

Rural & Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates 2016 - 2017

Infrastructure and Regional Development

Question no.: 182

Program: n/a

Division/Agency: Australian Maritime Safety Authority

Topic: Tasmania Cost Recovery

Proof Hansard Page: 121 (17 October 2016)

Senator Abetz, Eric asked:

Senator ABETZ: And the cost recovery proposals seem to be imposing costs that are way out of whack with what is currently being charged, and without providing all the current services. I refer in particular to the Tasmanian situation where under Model 1, commercial shipping operators will be, on average, paying 72 per cent more under Model 1 and 64 per cent more under Model 2. On top of that, in Tasmania some vessel operators have indicated that they currently pay for cost recovery through MAST, which is the Tasmanian body; but that AMSA will not be taking over marine radio, navigation, facilities, maintenance and management of ports and harbours which will then be an extra impost on top of the 72 per cent or 64 per cent increase that your current model is suggesting. Is that correct, to your knowledge?

Mr Kinley: I would have to check those percentages. It is certainly true that the figures that we have gone out with to consult on—we are talking there about 2019 prices when at the moment the states and territories, in agreeing that AMSA should take on the service delivery, have also agreed that they would provide some level of subsidy for two years.

Senator ABETZ: Yes, for two years.

Mr Kinley: So talking about those out years—

Senator ABETZ: Yes, 2019 onwards—

Mr Kinley: we are aware we are talking about prices which are more than what MAST, for example, are currently charging for their administrative fee. I would have to check on the exact percentages but I know there have been some figures which have been thrown around in Tasmania which—I think we have questioned some of those. One of the things that we are now doing—the consultation period closed on 10 October. We are now at the stage of actually correlating all of the responses that we had. As you said, there are a lot of people who are concerned about the actual quantum of cost recovery. While I think we still have people who are very supportive of the overall reform and then examine—

Answer:

Following careful consideration of the feedback received through the public consultation on two proposed cost recovery models, the Transport and Infrastructure Council decided to extend the timeframe for the Australian Maritime Safety Authority to commence service delivery of the national system to 1 July 2018 to allow jurisdictions and industry to better consult and prepare for the changes.

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Question no.: 183

Program: n/a

Division/Agency: Australian Maritime Safety Authority

Topic: Domestic Commercial Vessel Compliance

Proof Hansard Page: 124 (17 October 2016)

Senator McCarthy, Malrindirri asked:

Senator McCARTHY: I have a couple of questions to help me understand the compliance regime a little better. How many vessels are affected by this regime?

Mr Kinley: This is the domestic commercial vessel regime. I think it is about 10,000 vessels under survey.

Senator McCARTHY: And where are they located?

Mr Kinley: Again, I could get you better information on notice. But the biggest jurisdictions by far are Queensland and New South Wales and there is then a fairly even scattering around the rest of the states and the Northern Territory.

Senator McCARTHY: What percentage would be in the Northern Territory?

Mr Kinley: I would have to take that on notice.

Senator McCARTHY: Just a ballpark figure.

Mr Kinley: Off the top of my head, I would suggest probably around 10 per cent. But I will check on that.

Senator McCARTHY: So maybe we could get those defined figures on notice. Is that okay?

Mr Kinley: Yes.

Answer:

The fleet by jurisdiction is as follows:

Jurisdiction	Total vessels	Percentage
*National	710	2.75%
NSW	9,130	35.34%
NT	1,580	6.12%
QLD	6,859	26.55%
SA	1,356	5.25%
TAS	1,391	5.38%
VIC	1,725	6.68%
WA	3,084	11.94%
Totals	25,835	100%

*Where the record of the individual vessel is duplicated across more than one jurisdiction, this record is merged and recorded as a national vessel.

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Question no.: 184

Program: n/a

Division/Agency: Australian Maritime Safety Authority

Topic: Cost Recovery in each jurisdiction

Proof Hansard Page: 124-125 (17 October 2016)

Senator McCarthy, Malrindirri asked:

Senator McCARTHY: The consultation booklet says:

Currently, each state and territory recovers the cost of delivering their services to varying degrees. For example, some jurisdictions recover less than 15 per cent of costs, with the rest subsidised by taxpayers.

