

Rural & Regional Affairs and Transport Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Additional Estimates 2015 - 2016
Infrastructure and Regional Development

Question no.: 147

Program: n/a

Division/Agency: Surface Transport Policy

Topic: Temporary Licence to Alcoa

Proof Hansard Page: 93 (8 February 2016)

Senator Conroy, Stephen asked:

Senator CONROY: Has the delegate produced reasons for the decision to grant a temporary licence to Alcoa made in October 2015 for some 17 voyages up to October 2016 for the transportation of alumina from WA ports for MV *Portland*? Have you produced written reasons?

Mr Sutton: I think the answer to that is yes. It was done in the context of the Federal Court action that was initiated by the Maritime Union of Australia.

Senator CONROY: Are they publicly available? Were they tendered in court or were they an in-camera briefing?

Mr Sutton: They were certainly tendered in court.

Mr Mrdak: We would be happy to take on notice to provide those to you.

Senator CONROY: Why do you need to take that on notice if it was tendered publicly in court?

Mr Mrdak: Well, I do not have them with me. If they have been tendered in court we will provide them to the committee.

Senator CONROY: Surely an email can get them to the committee reasonably quickly.

Mr Mrdak: I will endeavour to do that.

Answer:

Refer to the attached letter to the Committee Secretary.



Australian Government

Department of Infrastructure and Regional Development

Mr Tim Watling
Committee Secretary
Senate Standing Committees on Rural and Regional Affairs and Transport
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Mr Watling

**Correction of Evidence Provided to Senate Rural and Regional Affairs and Transport
Legislation Committee on 8 February 2016**

I am writing in relation to evidence provided to the Committee by the Department of Infrastructure and Regional Development during the Estimates hearing on 8 February 2016.

During the proceedings the following conversation took place between Senator Conroy, Mr Michael Sutton and Mr Mike Mrdak (at page 93 of the Hansard record):

***Senator CONROY:** Has the delegate produced reasons for the decision to grant a temporary licence to Alcoa made in October 2015 for some 17 voyages up to October 2016 for the transportation of alumina from WA ports for MV Portland? Have you produced written reasons?*

***Mr Sutton:** I think the answer to that is yes. It was done in the context of the Federal Court action that was initiated by the Maritime Union of Australia.*

***Senator CONROY:** Are they publicly available? Were they tendered in court or were they an in-camera briefing?*

***Mr Sutton:** They were certainly tendered in court.*

***Mr Mrdak:** We would be happy to take on notice to provide those to you.*

***Senator CONROY:** Why do you need to take that on notice if it was tendered publicly in court?*

***Mr Mrdak:** Well, I do not have them with me. If they have been tendered in court we will provide them to the committee.*

***Senator CONROY:** Surely an email can get them to the committee reasonably quickly.*

***Mr Mrdak:** I will endeavour to do that.*

I wish to advise that no document identifying the reasons for the decision to grant a temporary licence to Alcoa in October 2015 was produced or tendered in court.

Yours sincerely

Judith Zielke
Deputy Secretary
Department of Infrastructure and Regional Development

15 February 2016

Rural & Regional Affairs and Transport Legislation Committee
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Additional Estimates 2015 - 2016
Infrastructure and Regional Development

Question no.: 148

Program: n/a

Division/Agency: Surface Transport Policy

Topic: MV Portland – Communication

Proof Hansard Page: 96 (8 February 2016)

Senator Conroy, Stephen asked:

Senator CONROY: Did you have any communication about this action either before it occurred or afterwards with an officer of any other Commonwealth department or agency or with any Victorian state department or agency?

Ms Zielke: I do not recall that I did, no.

Senator CONROY: Can you take that on notice just in case there is any?

Ms Zielke: I am happy to double check, yes.

Answer:

No.

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Question no.: 149

Program: n/a

Division/Agency: Surface Transport Policy

Topic: MV Portland - Communication with Ministers

Proof Hansard Page: 96-97 (8 February 2016)

Senator Conroy, Stephen asked:

Senator CONROY: Were you asked at any time, either before the event, or provide any advice to your minister or any other minister or any advisor to your minister or another minister?

Ms Zielke: I will take that on notice given that list, but nothing is coming to mind.

Senator CONROY: The minister or his office or any other minister and his office. You must know whether you gave any advice to your own minister.

