

# Victorian Coastal Shipping Review



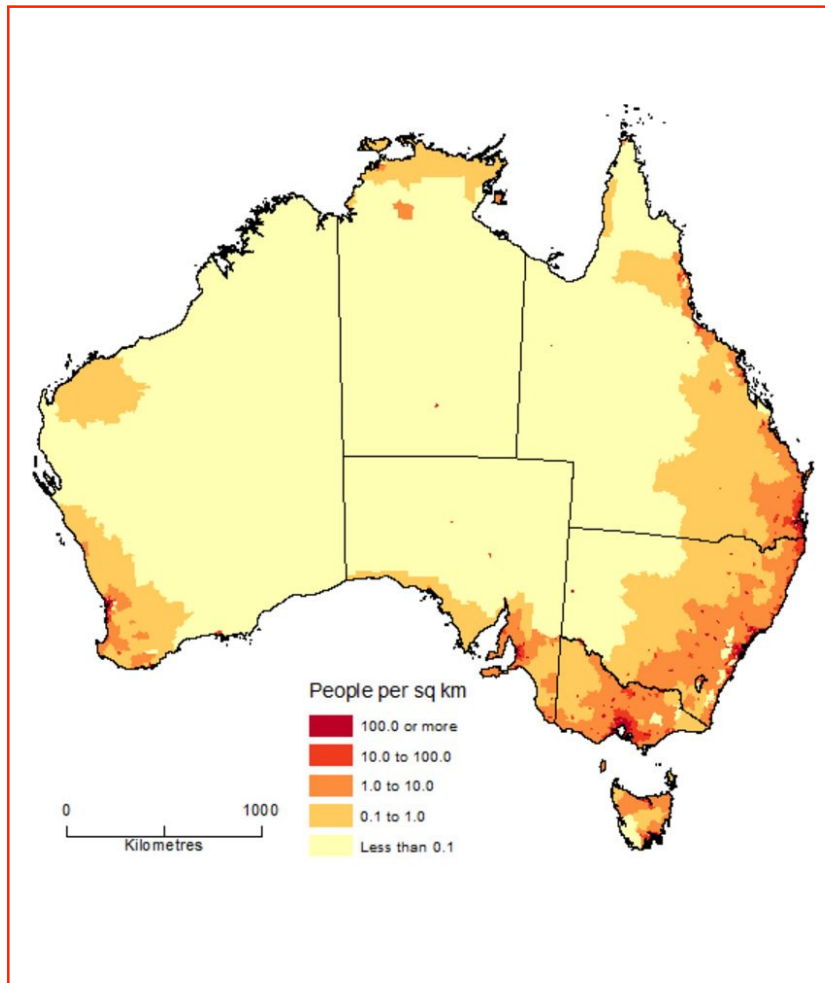
**Submission by ANL Container Line Pty Ltd**

26<sup>th</sup> July 2019

## Terms of Reference

- **What the factors are that have led to a reduction in coastal shipping in Victoria**
- **Whether cross-jurisdictional differences are leading to a decline in the Victorian coastal shipping task**
- **What opportunities exist for coastal shipping to provide a greater contribution to the Victorian freight task by reducing road and rail congestion and managing future freight demand**
- **Whether changes are required to Victorian legislation to remove regulatory impediments or reduce costs for coastal shipping**
- **What other initiatives could be considered to support the expansion of the coastal shipping task**
- **How greater support can be provided to Victorian seafaring labour**
- **How the Victorian Government can work with the Commonwealth to improve the national coastal shipping framework**

