Inside ICHCA

Australia

September 2012

About ICHCA - International Cargo Handling Coordination Association

ICHCA's objective is to increase knowledge of ways to improve the efficiency and economy in the handling and movement of goods, from origin to destination by all modes and at all phases of the national and international transport chains.

ICHCA Australia Ltd is proud to be part of the ICHCA International Ltd global network. Members can access past newsletters and other useful information by going to the ICHCA website at www.ichca-australia.com.

To join ICHCA please contact Ian Lovell, Company Secretary of ICHCA Australia Ltd on ian.lovell@bigpond.com or telephone 0400 708 182.

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NSW ICHCA Lunch – Will Sail Powered Bulk Carriers be a Thing of the Future?

How far away are we from having sail powered bulk carriers – are they technologically capable of delivering the goods and are they economically viable? The answer to these questions and much more will be discussed at the forthcoming ICHCA lunch in Sydney on Friday 5 October.

The lunch presenter will be Dr Robert Dane who is the CEO of SolarSailor who was given the ICHCA Innovation Award in 2002 and recently was awarded the WWF Earth Hour Futuremakers Award as an outstanding individual thinking outside the box and implementing big, bold, creative ideas and initiatives that will transform the future.

In 1996 Dr Dane saw a solar boat race that changed his life. By the next year he had designed and built a solar sailing boat of his own using the most abundant sources of energy on water: sun and wind.

Now operating in Newcastle, the SolarSailor ferry has inspired others to approach Dr Dane for similar vessels in Shanghai and Hong King.

Come and listen to Dr Dane present a hard hitting commercial perspective on the feasibility of sail power for bulk cargo shipping.

SolarSail Technology for Bulk Cargo Fuel Savings on a Commercial Scale for Ships Using Sail Power: South Steyne Floating Restaurant Friday 5 October at 12.15pm for a 12.30 start.

RSVP: cob Tuesday 2 October to Juliana Corona of Asiaworld Shipping Services, Tel: 02 9906 6372, Fax: 02 9906 1874 E-mail: JCorona@asiaworld.com.au

Proudly sponsored by Qube Ports and Bulk



ICHCA SA Lunch: Mining Christmas Presents

The next ICHCA SA luncheon will be on 21 November featuring Jason Kuchel, Chief Executive of the SA Chamber of Mines and Energy who will be addressing the topic: All I Want For Christmas.

Jason will discuss the investment requirements of the SA mining industry, with a particular emphasis on the transport and logistics industry.

Despite the recent cancellation of BHP Billiton's Olympic Dam Expansion project there is much, much more happening in SA as the mining industry continues to progress a raft of prospective new mining projects and proposals.

Come along and find out what Jason and SACOME want Santa to deliver to the mining industry for Christmas this year.

The luncheon details are:

Wednesday 21November 2012, 12.00 noon for 12.15 At The Lakes Resort Hotel, Brebner Drive, West Lakes

Register with Emily Treloar, AECOM treloar.emily@aecom.com.

Why not take a table? What a great opportunity to reward your key staff, colleagues and customers.

ICHCA-Federal Government Annual Briefing: Major Progress in Trade and Transport Reform

Just how far Australia has come in its quest to reform trade and transport was discussed at the ICHCA-Senior Officials annual policy briefing meeting in Canberra in September 2012.

For years the Commonwealth and States have wrestled and wrangled over adopting a national approach on transport safety, regulation, infrastructure and strategy. At last there appears to be traction in the area of transport reform evidenced by:

- establishment of national regulators for marine, rail and heavy vehicles (aviation already has a regulator).
- development of a national port strategy and a national land freight strategy
- new legislation such as the Navigation Act.

There has also been a distinct shift in the areas of foreign policy and trade, customs, biosecurity and statistics that are resulting in a more targeted focus on efficiency and industry requirements.

In foreign policy there is recognition of the indivisibility of trade policy and wider economic reform. In trade the priority is on developing and new markets as well as investment attraction. In the area of customs and border protection and biosecurity significant progress is being made on targeting risk, improving time performance and making access to information and documentation more efficient. With statistics there is renewed customer focus and opportunities to value add.

ICHCA Australia will be publishing the briefings it received from key departments at the ICHCA-Senior Officials Meeting both in Inside ICHCA and on our website $\underline{\text{www.ichca-australia.com}}$. We thank the following organisation for the briefings:

- Department of Foreign Affairs and Trade
- Austrade
- Department of Infrastructure and Transport
- The Australian Maritime Safety Authority
- The Australian Bureau of Statistics
- The Department of Agriculture, Fisheries and Forestry
- The Australian Customs and Border Protection Service

Irrespective of whether you support or oppose these reforms, it is of note that the number of initiatives being put in place is a credit to those involved and we congratulate them for all the hard work involved.

BRIEFINGS

ICHCA News

Chairman ICHCA Australia, Tony Grant, summarised ICHCA initiatives and Laurence Jones described the work of the ICHCA International Expert Panel.

ICHCA is participating in The International Maritime Organization Dangerous Goods, Solid Cargoes and Containers Sub Committee (DSC/17). This is considering the requirement for the verification of container weights at terminals. ICHCA International is running a one day industry seminar on the matter on 9 October in London. There is some debate about how far along and where in the supply chain the requirement to declare accurate container weights extend. Australia's Chain of Responsibility legislation is relevant.

