

ROYAL AUSTRALIAN NAVY

NAVY STRATEGIC COMMAND



R1-4-C005, RUSSELL OFFICES, CANBERRA ACT 2600

2009/1112155/1
DCN/OUT/2010/143

MINUTES OF THE AUSTRALIAN MARITIME DEFENCE COUNCIL

MEETING OF 3 MARCH 2010

HOSTED BY AUSTRALIAN NATIONAL CENTRE FOR OCEAN RESOURCES & SECURITY, UNIVERSITY OF WOLLONGONG

AGENDA ITEM 1 – WELCOME, INTRODUCTORY REMARKS & APOLOGIES

1. The Chairman opened the meeting at 0900, welcoming Members and thanked the Australian National Centre for Ocean Resources & Security (ANCORS) for providing the venue for the meeting. The list of attendees and apologies is at Attachment 1.

AGENDA ITEM 2 – WELCOME TO ANCORS

2. Mr Lee Cordner, ANCORS Principal Research Fellow welcomed the AMDC to ANCORS on behalf of Professor Martin Tsamenyi, Director ANCORS. He noted that ANCORS had moved into this building a year ago.
3. Mr Cordner stated that ANCORS intended to maintain good communication to help Government and industry leaders make good decisions in maritime areas, and that it is extremely important for Australia to have a strong intellectual capability for articulating the southern hemisphere perspective on maritime issues. Both Agenda Items 8 and 11 address this aim in a programmatic sense.

AGENDA ITEM 3 – CONFIRMATION OF PREVIOUS MINUTES

4. The Chairman reviewed the contents of the previous meeting (9 September 2009) and noting there were no changes from members, the minutes were confirmed.

BUSINESS ARISING

5. It was noted that sea riding opportunities have not been taken up. DCN requested that a new schedule of available opportunities be developed and circulated to AMDC members with these minutes. (See Attachment 2)

Action 1 Secretary AMDC to obtain updated schedule of sea riding opportunities and circulate to members under cover of these minutes.

6. The action for Ports Australia and Defence to examine the inclusion of Border Protection Command under the *Guiding Principles for Australian Defence Force (ADF) Access to National Ports* remains extant. Mr Mackinnon advised that no progress had been achieved and that the proposal has a number of complexities that argue against a quick resolution. To facilitate action on this item RADM Thomas requested that COMBPC and Ports Australia take on this action.

Action 2 Ports Australia and BPC to examine the utility of a similar agreement as the *Guiding Principles for Australian Defence Force (ADF) access to National Ports* for use by Border Protection Command.

AGENDA ITEM 4 – STRATEGIC REFORM PROGRAM UPDATE

7. The Chairman briefed the Council on the Strategic Reform Program (SRP) which had the aim of finding \$20B in savings over 10 years for redirection into capability.
8. The Chairman explained that the SRP comprises 14 streams across the organisation, about half of which focus on productivity and others on improved processes. Some specific areas, such as maintenance and sustainment, have been specifically identified for savings of 30 percent or more. Details of the SRP are contained in Attachment 3.
9. With regard to savings in the ADF reserves, Mr Gibbons asked if there would be any impact on links between the Navy and other elements in the maritime sector. RADM Thomas stated that the Reserve savings were largely focussed on the Army but there would be no reduction in capability. Navy is examining what capabilities we seek from naval reservists noting that producing a reserve patrol boat Commanding Officer would take the officer's whole career when we can more efficiently produce the capability using officers with previous Navy experience.
10. Mr Parmeter asked what the impact of civilianisation would be. RADM Thomas stated that it's 30% cheaper to have a civilian than an ADF member and the details for the proposed implementation are currently with Government for decision. He further reported that Navy is trying to grow another 700 uniform personnel. Mr Bailey noted that civilianisation sounded like a good argument for a Royal Fleet Auxiliary (RFA) manning concept. CAPT Mandziy noted that this could be an option for the Sea Lift ship being obtained under Project 1654.

AGENDA ITEM 5 – PORT PRIVATISATION – FUTURE TRENDS AND DEFENCE IMPLICATIONS CARD

11. Mr Mackinnon raised the issue of the Queensland Government's sale of elements of the Port of Brisbane and sought an understanding of the likelihood of similar sell-offs by other state governments.
12. CMDR Trump noted that the action was clearly a political imperative to generate funds for use by the QLD Govt. and would be the subject of discussion at the Defence/QLD Govt Consultative Forum to be held in May 2010.

13. Mr Mackinnon pointed out that Brisbane is the only port that allows nuclear powered warships alongside and this and other provisions which support Navy need to be included in the conditions of sale.

Action 3 DCN directed DGNCPE to identify the strategic importance of Brisbane Port to Defence in preparation for the Queensland Govt – Defence Consultative Forum in May 2010.

AGENDA ITEM 6 – MARITIME SECURITY IDENTIFICATION CARD – CHANGES AND IMPLEMENTATION

14. Mr Mackinnon noted that the introduction of the cards were not causing too many problems for servicemen with military ID cards but Defence APS workers who require a MSIC will result in additional costs including the possibility of a commercial security guard to control access to/from wharves by service personnel.
15. Mr Summers noted that the MSIC worked much better than the US, Canadian and European models but that there was continuous pressure to extend the restriction applying to applications. Recently the Minister for Infrastructure announced 280 new crimes that would place restrictions on applicants receiving a card and that this could lead to redundancies and job losses in the industry. The MUA notes that security outside the port is unregulated and has urged Government to focus outside the ports to look at the total security of the port supply chain

AGENDA ITEM 7 – APEC PORT SERVICES NETWORK

16. Mr Gibbons provided a briefing on the APEC Port Services Network noting the following:
- APEC has 21 members - a number of the countries have major trade links with Australia – trade that is carried predominantly by sea.
 - The APEC Port Services Network (APSN) initiative has been a long term and high priority goal for China - first proposed by Chinese President Hu Jintao at the APEC Economic Leaders meeting in 2006.
 - The APSN is a unique concept enabling the collaboration between the private and public sectors within the region – useful given the variety of ownership and operational models found in the region.
 - The motivation for establishing the APSN is to facilitate trade in the region – through networking, coordination, cooperation, capacity building, information sharing, personnel exchanges to enhance the efficiency of ports in the region.
 - APSN was established in 2008 – with an office in Beijing.

- The APSN is composed of Council members (who are designated by each APEC member economy) and Regular members (from anybody connected with ports industry)
- The APSN governance arrangements are embodied in a constitution.
- China is funding the APSN for the first two years and Regular members can join the APSN during this period at no cost.
- APSN's objective is to play a key role in the development of port and port-related industries in the region, thus achieving its mandate to promote the liberalization and facilitation of trade and investment and enhance supply chain security for the benefit of the economic growth and social progress of the APEC member economies as a whole.
- The last APSN meeting was in November 2009 and was held in conjunction with a Port Facility Security workshop.
 - Key outcomes included: strengthening the dialogue and co-operation among ports; highlighting key linkages of ports and ports logistics; enhancing information, technical and human resources exchanges.
- APSN is a new organisation and still in its infancy. It is developing its potential in the context of not duplicating the work of well established international organisations such as the IMO and the international ports organisation.
- Initiatives planned for the near future include: analysis and dissemination of information on the emerging trends, developments and challenges in ports; improve and maintain an information-based APEC port database; compiling a Port Development Report; and a workshop on free trade zones.
- APSN membership is being funded by China in the initial start up phase. Membership is open to any port stakeholder or interest in port activities. The APSN has a website at <http://www.apecpsn.org/index.asp>.

AGENDA ITEM 8 – COOPERATIVE RESEARCH CENTRE FOR OCEANS RESOURCES PROTECTION

17. Mr Cordner provided a brief on ANCORS' proposed CRC for Oceans Resources Protection concept, noting there is a significant research gap covering long term oceans and maritime policy issues, research and capacity building for Australia. The proposal is due to be submitted to Government on 2 July 2010 with a commencement date of July 2011.
18. Mr Cordner identified three possible research programmes:
 - a. resilient resources,

- b. collaborative governance, and
 - c. infrastructure .
19. Mr Cordner explained the details of each program noting that any stakeholders who join with ANCORS can influence the makeup of these programs. Details are in the powerpoint presentation at Attachment 4.
 20. RADM Barrett noted the models available for buy-in included payment, payment-in-kind, tied funds or a mixture. The Chairman requested Mr Cordner to report back on ANCORS progress on this proposal in due course.

Action 4 ANCORS to debrief the AMDC on the progress of the CRC for Oceans Resources Protection .

AGENDA ITEM 9 – BELL BUOY 2010

21. CMDR Brown, Deputy Director NCAGS, briefed the meeting on the revamped Bell Buoy exercise scheduled for May 2010. The old traditional model for Bell Buoy exercises was considered to be no longer relevant and a revised scenario has been developed that allows for:
 - a. recovery and retrieval operations,
 - b. crisis response operations
 - c. SLOC protection, pollution compensation mitigation, and
 - d. counter terrorist operations.
22. To ensure optimisation of resource usage a new validation model has been developed and the wash-up will provide both national and combined measures of success. The Chairman indicated that he would attend during the exercise. Details are in the powerpoint presentation at Attachment 5.

AGENDA ITEM 10 – DEFENCE/PORTS ISSUES

23. Mr Mackinnon briefed members on three issues;
 - a. Darwin: the recent White Paper identified the need for infrastructure development in Darwin to support the LHDs and address shortcomings in the port. Although the Northern Territory Government has yet to approve the new East Arm Master Plan, Navy has consulted to ensure a boat ramp to load LHDs by watercraft is included. Navy is upgrading the fuel off-loading facility at Fort Hill Wharf as an interim measure pending development of a new Navy Fuel Installation at HMAS Coonawarra.
 - b. Townsville: The White Paper provided for an upgrade of Berth 10 to Panamax capacity and establishment of an aviation fuel storage and transfer capability. The Berth 10 upgrade will provide facilities for LHDs and cruise ships and the Deed of Licence is currently under development.
 - c. Cruise Ships: Navy is represented on the Passenger Cruise Terminal Steering Committee which provides advice to the NSW Government. Major issues are identification of berths west of the Harbour Bridge, and berthing shortfalls in the medium – longer term for cruise ships too large to fit under the Harbour Bridge

and the consequential impact on Navy's Fleet Base East. Defence has a very robust view on the berths it owns at FBE noting that new capabilities (LHDs and AWDs) are both putting pressure on available berths and Navy's peak berthing period coincides with the peak of cruise ship visits to Sydney.

AGENDA ITEM 11 – ANCORS VESSEL TRACKING AND MONITORING INITIATIVE

24. Dr Chris Rahman (ANCORS) presented a brief describing a proposal for ANCORS to provide a focal point for intellectual support and capacity building related to the development of vessel tracking technologies and the policy and regulatory frameworks required for their adoption and implementation. He noted that maritime domain awareness was becoming increasingly more important post 9/11 and that numerous systems were now employed. ANCORS identified that policy and legal frameworks were not keeping up with the roll-out of technology and that use of this technology has exceeded the legislative basis.
25. ANCORS identified an opportunity to be the global academic hub for research and development, education and training, and policy and legal development related to vessel tracking. Future work would see capacity building activities such as;
 - a. support for policy, strategy and legal development,
 - b. research and analysis,
 - c. education and training,
 - d. networking and cooperation, and
 - e. development and coordination of web-based resources.
26. Details are in the powerpoint presentation at Attachment 6.
27. RADM Barrett suggested that ANCORS should consider aligning this proposal with programs being developed within Navy and Border Protection Command and other government agencies.

AGENDA ITEM 12 – OTHER BUSINESS

28. Update on Naval Waters: Mr Mackinnon briefed the meeting that there had been a number of changes to Naval Waters and these had been approved by the Executive Council at the end of 2009. These changes included addressing new security requirements and revoking outdated waters. In summary three areas were revoked, six were amended and three new areas declared (Dampier Naval Buoy, the Eden Ammunition Wharf and the Shark Island MCM (North) Degaussing Range) declared.
29. AMDC Future: The Chairman directed the Secretary to produce and conduct a survey of members to obtain feedback on the effectiveness of AMDC.

Action 4	Secretary to conduct a survey of AMDC members on the effectiveness of AMDC.
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AGENDA ITEM 13 – NEXT MEETING

30. The Chairman invited Members to attend the next meeting of the Council, on Wednesday, 8 September 2010. RADM Barrett offered to host the meeting at the BPC offices in Canberra, ACT.
31. The Chairman thanked all attendees for their attendance and valuable contributions. The meeting was closed at 1210.



D.R. THOMAS
Rear Admiral, RAN
Chairman

21 May 2010

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P.A. ROGERS
Lieutenant Commander, RANR
Secretary

24 May 2010

Attachments:

1. Attendees and apologies for the Australian Maritime Defence Council meeting of 3 March 2010.
2. Navy sea-riding programme.
3. Strategic Reform Program (on CD).
4. CRC for Oceans Resources Protection (on CD).
5. Bell Buoy 2010 (on CD).
6. ANCORS Vessel Tracking and Monitoring Initiative (on CD).

AUSTRALIAN MARITIME DEFENCE COUNCIL MEETING – 3 March 2010

– ATTENDEES –

Name	Position & Organisation
RADM Davyd Thomas	Deputy Chief of Navy Chairman of the AMDC
Mr Nic Arthur (rep Mr Nigel Perry)	National Manager Maritime Capability, Australian Customs and Border Protection Service
Mr Mark Bailey	Deputy Director Maritime Liaison Border Protection Command
RADM Tim Barrett	Commander Border Protection Command
Mr Thomas Birouste	Director Platform Services - Naval Thales Australia (representing Australian Ship Repairers Group)
CMDR Andrew Brown	MTO
Mr Lee Cordner	Principal Research Fellow Australian National Centre for Ocean Resources & Security
Sue Fryda-Blackwell (Rep Mr David Anderson)	Executive Officer, Ports Australia
Mr Charlie Gibbons	Director Maritime Policy & Industry Department of Infrastructure, Transport, Regional Development & Local Government
CAPT Paul Mandziy	DMAROPS HQJOC
CMDR Jason Hunter	Master Attendant Fleet Command
CMDR Peter Martin (rep David Neumann)	MTO
Mr Andrew Mackinnon	Director-General Navy Capability Plans & Engagement Navy Strategic Command
Mr David Parmeter	Managing Director Teekay Shipping (Australia)
Mr Llew Russell	Chief Executive Officer Shipping Australia Limited
Mr Dean Summer (rep Mr Rod Pickette/Paddy Crumlin)	ITF National Coordinator The Maritime Union of Australia
CMDR Nigel Trump (rep. BRIG Saul)	Deputy Director National Logistics (Maritime) Strategic Logistics Branch
LCDR Phil Rogers	Staff Officer Ports & Training Areas AMDC Secretariat

– APOLOGIES –

Name	Position & Organisation
BRIG David Saul*	DG Strategic Logistics Branch
Mr David Anderson*	Executive Director, Ports Australia
Mr John Campbell	Executive Director and GM Government Shipping Services P&O Maritime Services
Mr Paddy Crumlin*	National Secretary Maritime Union of Australia
Ms Teresa Hatch	Executive Director Australian Shipowners Association
Mr Sid Marris	Corporate Affairs, Minerals Council of Australia
Mr David Neumann*	Director of Naval Preparedness Navy Strategic Command
Mr Jock O'Hagan	National Manager Security DP World
Mr Nigel Perry*	National Director Maritime Operations Support Division Customs
Mr Tony Wilks	Manager HR/IR – Australasia SVITZER Australia

* Has a representative attending

NAVY- MARITIME INDUSTRY FAMILIARISATION PROGRAM

At this stage, due to changes in the Fleet program, there are currently no sea riding opportunities. The future fleet program is being reviewed and should any opportunities be identified, members of the AMDC will be informed.

When opportunities arise the expressions of interest should be provided to:

Mr David Neumann
Director of Navy Preparedness

R1-4-B106 (Russell Offices)
Russell Drive
Canberra
ACT 2600

Phone: 02 6265 7314
Facsimile: 02 6265 1845

david.neumann@defence.gov.au

or alternatively

LCDR Natalie Read
Deputy Director of Naval Preparedness

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Phone: 02 6265 7314
Facsimile: 02 6265 1845

natalie.read@defence.gov.au



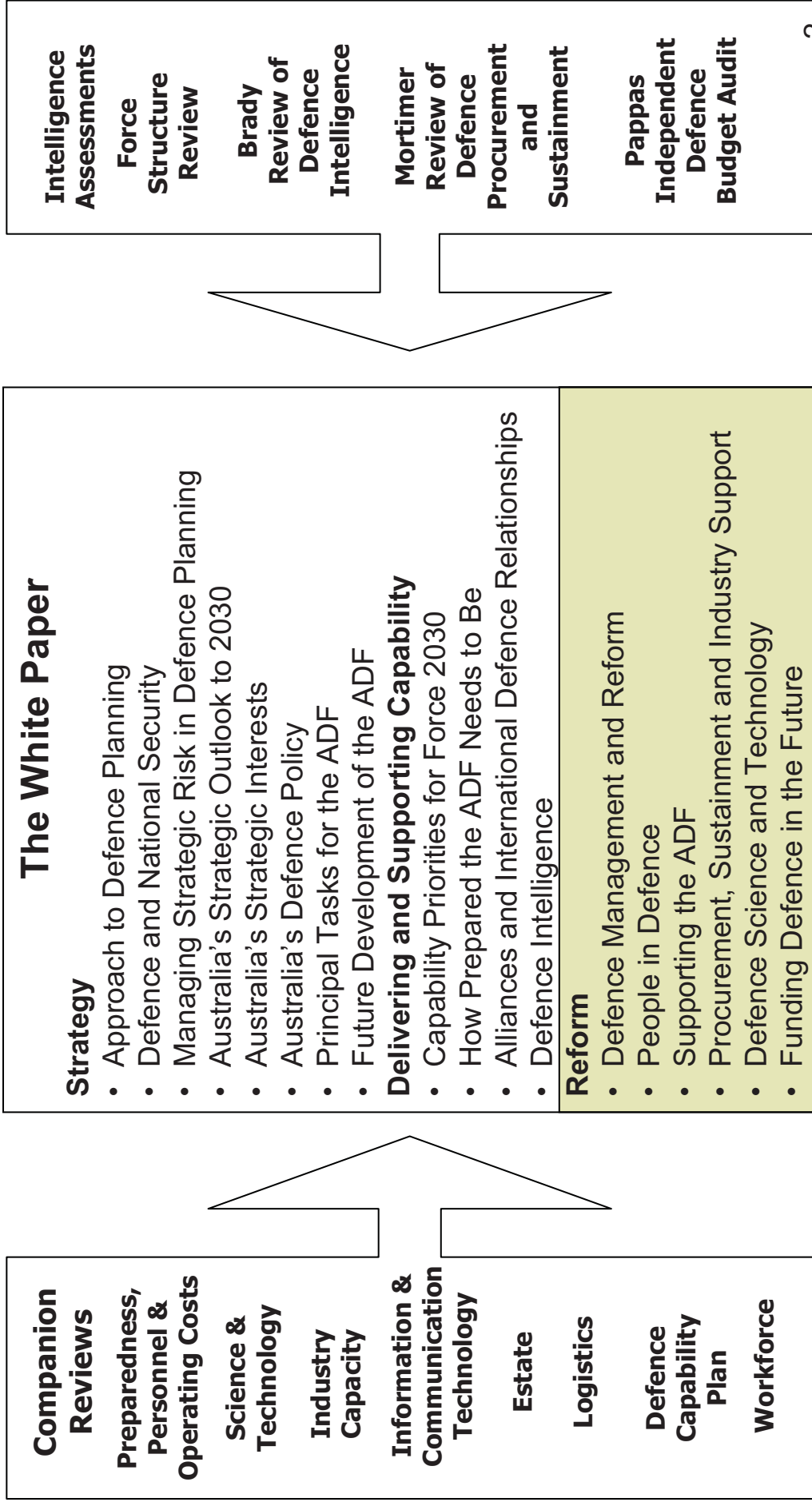
Strategic Defence Reform Program

“Representing over 14 months of hard work, involving all areas of Defence and the complete re-examination of Defence strategy, capabilities, business processes and resources, this is the most comprehensive White Paper ever released,” said Mr Fitzgibbon.

(2 May 2009 on release of the White Paper)

THE DEFENCE WHITE PAPER 2009

Most comprehensive Defence White Paper ever, covering Defence strategy, capability and funding out to 2030. Based on a force structure review, 8 Companion Reviews, 3 other external Reviews and consultation across Government, public and allies.



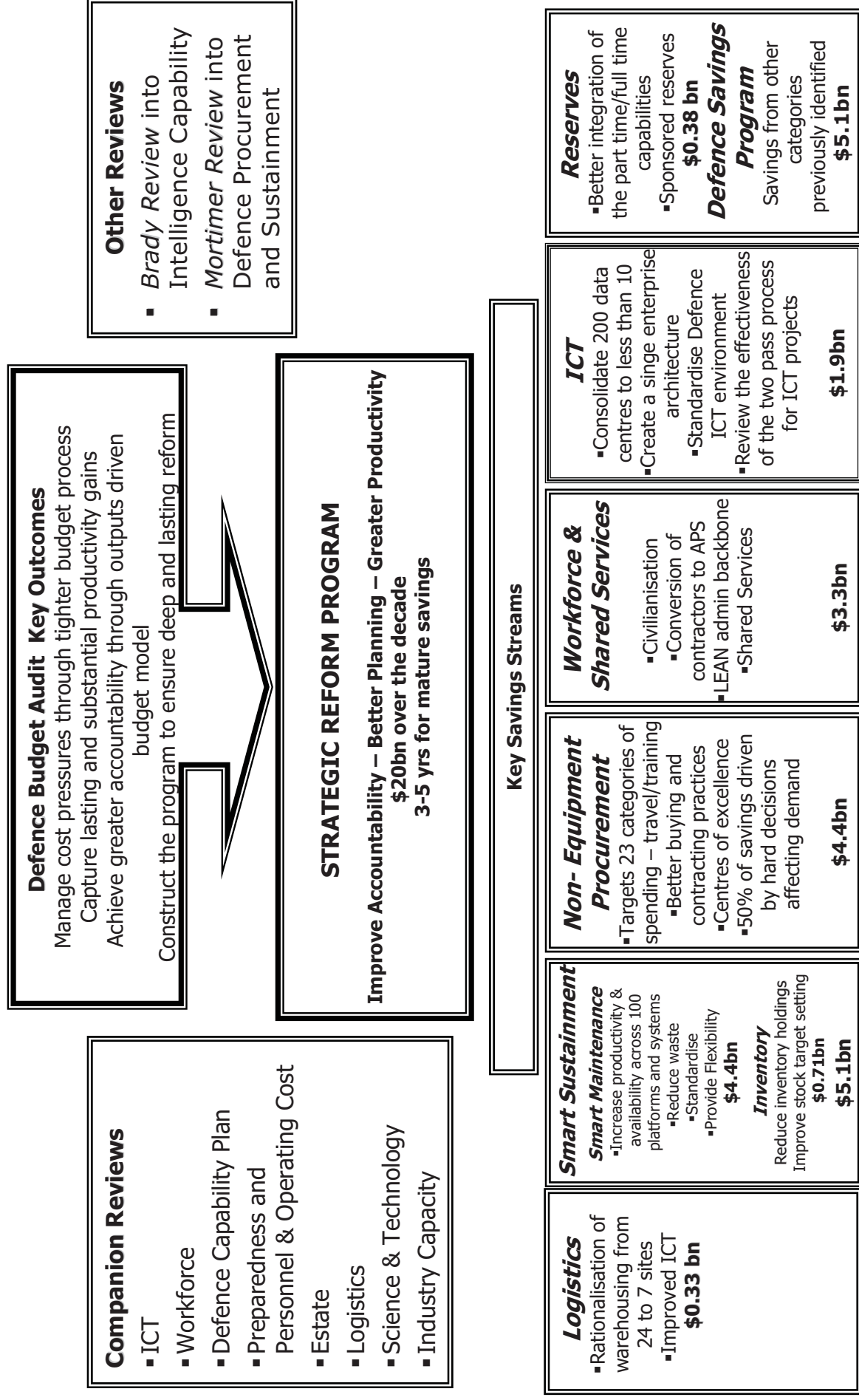
Defence Strategic Reform Program

SRP

“Will achieve \$20bn in savings across the decade to better equip and support the ADF”

- Improving Defence accountability
- Improving Defence planning
- Enhancing Defence productivity

Strategic Reform Program – Key Reforms



Strategic Reform Program – Other Reforms

The SRP includes other reforms for which no savings have been banked. These reforms will increase the efficiency and effectiveness of Defence.

Strategy Led Planning

- White Paper every 5 years with FSR and Independent Audit
- Annual DPG updates to NSC - used as the basis for capability planning, business planning and workforce planning
- Force Structure Cell in Strategic Policy Division

Capability Development Process

- Strategic requirements into capability decisions
- Improve long-term cost forecasts for capability
- Rigour in requirements setting
- Increased thresholds and delegations for DCP projects

Output Focussed Budget Model

- Clear Service Level Agreements and performance agreements to increase true cost visibility of goods and services

Estate

- Strategic basing principles to shape the future nature and location of Defence Estate
- Level at which Defence projects considered by Govt raised
- No Govt decisions taken about base rationalisation
- Around \$200m additional investment in Estate over four years

Preparedness

- Decision support capability
- Refined preparedness management system
- Better controlling the cost of preparedness

Intelligence

- Consolidation of intelligence ICT
- Efficiencies in delivery of HR and training

Science and Technology

- Future Proofing Defence S&T (investment in early stages in Capability cycle)
- Improved governance (S&T Board) and funding model

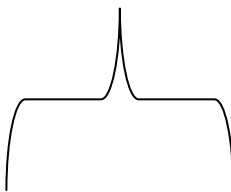
Procurement and

Sustainment (Mortimer)

- DMO more business-like
- Imposing commercial discipline on procurement and sustainment processes
- SLAs and performance agreements to increase true cost visibility of goods and services

Strategic Reform Program

Strategic Planning

- Introduction of a five-yearly Defence White Paper planning cycle
The new planning cycle will include:
 - the annual Defence Planning Guidance – for the first three years
 - a strategic risk assessment
 - a force structure review
 - independent audit

To be completed in the fourth year of the strategic planning cycle
- A new White Paper to be written in the fifth year
- Establish a Force Structure Development Cell within Strategic Policy Division
- Changes to strategic planning process will ensure stronger links between strategic guidance, force development and capability decisions

Strategic Reform Program

The Government has endorsed this Strategic Reform Program, comprising a comprehensive set of reforms that will fundamentally overhaul the entire Defence enterprise, producing efficiencies and creating savings of about \$20 billion.

This Reform Program will:

- provide a vehicle for deep and enduring reform within Defence
- enhance management performance within Defence
- ensure that productivity within Defence is increased and able to be sustained, so that the maximum possible level of resources are directed to the current and future capability
- generally improve the way Defence does business, both in terms of efficiency and effectiveness
- help ensure that the goals set out in this White Paper are delivered

Strategic Reform Program

Summary

- Detailed implementation planning for the Strategic Reform Program is underway
- Some reform require further detailed diagnostics and analysis to be undertaken and some will take 3 to 5 years to reach maturity
- Each Reform Stream has a 2*/B2 Officer running the reform under the direction of a 3*/B3 and the Governance Committee



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Cooperative Research Centre for Ocean Resource Protection

Lee Cordner
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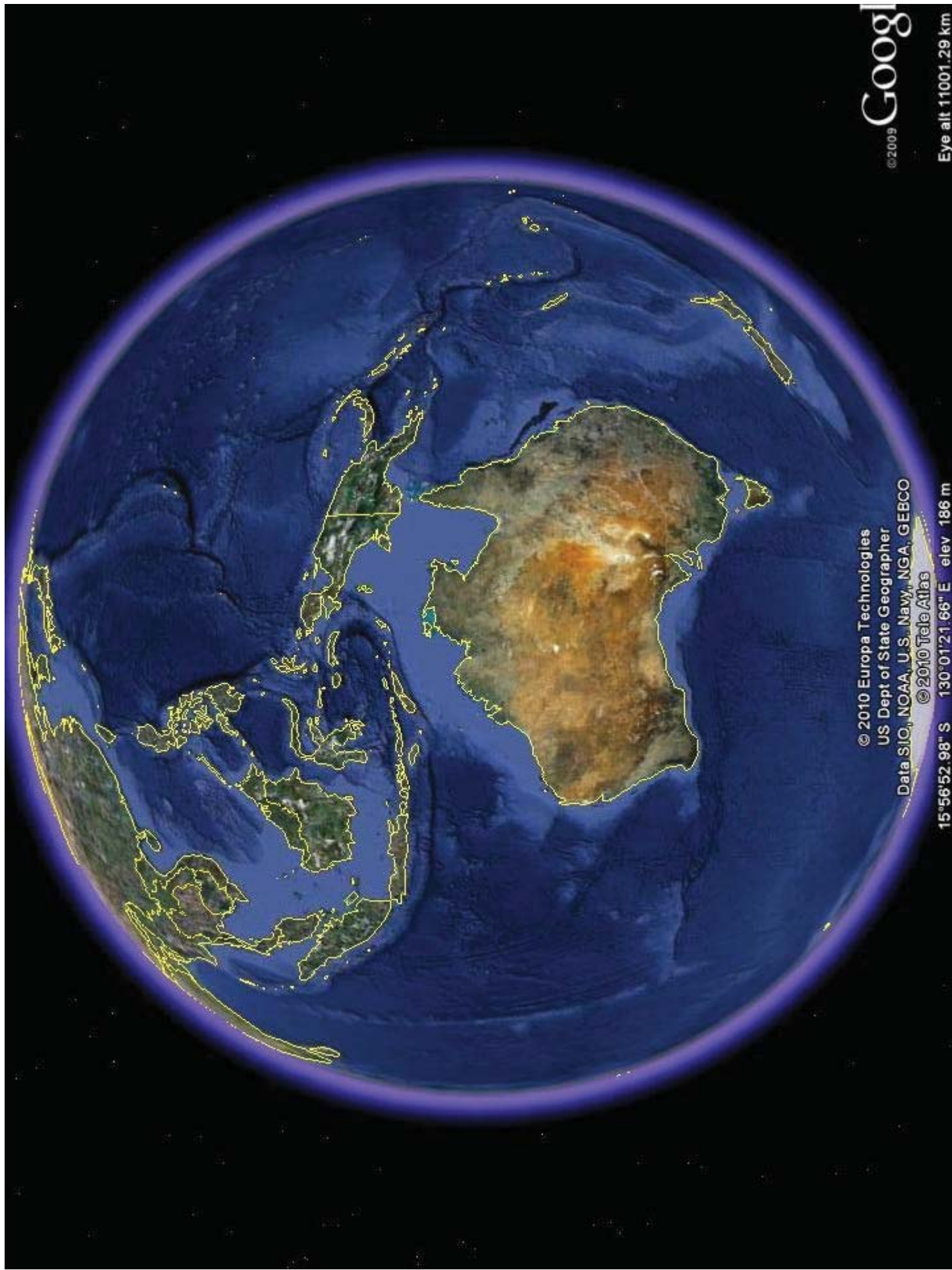
www.ancors.uow.edu.au

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Google
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What is a CRC?

- incorporated or unincorporated organisation
- collaborative partnerships
 - publicly funded researchers
 - end users
- Commonwealth funding is provided
- partners cash and/or in-kind contributions
- 7-10 year operation (may extend to 15 years)
 - Industry forum 12 March
 - Submission due 2 July 2010
 - Announced December 2010
 - Commence July 2011

CRC for Ocean Resource Protection

Why? There is a significant research GAP

- Long-term oceans & maritime policy issues, research & capacity building FOR AUSTRALIA
- Whole of nation and whole of government approaches
- Need critical mass
- Need \$ to achieve this

CRC for Ocean Resource Protection

Why Now?

- Oceans policy re-visited
- Maritime resources a national priority
- Maritime security a national priority
- Regional and global engagement
- Complex, multi-use, multi-disciplinary issues

CRC for Ocean Resource Protection

What will it look like?

- Multi-disciplinary
- Partnership between government agencies, industry, university researchers and other researchers (i.e. potentially CSIRO & DSTO)
- MUST** be **END USER** focused – shaped to needs
- Real-world oceans & maritime policy matters



CRC for Ocean Resource Protection

Three Research Programmes proposed:

1. Resilient Resources

2. Collaborative Governance

3. Infrastructure



CRC for Ocean Resource Protection

1. Resilient Resources

- oceans resource & environmental management & protection
- National and international (our region)
- i.e. fisheries, oil & gas, sea floor mining, genetic resources & bio-security
- Multi-user policy related research
- economic modeling

CRC for Ocean Resource Protection

2. Collaborative Governance

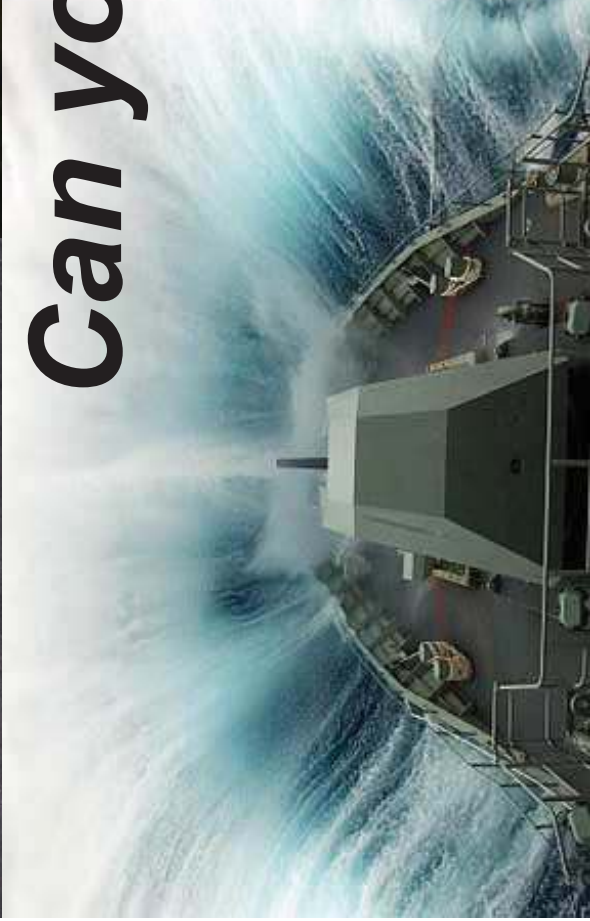
- maritime governance - whole of Government (state, national & international jurisdictions)
- Australia's contribution to regional maritime security
 - Indian, Pacific, Southern Oceans
- EEZ & border, marine zone & coastal zone protection
- maritime terrorism & transnational crime prevention
- Safety & security policy related research

CRC for Ocean Resource Protection

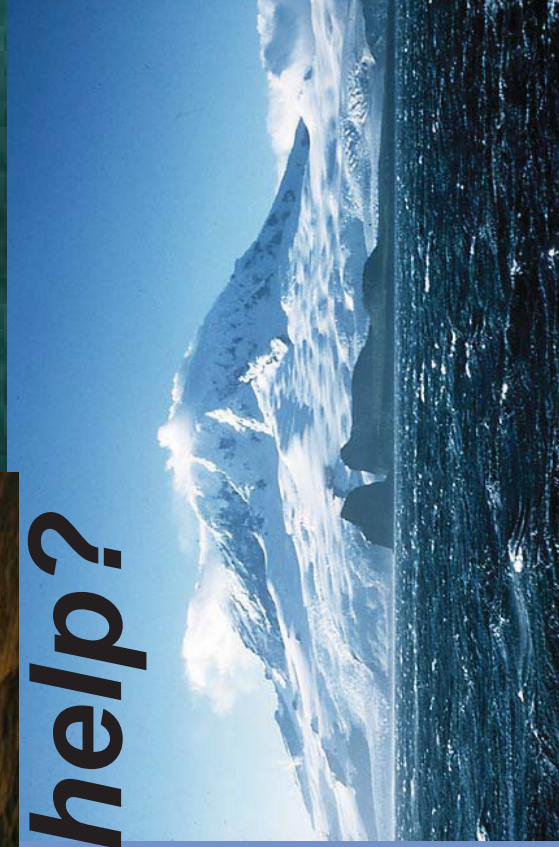
3. Infrastructure

- ports & shipping development
- maritime trade development
- maritime workforce development
- IMO & ILO related matters
- offshore industries
- investment impacts of climate change on critical infrastructure

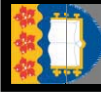
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Can you help?



Heard Island, Big Ben - Australian Antarctic Division photo by A.J.Graff
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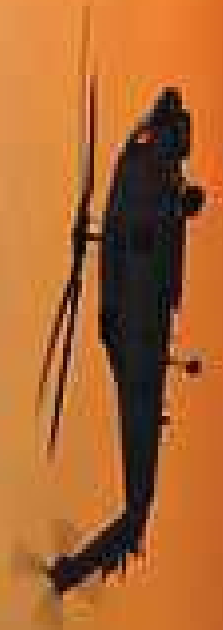
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CRC for Ocean Resource Protection

Questions & Comments?



University of Wollongong



EXERCISE BELL BUOY 2010 (10 – 21 MAY 2010)

Brief to Australian Maritime Defence Council

Australian National Centre for Ocean Resources and
Security
03 March 2010





What will be covered

- Background
- Revised Exercise Objectives
- Revised Exercise Scenario
- Who Will Participate
- Command and SCP Locations
- Timelines





Overall Exercise Objectives

Members of the PACIO Shipping Working Group accept that combined operations offer the best chance of successfully protecting shipping and ensuring its safe and timely arrival at its destination.

BB10 will exercise the integration of personnel from PACIOSWG member nations to practice, test and evaluate military responses at the Headquarters and Port levels.



Carlos Ferreira07





Specific Revised Exercise Objectives

Previously briefed exercise objectives have been withdrawn and replaced by:

- n Support Headquarters through collection, analysis and provision of shipping information.
- n Identify and evaluate strategic lift assets and charter options.
- n Identify and report critical cargoes.
- n Deconflict naval and merchant vessels in the Areas of Operations in context of Crisis Response Operations.
- n Exercise the contribution of intelligence and information from the shipping domain.
- n Validate via CMTOAU the Exercise's effectiveness on a combined as well as a national level.





