

# **TWELFTH ANNUAL REPORT 2001 - 2002**

## **OUR VISION**

To achieve world's best practice in providing services to Australia in maritime safety, aviation and marine search and rescue, and protection of the marine environment from ship sourced pollution.

## **MISSION STATEMENT**

AMSA will pursue world's best practice in the efficient provision of highly effective maritime safety, aviation and marine search and rescue and marine environment protection services.

This will be achieved by continuing to serve the Government, industry and the community through developing relationships with stakeholders and by applying contemporary management techniques, organisational systems and technology to meet their needs.

AMSA will maintain a keen focus on the rights, needs and morale of our own employees.

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*The Hon. John Anderson, MP*

## **Office of the Chairman**

The Hon John Anderson MP  
Minister for Transport and Regional Services  
Parliament House  
CANBERRA ACT 2600

On behalf of the Australian Maritime Safety Authority, I have much pleasure in submitting the Authority's Annual Report 2001-2002, including the Report of Operations and Financial Statements for the year ended 30 June 2002.

The report is made in accordance with a resolution on 16 September 2002 of the Directors who are responsible under section 9 of the *Commonwealth Authorities and Companies Act 1997* for its preparation and content in accordance with the Finance Minister's Orders.

Yours sincerely

Ken Moss  
Chairman  
16 September 2002



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## PROFILE OF AMSA IN 2001-2002

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### AMSA'S ROLE

The Australian Maritime Safety Authority (AMSA) is the national safety agency with a primary role in maritime safety, protection of the marine environment and aviation and marine search and rescue. Established under the *Australian Maritime Safety Authority Act 1990* as a Commonwealth Authority, AMSA is largely self-funded through levies on the commercial shipping industry.

AMSA's primary areas of responsibility include:

- Participating in the development and implementation of national and international maritime safety and environment protection standards.
- Enforcing operational standards for ships in Australian waters to promote their seaworthiness, safety and pollution prevention.
- Enforcing training standards and competency of seafarers and coastal pilots.
- Providing the national aids to navigation network and navigational systems, including development and application of international navigational safety policy and standards.
- Protecting the marine environment through management of the national strategy for preparedness and response coordination to marine pollution incidents.
- Coordinating search and rescue operations for the maritime and aviation sectors through the 24-hour Rescue Coordination Centre over the internationally agreed Australian Search and Rescue Region.
- Providing a maritime distress and safety communications network.
- Providing related services including:
  - public awareness and education in marine safety and pollution prevention;
  - administration of Australia's ship registration system, operation of ship reporting systems; and
  - publication of, and public access to, ship safety and environmental standards.

## HIGHLIGHTS 2001-2002

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### **International Maritime Organization (IMO)**

The IMO focused a major part of its activity in 2001-2002 on maritime security issues in response to the terrorist attacks in the United States of America on 11 September 2001. AMSA has worked with the Department of Transport and Regional Services in addressing security issues concerning shipping and cargo management. At the same time, AMSA continued to participate in the development and implementation of ship safety and environment protection measures relevant to Australia. Major achievements this year included: introduction of the mandatory carriage of voyage data recorders on ships; revision of international convention standards on safety of navigation and fire protection on ships; and addressing safety related issues concerning the operation of bulk carriers, passenger ships and tankers.

### **Environment Protection Standards**

AMSA takes an active interest in promoting improved standards concerning all aspects of pollution prevention from ships. During 2001-2002, Australia contributed to the IMO's successful conclusion of the international convention on the control of harmful antifouling systems on ships, the development of new conventions dealing with ballast water transfer of harmful aquatic organisms, and the adoption of revised guidelines for designation of particularly sensitive sea areas that qualify for special protection measures in relation to shipping activity.

### **Regional Cooperation**

The promotion of improved shipping standards in the region is the aim of AMSA's continuing support of activities under the Asia-Pacific and the Indian Ocean Memoranda of Understanding on Port State Control. In the past year, substantial progress has been made in inter-regional data exchange on port State control ship inspections as a mechanism to monitor substandard ships in the region. AMSA contributed to the revision of the Asia-Pacific Port State Control Manual, providing comprehensive guidance on standardised inspection and reporting procedures. AMSA is acting as regional coordinator of the Asia-Pacific concentrated inspection campaign, that runs from July to September 2002 and coincides with the mandatory application of the International Safety Management (ISM) Code to all ships from 1 July 2002.

