



**Brisbane  
Marine  
Pilots**  
PTY LTD

LINKING BRISBANE WITH THE WORLD

4 April 2008

Committee Secretary  
Standing Committee on Infrastructure, Transport,  
Regional Development and Local Government  
P O Box 6021  
House of Representatives  
Parliament House  
Canberra ACT 2600

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**Coastal Shipping Policy and Regulation Inquiry**

Attached is our submission to the above Inquiry.

It is purposely brief because we recognise there are other organisations in the maritime industry which are better placed to provide the detail relating to some of the matters referred to in our submission.

Should the Committee require more information or wish to have us expand on any matter raised, we will be happy to oblige.

Yours faithfully

Captain Steve Pelecanos  
Chairman.

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# Submission to the Coastal Shipping Policy and Regulation Inquiry

from

**Brisbane Marine Pilots Pty Ltd**

(Author: Captain Steve Pelecanos)

## 1. Australia's Freight Task

We are sure that other submissions will appraise the Committee of the enormous amount of money paid to foreign shipowners to carry our cargoes and the negative effect this has on our balance of payments and foreign exchange. We are equally sure that, during the course of this review, the Committee will gain a good understanding of Australia's substantial contribution to the global freight task.

In addition to cargoes carried internationally, Australia has an enormous domestic freight task that needs to be accommodated.

## 2. Concept of a Coastal Highway

Australia's domestic freight task is mostly carried by road and rail. Some foreign flagged ships that are granted a permit to do so, also contribute to this task.

The committee will be made aware of the substantial cost involved in maintaining our roads and our railways. During the course of this review it will also be made aware of the contribution of these modes of transport to accidents involving loss of life and/or permanent injury and the cost to the national economy that ensues. Other submissions will also highlight the contribution of both road and rail modes to greenhouse emissions.

The nation is generally ignorant of another coastal highway – the sea that “girts” our land. This costs nothing to maintain. It contributes little or nothing to personal injury. It is clean and carbon emissions per tonne of cargo carried are infinitesimal compared to road and rail. Cargo can generally be carried far cheaper by sea than by road and rail.

## 3. Incorrect Perceptions

Successive governments have contributed to the nation's ignorance of the cost to taxpayers of turning our back to the sea and focussing on moving goods predominately by road and rail.

There exists a perception that anything to do with the waterfront or the maritime unions must be bad. Such perceptions may have held some validity 30 or 40 years ago but are seriously outdated today.

Our industry has witnessed successive governments playing on public perceptions and putting a convenient “spin” on the truth in order to achieve an outcome that fits their generally ill-conceived maritime related policies.

Incorrect perceptions harm a nation. The promulgation of the truth is a proper place from which to start building a nation. It will serve the nation well if persons in responsible positions take the time to learn the truth and not feed off each other's convenient perceptions.

#### 4. The Pilots' Experience

The pilotage profession's role is to board ships that enter confined waters and then to conduct them safely to their berth or the open ocean. A pilot is the first person to board a foreign ship that enters Australian waters and the last one to disembark when a ship leaves Australian waters.

Pilots are in the unique position of witnessing ships of all nationalities during operational conditions at sea. We have exposure to the whole spectrum of competencies, quality of ships, quality of equipment, operational procedures and compliance with international standards.

It is a fact that there are a number of ships sailing around this nation's coast and carrying this nation's cargo that pose a serious risk to the environment. We are not in a position to comment on what risk they may pose to security. But what is certain is that foreign crews now know the Australian coastline better than Australian nationals. This is a direct result of the shrinking of the Australian fleet and the growth of the foreign fleet thanks to the dearth of responsible maritime policy by successive governments.

The pilots' experience is that Australian flagged ships are among those that are better maintained and manned by personnel who are among the most competent in the world. We have noticed that the legacy of the continuous battering of the industry by successive governments during the last fifteen years or so has left the nation with a merchant fleet that is a demoralised skeleton of what it once was and what it should be.

#### 5. Discrimination

If, hypothetically, a foreign national came to the Australian government and said, *"I live overseas, my business address is in a tax haven and my company is structured in such a complex way that, if I was to damage your environment, your infrastructure or cause injury to any of your citizens, it would be very hard to trace me down to get any form of restitution. I own trucks and I want to set up a trucking business in your country to carry freight on your roads. I don't want to register my trucks in your country. I'm going to register them in a country where they don't worry too much about standards. And by the way, I don't want any Australians driving my trucks either. I want to import foreign nationals who are cheap to employ and will do what I tell them to do. Oh, and they might not have had proper training in driving trucks and there's a good chance their driver's licence might be a forgery too. And what's more, I'm not going to pay a cent of tax to your country. When do I start?"* What would be the response of a responsible government to such a proposal?

We would guess (or at least hope) that such an operation would not be allowed. Unfortunately, however, that's exactly what happens on the coastal highway that "girts" our land.

Australian law discriminates against its own maritime industry. We are certain that the Committee will be made aware, through other submissions, of how Australian law, more generally, discriminates against Australian nationals and Australian maritime business.

## 6. Future Skills

Irrespective of the nationality of ships visiting our ports, there are a number of maritime skills that will always be required by the maritime infrastructure (ashore) to support maritime trade. These are professionals such as Pilots, Harbour Masters, Surveyors, Marine Superintendents, Loss Adjusters, Lecturers, etc. All of these professions require maritime skills and qualifications that are derived from a career at sea in the merchant navy.

There is a serious lack of these skills in the maritime industry at present and we have seen a trend of importing foreign nationals on special visas to fill these positions. This is another legacy of government ignorance and its inability to make an effort to appraise itself of reality.

In 1993 I wrote a thesis as part of an academic qualification, the research from which indicated that the industry would need to employ some 200 deck and engineer cadets each year in order to satisfy the demand for maritime skills ashore. In the time since that research was done, the employment of cadets into the industry each year has, in the main, been single digit figures.

As a consequence, our profession has been forced to develop alternate training pathways to satisfy demand for skills. These will require mainly foreign shipowners to give trainees berths on their ships to gain a minimal of sea experience. We have no certainty as to how successful these alternate training pathways will be, what will be the level of uptake or how competent the trainee will be on completion of the training program. It is a terrible position to be in.

## 7. A Severely Comatose Duck

Australia's maritime industry is not a dead duck – yet. However, it is a severely comatose duck and requires some urgent attention to breathe some life into it. It is a matter of national shame that we are in the midst of an export boom and struggling to muster the skills we need to properly support and manage the growth in shipping, the minimisation of risk to our environment and the maximisation of share of the wealth that has been generated.

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