Revised Exercise Scenario

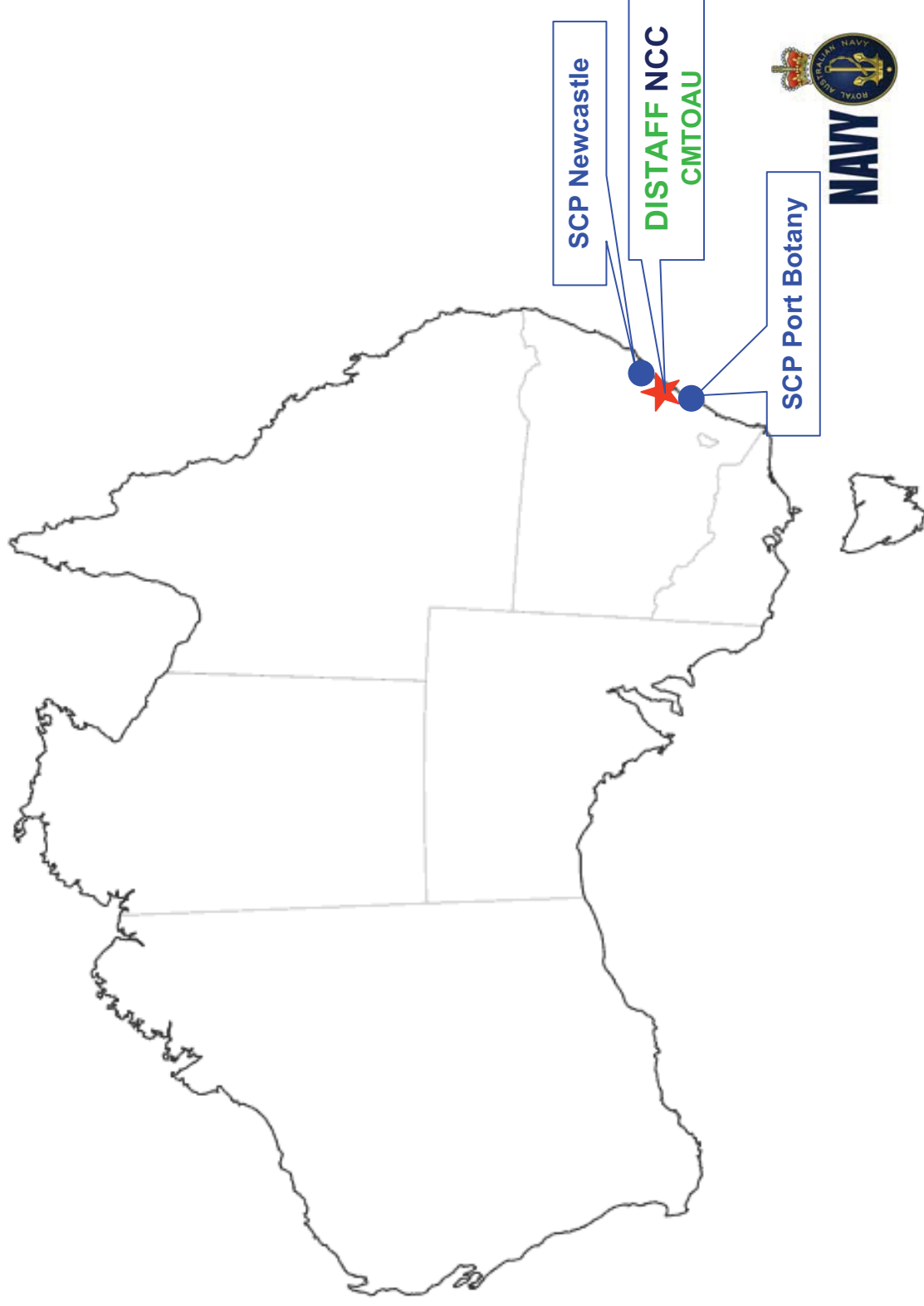
In accordance with current strategic guidance:

- **Recovery and Retrieval Operations**
 - LNG Tanker – ship & cargo safely to Japan
 - Passenger Liner – passengers recovered
- **Crisis Response Operation**
 - Tsunami hits Palawan Island, Philippines – disaster relief with pallets, containers, etc. being delivered promptly
- **SLOC Protection**
 - Protection of Eastern Australian SLOC(s)
- **Pollution Compensation Mitigation & Related Matters**
 - Assist in rebuttal of claims and enviro-political pressure – PNG et al
- **Counter-Terrorist Operation**
 - Chemical Tanker with bomb on board in IGBR – assist BPC / SF efforts



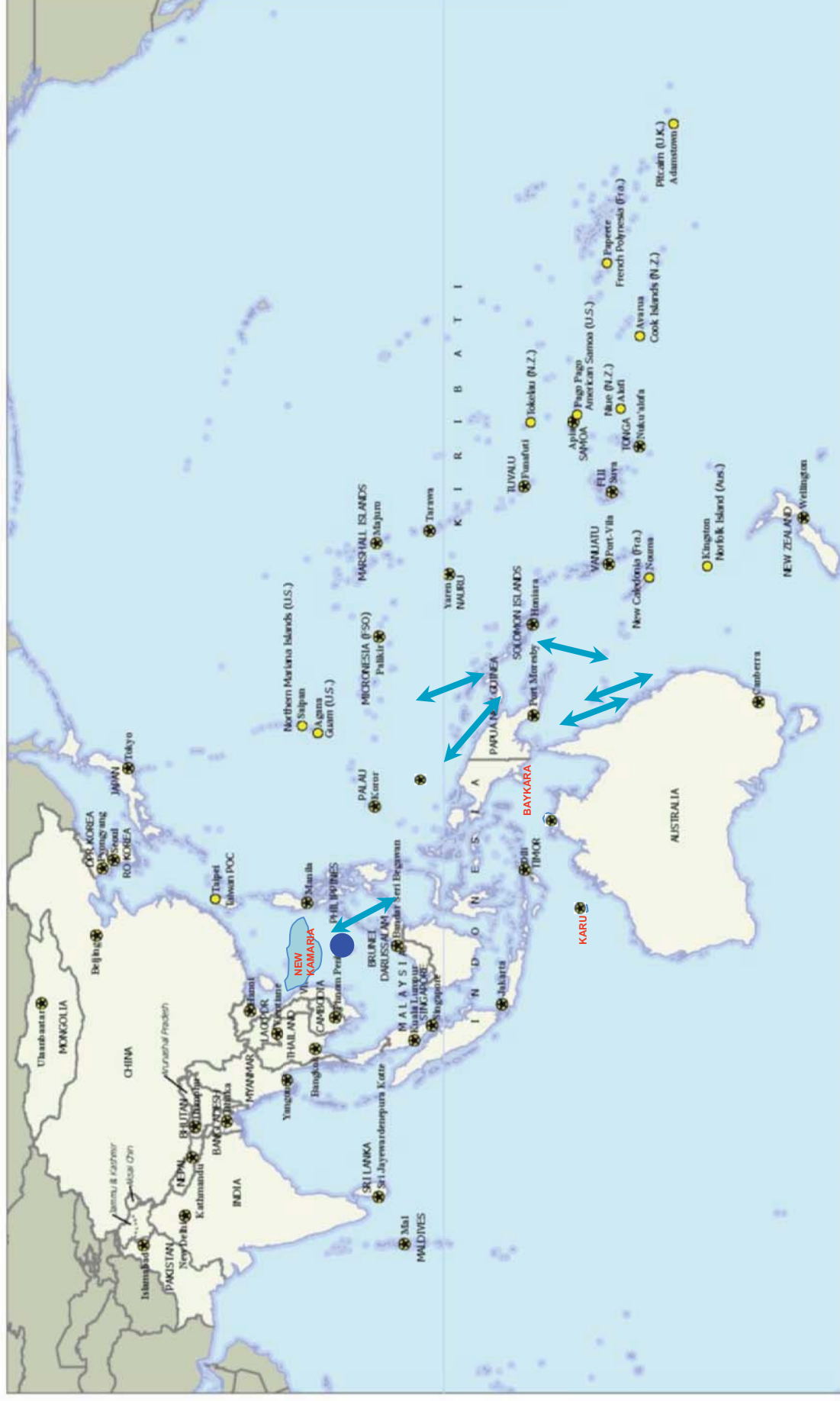


EXER BELL BUOY 10 – Revised Locations





Revised Exercise Scenario

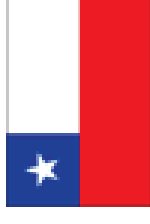




Expected Exercise Participants

■ PACIOSWG members:

- Australia
- Canada
- Chile
- United States
- Republic of Korea
- Republic of South Africa
- United Kingdom
- New Zealand



■ Observer nations:

- Singapore (has applied for membership)
- Argentina (CAMAS)
- Brazil
- Other nations as appropriate





Location of Command and SCPs

DISTAFF (RED & WHITE)

- Sydney

COMMANDER NCAGS (BLUE)

- Sydney

NCC (with Research Cell)

- Sydney

Deployed SCPs (Australia)

- New South Wales:
 - Newcastle
 - Port Botany

CMTOAU

- Sydney
- (Newcastle)
- (Port Botany)





Ex BELL BUOY 2010 Timeline

Jun 2008:	Initial Concept Development Conference
Dec 2008:	Initial Brief to Ports Australia
Dec 2008:	Second Concept Development Conference
Jan 2009:	Initial Planning Conference (in South Africa with international participants)
Apr 2009	Initial Brief to Australian Maritime Defence Council
Aug 2009	Mid Planning Conference (in Sydney)
Jan 2010	Final Planning Conference (in Sydney with international participants)
Mar 2010	Progress Brief to Australian Maritime Defence Council
Mar 2010	Final logistics and ancillary organisation completed
Mar 2010	MESL completed and LOI issued
Early Apr 2010	Australian manning finalised
Late Apr 2010	Overseas manning finalised
	<u>10-21 May 2010 Conduct of Exercise BELL BUOY 2010</u>
08-09 May 2010	Participants arrive
10 May 2010	Introductory Briefs and Dispersal to me Function
11 - 20 May 2010	Exercise Play
21 May 2010	Hot Wash-up in Sydney
22-23 May 2010	Participants Depart





Questions???



ANCORS Vessel Tracking Hub



Dr. Chris Rahman

Presentation to the AMDC
meeting, Wollongong,
3 March 2010

University of Wollongong



Vessel Tracking

- Central component of maritime domain awareness (MDA)
- Long lineage:
 - navies and tactical situational awareness
 - vessel traffic services (VTS)
 - fisheries vessel monitoring systems (VMS)
 - ship automatic identification system (AIS)
 - post-9/11 security-focused MDA development



Vessel Tracking Uses

- Security
- Safety of navigation
- Policing against criminal activity
- Management of marine resources
- Environmental protection
- Environmental monitoring
- Efficient movement of goods by sea

ANCORS Vessel Tracking Hub

- Will provide a focal point for intellectual support and capacity building related to the development of vessel tracking technologies and the policy and regulatory frameworks required for their adoption and implementation

ANCORS Vessel Tracking Hub

- Will provide vessel tracking-related intellectual support and capacity building for:
 - government agencies
 - international organizations
 - regional organizations
 - private sector vessel tracking technology developers and service providers
 - shipping, logistics and port industries

ANCORS Vessel Tracking Hub

- Vision

To be the global academic hub for research and development, education and training, and policy and legal development related to vessel tracking

- Mission

To assist governments, regional and international organizations, and industry to promote and improve maritime domain awareness by providing intellectual support for the development and implementation of vessel tracking technologies

ANCORS VTH Capacity-Building Activities

1. support for policy, strategy and legal development
2. research and analysis
3. education and training
4. networking and cooperation
5. web-based resources

Capacity-Building Focus Areas

- AIS
- LRIT
- Fisheries VMS
- VTS
- Satellite-based AIS and other emerging technologies
- e-Navigation
- RFID for cargo tracking
- Ships' emissions and other environmental data
- vessel route analysis and planning



ANCORS VT Capacity

- national, regional and international policy development
- international regulations/conventions
- enforcement powers and other legal issues, including distinguishing between information access and enforcement powers
- the technology-policy interface
- information sharing and cooperation
- whole-of-government approaches to MDA data management and utilization

ROYAL AUSTRALIAN NAVY

NAVY STRATEGIC COMMAND



R1-4-C005, RUSSELL OFFICES, CANBERRA ACT 2600

2009/1112155/1
DCN/OUT/2011/001

MINUTES OF THE AUSTRALIAN MARITIME DEFENCE COUNCIL HELD AT BORDER PROTECTION COMMAND ON 19 NOVEMBER 2010

Present:

See Attendance List

AGENDA ITEM 1 – WELCOME & INTRODUCTORY REMARKS

1. The Chairman opened the meeting at 0910, welcomed Members and thanked Rear Admiral Tim Barrett, Commander Border Protection Command (BPC) for providing the venue for the meeting.

AGENDA ITEM 2 – WELCOME TO HEADQUARTERS, BORDER PROTECTION COMMAND

2. Rear Admiral Barrett welcomed the Australian Maritime Defence Council to the BPC Headquarters. He noted that he will cover details of the command and its responsibilities as part of the tour of BPC later in the morning.

AGENDA ITEM 3 – CONFIRMATION OF PREVIOUS MINUTES & BUSINESS ARISING

3. The Chairman reviewed the contents of the previous meeting held on 3 March 2010 and noting there were no changes from members, the minutes were confirmed.

4. The five Action Items arising from the previous meeting were completed and are now closed.

AGENDA ITEM 4 – CLIMATE CHANGE IMPACT ON MARITIME INFRASTRUCTURE

5. Commander Steve Cole gave a presentation on the impact of climate change on the maritime sector. This presentation had previously been presented to the United States Navy at an international conference.

6. The main points covered in the presentation were:

- The scientific background behind climate change, and
- The primary affects of climate change.

7. In summary, the significant outcomes were the increase in sea level and impact on coastal infrastructure, continuing changes to the climate, coastal inundation and impacts on operations at sea.

8. Sea level rise is unlikely to directly impact coastal infrastructure within the next 20 years but the risks escalate beyond this timeframe. Primary risks are direct inundation and deterioration of performance of drainage systems. The potential impact on shipping volumes using the Malacca Straits being reduced due to the partial opening of the North-West Passage was assessed as unlikely in the next twenty years. Replacement of capital equipment and infrastructure post 2040 may prove challenging as Australia will be grappling with the effects and climate change adaptation needs of the broader community, industry and the environment.

9. Cross-government coordination of a response to climate change impact on maritime infrastructure has been slow with no accepted framework currently in place. The Department of Climate Change is the lead government agency but it was felt that industry must be proactive to find solutions rather than wait for Government to mandate them.

10. Navy is already assisting Defence Support Group (the Defence group responsible for infrastructure development) to forecast sea levels and other climate change impacts on infrastructure for use in coastal infrastructure planning and investment. A copy of the presentation is in enclosure 1.

AGENDA ITEM 5 – MTO INTERACTION WITH INDUSTRY AND SEA RIDING PROGRAM

11. Commander David Neumann provided a presentation outlining the recent review of the Maritime Trade Operations (MTO), revised functions and the progress with the RAN/Maritime Industry Familiarisation Program.

12. The MTO role has evolved from the traditional Naval Control of Shipping functionality to an organisation that has operational functions 24/7. The key outcomes of the review included:

- An operations cell collocated with BPC enabling better military awareness of civil maritime issues and facilitating more effective liaison and coordination,
- Working with a broader group of Defence/government agencies that expands MTO's operational knowledge and experience base, and
- Proactively working with allies towards more contemporary governing doctrine to shape interoperability for contingencies.

13. The main aim of MTO is to support the national aim of maintaining an uninterrupted flow of maritime trade and commerce during a contingency, while assisting to minimise the impacts.

14. MTO has gained operational experience through having an officer seconded to the Royal Navy MTO cell based in Dubai. Issues identified during this secondment included:

- apparent reduced regional compliance to Safety of Life at Sea calls for assistance as Masters were concerned of potential false reports leading to pirate attacks and also with how to dispose of any refugees they may pick up;
- Misinformation, in terms of inaccurate reports of pirate attacks, leading to excessive panic in some industry sectors; and
- Some ships are fitting citadels for crew safety when boarded by pirates or terrorists, although this is not yet widespread practice.

15. A number of sea riding opportunities have occurred over the previous six months. The Chairman reaffirmed that opportunities are available for both junior staff and senior staff. He felt opportunities could be expanded utilising Minor War Vessels and visits to ships alongside.

16. A copy of the MTO presentation is in Enclosure 2.

AGENDA ITEM 6 – FUTURE DIRECTION FOR AUSTRALIAN PORTS – IMPLICATIONS FOR DEFENCE

17. Mr David Anderson, Chief Executive Officer, Ports Australia provided a presentation looking towards the future and implications for Defence. Main points in the presentation were;

- Planning and commercial pressures on Ports is intensifying,
- Strong merit in Navy/Port community engagement at strategic and local level,
- National Ports Strategy provides a more certain framework for such engagement,
- Corporatisation and Privatisation, and
- Environmental management and climate change response.

18. There is no doubt that port capacity is under pressure as the resources boom continues with forecast bulk commodity and container trade increasing dramatically. The traditional model between Navy and the Ports will likewise come under pressure and Navy will have to work in innovative ways to maintain the presently good relationships it has with the Ports.

19. The Government has recognised the need for extensive changes in the planning regimes to ensure that better planning and regulatory measures will facilitate improvements in the sector. The Government is developing the National Port Strategy which will outline the need for three levels of planning and an intention that all stakeholders, including Defence, will be engaged. A copy of the presentation is in Enclosure 3.

AGENDA ITEM 7 – NAVY PORTS UPDATE

20. Mr Mackinnon, Director Navy Infrastructure Plans, provided an update on Navy plans for Darwin, Townsville and the outcome of recent meetings addressing cruise ships.

21. Navy is pressing ahead with establishing a new Naval Fuel Installation (NFI) and associated wharf at HMAS *Coonawarra* with a planned commissioning date in 2017/18. This will allow Navy to decommission the NFI at Stokes Hill and move the RAN fuelling

operations away from an area undergoing extensive urban encroachment. The decommissioning of the RoRo at Fort Hill Wharf has reduced the capability to mount amphibious operations until a new Hardened Barge Ramp is built at East Arm Port in 2012. To ensure that Navy can safely fuel and defuel at Fort Hill Wharf, Defence is investing some \$7m in safety upgrades. The latter two projects were funded under the 2009 Defence White Paper.

22. Negotiations for the development of the Port of Townsville Berth 10 to allow access by the new Canberra Class LHD are progressing well. The berth extension will allow Panamax sized commercial vessels as well as berthage for visiting foreign warships and cruise ships. To support amphibious mounting operations in Townsville, Defence is developing a staging area within the port precinct. This project is also a White Paper funded outcome.

23. The requirement for alongside access for increasingly large cruise ships on the eastern (seaward) side of Sydney Harbour Bridge is becoming acute, and cruise industry interests continue to press for greater access to Garden Island. The Commonwealth Government remains supportive of Navy's position, which argues that the increasing berthing demands of the larger RAN ships entering service in coming years make it very unlikely that Navy will be able to accept more than the present annual visit by the Queen Mary at Fleet Base East. Quite how the NSW Government's "Passenger Cruise Terminal Steering Committee" proposes to address the cruise terminal shortcomings and challenges east of the Harbour Bridge remains unclear – particularly as the proposals for the new terminal at White Bay (replacing the current terminal at Barrangaroo in Darling Harbour) now appear to be under renewed challenge by local residents and the cruise industry.

AGENDA ITEMS 8 AND 9 – NAVIGATION ACT UPDATE AND NATIONAL SHIPPING POLICY

24. Mr Gibbons provided a briefing on the Navigation Act 1912 Rewrite and the implementation of shipping policy reform which the Department of Infrastructure and Transport (DIT) has been tasked with developing. The Maritime Reform Package will encompass:

- Navigation Act Rewrite,
- Shipping reform Package, and
- Single National Jurisdiction.

25. The rewrite of the Navigation Act is aimed at writing the act in plain English, identifying contemporary requirements, removing old/overtaken provisions, enhancing ship safety and protecting the environment. A discussion paper was circulated to stakeholders for comment by 30 July. The preferred approach is to create a new Maritime Safety Act, which would incorporate the Lighthouses Act 1911 and retain provisions of the current Act relating to ship and seafarer safety, wreck and salvage etc. Currently the DIT is considering stakeholder submissions and will be providing advice to Government once that analysis has been concluded.

26. Minister Albanese has committed the Government to introduce measures to strengthen Australia's shipping industry. Currently Australia has a shipping industry of 28 ships and in six years this is expected to fall to six ships unless reform occurs within the next two years.

Implementation of proposed changes could see the industry increase to 125 ships in the next decade.

27. Proposed measures for government consideration are conditional on a compact between industry and the unions to deliver labour productivity and include:

- A tonnage tax or accelerated depreciation;
- Amending income tax arrangements for Australian resident seafarers engaged in international trade;
- Establishing an Australian International Shipping Register;
- Conduct a Maritime Development Forum; and
- Commitment to the principle of coastal trade being undertaken by Australian operated companies and crewed by Australian residents.

28. These measures are comparable to those introduced by a number of developed companies to revitalise their shipping industry including the UK, Germany, Norway, Netherlands and Japan.

29. Ms Hatch led a robust discussion on the potential impacts on the Australian shipping industry if Govt reforms are not progressed in the relatively near term. This included a discussion around the current and future shortage of skilled personnel to meet the growing demand in Australian ports and the broader maritime industry, plus the booming offshore demand in the North West. Ms Hatch noted that there was a lack of opportunities to get interested trainees to sea, with a backlog of some 700.

AGENDA ITEM 10 – SURVEY RESULTS

30. The Chairman analysed the results of the survey conducted after the previous AMDC meeting in March 2010. In summary the survey indicated general member support for the topics discussed and the usefulness and flexibility in being able to raise issues for discussion when appropriate. It was felt that the biannual meetings were preferable to annual meetings. It was suggested that the Office of Transport Security (OTS) may be interested in attending. [Note by Secretary: The OTS was previously an Observer some years ago and chose to withdraw.]

Decision:

Secretary to engage with the Office of Transport Security to determine if they wish to attend as an Observer.

For Action:

Secretary

AGENDA ITEM 11 – OTHER BUSINESS

31. The Chairman invited Members to attend the next meeting of the Council, in March 2011. Venue (probably Sydney). A host for this meeting and venue will be resolved in the near future and members advised.

32. The Chairman thanked all attendees for their attendance and valuable contributions. The meeting was closed at 1130.

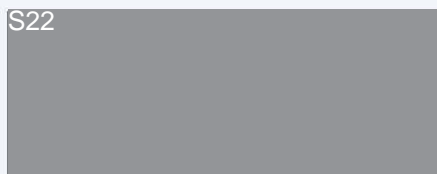
Note by Secretary

Commander BPC, RADM Barrett then provided a brief on the function and roles of BPC and provided a tour of the BPC Operations areas, which provided a valuable outline appreciation of the strategic and operational roles and responsibilities of the BPC. This presentation is in Enclosure 4.



D.R. THOMAS
Rear Admiral, RAN
Chairman

 Jan 2011



FOR P.A. ROGERS
Lieutenant Commander, RANR
Secretary

 Jan 2011

Enclosure:

1. Climate Change Presentation
2. MTO Presentation
3. Future Directions for Australian Ports – Implications for Defence Presentation
4. Border Protection Command Presentation

Attendance List

Attendees

RADM Davyd Thomas

Deputy Chief of Navy

Chair

RADM Tim Barrett
CAPT Paul Mandziy
CMDR Nigel Trump

Commander, Border Protection Command
Director Maritime Operations
Deputy Director National Logistics (Maritime), Strategic Logistics Branch (representing COL Tuckerman, Acting Director General Strategic Logistics)

CMDR David Neumann

Deputy Director Maritime Trade Organisation Operations (representing CMDR Chris Kerr)

LCDR Charles Jones
Mr Andrew Mackinnon

Acting Master Attendant, Fleet Command
Director Navy Infrastructure Plans, Navy Strategic Command

David Anderson
Mr John Campbell

Chief Executive Officer, Ports Australia
General Manager Government Shipping Services P&O Maritime Services, (representing Offshore Industry)

Mr Thomas Birouste
Ms Teresa Hatch

Director Platform Services – Naval, Thales Australia
Executive Director, Australian Shipowners Association, also representing Teekay Shipping

Mr Charlie Gibbons

Director Maritime Policy & Industry, Department of Infrastructure and Transport

Mr Rod Pickette
Mr Andrew Hudson

The Maritime Union of Australia (representing Mr Crumlin)
Manager, International Engagement, Border Protection Command

LCDR Phil Rogers

Staff Officer Ports & Training Areas, Sec
retary

Apologies

Mr Tony Wilks
Mr Nigel Perry
Mr Paddy Crumlin
Sid Marris
Mr Lew Russell
Mr Jock O'Hagan

General Manager, HR and IR Australia
Maritime Operation Support Border Protection Command
National Secretary, The Maritime Union Of Australia,
Minerals Council of Australia
Chief Executive Officer, Shipping Australia Ltd
DP World, National Manager Security (representing Stevedoring Industry)
SO1 Maritime Industry RAN Maritime Trade Organisation
Managing Director Teekay Shipping (Australia)

CMDR Chris Kerr
Mr David Parmeter

Climate change impacts on maritime infrastructure



CMDR Steve Cole
Navy Environment Manager
Navy Strategic Command
November 2010



Carbon dioxide and the atmosphere

- n **"Fossil fuels"**
- n CO₂ mostly accumulated by plants over 60 million years during the Carboniferous period (300 million years BP)
- n Stored in organic form as coal, oil, gas etc.
- n Accumulated CO₂ being rapidly released to the atmosphere by human activities.



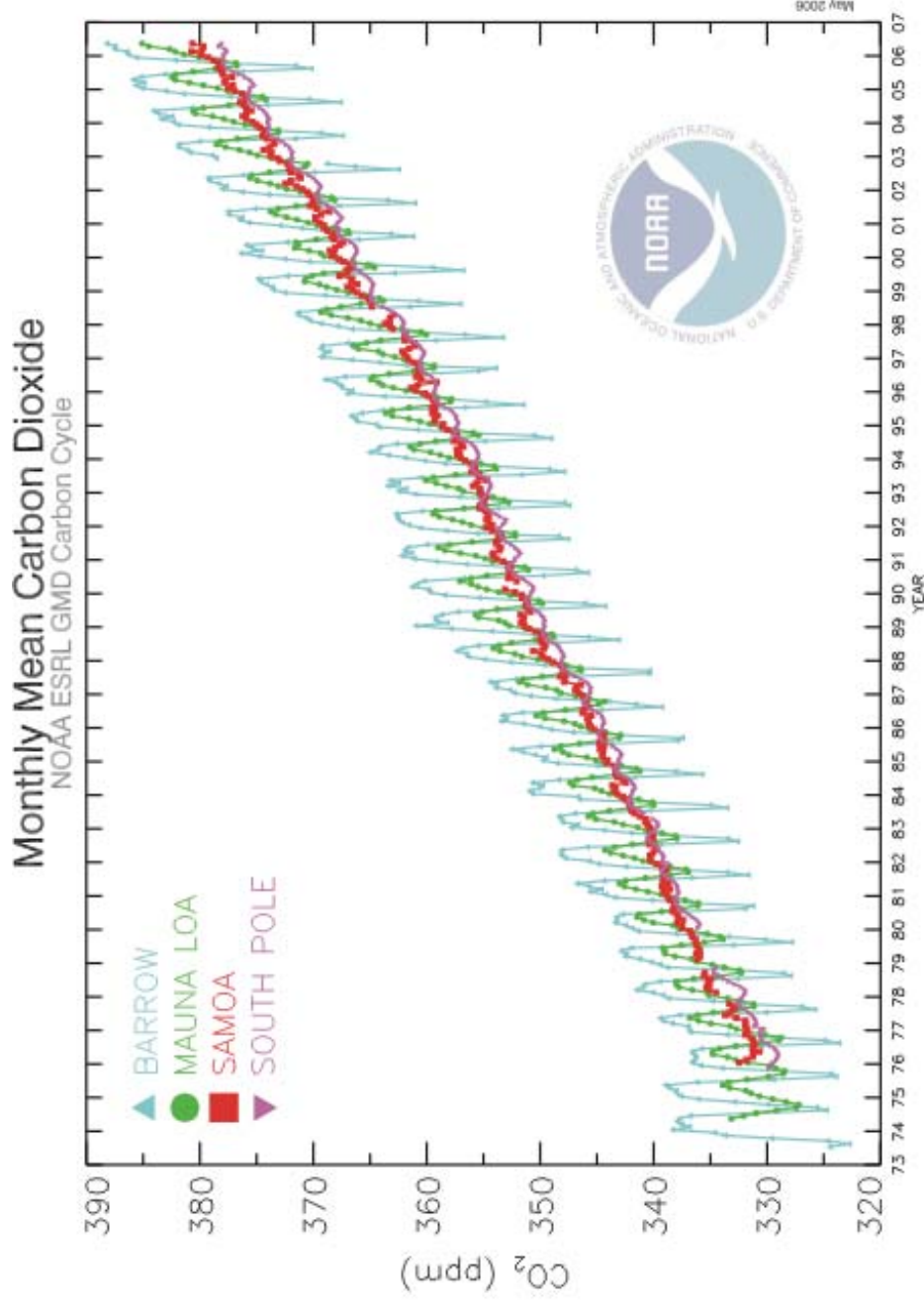
Australia relies on coal
for 85% of electricity
generation.

Image: The Age



Carbon dioxide and the atmosphere

n >25% rise in 30 years

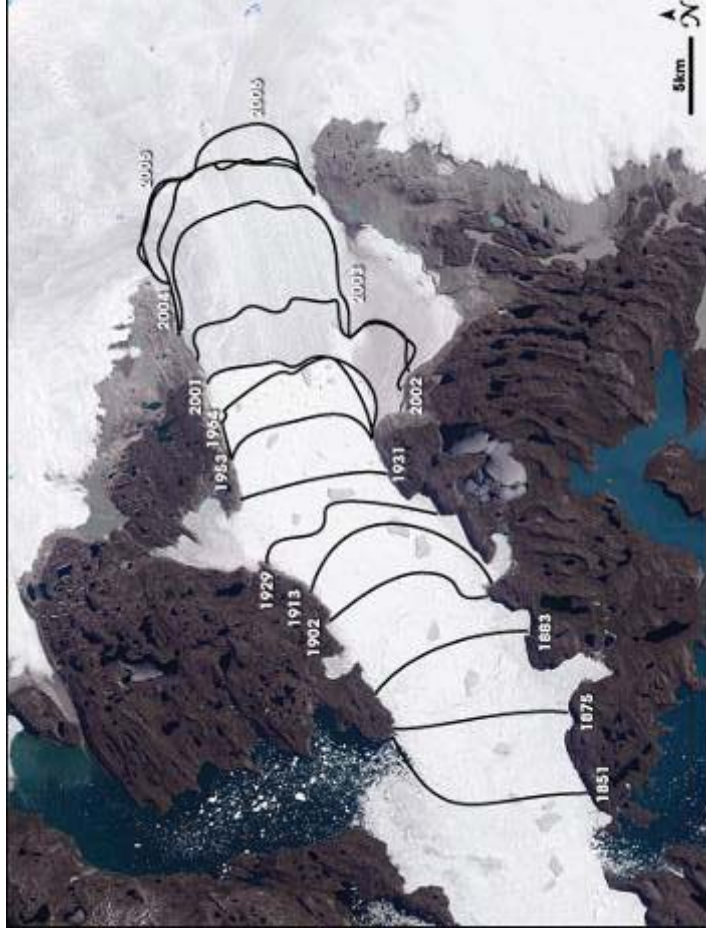


Atmospheric carbon dioxide mixing ratios determined from the continuous monitoring programs at the 4 GMD baseline observatories. Contact: Dr. Pieter Tans, NOAA ESRL GMD Carbon Cycle, Boulder, Colorado, (303) 497-6678 (pieter.tans@noaa.gov, <http://www.cmdl.noaa.gov/ccgg>).



Climate change challenges

“Warming of the climate system is **unequivocal**, as is now evident from observations of increases in global average air and ocean temperatures, widespread melting of snow and ice, and rising global average sea level.” (4th IPCC Report 2007).



Jakobshavn Glacier
Retreat: 1851-2006

Primary effects of climate change

- n Coastal inundation
- n Increasing temperatures
- n More frequent heavy precipitation events (rainstorms, floods or snowstorms) in many areas
- n Higher sea states and wind speeds
- n More intense and longer droughts over wide areas
- n Water and resource scarcity
- n Degradation/changes to natural habitat and species resilience/distributions

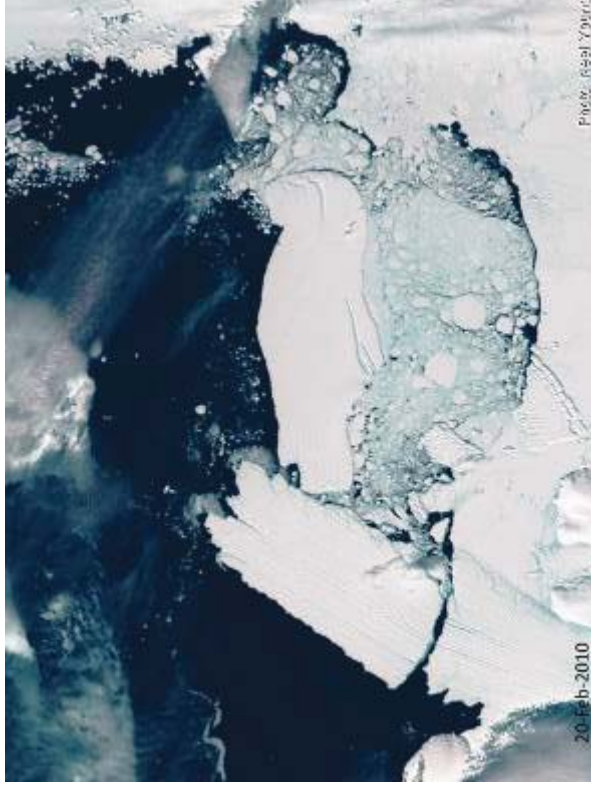
Coastal inundation

n Rising sea level in Australian waters

- About 150 mm in the 20th century.
- Predicted 1.0 -1.2m by 2100 (AAD estimates).

n Primary causes: Ice melt and thermal expansion

n Thinning ice caps in west Antarctica.



2500km² iceberg calved

February 2010

Photo courtesy AAD



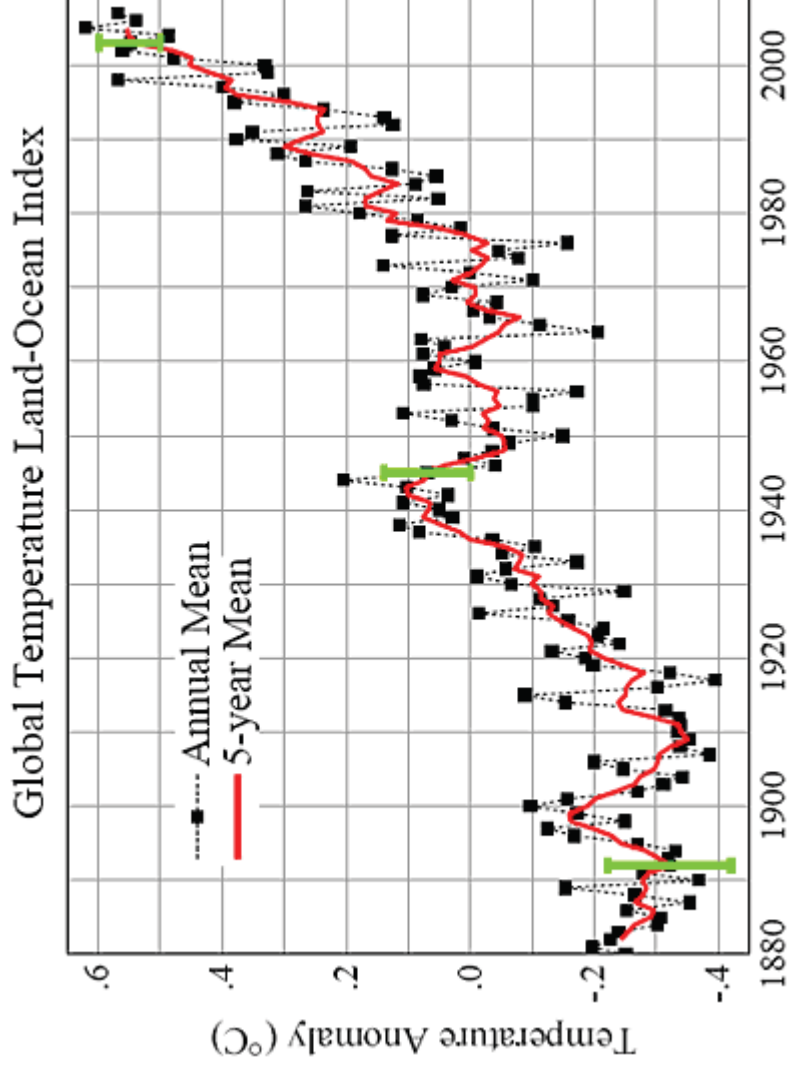
Coastal inundation

0.5m sea level rise by 2050, ca. 1.2 m by 2100 (ACE CRC Report 2010)

- n Sea level rise for Sydney currently 1.3 mm per year and accelerating.
- n Paleoclimate information supports the interpretation that the warmth of the last half century is unusual in at least the previous 1300 years.
- n The last time the polar regions were significantly warmer than present for an extended period (about 125,000 years ago), **reductions in polar ice volume led to 4 to 6 metres of sea level rise.**

Rising temperatures

- n Temperature effects – greater energy consumption

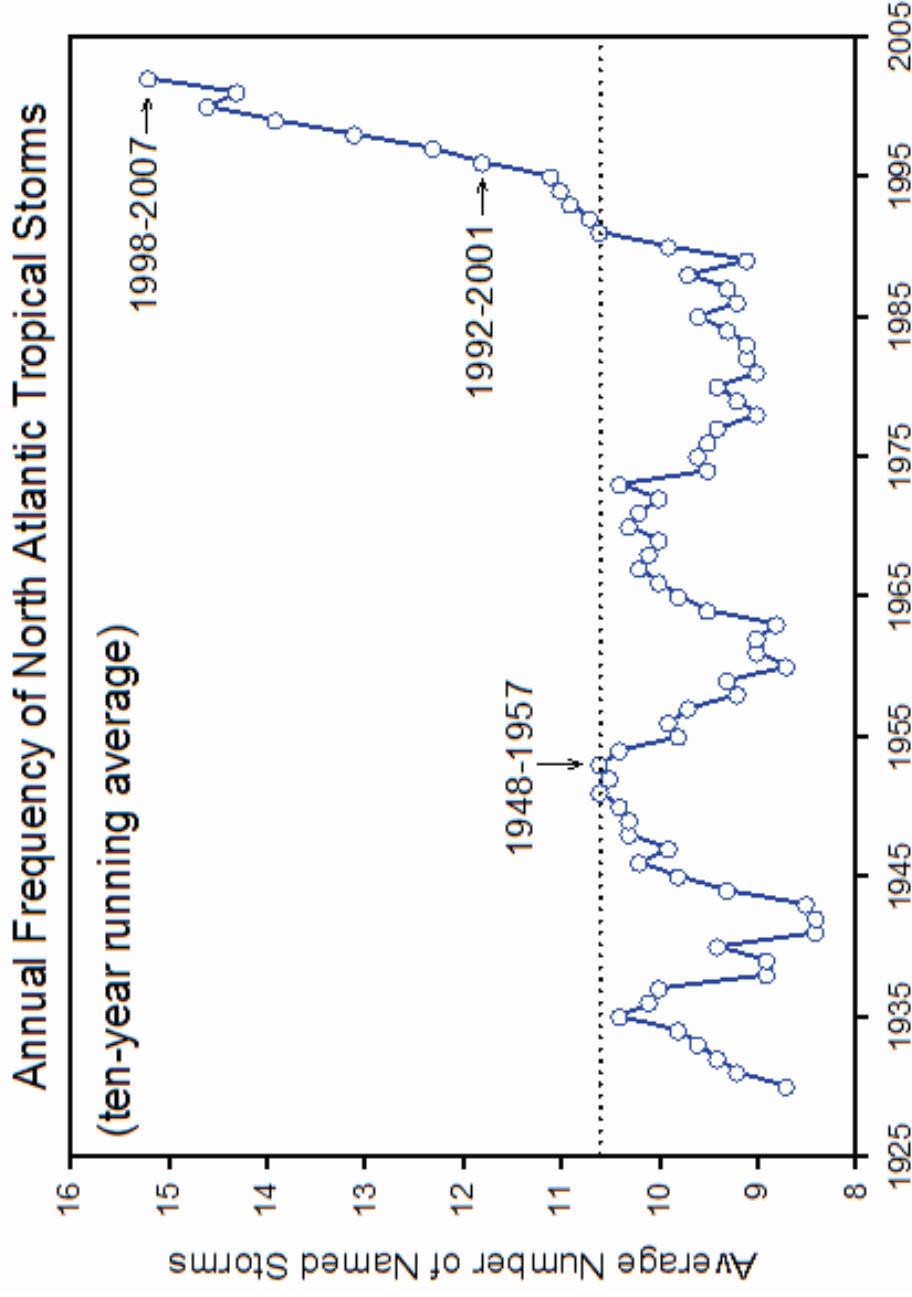


Source: Pew
website



More severe storms

- n Severe storm incidence likely to increase
- n More energy in system



Source:
Pew website



Higher sea states and wind speeds

- n Maritime activities of all types may be further impacted, especially those that are sea/wind state limited.



Helicopter operations



Boarding operations



Berthing operations

Southern ocean access

Operational impacts:

- n Search and rescue obligations will expand from more extreme weather events and increased access to the Southern Ocean.



MV Explorer
Source: The Age



Resource limitations

- n Need to upgrade/replace infrastructure will come at a time when resources may be required elsewhere as Australia adapts to climate change impacts.
- n Ports will be required to meet any mandated energy savings and carbon dioxide emission targets
- n Water scarcity will continue to limit activities on the driest inhabited continent.



CUF Henderson



Impacts on natural environments

Environmental impacts:

- n Environmental approvals for infrastructure activities will be complicated by assessment of vulnerabilities of species to climate change.
- n Approvals for activities that cause habitat loss (dredging, port expansion) may become more complex.



Maintenance dredging

Climate change infrastructure implications

Infrastructure impacts:

- n Reduced performance of stormwater drainage systems
- n Reduced wharf deck clearances
- n Reduced performance of breakwaters
- n More maintenance, greater costs
- n Increased energy requirements
- n Loss of some coastal facilities
- n Improving shore infrastructure resilience is challenging.
- n Likely this will be the largest cost imposition.



Resilience to climate change

- n Infrastructure vulnerable from dual impacts of sea level rise and storm events.
- n Adaptation will be required.
- n Emissions reduction targets aim to reduce further impacts.
- n Infrastructure replacement or modifications for climate resilience will be costly and come at a time when Australia is facing multiple impacts.
- n **Port and infrastructure vulnerability assessments recommended to determine scale an cost of adaptation.**

Climate change impacts



Port of Brisbane

QUESTIONS?