Ms Zielke: The advice I think was provided directly from AMSA to the minister as a result of my query, but I will double check that.

Answer:

No.

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Question no.: 150

Program: n/a

Division/Agency: Surface Transport Policy

Topic: Temporary Licence application refusals

Proof Hansard Page: 97 (8 February 2016)

Senator Sterle, Glenn asked:

Senator STERLE: I will ask Mr Sutton or Ms Zielke: have you ever knocked back an application for a temporary licence?

Ms Zielke: Yes, we have. We have received notices in response and considered that information and knocked the temporary licence back as a result of it, yes.

Senator STERLE: I do not expect to have it now but if you could just give us a number.

Ms Zielke: Certainly. I will check the briefing now.

Mr Mrdak: If I can just add that there have been a number of court actions, both in terms of our decision to reject applications for temporary licences and also most recently the decisions to grant temporary licences. The Federal Court has made a number of rulings over the last three years in relation to the application of the act and our actions.

Senator STERLE: It would be helpful if you could take that on notice. I am sorry, Ms Zielke is going to answer that for us.

Ms Zielke: I was just going to say that we have not received any notices in response for 2015-16 and I am afraid the briefing does not give the numbers for previous years, so I will come back to you on that, but what Mr Mrdak said in relation to legal precedents is also significant in relation to our decisions.

Senator STERLE: You can come back to us. That is fine.

Answer:

Three.

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Question no.: 151

Program: n/a

Division/Agency: Surface Transport Policy

Topic: Number of temporary licence applications

Proof Hansard Page: 99 (8 February 2016)

Senator Rice, Janet asked:

Senator RICE: What has the trend been in those temporary licence applications? Can you give us the figures for each year? Are we seeing an increase?

Mr Sutton: I might have to take that one on notice, but we can certainly provide that information for you.

Answer:

The following table shows the number of applications for temporary licences for 1 January – 31 December for 2013, 2014 and 2015.

Year	Number of applications for Temporary Licences
2013	102
2014	55
2015	60

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Question no.: 152

Program: n/a

Division/Agency: Surface Transport Policy

Topic: Refused temporary licence applications

Proof Hansard Page: 99 (8 February 2016)

Senator Rice, Janet asked:

Senator RICE: So a small number have been rejected. There are 220, of which 191 have been approved; so nine have been rejected. What grounds have they been rejected on?

Mr Sutton: That would be 29.

Senator RICE: Yes, that is correct.

Mr Sutton: I will have to take that on notice to give you a detailed breakdown of the reasons for rejection. I can point out that, of those 220 applications, 10 notices in response have been received, but I should say that I have been in the job about 15 months now and no notices in response have been received in that period.

Answer:

At 13 January 2016, 220 applications have been received for temporary licences under the *Coastal Trading (Revitalising Australian Shipping) Act 2012* (the Act). Of these, 191 had been approved, 23 had been withdrawn, one was cancelled, two were pending at the timing of Additional Estimates (and were subsequently approved) and three were refused.

The three licences were refused for the following reasons:

1. Two Notices in Responses were received in regards to an application. Under section 32 of the Act, the applicant must negotiate with the holder of a general licence who gave a Notice in Response within 2 business days of receiving a copy of the Notice in Response. The operator of the ship declined to negotiate so the application was refused by the delegate on 3 October 2013.
2. A Notice in Response was received in regards to an application. The parties were not able to reach an agreement through negotiations under section 32 of the Act. The Delegate had regard to information under subsections 34(2) and 34(3) of the Act when deciding to refuse the application on 27 March 2014.
3. All of the voyages in the application were within the same state and to and from the same port. This does not satisfy the definition of a voyage in Section 6 of the Act, so the licence was refused on this basis on 8 September 2015.

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Question no.: 153

Program: n/a

Division/Agency: Surface Transport Policy

Topic: Seafarer wages

Proof Hansard Page: 99-100 (8 February 2016)

Senator Heffernan, Bill asked:

CHAIR: So, in the overall application of licences for which you say a minimum of five trips, how many of the trips are made under the system which is the product of this government and the previous government on Australian wages? How many do you get in paying Australian wages? What is the number of trips? Do you know that?

Mr Sutton: I would have to take that on notice. What happens is that a vessel on the third voyage in a year triggers the Fair Work Act provisions which specify that part B wages be paid under the—

...