The Department of Foreign Affairs and Trade

The brief covers Australia's recent trade performance and outlook, Australia's Trade Policy, Progress in the Doha Round of the World Trade Organisation and Australia's Free Trade Agreements. Excellent information provided includes trade data and a summary fact sheet summarising Australia's position in terms of trade, investment and economic activity.

Major Australian exports, 2011-12 (A\$m) (e):

Iron ores and concentrates	63,006
Coal	47,951
Gold	15,792
Natural gas	12,005
Crude petroleum	11,237

Australia's main export destinations, 2011-12 (e):

1	China	29.1%
2	Japan	19.4%
3	Republic of Korea	8.3%
4	India	5.0%
5	United States	3.7%

Australia's main import sources, 2011-12 (e):

1	China	18.1%	2012 (b)
2	United States (f)	12.8%	1,586.0
3	Japan	8.5%	954.3
4	Singapore	6.2%	68,916
5	Germany	4.7%	41,468

¹ Compiled by the Market Information and Research Section, DFAT, using the latest data from the ABS, the IMF and various international sources.

1. Trade Performance

The last year has proved tough for Australian exporters.

- In particular, a weak and uncertain global economy combined with lower commodity prices and a high exchange rate provided strong headwinds.
- Despite this, 2011-12 was a record year for Australia's trade: exports were worth \$316.7 billion, while total trade was worth \$628 billion (equal to around 50 per cent of GDP); while there was a \$6 billion trade surplus.
- The best performance was by the mining sector, whose exports increased by 9% in 2011/12, underpinned strong demand and high prices.
- Other export competing sectors such as manufacturing, tourism and education services found life much more difficult.

The year ahead will likely see a broad continuation of current conditions:

- Europe and the United States will continue to recover, albeit slowly and surrounded by significant uncertainty.
- Commodity prices particularly metals are likely to soften further.

⁽a) All recent data subject to revision; (b) IMF/EIU forecast; [c] PPP is purchasing power parity; (d) Total may not add due to rounding; (e) Merchandise trade; (f) Based on unpublished ABS data and includes confidential aircraft imports. na Data not available. np Data not published. .. Data not meaningful.

• And the exchange rate is expected to hold-up and remain at high levels.

On the more positive side, solid Chinese economic growth is expected to continue to drive and underpin export demand. This growth will also be supported by other developing countries and in Asia as well. This growth will likely provide support to commodity prices, which while likely to fall overall, will continue to remain at historically high levels.

The longer term outlook also remains positive for Australian exporters.

Australia's increasing economic integration with Asia means we are well positioned to reap the benefit from that region's economic transformation.

• Currently over 70% of our goods and services exports go to Asia.

These benefits are likely to be even greater over the coming years as the growing Asian middle classes increase their demand for more Australian services, high protein food and advanced manufacturing.

To put these opportunities in perspective, by 2030, the Asian middle classes will have grown to three billion people, more than 100 times the domestic market.

Detailed trade statistics can be found via: http://www.dfat.gov.au/trade/trade-and-economic-statistics.html

2. Australia's Trade Policy

- The Department of Foreign Affairs and Trade is working proactively to dismantling international trade barriers.
- This reflects the Department's view that international trade increases productivity, international competitiveness and creates a high-skill, high-wage workforce.
- More detailed information on the government's trade policy is laid out in a trade policy statement, released in April 2011: http://www.dfat.gov.au/publications/trade/trading-our-way-to-more-jobs-and-prosperity.html.

The statement sets out five guiding principles:

- Unilateralism a commitment to the pursuit of ongoing, trade-related economic reform without waiting for other countries to reform their own economies;
- Non-discrimination Australia will not seek exclusive or entrenched preferential access to other countries' markets;
- Separation foreign policy considerations will not override trade policy assessments in determining the choice of negotiating partners and consideration of proposed trade deals;
- Transparency the public will be kept well informed about the progress of trade negotiations and will have the opportunity to provide input; and
- The indivisibility of trade policy and wider economic reform domestic economic reform, improved international competitiveness and increased market access work together to create jobs and prosperity.

3. Progress in Doha and FTAs

Australia's number one priority remains the Doha Round of multilateral trade negotiations in the World Trade Organization (WTO). This is because a successful outcome to these negotiations offers Australia the most potential economic benefit.

Unfortunately, it has proved difficult to make substantive progress in taking forward these negotiations. In order to make progress on Doha Dr Emerson has been advocating a new approach. This includes:

- Breaking the round into more manageable components.
- Early implementation of those issues close to finalisation.
- A commitment to anti-protectionism.

Australia is also actively involved in concluding Free Trade Agreements. FTAs are difficult to negotiate, being subject to a raft of defensive positions and vested interests, particularly agriculture. It is also very difficult to say when a deal will be completed.

