

DEL AGUILA Fiorella

From: Sutton Michael
Sent: Tuesday, 19 January 2016 8:50 AM
To: FINLAY Jess
Cc: OPOKU Naa; RAMESH Kaushik
Subject: FW: talking points in response to CFMEU infographic [SEC=UNCLASSIFIED]
Attachments: MVPortland_Explained-v2.pdf; talking points in response to CFMEU infographic.docx

Jess – as flagged, attached are some talking points if the subject of the CFMEU pamphlet comes up

michael

The **MV PORTLAND DISPUTE** explained

AUSTRALIAN LAW SAYS



Law

...THAT A SHIP CARRYING PRODUCT FROM ONE PART OF THE COUNTRY TO ANOTHER MUST BE CREWED BY LOCAL STAFF.

This ensures

THAT SHIPS IN AUSTRALIAN WATERS ARE CREWED BY TRAINED AND EXPERIENCED STAFF...



Occasionally,



FOREIGN SHIPS THAT MAKE TWO OR MORE STOPS IN AUSTRALIA WHEN TRAVELLING TO OTHER PLACES, ARE GIVEN A 'TEMPORARY LICENCE' TO AVOID THIS LAW.



LAST YEAR, MALCOLM TURNBULL ISSUED AMERICAN MINING GIANT ALCOA WITH A TEMPORARY LICENCE, BUT THEIR SHIP WAS NOT GOING TO ANOTHER COUNTRY.



ALCOA USED THIS TEMPORARY LICENCE TO PERMANENTLY REPLACE THE JOBS OF 40 LOCAL WORKERS. THEY WILL INSTEAD USE A FOREIGN CREW EARNING AS LITTLE AS \$2 AN HOUR. WE HAVE NO IDEA WHETHER THESE CREWS ARE SKILLED ENOUGH TO TRAVEL SAFELY.



WE'VE AUSTRALIAN TRAINING FOR THE GARDNER RESERVE!

EVEN WORSE, ALCOA IS USING THIS SHIP TO PROFIT OFF AUSTRALIAN MINERALS. THEY HAVE BEEN GIVEN SUBSIDIES FROM THE AUSTRALIAN GOVERNMENT TO DO IT.

MALCOLM TURNBULL CAN REVOKE THE LICENCE BUT HE HAS CHOSEN MULTINATIONAL PROFITS OVER LOCAL WORKERS.

Stand up. Speak out. Fight back!

Comments on CFMEU pamphlet

- “Australian law saysthat a ship carrying product from one part of the country to another must be crewed by local staff. “
 - **Comment:** The *Coastal Trading (Revitalising Australian Shipping) Act 2012* (the Act) regulates coastal shipping in Australia under a tiered licencing system. This legislation was put in place by the former Government. While Australian flagged General Licenced ships are required to be crewed by Australians (or those with permanent visas or certain temporary visas), foreign flagged vessels with temporary licences issued under the Act can be crewed by foreign crew.
- Having local staff “ensures that ships in Australian waters are crewed by trained and experienced staff”
 - **Comment:** The foreign seafarers that do operate in our waters are held to high safety and environmental standards. There are training and qualification requirements for all seafarers, including foreign seafarers, under international conventions.
 - These requirements include initial personal safety training and training to perform their specific duties. The conventions also contains requirements for ongoing refresher training to retain validity of qualifications and this, depending on the qualification held, can be a combination of on board training and training at shore-based training centres. These conventions have been incorporated into Australian legislation and are administered in Australia by the Australian Maritime Safety Authority under the Port State Control regime.
- “Occasionally foreign ships that make two or more stops in Australia when travelling to other places, are given a ‘Temporary Licence’ to avoid this law.”
 - **Comment:** A foreign flagged vessel can carry cargo interstate if it does so under a Temporary Licence issued under the Act. It does not have to subsequently travel overseas.
 - The critical element of the process for the issue of a Temporary Licence is that Australian General Licence holders are consulted, and are able to put in a “Notice in Response” if their vessel is able to conduct any of the voyages applied for.
 - In the case of the licence granted to Alcoa, General Licence holders were approached and none expressed an interest in the carriage of the cargo.
- “Last year, Malcolm Turnbull issued American mining giant Alcoa with a temporary licence, but their ship was not going to another country”.

- **Comment:** The temporary licence was issued by a Senior Executive Service officer in the Department of Infrastructure and Regional Development, as the delegate of the Minister for Infrastructure and Regional Development. Alcoa's application met the requirements of the Act, and the validity of the licence was upheld by the Federal Court in December.
- "Alcoa used this Temporary Licence to permanently replace the jobs of 40 local workers. They will instead use a foreign crew earning as little as \$2 an hour. We have no idea whether these crews are skilled enough to travel safely".
 - **Comment:** There is nothing in the current regulatory framework that requires the holder of a General Licence to use a General Licenced vessel where it is uneconomic to do so.
 - It is entirely a commercial decision, and in this case the owner of the ship (Alcoa) has determined that it is no longer viable to operate the MV Portland.
 - That is entirely and appropriately a matter for Alcoa; the granting of the Temporary Licence to move cargo from Western Australia to Portland did not mandate these actions.
 - The coastal trading legislation provides a mechanism to ensure that cargo can be moved when there is no General Licenced vessel available, and that is what has happened on this occasion.
 - In response to concerns that foreign crew may be underpaid, Australia is a signatory to the Maritime Labour Convention 2006 (MLC). The MLC provides an international safety net of standards regulating seafarer employment relationships and sets out the minimum standards for employment, accommodation, health protection, medical care, welfare and social security protection of seafarers. AMSA is responsible for enforcing the MLC in Australia.
 - Foreign seafarers operating in our waters on any ship are held to high safety and environmental standards. There are training and qualification requirements for all seafarers, under international conventions.
- "Malcolm Turnbull can revoke the licence but he has chosen multinational profits over local workers."
 - **Comment:** Under the Act, the Minister for Infrastructure and Regional Development, or his Delegate, can cancel a Temporary Licence, but only if the licence holder has breached a condition of their licence and a show cause notice has been provided to the licence holder. Any other cancellation of the licence would contravene the law.