CHAIR: Yes, in a moment. So, going back to my original question, you have no idea or do you have an idea how the foreign owners are tricking the system in terms of the third voyage? Are half the voyages around the coast paid on Australian wages or we do not know?

Mr Sutton: As I said, we will take that question on notice.

Answer:

Australia is a signatory to the Maritime Labour Convention 2006 (MLC), which came into force in August 2013. The MLC provides an international safety net of standards regulating seafarer employment relationships for the world's 1.5 million seafarers and creates a level playing field for shipowners and operators.

The regulations and guidelines of the MLC set out the minimum standards for employment, accommodation, health protection, medical care, welfare and social security protection of seafarers. AMSA is responsible for enforcing the MLC in Australia and does so through its port State control programme.

Where AMSA identifies that seafarers on board a ship are not paid in accordance with their Seafarers Employment Agreement, AMSA will take action to rectify the situation and may issue a deficiency notice to the ship, requiring rectification by a due date, or detain the ship, thereby preventing it from departing port until the deficiency has been rectified.

Where AMSA identifies that seafarers on board a ship are entitled to Australian wages because the ship is operating under a coastal trading licence and these payments are not being made, AMSA will advise the Department and the Fair Work Ombudsman, as it is their responsibility to investigate non-payment of Australian wages.

Any seafarer who believes they are not getting paid according to the *Fair Work Act 2009* is able to seek assistance from the Fair Work Ombudsman.

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Question no.: 154

Program: n/a

Division/Agency: Surface Transport Policy

Topic: Temporary licence applications over past three months

Proof Hansard Page: 100 (8 February 2016)

Senator Rice, Janet asked:

Senator RICE: Up until what date were those figures with the 220 applications?

Mr Sutton: It is 13 January 2016.

Senator RICE: Can you tell me how many temporary licences have been applied for in the past three months?

Mr Sutton: No. We do not have those specific figures but we can easily get them for you on notice.

Senator RICE: Which companies have made those applications in the past three months? Can you provide that to us as well?

Mr Sutton: Yes, we can provide that information.

Answer:

There were 16 temporary licence applications in the three month period to 8 February 2016. The organisations that submitted these licences were:

- SOUTH32 FREIGHT PTY LTD;
- Yang Ming (Australia) Pty Ltd.;
- Mitsui OSK Lines Australia Pty Ltd;
- The China Navigation Company Pty Ltd;
- Pacific Aluminium Services Pty Ltd;
- Coogee Energy Pty Ltd;
- Perkins Shipping Pty Ltd;
- Mitsui OSK Lines Australia Pty Ltd;
- Harvey Bay Pty Ltd;
- Cristal Mining Australia Ltd;
- Process Minerals International Pty Ltd;
- Egon Oldendorff VmbH;
- Origin Energy Contracting Limited;
- Pacific Aluminium Services Pty Ltd;
- Alcoa Portland Aluminium Pty Ltd; and
- Incitec Pivot Limited.

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Question no.: 155

Program: n/a

Division/Agency: Surface Transport Policy

Topic: Motor vehicle carbon dioxide emissions

Proof Hansard Page: Written

Senator Sterle, Glenn asked:

1. Why is there no proposed work on reviewing the contribution of the motor vehicle sector to carbon emission proposed for 2016?
2. Why does Australia need to wait over a year before Ministers in this Government decide to make decisions about how to reduce emissions from motor vehicles?

Answer:

1. The Australian Government Department of the Environment regularly prepares and publishes emissions projections for eight sectors of the economy, including the transport sector. The latest projections report, *Tracking to 2020*, was released in December 2015 and is available on the Department of the Environment's website at: <http://www.environment.gov.au/climate-change/publications/tracking-to-2020>.
The report shows how Australia is tracking to meet the abatement task associated with the 2020 emissions target. This includes modelling emissions projections for the transport sector, including road transport emissions.
2. On 11 February 2016, the Ministerial Forum on Vehicle Emissions released a discussion paper on vehicle emissions, including discussion of options that could reduce Australia's carbon dioxide emissions. Submissions from a wide range of stakeholders through this process will inform the development of Regulatory Impact Statements (RIS) on fuel efficiency (emission reduction) measures for light vehicles. The closing date for submissions is 8 April 2016.
This RIS process will be developed throughout 2016 and will include thorough stakeholder engagement to ensure that the costs and benefits of any measure to reduce emissions considered by the Australian Government are fully understood.