MTO INTERACTION WITH INDUSTRY & SEA RIDING PROGRAM

Commander David Neumann RANR
Deputy Director Operations
Maritime Trade Operations
19 November 2010



SCOPE

- **MTO capability & interaction with industry**
 - Maritime Trade Operations (background)
 - MTO ~~Review~~ **Review**
 - maritime Civil Military Cooperation (CIMIC) for unit training / exercises
 - Contribution to Port Liaison Teams (PLTs)
- **RAN / Maritime Industry Familiarisation Program**
 - Background
 - Achievements
 - Way Ahead
 - flexible approach to opportunities/programs
 - a focus for individual program opportunities

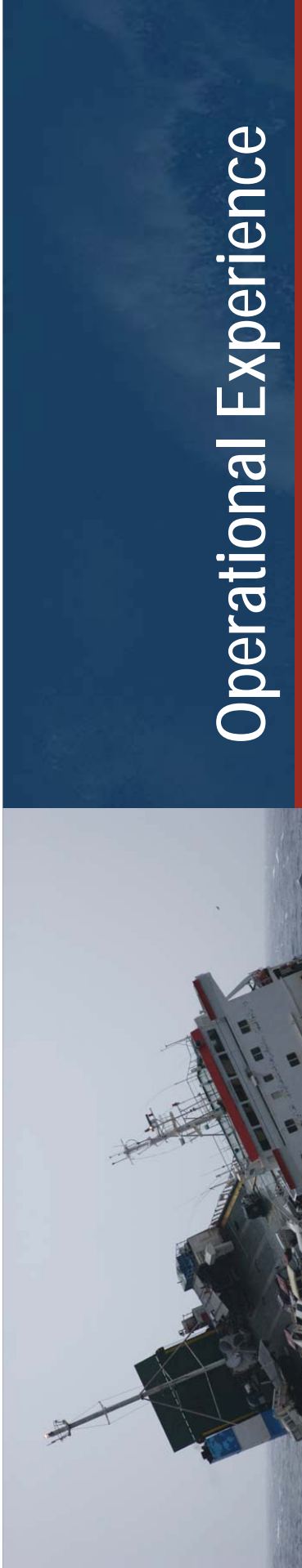


Maritime Trade Operations (MTO)

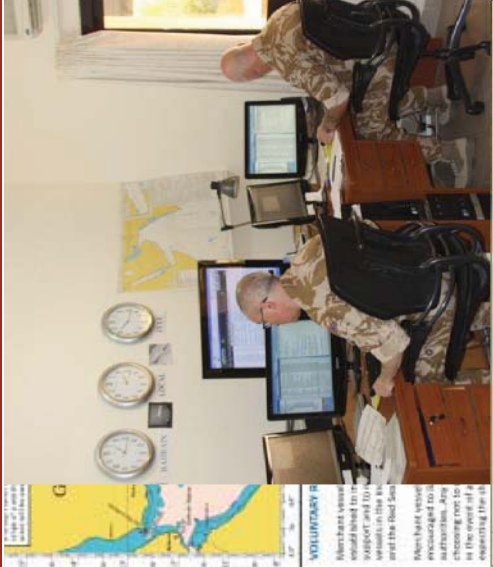
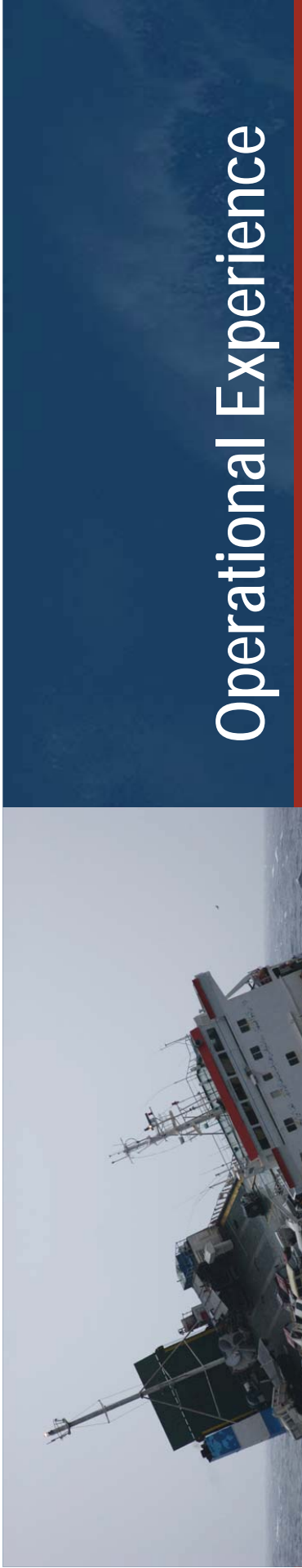
- operational function of the ADF to support command and units in times of contingency, historically war, regarding interaction with the civil maritime sector
- to make optimum use of Civil and Military Cooperation (CIMIC) concept to support the national aim of maintaining an uninterrupted flow of maritime trade and commerce during a contingency, while assisting to minimise the impacts
- inherent abilities enabling value in peacetime are through:
 - its personnel, primarily with a civil maritime background
 - its membership of an allied military network that enables, where necessary, information sharing and procedures
 - a team with an enduring focus to develop and maintain strong relationships with the maritime industry

MTO Review

- review towards improved effectiveness and efficiency
- Key outcomes
 - operations cell now collocated with BPC enabling better military awareness of civil maritime issues and facilitating more effective liaison and coordination
 - working with a broader group of Defence/government agencies that expands MTO's operational knowledge and experience base
 - proactively working with allies towards more contemporary governing doctrine to shape interoperability for contingencies
 - aligned operational experience in the Middle East

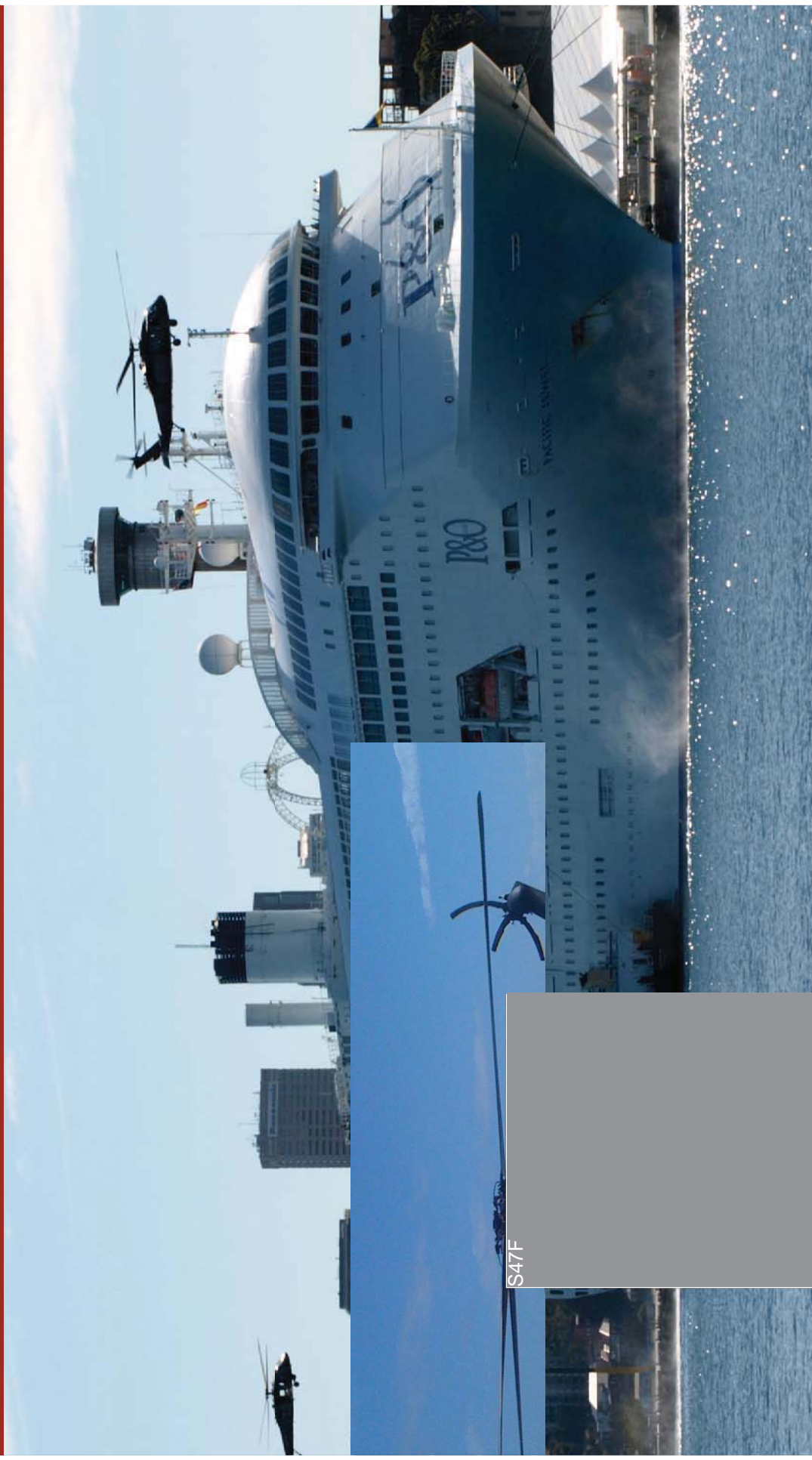
A large offshore supply vessel is shown from a low angle, emphasizing its scale. The ship has a white hull with red and blue accents. It features a complex arrangement of masts, antennas, and deck equipment. The vessel is positioned on a choppy sea under a clear, dark blue sky. A solid red vertical bar runs along the right edge of the image, partially obscuring the ship's side. The overall composition is vertical, with the ship's structure dominating the lower half and the sky occupying the upper half.

Operational Experience



S47F

Civil Military Cooperation (CIMIC) for Training & Exercises



S47F

Port Liaison Teams

- Navy initiative to address shortfalls when operating in ports with increased military traffic
 - towards more effective, smoother operations
 - Deployed/stood up as required
 - team composition is tailored for the activity
 - MTO plus other specialisations as required to support the Master Attendant



Customs Officer Carl Blackmore SS RIVER EMBLEY



CAPT MARK GUNN (ASP) HMAS MELBOURNE



How to contact MTO

Normal Business Working Hours

Tel: (02) 6275 6266

S22

Mobile: [REDACTED]

Email: dshipo@defence.gov.au

Outside Normal Business Working Hours

24/7 contact re emerging issues can be enabled through the
MTO Duty Officer via:

MTO Duty Officer Mobile: [REDACTED]

S22





www.navy.gov.au

Future Directions for Australian Ports

Implications for Defence

AMDC

19 November 2010



David Anderson
CEO
PORTS AUSTRALIA



Key Messages

- Planning and commercial pressures on Ports is intensifying
- Strong merit in Navy/Port community engagement at strategic and local level
- National Ports Strategy provides a more certain framework for such engagement.

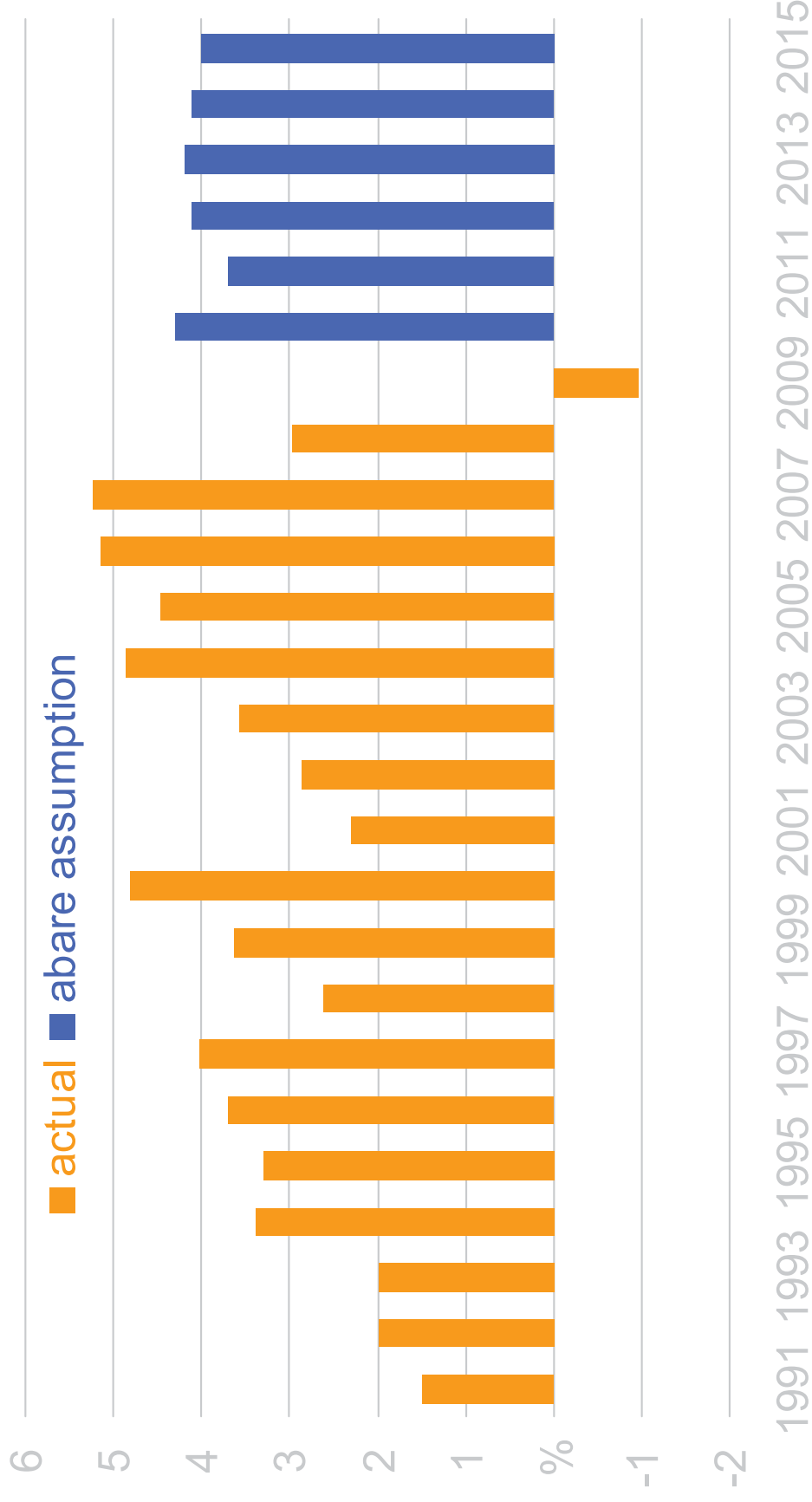
HEADLINE ISSUES FOR CONSIDERATION

- Growth in prospect
- The National Ports Strategy and Planning
- Corporatisation and Privatisation
- Environmental management and climate change response
- Maritime security including regional considerations
- Navy requirements – bigger vessels et al
- Other

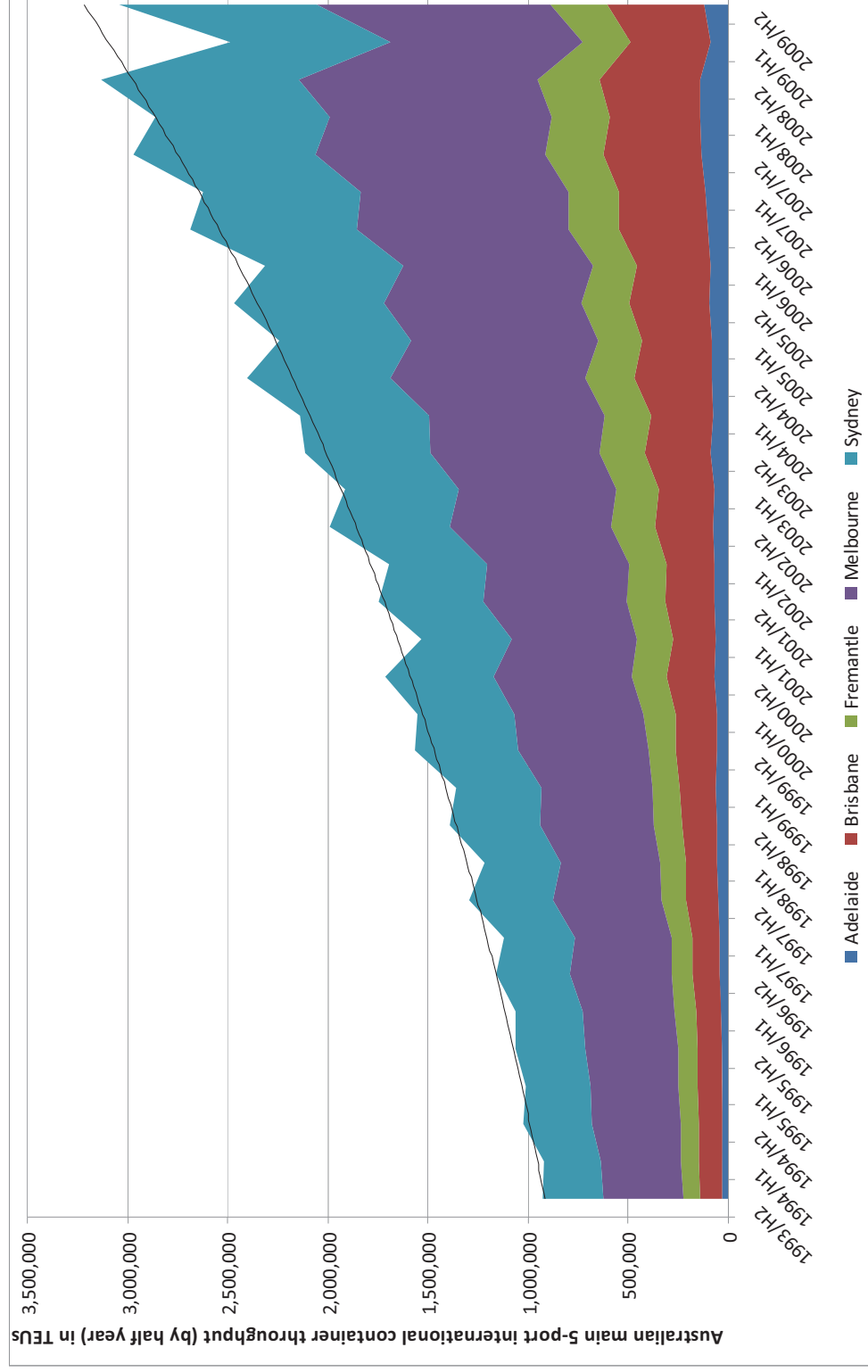
Growth

- Containers – double GDP growth compounding
- Bulk
 - big numbers in minerals and energy
 - agricultural output volatile
- “Growth Euphoria” and global risks – pause and consider

World Economic Growth



Development of the main 5-port container throughput (six-monthly), 1993-2009



Source: Industry data / analysed & graphed by GHD Meyrick

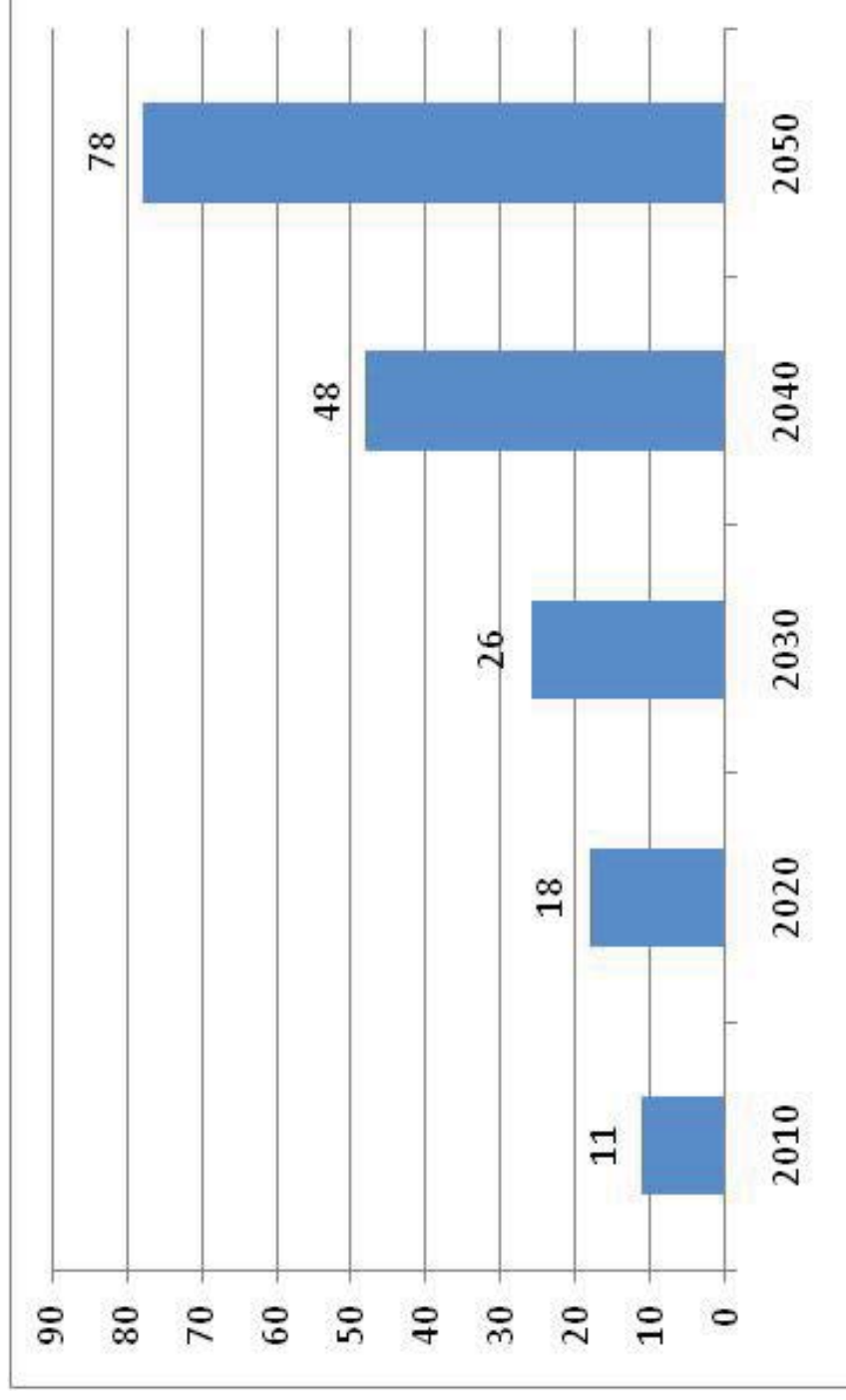


Container Trades – Growth in Prospect

- A “business as usual” compound annual growth rate of 5.0% - 7.5% will increase port throughput by between 3 to 6 times in 25 years. At 7.5% compound annual growth Australia’s international container task will double by 2020. (National Ports Strategy 2010)

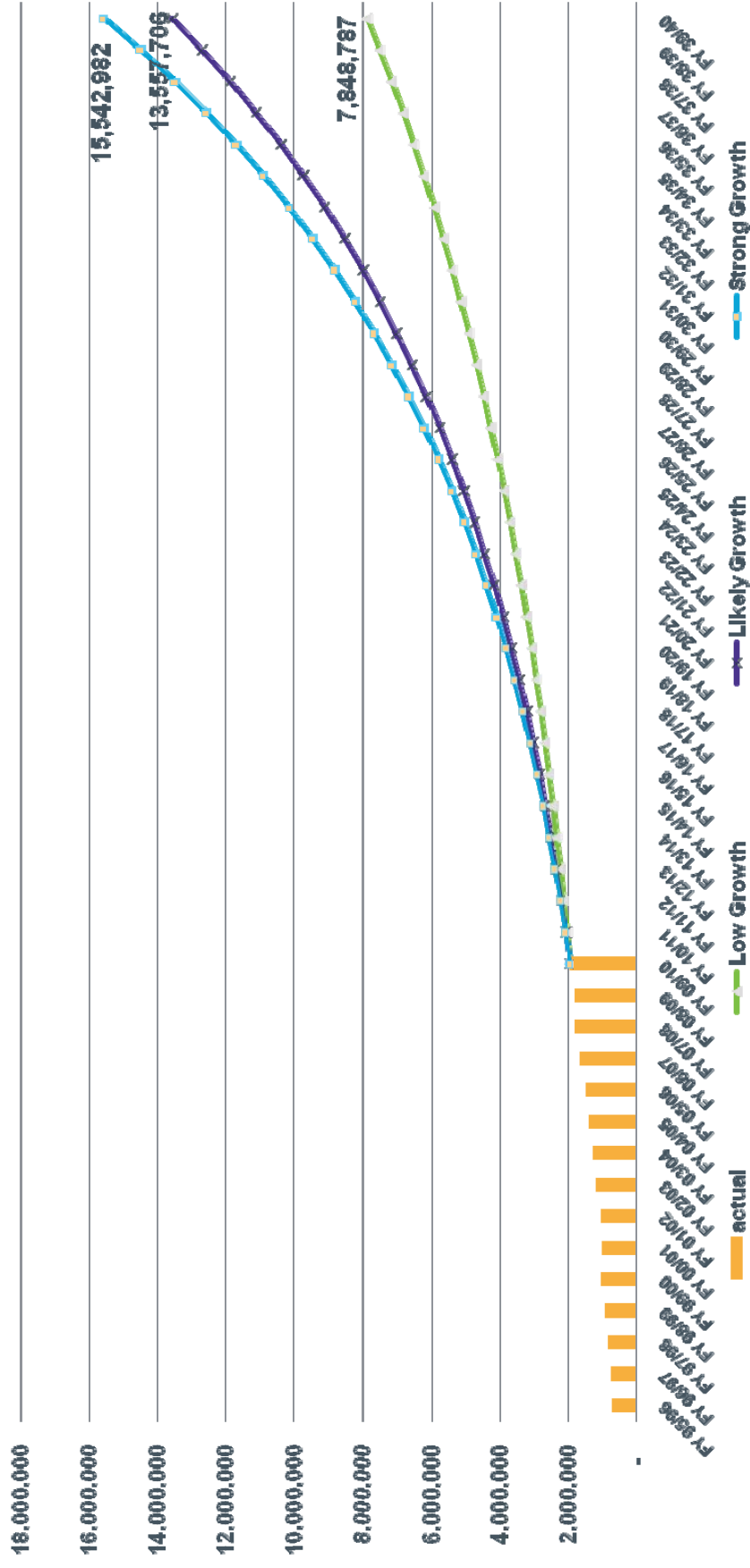
Capacity and growth (1)

National container port requirements @ 5% compound growth

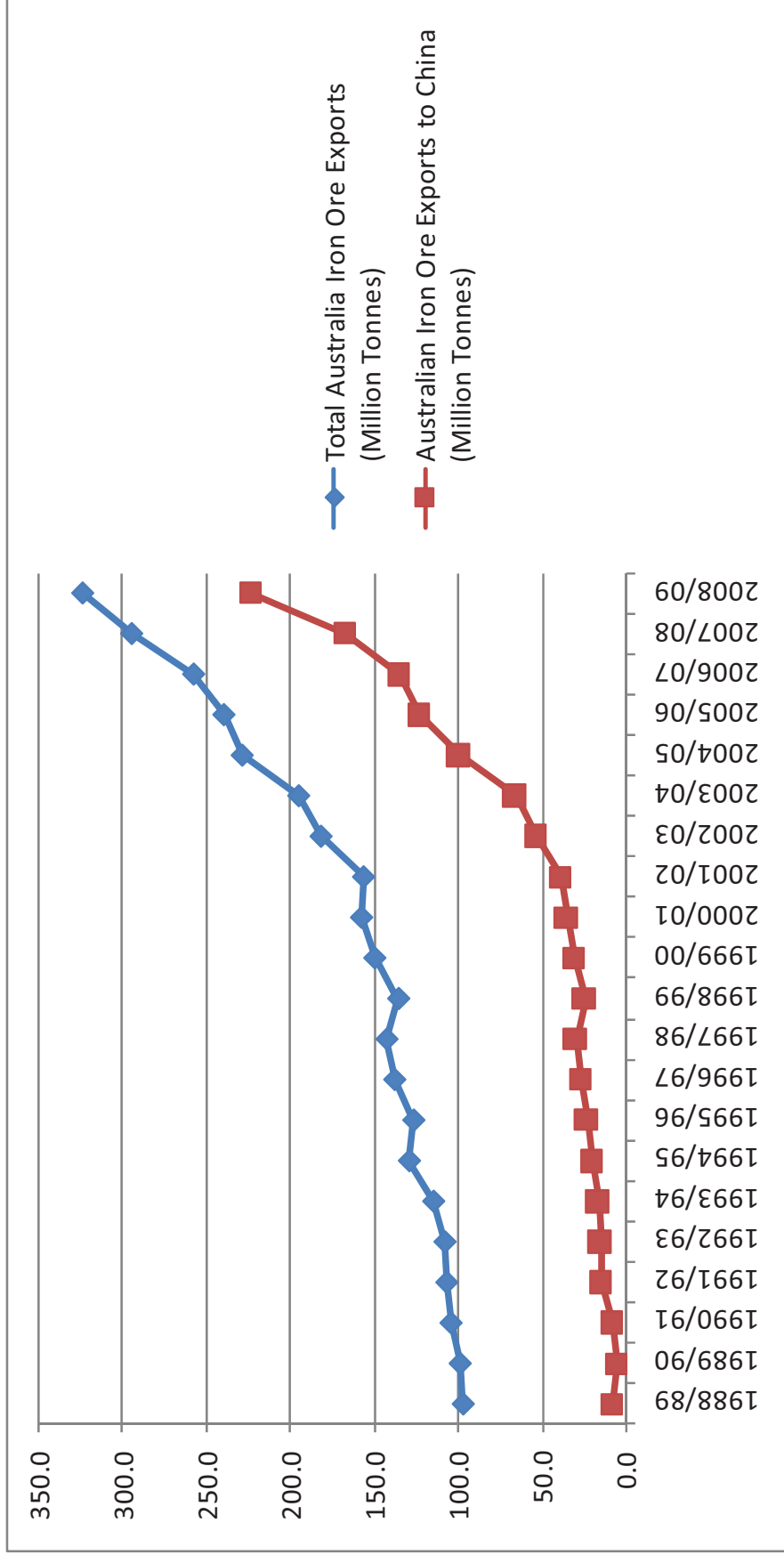


Sydney's Growth Projections – 30 Year

Total Container Trade

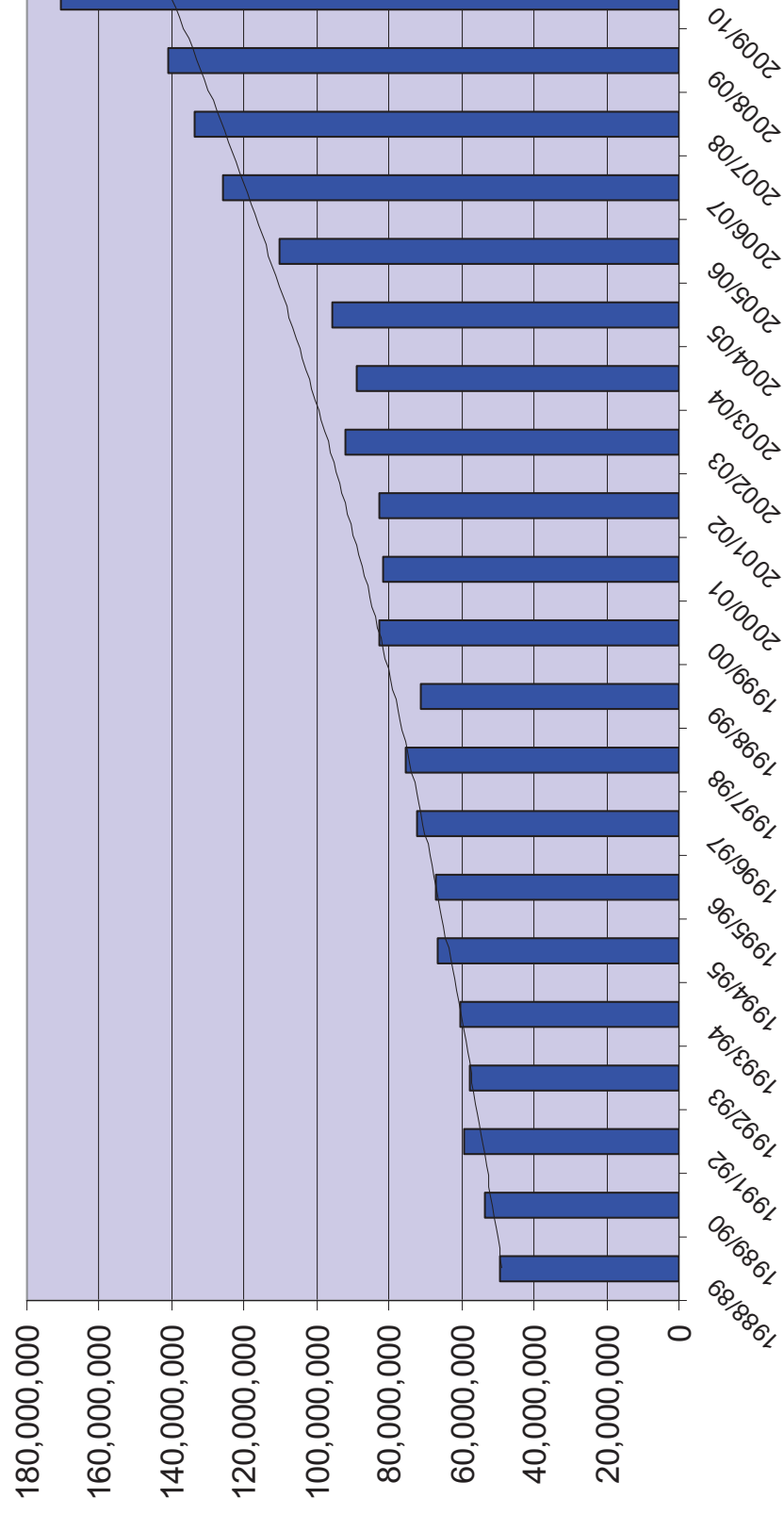


Development of Australian iron ore exports, 20 years (1988-2008)



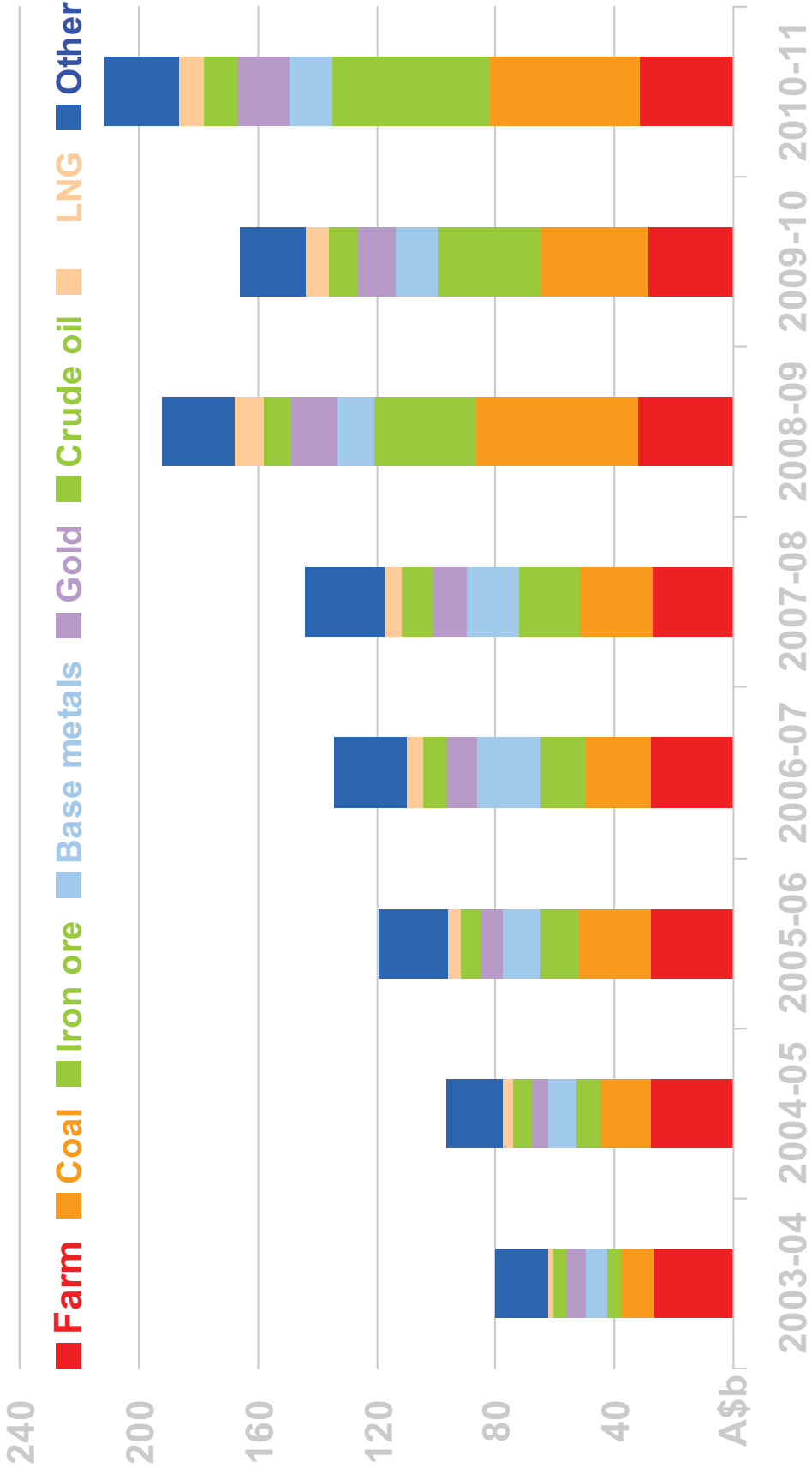
Source: Industry data / analysed & graphed by GHD Meyrick

Total Trade Tonnage – Port of Dampier



Source: Dampier Port Authority

Australia's commodity exports



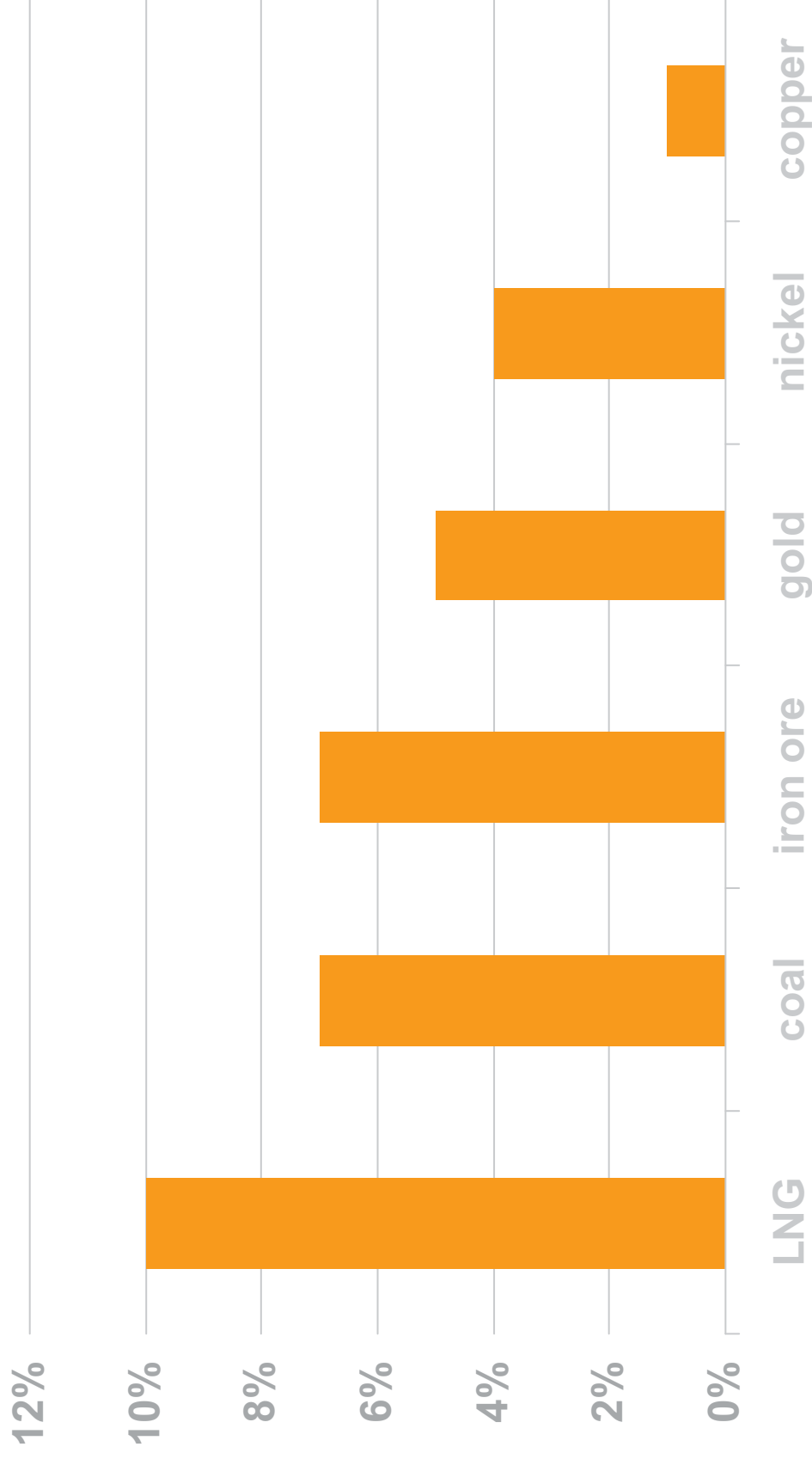
Source: www.abare-brs.gov.au

Bulk Trades – Growth in Prospect

- A medium growth scenario for iron ore exports, ie a compound annual growth rate of 5%, will mean an increase from about 350 million tonnes in 2008/09 to 800 million tonnes by 2030. Assuming a high growth rate of 10% iron ore exports would reach about 2,100 million tonnes in 2030.
- Coal exports will grow from about 260 million tonnes in 2008/09 to over 700 million tonnes in 2030, based on medium compound annual growth rate of 5%. At a higher growth rate of 7.5% the figure in 2030 will be 1,200 million tonnes.
- LNG destined within short time frame to become Australia's leading export by value servicing very significant percentage of Asia's energy requirements.