In terms of Australia's current FTA agenda:

- Australia has six FTAs currently in force with New Zealand, Singapore, Thailand, US, Chile and (with New Zealand) the Association of South East Asian Nations (ASEAN). The countries covered by these FTAs account for 28% of Australia's total trade.
- Australia is currently engaged in eight FTA negotiations
 - o five bilateral FTA negotiations: China, Japan, Korea, India and Indonesia; and
 - o three plurilateral FTA negotiations: the Trans-Pacific Partnership Agreement (TPP), the Gulf Cooperation Council (GCC), and a Pacific trade and economic agreement (known as PACER Plus).
- The Malaysia-Australia Free Trade Agreement (MAFTA) was signed on 22 May 2012 in Kuala Lumpur
 - MAFTA will enter into force once both countries complete their domestic procedures for treaty adoption, which will not be before 1 January 2013.
- The Government continues to pursue an FTA with China, which would allow us to further strengthen our commercial relationship. The 18th round of negotiations was held in March.
- Negotiations are well advanced towards finalising a comprehensive, high-quality and liberalising deal with Korea. Now that Korea has implemented its agreement with the United States we expect to intensify negotiations.
- Australia is committed to the bilateral FTA with Japan and negotiations have intensified this year, with good progress achieved. Both sides are keen to conclude as soon as possible.
- The Trans-Pacific Partnership (TPP) is Australia's highest regional trade negotiation priority, and TPP Leaders have committed to dedicating the resources necessary to conclude the TPP agreement as rapidly as possible.
 - The 14th round of negotiations takes place in September 2012 in the US.
 - o In June 2012, TPP parties welcomed Mexico and Canada as new members.
- Australia is in the early phase of negotiations with India on a free trade agreement with three rounds so far.
- Planning is underway for the first round of negotiations on the Indonesia-Australia Comprehensive Economic Partnership Agreement (IA-CEPA).
 - This agreement will cover trade, investment and economic cooperation and will build on the regional FTA with ASEAN and New Zealand.
- There has also been recent progress in the PACER Plus negotiations
 - Australia's primary objective for PACER Plus is to promote the economic growth of Forum Island Countries.
- Negotiations with the Gulf Cooperation Council (GCC) are currently on hold while the GCC reviews its approach to FTA negotiations with all partners including Australia.

More detailed information on FTAs can be found: http://www.dfat.gov.au/fta/

Austrade

The brief covered how through a global network of offices, Austrade assists Australian companies to grow their international business, attract productive foreign direct investment into Australia and promote Australia's education sector internationally.

Specifically Austrade provides information, advice and services to:

- Help Australian companies reduce the time, cost and risk of exporting, including through administration of the Export Market Development Grants (EMDG) scheme and the TradeStart program.
- Provide coordinated government assistance to attract and facilitate productive foreign direct investment into Australia.

- Promote the Australian education sector in international markets and assist Australian education providers with market information and services.
- Manage the Building Brand Australia program to enhance awareness of contemporary Australian skills and capability and enrich Australia's global reputation.
- Provide advice to the Australian Government on its trade and investment policy agenda.
- Deliver Australian consular, passport and other government services in designated overseas locations.

Services for International Investors

Working in partnership with Australian state and territory governments, Austrade provides international investors with the information needed to establish or expand a business in Australia. Available assistance to potential international investors includes:

- Initial coordination of investment enquiries and assistance.
- Information on the Australian business and regulatory environment.
- Market intelligence and investment opportunities.
- Identification of suitable investment locations and partners in Australia.
- Advice on Australian government programs and approval processes.

Services for Australian Education Providers

Austrade delivers branding, international marketing and promotion services to the Australian education sector. This includes positioning Australian education internationally through an international education brand, Future Unlimited. Future Unlimited highlights the global relevance, practicality and quality of Australian institutions, along with their innovation, creativity and focus on the future.

Austrade also supports Australian education and training providers through information, advice and tailored services to support their international education engagement strategies. This includes delivery of valuable and timely market intelligence and opportunities through the Market Information Package, an online portal available on a subscription basis to eligible institutions.

Services for Australian Businesses

General information about exporting and doing business in international markets can be accessed via Austrade's website, seminars and events or from Austrade staff.

Tailored trade services are available to Australian businesses that are 'export ready' and meet Austrade's eligibility criteria. These services are primarily focused on providing support in growth and emerging markets, where there is strong demand for our assistance and where we can add the most value, such as in markets across Asia, Africa, the Middle East, Latin America, Central and South-East Europe. Our services include:

- Information and advice on doing business in international markets.
- Help with international market selection.
- Identification of relevant international contacts.
- Assistance with market entry and expansion.
- Identification and follow-up of specific international business opportunities.

Information on export financing including the EMDG scheme and other government financial assistance programs is also available from Austrade's website. Administered by Austrade, the EMDG scheme is a key Australian Government financial assistance program for aspiring and current exporters. The scheme reimburses up to 50 per cent of eligible export promotion expenses above a certain threshold.

Services for International Buyers

Austrade assists international buyers to source Australian goods and services or identify strategic business partners. Our assistance includes helping international buyers identify and contact Australian suppliers, as well as providing insight on Australian capabilities.

Building Brand Australia

The Building Brand Australia Program is an Australian Government funded program, expressed through the `Australia Unlimited' brand. It aims to enrich Australia's global reputation by increasing awareness of contemporary Australian credentials in business, science, education, technology, creativity and not-for-profit activity.

The program seeks to identify brand partners from across government, peak bodies, the not-for-profit sector and the corporate sector who can use the brand to enhance their international work, and in turn help communicate the skills and contributions of contemporary Australia to a global audience.

An iPad magazine application and website (www.australiaunlimited.com), along with social media and international PR activities bring the brand to life, give voice to Australian success and promote it to the world.

Discussion

Discussion of both the DFAT and Austrade briefings focused on the shift from general to targeted priority sectors including investment and education services.

