



**Shipping Australia Limited**  
ABN 61 096 012 574

Suite 2, Level 1, 101 Sussex Street, Sydney NSW 2000  
PO Box Q388 QVB PO, Sydney NSW 1230

Tel: (02) 9266 9900  
Fax: (02) 9279 1471

SAL 14045

23 May 2014

## **Shipping Australia Limited Submission to Senate Standing Committee on Environment and Communications References Committee - Inquiry into the management of the Great Barrier Reef**

Shipping Australia Limited is pleased to make a submission regarding this important inquiry which has the potential to influence the operation, future viability and expansion of the trading ports in the Great Barrier Reef (GBR). The value of international trade from Queensland was around \$60 billion per year in 2010-2011. Freight volume in Queensland is estimated to increase by 900 million tonnes over the next 12 years, according to recent report. The growth is expected to create a greater demand on existing road and rail links. Mining commodities are expected to drive the future of exports from Queensland due to projected demand from developing countries, predominantly China and India. There is no doubt that routine ship access to Queensland ports via the Great Barrier Reef is crucial to Australia's economic future.

Shipping Australia Ltd (SAL) is a peak shipowner association with 37 member lines and shipping agents and with 50 corporate associate members, which generally provide services to the maritime industry in Australia. Our members are involved with over 80% of Australia's international container trade and car trade as well as over 70% of our break bulk and bulk trade. A major focus of SAL is to promote efficient and effective maritime trade for Australia, whilst advancing the interests of ship owners and shipping agents in all matters of shipping policy and safe environmentally sustainable ship operations. SAL also provides secretariat services to the many liner companies and agencies that are members of conferences, discussion agreements, consortia and joint services that have their agreements registered under Part X of the *Australian Competition and Consumer Act, 2012* (C<sup>th</sup>). These agreements specifically seek to facilitate and encourage growth of Australia's international liner shipping trades.

The following paragraphs refer to the terms of reference of the inquiry.

### **a) management of the impacts of industrialisation of the reef coastline, including dredging, offshore dumping, and industrial shipping**

We would like to draw the attention of the Senate Standing Committees on Environment and Communications to the extensive Draft North-East Shipping Management Plan (NESMP) compiled by the Australian Maritime Safety Authority (AMSA) in close discussions with stakeholders, including Shipping Australia Limited (SAL), to ensure the safety of shipping in sensitive maritime environments and minimise future risks to the Great Barrier Reef, Torres Strait and Coral Sea regions. The NESMP provides an

SH074

integrated approach to the planning, regulation and management of ports and shipping activity in this expanse of water, which should allay any fears that that shipping activities may negatively impact on Outstanding Universal Values (OUV). SAL firmly believes that these measures are sufficient to address any concerns that Australian and Queensland Governments' may have of a decline of the Great Barrier Reef, due to the management of the impacts of port development along the reef coastline, including dredging, offshore dumping, and industrial shipping.

We are aware that the Honourable Greg Hunt MP, Minister for the Environment, has approved dredging off the Queensland coast. In our view he has imposed very strict conditions to safeguard the health of the Great Barrier Reef (95 conditions on the Abbot Point projects and 53 conditions for the Curtis Island), subject to a permit being granted by Great Barrier Reef Marine Park Authority (GBRMPA). The Minister has also allowed the dredging program for three proposed terminals at Abbot Point and the development of the Arrow LNG facility on Curtis Island, as well as its associated transmission pipeline. GBRMPA has now approved, with strict conditions, the disposal of 3 million m<sup>3</sup> of dredging spoil from the expansion of Abbot Point, within the reef about 24 km from the port.

Australia's economy is dependent on shipping to export vast volumes of bulk cargo from ports located around Australia including the eastern seaboard, which require vessels to transit the Great Barrier Reef (GBR) and Torres Strait. Unreasonable restrictions placed on shipping, which increase cost and reduce reliability of the supply chain, will no doubt lead to overseas consumers sourcing their products from other countries. This would be severely damaging to Queensland's and Australia's economies and reduce the national resources available to monitor and protect the Great Barrier Reef.

