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For Immediate Release

Seventeen shipping companies meet to consider the Government's options paper on coastal shipping reform

SAL members yesterday welcomed the broad scope of the options paper *Approaches to regulating coastal shipping in Australia* released by Acting Prime Minister Warren Truss on Tuesday. "The broad scope of the review provides the opportunity to rectify the negative impacts of the 2012 reforms which crippled coastal shipping and also failed to deliver on its stated objective of revitalising Australian shipping," SAL chairman Ken Fitzpatrick said.

"We need to grasp this opportunity and remove the regulatory roadblocks to cost effective coastal transport of domestic cargo. This will help Australian producers supply raw materials to our own manufacturing industries and level the playing field for manufacturers who have to move their products across Australia to compete with imports."

The joint Australian and New Zealand Productivity Commission reported in 2012 that protection of domestic shipping in Australia was at the expense of its customers and, ultimately, the wider community. SAL members have formed a working group to determine how the different de-regulation options will impact on each sector of the shipping industry.

"Getting the regulatory environment right is not as simple as just repealing the Coastal Trading Act", SAL CEO Rod Nairn said "but it is clear that there is no downside to removing restrictions on liner shipping carrying domestic cargoes incidental to an international voyage as there is no Australian flagged shipping in this sector. Break-bulk and Ro-Ro shipping are in a similar situation, but SAL will also consider cruise shipping and the bulk trade as this sector has some general licenced ships." SAL's position will be finalised in May.

SAL urges shippers and consignees, who would benefit from diversification of their domestic freight options, to contribute their views to this discussion. SAL also calls on other sectors of the freight transport industry to support regulatory change that will enable coastal shipping to be an effective component of a competitive and sustainable transport system. Such a system would underpin national productivity and enhance the prosperity of all Australians now and into the future.

Editor's note:

For further information please contact Rod Nairn, chief executive officer on 0449 902 457.

Shipping Australia is a peak national shipping association comprising 37 member shipping lines and shipping agents that are involved with over 70% of Australia's container and car trade, over 60% of our break bulk and bulk trades and significant cruise ship and tug operations.