It is recognised that for cost reasons, Australia cannot provide consular and visa services in every country in the world. In view of ICHCA's strong membership chapter in the Canarias/West Africa the recent establishment of an Australian presence in Ghana was welcomed.

The Department of Agriculture, Fisheries and Forestry

The brief covered how the department is reforming Australia's biosecurity system. Its vision is to deliver a world-class biosecurity system that is Streamlined, Modern, Aligned, Responsive and Targeted, in a changing global trading environment.

To deliver a smarter biosecurity system, it is adopting the following principles:

- Implement a risk-return model.
- Manage biosecurity risk across the continuum.
- Work in partnership with stakeholders.
- Be intelligence led and evidence based.
- Access modern funding legislation and technologies.

Key initiatives involve:

- Replacing the century-old Quarantine Act 1908 to create a responsive and flexible operating environment.
- Redeveloping the import conditions database, ICON.
- Effectively using a risk return model by managing biosecurity risks through an intelligence-led, evidence-based system.
- Implementing operational improvements to cargo.

Operational reforms designed to better manage the biosecurity risks associated with the increased movement of goods and vessels include:

- Rural Assurance Postcode Review.
- Expanded Import Clearance Effectiveness (ICE).
- Targeted compliance campaigns.
- Increased Stakeholder Engagement.
- Review of cargo profiles to improve the selection of imported cargo.
- The Sea Container Hygiene System.
- Reforms to the management of trans-shipped cargo.
- Biosecurity Management Agreements with industry.

The Department of Infrastructure and Transport

The brief covered:

1. Navigation Act

The successful re-write of the *Navigation Act 1912* and its passage through Parliament: The *Navigation Act 1912* is Australia's primary legislation regulating ship and seafarer safety, shipboard aspects of protection of the marine environment and employment conditions for Australian seafarers. It is a key legislative vehicle to give domestic effect to Australia's port state control responsibilities and implements a range of international conventions covering matters such as the safety of life at sea; training and certification of seafarers; prevention of collisions at sea; watertight integrity and reserve buoyancy of ships; pollution prevention standards for ships; safety of containers, salvage; and regulations to determine gross and net tonnage of ships.

The *Navigation Act 1912* is 100 years old. In the course of its lifetime it has been amended many times, often on an ad hoc basis without a strategic focus. As a result, it embodies a mix of archaic and modern concepts.

After approximately three years of planning, public and whole of Government consultation, extensive drafting and through the commitment and cooperation demonstrated by all stakeholders, the Minister for Infrastructure and Transport, Anthony Albanese, introduced the Navigation Bill 2012 to the Parliament on 24 May 2012 and it passed the Senate in August 2012.

2. National Regulators

After many years of somewhat fragmented safety regulation, national regulators have been established for heavy vehicles, maritime safety and rail safety. Aviation is already regulated by the Civil Aviation Safety Authority and will commence operations in 2013. For maritime safety, the Australian Maritime Safety Authority (AMSA) is now established as *National Maritime Safety Regulator*.

As the National Regulator, AMSA will be responsible for the development and implementation of national domestic commercial vessel standards covering vessel construction, operation and crew qualifications. However, under the National Law, AMSA will delegate certain functions to State and Territory maritime safety agencies which undertake day-to-day interaction with the domestic commercial vessel industry.

The new *National Rail Safety Regulator* based in Adelaide is expected to be operational from January 2013, administering a single national set of rail safety laws for Australia.

The Heavy Vehicle National Law has passed in the Queensland Parliament and the National Heavy Vehicle Regulator, based in Queensland, will be in place on 1 January 2013.

3. The National Ports Strategy and The National Land Freight Strategy

These are long term blueprints which will guide future public and private investment in roads, railways and ports.

What this will provide is:

- a freeing up of bottlenecks at ports.
- planning certainty for long-term expansion at and around our ports.
- and the first truly national, integrated freight system, linked by a series of intermodals.

These intermodals - or freight transfer points - mean that goods going to or coming from our ports, or from interstate via the national road and rail network, will be redirected to their ultimate destination in the fastest time, with the minimum of handling.

This will result in faster, smoother movement of freight around our nation, reducing freight bottlenecks, saving the transport industry time and money.

The National Ports Strategy was endorsed by COAG in August 2012 and an update on the National Land Freight Strategy was released in September 2012.

4. Nation Building Program

The Australian Government is investing \$36.0 billion on road and rail infrastructure through the Nation Building Program over the six year period from 2008/09 to 2013/14.

The Department of Infrastructure and Transport is delivering this investment through a range of road and rail programs and projects across the National Land Transport Network. The network is based on national and inter-regional land transport corridors that are of critical importance to national and regional growth.

There are several components under the Nation Building Program including:

- National Network construction
- National Network maintenance
- Roads to Recovery
- Black Spot
- Heavy Vehicle Safety and Productivity Program
- Off-Network projects
- Boom Gates for Rail Crossings.

5. Shipping Reform

Introduced as "Stronger Shipping For a Stronger Economy" the shipping package is an integrated suite of reforms comprising four key elements:

- <u>tax reforms</u> to remove barriers to investment in Australian shipping and to foster the global competitiveness of the shipping industry.
- a strengthened and simplified <u>regulatory framework</u> with a transparent licensing regime supported by clearly stated objectives.
- the establishment of an <u>Australian International Shipping Register</u> to encourage Australian companies to participate in the international trades.
- establishment of a <u>Maritime Workforce Development Forum</u> to progress key maritime skills and training priorities.