Mr Kinley, can you indicate what percentage of cost recovery there is each jurisdiction?

Mr Kinley: I can see if I have that information here, but I can give that to you on notice. It varies widely—

Senator STERLE: Why don't you just tell us now instead of taking it on notice?

Mr Kinley: I will just see if I have the percentages for each state, but I am not sure that I do.

Mr Kinley: I can tell you that at the lower end of cost recovery, for example, is Victoria, which I think was down at about nine or 12 per cent.

Senator STERLE: They will get the biggest hit?

Mr Kinley: Yes.

Senator STERLE: Keep going, sorry.

Mr Kinley: Tasmania was at the highest end of cost recovery. They were up at around 90 to 100 per cent. My recollection is that the Northern Territory was fairly low—

Senator STERLE: They will get a decent whack?

Mr Kinley: Yes. I think New South Wales was about mid-range. It varies with each jurisdiction and—

Senator STERLE: There are only two states left to go. What was South Australia?

Mr Kinley: I would be going way off the script, or I would just be making those numbers up. There is quite a great range. The problem for us is that constitutionally we have to charge a national fee, so it does make it very hard for us to adjust that to deal with the impact of each jurisdiction. In fact, it makes it impossible for us to deal with the impact in each jurisdiction.

Senator McCARTHY: Would you be able to provide information on those states that you have not yet provided?

Mr Kinley: Yes.

Senator McCARTHY: And if you need to clarify the information that you have given us in that detail that would be good.

Mr Kinley: Including the distribution of the ship fleet, yes.

Answer:

Based on the information provided to the Australian Maritime Safety Authority, the varying degrees to which each state and territory recover the costs of delivering their services is outlined in the table below.

Jurisdiction	2014-15* %
New South Wales	46
Northern Territory	22
Queensland	34
South Australia	38
Tasmania	100
Victoria	4
Western Australia	75

* 2014-15 figures used for benchmarking transitional cost contributions.

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Question no.: 185

Program: n/a

Division/Agency: Australian Maritime Safety Authority

Topic: Rating Qualifications

Proof Hansard Page: 126 (17 October 2016)

Senator Sterle, Glenn asked:

Senator STERLE: Given that the Navigation Act qualifications exemption expired on 30 September, has AMSA made an assessment of whether there are still ratings serving on regulated Australian vessels who were not issued with the appropriate licences or endorsements to meet the requirements of Marine Order 73? If it has found there are such ratings on those RAVs, what is AMSA's compliance and enforcement plan in those circumstances?

Mr Kinley: I will have to take that one on notice.

Senator STERLE: Has AMSA made an assessment of the number of ratings who may not have achieved the necessary requirements by 30 September?

Mr Kinley: I will also take that on notice.

Answer:

1. The Australian Maritime Safety Authority (AMSA) is not aware of any ratings working on regulated Australian vessels without the requisite qualifications set out in Marine Order 73 (Ratings).
2. N/A.
3. No.

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Question no.: 186

Program: n/a

Division/Agency: Australian Maritime Safety Authority

Topic: *Coral Knight* - future

Proof Hansard Page: Written (27 October 2016)

Senator Sterle, Glenn asked:

Is it true that the party AMSA contracted with to build and supply a replacement vessel for AMSA's rescue and salvage vessel that is used to protect the Great Barrier Reef, the *Coral Knight*, will now not be delivered due to some problem with the new build in a China shipyard? If yes, can AMSA confirm that it will now be retaining the *Coral Knight* to perform the rescue and salvage function, say over the next 5-10 years? Has AMSA given any consideration to finding a replacement vessel for the *Coral Knight* in light of the non-supply of the new vessel from the Chinese shipyard? Can you confirm that the requirement for a replacement vessel be that it be (i) Australian flagged under the General Shipping Register, (ii) crewed by Australians engaged under an enterprise agreement? Can you confirm if AMSA has had representations from any ship operator that has suggested to AMSA it could provide a cheaper alternative to the *Coral Knight* because the operator operates under a partnership agreement rather than a traditional employer-employee relationship? If yes, what are the details?