Given that the dredging and offshore dumping are subject to very strict environmental conditions to facilitate developments in the Gladstone Harbour and Curtis Island, Abbot Point, Fitzroy Delta, and Cape Melville and Bathurst Bay regions/locations, members of SAL fully support the current and proposed developments.

The Great Barrier Reef has been declared a Particularly Sensitive Sea Area (PSSA) by the International Maritime Organization (IMO), which is an agency of the United Nations tasked with the development and maintenance of a comprehensive regulatory framework for international shipping that covers safety and environmental concerns, legal matters, technical cooperation, maritime security and the efficiency of shipping. SAL is a strong supporter of this declaration and has supported the extension of the PSSA southward to the southern extent of the reef.

The GBR is also recognised as an iconic World Heritage property by UNESCO, for which its outstanding universal value (OUV) is protected under national environment law.

With respect to industrial shipping operations, the Australian Government (through AMSA and the Australian Hydrographic Service) has already taken a number of steps to reduce the risk in the GBR and Torres Straits region by:

- Extension of the GBR coastal pilotage regime into the Torres Strait and enforcement of mandatory pilotage areas

- Setting up of a vessel traffic services (VTS) to monitor ship movements and intervene if shipping moves beyond defined limits such as designated shipping areas
- Extension of the mandatory ship reporting requirements
- Fitting of improved navigational aids
- Installation of a real-time under keel clearance management system to improve safety through the Torres Strait
- Establishment of Traffic Separation schemes and ship routing
- Improved nautical charting and aids to navigation
- Increased Port State Control activities
- Implementation of the ATSB recommendations
- Proclamation of Marine Parks – Coral Sea in 2012
- Imposition of higher penalties under the *Protection of the Sea (Prevention of Pollution from Ships) Act 1983* for discharge of oil or oily mixtures into sea
- legislation supporting control of pollutants and emissions from ships
- emergency response assets and arrangements including emergency towage assets and oil spill response equipment
- Surveying and charting of an alternate deep draft shipping route outside the GBR

Additional measures which could be taken to reduce risks of incidents further are also being envisioned under the draft NESMP.

Our members contend that shipping is highly regulated both nationally and internationally and Australia has ratified a number of international conventions that oversee the safety of shipping and protection of marine environment:

- *International Convention for the Prevention of Pollution from Ships (MARPOL)*
- *International Convention for the Safety of Life at Sea (SOLAS)*
- *International Convention relating to Intervention on the High Seas in Cases of Oil Pollution Casualties*
- *United Nations Convention on the Law of the Sea (UNCLOS)*
- *Maritime Labour Convention (MLC)*.
- *World Heritage Convention*
- *Standards of Training and Certification of Watchkeepers (STCW)*

The Queensland Government has developed a Great Barrier Reef Ports Strategy, which will provide the Government's policies for port development and management of impacts associated with increased shipping in the Great Barrier Reef World Heritage Area (GBRWHA).

We believe that the GBR is one of the most closely managed marine areas in the world and already sets the example for effective multi-use management of a particularly sensitive sea area.

Ports Australia has recently released a scientific study, *Dredging and Australian Ports*, which compares the outcomes of recent dredging projects with the environmental performance criteria set down for them. The study reveals that claims of widespread and unintentional effects of many recent dredging projects in northern Australia are not supported by the results of extensive monitoring that has been carried out. This study at last brings some balance to the argument on the costs and benefits of maintaining essential

infrastructure, such as shipping channels and depths alongside berths for ships utilised to carry Australian exports. SAL considers that this report is both broad and factual, and the comprehensive findings detailed in Section 11 provide a firm basis for consideration of individual projects.

**b) management of the impacts of agricultural runoff;**

SAL is aware of studies that have been carried out with respect to causes of coral death on the Great Barrier Reef and we have no reason to doubt the findings that climate-change induced coral bleaching, damage from adverse weather events (cyclones) and predatory activities of the crown of thorns starfish that is native to Australian waters are the main reasons for their demise. The government has recently actioned a culling programme with more than a quarter of a million of the starfish being culled to date.