6. Coastal Trading Arrangements

New Coastal Trading arrangements comprise a three tier licensing system. No SVPs or CVPs are issued.

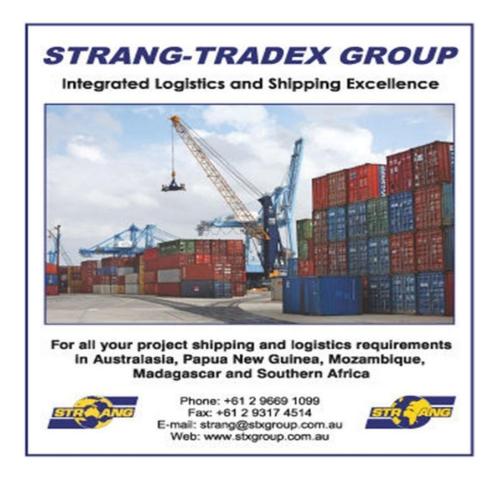
- General Licence (or Transitional General Licence) unrestricted access to the coast and valid up to five years.
- Temporary Licence restricted access to the coast and valid for 12 months.
- Emergency Licence available in limited circumstances. The system is in transition and being computerised.

7. Safe Rates

Another important piece of work underway is the move towards safe rates for heavy vehicle drivers. This falls under the portfolio of the Minister for Workplace Relations and the Government as a whole takes the issue of safe rates very seriously and continues to work towards a solution to this complex matter.

8. Heavy Vehicle Charging System

The National Transport Commission is conducting a comprehensive review of the Heavy Vehicle Charging System.



The Australian Maritime Safety Authority

- Machinery of government amendments to AMSA Marine Orders to align them with the new Navigation Act.
- Amendments to AMSA Marine Orders and new working processes to facilitate the coming into effect of the Maritime Labour Convention (MLC).
- Amendments to AMSA Marine Orders and new working processes to facilitate the start of the Australian International Ship Register (AISR) on 1 July 2012.
- The new National Law for commercial vessels (i.e. the National System for Domestic Commercial Vessel Safety).

In relation to the above major areas of change, AMSA will be running a series of the information sessions in all Australian capital cities during October or November. In the meantime, further details about the National System for commercial vessel safety and the Australian International Shipping Register are available on AMSA's website (www.amsa.gov.au).

Other key issues for AMSA at the current time include:

- o SAR activities in relation to Suspected Illegal Entry Vessels (SIEV).
- Navigation safety in the NW and NE, in anticipation of ongoing increases in port and offshore developments, including measures being implemented in the NW (eg Shipping Safety Fairways) and the development of a NE Shipping Management Plan by the end of 2012.
- o Proactive engagement at the International Maritime Organization (eg Iron ore fines at the Dangerous Goods, Solid Cargoes and Containers (DSC) technical sub-committee)
- o Regional cooperation and engagement including capacity building.
- The importance to AMSA of effective engagement and consultation with stakeholders and some of the approaches being taken to ensure AMSA's consultation activities are targeted, helpful, and making best use of new information technology where appropriate.

During discussion a number of topics were raised including:

1. Information on the IMO's current deliberations on iron ore fines, what are the key issues and is there any information that describes the safety concerns with the shipment of these cargoes and the ways in which these concerns can be addressed?

David Anderson in AMSA's Maritime Operations Division can be contacted for further information (david.anderson@amsa.gov.au). However, in general AMSA is aware of ICHCA's involvement in the IMO discussions on this subject and AMSA will be engaging with ICHCA along with other IMO members and NGOs at DSC 17. Australia has submitted three papers to DSC17 related to iron ore fines and these papers (see attached) outline Australia's position:

- a. That following the conclusion of the Correspondence Group process, which included draft proposals to include in the requested schedule for iron ore fines, there is a clear requirement and basis for a Group A schedule to be agreed for inclusion in the Code at DSC 17. The majority of this cargo that is shipped from Australia can be tested and identified as possessing Group A properties using existing tests and criteria and there is no schedule for these cargoes. This would require the administrative tripartite agreement process to be carried out for every shipment plus Australia would have to (again) submit a Group A Iron Ore Fines schedule to the IMO for inclusion in the Code.
- b. The draft iron ore fines Group A schedule provided by the CG has many sections requiring deliberations and discussions to finalise an agreeable schedule for the sub-committee to consider. This work would most productively be carried out during the meeting by a Working Group hence Australia believes a WG should be established at DSC 17 to carry out this work on the schedule and complete it at this meeting. We also note that the Secretariat has already proposed that a WG be established to consider amendments to the IMSBC Code and this would appear to be a suitable WG to consider this task in addition to new schedules and other proposals to amend the IMSBC Code in Agenda Item 4.
- c. One of the CG TOR was to consider the adequacy of the current tests and to consider the properties of these cargoes. This work was undertaken by industry particularly in Brazil and Australia from where the majority of the cargoes are shipped with extensive research meaning there was insufficient time for the data to be evaluated to properly address the TOR and in Australian industry's case the scope of the research has meant that more time is required to ensure data quality. Indications to date are that the research outcomes will be complete and ready for full evaluation by DSC 18. Another CG should be established to co-ordinate the research data and results and to provide the findings to DSC 18 to find a way forward for the remaining cargoes that cannot be identified as Group A nor Group C using existing tests and criteria.
- 2. Regarding the MLC it was suggested there may be a number of ships that will have difficulty meeting all the MLC requirements and hence will AMSA be looking at some pragmatic introductory approaches to the way it handles such ships during Port State Control inspections?
 - AMSA recognises that depending on the nature of any deficiencies there may be some "learning curve" issues at the start of the MLC and that AMSA will be intending to adopt a pragmatic approach to ensure that ships are able to address deficiencies while minimising any disruption to operations. Further to this initial advice, once the MLC 2006 is in force, ships visiting Australia will be subject to inspection as specified in regulation 5.2 and ships will be required to carry a Maritime Labour Certificate and a Declaration of Compliance. AMSA is generally limited in PSC inspections to checking Certificates issued by the Flag Authority, unless a complaint is received or an obvious deficiency exists. The scope of compliance of a foreign vessel against the foreign flag laws is found in the Declarations of MLC Part 1 and Part 2. In addition, AMSA will only be dealing with MLC issues under AMSA's legislation. AMSA will not have legislative control over the other two pillars of the tripartite Convention. AMSA is developing policy on the standards and PSC codes to be applied in the case of deficiencies and the appropriate response where deficiencies are found to exist.
- 3. A comment was made regarding the 3c levy and that given the maritime industry is under some pressure at the current time, when will the 3 c levy be ceased?