Answer:

1. Yes.
2. Yes.
3. Yes.
4. In accordance with the contract, the Emergency Towage Vessel must be:
 - i. Australian flagged (registered on the General Shipping Register, under the *Shipping Registration Act 1981*); and
 - ii. operated as a regulated Australian vessel under the *Navigation Act 2012* for unrestricted operations, meaning the vessel's standards and crew welfare must comply with Australian standards.
5. AMSA has not had representations of the type described.
6. N/A.

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Question no.: 187

Program: n/a

Division/Agency: Australian Maritime Safety Authority

Topic: Cost Recovery Percentages

Proof Hansard Page: Written (27 October 2016)

Senator Sterle, Glenn asked:

The consultation booklet says: "Currently each state and territory recovers the cost of delivering their services to varying degrees. For example, some jurisdictions recover less than 15% of costs, with the rest subsidised by taxpayers". Given AMSA has the information, can you indicate what cost recovery there is currently for each jurisdiction, as a percentage of cost:

- a) NSW
- b) Victoria
- c) Queensland
- d) WA
- e) SA
- f) Tasmania
- g) NT

Answer:

See answer to question 184.

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Question no.: 188

Program: n/a

Division/Agency: Australian Maritime Safety Authority

Topic: Oil Spills

Proof Hansard Page: Written (27 October 2016)

Senator Rice, Janet asked:

1. Can you provide a list of the chemical dispersant types in Australia and volumes available for use in the event of a catastrophic oil spill?
 - a) What plans are in place to figure out precisely how many litres of oil were spilled in Montara? Has this been quantified and if so what is the amount?
 - b) What plans are in place to quantify volumes of oil from any future spills?
2. What ongoing monitoring is being conducted of the impact of the Montara spill?
3. What practices are in place for the ongoing monitoring of any oil spills?

Answer:

1. The Australian Maritime Safety Authority (AMSA) manages the National Plan for Maritime Environmental Emergencies (National Plan) which sets out the national arrangements, policies and principles for managing maritime environmental emergencies. The National Plan stockpiles hold a total of 339,600 litres of type 2/3 dispersant concentrate for surface application, of the following product types and amounts:

Product Type	Amount
Ardrox 6120	29600 litres
Dasic Slickgone LTSW	56000 litres
Dasic Slickgone NS	144,000 litres
Dasic Slickgone EW	110,000 litres
Total	339,600 litres

- a) The Montara Commission of Inquiry, PTT Exploration and Production advised that the worst case estimates of oil spilt during the incident was a total of 29,600 barrels (4,736,000 litres):
www.industry.gov.au/resource/UpstreamPetroleum/MontaraInquiryResponse/Pages/default.aspx
 - b) Refer to the National Plan available at:
www.amsa.gov.au/forms-and-publications/publications/national_plan.pdf
2. Commonwealth Government monitoring of the impact of the Montara spill has been reported through the Department of the Environment and Energy website:
www.environment.gov.au/marine/marine-pollution/montara-oil-spill/scientific-monitoring-studies

PTTEP also reports scientific monitoring on its website at:
www.au.pttep.com/sustainable-development/environmental-monitoring
 3. CSIRO published a comprehensive Oil Spill Monitoring Handbook which is an internationally recognised resource for establishing monitoring plans following maritime sector oil spills. Responsibility for initiating ongoing monitoring rests with the agency responsible for the management of the particular resources

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requiring monitoring (e.g. fishery resources would be the Australian Fisheries Management Authority or a state or territory fisheries agency).

The offshore petroleum sector has its own statutory requirements for developing and implementing monitoring programs following a spill. NOPSEMA outlines these requirements in a document titled Operational and scientific monitoring programs. Each company will produce Scientific Monitoring Plans for their activities which are reviewed and accepted by the regulator.