



Speech By  
**Bart Mellish**


**MEMBER FOR ASPLEY**

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Record of Proceedings, 22 August 2019

**TRANSPORT AND PUBLIC WORKS COMMITTEE**

**Report, Motion to Take Note**

 **Mr MELLISH** (Aspley—ALP) (3.30 pm): I am pleased to speak to the report titled *Inquiry into a sustainable Queensland intrastate shipping industry*. I thank the committee members on the inquiry and on the trip, the secretariat and the witnesses we spoke to in Brisbane and on our trip.

As the committee chair mentioned, it would have been good to get to a few more ports but it was great to get to Cairns, Townsville, Mackay and Gladstone. To oversimplify greatly what we saw at each of those ports, it really did crystallise that each of the major ports in Queensland serves a different function. We saw plenty of general freight, tourism and sugar facilities in Cairns. We saw a very strong minerals focus in Townsville. In Mackay it was great to see some of the roll-on roll-off developments they are working on, in particular to do with mining machinery, and a bit of containerised freight. At Gladstone port coal was king, riding the massive global demand for metallurgical coal and gas on Curtis Island. This is a great industry established by Labor in Queensland. The Liberals in New South Wales could not do it, but we could do it here. It was great to see Gladstone really pumping.

In the time available to me I will address a few recommendations in this very meaty report. Recommendation 1 was that the minister encourage industry to use Australian seafarers where at all possible and investigate methods to provide incentives. We examined this issue a lot. I questioned Mr Peter Toohey from the Australian Institute of Marine and Power Engineers on international comparisons. It was interesting to hear him say—

The Americans crew their ships with American citizens. Their ships are constructed in America, registered there and maintained there. We closed our last large commercial dockyard, which was Cairncross at Colmslie here in Brisbane, about four years ago. All ships now over about 3,000 tonnes have to go to Singapore so that they can be taken out of the water for servicing. The Americans do that all in-house because they legislated it.

The USA can hardly be called a bastion of protectionism and regulation, yet it has made a conscious decision at the national level to have a shipping industry and a maintenance industry and to keep both of them, yet at the national level here we are happy to be a taker on the international race to the bottom on shipping at a time of increasingly overlapping political and economic priorities in the Asia-Pacific region. We do not have enough fuel reserves in Australia and we do not have the ships to get it here in any case.

On the point of the workforce, we talked about the outsourcing of working conditions. It is bad enough that ships that come here from overseas do not have Australian crews and Australian flags—you can understand how that happens in an international trade environment—but it is hard to tolerate on one level when ships going from one part of Australia to another part of Australia are flagged and crewed by overseas crews. It is hard to justify at a regulatory level. Operators can really only be expected to act in accordance with the law and the rules, but I think as a country we really need to look at ships going from one part of Australia to another part of Australia. It seems logical that they should be crewed by Australians. Recommendation 3 states—

The committee recommends the Department of Transport and Main Roads works with port authorities to reduce potential barriers to allow for an expanded intrastate shipping trade.

It was great to hear the minister say that there will be a working group on that. One of the interesting witnesses was Captain John Bell, who outlined an example in Western Australia where trade was set up. There were port facilities for bulk and containerised freight and they created some trade routes from scratch. It was good to hear that if work is put into it you can in some cases have viable trade routes where previously there were none. Recommendation 4 states—

The committee recommends the Minister for Transport and Main Roads investigate the conditions attached to government subsidies and concessions with a view to increasing Queensland employment.

Recommendation 5 relates to trade to the Torres Strait Islands. I point out that the federal government subsidises, to the tune of \$150 million a year, the Tasmanian Freight Equalisation Scheme. That means that Tasmanians get their goods at the price they would pay if Bass Strait did not separate them from mainland Australia. It is difficult to see why the Torres Strait Islands do not get anything commensurate with that from the federal government in terms of subsidised freight to make sure their goods and services are getting there. I think that is something the federal government needs to look at. Overall, this was a great inquiry. I look forward to seeing the response and the outcomes from the inquiry rolled out.