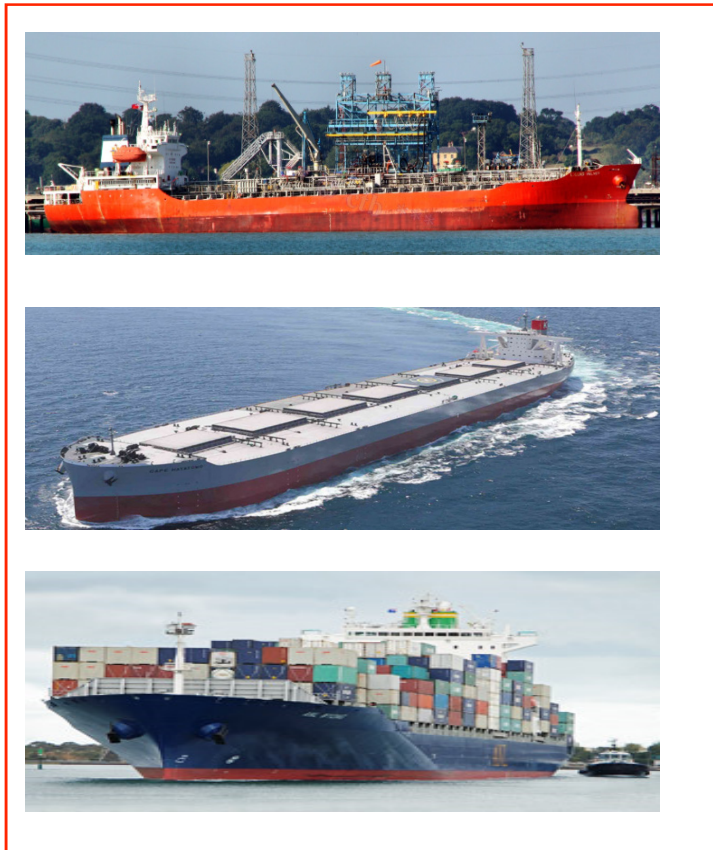
# Australia – A Country Crying Out for Coastal Shipping



## Coastal Shipping - Why

- 37,000 kms of coastline.
- 95% of population within 100kms of major ports
- Congested road and rail networks with investment struggling to catch up with demand
- Dwindling Australian Flag fleet due to cost pressures and a lack positive inducement
- Road & Rail networks vulnerable to natural disasters e.g. flooding, cyclones
- \$26.1bn spent on road funding and \$8.5bn spent on rail funding (2016/2017)  
Shipping spending = \$0
- Safety concerns on major roads with increased density of heavy vehicles
- Critical lack of maritime skills to support industry and government ashore, leading to Australia needing to import these skills
- Scarce training opportunities and career paths for Australia's young people to choose a maritime career