Both AMSA and the Department of Infrastructure and Transport are aware that industry is seeking clarity about the future of this levy and that consideration is being given to this matter at a senior level in both AMSA and DIT.

4. Concerning the next session of the IMO DSC 17, AMSA position on the matter of container weights is sought.

Some discussion followed this question, the upshot of which was that while the IMO's approach for containers to be weighed at terminals would not solve the problems of incorrectly declared container weights for the entire supply chain, it would cover the sea component. Noting that the IMO is concerned primarily with safety of shipping (in ports and at sea) and that the SOLAS convention deals with "Safety Of Life At Sea", the IMO is doing all it can within its remit. Further to this, AMSA's view is that the IMO should be focussing on arrangements to ensure container weights are known when loaded on a ship. The cross-over would be supported where there is agreed acceptance of methods of providing the container weight at container depots etc. by weighing contents and adding to tare weight. The idea that content weight can be certificated as it is loaded and then be added to the CSC Safety Plate Tare weight would help sort out other modes in the chain as they will have something to "rely on". Eventually the check weigh at the terminal will confirm the other certification process is going well. This is probably the "best way" forward – check weigh where facilities exist but the declarations could be based on a certificated weight summation method before the check-weigh where no facilities exist.

The Australian Customs and Border Protection Services

Australian Customs and Border Protection Service manages the security and integrity of Australia's borders. It works closely with other government and international agencies, in particular the Australian Federal Police, the Australian Quarantine and Inspection Service, the Department of Immigration and Citizenship and the Department of Defence, to detect and deter unlawful movement of goods and people across the border.

The agency is a national organisation employing more than 5500 people in Australia and overseas, with its central office in Canberra. It has a fleet of ocean-going patrol vessels and contracts two aerial surveillance providers for civil maritime surveillance and response.

Protecting the Australian community through the interception of illegal drugs and firearms is a high priority and sophisticated techniques are used to target high-risk aircraft, vessels, cargo, postal items and travellers. This includes intelligence analysis, computer-based analysis, detector dogs and various other technologies. Clients of Customs and Border Protection include the Australian community, the Government, industry, travellers and other government agencies. Customs and Border Protection has permanent representation in Bangkok, Beijing, and Brussels, Jakarta and Washington and a network of offices in Australia.

Strategic Change Program and 2012/13 Strategic Priorities

The future is characterised by increasing volumes, complexity, criminal sophistication and continuing fiscal constraint. This environment places a premium on having highly effective intelligence and targeting and response capabilities to both prevent breaches of the border and to ensure legitimate trade and travel is not unreasonably impeded. It also means the shift to being a mainstream law enforcement agency and valued member of the national security community will continue. The agency's intelligence-led, risk-based approach drives resourcing decisions. It means identifying the areas of highest risk and only intervening where there is a threat to the border. The Annual Plan is a key product of this approach and details key findings from our assessment of our management of border and enterprise risks. The Plan identifies risk areas that will be a priority focus for the coming year including illicit drugs and precursors, criminality at the waterfront, illicit firearms and economic risks, as well as highlighting those where the agency will continue to maintain vigilance.

Initiatives include:

- improving analytical capabilities in the international mail, financial, maritime, post-detection and small craft domains.
- improving use of advance data and intelligence, along with national and international partnerships, to intervene ahead of the border.
- implementing a comprehensive strategy to combat the illegal importation of ContacNT1.

- implementing coordinated strategies with government and industry partners to mitigate vulnerabilities at the waterfront.
- working with partner agencies, both in Australia and overseas, to detect, deter and disrupt the illicit importation of firearms into Australia.
- delivering training in advance x-ray analytical capabilities to better equip frontline staff to identify illicit goods.
- enhancing Australia's anti-dumping and countervailing system.
- strengthening measures to respond to economic risks.

