HOUSE OF REPRESENTATIVES

PROTECTION OF THE SEA LEGISLATION AMENDMENT BILL 2010

Second Reading

SPEECH

Wednesday, 3 February 2010

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES
Mr ALBANESE (Grayndler—Minister for Infrastructure, Transport, Regional Development and Local Government) (9.20 am)—I move:

That this bill be now read a second time.

Shipping is vital for world trade, particularly for an island nation such as Australia.

Nearly 4,000 ships carry commodities to and from Australia’s shores each year, carrying 99 per cent of our imports and exports, by volume. Australia has the fifth largest shipping task in the world.

It is inevitable that with such a large amount of shipping there will be pollution of the oceans and the atmosphere. As a government, we are committed to preventing and reducing marine pollution where possible.

The best way of doing this is to ensure that Australian legislation reflects international standards.

This bill will amend two acts to strengthen Australia’s comprehensive marine pollution prevention regime.

The International Maritime Organization (IMO), whose headquarters are in London, has adopted a number of conventions which are intended to reduce pollution by ships.

The most important of these conventions is the International Convention for the Prevention of Pollution from Ships, which is generally referred to as MARPOL.

MARPOL has six technical annexes which deal with different aspects of marine pollution. These are pollution by oil, noxious liquid substances in bulk, harmful substances carried by sea in packaged form, sewage, garbage and air pollution.

About 150 countries have adopted at least some of these annexes.

Australia has adopted all six.

Schedule 1 of this bill will implement amendments to annex VI of MARPOL. Annex VI is intended to reduce air pollution by ships.

Adverse public health effects associated with air pollution include premature mortality, cardio-pulmonary disease, lung cancer and chronic respiratory ailments.

Annex VI places an upper limit on the emission of nitrogen oxides from marine diesel engines, limits the emission of sulphur oxides by limiting the sulphur content of fuel oil and prohibits the deliberate emission of ozone depleting substances from ships.

Amendments to annex VI, which were agreed to by the IMO in October 2008, will enter into force on 1 July 2010. The main effect of these amendments is to provide for a progressive reduction in the permitted sulphur level in fuel oil used in ships.

The current maximum sulphur content of 4.5 per cent will be reduced to 3.5 per cent from 1 January 2012. Subject to a review to be conducted in 2018 by the IMO, it is further proposed that the sulphur content of fuel oil be reduced to 0.5 per cent from 1 January 2020.

The IMO has agreed that some parts of the seas which are close to heavily populated areas be designated as emission control areas. An emission control area is an area in which there is a proven need for a further reduction of emissions from ships for health reasons.

At present, only two areas have been designated as emission control areas—the Baltic Sea and the North Sea.
The current permitted sulphur content in fuels used in emission control areas is 1.5 per cent. It will be reduced to one per cent from 1 July 2010 and to 0.1 per cent from 1 January 2015.

In order to implement the progressive reduction in permitted sulphur content of fuel oil, the bill provides for the maximum sulphur content to be set by regulation.

The proposed reduction in sulphur fuel content to 3.5 per cent from 1 January 2012 will have little practical impact on vessel operations in Australia. That is because the average sulphur level in worldwide fuel oil deliveries and the sulphur levels in fuel refined in Australia currently fall below the 3.5 per cent cap.

Another important aspect of this bill is to provide protection for persons or organisations who assist in the clean-up following a spill of fuel oil from a ship.

Recent experience demonstrates that even small oil spills can be very costly. For example, the clean-up and compensation costs following the spill of about 270 tonnes of fuel oil from the Pacific Adventurer off the south-east coast of Queensland in March 2009 exceeded A$30 million.

It is therefore essential that persons or organisations not be deterred from providing assistance because they think they may become liable if their actions inadvertently lead to increased pollution.

The bill includes a so-called responder immunity provision to protect persons and organisations who respond to a spill of fuel oil from liability provided they have acted reasonably and in good faith.

This bill continues the government’s efforts to enhance Australia’s marine pollution prevention regime.

I commend the bill to the House.

Debate (on motion by Mr Andrews) adjourned.