# Australian Coastal Shipping – “One Size Doesn’t Fit All”



## Why “One Size Doesn’t Fit All”

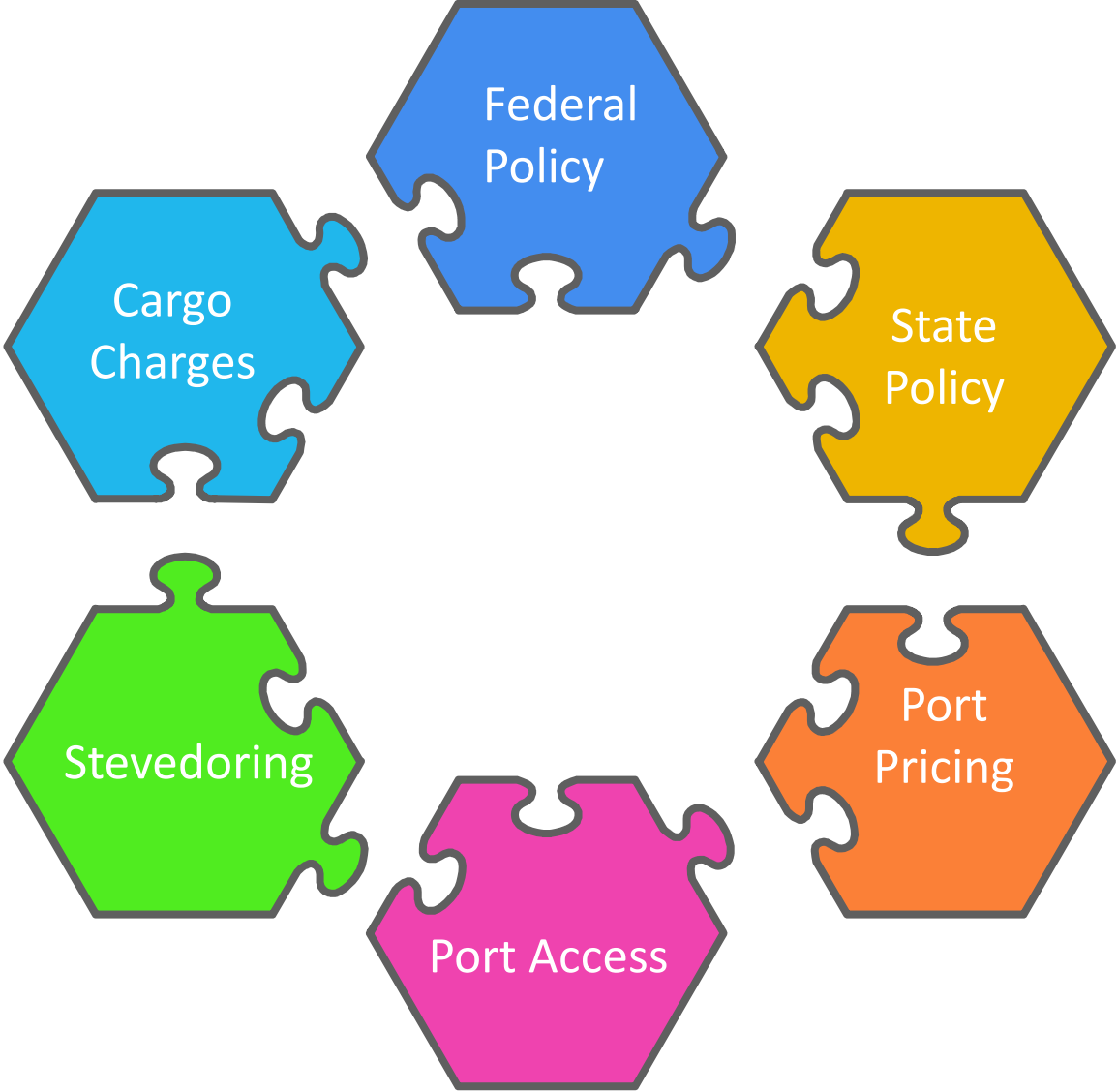
- Distinct types of freight movements (i.e. type of ship and commodity)
  - Liquid Bulk
  - Dry Bulk
  - Container Freight (ANL’s market segment)
- Australian Shipping Policy needs to address each segment in a tailored and separate way
  - Bulk Shipping = Large parcels of cargo between few ports and relatively fewer voyages
  - Container Shipping = Small and frequent parcels of cargo

