and Australian flagged vessels have a role to play. There were many submissions to the House and Senate committee inquiries on this point. The Australian Logistics Council, for instance, said that 'as important a policy goal as maintaining an Australian coastal fleet is, the efficient movement of cargo should also be a key national goal.' And the Business Council of Australia said:

A broader set of objectives is needed to ensure the subsequent reforms do not lessen the competitiveness of the market, negatively impact the interests of shipping users or result in lower employment and GDP outcomes for the wider Australian community.

That was the element that the opposition were keen to pursue through a Productivity Commission inquiry. We wanted it to look particularly at the impact of this bill on other industries so that there were not jobs lost in other industries as a result of this bill. The House has voted that that will not happen, so I think balancing the objectives

will certainly make it easier for there to be confidence that coastal shipping will not be closed and that there will be opportunities for permits and that therefore we can have a competitive and efficient industry. On top of that, where there are specific tasks that require a specialist vessel, the door will not be closed to them.

The minister will still have to take into account the importance of promoting the Australian shipping industry and giving our own industry the opportunity to undertake these tasks but it puts some balance into the objectives, and I commend the amendment to the House.