Integrity

The agency is committed to ensuring the highest standards of integrity and professional conduct. Customs and Border Protection sees infiltration and corruption as a threat to the confidence that the Australian public has in the agency performing its role at the border. The agency is alert to the reality that criminals will attempt to infiltrate the agency or compromise staff to gain access to information or even active support for their operations. In April 2012, the Minister for Home Affairs and Minister for Justice, Jason Clare, announced his intention to introduce legislation to support drug and alcohol testing, loss of confidence powers and mandatory reporting for Customs and Border Protection officers. These measures build on the Minister's previous announcement of the Government's intention to introduce legislation to conduct targeted integrity tests on officers suspected of corruption.

Information Management

The implementation of the Information Management (IM) Strategy will deliver an enterprise-wide IM foundation over the next 3-5 years. The program will enhance the ability to effectively identify, integrate and link information holdings across the agency and across government improving capability to respond quickly and effectively to border risks and threats

Generally

It is sometimes suggested that 80% of cargo is moved by 20% of shippers and this has prompted discussion of establishing an "Authorised Economic Operator" system. Investigations in Australia show that it does not attract strong support from industry in Australia. Further work is being undertaken by the World Customs Organisation (WCO) and Australia continues to be involved on this matter.

In examining how to improve reporting and inspection, the increase in the number of intermodal facilities raise a number of challenges. Accordingly the USA pre-load model is being looked at.



The Australian Bureau of Statistics

Scope

Transport can be described broadly as the movement of goods and people from an origin to a destination. It is one of the most fundamental aspects of an advanced economy, as it provides a window to the wider world. Buildings cannot be constructed without transportation of materials and persons, food must be transported for distribution, and people must travel to get to and from work, and for recreation and to access facilities.

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Statistics about all aspects of transport and its support industries, ranging from automotive manufacturers to travel agencies, are vital to effective planning by governments and industry, as transport has enormous economic, social and environmental impacts. For example, the social cost of transport includes road accidents, injuries and fatalities, as well as traffic congestion and the health effects of air and noise pollution.

Australian Transportation Data Action Network (ATDAN)

The Australian Transportation Data Action Network (ATDAN) is an advisory and action group responsible for providing leadership in transportation data. The group is chaired by the Australian Bureau of Statistics (ABS) and comprises representatives from Department of Infrastructure and Transport (DOIT), National Transport Commission (NTC) and jurisdictional transport agencies. ATDAN meets at least twice yearly.

ATDAN provides advice to the Transport and Infrastructure Senior Officers Committee (TISOC) and the Standing Committee on Transport and Infrastructure (SCOTI) on decisions regarding strategic transportation data issues. The group also undertakes projects to improve transportation data collection and develops and promotes the use of metadata standards and frameworks.

The objectives of ATDAN are to:

- Provide leadership in national transportation data.
- Implement policy decisions regarding transportation data.
- Support and ensure visibility of national transportation data.
- Facilitate harmonisation of national transportation data.
- Coordinate and facilitate the implementation of the ABS Data Quality Framework as endorsed by the Council of Australian Governments and transport ministers.

Freight Transport Statistics

The ABS continues to work with industry on information related to a wide range of topics including container statistics. Considering the criticality of statistical information to making sound transport investments in infrastructure and services it is surprising that investment in production of the statistics is not forthcoming. For example, take an infrastructure project of \$500 million related to roads an investment of 1% of the project cost to get quality information seems a small cost to bear.

On a related matter, how statistical information already collected can be integrated into a relevant data package might surprise some. Accordingly how statistics can be better accessed and packaged warrants investigation.

ABS is exploring new ideas and new ways to deliver and ICHCA's involvement is welcome.

For Further Information please contact:

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Federal Draft Biosecurity Legislation

All chapters of the draft biosecurity legislation have now been released for public comment.

The entire draft Inspector-General of Biosecurity Bill has been available since the beginning of consultation and the draft Biosecurity Bill has been progressively released since 4 July 2012. The remaining two chapters and provisions covering prevention and control measures, emergency provisions and cost recovery complete the package of legislation.

All interested stakeholders are encouraged to provide comments as soon as possible to allow time to consider their views and to incorporate any changes into the draft legislation.

Consultation closes 24 October 2012.

To find out more visit the consultation website – www.biosecurity.govspace.gov.au

Draft NSW Long Term Transport Master Plan Released

The draft NSW Long Term Transport Master Plan has been released by the Minister for Transport, Gladys Berejiklian, and Minister for Roads and Ports, Duncan Gay.

The draft sets the direction for transport planning for the next 20 years, providing a framework for transport policy and investment decisions that respond to key challenges. The actions and future challenges are based on a body of evidence stemming from months of detailed research, as well as being informed by public consultation and advice from transport experts.

The draft master plan takes an integrated approach to transport planning, bringing together all modes of transport, roads and freight.

Key to the plan is the critical link to land-use planning, with other government departments playing a vital role in informing the development of this plan.

Comments on the plan can be made via the website www.transportmasterplan.nsw.gov.au by 26 October. An electronic copy and summary version can be downloaded from this site. The final master plan will be released in late 2012.

For more information, please email masterplan@transport.nsw.gov.au, call 1800 802 888 or write to The NSW Long Term Transport Master Plan team, Transport for NSW PO Box K659, Haymarket NSW 1240.