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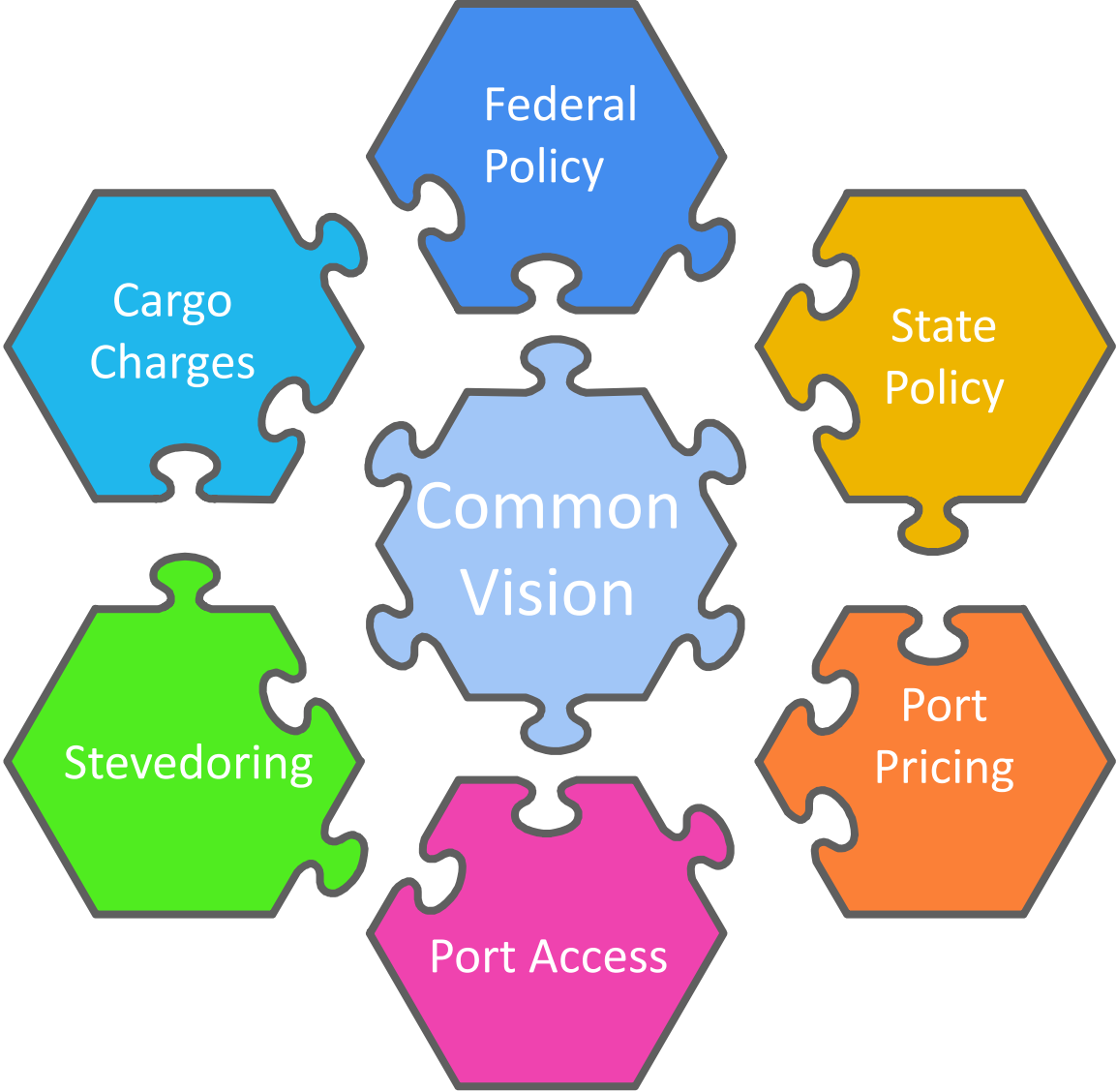
### ANL – A Leader in Coastal Shipping

- 20 years now as part of the CMA CGM Group - 4th largest container line in the world
- Major container carrier In, Out and AROUND Australia
- Excluding General License vessels, ANL is the largest container sea freight mover around Australia
- Keenly interested in Australian coastal shipping and willing to invest if the right policy and fiscal framework exists