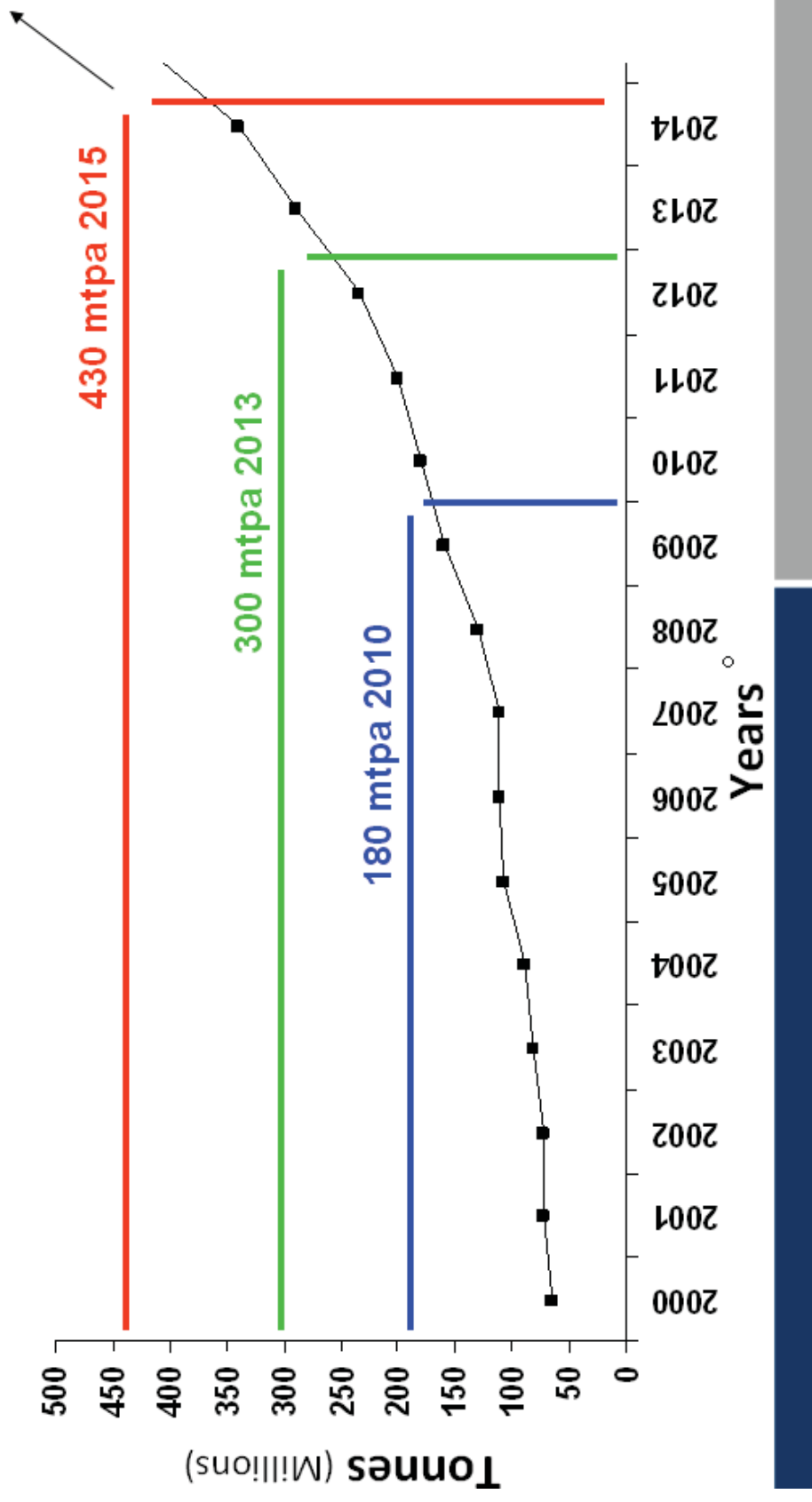
Growth of Australian export volumes

Average annual growth 2009-10 – 2014-15

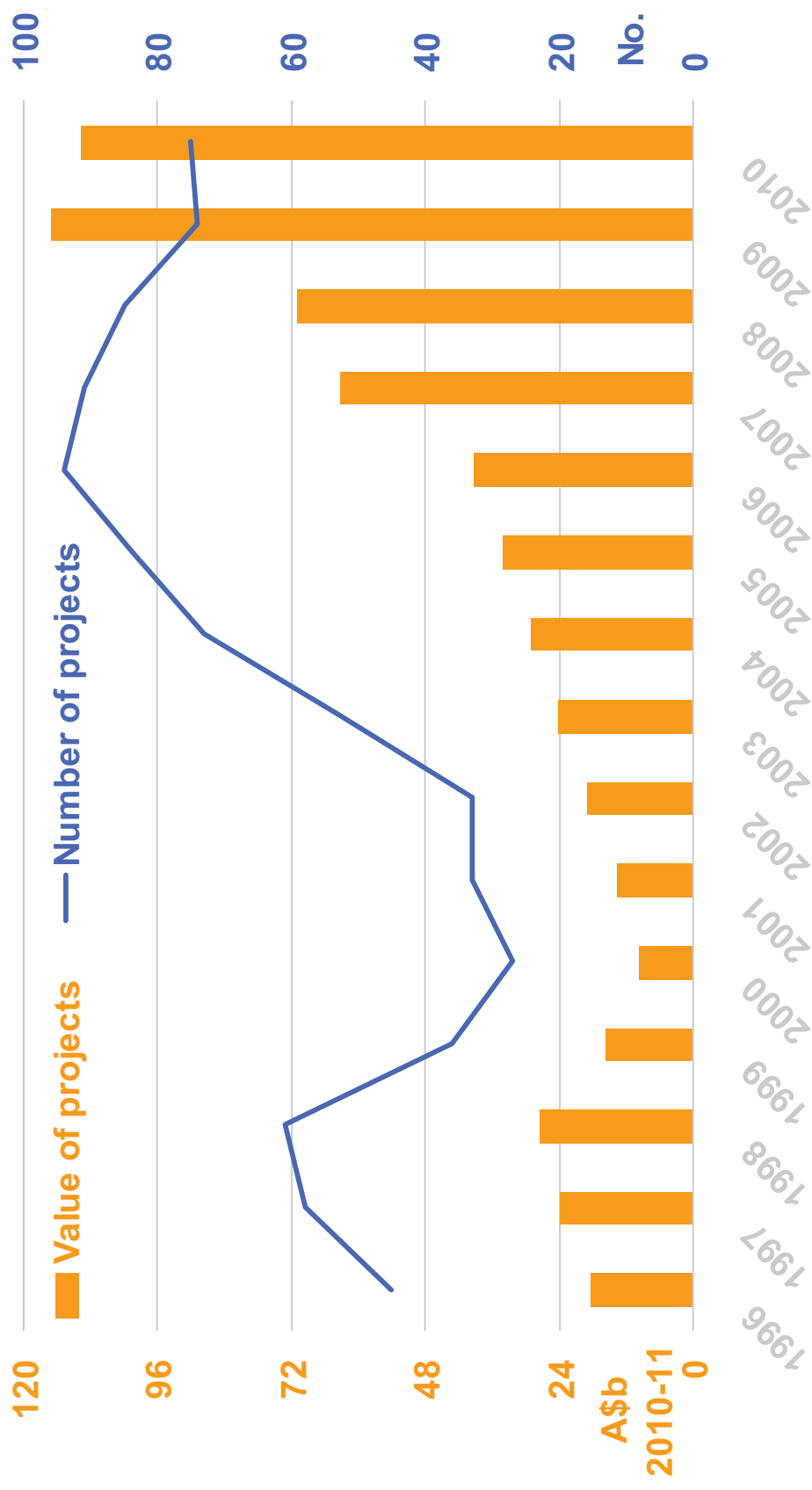


Port Hedland Port Growth Projections

Outer Harbour potential to 800 mtpa +



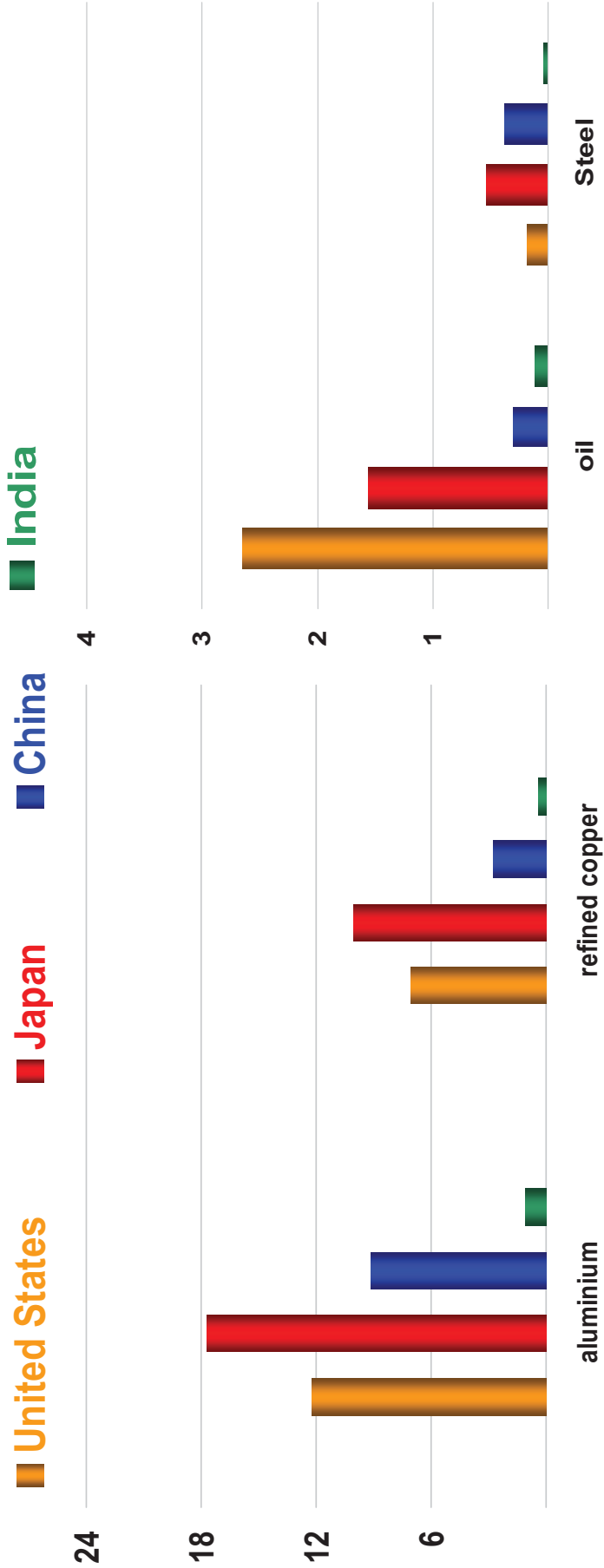
Projects under construction April 2010



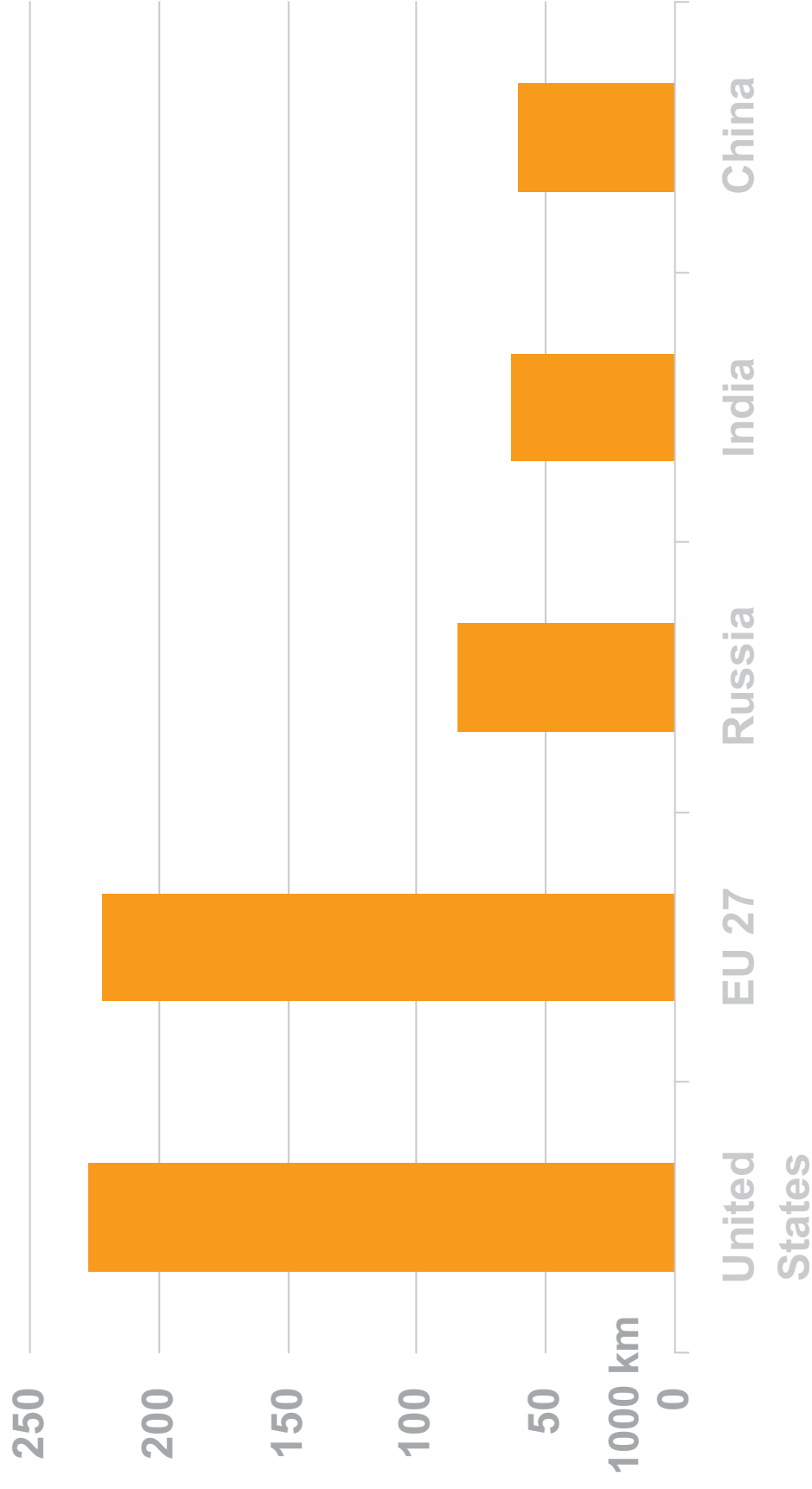




Intensity of commodity use in 2009



Rail infrastructure



The National Ports Strategy

- Essence of the strategy is 50 year port plans accompanied by measures such as more timely approvals and protection of port land and access corridors.
- Plan recognises that ADF requirements are a key element in port planning.
- Availing of this opportunity.



Corporatisation and Privatisation

- Ports becoming more aggressively commercial.
- Changing role from landlords to supply chain managers. Most significant issues are landside.
- Growing propensity towards privatisation. Move away from notions of community service. Financial pressure and state budgets. Does privatisation drive change in behaviour

Environmental Management and Climate Change Response

- Ports need to stay ahead of the game.
- Impacts eg. Increased intensity of cyclones; by 2100 possible global sea level rise may exceed 1 metre.
- Looking to a portfolio of both mitigation and adaptation measures.
A number of international port community responses eg. IAPH; Work Ports Climate Declaration
- Ports Australia environment and sustainability working group developing appropriate Australian based response.



Maritime Security and Regional Considerations

- Need to think strategically as well as operationally.
- Maritime Security – significant management issue for ports.
- How will it develop and what assets will be involved.
- Regional considerations may bring currently unplanned imperatives



Navy Requirements into the Future

- Bigger vessels.
- Exercises – management and planning.
- Utilising AMDC to maximum effect.



Australian Government

Border Protection Command



Australian Maritime Defence Council

19 November 2010



Australian Government
Border Protection Command



Mission

In concert with other government agencies and stakeholders, BPC protects Australia's national interests by **maintaining good order at sea** in Australia's Maritime Domain.



Australian Government
Border Protection Command



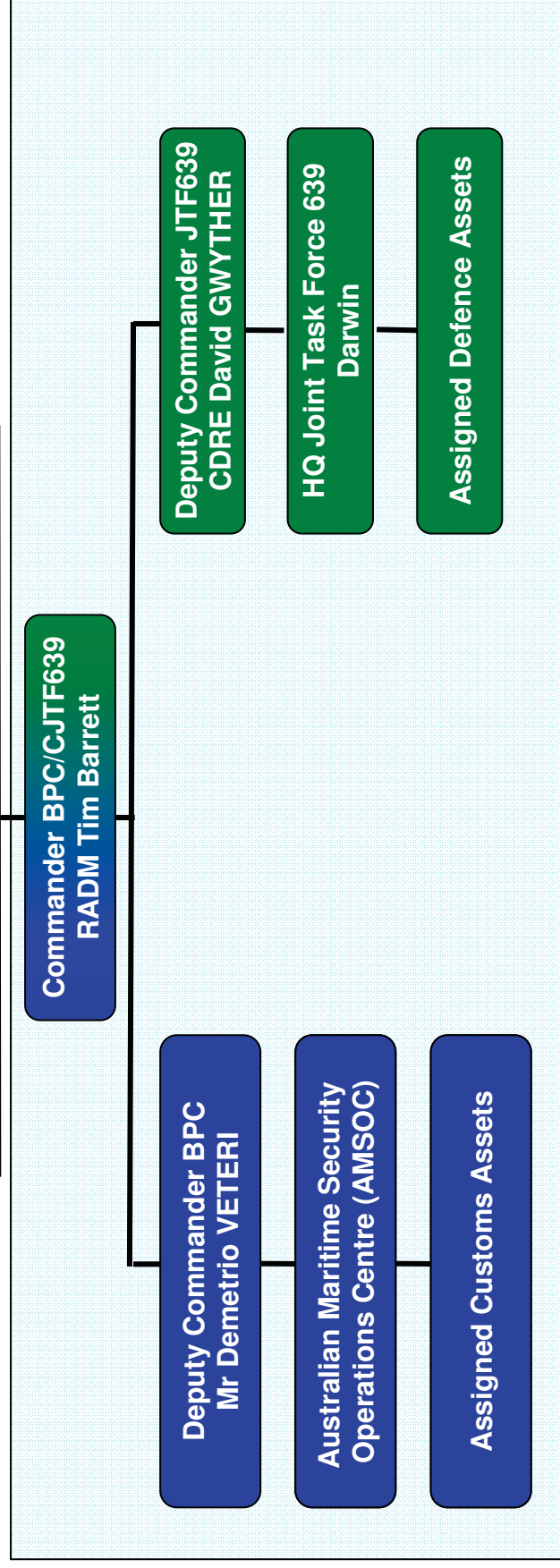
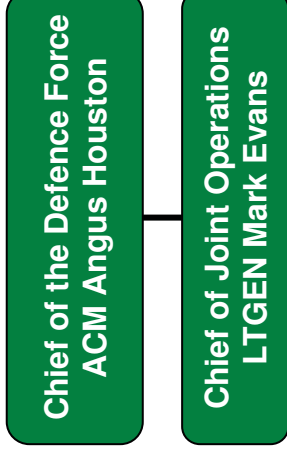
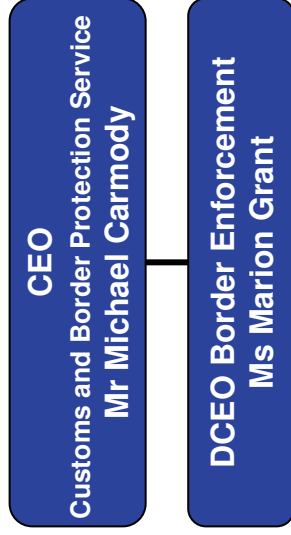
What we are

BPC is an Australian Government
multiagency operational authority
staffed by:

- Customs and Border Protection
- Defence
- Australian Fisheries Management Authority
- Australian Quarantine Inspection Service
- Australian Maritime Safety Authority
- Augmentees from other Agencies when required



Structure



Operational Effect – One Command



Australian Government

Border Protection Command

Maritime Security Programs



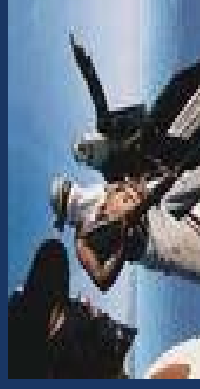
Maritime Terrorism



Irregular Maritime Arrivals



Piracy, Robbery or Violence at Sea



Marine Pollution



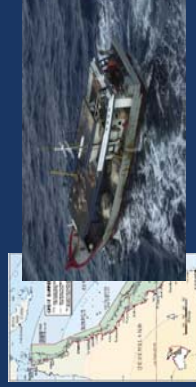
Prohibited Imports and Exports



Compromise to Bio-security



Illegal Activity in Protected Areas



Illegal Exploitation of Natural Resources

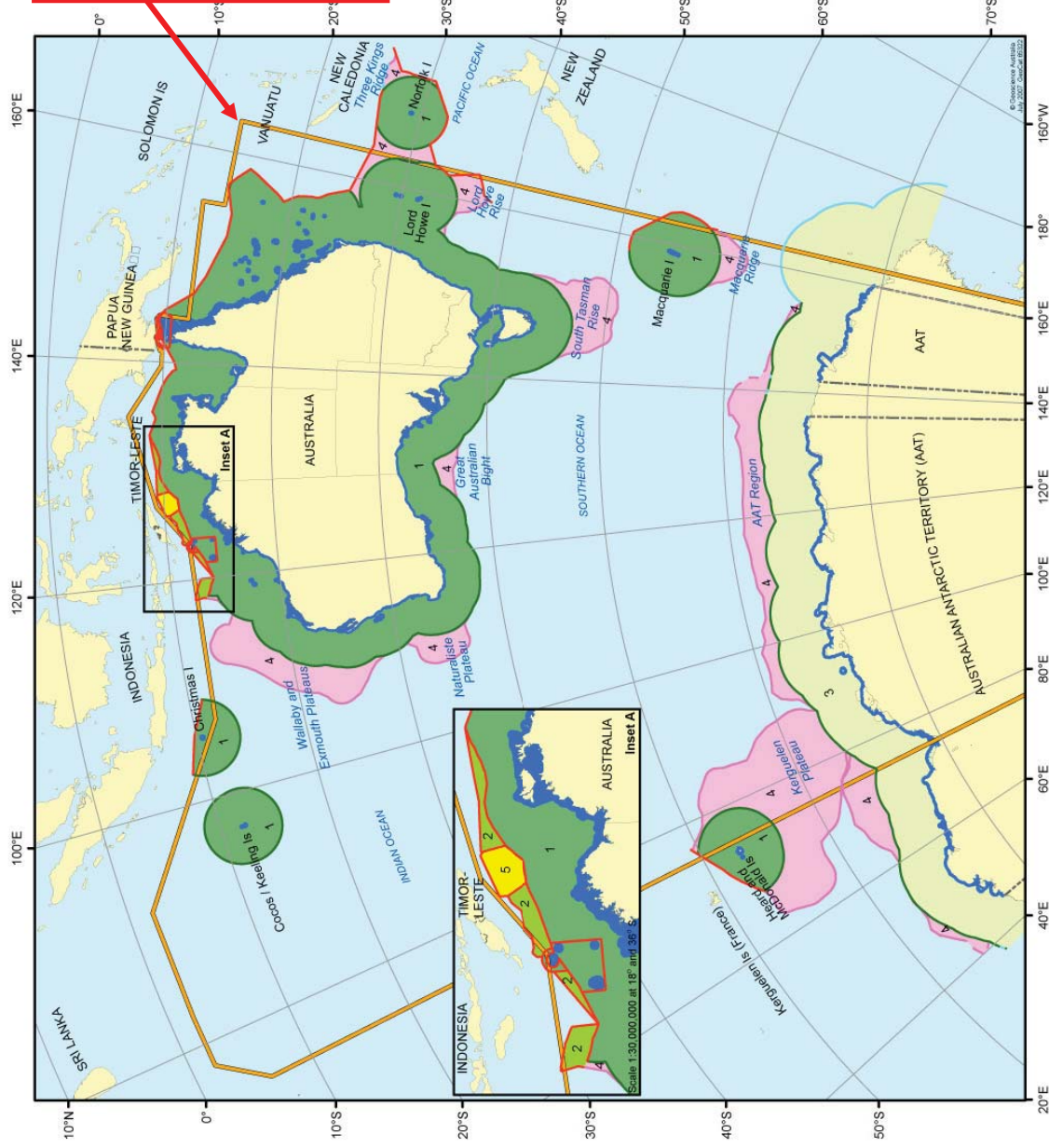




Jurisdiction

Security Forces Authority Area (Search and Rescue Region)

BPC is responsible for
responding to acts of
violence against ships





Australian Government
Border Protection Command

National Maritime Security Governance



Senior level Australian Government Overview

National Security Committee of Cabinet

All Maritime Risks

Secretaries Committee on National Security

People Smuggling Risk

Border Protection Taskforce

Homeland And Border Security Policy

Border Protection Working Group

Co-ordination Group (HPCG)

JOINT AGENCIES MARITIME ADVISORY GROUP (JAMAG) CHAIRER BY Commander BPC

Supported By

Expert Level Working Groups

Information Sharing WG

Maritime Legislation WG

Threat and Risk Assessment WG

Planning Advisory WG

Operational Response WG

Public Information and Awareness WG

Maritime Incident Management Group (MIMG)

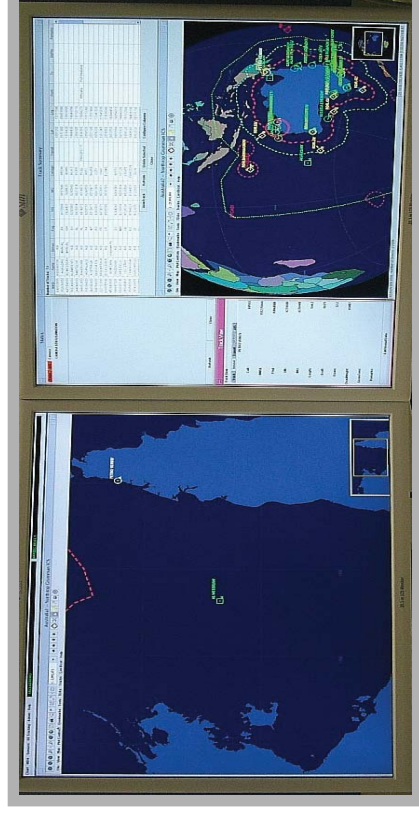


Australian Government
Border Protection Command

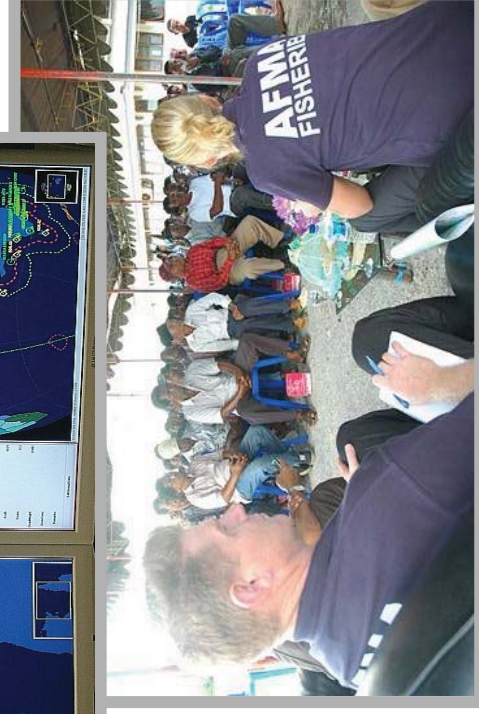
Lines of Operation



- Awareness



- Prevention



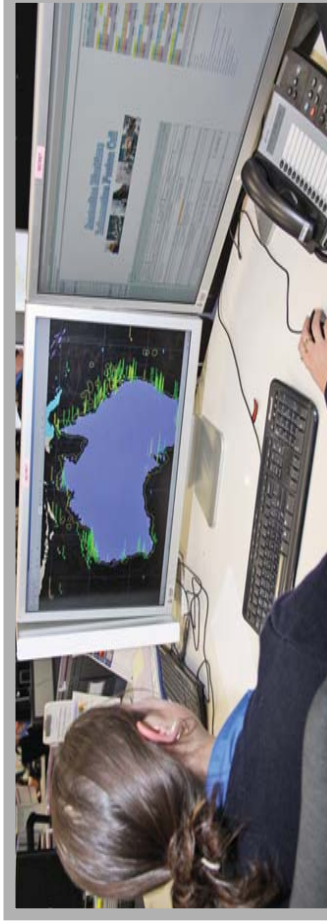
- Response





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Method Awareness Assets



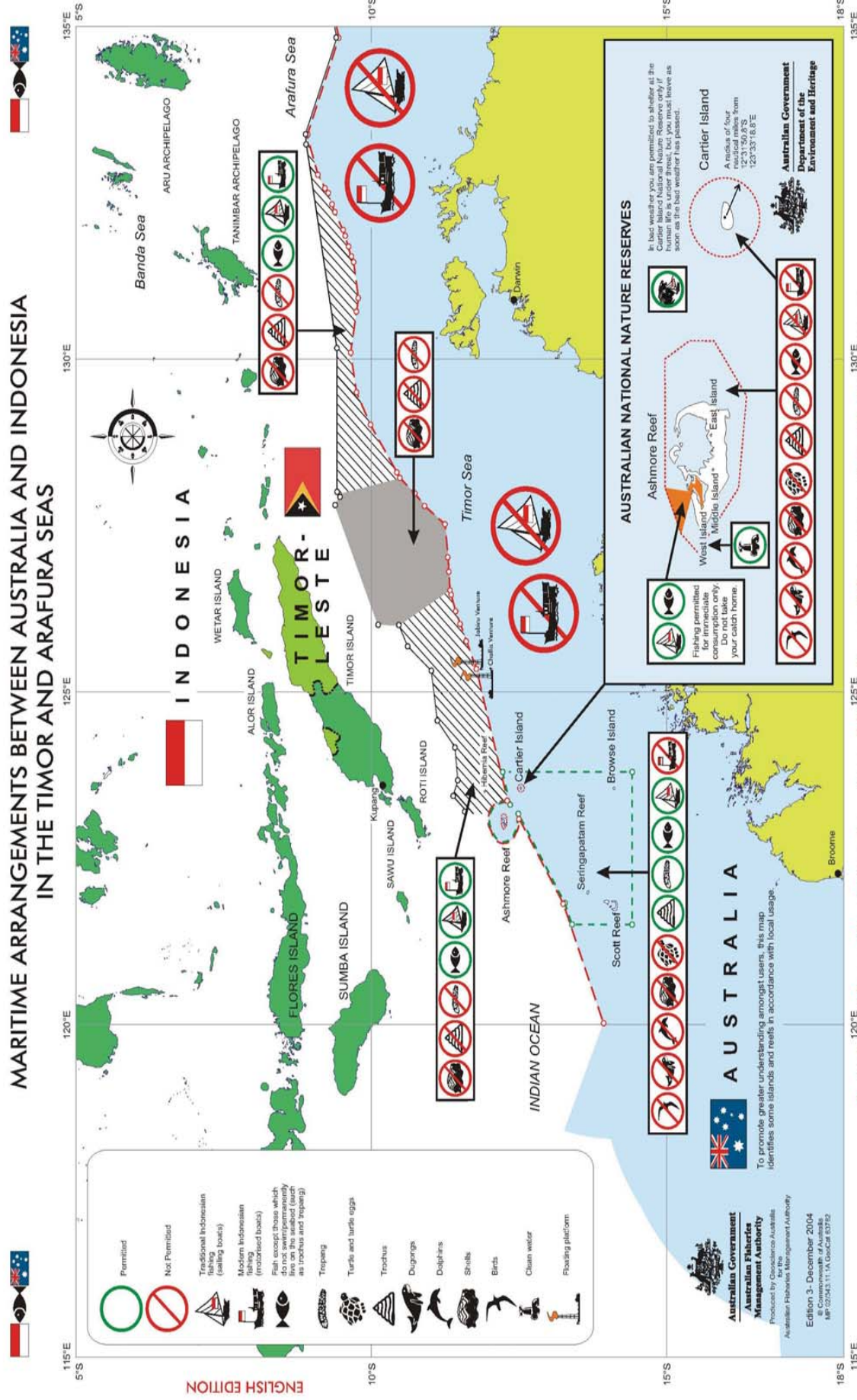


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Border Protection Command



Education

MARITIME ARRANGEMENTS BETWEEN AUSTRALIA AND INDONESIA IN THE TIMOR AND ARAFURA SEAS



Australia and Papua New Guinea have strong fisheries laws and if you are caught inside these areas you may lose your boat, your catch and your fishing gear. You may also be fined.



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Regional Engagement Examples



	<u>Indonesia</u> <i>11 Coordinated Patrols</i> <i>Information Sharing</i> <i>Fisheries Surveillance Forums</i> <i>Study tours</i> <i>Air Riders on our surveillance flights</i>		<u>USA</u> <i>Relationship building</i> <i>Awareness raising</i> <i>Information Sharing</i> <i>Symposiums</i>
 <small>Te Mana Arai o Aotearoa</small>	<u>Singapore</u> <i>Information Sharing</i> <i>Study tours</i> <i>Liaison Officer</i>		<u>Canada</u> <i>Relationship building</i> <i>Information Sharing</i>
	<u>Malaysia</u> <i>People Smuggling Conferences</i> <i>Study tours</i> <i>Air & Sea Riders</i>		<u>New Zealand</u> <i>Information Sharing</i> <i>Study tours</i> <i>Air Sea Rider</i>
	<u>Multinational</u> <i>Pacific Islands Patrol Boat Program</i> <i>United Nations Counter Terrorism</i> <i>MJEX 10 – International Observers</i> <i>Proliferation Security Initiative</i>		<u>France</u> <i>Cooperative Patrols</i> <i>Information Sharing</i> <i>Study tour</i>
			



Australian Government
Border Protection Command

International Engagements



- Border Protection Command engages with neighbouring countries in our region with a strong focus on building **long term relationships** that **deliver cooperation** and **information sharing** arrangements. These relationships also provide important **preventative opportunities** to assist with the management of maritime threats.





Australian Government
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Industry Engagement



Intentions

- Improve mutual knowledge
- Includes identification of future industry trends so as to inform future BPC executive and future BPC response capability

Industry Peak Bodies

- Australian Shipowner's Association
- Shipping Australia Limited
- Australian Petroleum Production and Exploration Association

Utilise Government – Industry Arrangements

- Trusted Information Sharing Network

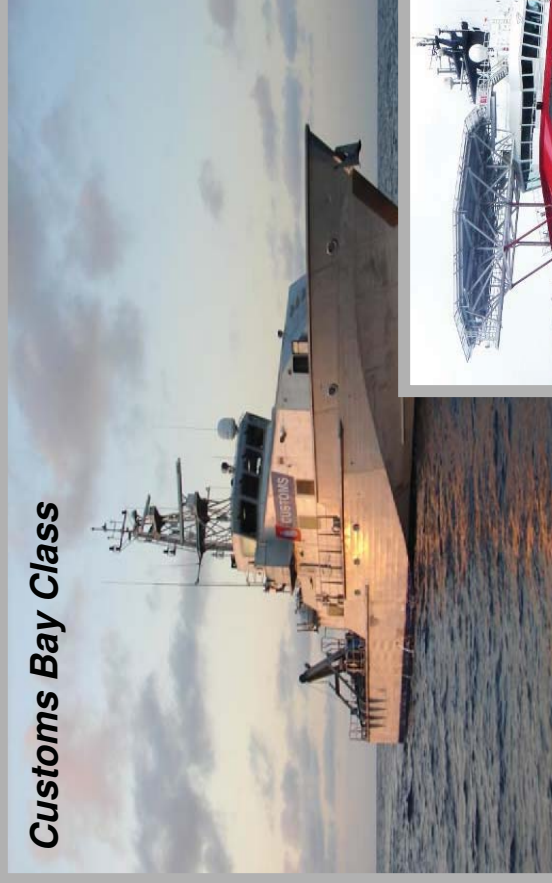


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Response Assets

Customs Bay Class



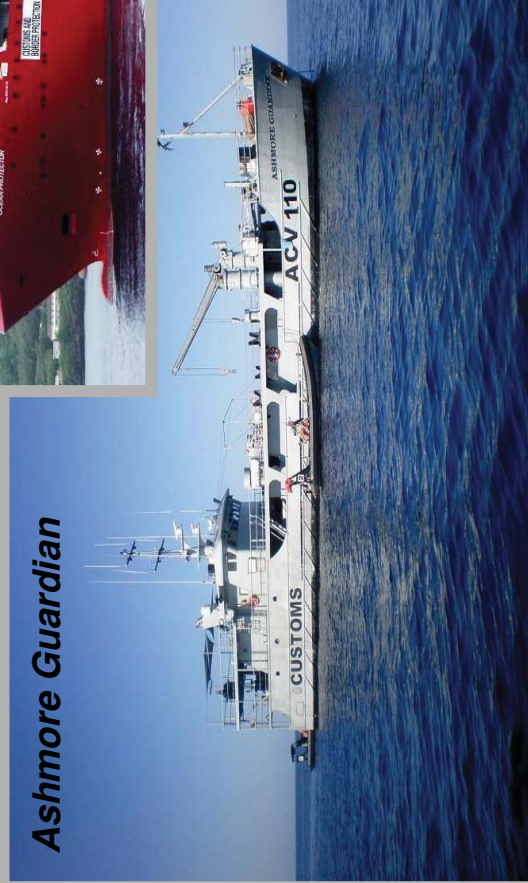
Navy Armidale Class



Ocean Protector



Ashmore Guardian



ACV Triton





Australian Government
Border Protection Command

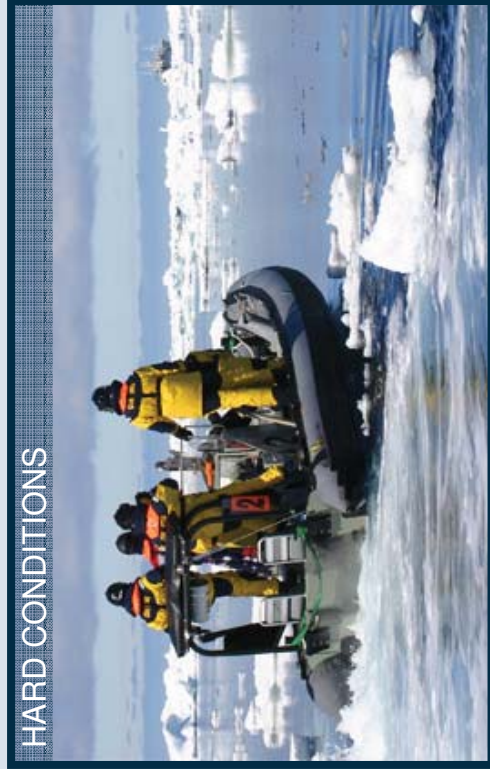
Southern Ocean Patrols



JOINT OPERATIONS



OCEAN PROTECTOR



HARD CONDITIONS



INTERCEPTION



Australian Government
Border Protection Command

Operation Bergonia October 2010



BPC Assets

1,000,000 nm² of surveillance
16 Dash 8 surveillance flights
5 P3 Orion surveillance flights
Ocean Protector and Maritime
Enforcement Officer (MEO)
boarding parties



464kg of cocaine seized on yacht in Brisbane

Customs and Border Protection officers intercepted and boarded a second vessel of interest about 800km off the Queensland coast (pictured).