Heavy Vehicle National Law Bill 2012 Passes into Queensland Parliament

The Heavy Vehicle National Law Bill 2012 was passed in the Queensland Parliament on 23 August. This Bill allows for the establishment of the National Heavy Vehicle Regulator (NHVR) as a corporate entity and brings Australia one step closer to having an independent national regulator for all heavy vehicles over 4.5 tonnes.

It also ensures that the NHVR will begin operations on 1 January 2013.

If you would like to know more about how the regulator is shaping up for January, you can view the recent webcast of Projector Director, Richard Hancock, in conversation with Peter Garske, CEO of the Queensland Trucking Association and future appointee to the NHVR Board. This webcast took place on 20 August as part of Truck Week 2012.

Watch the webcast at www.nhvr.gov.au. The NHVR has also posted a revised edition of the Industry Q&A document.

New Web-Based Careers Initiative Unveiled by SA Freight Council

A new interactive careers initiative designed to help reduce the impact of a looming jobs shortage crisis in the Australian transport and logistics (T&L) sector has been unveiled by South Australia's peak T&L industry lobby group.

The South Australian Freight Council launched its web-based LINC Job Board – a major addition to its highly successful LINC (Logistics Information and Navigation Centre) website - www.the-linc.com.au.

The Australia-wide recruitment database allows potential employers to post job vacancies on a nationally-available web-based notice board, including the qualifications required for the position and salary range being offered.

South Australian Freight Council CEO, Neil Murphy, said the Australian T&L industry was on the cusp of a workforce shortfall crisis. "It is one of the most significant issues impacting the entire industry. As an industry, it is incumbent upon us to confront the crisis head on and start attracting and retaining people to our industry now and in the future," he said.

"The LINC Job Board was driven by the industry stating there was a need for a dedicated, simple to use recruitment resource to promote employment in transport and logistics. We have established the infrastructure, now we are calling on the national industry to post all available positions vacancies on the interactive Job Board."

Mr Murphy said, "The Job Board is available for T&L employers across the country to load their jobs and seek applications from potential new employees. The loading/posting of jobs is free for all employers while the site gets established and we anticipate charging a small fee of \$20 per job to companies that are not SAFC Members from November 1."

Once jobs are loaded potential jobseekers can then search the Job Board and apply on-line to any positions for which they believe they are qualified – directly to the potential employer.

The new initiative has been specifically designed to assist the T&L industry attract and retain skilled workers to the sector, which is projected to triple in size to workers by 2050 due to increased demand.

In South Australia, the transport and logistics industry conservatively accounts for about 7% – or \$8.4 billion – of the economy and directly employs about 30,000 people or about 4.4% of SA's workforce.

Mr Murphy said the LINC Job Board site would display careers from across Australia and job seekers will be able to search for positions using criteria including state, city, industry – road, rail, sea and air – sector and salary range.

"We anticipate that jobseekers who apply through the LINC Job Board site are more likely to have current T&L experience and be more interested in pursuing a career in the sector," Mr Murphy said.

"However, as knowledge of our new initiative grows, we would expect any potential T&L employee will view the site as an invaluable tool in seeking employment in this very dynamic sector," he said.

Mr Murphy said the entire LINC website – designed and operated by the SA Freight Council - was overhauled and expanded last year after increasing national demand. T&L sectors in all states now actively participate in the website, including a host of national and state-specific industry resources being posted on the site.

Mr Murphy said another ongoing key challenge for the sector – as well as the LINC website itself – was demonstrating the vast array of career opportunities available in the T&L industry. The T&L industry is crucial to the everyday lives of all Australians as it delivers goods such as food, clothing, fuel and other products to businesses and homes around the country," Mr Murphy said.

"We desperately need to attract and retain workers across the entire sector – we need more accountants, project managers, warehouse and logistics experts, admin/support employees, truck and train drivers - the list is endless.

"If you're looking for a job, thinking about a career change, or even a change in the line of work you're currently doing, then look up our LINC website at www.the-linc.com.au."

More information is available at www.the-linc.com.au

NOTE: ICHCA members may load their job advertisements to the site at no charge until the 31 December 2012.

Cleaner Ships for Cleaner Seas

Federal Parliament has passed legislation which will reduce pollution from ships and protect the marine environment.

From 1 January next year, improved energy efficiency targets will apply to new ships and larger ships will be required to set out how energy savings will be made.

The Maritime Legislation Amendment Bill 2012 implements amendments to the International Convention for the Prevention of Pollution from Ships (MARPOL) adopted by the International Maritime Organization last July.

The Bill makes mandatory the *Energy Efficiency Design Index* for new ships of 400 gross tonnage and over that will be built on or after 1 January 2013 for international trade. New ships can meet energy efficiency targets through improved hull design and more energy efficient engines.

It also makes mandatory a *Ship Energy Efficiency Management Plan* for all ships of that size. Energy savings can be achieved through speed optimisation and hull maintenance.

Passenger ships operating in designated 'special areas' will also face new restrictions relating to the discharge of sewage and the disposal of garbage in environmentally sensitive areas.



Conferences and Events

October

NSW ICHCA Luncheon – October 5

RSVP: Juliana Corona of Asiaworld Shipping Services,

12th annual AusIntermodal Conference on the 30th and 31st October at the Hilton on the Park in Melbourne www.ausintermodal.com/



November

SA ICHCA Luncheon – November 21st

Register with Emily Treloar, AECOM treloar.emily@aecom.com

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