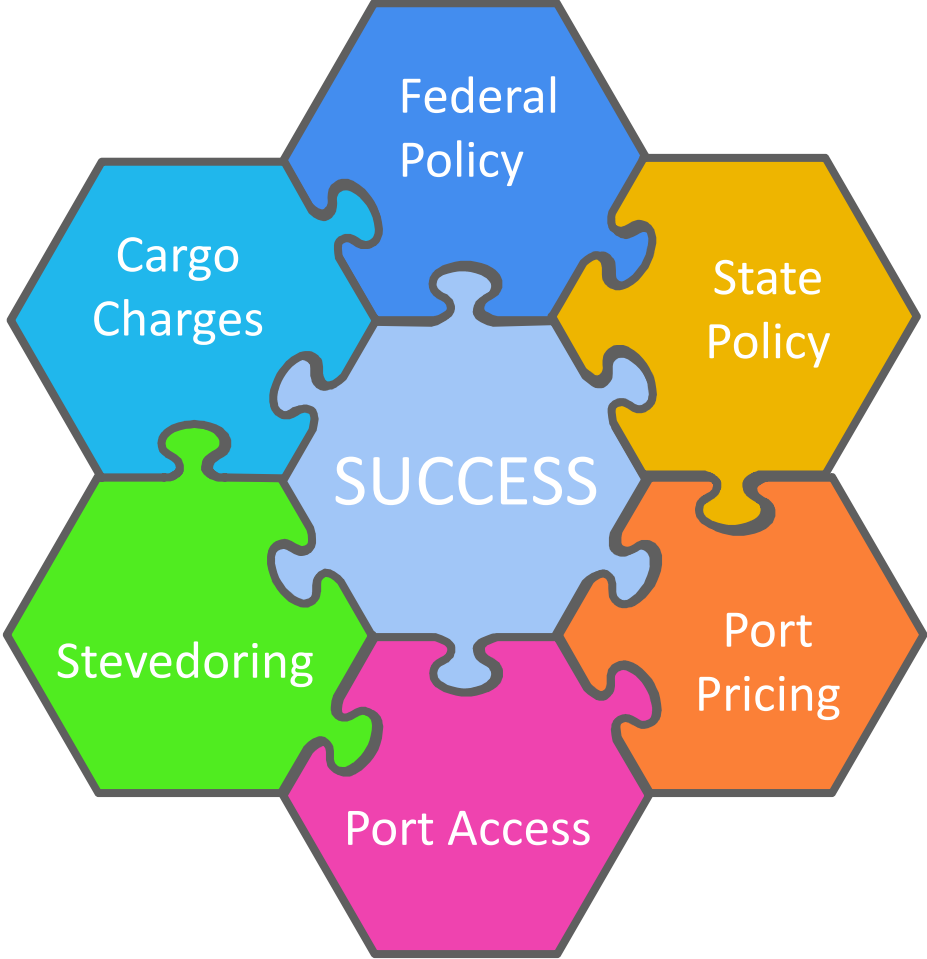
# Coastal Shipping – Needs a Multi Faceted Solution



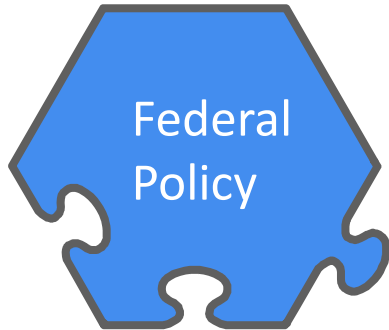
# Coastal Shipping – Needs a Common Vision



# Coastal Shipping – The Pieces Need to All Fit



## Coastal Shipping – What to do?



- Stable and clear regulatory framework
- Investment incentives



- Re-allocate a share of infrastructure spending to coastal shipping development
- Positive bias to encouraging coastal shipping
- Port privatisation management to include promotion of Coastal shipping



## Coastal Shipping – What to do?



- Preferential port pricing (Channel fees, berthage etc) to foster coastal shipping



- New “open” access port developments tailored for coastal shipping incl. good road/rail access etc
- Dedicated berths offering priority for coastal vessels

## Coastal Shipping – What to do?

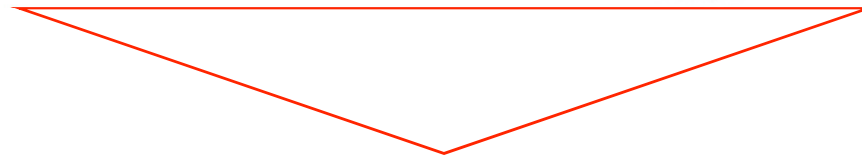


- Stevedores to offer incentives for coastal shipping to encourage modal shift
  - Coastal stevedoring rates
  - Reduced infrastructure fees



- Port Authority cargo charges be structured to encourage coastal cargo
  - Reduced “Coastal” wharfage

# Coastal Shipping



**It just makes sense...**



# SHIPPING THE FUTURE

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