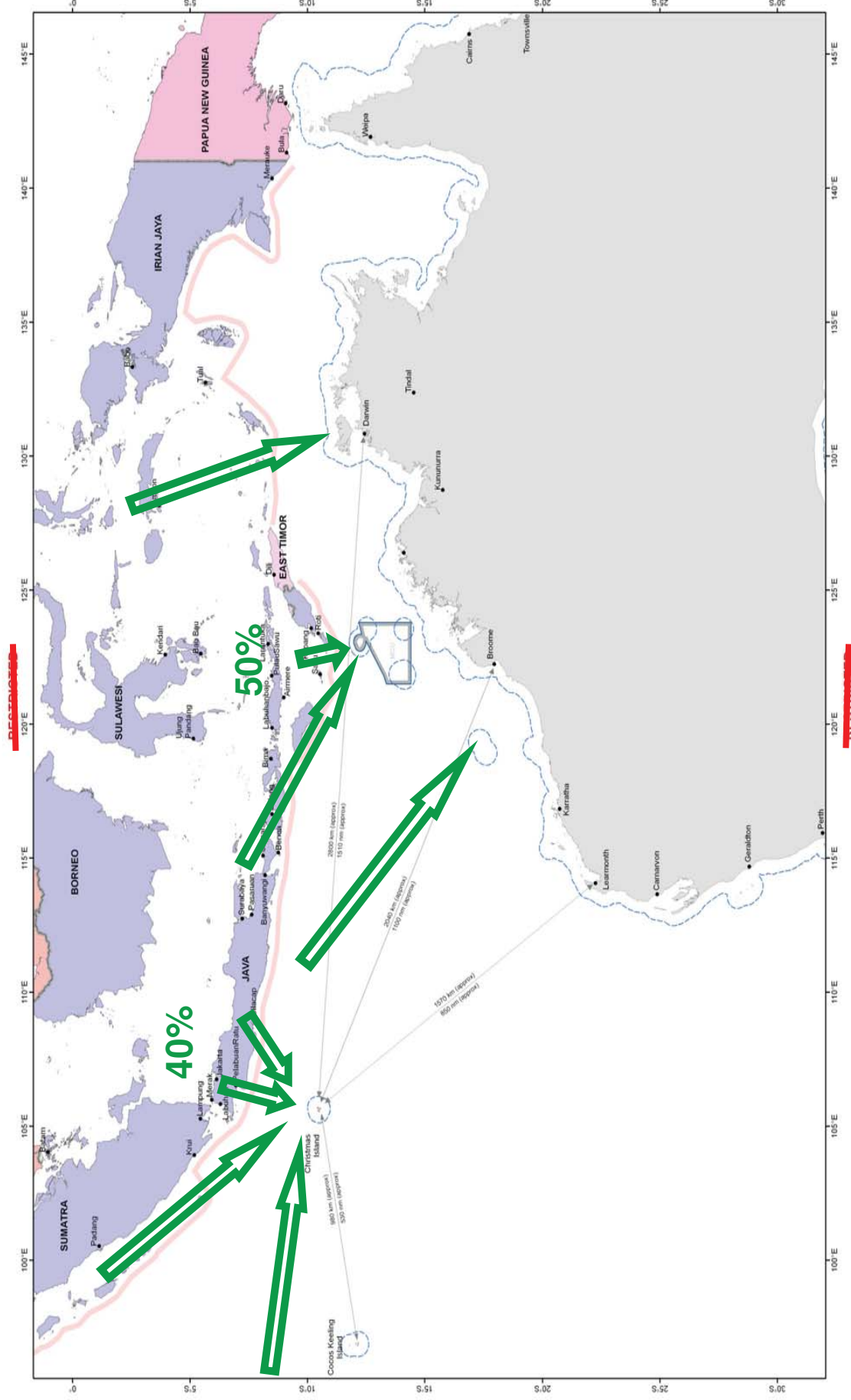
Joint Customs and Border Protection and Australian Federal Police operation with the support of NSW and Queensland police.



Australian Government

Border Protection Command

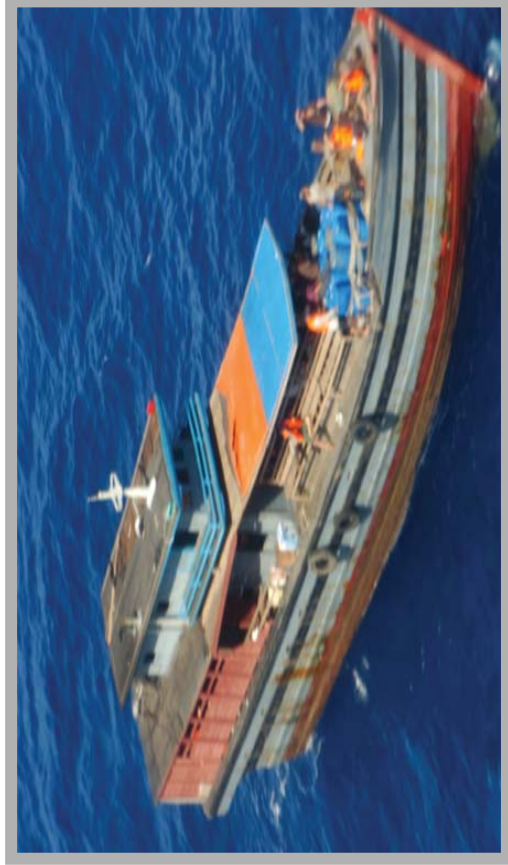
Unauthorised Maritime Arrivals





Australian Government
Border Protection Command

Unauthorised Maritime Arrivals





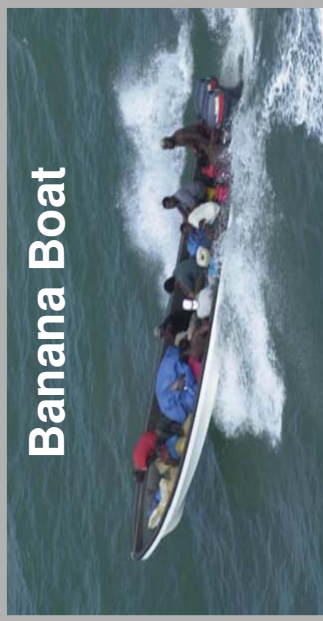
Australian Government

Border Protection Command

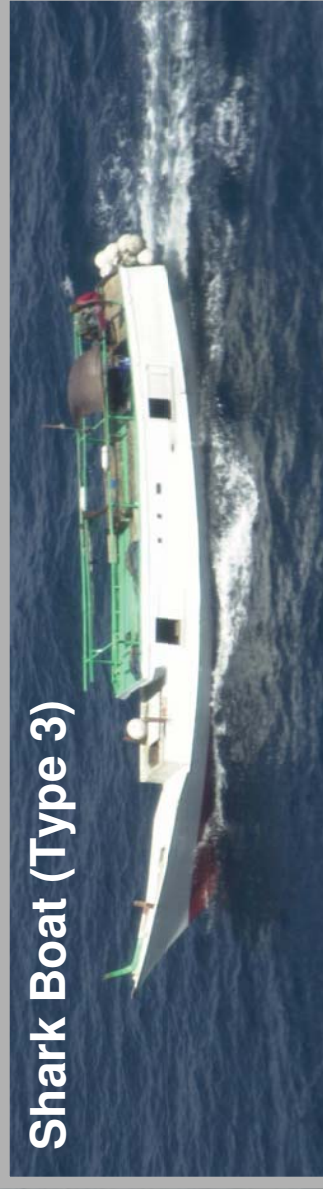
Foreign Fishing Vessels



Banana Boat



Shark Boat (Type 3)





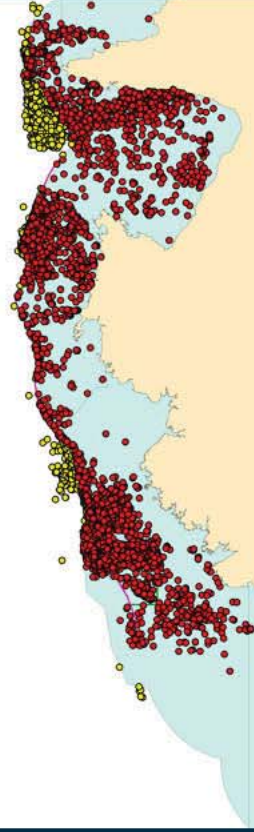
Australian Government

Border Protection Command

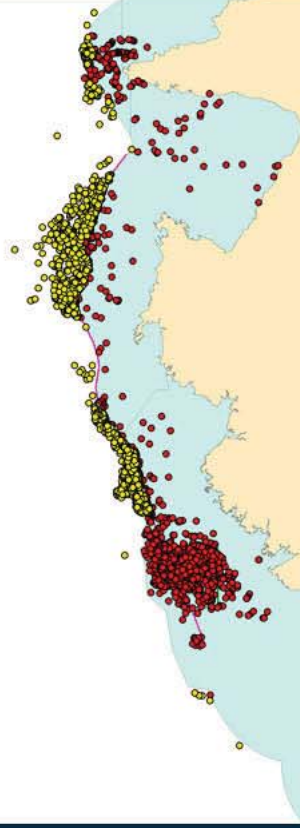
Foreign Fishing Vessels



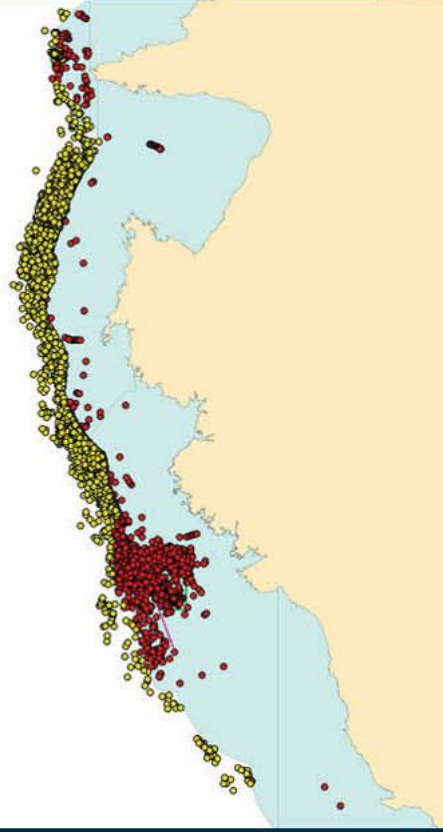
2006



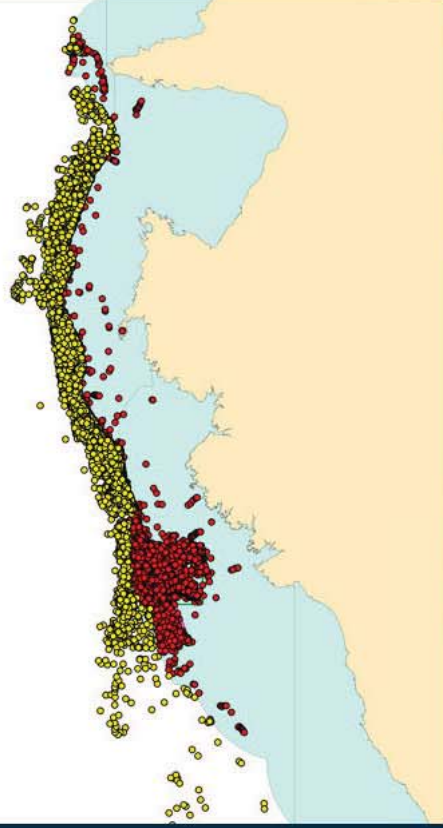
2007



2008



2009





Australian Government
Border Protection Command



Counter Terrorism





Australian Government
Border Protection Command



Counter Terrorism

Training



WHAT HAPPENS NEXT?

BPC coordinates recovery activities including other agency involvement and assets may be used for evidence collection or transport.

SuperFerry 14 bombing



CRIME SCENE:

AFP – investigate & lead prosecution

CORONER – State

Navigation hazard? Transport to site?

Port clearances?

Steaming party?

Safety issues?

Cargo?

PASSENGERS:

Customs & Immigration?

Transport?

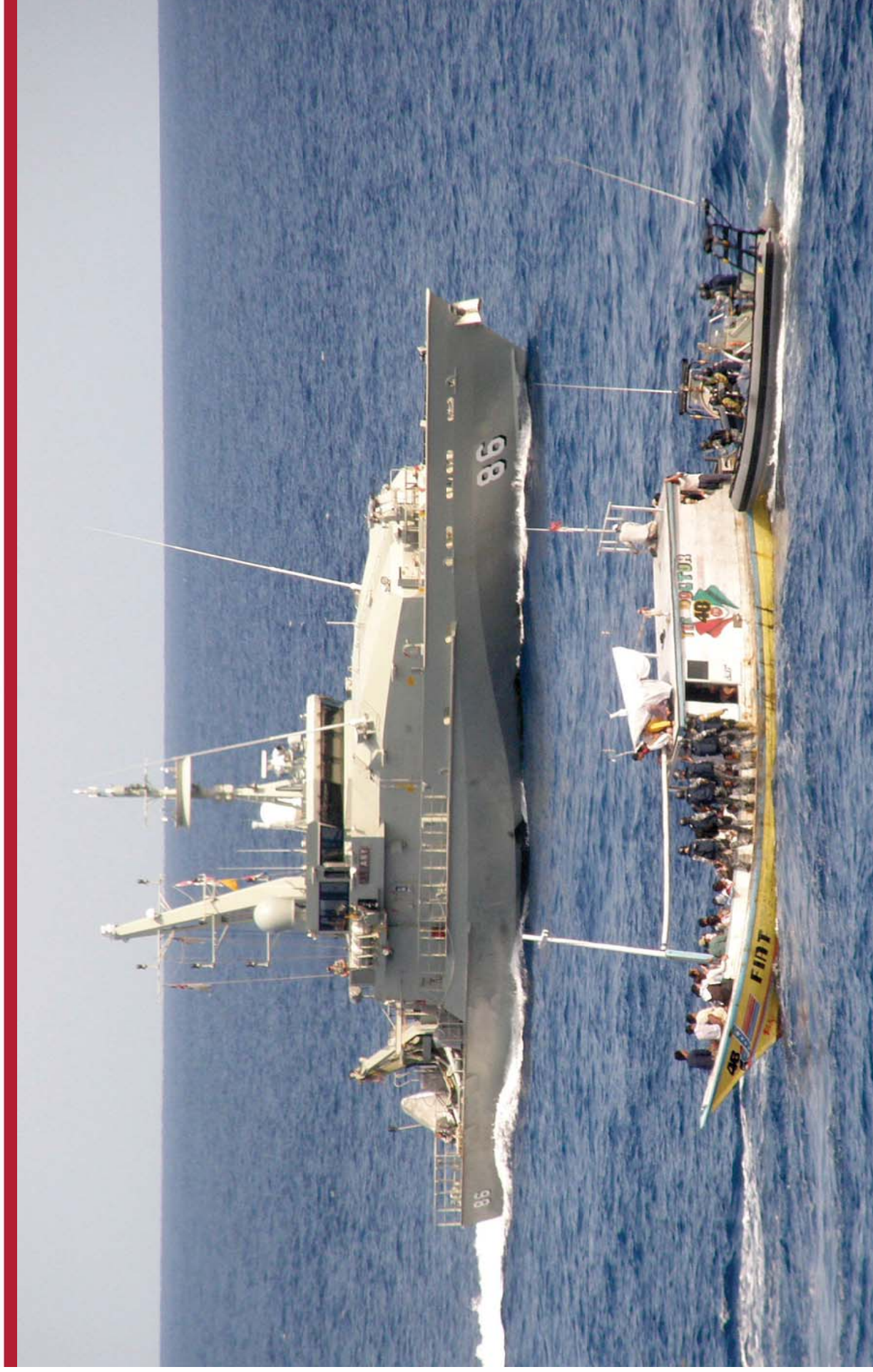
Injuries?



Australian Government
Border Protection Command



Questions



ROYAL AUSTRALIAN NAVY MINUTE



DCN/OUT/2011/167

MINUTES OF THE AUSTRALIAN MARITIME DEFENCE COUNCIL HELD AT SYDNEY PORTS CORPORATION ON 22 MARCH 2011

Present: See Attendance List

AGENDA ITEM 1 – WELCOME, INTRODUCTORY REMARKS AND APOLOGIES

1. The Chairman opened the meeting at 0930, welcoming Members and thanked Mr Benson, representing Grant Gilfillan from Sydney Ports Corporation, for providing the venue for the meeting. The list of attendees and apologies is at the enclosure.

AGENDA ITEM 2 – WELCOME TO SYDNEY PORTS CORPORATION

2. Mr Benson tendered the apologies of the CEO Grant Gilfillan, who was ill. He welcomed the Chairman and Members to the new SPC building, which he emphasised was closer to the operational hub of Sydney harbour.

AGENDA ITEM 3 – CONFIRMATION OF PREVIOUS MINUTES

3. The Chairman reviewed the contents of the previous meeting (19 November 2010). Mr Gibbons (Dept of Infrastructure and Transport) tendered some small and further amendments to the previous Minutes and these had been forwarded to all Members with the Agenda. These amendments were accepted into the previous Minutes and with no further changes from Members, the Minutes were confirmed.

BUSINESS ARISING

4. The one Action Item arising from the previous meeting was for the Secretariat to invite an Office of Transport Security (OTS) representative to attend AMDC with Observer status. This action was completed and the OTS was represented at the meeting by Mr Stewart Dietrich.

AGENDA ITEM 4 – DEFENCE/PORT Issues

5. Mrs Apps (Directorate of Navy Infrastructure Plans) gave an update on Defence and Port Infrastructure issues and overall there had been little change since the update provided at the Nov 10 AMDC Meeting.
6. The main points covered in the presentation were as follows:
 - a. Townsville:
 - Finalising the Deed of Licence, which will provide guaranteed berth access days to Defence, alongside commercial shipping and visiting cruise and foreign military vessels.

- Berth 10 will be upgraded and be suitable for the new LHD ships – the berth is expected to be unavailable from Oct 11 to June 13.
- b. Darwin:
- Finalising the Deed of Variation with Darwin Port Corporation for continued use of Fort Hill Wharf for visiting naval ships.
 - Progressing plans for development of a hardened barge ramp at East Arm Port to facilitate watercraft of amphibious ships.
 - Continued Defence planning to relocate the Naval Fuel Installation and also build a new wharf facility at HMAS *Coonawarra*, within Larrakeyah Barracks.
7. The Chairman noted a number of challenges for Navy in Sydney with the introduction into service of the LHD and AWD class ships, including:
- Visual encroachment, maintenance limitations and environmental issues when the LHDs are berthed at the Fleet base at Garden Island, adjacent to the Finger Wharf residential complex.
 - The decommissioning of HMAS *Manoora* in May will require the vessel to be laid up after de-storing and pending disposal. An option may be the Walsh Bay area where ex HMAS *Adelaide* was berthed.
 - The acquisition of the ex RFA *Largs Bay* will add further complexity to management of berth availability at Garden Island, and may influence the timing for decommissioning of HMAS *Kanimbla* and *Tobruk*, which will also need lay up berths in the port in due course.
 - The Hammerhead Crane remains an unwanted obstruction at the Fleet Base wharf and is a financial burden. In light of its heritage significance, a Ministerial submission is being prepared to seek its removal, consistent with provisions of the EPBC Act 1999.
8. The Chairman and Members then discussed the increasing number of cruise ships visiting Sydney and aspirations for berthing at Garden Island. Mr Russell (Shipping Australia) remarked that by 2015/16 approximately 50% of cruise ships visiting Sydney will not be able to transit under the Harbour Bridge and that the whole issue needs a joint State/Federal Task Force.
9. The Chairman noted that progress has been made through the NSW Passenger Cruise Terminal Steering Committee (PCTSC), but the underlying fact is that the Garden Island is a major operational support and maintenance/repair facility – it was never intended or configured as a passenger handling facility. (Note: The Minister for Defence has since initiated an Independent Review of Enhanced Cruise Ship Access to Garden Island, to be conducted by Dr Alan Hawke by the end of 2011.)

AGENDA ITEM 5 – Exercise TALISMAN SABRE – Overview

10. Captain Mandziy (DMAROPS HQJOC) provided an update on the forthcoming Exercise TALISMAN SABRE 2011 (TS 11), the major ADF activity with US Forces this year.
11. The Chairman invited the Master Attendant (CMDR McIntosh) to provide further specifics on commercial port aspects of TS 11. The MA emphasised that engagement with ports began early and emphasised that the MA is the Navy's central point of contact for ship visits to ports.
12. The Chairman noted the expectation was that ships would not be 'shuffled' around, but he was cognisant of the commercial realities and pressures on ports and stressed that early engagement by the MA attempted to alleviate such concerns.
13. As a related issue to Navy interaction with commercial ports, the Chairman provided a brief outline of Navy plans to mark the centenary in 2013 of the arrival of the first Commonwealth Fleet. It is envisaged that such activity will not be as large scale as the 75th anniversary, but will involve tall ships. This will place a significant demand on all available berthing space in Sydney during this period. The Chairman concluded by stating that an overview of the 2013 activities, under the auspices of Navy Project 100, will be provided at the next meeting

Action 1 Engage with the office of the 'Project 100' team with the aim of an overview on activities in 2013 being provided at the next AMDC. Action - Secretary.

AGENDA ITEM 6 – COUNTER PIRACY Ops – Overview

14. Captain Mandziy (DMAROPS HQJOC) provided an update on Counter Piracy Ops, with opening amplifying comments being provided by the Chairman.
15. The presentation generated liberal discussion amongst Members, the key points being:
 - The number of hostages being taken is increasing.
 - Individual national counter piracy operations differ, with some countries generally concentrating on their own flagged vessels.
 - Piracy is costing approximately \$7 to \$10 billion US p.a., but not all costs are visible.
 - The routing of vessels via the Cape adds 7 to 10 days steaming and flow on operating costs to the voyage.
 - Pirates are now operating further east into the Indian Ocean.
 - The tactics of securing a piracy mother-ship enables a wider range of activities to be conducted, extending across to the west coast of India.
 - The current counter piracy operations attempt to solve the symptom, not the cause, which is the political and economic situation in Somalia.

AGENDA ITEM 7 – MTO INTERACTION WITH INDUSTRY AND SEA RIDING PROGRAM

16. CMDR Kerr (Maritime Trade Operations) provided an update on the RAN/Maritime Industry Familiarisation Program. CMDR Kerr also distributed to members a new promotional brochure on the program, and asked Members to provide any feedback.
17. The Chairman stated that he is very keen to progress this sea-riding program with placements onboard both Navy and commercial vessels. This is particularly the case where some Navy trainees lack adequate exposure to initial sea experience. Mr Parmeter (TEEKAY Shipping) indicated that they were a willing supporter, and keen to participate in the program. Similarly, Mr Perry (C&BPC) indicated that sea riding opportunities may be available onboard C&BPC vessels.

Action 2 MTO Engage with TEEKAY Shipping and C&BPC to facilitate opportunities under the Sea Riding Program. Action - MTO.

18. On a related issue, the Chairman stated that he would like to see cooperation in other areas, such as Marine Accident Investigation and the Navy needed to explore how they conform and act within other Maritime areas and regulatory domains.

AGENDA ITEM 8 – SYDNEY PORTS – AN UPDATE


19. Mr Benson (Sydney Ports Corporation) provided a detailed presentation on both current and future expansion and developments in Sydney Harbour and Port Botany.
20. The presentation led to further discussion, with the key points being:
 - The increase in port traffic will necessitate increased bunkering facilities and CALTEX are investing in a new bunker barge.
 - SPC are developing an overarching strategy for rail, involving inter-modal hubs.
 - The requirement for port side capacity to meet load side capacity, with this being a key thrust in the National Ports Strategy.
 - The National Ports Strategy also noted that Defence requirements need to be implemented into the plan.

AGENDA ITEM 9 – OTHER BUSINESS

21. The Chairman then provided the Council with a brief overview of the Navy acquisition of the ex RFA *Largs Bay*.
22. The Chairman invited Members to attend the next meeting of the Council, in September 2011. Mr Anderson (Ports Australia) offered to approach the Port of Brisbane Corporation regarding hosting this meeting. (Note: This venue is now confirmed, for a meeting on 8 September.).

23. The Chairman thanked all attendees for their attendance and valuable contributions. The meeting was closed at 1220.

S22



T. N. JONES
Rear Admiral, RAN
Chairman

15 July 2011



C.J. McMASTER
Lieutenant Commander, RANR
Secretary

15 July 2011

Enclosure:

1. Attendees and apologies for the AMDC Meeting of 22 March 2011.

AUSTRALIAN MARITIME DEFENCE COUNCIL MEETING – 22 MARCH 2011

– ATTENDEES –

Name	Position & Organisation
RADM Trevor Jones	Deputy Chief of Navy, Chairman of the AMDC
CAPT Paul Mandziy	Director Maritime Operations, HQJOC
Mrs Meredith Apps	Deputy Director Navy Infrastructure Plans, Navy Strategic Command (representing Mr Andrew Mackinnon, DNIP)
CMDR Nigel Trump, RN	Deputy Director National Logistics (Maritime), Strategic Logistics Branch (representing CDRE Sackley, DGSL)
CMDR Chris Kerr	SO1 Maritime Industry Engagement Maritime Trade Organisation (representing CAPT Burton, DMTO)
CMDR Mark McIntosh	Master Attendant, Fleet Command
LCDR Colin McMaster	Staff Officer Ports & Training Areas (DNIP), AMDC Secretary
Mr David Anderson	Chief Executive Officer, Ports Australia
Mr Robin Bourne	Marine Manager, P&O Maritime Services (representing Mr John Campbell, General Manager Government Shipping Services, (representing Offshore Industry)
Mr Nathan Rufus	Deputy Director Maritime Industry Engagement C&BPC (representing: RADM Tim Barrett Commander, Border Protection Command)
Mr Charlie Gibbons	Director Maritime Policy & Industry, Dept of Infrastructure & Transport
Mr Nigel Perry	National Director Maritime Operations Support Division,

	Customs and Border Protection Command
Mr Lew Russell	CEO Shipping Australia Ltd
Mr David Parmeter	Managing Director TEEKAY Shipping (Australia),
	Observers
Name	Position & Organisation
Mr Lachlan Benson	Executive General Manager Industry Relations and Logistics (representing: Grant Gilfillan CEO Sydney Ports Corporation)
Mr Stewart Dietrich	Director Maritime Operational Policy, Office of Transport Security (representing Steve Dreezer, General Manager Maritime, Identity and Surface Security)
	Apologies
Mr Jock O'Hagan	DP World, National Manager Security (representing Stevedoring Industry)
Mr Sid Marris	Minerals Council of Australia
Mr Rod Pickette	Representing: Mr Paddy Crumlin National Secretary , The Maritime Union Of Australia
Mr Thomas Birouste	Director Platform Services – Naval, Thales Australia, (representing the Australian Ship Repairers Group)
Ms Teresa Hatch	Executive Director, Australian Shipowners Association



ROYAL AUSTRALIAN NAVY

NAVY STRATEGIC COMMAND

R1-4-C005, PO Box 7902, CANBERRA BC ACT 2610

DCN/OUT/2011/293

MINUTES OF THE AUSTRALIAN MARITIME DEFENCE COUNCIL

HELD AT PORT OF BRISBANE PTY LTD ON 8 SEPTEMBER 2011

Present:

See Attendance List (Attachment 1)

AGENDA ITEM 1 – Welcome, Introductory Remarks & Apologies

1. The Chairman opened the meeting at 1235, welcomed Members and thanked Russell Smith (CEO Port of Brisbane Pty Ltd) for providing the venue for the meeting. The list of attendees and apologies is at Attachment 1.

AGENDA ITEM 2 – Welcome To Port Of Brisbane Pty Ltd

2. Russell Smith welcomed AMDC participants and Members to the Port Office complex, which was at the hub of a busy operational port. Mr Smith emphasised that as Australia moves forward as a nation it is important to cement the existing relationship between Defence and the Maritime Industry

AGENDA ITEM 3 – Confirmation of Previous Minutes

3. The Chairman reviewed the contents of the previous meeting (22 March 2011) and noted that actions arising were on the Agenda. The Chairman thanked P&O (represented by Mr Manning) for assisting the Navy with overcoming a capability gap resulting from the Operational pause in the LPA platforms and also reiterated that the acquisition of HMAS *Choules* (ex RFA *Largs Bay*) was a major capability enhancer.
4. The Chairman noted that a key Defence focus is to support and protect vital Trade routes used by the Australian Maritime Industry and therefore the Council is a key forum to exchange information and discuss issues.
5. The Minutes of the previous meeting were accepted and confirmed by Mr Russell and Mr Mackinnon.

Business Arising

6. The Action Items arising from the previous meeting were for Navy to provide an overview of 'Project 100' and also for MTO to update the Council on the Maritime Industry Familiarisation Program (MIFP). These actions were tabled as Agenda for this meeting.

AGENDA ITEM 4 – Port of Brisbane – Post Flood Recovery

7. Mr Russell Keyte (Port of Brisbane Pty Ltd) provided an informative presentation on the post Flood recovery operations conducted by, and influencing operations of the Port of Brisbane.
8. The key points covered in the presentation were:
 - Plans need to be in place and flexible in nature to cover all contingencies
 - Liaison with Government should be early and ongoing
 - Lessons Learnt will form the basis of future planning mechanisms
 - Fuel stocks need to be managed, especially unleaded petrol for domestic use
9. CDRE Sackley (DGSL) remarked that the ADF is conducting a review process on strategic fuel management, which will note the fuel issues associated with the Brisbane floods.

AGENDA ITEM 5 – Navy 'Project 100' – Overview

10. The Chairman provided a brief introduction to the Project, which is a planned series of events across 2011 to 2015, including the 100th anniversary of the Gallipoli landings.
11. Captain Kennedy, assisted by CMDR Robinson provided an overview on Project 100, particularly the International Fleet Review (IFR) in 2013. Key points were:
 - Operational imperatives and requirements remain the highest Government priority across the program of activities
 - Invitations to the 2013 IFR will be issued to 54 countries
12. General discussion then followed, particularly on the need to manage the alongside berth requirements in Sydney for the IFR participants. The Chairman noted that the Captain Cook Graving Dock may provide additional berth space if flooded and there would also be a requirement to de-conflict wharf availability with any programmed Cruise Ship activities.
13. The Chairman further stated that other Australian ports, particularly on the east coast, may be able to leverage off the IFR as visiting ships seek opportunities for port visits outside Sydney. He also stated that a representative from the Commercial Operators, (e.g. P&O) may form part of the IFR in order to recognise the involvement of the Maritime Industry across the Navy's 100 years.

AGENDA ITEM 6 – MTO – Maritime Industry Familiarisation Program - Update

14. CMDR Willy (MTO) provided an update on the MIFP and stated that the Guidelines are now in Draft form for review with the aim to trial the procedures in early 2012. The Chairman made comment that the Navy operating model for HMAS *Choules* based on the planned crew numbers will flow into maintenance practices and particularly the level of onboard maintenance.
15. CMDR Willy stated that overall Industry support to MTO is most appreciated and thus far *American Presidents* and also *Wallenius Wilhelmsen* Shipping Lines have shown a particular interest in the MIFP. Mr Manning (P&O) remarked that participation in commercial dry-docking practices may also be beneficial to the Navy and an offer had previously been made to the Joint Amphibious Capability Implementation Team.
16. The Chairman then remarked that Navy is exploring innovative ways in which to operate, particular with the manning of commercial type Naval vessels. This may be a solution to easing manpower issues and led to general discussion on manning and the MIFP, with Mr Pickette (MUA) and Ms Hatch (ASA) providing comment.

AGENDA ITEM 7 – The Australian Shipping Industry - Update

17. Ms Theresa Hatch (ASA) provided an informative presentation on the Australian Shipping Industry with particular focus on the Shipping Reform Policy, 'Stronger Shipping for a Stronger Economy', which was released on 9 Sep. Ms Hatch emphasised the key expectations and desired outcomes of the ASA from the Reform.
18. Mr Birouste (Thales) highlighted the concerns held over ship maintenance in Australia and how it was not cost competitive against some overseas ship repair facilities. He also observed that manpower for ship maintenance, particularly on the east coast is affected by the pull factor of the growth in the offshore sector in Western Australia. He further noted the Thales lease expiry at Garden Island in June 2013, and present uncertainties over arrangements for booking commercial ships into Captain Cook dock beyond that time.

AGENDA ITEM 8 – Fleet Base East (FBE) and Cruise Ships

19. The Chairman introduced this Agenda Item with a brief overview on the issues concerning proposed Cruise Ship access to FBE. Mr Mackinnon then followed with an update on this issue and reiterated Navy's concerns regarding the pressure from certain Cruise Ship operators who seek greater access to FBE, particularly noting that increasing peak cruise ship demand for berth space east of the Sydney Harbour Bridge coincides with Navy's peak demand at FBE from Dec to Feb annually.
20. Mr Anderson (Ports Australia) stated that FBE was of key strategic importance to the Navy and therefore was a strategic asset to Australia and as such there should not be an expectation that Cruise Ship access was the norm. Mr Mackinnon observed that the Cruise Ship industry may need to re-visit its Business Model for Sydney operations, noting the increase in demand for port access and wharfage. This observation was supported by the Chairman who noted that infrastructure is a key enabler, be it for Defence, Customs, Cruise Ships or other commercial operators.

AGENDA ITEM 9 – Maritime Capability Developments in C&BPC

21. Mr Nic Arthur (C&BPC) provided the Council with an overview of the assets and capabilities of the C&BPC. Of particular interest to Members was the description and characteristics of the forthcoming *Cape* Class Patrol Vessel now established as the replacement design for the current *Bay* Class.

AGENDA ITEM 10 – Other Business

22. The Chairman observed that the Force Posture review may present industry challenges, based on force disposition. Mr Anderson (Ports Australia) remarked that the National Ports Strategy is cognisant of the fact that landside capacity is essential in supporting the growth in wharf side capacity.
23. The Chairman noted that 2012 is the 30th Anniversary of the Australian Shipping Defence Council, which became the AMDC. He then proposed that the next Meeting be held in Sydney in March or April 2012 with due observance being made of this Anniversary. The Chairman then thanked all attendees for their attendance, valuable engagement and information flow. The meeting was closed at 1600.



T. N. JONES
Rear Admiral, RAN
Chairman

19 Nov 2011

S22



C.J. McMASTER
Lieutenant Commander, RANR
Secretary

19 Nov 2011

Attachments:

1. Attendees and apologies for the Australian Maritime Defence Council Meeting of 8 Sep 2011.

AUSTRALIAN MARITIME DEFENCE COUNCIL MEETING – 8 September 2011

– ATTENDEES –

Name	Position & Organisation
RADM Trevor Jones	Deputy Chief of Navy, Chairman of the AMDC
CDRE Mark Sackley	Director General Strategic Logistics
CAPT George McGuire	Director Maritime Operations, HQJOC
Mr Andrew Mackinnon	Director Navy Infrastructure Plans, Navy Strategic Command
CMDR Nigel Trump	Deputy Director National Logistics (Maritime), Strategic Log Branch (accompanying DGSL)
CMDR John Willy	SO1 Maritime Industry Engagement Maritime Trade Organisation (representing CAPT Burton, DMTO)
CMDR Mark McIntosh	Master Attendant, Fleet Command
LCDR Colin McMaster	Staff Officer Ports & Training Areas, AMDC Secretary
David Anderson	Chief Executive Officer, Ports Australia
Mr Thomas Birouste	Director Platform Services – Naval, Thales Australia, (representing the Australian Ship Repairers Group)
Ms Teresa Hatch	Executive Director, Australian Shipowners Association, (also representing Teekay Shipping)

Mr Jack Manning	(representing Mr John Campbell, General Manager Government Shipping Services, (representing Offshore Industry))
Mr Nic Arthur	National Manager Maritime Capability Development Branch Customs and Border Protection Command (representing Nigel Perry, Director Maritime Operations Support Division)
Mr Nathan Rufus	Deputy Director Maritime Industry Engagement C&BPC (representing RADM Barrett, CMDR C&BPC)
Mr Rod Pickette	Maritime Union of Australia (representing Paddy Crumlin, National Secretary MUA)
Mr Lew Russell	CEO Shipping Australia Ltd
	Apologies
Mr Tony Wilks	General Manager HR and IR Australia, SVITZER
Mr John Campbell	P&O Maritime Services (representing Offshore Industry)
Mr Paddy Crumlin	National Secretary , The Maritime Union Of Australia,
Mr Sid Marris	Minerals Council of Australia
Mr Jock O'Hagan	DP World, National Manager Security (representing Stevedoring Industry)
Mr David Parmeter	Managing Director Teekay Shipping (Australia),
Mr Charlie Gibbons	Department of Infrastructure and Transport
Mr Steve Dreezer	Office of Transport Security

Mr Russell Smith	CEO Port of Brisbane Pty Ltd
	Guest Presenters
CAPT Garry Kennedy	Coordinator Navy Project 100
CMDR Glenn Robinson	Port Services Manager - East
Mr Peter Keyte	General Manager Port Operations – Port of Brisbane Pty Ltd

ROYAL AUSTRALIAN NAVY

NAVY STRATEGIC COMMAND



R1-4-C005, RUSSELL OFFICES, CANBERRA ACT 2600

2009/1112155/1
DCN/OUT/2012/561

MINUTES OF THE AUSTRALIAN MARITIME DEFENCE COUNCIL

HELD AT FLEET HEADQUARTERS ON 16 MAY 2012

Present:

See Attendance List (Attachment 1)

AGENDA ITEM 1 – Welcome, Introductory Remarks & Apologies

1. The Acting Chairman, RADM Thomas, RANR opened the meeting at 0900, welcomed Members and provided apologies for RADM Trevor Jones who was unable to Chair the meeting. The list of attendees and other apologies is at Attachment 1.
2. The Acting Chairman also welcomed new AMDC Members, Jack Manning (P&O Maritime) and CAPT Bill Garner (Navy MTO). The Chair also acknowledged observers Stewart Dietrich and Andrew Hudson.
3. The Acting Chairman noted that this meeting was the first since Minister Albanese announced the 'Stronger Shipping for a Stronger Economy' reform initiatives in September 2011. He remarked that these initiatives and related discussion would be integral to this AMDC meeting.

AGENDA ITEM 2 – Confirmation of Previous Minutes

4. The Acting Chairman reviewed the contents of the previous meeting (8 September 2011) and noted that no actions were outstanding from that meeting. The Minutes were therefore accepted as an accurate record of that meeting.

AGENDA ITEM 3 – APPEA Membership of the AMDC

5. The Secretary provided an overview on the initiative to invite the Australian Petroleum Production and Exploration Association (APPEA) to join the AMDC as a Member.
6. The APPEA is a peak national body representing the upstream oil and gas exploration and production industry. In February 2012, the AMDC Chairman, with the consensus of Members, invited APPEA to join the AMDC. The Minister for Defence agreed with

the proposal and in May 2012 the APPEA formally accepted the invitation of membership. Mr David Byers (Chief Executive APPEA) was an apology for this meeting. Relevant correspondence is at Attachment 2.

AGENDA ITEM 4 – History of the AMDC

7. The Secretary observed that this meeting marked the 30 year anniversary of the AMDC. The inaugural meeting of the former Australian Shipping Defence Council was in May 1982 and the Secretary tabled a recent Navy Sea Power Centre article on the history of the AMDC for the information of members. This article is at Attachment 3.
8. General dialogue then followed and the consensus from Members was that the AMDC continues to provide a valuable strategic forum and a level of engagement that is not replicated elsewhere.

AGENDA ITEM 5 – Navy Alternate Crewing Study

9. The Acting Chairman provided a presentation and brief on the recently completed 'Study into Alternate Crewing Strategies for Navy Support Ships', which he undertook at the request of the Deputy Chief of Navy.
10. The Acting Chairman noted that the Study involved engagement with various members of the AMDC and was presented to the Navy People Committee on 14 May 2012.
11. The Council members then engaged in extensive discussions, the key points being:
 - C&BPC are moving to a more commercial model for crewing
 - There are significant Technical Regulatory issues for Navy
 - Navigation Act reforms are critical to envisaged crewing models
 - The issue of civilian crew in the Government Sector is still evolving
 - Industrial relations issues are critical, particularly negotiation over any 'no strike' agreements
 - Capacity of the Maritime Industry to meet demand and demographics of the workforce
 - Maritime Industry training capability

AGENDA ITEM 6 – ReCAAP Brief

12. RADM Johnston as Commander Border Protection Command provided Members with an overview of the C&BPC organisation. Key points were:
 - Illegal arrivals are not the key focus
 - 26 client agencies
 - Not a SAR agency and this responsibility lies with AMSA
 - Jurisdiction
13. RADM Johnston also invited Members to view operations on the C&BPC 'Watch floor' at any mutually convenient time.