We do not have sufficient information on agricultural run-offs to make detailed comments however it is uncontested that the use of pesticides and fertilisers will remain a concern for the years ahead and will be major contributors to the water quality in the region. It is widely reported that agricultural run-offs result in volumes of plant-plankton growing exponentially, resulting in an immense proliferation in the numbers of starfish larvae (that turn into adults), which consumes massive quantities of coral.

With ten year experience in operating and supervising laser airborne depth sounding in the Great Barrier Reef and Torres Strait, I can state that the most consistent and greatest factor impacting on turbidity (suspended particles) is from river run off.

**c) management of non-agricultural activities within reef catchments impacting on the reef, including legacy mines, current mining activities and practices, residential and tourism developments, and industrial operations including Yabulu;**

The number of tourists, visitors and commercial and recreational fishing in this region has increased considerably over the years and managing and ensuring that the aggregate consequences of such activities (in addition to climate change, weather events etc.) do not result in the decline in the environmental quality of the Great Barrier Reef (GBR) is the responsibility of the Great Barrier Reef Marine Park Authority (GBRMPA). Oil drilling, mining and exploration have been prohibited in the Great Barrier Reef Region since the *Great Barrier Reef Marine Park Act in 1975* came into force.

We believe that GBRMPA has implemented policies to address these effects including the consequences of deteriorating water quality.

**d) ensuring the Great Barrier Reef Marine Park Authority has the independence, resourcing and capacity to act in the best interest of the long-term health of the reef;**

The *Great Barrier Reef Marine Park Act 1975* provides GBRMPA with sufficient legislative backing to work as an independent body to act in the best interest of the long-term health of the GBR. Other Commonwealth and Queensland Government legislation also applies in this region. GBRMPA has established various advisory committees to assist in the management of particular issues in Marine Park locations and operational programs, which also assists managing the park in an ecologically sustainable manner.

The Government is working towards devolving federal decision taking powers regarding proposed actions that fall under the Environmental Protection and Biodiversity

Conservation Act 1999 (EPBC Act) to State and Territory level. A bilateral agreement between the Australian and Queensland governments was signed on 13 December 2013 through which the Queensland Government is given decision taking powers for the environmental assessment and approval of any proposed actions that may impact the property.

**e) the adequacy, timeliness and transparency of independent scientific work undertaken to support government decisions impacting the reef;**

There have been a number of scientific studies that have been undertaken on water quality and the health of the GBR. They have been published for the sake of transparency and are adequate to address the concerns of the public.

**f) whether government decision processes impacting the reef are consistent with the precautionary principle;**

The Government only approved dredging off the Queensland coast with very strict conditions to safeguard the health of the Great Barrier Reef (95 conditions on the Abbot Point projects and 53 conditions for the Curtis Island) and this too was subject to a permit being granted by Great Barrier Reef Marine Park Authority (GBRMPA). GBRMPA subsequently approved the dumping of 3 million m<sup>3</sup> of dredging spoil, with a series of additional stringent conditions, as part of the expansion of Abbot Point, near Bowen in north Queensland, about 24 km from Abbot Point. These conditions support our assessment that the Government decision processes are consistent with the precautionary principle.

Amongst 47 new environmental conditions imposed by the GBRMPA with the approval were:

- Measures to minimise impact on biodiversity, particularly coral.
- A long-term water quality monitoring plan extending five years after the disposal activity is completed.
- A heritage management plan to protect the Catalina second world war aircraft wreck in Abbot Bay.
- Offset measures for commercial fishing in the event of adverse impacts.
- The prevention of any harm to environmental, cultural and heritage values of any areas 20 kilometres beyond the disposal site.
- Environmental site supervision by an authority nominee.
- The establishment of an independent dredging and disposal technical advice panel and a management response group, to include community representatives.

Given the raft of measures that have to be complied with in improving the infrastructure in ports and their approaches, which contribute significantly to the Queensland and the national economy, we believe that the government decision processes impacting the reef are consistent with the precautionary principle.