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Question no.: 156

Program: n/a

Division/Agency: Surface Transport Policy

Topic: Autonomous Vehicles

Proof Hansard Page: Written

Senator Rice, Janet asked:

1. What, if any, research is currently being undertaken into the technologies, markets and broader impacts in Australia of autonomous vehicles?
2. With reference to the Transport and Infrastructure Council's communiqué from November 2015, at what stage is the review of the Council's 2011 Policy Framework for Intelligent Transport Systems in Australia?
3. Noting South Australia's undertaking of Australia's first on-road trials of driverless vehicle technology, are there any plans for further trials to be implemented by the Commonwealth?

Answer:

1. The Australian Government monitors both domestic and international research and developments in intelligent transport systems (ITS) including the impacts and opportunities of connected and automated vehicle technologies.

The Department of Infrastructure and Regional Development (the Department) is a member of Intelligent Transport Systems Australia (ITS Australia) an organisation which promotes the development and deployment of advanced transport technologies, such as automated vehicles to deliver safer, more efficient and environmentally sustainable transport. ITS Australia is hosting the ITS World Congress in Melbourne in October 2016, providing an opportunity for Australia to hear from international and domestic experts in this field.

The National Transport Commission, an intergovernmental agency responsible to the Transport and Infrastructure Council of COAG, is currently conducting research into the removal of regulatory barriers to automated road and rail vehicles.

Austroroads, an association of Australasian road transport and traffic agencies, including the Department, has commenced three projects relating to automated vehicles:

- Assessment of the key road operator actions to support automated vehicles;
- Investigation of potential registration and licencing issues; and
- The safety benefits of connected and automated vehicles.

Under the Heavy Vehicle Safety and Productivity Programme, the Australian Government has provided funding to Transport for New South Wales (Centre for Road Safety) for the Cooperative Intelligent Transport Initiative. The initiative is a Cooperative Intelligent Transport Systems testing facility dedicated to heavy vehicles in the Illawarra region of New South Wales. The initiative allows heavy vehicle drivers involved in the trial to receive safety messages about upcoming hazards and potential crashes via technology attached to other vehicles, as well as structures such as traffic signals and road side trailers.

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The Australian Government engages in international fora to ensure it is in step with international developments and to meet treaty obligations for vehicle standards, including the harmonisation of standards for emerging technology. For example, when adopting new technical standards for road vehicles, Australia harmonises with international standards - primarily the UN vehicle regulations - for the safest and most environmentally friendly vehicles from the global market to be sold in Australia.

2. The Australian Government is undertaking the review of the 2011 Policy Framework for Intelligent Transport Systems in Australia in collaboration with state and territory governments. The revised Policy Framework will be considered at the next Transport and Infrastructure Council meeting.
3. States and territory governments own and operate the road networks in Australia and therefore decisions to conduct trials of connected and / or automated vehicles are largely decisions for those jurisdictions. However, the Australian Government supports and recognises the value of trials of connected and automated vehicles on state and territory roads.

Under the Australian Government's Infrastructure Investment Programme, the Government has committed to giving funding preference to projects which, amongst other things, have considered solutions which are alternative or complementary to construction which result in enhanced use of existing infrastructure. This includes the use of technological solutions and the use of innovative project delivery options.

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Question no.: 157

Program: n/a

Division/Agency: Surface Transport Policy

Topic: Coastal Trading Licences

Proof Hansard Page: 93-94 (8 February 2016)

Senator Conroy, Stephen asked:

Senator CONROY: Thank you. Has the delegate produced reasons for a decision to grant a temporary licence to Pacific Aluminium Services made in December 2015 for some 30 voyages up to December 2016 for the transportation of alumina from the Port of Gladstone to the Port of Newcastle?

Mr Sutton: For that one the answer is no, other than the documentation that we produce as standard when we consider permit applications.

Senator CONROY: Could you provide the committee with the reasons?

Mr Sutton: We can certainly provide the documentation associated with that.

Answer:

The Department has prepared a statement of reasons in this matter, which was provided to the solicitors for the Maritime Union of Australia on 18 March 2016.