14. Mr Andrew Hudson (Manager International Engagement C&BPC) then provided a presentation and brief on the Regional Cooperation Agreement on Combating Piracy (ReCAAP), the key points being:
- First Government to Government agreement
 - 18 Member states
 - Benefits of membership to Australia
 - Visit to Canberra by ReCAAP Deputy Director on 25 May 2012
15. Mr Hudson also tabled an Information Brief on ReCAAP to the AMDC and this is at Attachment 4

AGENDA ITEM 7 – Navy Infrastructure Plans - Update

16. Mrs Meredith Apps (Deputy Director Navy Infrastructure Plans) provided an update major Navy infrastructure issues affecting commercial ports, particularly as influenced by the Force Posture Review (FPR). Key points were:
- Townsville:
 - i. Construction on Berth 10 has commenced
 - ii. Staging Area within the Port confines has been acquired
 - iii. Scoping continues on F44 storage/capability
 - Darwin:
 - i. Consultants report on proposed wharf at Coonawarra Fleet Base and relocated NFI has been submitted
 - ii. Dialogue continues on proposed Hardened Barge Ramp facility
 - iii. Fort Hill Wharf upgrade commences shortly
 - Sydney (Fleet Base East):
 - i. Thales lease transition issues (DMO leading a steering group)
 - ii. Cruise Ship Access and the Hawke Report (released 29 March)
 - iii. Hammerhead Crane removal issues
17. Discussion then followed on NW Australia issues, particularly:
- C&BPC input to the FPR
 - Potential benefits from the planned Pt Hedland Common User Facility
 - Respective State and Territory Consultative Forums are the correct entry point to influence interests
 - Linkage to National Ports Strategy
 - Development of a Defence Ports Strategy
 - Key Defence engagement with relevant Ports is vital

AGENDA ITEM 8 – Australian Shipping Policy - Update

18. Ms Teresa Lloyd (Australian Shipowners Association) provided an update on the Shipping Reform Policy, following the 'Stronger Shipping for a Stronger Economy' initiative announced in September 2011. Key points were:
- The package of reforms is generally supported
 - The Fiscal package is attractive (although not as attractive as other countries)
 - Significant change to the Cabotage system

- Legislation introduced into Parliament at the Committee level
- Role of the Maritime Workforce Development Forum
- Key Defence engagement with relevant Ports is vital

AGENDA ITEM 9 – Maritime Workforce Development Forum

19. Mr Tony Wilks (Svitzer) provided the Council with an overview of the Maritime Workforce Development Forum. Noted discussion points were:
- The Forum is a product pre-dating the legislative reform
 - Stakeholders in the reform process cognisant of the training requirement
 - Forum is looking at the ‘gene pool’ and aim is to develop a workforce plan in the 3 to 5 year timeframe
 - The Forum is conducting a census of the maritime cluster to ascertain statistical data and also to identify the ‘status quo’ of current qualifications held
 - Maritime training institutions are a key component of the Census
 - The interface between Navy and the commercial industry will be important
20. The Acting Chairman then advised the Members that the Navy had been invited to join the Forum and would also actively participate in the Census.

AGENDA ITEM 10 – National Ports Strategy - Update

21. Mr David Anderson (Ports Australia) provided the Council with an update on the National Ports Strategy. Key observations were:
- Ports Australia members are preoccupied by commercial growth and this preoccupation reduces visibility of Defence requirements
 - The Ministerial Council met in November 2011 and approved the Strategy, which will now move to the Council of Australian Governments (COAG)
 - Expectation was that the Strategy would be approved at the April 2012 COAG, but it will now be tendered for approval out of session
 - Success of the Strategy thus far has been the engagement of Ports at the strategic/political level
 - The Strategy is a measurement of supply chain management issues
 - The interface between Navy and the commercial industry will be important

AGENDA ITEM 11 – Other Business

22. With no further business arising, the Acting Chairman thanked all Members and Observers for their attendance, valuable engagement and information flow. After discussion on options for the next meeting, it was decided to plan on a Canberra venue in early November 2012.
23. The meeting was closed at 1220.



D.R THOMAS
Rear Admiral, RANR
Acting Chairman *A.D.D.*

7 Aug 2012

S22



C.J. McMASTER
Lieutenant Commander, RANR
Secretary

7 Aug 2012

Attachments:

1. Attendees and apologies for the Australian Maritime Defence Council Meeting of 16 May 2012.
2. Invitation to APPEA to join the AMDC.
3. Navy 'Semaphore' Article on the History of the AMDC.
4. ReCAAP Information Brief.

AUSTRALIAN MARITIME DEFENCE COUNCIL MEETING – 16 May 2012

– ATTENDEES –

Name	Position & Organisation
RADM Davyd Thomas	Representing: Deputy Chief of Navy, Chairman of the AMDC
RADM David Johnston	Commander Border Protection Command
CDRE Mark Sackley	Director General Strategic Logistics
CAPT George McGuire	Director Maritime Operations, HQJOC
Mrs Meredith Apps	Deputy Director Navy Infrastructure Plans, Navy Strategic Command (representing Mr Andy Mackinnon, DNIP)
CAPT Bill Garner	Director Maritime Trade Operations
LCDR Colin McMaster	Staff Officer Ports & Training Areas, AMDC Secretary
David Anderson	Chief Executive Officer, Ports Australia
Mr Thomas Birouste	Director Platform Services – Naval, Thales Australia, (representing the Australian Ship Repairers Group)
Ms Teresa Lloyd	Executive Director, Australian Shipowners Association, (also representing Teekay Shipping)
Mr Nigel Perry	National Director Maritime Operations Support Division Customs and Border Protection Command
Mr Jock O'Hagan	DP World, National Manager Security (representing Stevedoring Industry)

Mr Jack Manning	Commercial Manager P&O Maritime -Australia (representing Offshore Industry)
Mr Sid Marris	Minerals Council of Australia
Mr Tony Wilks	General Manager HR and IR Australia, SVITZER
Mr David Parmeter	Managing Director Teekay Shipping (Australia)
	Apologies
Mr Paddy Crumlin	National Secretary , The Maritime Union Of Australia,
Mr Steve Dreezer	Office of Transport Security
Mr Llew Russell	CEO Shipping Australia Ltd
Mr David Byers	CEO, Australian Petroleum Produc tion and E xploration Association
Mr Charlie Gibbons	Director Maritime Policy & Industry, Dept of Infrastructure & Transport
CMDR Mark McIntosh	Master Attendant, Fleet Command
	Guest Presenters
Mr Andrew Hudson	Manager International Engagement Customs and Border Protection Command
CAPT Stewart Dietrich	Navy Alternate Crewing Strategy Study

— OPEN SUBJECT
C/PRO/10/506
12/520
REPLY



11 May 2012

T.N.JONES
Rear Admiral, RAN
Deputy Chief of Navy
NAVY STRATEGIC COMMAND
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Dear Rear Admiral Jones,

Invitation to APPEA to join the Australian Maritime Defence Council

Thank you for your letter of February 2012 to Mr David Byers, CEO of APPEA, inviting APPEA to join the Australian Maritime Defence Council (AMDC). David has asked me to reply on his behalf.

The Australian Petroleum Production & Exploration Association (APPEA) is the peak national body representing the oil and gas exploration and production industry. Collectively our membership accounts for around 98 per cent of Australia's oil and gas exploration and production.

APPEA greatly appreciates the opportunity to participate in the AMDC as Australia enters a new phase of growth in our offshore regions, particularly in the Northwest. The north and northwest regions of Australia will play host to a number of new multibillion dollar offshore developments that will play a vital role in meeting the energy demands of the future. The ongoing safety of these regions is also of topmost priority, and the role of maritime defence is widely supported by the oil and gas industry.

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I will be the point of contact within APPEA for the AMDC and I can be reached at mjtaylor@appea.com.au, or 08 94267201.

Yours sincerely

Miranda Taylor
DIRECTOR ENVIRONMENT, SAFETY & PRODUCTIVITY

AUSTRALIAN MARITIME DEFENCE COUNCIL

Navies have had a long relationship with their respective maritime industries and the Royal Australian Navy (RAN) is no exception. Naval capability can not be built, maintained and supported without a strong industrial sector. This is well known, but there are other aspects to the RAN relationship with the maritime industry that are less well known, and this *Semaphore* examines the relationship with the shipping and port associations through what is now called the Australian Maritime Defence Council (AMDC). While its discussions are not classified, they are occasionally sensitive, so what follows focuses on administrative issues before providing a general outline of topics considered by the Council.

The antecedents of the AMDC go back to the early 1980s, when the Chief of Naval Staff, Vice Admiral Willis, RAN chaired a meeting between senior RAN officers and senior executives from Australian flag shipping companies on 8 April 1981 to discuss the need for regular meetings between them. The naval rationale for such meetings was to establish a framework for naval control of shipping operations in Australia during periods of tension or limited aggression. Often forgotten now, the historical experience of the World War II *guerre de course* against merchant shipping informed global military planning during the Cold War where the protection of merchant shipping from naval attack was given a high priority.¹

At a subsequent meeting on 6 November 1981, hosted by the Australian National Line in their boardroom in Sydney, it was agreed there would be considerable value in creating an Australian Shipping Defence Council (ASDC) with a membership initially limited to the RAN and shipowners, and to representatives from the Department of Defence (movements and transport) and the Royal Australian Air Force (RAAF).

On 9 February 1982, VADM Willis sought approval from the Minister for Defence (Hon DJ Killen) to create the ASDC with the purpose

To provide liaison between the RAN and those who control and operate Australian merchant shipping in time of peace in order to plan for its safety and protection in time of threat, tension, emergency and war.

The Minister for Defence approved the creation of the ASDC on 25 February 1982 as a non statutory body with the Deputy Chief of Navy as its chairman, and its inaugural meeting was held in May 1982. Early membership from industry included the Australian National Line, BHP, Ampol Petroleum, Howard Smith Industries and T NT Bulkships. The Department of Transport requested membership on 22 June 1982 and this was approved by the Minister for Defence in August; under a variety of different names, the department has played an important role in Council deliberations ever since.

The actual details are difficult to discern after all this time, but there appears to have been some early concern over the ASDC by some areas in the Department of Defence, as the Chief of the Defence Force Staff, Air Chief Marshal McNamara wrote to the Chief of Naval Staff on 25 October 1982 to remind him of the need for discussions to remain within the general bounds of the council's remit, that discussions should reflect a departmental point of view, and that papers to be considered by the Council might usefully be distributed in the department prior to Council meetings.

Importantly however, it was recognised that the ASDC served a useful purpose and that over time it might wish to expand the scope of its deliberations.

By 1984, Council members thought there was little more they could discuss within their limited terms of reference, and that wider consultation was now necessary. Concurrent with these deliberations was the creation of an Inter-Departmental Working Group (led by Defence and Transport) to examine the coordination of maritime resources for use during hostilities and in emergencies. One of the tasks of this working group was to identify those areas where consultative arrangements and coordination were required to draw together matters concerning civil maritime resources to ensure their smooth transition for support to the Australian Defence Force should the need arise. Government departments involved in policy areas involving the civilian direction of shipping included: Transport, Resources and Energy, Employment and Industrial Relations, Social Security, Administrative Services, Trade, Special Minister for State, Defence and Finance. As shipowners and the maritime industry would need to be consulted in a contingency situation, new terms of reference for the ASDC were prepared:

To provide liaison between the RAN and authorities who control, operate and coordinate Australian flag shipping and merchant marine affairs in order to advise on the civilian direction of shipping and to plan for its control, safety and protection in time of threat, tension, emergency and war.

The Council deferred submission to the Minister for Defence of the amended terms of reference until the Working Group had issued its report and it had been considered by government. In the interim, the Department of Trade joined the Council on 9 August 1985.

In late 1989 the Council again discussed its terms of reference and thought it should be broadened, but by mid-1990 it decided that the draft Ministerial submission should not proceed as government deliberations over the national shipping industry were pending, which might influence its future membership and direction.

In mid-1993 the need to expand the membership of the Council was raised and on 6 September 1994, the Minister for Defence (Hon Robert Ray) approved a new charter and membership. The impetus for action on the terms of reference and membership were changes in Commonwealth administration and departmental structures, changes within the ADF and within the Australian shipping industry. The revised purpose of the ASDC was:

To provide a consultative forum for government and the Australian maritime industry to initiate and develop proposals for the provision of safety and protection of merchant shipping and Australia's maritime trade, and the provision of merchant shipping support to the ADF in time of threat, tension, emergency and war.

Although the Cold War 'ended' in 1991, there remained a residual concern over the protection of shipping, but the Department of Defence could see the necessity for using the civilian industry, where possible, to supplement its limited amphibious support for operations.

During discussions on 2 September 1997, the Council thought it might need to widen its membership, as changes in

the structure and organisation of the Department of Defence would change the manner in which it would operate in the future. Concurrently, the government initiated a Shipping Reform Group to examine the competitive gap between Australian and foreign owned shipowners involved in Australian trade. The ASDC proposed that the Australian Chamber of Shipping, Liner Shipping Services, the Minerals Council of Australia, and the Association of Australian Ports and Marine Authorities be invited to its next meeting.

The Council was advised at its meeting on 3 March 1998 of the creation of the National Support Division within Defence, which would focus on merchant shipping support as well as port access for Defence owned and chartered vessels, not only in situations of threat, tension and emergency, but also in peacetime.² This created a range of opportunities for more focused and beneficial discussion between Defence and the maritime industry, so the Council agreed there would be a strategic plan to guide its deliberations. While the aforementioned invitees would continue to attend meetings, there would be no changes to membership until the strategic plan was developed and agreed.

At its meeting on 17 March 1999, the Council endorsed its strategic plan (later called its business plan) and revised membership. It also recommended a change in its name to the Australian Maritime Defence Council (AMDC), to recognise the wider involvement of the maritime industry, including liner shipping owners, the offshore industry, tug operators, ports, the stevedoring industry, and the decreasing role of Australian flag shipowners. The Minister for Defence (Hon John Moore) approved these changes on 17 May 1999, with the mission of the AMDC being:

To promote the partnership between the Australian Defence Organisation (ADO) and the Australian maritime industry and to facilitate the provision of effective advice and support to government on maritime issues in the interests of national security.

The strategic plan contained four goals with a number of associated strategies; the goals were:

- Provision of comprehensive and timely advice to government on strategic maritime policies and operational issues for the maintenance of national security.
- Enhancement of communication links within the AMDC and between the AMDC and other relevant organisations.
- Promotion of cooperation between the ADF and the commercial maritime industry for the purposes of Naval Control and Protection of Shipping (NCAPS).³
- Promotion of ADO access to maritime infrastructure and services.

In 2002, the Australian Shipping Repairs Group became a member, providing a useful link for the development and maintenance of naval capability. With a progressive move to a 'whole-of-government' approach to policy issues, particularly national security issues, the newly created Border Protection Command was invited to join the AMDC in 2006, while the Department of Foreign Affairs and Trade and the RAAF resigned in 2008. From 2007 the Maritime Union of Australia was invited to attend meetings for specific agenda items, bringing a maritime workforce perspective to the Council, and became a member in 2009.

While national security remains the primary purpose of the AMDC, the biannual meetings also facilitate discussion of maritime issues that are of interest to both government departments and the maritime industry. Examples of the types of topics discussed at the AMDC include: implications

of archipelagic sea lanes to shipping, oceans resource protection, marine pollution, employment of women at sea, civil recognition of RAN training,⁴ law of the sea, piracy, shipping reform, port development and security, impacts of growing cruise shipping, and Defence access to and use of merchant shipping along with access to ports of strategic importance.⁵ The purpose of much of this discussion is to share information on issues relevant to all members of the Council, so all understand the dynamics of both the maritime industry as well as national security and ship/port policy issues from a government perspective.

From an operational and planning perspective, the AMDC provides a forum where policy matters related to port access by RAN ships can be raised with the ports' peak body (Ports Australia) and shipping representatives; this is particularly important for continued RAN access to commercial ports. Relevant ports are also advised of planned major or bilateral and multi-national exercises which may impact upon their activities, and the processes for active engagement with Defence as plans are refined.

For the ADO, the AMDC provides a forum for longer range planning and contingency planning. As examples, during 2000-02, it considered two reports prepared by the Bureau of Transport Economics that examined the shipping and port capabilities necessary to support Defence in a variety of contingencies.⁶ And beginning in 2003, there were detailed discussions over the implementation of the *International Ship and Port Facility Security Code*, and its impact on ports and RAN port access.⁷ Recently, the AMDC also noted implications of the Government's announcement, in September 2011, of major reforms to the Australian shipping industry.⁸ The AMDC is also one of the many bodies contributing to wider discussions on Australia's maritime domain and is important as it strengthens the ties the ADO has with other maritime bodies such as the AMSA Advisory Committee and the Australian Shipowners Association.

From its inception in 1982, the focus of the Council has evolved and expanded from a narrow 'protection of shipping' role, that enabled discussion between the RAN and shipowners; through a broader focus on the commercial shipping industry, associated government agencies and policies, including the support that could be provided to Defence in both peace and war; to a mature focus on the maritime industry and its relationship with 'government'.

Andrew Forbes

¹ See Andrew Brown, 'The History of the Radford-Collins Agreement', *Semaphore*, Issue 15, November 2007. The 1959 and 1967 versions of the Radford-Collins Agreement are printed in Andrew Forbes and Michelle Lovi (eds), *Australian Maritime Issues: SPC-A Annual 2006*, Papers in Australian Maritime Affairs No 19, Sea Power Centre - Australia, Canberra, 2007, pp. 47-67.

² The National Support Division was disbanded in 2001 with some of its functions incorporated into Industry Division.

³ In 2003, NCAPS became naval cooperation and guidance for shipping (NCAGS), in recognition that there were fewer Australian flagged ships that could be 'controlled', and then became maritime trade operations in 2004.

⁴ See Jane Landon, 'Civilian Accreditation of RAN Sea Training', *Semaphore*, Issue 13, August 2007.

⁵ See Andrew Mackinnon, 'The Strategic Importance of Australian Ports', *Semaphore*, Issue 16, October 2005.

⁶ The logistical support for INTERFET during 1999 came through commercial ports, impacting on commercial operations. AMDC members provided invaluable advice and support to Defence and other agencies during operation.

⁷ See Andrew Forbes, 'Maritime Security Regulation', *Semaphore*, Issue 3, February 2006.

⁸ See www.minister.infrastructure.gov.au/aa/speeches/2011/AS26_2011.aspx.





Australian Government

Border Protection Command

BPC File Ref: 2011/041694-01

AMDC

INFORMATION BRIEF TO AMDC: AGENDA ITEM 6 - AUSTRALIAN ACCESSION TO THE REGIONAL COOPERATION AGREEMENT ON COMBATING PIRACY AND ARMED ROBBERY AGAINST SHIPS IN ASIA (ReCAAP)

1. **Reason for Brief.** To provide AMDC with a brief on Australia's proposed accession to ReCAAP.
2. **Scope of Brief.** This brief provides information on:
 - a) ReCAAP;
 - b) the progress towards Australia's accession to ReCAAP; and
 - c) frequently asked questions about ReCAAP (at attachment A).

ReCAAP

3. ReCAAP was implemented as a regional government to government agreement in 2004 seeking to address the security threat posed by piracy and armed robbery at sea within Asia. ReCAAP now comprises 18 member nations (the United Kingdom became the most recent member to join), with additional countries being signatories to the agreement, although not yet holding full member status. Several nations geographically outside the Asian region have also elected to join in recognition of the value to their maritime trade.
4. In 2009, the Department of Foreign Affairs and Trade, on behalf of Australian Government agencies with interests in combating maritime piracy, initiated active consideration of Australian membership on this influential regional forum. Australia's expression of interest in ReCAAP resulted in Australia being invited to attend the March 2010 meeting of the ReCAAP Governing Council in Singapore.
5. The Commander Border Protection Command, as the designated Security Forces Authority for the Australian region, led the Australian delegation to the ReCAAP Governing Council meetings in 2010, 2011 and 2012.
6. Membership of this forum will enhance Australia's understanding of regional security threats and support our ongoing efforts to maintain security and facilitate maritime trade within our Security Forces Authority Area of Responsibility.
7. ReCAAP is demonstrating its full support for Australia to join the organisation by conducting a goodwill visit to Canberra on 25 May 2012 to discuss the benefits of membership with other Government agencies. Border Protection Command is hosting ReCAAP Deputy Director Mr Nicholas Teo. Mr Andrew Hudson, Manager International Engagement (BPC) can be contacted on 02 6229 3871 for further information.

STATUS UPDATE ON ACCESSION BY AUSTRALIA TO ReCAAP

8. Australia considers the ReCAAP agreement to be a major Treaty and is therefore subject to a lengthy Parliamentary process prior to accession. The Joint Standing Committee on Treaties (JSCOT) will consider Australia's accession to ReCAAP and its findings are anticipated to be reported to Parliament by the end of the year.

9. In December 2011, the Minister for Home Affairs wrote to the Minister for Defence, the Minister for Infrastructure and Transport and the Attorney-General seeking in-principle agreement for Australia to accede to ReCAAP.

10. Agreement was received in writing from the Minister for Infrastructure and Transport in January 2011 and the Attorney-General in February 2011. The Minister for Defence provided his agreement in May 2012.

11. The Minister for Home Affairs intends to write to the Minister for Foreign Affairs seeking his approval for Australia to accede to ReCAAP and request the agreement be progressed through the Parliamentary process for consideration.

12. Sectors of the maritime industry consultation period concluded in April 2012 with an overall positive response. Formal responses were received from the Australian Petroleum Production & Exploration Association Ltd (APPEA), Australian Shipping Association (ASA) and Shipping Australia Limited (SA). Industry indicated its willingness to work closely with Government on methods to implement the reporting requirements of ReCAAP. Industry comments will be considered during the JSCOT process.

RECOMMENDATION

13. That the AMDC meeting note this briefing paper.

Brief Prepared By

Mr Andrew Hudson, MIE, Phone 6229 3871. Dated 11 May 2012.

Cleared By

COL Sutton, DSECT, Phone 6275 6269. Dated 11 May 2012.

Attachments

A. Australian Accession to the ReCAAP - Frequently Asked Questions

ATTACHMENT A

AUSTRALIAN ACCESSION TO THE REGIONAL AGREEMENT ON COMBATING PIRACY AND ARMED ROBBERY AGAINST SHIPS IN ASIA (RECAAP)

FREQUENTLY ASKED QUESTIONS

1. *What is ReCAAP?*

ReCAAP is the first regional government-to-government agreement to promote and enhance cooperation against piracy and armed robbery in Asia. It was finalised on 11 November 2004 and entered into force on 4 September 2006. To date, 18 States have become Contracting Parties to ReCAAP.

ReCAAP is largely about information sharing and cooperation/capacity building. ReCAAP does not undertake response action to reported acts of piracy. Contracted Parties retain their existing responsibilities in response to piracy incidents.

2. *Who are the ReCAAP Contracted Parties?*

The term Contracted Parties is used to describe the membership of ReCAAP. Current membership includes the People's Republic of Bangladesh (Department of Shipping); Brunei Darussalam (National Maritime Coordination Centre); Kingdom of Cambodia (Merchant Marine Department); People's Republic of China (China Maritime Rescue Coordination Centre); Kingdom of Denmark (Danish Maritime Authority); Republic of India (Maritime Coordination Centre); Japan (Japan Coast Guard); Republic of Korea (Ministry of Land, Transport and Maritime Affairs); Union of Myanmar (Marine Rescue Coordination Centre – Navy); Kingdom of the Netherlands (Netherlands Coast Guard); Kingdom of Norway (Norwegian Maritime Directorate); Republic of the Philippines (Philippine Coast Guard); Republic of Singapore (Maritime and Port Authority); Democratic Socialist Republic of Sri Lanka (Sri Lanka Navy); Kingdom of Thailand (Royal Thai Navy); the Socialist Republic of Vietnam (Vietnam Marine Police); and the United Kingdom.

3. *What jurisdictional area does ReCAAP operate under?*

ReCAAP does not define the jurisdictional or geographic area in which it operates. In terms of responding to piracy incidents, each member of ReCAAP operates within their respective jurisdictional area in accordance with their national laws, regulations and applicable rules of international law. For example, Australia's Security Forces Authority Area (SFAA) is defined by the same maritime boundary as Australia's Sea Search and Rescue Region.

Australia's maritime boundaries can be accessed at:

http://www.customs.gov.au/webdata/resources/files/Area_of_Interest.pdf

4. *Where is ReCAAP located?*

The ReCAAP Information Sharing Centre (ReCAAP ISC) was established under the ReCAAP Agreement, and was officially launched in Singapore on 29 November 2006. It was formally recognised as an international organisation on 30 January 2007.

5. *Is ReCAAP membership mandatory?*

No. However, like-minded maritime authorities and industry sectors recognise the mutual benefit in working together under a shared framework of cooperative arrangements, such as those provided by ReCAAP. This is demonstrated by the existing membership which includes regional Coast Guard, Maritime Authorities and Navies with a common goal of sharing

information and building capacity in their organisations to deal with the threat of piracy and armed robbery against ships.

6. *How will Australia benefit in joining ReCAAP?*

Australia will benefit from increased visibility and awareness with respect to the threat of piracy and armed robbery in our immediate region. More broadly, membership will enable Border Protection Command (BPC) to tap into the experience and expertise of ReCAAP and promote a focus on piracy, robbery and violence given they form one of Australia's eight maritime security threats. More importantly, ReCAAP is the only regional forum dedicated to discuss piracy issues.

Australia has signalled its interest in becoming a full member and is currently progressing the necessary domestic requirements to implement the ReCAAP Agreement.

7. *Who will benefit in Australia joining ReCAAP?*

The maritime industry, seafarers and maritime law enforcement community all stand to benefit because facilitating communications and information exchange among participating governments and the maritime industry can:

- improve incident response by member countries
- seek to provide more accurate statistics on piracy and armed robbery incidents, and
- foster a better understanding of the situation in Asia.

8. *Who is the Australian Government lead on progressing ReCAAP accession?*

Membership to ReCAAP is an Australian Government initiative. BPC, within the Australian Customs and Border Protection Service, is designated as Australia's Security Forces Authority for the purpose of responding to acts of violence against ships within Australia's search and rescue region.

The Australian Maritime Security Operations Centre (AMSOC), located within BPC, will act as Australia's designated centre (or Focal Point) for communication between the ReCAAP ISC.

9. *What does Australia need to do before we can join ReCAAP?*

The ReCAAP Agreement contains obligations with which all members must comply. The Australian Government has closely examined those obligations and concluded that Article 9(4) of the Agreement may require further domestic action by the Australian Government.

Article 9(4) requires Contracting Parties to make every effort to require its ships, ship owners, or ship operators to promptly notify relevant national authorities including focal points, and the ReCAAP ISC when appropriate, of incidents of piracy or armed robbery against ships. The purpose of this provision is to ensure that information about piracy incidents is shared, allowing Contracting Parties to counter and prevent piracy activity in the region.

Currently, there is no requirement, in Australia, for Australian ship owners or operators to specifically notify authorities of piracy or armed robbery against Australian ships. Therefore further consideration by the Australian Government may include a requirement for Australian ship owners and operators to promptly notify relevant national authorities of acts of piracy or armed robbery anywhere they might be operating.

Minor changes in relation to Australia's extradition and mutual assistance arrangements may also be a necessary precondition for accession to the ReCAAP Agreement.

10. *What is the difference between Piracy and Armed Robbery against Ships under ReCAAP?*

Under ReC AAP, ‘**piracy**’ means any illegal act of violence or detention, or any act of depredation, committed for private ends by the crew or the passengers of a private ship or a private aircraft, and directed against another ship, person or property outside the jurisdiction of any State (for example, the High Seas). It also includes any act of voluntary participation in the operation of a ship knowing that it is a pirate ship.

Under ReC AAP, ‘**armed robbery against ships**’ means similar acts as those defined as ‘piracy’, but occurring in a place within a Contracting Party’s jurisdiction (for example, in its territorial sea).

11. Does Australia have existing legislation concerning acts of piracy and armed robbery against ships?

Yes.

Section 52 of the *Crimes Act 1914* (Cth) makes it an offence to commit an act of piracy. Consistent with the gravity of the offence, the penalty for piracy is life imprisonment.

Piracy is defined in section 51 of the *Crimes Act* as: an act of violence, detention or depredation committed for private ends by the crew or passengers of a private ship or aircraft and directed:

- (a) if the act is done on the high seas or in the coastal sea of Australia—against another ship or aircraft or against persons or property on board another ship or aircraft; or
- (b) if the act is done in a place beyond the jurisdiction of any country—against a ship, aircraft, persons or property.

There are other offences in Commonwealth law that could cover some of the conduct defined as piracy or armed robbery against ships in ReCAAP. For example, section 8 of the *Crimes (Ships and Fixed Platforms) Act 1992* prohibits seizing a ship. A person is guilty of that offence and could be imprisoned for life if the person uses threat, force or intimidation to take possession or exercise control over a private ship. Section 9 of the *Crimes (Ships and Fixed Platforms) Act 1992* prohibits acts of violence. A person is guilty of that offence and could be imprisoned for up to 15 years if the person performs an act of violence against a person on board a private ship knowing that the act is likely to endanger the safe navigation of the ship.

12. Where can I find out more information about Australia’s maritime security arrangements and on ReCAAP?

Information on Australia’s maritime security arrangements and the role of Border Protection Command can be obtained by visiting <http://www.bpc.gov.au>

Information about ReCAAP can be obtained by visiting <http://www.recaap.org/AboutReCAAPISC>

This document has been prepared by BPC and intended to provide general information about Australia’s interest in joining ReCAAP. For further enquiries or information please contact BPCEngagement@customs.gov.au



ROYAL AUSTRALIAN NAVY
Navy Strategic Command

Minute

DCN/OUT/2013/310

See Distribution

MINUTES OF THE AUSTRALIAN MARITIME DEFENCE COUNCIL HELD AT RUSSELL OFFICES ON 08 MAY 2013

Agenda Item 1 – Welcome, Introductory Remarks & Apologies

1. The Chairman, RADM van Balen, RAN opened the meeting at 1030, welcomed Members and stated that he looked forward to interaction and engagement on a range of issues in his first meeting as Chair. The list of attendees and apologies is at Annex A.

Agenda Item 2 – Confirmation of Previous Minutes

2. The Secretary noted that no actions were outstanding from the previous meeting (16 May 2012). The Minutes were therefore accepted as an accurate record of that meeting.

Agenda Item 3 – AMDC Correspondence

3. The Secretary tabled recent correspondence from the outgoing Chair, RADM Jones, RAN. This correspondence was a letter of thanks on behalf of Members to the outgoing CEO of Shipping Australia, Mr Llew Russell on his retirement and also a letter of thanks from RADM Jones on his departure from DCN and AMDC Chair. These letters have been provided separately to all Members.

Agenda Item 4 – Key Navy Activities

4. The Master Attendant FHQ, CMDR McIntosh, provided presentations of both Exercise Talisman Sabre 2013 (TS13) and also the International Fleet Review (IFR).

5. The TS13 presentation concentrated on the program for port visits and provided the rationale behind the number of ship visits per port and any implications for respective commercial ports.

6. The IFR presentation was an overview of the participating units and the main schedule of events, focusing on key activities such as the Fleet entry, Tall ships entry, Ceremonial Fleet review and the fireworks and lightshow.

7. The Chairman highlighted to Members the large scale and spectacular nature of the IFR, particularly the intended fireworks and lightshow display. The Chair also noted that although some countries will not be represented by a Navy ship visit, there will be representation by senior personnel at the associated Seapower Conference, which follows immediately after the IFR. The key dates for the IFR are:

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- a. Tues 1 Oct – Fleet enters Jervis Bay
- b. Wed 2 Oct – Minor War Vessels entry to Sydney Harbour
- c. Thu 3 Oct – Tall Ships entry to Sydney Harbour
- d. Fri 4 Oct – Warships entry to Sydney Harbour
- e. Sat 5 Oct – Ceremonial Fleet Review
- f. Sun 6 Oct – Ships Open Day
- g. Mon 7 Oct – Ships Open Day and opening of Sea Power Conference 13 / Pacific 13
- h. Wed 9 Oct – Sea Power Conference 13 / Pacific 13 concludes
- i. Thu 10 Oct – Tall Ships depart Sydney Harbour
- j. Fri 11 Oct – Warships depart Sydney Harbour

Agenda Item 5 – Navy Infrastructure Plans - Update

8. Mr Andy Mackinnon, the Director Navy Infrastructure Plans, provided an update on key Navy infrastructure projects. He highlighted that the 2012 Force Posture Review has been overtaken by the recent Defence White Paper (DWP) with facilities aspects of the Paper being:

- a. No new Naval base(s) for NW Australia and no supplementary Fleet base in Brisbane;
- b. Continued focus on Darwin and Townsville ports;
- c. A review of logistic support in the NW particularly for supply of ongoing fuel and also Explosive Ordnance is required; and
- d. The continued importance of Fleet Base East (FBE) and Fleet Base West (FBW), particularly with the introduction of the new LHD and AWD platforms.

9. Mr Mackinnon then updated Members of projects in commercial ports as follows:

- a. Townsville berth number 10A upgrade and F44 aviation fuel storage/supply intentions;
- b. Darwin hardened barge ramp to support amphibious load/offload in the port;
- c. Fort Hill Wharf upgrade in Darwin;
- d. The major project not reflected in the DWP is the planned wharf and Naval Fuel Installation at HMAS Coonawarra in Darwin. Mr Laverock (C&BPC) queried the timeline for the completion of this project and was advised that 2018 is planned, but fiscal reality could see this move right within the Major Capital Facilities Program; and

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- e. These projects reinforce the strategic importance of both Townsville and Darwin in supporting mounting operations, particularly for the LHD.

10. Mr Mackinnon then provided an update on the hammerhead crane at FBE. He stated that the public consultation has been completed and the Navy submission is now with the Minister for the Environment for decision by the end of Jun 13.

11. The issue of cruise ship visits to FBE was discussed, with Mr Mackinnon advising that this was a continuing challenge for Navy, noting that:

- a. Increasing numbers of larger cruise ships are seeking alternate berths east of the harbour bridge when the Overseas Passenger Terminal is unavailable;
- b. The Prime Minister announced access to FBE for three ship visits in season 2012/13 and this was accomplished. Access for a further three ship visits in season 2013/14 is also guaranteed, though only one visit has been requested;
- c. Cruise ship visits post Dec 13/Jan 14 are problematic due to the arrival at FBE of the first LHD and also the potential demolition of the hammerhead crane, which is expected to limit FBE berth space throughout 2014;
- d. The retention of HMAS *Choules* (announced in the DWP) will also reduce the length of potential quay line available for cruise ships at FBE; and
- e. Berth availability post season 2013/14 cannot be predicted due to the dynamic nature of fleet programming, although it should be noted that six requests have now been received for early 2015.

12. The Master Attendant, CMDR Mark McIntosh commented favourably on the recent employment of MV *Ocean Shield*. He stated that:

- a. The use of *Ocean Shield*, (which is Defence owned and operated with a commercial crew), for moorings work in support of Navy illustrated the innovative utilisation of such vessels;
- b. The professional execution of the task was a combination of experienced mariners and seamanship with modern technology; and
- c. The Fleet Marine Services Contract is introducing modern vessels, such as submarine rescue vessels, which have potential use across a number of agencies and functions. On this issue, Mr Malone, SVITZER Australia, indicated that discussions with Defence Maritime Services are the key to achieving the best out of both spheres.

13. Mr Parmeter, TEEKAY Shipping, commented that the *Ocean Shield* task realised cost efficiencies and that it is a remarkable vessel with significant operational capability. He thanked CMDR McIntosh for the positive feedback.

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Agenda Item 6 – Maritime Workforce Development Forum – Update

14. The Chairman commented on his recent attendance at the final Maritime Workforce Development Forum and invited fellow forum member Mr David Parmeter from TEEKAY Shipping to comment. Mr Parmeter observed that:

- a. The Maritime Workforce Development Strategy report has now been presented to the Minister;
- b. The strategy undertook a more scientific assessment of the maritime industry;
- c. As part of the strategy a census was conducted to establish current and future workforce requirements and to identify specific skills shortage. This is the first time that solid data has been compiled;
- d. The reports makes specific recommendations and details targets for the maritime industry; and
- e. A component of the strategy is to build on the partnership between Navy and the commercial maritime sector.

15. The Chairman commented that the Strategy was a successful outcome. The Chair also observed that:

- a. The Australian Maritime College (AMC) has approached Navy regarding utilisation of Navy platforms for training of commercial mariners. In particular, this may suit leased vessels and also commercial type Naval vessels, such as HMAS *Choules*;
- b. There is work to be done to set such a regime in place, but this is not insurmountable; and
- c. The benefits for Navy in any such scheme would be an overall growth in the maritime industry and also the potential to employ commercial mariners as Navy Reservists with particular skill sets.

16. General discussion from members then followed on issues associated with the Strategy and also on maritime industry manpower issues. Key points were:

- a. There was wide representation in the forum and all members generally agreed with the Strategy. Navy is in favour, but notes there is much work to be done, however the Government commitment to ongoing funding to AMC is welcomed;
- b. The Maritime Union of Australia (MUA) saw the strategy reform as a positive step and welcomes the interaction between Navy and the commercial maritime sector;
- c. From the TEEKAY Shipping perspective, crew are very enthusiastic about serving in *Ocean Shield* and *Ocean Protector*;

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- d. Initiatives involving a partnership between Navy and the commercial maritime sector also have a potential nexus between Navy and Customs and Border Protection Marine Unit crews;
- e. Any partnerships and utilisation of Navy platforms raises the issue of appropriate qualifications and AMSA would need to be part of any engagement; and
- f. Ms Angela Gillham, Australian Shipowners Association, commented that in addition to a commitment to continued funding for AMC, the Government was committed to also provide funding support to entry level maritime trading and also funding into an ongoing maritime workforce census.

Agenda Item 7 – ANZAC Centenary Convoy

17. The Chairman provided a brief overview on the ANZAC Centenary Convoy event scheduled for Albany and King George Sound in Nov 14. The Department of Veterans Affairs (DVA) are the overall coordinators of the event and Navy are providing significant assets. He encouraged industry representatives to consider whether they can provide any vessel support to the symbolic convoy gathering in Albany.

18. The Secretary commented that DVA have been invited to brief the AMDC on this event at the next AMDC meeting in late 2013.

Agenda Item 8 – Other Business

19. RADM David Johnston, Commander Border Protection Command (COMBPC) provided an update on recent items of operational interest, specifically:

- a. The unauthorised boarding of the MV *Meister* by Greenpeace activists in the Inner Great Barrier Reef. Mr Sid Marris, Minerals Council of Australia, commented on the Workplace Health and Safety issues of the boarding and noted that it was a profoundly unsafe activity. Mr Jock O'Hagan, Dubai Ports World, commented on the lack of application of Commonwealth Law. RADM Johnston remarked that both the AFP and QPOL chose not to pursue prosecution and also that BPC will conduct a 'Lessons Learnt' to assessment to determine what can be done to avoid future similar incidents;
- b. BPC have undertaken recent dialogue with the offshore oil and gas industry sector regarding Suspected Illegal Entry Vessel (SIEV) incursions into prohibited zones and likely scenarios of any potential boardings. BPC are ensuring that the industry is well placed and managed to deal with any such incidents;
- c. There has been an increased trend in SIEV incursions declaring SOLAS, often involving merchant vessels; and not all these SOLAS incidents are genuine. COMBPC reiterated that the Rescue Coordination Centre is the lead agency for SOLAS incidents; and
- d. COMBPC is Chair of the Joint Agency Maritime Group, which is comprised of the key stakeholder agencies with which BPC interact. A sub-group of this Joint Agency is the Legislative Workforce Group, which has a current focus on Torres Strait and also ghost nets.

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20. The Chair then led brief discussion on the future of the AMDC. The General consensus of members was that the Council was a valuable forum and continued biennial formal engagement was supported.

21. With no further business arising, the Chair thanked all members for their attendance, valuable engagement and information flow. After discussion on options for the next meeting, it was decided to canvas members on a suitable timeframe in early Nov 13, with the likely meeting location being Sydney.