**g) whether the strategic assessments currently underway are likely to protect the reef from further decline;**

Strategic Assessments are undertaken by GBRMPA and by Queensland State Government. The Federal Government has allocated \$89m to the Reef Trust, to improve

water quality and tackle threats such as a plague of starfish. A total of \$32m in “offsets” over 40 years is to be paid by developers to augment the health of the reef and protect sea turtles. We believe that the GBRMPA conducts continuous assessments of the health of the GBR and addresses any shortcomings without procrastinating. However, we concur that a persistent and bigger effort will be required in the future to achieve complete protection of the reef from further decline.

**h) the identification and protection of off-limits areas on the reef coastline to help protect the health of the reef;**

Zoning maps which depict what activities are allowed in each zone were substantially updated by the GBRMPA after a considerable period of consultation with all relevant parties and introduced in 2004. These zones enable better management and protection of plants, animals and habitats and are considered to be best practice. We are aware that GBRMPA has conducted research which shows that fish numbers and average size in the Green Zones are increasing following the introduction of these Zones.

The Preservation (Pink) Zone which is around 1% of the GBR marine park is a 'no go' area. A person cannot enter a Preservation (Pink) Zone unless they have written permission and extractive activities are strictly prohibited. A permit is required to conduct research in this zone. Research may occur in a Preservation (Pink) Zone, if it cannot be undertaken elsewhere, but only if the research is relevant to, and a priority for, management.

These restrictions we believe help to protect the health of the reef. However, we are aware that the patrol and enforcement capabilities of GBRMPA are not sufficient to prevent illegal activities (particularly commercial fishing) in restricted use zones.

**i) consistency of efforts with the World Heritage Committee’s recommendations on what is required to protect the reef;**

One of the main obligations of the GBRMPA is to protect the Great Barrier Reef Marine Park and the World Heritage Area.

The Government has approved four port development projects at Abbot Point and Curtis Island that could have had an impact on the OUV of the GBR World Heritage Area, however, these are within the established major port areas. We believe that in principle, the port areas should be excluded from the World Heritage Area as their core purpose is industrial and inconsistent with absolute conservation. That being said, their conservation achievements in concert with recent developments have been commendable.

It is pleasing to note that the UNESCO World Heritage Centre and the International Union for Conservation of Nature (IUCN) has welcomed the progress achieved by Australia towards improved water quality and encouraged it to sustain, and where necessary, expand the efforts to achieve the ultimate goal of no detrimental impact on the health and resilience of the reef. The significant work undertaken by Australia on various studies of the management of the property and the wider region has been acknowledged, including GBRMPA’s work on operationalizing the Statement of OUV in the management of World Heritage properties, which provides a possible model for wider application.

The World Heritage Committee has also welcomed Australia's intention to focus port development to the Priority Port Development Areas (PPDAs) and the commitment to protect green-field areas from the impacts of port development.

- j) **the extent to which government decisions impacting the reef, including development of the strategic assessments and Reef 2050 Plan, involve genuine, open and transparent consultation with the Australian community, affected industries and relevant scientific experts, and genuine consideration of the broader community's views in final decisions;**

We note that Australian initiatives include carrying out a strategic assessment of the GBR, developing a Reef 2050 Long-term Sustainability Plan to further protect the Reef and coastal zone. Our understanding is that the Government will release the draft of the Long-term Sustainability Plan for public comment before the One-Stop Shop approvals bilateral agreement with Queensland is finalised. We believe that it will involve genuine, open and transparent consultation with the Australian community, affected industries and relevant scientific experts, and genuine consideration of the broader community's views in coming to a final decision.

Protection of the GBR will be an ongoing challenge for all and we believe that the environmental protection mechanisms that are in place will assist in maintaining this region for the enjoyment of our children and grandchildren. In this process it is crucial that port development is accommodated and routine access for shipping is retained. It is recognised that climate change is a significant external factor that will influence the reef and will require mitigation.

**Submitted by:**

**Rod Nairn, AM**  
Chief Executive Officer