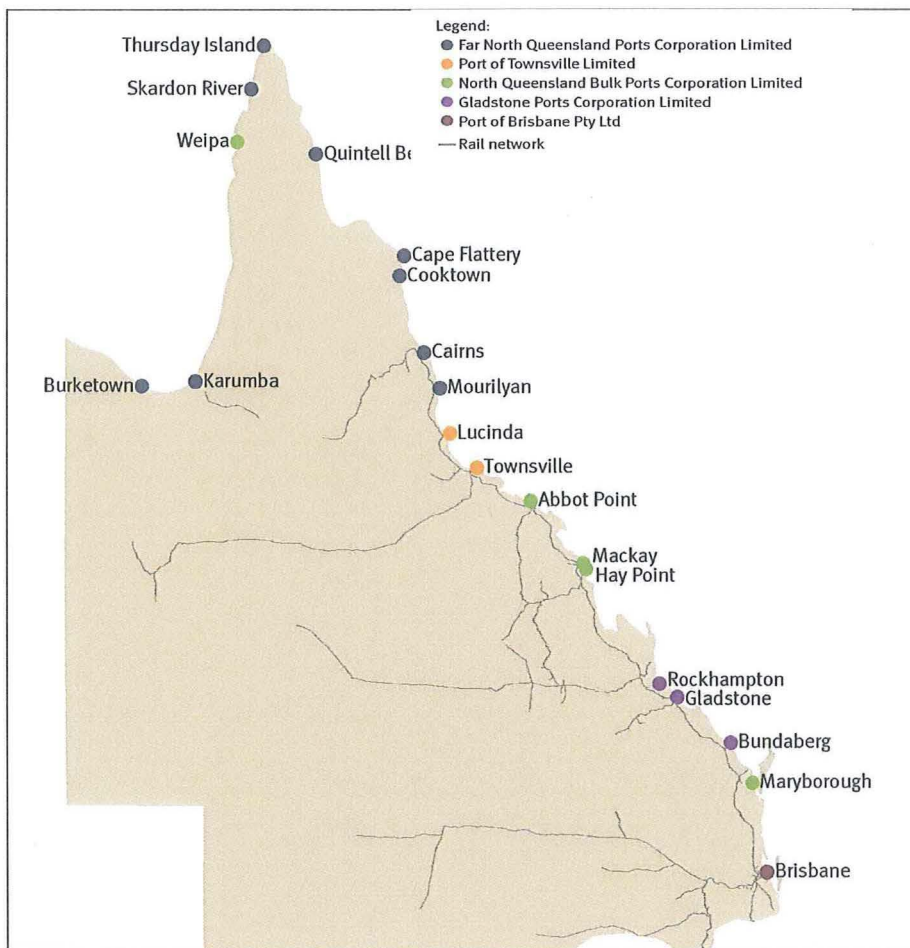


Inquiry into a Sustainable Queensland Intrastate Shipping Industry 2019



Submission by:

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ANL is pleased to offer the following comments in relation to the Transport and Public Works Committee inquiry into a sustainable Queensland intrastate shipping industry.

ANL has a long history in Australian shipping being firstly the Government owned National Line and now owned by CMA CGM, the world’s 4th largest container line in the world. ANL is a major carrier to/from and around Australia with annual volumes more than 1m TEU (20’ Standard Containers).

1. Background

ANL is in a unique position to comment on Australian coastal shipping services as we currently carry significant coastal cargo on our international vessels under temporary licences and in the past, we were a general licence holder in various dedicated coastal shipping routes.

ANL is the biggest carrier of containerised coastal cargo around Australia using segments of our international services which are operated by foreign flag vessels. This cargo is carried under a Temporary Licence issued by the Federal Department of Infrastructure, Regional Development and Cities.

ANL’s current coastal cargo services are focused on two main routes.

AAX - for westbound cargo from Sydney, Melbourne to Adelaide and Fremantle;



A3N – for northbound cargo from Melbourne, Sydney to Brisbane;



2. Coastal Shipping for Queensland

2.1 Is Queensland suitable for Coastal Shipping?

Australia as a large island with dispersed population centres clustered along the coastal fringes is an ideal candidate for coastal shipping. Shipping is the most carbon friendly mode of transport as well as being the most cost efficient. Cost effectiveness plus eco-friendly it is no wonder the world is embracing more and more coastal shipping.

Queensland has nearly 7,000 kms of coastline including 20 ports of various sizes serving a population of around 5m people. Roughly half the population live in Brisbane with the balance predominately in clusters hugging the coast in the remainder of the State.

All the suitability criteria for coastal shipping around Australia as a whole, equally apply for coastal shipping within Queensland. In addition to the large coastline, distributed population and industrial centres, Queensland has some unique features that amplify the attractiveness of coastal shipping. The climatic variation in the State can be extreme with major flooding and devastating cyclones on a regular basis. These high impact events highlight the reliance on the road and rail networks connecting North Queensland which are severely curtailed or even shutdown. There is simply no back up plan which leaves substantial population centres in North Queensland exposed in these times of crisis.

2.2 What could Queensland coastal shipping look like?

To offer an effective and reliable competition to road and rail then any coastal shipping services would need to offer a sailing at least weekly from Brisbane (or nearby) to a central North Queensland hub say Cairns or Townsville. A likely vessel configuration would feature roll on/roll off to provide faster loading and unloading with the ability to carry trailer cargo.

This could be seen as the first step with other ports and additional vessels added as demand develops.

2.3 What is needed to make it happen?

Vision: There needs to be a vision for coastal shipping in Queensland that spans all sides of politics. A vision that recognises the strategic benefits in time of crisis, recognises the efficiency and carbon friendly footprint, recognises the safety aspect of moving freight off the already crowded road network, recognises the great economic benefit compared to ever increasing demand for spending on road and rail networks, recognises the importance of developing maritime expertise and training opportunities.

Port Facilities: There needs to be port facilities developed for coastal shipping offering easy access with guaranteed berthing. This is needed so that coastal vessels don't have to compete with other types of vessels for space in port and thereby able to maintain a reliable schedule.

Funding: There needs to be a package of funding designed to support coastal shipping. Currently there are billions of dollars spent on road and rail funding by both the Federal and State Government. The return on investment in coastal shipping needs to be looked at closely against the backdrop of overall infrastructure spending. Funding measures could include

reduced or even zero wharfage on intrastate cargo moved by sea and on trunk routes a direct Government subsidy (maybe decreasing after the start-up phase) recognising the strategic importance of these transport corridors.

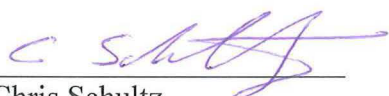
Focus on Training: There needs to be a focus on training in any initiative to foster and grow coastal shipping. We are losing opportunities for young people to enter a maritime career simply because the Australian shipping industry Australia has been in decline for some time. Maritime skills are vital not only afloat but ashore in the management of our ports and associated businesses.

3. Conclusion

Coastal shipping within Queensland can work but it needs a collective approach by Government and Port Authorities coupled with investment and ongoing fiscal support. It can provide supply security to North Queensland communities, training opportunities and career paths for our young people at the same time as improving efficiency and reducing carbon emissions by modal shift off road/rail to sea.

The “blue highway” needs no ongoing spending and is extremely scalable at no cost.

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