22. The meeting was closed at 1230.



M.J. VAN BALEN
RADM, RAN
DCN
Chairman AMDC

S22



C.J. McMASTER
LCDR, RANR
SO PTA
Secretary AMDC

30 June 2013

25 June 2013

Annex:

- A. Attendees and apologies for the Australian Maritime Defence Council Meeting of 8 May 13

Distribution:

Attendees and Apologies listed at Annex A

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ANNEX A TO
DCN/OUT/2013/307
OF JUN 13

AUSTRALIAN MARITIME DEFENCE COUNCIL MEETING

ATTENDEES AND APOLOGIES – 8 May 2013

Name	Position & Organisation
RADM Michael van Balen	Deputy Chief of Navy, Chairman of the AMDC
RADM David Johnston	Commander Border Protection Command
CAPT Brett Sonter	Director Maritime Operations, HQJOC
CMDR Mark McIntosh	Master Attendant, Fleet Command
CMDR Lloyd Hewitt, RN	Deputy Director National Logistics – Maritime (SLB) Representing CDRE Mark Sackley (DGSLB)
Mr Andy Mackinnon	Director Navy Infrastructure Plans, Navy Strategic Command
LCDR Colin McMaster	Staff Officer Ports & Training Areas, AMDC Secretary
Mr Thomas Birouste	Director Platform Services – Naval, Thales Australia, (representing the Australian Ship Repairers Group)
Ms Angela Gillham	A/Executive Director, Australian Shipowners Association, (also representing Teekay Shipping)
Mr Ian Laverock	A/National Director Maritime Operations Support Division Customs and Border Protection Command
Mr Jock O'Hagan	DP World, National Manager Security (representing Stevedoring Industry)

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Mr Sid Marris	Minerals Council of Australia
Mr Mark Malone	Managing Director, SVITZER Australia
Mr David Parmeter	Managing Director Teekay Shipping (Australia)
Mr Rod Nairn	CEO Shipping Australia Ltd
	Apologies
Ms Philippa Power	General Manager Maritime and Shipping, Dept of Infrastructure & Transport
CDRE Mark Sackley	Director General Strategic Logistics, SLB
CAPT Bill Garner	Director Maritime Trade Operations
Mr David Anderson	Chief Executive Officer, Ports Australia
Mr Paddy Crumlin	National Secretary , The Maritime Union Of Australia,
Mr Steve Dreezer	Office of Transport Security, Dept of Infrastructure & Transport
Ms Miranda Taylor	Director Environment, Safety and Productivity, Australian Petroleum Production and Exploration Association 1.
Mr Jack Manning	Commercial Manager P&O Maritime -Australia (representing Offshore Industry)

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ROYAL AUSTRALIAN NAVY

NAVY STRATEGIC COMMAND



R1-4-C005, RUSSELL OFFICES, CANBERRA ACT 2600

DCN/OUT/2014/296

MINUTES OF THE AUSTRALIAN MARITIME DEFENCE COUNCIL

HELD AT SHIPPING AUSTRALIA LIMITED ON 30 OCT 2013

Present:

See Attendance List (Attachment 1)

AGENDA ITEM 1 – Welcome, Introductory Remarks & Apologies

1. The Chairman, RADM van Balen, RAN opened the meeting at 1300, welcomed all Members and noted new Members to the AMDC and also the apologies. The list of attendees and apologies is at Attachment 1. The Chairman thanked Mr Rod Nairn the CEO of Shipping Australia Ltd (SAL) for generously hosting the meeting.
2. Mr Nairn then also welcomed AMDC Members and stated that contributions to the SAL Magazine 'Shipping Australia' would be most welcome.
3. The Chair then remarked that it had been busy 6-months since the previous AMDC meeting with significant events being the change of Government, Operation Sovereign Borders and the International Fleet Review (IFR).

AGENDA ITEM 2 – Confirmation of Previous Minutes and Proposed advice to Minister for Defence

4. The Secretary noted that no actions were outstanding from the previous meeting (8 May 2013). The Minutes were therefore accepted as an accurate record of that meeting.
5. The Secretary then proposed that AMDC advise the new Minister for Defence (MINDEF) of the history and Terms of reference of the AMDC and also the intent to only report matters that required his attention, through the MINDEF Chief of Staff. The AMDC Members endorsed this proposal. **Action:** Secretary

AGENDA ITEM 3 – Port Master Planning and also Operation of the Commonwealth Ports Forum

6. Mr Anderson (Ports Australia) opened by providing Members with a re-acquaint of the National Ports Strategy and indicated that Port Master Planning (PMP) is the cornerstone of that Strategy. Ports Australia had released a report in August titled *Leading Practice in Port Master Planning* that proposed a framework that had now gained wide acceptance.
7. Ports Australia has ramped up efforts with PMP and has engaged key stakeholders, including Government, in order for them to gain 'ownership' of the principle and acceptance of the PMP process. Ports Australia is now proposing to run three or four Master Planning processes with members and relevant Government departments. This will also present an opportunity to ensure that the strategic requirements of Defence in that Master Planning process are met.
8. Overall, the PMP framework has enjoyed strong support and some members are currently using it. Ports Australia is keen to remain engaged with stakeholders, including through the AMDC.
9. The Chair then remarked that Navy is keen to remain engaged with Ports Australia and the PMP process. A good example of similar engagement and collaborative effort is the recently commissioned Berth 10 in the Port of Townsville and the PMP process may have benefits in other Defence related future port infrastructure developments.
10. Mr Nigel Perry (C&BPC) commented that the PMP process could provide opportunity for Customs to work with the industry in order to reduce the impost on the industry in terms of Customs port infrastructure requirements.
11. The Chair then commented on recent issues for Defence with petrol's, oils and lubricants (POL) and asked CDRE Mark Sackley (DGSL) to comment further.
12. CDRE Sackley remarked that from a logistics perspective numerous studies are underway and the PMP may be a good catalyst in trying to bring the threads together. PMP is valuable in taking into account back of port operations such as staging areas, use of rail, etc. The challenge for Defence is to have a longer term look at requirements at ports and port facilities. The current issue with POL is a capability imperative in the Port of Darwin and Defence needs to take stock of facilities weaknesses and what would provide best value for money.
13. Mr Anderson then commented that there is a plethora of work being done and the biggest challenge is to match portside capacity with landside capacity. The PMP process involves the total supply chain and as such involves numerous stakeholders and they must take ownership to achieve the process.
14. Mr Jack Manning (P&O Maritime) asked how far ahead the PMP process projected. Mr Anderson responded by stating that the process looks 30 to 50 years ahead, but it is difficult to plan too far ahead and there are also variable external factors such as climate change.
15. The Chair concluded discussion on this Agenda topic by stating that AMDC would note the Brief by Mr Anderson on Port Master Planning.

16. With regard to the operation of the Commonwealth Ports Forum, Mr Anderson highlighted to Members the existence of this Forum and the intention that Ports Australia intends to broaden its engagement and focus.
17. Mr Anderson also noted that this Forum may provide an avenue for broader engagement with Defence.

AGENDA ITEM 4 – Maritime Workforce Development Strategy

18. Mr Crumlin (MUA) opened with general comments on the significant work done thus far on the Maritime Workforce Development Strategy and that the next step should be to establish an Australian maritime cluster.
19. Mr Crumlin then commented that such a cluster would also require a strategic approach from shipowners and that to be a shipping nation requires maritime skills. The question is: how does the Australian maritime industry integrate more fully from a national perspective, whilst being cognisant of IMO and STCW requirements. The maritime industry must factor in the lead times required?
20. Mr Crumlin then remarked that as the fourth largest user of ships in the world, how would the Australian maritime industry move forward without a strategic plan for the maritime workforce, which will require a bi-partisan approach. The question is: where are we relying on to get the skilled workforce and as such a co-operative approach needs to be translated into a mutual opportunity for stakeholders.
21. He then remarked that the structure of the Strategy is sound and should be consolidated by continuing cooperation between stakeholders, however the status of Government funding to support the Maritime Workforce Development Forum is unclear. In this regard, AMDC could be a powerful persuader. Mr Crumlin noted that Recommendation 13 in the Strategy: *(That the Government work through Navy and the commercial sector to investigate ways to increase co-operative partnership arrangements between the commercial and naval sectors in areas such as recruitment, training, and training standards, with a report back to the Government by 1 August 2013)*, is important and requires actioning, regardless of Government funding for the Strategy or continuation of the Forum.
22. The Chair then provided comments on work that has been done by Navy and highlighted that the recent International Fleet Review provided wide focus on 'maritime' issues.
23. The Chair noted that the Forum had 'rub points' regarding the maritime workforce and noted the requirement to have flexibility in training and employment. In this regard the Defence Plan SUAKIN aims to provide flexibility in the Defence workforce allowing for greater integration of Reserves.
24. In terms of engagement with the Maritime Industry, the Chair asked CAPT Mike Spruce (Director Navy Training) to provide comment.
25. CAPT Spruce remarked that Navy has re-invigorated engagement with AMC Launceston, who act under a MOU representing the other primary training providers in Challenger and Hunter TAFEs. These three training Providers are reviewing the Terms of Reference for a Working Group with Navy.

26. In terms of providing training platforms, he then commented that Navy intends investigating with SERCO/DMS and TEEKAY Shipping regarding the current stumbling block, which is placement of seafarers in the pre-sea training phase. In this regard, TEEKAY Shipping has a plan currently in place for trainees and that SERCO/DMS are still in discussion. One proposal could be for a scheme similar to an apprenticeship, whereby financial remuneration is offered to take trainees.
27. CAPT Spruce then commented that Navy has identified a way forward for guaranteed sea time for trainees in Defence assets as Defence Reservists, with the caveat that AMSA recognise the sea service. This scheme could remove issues associated with any scheme where trainees are civilian. In addition, AMC are engaging with the Navy Engineering training faculty regarding any potential for placement of commercial engineering officer cadets. However, the career pathways may not align.
28. The Chair then reiterated the opportunity that Plan SUAKIN provides in removing current barriers and helping make an integrated workforce work.
29. Discussion then centred again on the issue of training billets at sea and Mr Nigel Perry (C&BPC) commented on how Customs have been previously engaged with this issue and would be keen to have discussions with Navy on Plan SUAKIN and workforce implications. The Chair then remarked that the maritime industry needs to grapple with the issues of competencies across the board, as these can become blockages.
30. Ms Angela Gillham (ASA) remarked that the Australian Shipowners Association was keen to see the work of the Forum continue; however there was a lack of clarity on the Government way forward and in particular the funding support. Mr Anderson supported these comments.
31. Ms Leanne Kennedy (DIT) provided background to the issue of funding support to the Forum Secretariat and remarked that the Forum can continue to sit in the interim, pending a decision on funding by Government
32. The consensus of AMDC Members was that the proposed advice to the new Minister for Defence on the AMDC and its roles and functions could include comment on the Forum and also lend support to continued funding for the Secretariat functions.
Action: Secretary

AGENDA ITEM 5 – International Fleet Review

33. The Chair provided a strategic overview of the IFR, which highlighted:
 - a. the overall great success of the IFR and associated events,
 - b. the significance of the multinational exercises conducted,
 - c. the successful port visits throughout Australia associated with the IFR,
 - d. the positive feedback received from the community; and
 - e. the significance of the IFR in terms of internal effect on the Navy and its personnel.
34. CMDR McIntosh (MA FHQ) then provided an operational overview of the IFR, which highlighted:
 - a. the nature of the strategic partnership between Navy, the NSW Government and the City of Sydney,

- b. the close cooperation between NSW Roads and Maritime, NSW Ports, NSW Police and other key stakeholders,
- c. what worked well and what didn't happen well,
- d. the logistic support from SERCO/DMS and TEEKAY Shipping,
- e. the capability of MV *Ocean Shield*,
- f. the integration of Reserve personnel and also the participation of commercial operators; and
- g. that the IFR was a test that Navy passed.

AGENDA ITEM 7 – Other Business

35. Mr David Potter (HQBPC) advised the meeting that RADM Johnston (COMBPC) was completing his tenure on 13 December 2013 and was handing over to RADM Michael Noonan. The outgoing COMBPC passed his thanks to the AMDC Members and the Chair in response wished him well.

36. Mr David Anderson (Ports Australia) advised the AMDC that Mr Vincent Tremaine the CEO Flinders Ports had been appointed as the new Chairman of Ports Australia, replacing Mr Gary Webb.

37. With no further business arising, the Chairman thanked all Members for their attendance, valuable engagement and information flow. With Navy due to host the next AMDC, the Chair proposed that the Meeting be held at HMAS *Watson* and include a tour of the Bridge Training Facility. The likely timeframe is early March 2014.

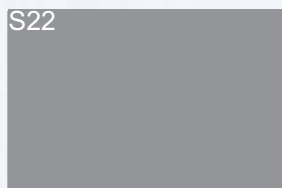
38. The meeting was closed at 1530.



M.J. VAN BALEN
Rear Admiral, RAN
Chairman

12 June 2014

S22



C.J. McMASTER
Lieutenant Commander, RANR
Secretary

12 June 2014

Attachment:

1. Attendees and apologies for the Australian Maritime Defence Council Meeting of 30 Oct 2013.

AUSTRALIAN MARITIME DEFENCE COUNCIL MEETING

ATTENDEES AND APOLOGIES – 30 Oct 2013

Name	Position & Organisation
RADM Michael van Balen	Deputy Chief of Navy, Chairman of the AMDC
CDRE Mark Sackley	Director General Strategic Logistics
CAPT Stephen Bowater	Director Maritime Operations, HQJOC
CMDR Mark McIntosh	Master Attendant, Fleet Command
LCDR Colin McMaster	Staff Officer Ports & Training Areas, AMDC Secretary
Mr David Potter	Director, Strategy, Engagement and Counter Terrorism Representing RADM David Johnston Commander Border Protection Command
Mr David Anderson	Chief Executive Officer, Ports Australia
Mr Tony Grebenshikoff	General Manager Maritime and Aerospace, Thales Australia, (representing the Australian Ship Repairers Group)
Ms Angela Gillham	Manager, Industry Operations and Environment Representing Ms Teresa Lloyd Executive Director, Australian Shipowners Association, (also representing Teekay Shipping)
Mr Nigel Perry	National Director Maritime Division Customs and Border Protection Command
Mr Jock O'Hagan	DP World, National Manager Security (representing Stevedoring Industry)

Mr Jack Manning	Commercial Manager P&O Maritime -Australia (representing Offshore Industry)
Mr Paddy Crumlin	National Secretary , The Maritime Union Of Australia,
Mr Rod Nairn	CEO Shipping Australia Ltd
Ms Leanne Kennedy	A/General Manager Maritime and Shipping, Dept of Infrastructure & Transport
	Apologies
CMDR Kendall Carter	A/Director Maritime Trade Operations
Mr Andy Mackinnon	Director Navy Infrastructure Plans
Mr Mark Malone	Managing Director, SVITZER Australia
Mr Steve Dreezer	Office of Transport Security
Ms Miranda Taylor	Director Environment, Safety and Productivity, Australian Petroleum Production and Exploration Association
Mr Sid Marris	Minerals Council of Australia
Mr David Parmeter	Managing Director Teekay Shipping (Australia)
Invited Guest: CAPT Mike Spruce	Captain Naval Training Policy

ROYAL AUSTRALIAN NAVY

NAVY STRATEGIC COMMAND



R1-4-C005, RUSSELL OFFICES, CANBERRA ACT 2600

2014/R19016226
DGNCP/OUT/2014/51

MINUTES OF THE AUSTRALIAN MARITIME DEFENCE COUNCIL

HELD AT HMAS WATSON ON 5 MARCH 2014

Present:

See Attendance List (Attachment 1)

AGENDA ITEM 1 – Welcome, Introductory Remarks & Apologies

1. Mr Andy Mackinnon opened the meeting as acting Chairman at 1300, tendering Rear Admiral van Balen's apology, having been called at short notice to represent the Chief of Navy at a separate activity. He welcomed all Members and noted new Members to the AMDC and also the apologies. The list of attendees and apologies is at Attachment A. The Chairman thanked Captain Will Martin, RAN the Commanding Officer of HMAS *Watson* for generously hosting the meeting.
2. Captain Martin then welcomed the AMDC to *Watson* and provided a brief overview of the roles and functions of this important Navy training establishment.

AGENDA ITEM 2 – Confirmation of Previous Minutes and Proposed advice to Minister for Defence

3. The Secretary commented that the Minutes of the previous meeting (30 October 2013) had been delayed pending editorial comment from Members and were in draft form only. However the draft Minutes were available for perusal by Members if required.
4. At the previous meeting the Secretary proposed that AMDC advise the new Minister for Defence (MINDEF) of the history and Terms of Reference of the AMDC and also the intent to only report matters that required his attention, through the MINDEF Chief of Staff. Such advice would also highlight the positive work of the Workforce Development Forum and stress the need for ongoing funding for the Secretariat functions to allow the positive work of the Forum to continue. The AMDC Members endorsed this proposal. This issue is reflected in the draft Minutes.
5. Mrs Leanne Kennedy (Dept of Infrastructure and Transport) provided a brief update on the Maritime Workforce Development Forum and commented that:

- a. she was able to provide answers to queries on a factual nature, but was unable to provide advice regarding ongoing funding for the Forum; and
 - b. funding had not been resumed post the 2013 Federal Election and no further advice had been received as the issue was still with the Minister awaiting a decision
6. In further discussion on the Maritime Workforce Development Forum, Mr Larry Hand (MUA) tabled that Mr Paddy Crumlin had suggested that an ad hoc sub committee of the AMDC may be an option as a mechanism to progress the Forum activities.
 7. Mr David Anderson (Ports Australia) observed that the work done by the Forum was unprecedented in many ways, especially the dialogue with Navy. Mr Anderson held a strong view that a sub committee could preserve some elements of the Forum as a means of moving forward.
 8. The consensus was that AMDC should await an outcome of the intended correspondence to the Minister for Defence and if funding remains stalled, to then escalate AMDC member concerns to the Minister for Transport, through the Minister for Defence.

AGENDA ITEM 3 – Coastal Trading Policy and Developments in Australian Shipping

9. Mrs Leanne Kennedy (Dept of Infrastructure and Transport) opened by stating that:
 - a. in late 2013 there was significant press coverage regarding the decline in coastal shipping. The *Coastal Trading Act 2012* was receiving significant attention and was subject to much misinformation;
 - b. this Act had codified what had happened previously in Cabotage, Permits (now Licensing) and the administrative burden;
 - c. there has been a definite adverse impact on Coastal Trading with the introduction of Temporary Licenses;
 - d. a key outcome of the public debate on this issue has been the impost on the Manufacturing Sector with an increase in costs; and
 - e. there is a call by lobby groups to remove cabotage and open up the industry to competitors.
10. Ms Angela Gillham (ASA) remarked that removing cabotage will not encourage maritime clusters or assist in training development for Australian seafarers. ASA also provided a submission to the Productivity Commission on the Tasmanian Shipping Trade; however the Commission was driving negative press coverage on this issue. It was noted that international traders were not servicing Tasmania prior to the introduction of the Act.
11. Ms Gillham also noted that:
 - a. container vessels were moving towards a ‘hubbing and transhipment’ concept rather than conducting services to regional ports;
 - b. transhipment to Melbourne results in increased costs, but this is not due to coastal shipping;
 - c. the Productivity Commission enquiry and draft report appeared to ASA to have a pre determined outcome;

- d. the answer is not necessarily the opening of the coastal trade regime and increasing costs to foreign shipping to provide an advantage to Australian flagged shipping; and
 - e. ASA is encouraging Minister Truss to review the Coastal Trading Act and then ASA can concentrate on what can be done to fix the fiscal regime to make coastal trade more attractive, whilst supporting Australian shipping.
- 12. The Acting Chair then queried if the current 18 Australian flagged ships employed on international trade would decline further. Ms Gillham remarked that this decline is directly related to the decline in the manufacturing sector.
- 13. Mrs Kennedy then provided points of clarification that had been previously raised at Senate Estimates. Specifically:
 - a. there are actually 63 Australian flagged ships under survey to trade, but only 18 vessels regularly do so;
 - b. there are 44 Australian flagged ships that regularly operate on coastal trade; and
 - c. the Coastal Trading Act does not cover offshore installations.
- 14. Mr Anderson then raised the following points:
 - a. trade is down by 22% in the coastal trades in part owing to the impact of high terms of trade on the manufacturing industry;
 - b. easier access to foreign flagged shipping will develop the coastal shipping task and provide the best prospects to open up trade movement and flow on to Australian flagged ships; and
 - c. Ports Australia agree with ASA that the correct pathway to achieve a desired outcome is to make Australian shipping more competitive.
- 15. Mr Rod Nairn (ASA) remarked that his organisation had been approached by a number of Secondary Industry manufacturers who cannot move commodities internally within Australia at a rate competitive with the foreign import option.
- 16. Mr Jock O'Hagan (Dubai Ports World) asked if it was 'port to port' or 'shore side to port' costs that had increased. In response, Mr Anderson said that both had increased.
- 17. Mr Hand observed that the Productivity Commission did not fully evaluate total cost, including shore side, and focussed more on the shipping costs.
- 18. Discussion led by Mr David Neumann (JLC) then followed on the issue of whether more efficient coastal shipping would benefit Defence. Ms Angela Gillham (ASA) remarked that broadly speaking it would. A more efficient and effective Australian coastal shipping trade has a financial benefit and also can improve and enhance the maritime cluster and thus the flow on effects across the maritime industry.
- 19. Mr David Parmeter (Teekay Shipping) made the following observations:
 - a. Teekay manages Australian crewed and managed ships, with the ships remaining under foreign flag;
 - b. under the current Act, there is some confusion as Australian licensed ships are not reflected as Australian flagged;

- c. the nature of the way that Australian shipping has evolved is that other than Bass Strait traffic, coastal shipping is centred on bulk commodities; and
 - d. what are the Defence requirements from the shipping sector and how does the maritime industry structure to meet this?
20. Further discussion then followed, with broad contribution and dialogue from Members. Key points were:
- a. the Government is considering reforms and is working closely with the Deputy Prime Minister to draft a paper relating to all key stakeholders in the shipping industry. This will be broad engagement;
 - b. the paper needs to review the current regime and quantify all data, particularly costs;
 - c. there is opportunity within any reform to clearly articulate what the benefits to Defence would be with a vigorous coastal trade and greater variety of vessels;
 - d. a key bargaining point might hinge on the effect of not having a robust coastal shipping regime and how best can Defence needs be met in times of national emergency;
 - e. international experience does not necessarily indicate that a national flag is required for Defence needs, rather it is an open market;
 - f. figures indicate that coastal shipping was in decline even leading up to the Act, however the decline is intrinsically linked to the decline in manufacturing; and
 - g. Mrs Kennedy undertook to advise the Members (through the Secretary) once consultation has begun.

AGENDA ITEM 4 – MTO – Interaction with the Maritime Industry and Enhancing Capability

- 21. LCDR Richard Munton (OPSO MTO) provided a presentation to Members on the roles and functions of the Navy's Maritime Trade Operations team and how it is interacting with the Maritime Industry in order to enhance Navy training and capability.
- 22. CAPT Robert Slaven (DMAROPS) then provided comment highlighting that MTO had evolved from the convoy mindset of the Second World War into its current role, which is providing valuable subject matter expertise within Navy on a range of maritime issues.
- 23. CMDR Mark McIntosh (Master Attendant) made an observation that the MTO presentation may be a useful Agenda item at the next Ports Australia Working Group meeting. Mr Anderson agreed to issue an invitation to MTO accordingly.

AGENDA ITEM 5 – Coastal Shipping Project

- 24. In introducing this Agenda, the Acting Chair remarked that there was a clear link between this topic and that discussed at Agenda item 3 (Coastal Trading Policy and Developments in Australian Shipping).
- 25. Mr Hand opened by remarking that the MUA supported the 2012 Reforms and also supports the future options paper. He further stated that the MUA has engaged a consultant to draft a report on the state of coastal shipping and any implications for the maritime workforce. This report will be a valuable base for the MUA to address issues and concerns. The timeframe for delivery of the report is 4 to 6 weeks.

26. In response to a query from Mr Neumann, Mr Hand advised that the consultants have been given a broad remit to address a range of issues based on responses to wide-ranging questions.
27. The Acting Chair asked if maritime workforce training and development would be addressed. Mr Hand responded in the affirmative; the report will address any potential implications on the maritime workforce if coastal shipping continues to decline.

AGENDA ITEM 6 – Other Business

28. Mr Neumann enquired if Members had been asked to contribute to the North Australia White Paper. He observed that as a starting point Defence has been an active contributor, with the thrust that economic growth has flow on benefits to Defence, particularly with transport links and logistic support. Mr Neumann also commented that the challenge with growth is that without associated investment existing 'spare' capacity is eroded and that can affect national security agencies, such as Defence, that do not directly contribute to economic benefit. Defence seeks to monitor and engage on this matter on an ongoing basis.
29. Mr Anderson remarked that dialogue with his Members indicated that tropical and sub-tropical ports were expected to grow at a rate similar to GDP. In addition, some ports have difficulties associated with 'fly-in fly-out' workforce and the concept of 'self sustaining communities'. Mr Anderson also remarked that the challenge is for rapidly developing ports to meet Defence needs and strong dialogue has been required to ensure that all mutual needs are met. The key driver in this regard is matching port side capacity with land side infrastructure.
30. The Acting Chair remarked that ports privatisation is a potential issue, but using the Port of Brisbane as an example, indicated that this might not be a barrier to meeting Defence requirements. The importance is to establish open dialogue.
31. Mr Anderson commented that future privatisation will be 'business as usual', but needs to assess any cultural change to Navy and also any possible pricing issues, such as fee-free berthage for Navy under Section 70 of the *Defence Act*.
32. CMDR McIntosh contended that it was becoming increasingly difficult to utilise Australian commercial ports due to wharf design, the decline in general purpose type berths and the lack of berth availability due to increased commercial demands.
33. In response, Mr Anderson commented that Ports Australia was always happy to facilitate the bi-lateral relationship between ports and Defence and offered for CMDR McIntosh to speak on these issues at the next Ports Australia Working Group. The Acting Chair remarked that commercial imperatives were recognised in the Guiding Principles for ADF Access to National Ports.
34. In closing this thread of discussion, Mr Anderson reminded Members that the Ports Australia Conference would be held 22/23 October in Perth.

35. The Acting Chair thanked all Members for their attendance, valuable engagement and information flow. With an AMDC Member due to host the next meeting, Ms Angela Gillham (ASA) kindly offered to host the AMDC at their Melbourne office. The currently planned date is 10 September 2014; the Secretary will advise timings in due course.
36. With no further business arising, the meeting was closed at 1530 with some Members then taking the opportunity to tour the *Watson* Bridge Training Facility.



A.B. MACKINNON
Acting Chairman

4 August 2014

S22



C.J. McMASTER
Lieutenant Commander, RANR
Secretary

4 August 2014

Attachment:

1. Attendees and apologies for the Australian Maritime Defence Council Meeting of 5 Mar 2014.

AUSTRALIAN MARITIME DEFENCE COUNCIL MEETING

ATTENDEES AND APOLOGIES – 5 March 2014

Name	Position & Organisation
Mr Andy Mackinnon	A/Chairman AMDC Director Navy Infrastructure Plans, Navy Strategic Command
GPCAPT Craig Mcighan	Director Strategy, Engagement and Counter terrorism Border Protection Command Representing RADM Michael Noonan, COMBPC
CAPT Robert Slaven	Director Maritime Operations, HJQJOC
Mr David Neumann	Director National Logistics, Strategic Logistic Branch Representing BRIG David Mulhall, Director General Strategic Logistics
CMDR Mark McIntosh	Master Attendant, Fleet Command
LCDR Richard Munton	Operations Officer, Maritime Trade Operations Representing CMDR Kendall Carter, A/Director Maritime Trade Operations
LCDR Colin McMaster	Staff Officer Ports & Training Areas, AMDC Secretary
Mr David Anderson	Chief Executive Officer, Ports Australia
Mr Tony Grebenshikoff	General Manager Maritime & Aerospace, Thales Australia, (representing the Australian Ship Repairers Group)
Ms Angela Gillham	A/Executive Director, Australian Shipowners Association.
Mr Ian Laverock	National Manager, Maritime Capability Representing Mr Nigel Perry National Director Maritime Division Customs and Border Protection Command

Mr Jock O'Hagan	DP World, National Manager Security (representing Stevedoring Industry)
Mr Jack Manning	Commercial Manager P&O Maritime -Australia (representing Offshore Industry)
Mr David Parmeter	Managing Director Teekay Shipping (Australia).
Mr Larry Hand	National Policy & Strategy Coordinator, Maritime Union of Australia Representing Mr Paddy Crumlin, National Secretary
Ms Leanne Kennedy	A/General Manager Maritime and Shipping, Dept of Infrastructure & Transport
Mr Rod Nairn	CEO Shipping Australia Ltd
	Apologies
RADM Michael van Balen	Deputy Chief of Navy, Chairman of the AMDC
RADM Michael Noonan	Commander Border Protection Command
BRIG David Mulhall	Director General Strategic Logistics
Mr Nigel Perry	National Director Maritime Division Customs and Border Protection Command
Mr Sid Marris	Minerals Council of Australia
Mr Paddy Crumlin	National Secretary, Maritime Union of Australia
Mr Mark Malone	Managing Director, SVITZER Australia
Ms Miranda Taylor	Director Environment, Safety and Productivity, Australian Petroleum Production and Exploration Association

DCN/OUT/2015/085

See distribution**MINUTES OF THE AUSTRALIAN MARITIME DEFENCE COUNCIL
HELD AT AUSTRALIAN SHIPOWNERS ASSOCIATION ON 10 SEPTEMBER 2014****Attendees:**

RADM	MJ	van Balen	DCN	Chairman
RADM	M	Noonan	COMBPC	
Mr	A	MacKinnon	DNIP	
CAPT	M	Beard	DMTO, DMAROPS	
Mr	D	Anderson	CEO, Ports Australia	
Mr	T	Grebenshikoff	General Manager Maritime & Aerospace, Thales Australia (representing the Australian Ship Repairers Group)	
Ms	T	Lloyd	Executive Director, Australian Shipowners Association	
Mr	J	Manning	Commercial Manager P&O Maritime – Australia (representing Offshore Industry)	
Mr	P	Crumlin	National Secretary, The Maritime Union Of Australia	
Mr	R	Nairn	CEO Shipping Australia Ltd	
Ms	L	Kennedy	A/General Manager Maritime & Shipping, Dept of Infrastructure & Regional Development	
LCDR	C	McMaster	SO Ports and Training Areas	Secretary

Apologies:

BRIG	M	Ashleigh	DG Strategic Logistics
CAPT	J	Earley	DMO, HQJOC
CMDR	M	McIntosh	Master Attendant, Fleet Command
Mr	L	Sturgess	DP World, National Manager Security (representing Stevedoring Industry)
Mr	D	Parmeter	Managing Director Teekay Shipping (Australia)
Mr	R	Farmer	GM Maritime, Identity & Surface Security Branch Office of Transport Security
Mr	S	Marris	Minerals Council of Australia

ITEM 1 – Welcome, Introductory Remarks and Apologies

1. The Chair opened the Meeting at 0930 and thanked Ms Teresa Lloyd (Australian Shipowners Association) for kindly hosting the Meeting. The Chair then noted the apologies and welcomed CAPT Michael Beard (DMTO) as a new member to the AMDC.

2. The Chair then invited Ms Lloyd to provide a welcome and introduction to the ASA.

ITEM 2 – Confirmation of Previous Minutes

3. The Minutes of the previous AMDC held on 5 March 2014 at HMAS Watson were accepted as an accurate record of that Meeting. Some further editorial corrections were noted by Mr David Anderson (Ports Australia), Mr Rod Nairn (Shipping Australia) and also Mrs Leanne Kennedy (Dept of Infrastructure and Regional Development) and the Secretary took these on notice with an action to provide a corrected copy of the Minutes.

Action: Secretary

4. Actions arising from the previous Meeting were then discussed, namely the Advice to the Minister for Defence (MINDEF) and also the Maritime Workforce Development Forum.

5. The Ministerial Advice to MINDEF (Hon David Johnston) outlined:

- a. the history, purpose and Terms of Reference of the AMDC;
- b. an intent to only report matters that require his attention (through MINDEF Chief of Staff); and
- c. the work of the Maritime Workforce Development Forum and Strategy and note that the AMDC consensus was that MINDEF may wish to consider opportunities availed through engagement with the Forum.

6. The attachment shows that MINDEF noted the advice, with no amplifying comments.

7. Mrs Kennedy then provided an update on the Maritime Workforce Development Forum and noted that:

- a. the funds previously allocated for Forum Secretariat functions had been returned to the Budget as the funds remained uncommitted at the time of the Federal election; and
- b. there has been no stated intent by the Government to reinvigorate the funding.

8. Further discussion on the Forum among Members is summarised as follows:

- a. Mr Nairn queried the form of the spending authority, which Mrs Kennedy advised needed to be included under Financial Management Act regulations.
- b. Ms Lloyd expressed disappointment that the Forum has not moved forward, particularly in regards to the workforce census and data. Ms Lloyd also noted that:
 - (1) there is a strategic skills gap, particularly for people working in ports;

- (2) the key aim of the Forum was to develop a workforce plan and trajectory to establish requirements and set future workforce planning;
 - (3) the Forum encouraged parties to engage and move forward; and
 - (4) from a workforce development planning perspective, the nation has lost a useful strategic workforce development process.
- c. Mr Jack Manning (P&O Maritime) gave real examples of recruitment and skill sets issues.
- d. Ms Lloyd then added that reliance on overseas on recruitment has inherent risks due to the competitive nature of the world wide industry.
- e. Mr Nairn commented that the Navy may also bear some risk in terms of effect on recruitment and that the Forum was a valuable mechanism to discuss workforce issues that has now been lost.
- f. Mrs Kennedy stated that the decision making process for the discontinuation of funding was made by the Dept of Finance who had identified all uncommitted funds across Government, not the Dept of Infrastructure and Regional Development, which only had carriage of the Secretariat functions. Mrs Kennedy then remarked that:
 - (1) the Maritime Industry does not need the imprimatur of Government to reconstitute a Forum and suggested that workforce initiatives could be run through cooperation of peak and other industry bodies.
 - (2) Industry can mobilise to access funding grants via other pathways and groups would stand a better chance in accessing funding support if were formed with an identified agenda.
- g. Ms Lloyd noted that there were two issues associated with the funding, namely that it assisted in identifying appropriate skills programmes and also the intervention of Government was essential in providing a coordinating role.
- h. The Chair then queried if there was a Government strategy on this, noting that the funding stream had ceased. In response, Mrs Kennedy remarked that she was not aware of any future Government strategy or Ministerial Statement.
- i. Mr Tony Grebenshikoff (Thales) then commented that Thales were in discussions with Navy regarding secondment opportunities for Navy personnel into industry positions within Thales. A pilot study is underway and although there is not yet a formal policy the initiative is presently a de-risking exercise.
- j. The Chair commented that Navy is engaging more broadly in the manpower equation and is recognising requirements for greater flexibility in workforce

planning and management. The Thales initiative is an example of this and is assisting in developing expanding skill-sets for Navy personnel.

k. Mr Andrew Mackinnon (DNIP) asked Mrs Kennedy if there was a Minister championing the cause, to which she responded by observing that:

- (1) the skill issues and workforce demography matters sit outside the transport portfolio, and
- (2) by way of comparison the Aviation Industry has developed a White Paper

l. Mr Paddy Crumlin (MUA) offered the following comments;

- (1) It is well documented that there are opportunities for the industry availed through the census to establish needs, gaps and the like,
- (2) stakeholders are willing to contribute,
- (3) the census highlighted the gaps that exist on a number of fronts and he believes that the risks need to be identified and policies established, and
- (4) the \$5M funding was one issue, but stakeholders are keen to continue the work of the Forum.

m. Mr Nairn and Ms Lloyd then remarked that the manpower issues still exist but there is no mechanism to discuss or move forward and as such individual stakeholders are problem solving and there is not an overall coordinated effort. Both Members then queried if the issue of the Forum can be escalated.

n. In summary, the Chair undertook to give this issue further consideration.

Action: Chair/Secretary

AGENDA ITEM 3 – Navy Maritime Trade Organisation (MTO) Newsletter

9. The Secretary led on this item, providing a hard copy example for Members to peruse and commented that:

- a. the MTO organisation produces a weekly newsletter from various commercially and publically available sources with a focus of highlighting maritime industry issues;
- b. the newsletter is arranged by Defence White paper priority areas, with articles grouped under broad headings of security, trade & business, infrastructure and shipping;
- c. the Newsletter can only be accessed via a Defence Intranet site, but it can be distributed as a PDF document to any interested parties/organisations;

- d. some AMDC Members or a generic address within their respective organisation currently receive the Newsletter; and
- e. any Members wishing to be added to the Distribution List can advise the Secretary.

Action: Secretary

10. Both Mr Manning and Ms Lloyd remarked that the newsletter is a useful production and Mr Mackinnon also noted that the newsletter provided a mechanism to inform Navy of key issues in the Maritime Industry.

11. The Chair then invited CAPT Beard to provide comment. CAPT Beard noted that he was relatively new into the position of DMTO and this was his first AMDC meeting. After summarising the role of the MTO, he commented that:

- a. there appears to be low visibility of the commercial Maritime Industry within Navy, highlighted by operational experiences in Timor in the late 1990s and thereafter and the issue of relevant subject matter expertise (SME) within Navy;
- b. this lack of SME led to a 2009 review of the MTO organisation, which reinforced the MTO role in civil/military (CIVMIL) liaison and overarching protection of Maritime Trade;
- c. this role appears well reflected in Objective 3 of the AMDC Terms of Reference;
- d. there are approximately 90 MTO personnel of which 50 are active in some way;
- e. since the last AMDC the main MTO focus has been for greater integration within Navy and to ensure that the MTO organisation 'value adds' to Navy core business; and
- f. MTO continues to engage with Industry at the operational level and also facilitates specialised training and familiarisation opportunities, while aiming to be a key enabler of Navy capability.

AGENDA ITEM 4 – AMDC Terms of Reference – Review

12. The Secretary advised that the current Terms of Reference (TORs) were distributed to Members in advance of the Meeting and hard copies were also available. He suggested that a review of the TORs may be timely, in keeping with previous reviews and in particular to validate or amend as necessary the Vision, Mission and the Objectives.

13. Mr Crumlin remarked that a revalidation and reshaping of the TORs would be welcomed and perhaps reflects developments and evolution in national security issues, given that security is a legitimate adjunct to the AMDC Vision. He further remarked that the AMDC has enjoyed bi-partisan political support throughout its existence and provides an important mechanism for dialogue and engagement.

14. The Chair remarked that National Security is very much an issue and the TOR review could seek to broaden the Vision Statement and include national security as an integral part of the AMDC, while also covering the scope of the overall national strategic maritime position. The Chair recommended that a draft revision of the TORs be available for discussion at the next AMDC, with Members engagement and input sought beforehand.

Action: Secretary

AGENDA ITEM 5 – Maritime Counter Terrorism and the BPC Construct

15. RADM Noonan (COMBPC) opened by providing an introduction to BPC and an update of BPC's structure, roles and current activities. This included an overview on current maritime security threats.

16. RADM Noonan then specifically addressed Maritime Counter Terrorism (MCT), highlighting the following:

- a. The recently completed MCT Exercise Blue Horizon 2014, which:
 - (1) was a scenario based Command Post Exercise that addressed capability issues and used the platform of the G20 summit in evaluating how to respond to MCT incidents;
 - (2) was a certification exercise culminating in an independent assessment; and
 - (3) was a very valuable exercise, particularly for whole of Government involvement and interaction, which will have lessons learnt that will raise awareness of MCT and the role of various Government Agencies

AGENDA ITEM 7 – Update on the Australian Shipping Industry

17. Ms Lloyd provided a situational update on the Australian shipping industry and noted:

- a. the steady decline in Australian shipping since 2008 is linked to a resultant downturn in the manufacturing sector and the projection is that this trend will continue;
- b. this has a direct link to the erosion of maritime skill sets;
- c. the majority of Australian seafarers are employed in the offshore and towage industries, however some of the broader skill sets can only be obtained in the blue water sector;
- d. there is potential for growth in the Australian shipping sector through the International Register and there is opportunity for ships on the Register to participate in the Australian export trade. However, expansion in this area requires competitive skills and pay;

- e. there is continual focus on the coastal trade, yet the blue water trade issues need to be recognised, as well as the future for the offshore industry and resultant spin-off into training and skills;
- f. incentives in one part of the industry may stimulate the rest; and
- g. the Senate is soon to consider the Bill to repeal the Seafarers Tax.

18. Mr Nairn commented that there are added imposts that may disadvantage movement onto the Register and no company as yet has taken up the offer.

19. Mr Crumlin observed that:

- a. it would be a big decision for a ship owner to change flags, particularly as any uncertainty such as fiscal support can influence the business case; and
- b. to compete realistically, there is need to compete on equal terms and this includes against flags of convenience.

20. Ms Lloyd further stated that:

- a. there is also a decline in the shipbuilding and repair industry notably FORGACS;
- b. Government policy in some part discouraged this side of the industry; and
- c. Any vessel requiring emergency repairs may not be able to dry dock in Australia, pointing to a national strategic capacity issue.

21. RADM Noonan remarked that Australia lacks a Maritime Culture and there is no apparent champion for maritime awareness.

22. The Chair then commented that:

- a. there is a lack of a national approach to shipbuilding and what that might cost and as such the opportunity costs of shipbuilding can be lost;
- b. there is continuing debate on future submarines and associated cost implications. The overriding question is the strategic cost of a decision, if made, to build overseas;
- c. advocacy of a continuous build philosophy may provide cost efficiencies; and
- d. the key question may be: how many shipbuilders can Australia afford?

23. Mr Grebenshikoff remarked that:

- a. building for jobs is building for capability;
- b. the lack of commonality in Defence systems results in a thin maintenance support base;

- c. all these facets are part of the debate that Defence industry is having with Government over future shipbuilding; and
- d. what does 'cost versus capability' mean in a strategic context?

24. Mr Crumlin queried how Australian shipping can support the national interest in time of contingency operations. In response Mr Nairn and RADM Noonan remarked that constitutional issues, differences in State legislation and other obstacles act as a barrier to moving to a more strategic approach.

