CHAIRMAN'S REPORT



Key objectives, milestones and future direction

By KEN FITZPATRICK

The past year has certainly provided the executive of Shipping Australia with many challenges. Changes in this industry are constant and seem to be at an increasing pace each year.

Cdre Rod Nairn has settled well into the role of chief executive, filling some big shoes left by Llew Russell when he retired. I would like to place on record my thanks to Rod for the effort and dedication he has put into the role. The Board met four times this year, losing one director during the term, when Phil Coolican (Gulf Agency Company) retired. A replacement director is currently being considered by the Board.

Some of the key issues addressed by the Board were:

- The successful programme leading to the Government's decision to cease the additional three cent protection of the sea levy.
- A series of strategic planning sessions held during the year to look at some key objectives, milestones and future directions for SAL, particularly in view of the threat to Part X and staff supersession planning. This is a work in progress.
- A focus on controlling costs to ensure that the FY 2013/2014 results landed in positive territory, a goal we did achieve.
- The Board also approved a project for the development of a Coastal Shipping Emergency Response Capability plan with funding from the Attorney General's Department.

Membership has been essentially steady, but we gained a new Policy Council member, with BBC Chartering joining us in June this year. We temporarily lost one Policy Council member who later rejoined, and one other voting member has recently decided not to renew their membership. Associate membership saw a few changes but the overall number remains fairly constant.

A disappointment during the year was the fact our planned memorandum of understanding with the Australian Shipowners Association did not get formalised. However, we maintain good co-operation with ASA, at both executive and board level, and I believe the work we did together last year is achieving many of the goals we set, without having a signed document.

Another work in progress is to achieve more active involvement from members in the bulk and break-bulk sectors. Hopefully, this will culminate in the formation of a steering group to examine their specific areas of interest.

Ideally, we will attract a few more bulk orientated Policy Council members to encourage the development of such a forum.

Our state committees again ran a series of highly successful events during the year. In Queensland, SAL starting with a luncheon in February attended by 78 people, with guest speaker Captain Johnson. This was followed by a golf day in May with 116 players, a luncheon in September with 61 guests, and finally the SAL Ball in October, where 306 guests had a most enjoyable evening.

In Victoria, a golf day in March saw 92 players try to prove their skills around the Waterford Valley course, some more successfully than others. Luncheons were held in May and November, attracting 127 and 88 guests respectively. A final lunch meeting for 2014 is scheduled for 9 December.

The New South Wales functions again proved highly popular, all of which effectively sold out quickly. These included the traditional annual State Parliament House lunch in June, where Minister Duncan Gay was guest speaker. In July, chairman of NSW ports, Nick Whitlam, was guest speaker at the SAL Port Kembla function. Then, in September our special guest speaker, Deputy Prime Minister Warren Truss, addressed an audience of nearly 300 guests at Doltone House in Sydney. The year's final function for New South Wales, the Christmas Bash will be held on 5th December, with around 350 expected to attend. The annual New South Wales golf day was another well-run event at Roseville Golf Course, in May this year.

In Western Australia the SAL state committee has had a refresh with a change of chairman, Patrick Lobo taking over that role, the appointment of a vice chairman, Robert Boyce, and two meetings held during the year.

Another successful part of the SAL year has been the publication of our magazines, the Annual Review, and three seasonal editions during the year. These magazines are well read and highly appreciated within the industry and Government. As I said in the opening paragraph, keeping abreast of the rapid changes in the industry keeps us challenged. To address that and ensure that the SAL message gets heard, Rod Nairn introduced the eSignal bulletin, which is emailed to subscribers and also available on the SAL website, addressing current issues within the industry, fifteen editions have been published. An official twitter account has recently been established, as another means of getting our voice heard and enabling rapid comment on industry issues.

The range of matters requiring the attention of the SAL

executive seem to be ever increasing, including: 23 formal submissions since July 13; letters to ministers; innumerable comments on Government technical and policy papers and appearances at the Victorian Essential Services Commission and the Senate Inquiry into Management of the Great Barrier Reef. The CEO has also made presentations on "sustainable shipping" at the ICHCA/SAFC conference, and the "consequence of unlimited liability for shipping" at AMSA Maritime 14. You will find further details in the CEO's report. I wish to place on record the thanks of the Board to our hard working executives for coping so well.

I leave a special mention regarding Kushy Athureliya to last. The time has come for Kushy to retire, as at the end of December. Kushy, who has been with SAL for 19 years has been a tireless and energetic worker, as anyone who knows him will attest. He will be very sadly missed by

the SAL team and I'm sure the whole shipping industry, and I wish Kushy and his wife Yolani, the very best for the future, and Kushy, on behalf of the Board, "Thank you for everything you have done."

The year ahead will no doubt offer many more challenges for us all; the review of Part X of the Competition and Consumer Act, which will impact on liner trades, and tighter environmental regulations, will affect us all. The bulk freight market is still dragging along close to the lows experienced post the GFC, making it tough, not just for ship owners, but most of the industry, in such lean years. The cruise sector seems to be the exception, enjoying strong growth. Perhaps some liberalisaton in coastal shipping regulation with provide a much needed boost.

I wish all our members and supporters the very best for the upcoming year. A

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