

## Shipping Legislation Amendment Bill 2015 – Opposition dissenting report

The whole premise of the Shipping Legislation Amendment Bill 2015 is wrong.

The Bill:

- deletes the words “Revitalising Australian Shipping” from the name of the Coastal Trading Act,
- removes “*facilitates long-term growth of the Australian shipping industry*” from its objects and,
- removes the definition of an Australian ship because it’s irrelevant to the government’s permit system.

The detail of the Bill implements a framework consistent with that thinking.

This is entirely the wrong place to start.

As an island nation, it is in Australia’s economic, environmental and national security interest to have a shipping industry. We believe Australian shipping is an industry in its own right, and that the role of the Australian Parliament is to make regulations that foster a safe, reliable, cost-efficient Australian-based shipping industry that employs enough Australians to ensure a viable local skills capacity.

The government’s official modelling forecasts that over 1000 direct Australian seafarer jobs will be lost across the freight and passenger cruise sectors of the industry, and the costs of this job loss have not been included in the government’s cost-benefit analysis. The Government simply assumes they will “get other jobs”. This shows simultaneous indifference to these Australian workers, their families and futures; and the strategic industry they support.

The majority report exhibits a strong bias towards solely shipper interests and devotes scant detail to the national interest in strategic support for the shipping industry. The report effectively ignores the powerful testimony of Mr Bill Milby, of North Star Cruises, who personally appeared before the Inquiry and told the Senate that on two occasions he was advised by Departmental officials that he reflag his cruise ship to an overseas flag state, dismiss his crew (he has 50 employees) and hire cheap foreign labour in order to compete in Australia, if this legislation passes. The Report ignores the concerns expressed by Bass Strait operator Searoad, when told the inquiry that its current \$200 million investment in new ships for Bass Strait is at risk of being undercut by this legislation. The report also fails to place proper weight on the evidence of existing operators in coastal shipping, such as ANL.

We oppose the Bill, and we would urge the Government to withdraw it.

Instead we call on the Government to undertake a thorough and formal process of consultation with the shipping industry, rather than the piecemeal process undertaken to date.

We believe the 2012 reforms form the basis of this approach, and we support refinements that have the effect of revitalising Australian shipping, which facilitate long-term growth of the Australian shipping industry, and that encourage the Australian flag on ships around our coast and in the international trade.

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