25. The Chair concluded discussion on this topic by remarking that the Navy had led the debate and discussion on the issue of Australia as a maritime nation - the International Fleet Review was an example of this. However, the focus has now waned and de-escalated to a local level and is not being addressed by a 'bigger picture'.

AGENDA ITEM 8 – Approaches to Regulating Coastal Shipping in Australia

26. Mrs Kennedy provided an update on Government's consideration of coastal shipping policy, which highlighted that:

- a. the Government has released an options paper, which proposes different models for regulation of the sector;
- b. the paper resulted in engagement with over 100 stakeholders and 86 written submissions were received;
- c. a summary was subsequently prepared for the Minister. The Department is awaiting a decision or way forward from Government as they consider various ramifications;
- d. the broad messages from the consultation process reflect concern with the compliance cost, plus that the cost of moving freight has increased and that there is inflexibility of current regulatory requirements; and
- e. the Government is considering all input.

27. Mrs Kennedy concluded by stating that if and when any advice is received it will be forwarded to AMDC Members.

AGENDA ITEM 9 – 'REEF 2050 Partnership Group'

28. Mr Anderson provided an overview of the Government initiative, the Reef 2050 Plan and the Reef Trust. Key points were:

- a. the Government's election commitment to develop a Reef 2050 Plan is a key component of the clean water pillar, part of the Australian Government's commitment to a healthier environment,
- b. the Reef 2050 Plan will be a strategic, long-term plan for the sustainability of the Great Barrier Reef, addressing key threats such as nutrient run-off and crown-of-thorns starfish, and species protection, particularly turtles and dugongs,

- c. the Reef 2050 Plan will include the establishment of a Reef Trust to deliver funding to address key threats to the Great Barrier Reef, and
- d. Mr Anderson's also commented that:
 - (1) this group has been established jointly by the Federal Minister for the Environment, the Hon Greg Hunt MP, and the Queensland Minister for the Environment, the Hon Andrew Powell MP, to develop a sustainability plan for industries located in or utilising the World Heritage Area consistent with improving the health of the GBR;
 - (2) the initiative is in response to the World heritage Committee recommendations and is using as its foundation the Strategic Assessment jointly carried out by Queensland and the Great Barrier Reef Marine Park Authority. The group includes industry including ports Australia, the Queensland Resources Council, AgForce Queensland as well as tourism and fishing interests along with the Non Government Organisations; and
 - (3) In a number of key respects it is a defining moment for the Queensland based ports community.

29. The key message is that shipping channels are a key component of national infrastructure and also that offshore run-off from the agricultural industry is more significant than a well managed dredging project.

30. Mr Mackinnon noted that environmental concerns over dredging spoil may risk the forecast Cairns channel dredging project not going ahead, despite the clear operational need, and that in some cases the high compliance costs can exceed the cost of the project.

AGENDA ITEM 10 – Other Business

31. Mr Grebenshikoff provided an update on Garden Island Dockyard (GID), highlighting the growth of GID and utilisation of the Captain Cook Dock. He remarked that the 2013 lease has expired and the new arrangements are in place with policies negotiated and agreed in moving forward. GID remains a strategic asset.

32. The Chair in closing the Meeting thanked Members for their attendance, valuable engagement and forthright dialogue. The Chair kindly accepted Mr Grebenshikoff's offer for Thales to host the next meeting in Sydney in March/April 2015. The Secretary will advise timings in due course.

33. With no further business arising the meeting was closed at 1215.



MJ van Balen
RADM, RAN
Chairman

22 Apr 15

Annex:

1. Ministerial Advice – AMDC of 24 June 2014.

Distribution:

RADM MJ van Balen	DCN
RADM M Noonan	COMBPC
Mr A MacKinnon	DNIP
CAPT M Beard	DMTO, DMAROPS
Mr D Anderson	CEO, Ports Australia
Mr T Grebenshikoff	General Manager Maritime & Aerospace, Thales Australia
	(representing the Australian Ship Repairers Group)
Ms T Lloyd	Executive Director, Australian Shipowners Association
Mr J Manning	Commercial Manager P&O Maritime – Australia (representing Offshore Industry)
Mr P Crumlin	National Secretary, The Maritime Union Of Australia
Mr R Nairn	CEO Shipping Australia Ltd
Ms L Kennedy	A/General Manager Maritime & Shipping, Dept of Infrastructure & Regional Development
LCDR C McMaster	SO Ports and Training Areas

Secretary

UNCLASSIFIED

Johnston: MA14-002065
Ref: DCN/OUT/2014/297

MINISTERIAL ADVICE

Date for action by:

Reason:

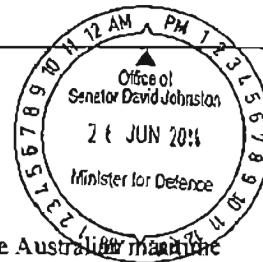
For Action: Minister for Defence

Copies to: Secretary, CDF; FASMECC, DGNCPD

Australian Maritime Defence Council

Purpose:

To appraise you of the ongoing strategic dialogue between the ADF and the Australian maritime industry through the Australian Maritime Defence Council (AMDC).



Key Points:

1. The AMDC is a non-statutory body established by the Minister for Defence in 1982 to foster the partnership between Defence and the Maritime Industry in the development of maritime support capability. Chaired by the Deputy Chief of Navy, AMDC meets bi-annually to maintain a co-operative dialogue on maritime issues of importance and interest to both Defence and industry participants. The History, Terms of Reference and Current Membership of the AMDC are attached.
2. Consistent with previous advice to Ministers it is intended to only report items of direct interest to your office through the Chief of Staff.
3. One item that the Council wish to draw to your direct attention is the Australian Maritime Workforce Development Forum. This Forum was established by the then Minister for Infrastructure and Transport in 2012 to address areas that are fundamental to building a sustainable domestic maritime skills base. The Forum is led by an independent Chairperson, Ms Lynelle Briggs AO and the membership is drawn from expertise across the major sectors in the maritime industry. Some AMDC Members, including the Chair, are also represented on the Forum.
4. The Forum undertook the Australian Maritime Industry Census 2012. The census provided a snapshot of skills and training in the maritime industry. The information collected through the census was used to develop the first national maritime workforce strategy.
5. The aim of the Australian Maritime Workforce Development Strategy is to grow Australian maritime capability in order to protect national security and promote trade and economic growth. The strategy sets out some clear directions for the maritime industry workforce and establishes a national focus for the industry to take them forward. It is quite significant in both its scope and potential to transform the maritime workforce. Some of the recommendations necessarily require regulation and/or Government financing, and all will require industry goodwill to operationalise them.
6. The AMDC is of consensus that you may wish to consider opportunities availed through engagement with the Forum.

UNCLASSIFIED

Johnston: MA14-002065
Ref: DCN/OUT/2014/297

Recommendation:

That you:

- i. Note the ongoing strategic dialogue between the ADF and the Maritime Industry through the AMDC

UNCLASSIFIED

Johnston: MA14-002065 Ref: DCN/OUT/2014/297
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Attachments:

- A. AMDC – History, Terms of Reference and Current Membership

UNCLASSIFIED



ROYAL AUSTRALIAN NAVY

Deputy Chief of Navy

Minute

DCN/OUT/2015/382

See distribution

MINUTES OF THE AUSTRALIAN MARITIME DEFENCE COUNCIL HELD AT THALES (AUSTRALIA) ON 26 MARCH 2015

Attendees:

RADM	MJ	van Balen	DCN	Chairman
RADM	M	Noonan	COMBPC	
CAPT	M	Beard	DMTO, DMAROPS	
CMDR	M	McIntosh	Master Attendant, Fleet Command	
Mr	A	Mackinnon	DNIP	
Mr	D	Anderson	CEO, Ports Australia	
Mr	T	Grebenshikoff	General Manager Maritime & Aerospace, Thales Australia (representing the Australian Ship Repairers Group)	
Mr	J	Manning	Commercial Manager P&O Maritime – Australia (representing Offshore Industry)	
Mr	L	Sturgess	DP World, National Manager Security (representing Stevedoring Industry)	
Mr	R	Nairn	CEO Shipping Australia Ltd	
Ms	K	Cristofani	Dept of Inf & Regional Development	Secretary
LCDR	C	McMaster	SO Ports and Training Areas	

Apologies:

BRIG	M	Ashleigh	DG Strategic Logistics
CAPT	J	Earley	DMO, HQJOC
Ms	T	Lloyd	Executive Director, MIA
Mr	P	Crumlin	National Secretary, The Maritime Union Of Australia
Mr	I	Laverock	A/ND Border Force, C&BPC
Mr	J	Manning	Commercial Manager P&O Maritime – Australia (representing Offshore Industry)
Mr	D	Parmeter	Managing Director Teekay Shipping (Australia)
Mr	R	Farmer	GM Maritime, Identity & Surface Security Branch Office of Transport Security
Dr	M	Steen	Minerals Council of Australia
Mr	M	Malone	Svitzer Australia
Mr	M	Sutton	Dept of Inf & Regional Development

ITEM 1 –WELCOME, INTRODUCTORY REMARKS AND APOLOGIES

1. The Chair provided opening remarks in which he thanked Thales for hosting the AMDC and then took the opportunity to briefly discuss the following broader issues:
 - a. Current RAN activities; and
 - b. the development of the Defence White Paper and associated documents, including the Naval Shipbuilding Plan and the implications from a strategic perspective.
2. The Chair then noted three late apologies from Mr Paddy Crumlin (MUA), Ms Teresa Lloyd (MIA) and Mr Ian Laverock (C&BPC) and also took the opportunity to welcome Ms Katrina Cristofani (representing Mr Michael Sutton, DIRD) and also Mr Lawrie Sturgess (DPW).
3. Mr Tony Grebenshikoff (Thales) then welcomed AMDC members to Garden Island Defence Precinct and provided a brief overview of Thales as an organisation, its origins and their transition into the Australian market.

ITEM 2 –CONFIRMATION OF PREVIOUS MINUTES

4. The Minutes of the previous Meeting held on 10 September 2014 were tabled and agreed, with no outstanding action items.

ITEM 3 – GARDEN ISLAND OPERATIONS – NAVY AND INDUSTRY WORKING TOGETHER

5. Mr Grebenshikoff led this agenda item and commenced by introducing Captain Gavin Irwin, RANR (Superintendent GID), Commander Mark McIntosh (Master Attendant) and also Mr Jon Wall (Director GID transition Unit, DMO).
6. Mr Grebenshikoff then provided a presentation, which discussed:
 - a. Garden Island Dockyard (GID) History, capabilities and operating parameters including the Captain Cook Graving Dock operating model.
 - b. Thales as the exclusive agent for commercial customers wishing to utilise the Dock, but Navy have priority and such commercial operations support GID through their revenue stream.
 - c. The KPIs for Thales in this regard are the Dock availability and also the availability of reticulated services.
 - d. The significance of the Dock achieving the milestone of 70 years in commission on Tuesday 24 March.
7. CMDR McIntosh provided comment on the Dock operating parameters and then observed that the key message is how GI and the Dock overall are operating under the present regime and the importance of coordinating a combined program for both Naval and commercial use.

8. Mr Wall noted that the relationship between Navy, DMO and Thales is enhancing GID operations.
9. CAPT Irwin remarked that the biggest change for Navy has been the oversight and control over GID as a 'port' and in particular the wharves. The biggest challenge is operating and maintaining this key asset.
10. The Chair then aligned these contributing comments into an industry perspective and noted that:
 - a. The cruise ship industry has increased in vessel size, which has limited access to existing port infrastructure, an example being the Overseas Passenger Terminal at Circular Quay and therefore GID, or a buoy remain alternative options.
 - b. The cruise ship industry is pushing for GID access and the Government directive on this is an agreement for three visit opportunities per year. However, the peak for cruise ship visits is end December to end February and this needs to be balanced against peak Naval activity alongside and therefore a potential lack of available berths.
 - c. Any Cruise ship visit to GID also results in a large logistic impost, not only for the GID precinct but also local residents
11. Mr Andy Mackinnon (DNIP) then remarked that:
 - a. Current GID security requirements make it difficult to accommodate cruise ships and berth availability is further compounded when LHD ships are alongside.
 - b. Some Cruise Ship operators are utilising Botany Bay in lieu of Sydney Harbour.
 - c. Thales support Navy's position with the Captain Cook Graving Dock access issue and any cruise ship dockings are generally in an emergency only and all crew security protocols are to be met
12. CMDR McIntosh remarked that commercial enquiries for use of the dock have increased since the demise of the FORGACS dock capability
13. Mr Grebenshikoff noted that there has been little commercial activity in the preceding 24 months and that the costs for overseas flagged ships are cost prohibitive due to tariffs.
14. In closing off this item, the Chair remarked that as a result of cruise ship demand Navy is working with the cruise ship industry, NSW Government and the Minister's Office to resolve a way forward.

ITEM 5 – MARITIME INDUSTRY FAMILIARISATION PROGRAM

15. CAPT Beard (DMTO) discussed the Maritime Industry Familiarisation Program (MIFP), which he stated was a familiar subject to some Members, but obviously new to others. CAPT Beard then noted that the MIFP was originally an AMDC initiative and he

provided the general background to the MIFP, an update on activities within the MIFP and also a synopsis on the proposed way ahead.

16. LCDR Peter Malpas (SO2 Maritime Industry Engagement MTO) then provided a more comprehensive overview of the MIFP and emphasised the MTO intent to reinvigorate the program and what the immediate course of action would be in order to achieve this

17. CAPT Beard then provided a summary of the MIFP and how he would like to see this program develop as an example of Civil and Military (CIVMIL) liaison, which would support the Chief of Navy's recent maritime message.

18. The MIFP led to discussion from Members and relevant comments were offered by Mr Rod Nairn (SAL), Mr David Anderson (Ports Australia) and also RADM Noonan (COMBPC). The consensus of Members supported the reinvigoration of the MIFP, although RADM Noonan did emphasise that there needed to be tangible benefits.

19. The Chair then closed out this item by requesting the following actions from DMTO:

- a. A brief on the issues raised at the Meeting, including discussion on the implications of such a program particularly legal ramifications.
- b. A draft letter to the AMDC reinforcing the MIFP and requesting advertising and promotion within the maritime industry.
- c. A draft signal to Fleet, informing of the MIFP and advising a reporting process for any sea riding opportunities.

20. DMTO acknowledged these actions but emphasised that this initiative is carried forward by MTO, which is a Naval Reserve pool of personnel.

21. **Action: DMTO**

ITEM 6 – THE DEFENCE ACT SECTION 70 – FOREIGN WARSHIPS

22. Mr Mackinnon led this item and opened by stating that Ports Australia had advised its Members of the implications of Defence Regulations 1963 and how free access was afforded under the Defence Act Section 70. During ensuing discussions Navy (DNIP) and Ports Australia considered that most countries listed under this Regulation would in all probability not be aware of their immunity in relation to exemption from tolls and fees.

22. CMDR McIntosh observed that there was a long-standing practice that foreign warships did not pay fees, but this was becoming more problematic with the trend towards a more commercial nature of port ownership and their revenue streams.

23. Mr Anderson noted that no formal discussions with the full Ports Australia membership have been undertaken, but this issue can be raised at a future working group, with the expectation that a 'good neighbour' approach should apply. Ports Australia will continue dialogue with Navy (DNIP) on the nature of such Working Group discussions. The issue will be how to manage these discussions as factors such as the lessons learnt from Exercise Talisman Sabre 2013 need to be taken into account.

ITEM 7 – COASTAL SHIPPING POLICY

24. Mr Anderson provided a brief report on the progress of discussions with the Government and highlighted:

- a. The background to this issue;
- b. the April 2014 Discussion Paper released by the Minister, which had followed a number of Ministerial speeches on this topic;
- c. the convening of an Industry Round Table by the Minister, who advised that Government Policy was based on Industry response;
- d. the major concerns of Ports Australia and its Members had been articulated to the Minister, and
- e. concerns that the Fair Work Act was not mentioned in the Discussion Paper.

25. Mr Nairn agreed with Mr Anderson's summation and also stated that there was a level of optimism from the Ministers office that real progress will be made.

26. Mr Anderson then closed the item by observing that it was the policy failures of previous Governments with a flow on effect into the manufacturing sector that has led to the decline of coastal shipping.

ITEM 8 – OTHER BUSINESS

27. Mr Anderson provided an update on the Reef 2050 Long Term Sustainability Plan and made the opening observation that the prime aim of the Plan was to satisfy UNESCO world heritage requirements for the Great Barrier Reef.

28. Mr Anderson then remarked that:

- a. It was a policy failure of both Federal and State Governments in banning the disposal of capital dredging material as this spoil must now be moved on shore and this has its own environmental concerns.
- b. The discussion doesn't start with dredging, rather it starts with the nations shipping channels and the sea lines of communication.
- c. The disposal of spoil on land does not necessarily provide the best environmental outcome, again at detriment to the shipping and manufacturing sector.

29. Mr Anderson concluded by noting that the understanding from recent discussions with Government that maintenance dredging will not be affected. RADM Noonan then offered to host the next AMDC at (as of 1 July) Headquarters Maritime Border Command on 17 September 2015 and also provided a brief overview of the forthcoming transition from Border Protection Command to this new Command arrangement.

30. The Chair in closing the meeting thanked Members for their attendance, valuable engagement and forthright dialogue. He then thanked Mr Grebenshikoff for hosting this meeting and also RADM Noonan for kindly offering to host the September meeting.

31. At the conclusion of the meeting, Mr Grebenshikoff then hosted any members who were available to a tour of the Captain Cook Graving Dock and associated infrastructure.
32. With no further business arising the meeting was closed at 1210.



MJ van Balen
RADM, RAN
Chairman

10 Sep 15

Distribution

AMDC Members



NAVY ROYAL AUSTRALIAN NAVY

Deputy Chief of Navy

Minute

DCN/OUT/2015/508

See distribution

MINUTES OF THE AUSTRALIAN MARITIME DEFENCE COUNCIL HELD AT MARITIME BORDER COMMAND ON 17 SEPTEMBER 2015

Attendees:

RADM	M	van Balen	DCN	Chairman
RADM	M	Noonan	COMMBC	
CAPT	M	Beard	DMTO, DMAROPS	
Mrs	M	Apps	A/DNIP	
Mr	D	Anderson	CEO Ports Australia	
Mr	T	Grebenshikoff	General Manager Maritime & Aerospace, Thales Australia (representing the Australian Ship Repairers Group)	
Ms	T	Lloyd	Executive Director, MIA	
Mr	M	Malone	Svitzer Australia	
Mr	R	Nairn	CEO Shipping Australia Ltd	
Dr	M	Steen	Minerals Council of Australia	
Ms	C	Henderson	Dept of Inf & Regional Development	
Mr	G	Pitt	Dept of Inf & Regional Development	
Mr	R	Pickette	The Maritime Union of Australia	
LCDR	C	McMaster	SO Projects 2, DNIP	Secretary

Apologies:

BRIG	M	Ashleigh	DG Strategic Logistics
CAPT	J	Earley	DMAROPS
CMDR	M	McIntosh	Master Attendant, Fleet Command
Mr	J	Manning	Commercial Manager P&O Maritime – Australia (representing Offshore Industry)
Mr	L	Sturgess	DP World, National Manager Security (representing Stevedoring Industry)
Mr	P	Crumlin	National Secretary, The Maritime Union Of Australia
Mr	P	Docwra	Australian Border Force
Mr	D	Parmeter	Managing Director Teekay Shipping (Australia)
Mr	R	Farmer	GM Maritime, Identity & Surface Security Branch Office of Transport Security
Mr	M	Sutton	Dept of Inf & Regional Development

WELCOME, INTRODUCTORY REMARKS AND APOLOGIES

1. The Chair welcomed AMDC Members and opened by thanking RADM Noonan, Commander Maritime Border Command (MBC) for hosting the meeting. The Chair then invited members and representatives to introduce themselves and also noted a late apology from Mr Peter Docwra (Assistant Commissioner Border Force Capability Division).
2. The Chair then invited RADM Noonan to provide opening comments as host of the meeting. RADM Noonan noted the following:
 - a. the background and change of organisational structure in the transition to MBC,
 - b. the future plans for a collocated Headquarters, and
 - c. that the meeting would be his last as COMMBC and that he will Chair the next AMDC once he assumes the role of Deputy Chief of Navy in January 2016.

PREVIOUS MINUTES

3. The Minutes of the previous meeting held on 26 March 2015 were tabled and agreed. The Chair noted that some internal reorganisation may see the Secretariat duties transferred to the Navy Sea Power Centre Australia (SPCA) and members will be kept apprised of this development.
4. The only action outstanding from the previous meeting was the Maritime Industry Familiarisation Program (MIFP). CAPT Beard, the Director Maritime Trade Operations (DMTO) provided an overview on what actions were required and also an update on progress achieved. He reiterated the intended letter to industry stakeholders, through the AMDC members, was key to advising of the MIFP and the intended way ahead. The aim of the letter will be for key industry stakeholders to provide a best point of contact (POC) to the MTO Staff Officer Industry Engagement (SOIE), who can then undertake necessary liaison and move forward in coordinating any sea riding or familiarisation opportunities.

MARITIME BORDER COMMAND – OVERVIEW

5. RADM Noonan opened by noting that he briefed AMDC on the previous Border Protection Command structure in March 2014 and the focus of his update was on the arrangements post 1 July 2015.
6. RADM Noonan provided a powerpoint presentation and highlighted that:
 - a. The new MBC structure is a more mature and developed means of conducting operations and amalgamating HQMBC and HQ Joint Task Force 639 and achieving an integrated effect.

- b. Since 1 July 2015 the Australian Customs and Border Protection Service has ceased and the Australian Border Force (ABF) has been established under the Commissioner ABF, Roman Quaedvlieg. The ABF is comprised of 4,500 personnel of whom 3,000 are uniformed members.
 - c. The aim of the ABF is to provide a more focussed effect on and beyond the border and RADM Noonan outlined the ABF structure, command and control arrangements and delineation of responsibilities and also the existence of the Operation Sovereign Borders Joint Agency Task Force.
 - d. The focus points for ABF include illegal fishing, particularly in the Southern Ocean.
7. Following a query from Mr Rod Pickett, Maritime Union of Australia (MUA) discussion ensued on the crewing arrangements for ABF vessels. RADM Noonan responded by advising of current manning arrangements, including training and competencies.

NAVAL SHIPBUILDING

8. The Chair opened this item by noting that Defence has been working on the Defence White paper for nearly two years and the release is anticipated by the end of 2015. He also noted the Force Structure Review, which will focus on the balance of ADF assets and how best to shape mission capability. Part of this focus, if new platforms are required, will be how this mission capability can be achieved.
9. The Chair then made comment on naval shipbuilding with the key points as follows:
- a. Historically the Navy inventory has been a mix of Australian and foreign built ships, which have generally been built in batches and then replaced at their end of life. However, this model has created issues, particularly in the Australian shipbuilding industry.
 - b. Defence commissioned a report that informed debate on future acquisition proposals. This report highlighted that within the Australian shipbuilding industry there are generally those companies that build ships and those that maintain them and that these entities are competing for a niche market. This results in a cost premium to Government above the equivalent industry standards in the USA and South Korea.
 - c. The current model has a flow on effect in degrading workforce skill sets and efficiencies.
10. The Chair then noted that the Government has indicated the intent for a continuous build approach, which is a more evolutionary approach. This also means that there is a continuous refresh in capability development and also a continuously employed workforce

with no resultant loss in skill sets. With the completion of the second LHD build the Navy is currently entering a period of 'no build' and this cannot be avoided. However, it is an exciting period for the Navy and the Australian shipbuilding industry highlighted by recent announcements to 'cut steel' for the new Offshore Patrol Vessel in 2018.

11. Discussion then followed on various aspects of the Australian shipbuilding industry and naval shipbuilding and key points are summarised below:

- a. The end of life of vessels is a strategic consideration, however the potential transfer to other countries is not a simple process and this also has parallels to former ABF vessels and their potential transfer overseas. Similarly, the disposal of vessels as dive wrecks has numerous legal and environmental implications.
- b. The continuous build philosophy will have a potential ripple effect within the maritime industry and the greater stability and certainty may address the current loss of workforce to overseas.

THE MARITIME TRANSPORT AND OFFSHORE FACILITIES SECURITY ACT 2003

12. Ms Carrie-Anne Henderson, Director Maritime Security Department of Infrastructure and Regional Development provided an introduction and context of the roles and functions of the Office of Transport Security (OTS). Ms Henderson provided an overview on the key aspects of the *Maritime Transport and Offshore Facilities Security Act 2003* (MFOFSA) and how risk is managed.

13. Ms Henderson noted that policy work is focussed on the Government's agenda to cut 'red tape' and the OTS has been working to identify regulatory improvements that can be made to the MTOFSA while still maintaining security outcomes and meeting Australia's international obligations. OTS work is about making sure the requirements that are placed on industry are proportionate to the actual level of security risk. There are a few changes that are well progressed that will have an impact, particularly on Australian regulated ships that conduct inter-state voyages and also Port service providers. There are also a number of other changes in the development stage that relate to passenger and vehicle ferries and ports.

14. Ms Henderson then acknowledged that security risks across ports need to be more proportionate, noting the difference in volume and also operating models.

15. Mr David Anderson (Ports Australia) commented that his organisation was very supportive of the OTS initiatives and in particular the reduction to overly prescriptive regulations.

NATIONAL SHIPPING POLICY AND THE SHIPPING LEGISLATION AMENDEMENT BILL 2015

16. Ms Teresa Lloyd, Maritime Industry Australia Ltd (MIAL) provided an overview on this legislation and highlighted that:

- a. AMDC members will have varying views on this subject;
- b. MIAL do not support the legislation as it is considered that it will be detrimental to the Australian shipping industry;
- c. it appears that the Bill will not have enough support to pass through the Senate;
- d. the Bill creates a deal of uncertainty, but the industry cannot continue with the current uncertainty either; and
- e. the time lag in potentially producing a new Bill and with the prospect of a Federal Election in 2016 just adds uncertainty and places the industry in limbo.

17. This Agenda item generated considerable discussion with key points being made as follows:

- a. Mr Rod Nairn, Shipping Australia Limited (SAL) agreed that the current legislation has not met its aims and that the amendments were rushed. He also observed that SAL were not invited to attend the hearings.
- b. Mr Anderson commented that the Ports Australia don't foresee any improvement on the horizon and consider that there has been a total policy failure.
- c. The Chair observed that the 2013 International Fleet Review gained focus and traction on the importance of maritime strategy; however this level of interaction and exposure may now have stalled. The Chair then remarked that the Defence White Paper might capture this strategic perspective and also the importance of sea lines of communication (SLOC) noting that 85% by weight and 75% by volume of goods are imported by sea. The Chair considered it was a case of a lack of strategic direction rather than an attitude of just leaving it to the industry to sort out.
- d. RADM Noonan stated that ABF is moving away from a brown water focus towards a blue water focus and asked the question on how does the notion of national maritime security dovetail with Defence and also the commercial maritime sector and is there scope for evolution. In this regard, CAPT Beard remarked that in the case of China, future commercial shipbuilding must factor into the national strategic requirements.

18. The Chair remarked that the proposal to shift oversight of the AMDC to the Navy SPCA may further this notion of broader debate and the placement of a Maritime Trade Organisation officer into SPCA may assist this process.

THE QUEENSLAND GOVERNMENT SUSTAINABLE PORTS BILL 2015

19. Mr Anderson provided opening comments and noted that there are two key issues, the Sustainable Ports Bill and also the strategic importance of shipping channels and their effect on SLOC. Mr Anderson then noted the Bill has three key components:

- a. the ban on disposal of capital dredging material within the Great Barrier Reef Marine Park (GBRMP).
- b. it limits port development to four key Queensland ports, and
- c. it introduces statutory provisions on port master planning.

20. Mr Anderson then commented that this port master planning is a highly centralised model, which is not supported by Ports Australia as it tends to marginalise the actual ports. Mr Anderson then remarked that the Queensland Government is also considering implications for maintenance dredging and that the suggested landside disposal solution has a number of sub optimal outcomes and associated environmental issues.

21. The members then had general discussion on ports privatisation and associated issues. The Chair closed out the item by remarking that the Navy has its own issues with port privatisation and other concerns such as cruise ship access to Fleet Base East and the implications for infrastructure development at bases such as HMAS *Cairns*, due to potential dredging limitations.

THE SENATE INQUIRY INTO FLAG OF CONVENIENCE SHIPPING

22. Mr Nairn provided opening comments and noted that the Senate moved that the issues concerning Flag of Convenience Shipping (FOC) be referred to the Rural and Regional Affairs and Transport References Committee for inquiry and report by first Parliament sitting day of 2016.

23. The inquiry will report on the increasing use of so-called FOC shipping in Australia, with particular reference to:

- a. the effect on Australia's national security, fuel security, minimum employment law standards and our marine environment;
- b. the general standard of Flag of Convenience vessels trading to, from and around Australian ports, and methods of inspection of these vessels to ensure that they are seaworthy and meet required standards;
- c. the employment and possible exposure to exploitation and corruption of international seafarers on Flag of Convenience ships; and

- d. discrepancies between legal remedies available to international seafarers in state and territory jurisdictions, opportunities for harmonisation, and the quality of shore-based welfare for seafarers working in Australian waters.
- c. progress made in this area since the 1992 House of Representatives Standing Committee on Transport, Communications and Infrastructure report *Ships of shame: inquiry into ship safety*.

24. Mr Nairn remarked that the deadline for submissions had been extended to 21 September 2015 and also commented that with shipping now being a globalised industry the largely historical issue of FOC is perhaps less relevant.


25. Mr Anderson remarked that crew competencies are equally important and Mr Malone (SVITZER Australia) commented that the correlation between flag and owner are relevant particularly in terms of port state control. In this regard Mr Pitt, Department of Infrastructure and Regional Development noted the relevance of the recent detention of ships under the port state control regime by AMSA.

OTHER BUSINESS

26. The Chair alerted members to the upcoming Pacific 2015 and associated International Maritime Exposition and also Sea Power Conference to be held at the Glebe Island convention facility. The Chair remarked that approximately 50 equivalents of the Chief of Navy would attend.

27. CAPT Beard noted the recent utilisation of the Port of Darwin for Exercise Talisman Sabre 2015 and the positive outcomes in terms of relationship with the port that was achieved. RADM Noonan followed by stating that the intent is to support Exercise Talisman Sabre 2017 out of Queensland ports and also remarked on the increasing use of the Port of Townsville by naval ships and in particular the LHD HMAS *Canberra*.

28. The Chair, in closing the meeting, thanked members for their attendance, valuable engagement and forthright dialogue. He also noted that the meeting would be his last as Chair, with RADM Noonan assuming the position of the Deputy Chief of Navy in January 2016. The intent is to hold the next meeting in late March 2016 at the Navy Sea Power Centre Australia in Canberra.



MJ van Balen
RADM, RAN
Chairman

5 Dec 15

Distribution

AMDC Members



ROYAL AUSTRALIAN NAVY

Deputy Chief of Navy

Minute

DCN/OUT/2016/528

See distribution

MINUTES OF THE AUSTRALIAN MARITIME DEFENCE COUNCIL HELD AT RUSSELL OFFICES ON 21 APRIL 2016

Attendees:

RADM	M	Noonan	DCN	Chairman
RADM	P	Laver	COMMBC	
CAPT	M	Beard	DMTO	
CMDR	R	Donovan, RN	DDNL SLB	
LCDR	J	Jacobi	DDBSP DNIP	
Mr	T	Grebenshikoff	General Manager Maritime & Aerospace, Thales Australia (representing the Australian Ship Repairers Group)	
Ms	T	Lloyd	Executive Director, MIAL	
Mr	B	Mason	DP World, National Manager Security (representing Stevedoring Industry)	
Mr	J	Connor	Commercial Manager P&O Maritime – Australia (representing Offshore Industry)	
Ms	S	Werner	GM Maritime and Shipping, Dept of Inf & Regional Development	
Mr	M	Noronha	GM Technical Services and Industry Policy, SAL	
LCDR	C	McMaster	SO Maritime Trade, SPC-A	Secretary

Apologies:

BRIG	M	Ashleigh	DG Strategic Logistics Branch
CAPT	J	Earley	DMO, HQJOC
CMDR	M	McIntosh	Master Attendant, Fleet Command
Asst Comm	P	Docwra	Australian Border Force
Mr	A	Mackinnon	DNIP
Mr	D	Anderson	CEO, Ports Australia
Mr	M	Malone	Managing Director Svitzer Australia
Mr	R	Nairn	CEO Shipping Australia Ltd
Dr	M	Steen	Minerals Council of Australia
Mr	P	Crumlin	National Secretary, Maritime Union of Australia
Mr	D	Parmeter	Managing Director Teekay Shipping (Australia)
Mr	R	Farmer	Office of Transport Security

ITEM 1 – WELCOME, INTRODUCTORY REMARKS AND APOLOGIES

1. The Chair welcomed AMDC Members to this meeting, which was RADM Noonan's first as Chair, and opened by thanking RADM van Balen, the outgoing DCN and Chair for his contribution to the AMDC. The chair also noted that the Sea Power Centre-Australia (SPC-A) were hosting this meeting and thanked the Director SPC-A, CAPT McArthur, for undertaking this task. The Chair noted the apologies and then welcomed new members and any representatives and invited attendees to introduce themselves.
2. The Chair then provided opening comments and noted the following:
 - a. the agenda for the meeting was Defence 'heavy' and would welcome more diverse comment and agenda participation at AMDC 2/2016;
 - b. the agenda was most relevant in the current strategic context, particularly the discussion on the Defence White Paper (DWP) 2016;
 - c. the implications of the DWP 16 for partnership building between Defence and the maritime industry with particular regard for shipbuilding and maintenance;
 - d. the fact that the DWP delivers unprecedented opportunities for the maritime industry with over \$90 billion in investment, which essentially replaces the Fleet over a 20-year period;
 - e. the relevance of the DWP to the AMDC and where is the interface with industry and the importance of the Defence/industry engagement plan; and
 - f. that these are exciting times but day to day operations continue as illustrated by current overseas deployments and also the Humanitarian Assistance and Disaster Relief (HADR) response to TC Winston in Fiji.

ITEM 2 – PREVIOUS MINUTES

3. The Minutes of the previous meeting held on 17 September 2015 were tabled and agreed. The Chair noted that an internal Navy reorganisation resulted in the AMDC Secretariat duties being transferred to the SPC-A.
4. The only action outstanding from the previous meeting was the Maritime Industry Familiarisation Program (MIFP) and CAPT Michael Beard, the Director Maritime Trade Operations (DMTO) would provide an update on this program during the meeting.

ITEM 3 – THE DEFENCE WHITE PAPER 2016

5. CAPT Tom Phillips (DNCP) opened by noting the apology from CDRE Phil Spedding (DGNPSI) and remarked that the presentation on the DWP 16 would focus on the implications for Navy and the flow on effect on strategy, capability and implementation.
6. CAPT Phillips then highlighted:
 - a. the Policy Framework for the DWP and in particular the strategic Defence interests and also the strategic Defence objectives;
 - b. the 2016 Integrated Investment program, which for the first time includes all Defence-related investments;

- c. the capability priorities for Defence and in particularly Navy;
- d. the industry focus, which is the most detailed yet in a DWP and the fact that this focus is a fundamental capability input;
- e. the major capital acquisitions for Navy with the aim of a sustainable long-term and viable Australian Shipbuilding industry ; and
- f. that implementation is linked to the First Principles review and encompasses a more agile and tailored Project Management organisation to meet capability requirements.

7. Ms Teresa Lloyd, Maritime Industry Australia Ltd (MIAL) remarked on the issue of innovation in view of the current strategies and the importance of ensuring that there is no overlap.

8. The Chair in response suggested that Navy will report at the next AMDC on how the program and projects will be implemented and remarked that significant work is being done within Navy on how to implement and bring into service new capabilities. This is particularly relevant in view of basing policy, facilities, training and the implications for ports.

9. Ms Stephanie Werner, Department of Infrastructure and Regional Development commented on the importance of the Australian shipbuilding industry to national security and CAPT Phillips also acknowledged this whilst noting that a continuous build program will lead to ongoing efficiencies. Mr Tony Grebenshikoff, Thales Australia then remarked that the strategic initiatives of the DWP have important links to the commercial maritime sector and particularly the ability of ports to support both defence and commercial operations.

10. The Chair proposed that the Director of Navy Infrastructure Plans could provide an update at the next AMDC on Navy infrastructure development, particularly in commercial ports.

11. The issue of manpower to support new capabilities was discussed and the Chair remarked that the 'total workforce' model under Plan SUAKIN will realise manpower flexibility and efficiencies but the aim to increase the overall workforce by 1200 over 10-years will still be difficult to achieve. Ms Teresa Lloyd then commented on the fact that there are approximately 1000 maritime industry personnel unemployed as a result of the downturn in the Oil and Gas sector.

12. Ms Teresa Lloyd further noted that the commercial charter option to support HADR response is important and that a relationship needs to be developed with the Australian shipping industry in order to explore the potential of this option. The Chair noted this comment and remarked that the recent experience of TC Winston in Fiji highlighted the expectation that the Navy will respond to such HADR contingencies.

ITEM 4 – ADV OCEAN PROTECTOR

13. CAPT Nick Stoker (Director MHP Program) introduced this agenda item on the accelerated acquisition and introduction into service of the Australian Defence Vessel (ADV) Ocean Protector. The presentation covered the schedule, key challenges and innovation, the role of the Naval Flag Authority (including the Naval Auxiliary Construct) and also the lessons learnt.

14. Mr John Connor, P&O Australia questioned the crewing model and in particular the role of Naval Reserves and also any union involvement. CAPT Stoker outlined the crewing construct and highlighted that all are Australian citizens with a baseline security clearance and some personnel hold union membership. CAPT Stoker was unaware of any crew who may also be Naval Reservists. The Chair then remarked that all manning constructs were explored in developing the crewing model.

15. Ms Stephanie Werner queried why the Navy was not directly manning ADV Ocean Protector and the Chair responded by observing that the model implemented was both timely and cost effective with efficiencies being realised.

16. Mr Melwyn Noronha, Shipping Australia Limited queried the status of classification society, and CAPT Stoker responded by stating that this was under the Naval Flag Authority and the Australian Maritime Safety Authority.

ITEM 5 – SEA POWER CENTRE AUSTRALIA – OVERVIEW

17. CAPT Michael McArthur, Director Sea Power Centre-Australia provided an overview of the Sea Power Centre focussing on the mission, roles, key tasks and major activities and engagement. CAPT McArthur made reference to the Chief of Navy's key message on the Navy's role in the blue-water economy and the SPC links in shaping the debate regarding the importance of maritime trade, and what that means for the Australian Defence Force, and Navy specifically

18. CAPT McArthur emphasised the issues relating to the reduction in production of onshore crude product and how this links to the strategic defence interests in the DWP, particularly in securing Sea Lines of Communication (SLOC). He further stated that there is general lack of understanding of maritime trade patterns and where the vulnerabilities might lie, particularly in protecting vital SLOC.

ITEM 6 – MARITIME BORDER COMMAND - UPDATE

19. The Chair, having recently served as the Commander Maritime Border Command (MBC), introduced this item and stated that MBC is a living, breathing, standing multi-agency organisation. MBC draws on numerous relationships and is a good model for sharing across boundaries.

20. RADM Peter Laver, Commander MBC remarked that he is the Australian representative on the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP) and also on the Heads of Asian Coastguard Agencies Meeting (HACGAM) and as such he is happy to represent AMDC members' issues

21. RADM Laver then provided an overview of the MBC structure and planning process and detailed the key Commonwealth stakeholders. He also spoke on the current maritime security threats.


22. Mr John Connor, P&O Australia asked about the MBC role in regional surveillance and in particular the role of the Pacific Patrol Boats (PPB). RADM Laver responded by stating that the PPB Program is not part of Maritime Border Force, but certain Command and Control aspects are coordinated through the Maritime Fusion Centre in Singapore and also the Forum Fisheries Agency operations centre in the Solomon Islands.

ITEM 7 – THE MARITIME INDUSTRY FAMILAIRISATION PROGRAM

23. CAPT Michael Beard, the Director MTO, provided an update on this program focussing on the recent activities and developments and the way ahead. Liaison with AMDC members and other key stakeholders continues and candidates from the maritime industry to undertake the familiarisation program have been identified. Navy internal activity included advice on the program to all ships and establishments.

ITEM 8 – OTHER BUSINESS

25. The Chair, in closing the meeting, thanked members for their attendance, valuable engagement and forthright dialogue. He also reiterated his earlier comments that the agenda for the meeting was Defence 'heavy' and would welcome more diverse comment and agenda participation at AMDC 2/2016. The Chair also remarked that it would be timely at the next meeting to discuss the current membership of the AMDC. The intent is to hold the next meeting in October or November 2016 with Ms Teresa Lloyd kindly offering to host the meeting at MIAL in Melbourne.



MJ Noonan, AM
RADM, RAN
DCN

21 Oct 16

Distribution

AMDC Members