### **Ship Inspection Targeting**

AMSA's Ship Inspection Decision Support System continued to be refined to ensure ship inspections are targeted at higher risk ships. The system is based on detailed records over a number of years of port State control inspections contained in AMSA's database. The CSIRO was commissioned in late 2001 to undertake a sophisticated



statistical analysis of this data to refine the risk ranking approach. Its report has examined the factors indicative of seaworthiness and ranks them in order of relative importance with the aim of assisting with AMSA's identification of the main indicators of high risk ships. AMSA continued the second year of its program of focused inspections originally commenced in December 2000. This involves specific areas of ship safety and operations receiving special scrutiny during ship inspections.

**National Plan** Extensive work continued on implementation of the recommendations flowing from the 2000 Review of the National Plan to Combat Pollution of the Sea by Oil and Other Noxious and Hazardous Substances. The new inter-governmental agreement which formalises administrative and funding arrangements under the Plan was ratified by all participating Commonwealth, State and Territory Governments in May 2002. The National Plan Management Committee has sought to strengthen collaborative strategic decision making by the major stakeholders in the National Plan.

**AusSAR** Following additional capital and operational funding provided in the May 2001 Federal Budget for strengthening AusSAR's search and rescue capability, AusSAR has largely implemented the new search and rescue unit program. It expects to have three Forward Looking Infra Red systems, which aid night search capability, operational in Search and Rescue Units at Melbourne, Wollongong and Hobart by the end of 2002. Specialised direction finders for locating transmissions from distress beacons also will be in operation in 2002-2003.

**Maritime Safety Communications** The significant upgrade to High Frequency maritime distress and safety radio communications services was successfully delivered from 1 July 2002 under contractual arrangements with a new service provider. AMSA continues to fulfil Australia's obligations in accordance with the Global Maritime Distress and Safety System while providing a better quality service to the shipping industry.

**Marine Aids to Navigation** The strategic framework underpinning AMSA's responsibility for maintaining and upgrading the Commonwealth's network of aids to navigation was further enhanced by AMSA's development of the operational plan complementing the five-year strategic plan completed in 2001. AMSA also progressed jointly with the Queensland Department of Transport a comprehensive review of the ship reporting system for the Great Barrier Reef and Torres Strait which monitors shipping movements in this particularly sensitive

marine environment. AMSA also worked with the Queensland Department of Transport in undertaking trials to examine the potential of satellite-based technology to provide near real time data on shipping within the region.

**Crew Competency Standards**

The full implementation on 1 February 2002 of the revised International Convention on Standards of Training, Certification and Watchkeeping for Seafarers 1995 was accompanied by increased demand on AMSA to assist Australian certificated seafarers to ensure their certificates of competency were upgraded in accordance with the revised convention's requirements. AMSA also worked with State and Territory marine administrations through the National Marine Safety Committee to facilitate alignment of State and Territory certificates of competency with the revised STCW 95 standards.

**Great Barrier Reef Review**

The Minister for Transport and Regional Services announced in July 2002 in principle acceptance of the recommendations of the *Review of Great Barrier Reef Ship Safety and Pollution Prevention Measures*. He also established the Great Barrier Reef and Torres Strait Shipping Management Group to carry forward the review's recommendations. AMSA is a member of the Group and is providing the secretariat services. Many of the review's 41 recommendations already are underway as part of the normal business activities of AMSA and other agencies responsible for regulation of shipping in the Great Barrier Reef.

**International Conferences**

In February 2002, AMSA co-hosted the Salvage and Safe Havens conference and workshop in Sydney, drawing together experts from government, port authorities and the shipping industry from Australia and overseas.

AMSA hosted the fifteenth conference of the International Association of Marine Aids to Navigation and Lighthouse Authorities (IALA) in March 2002 attended by more than 300 delegates representing 45 countries.

AMSA assisted in staging the national conference of the National Marine Safety Committee in Brisbane in August 2002. Following the IMO focus on security issues, AMSA was invited to arrange a special workshop for the South Pacific region on training in shipping and port security issues being held in September 2002. Preparations also are underway for AMSA to co-sponsor the biennial Spillcon conference in Sydney in September 2002 involving overseas and local specialists in marine pollution prevention and response.

## CHAIRMAN'S REPORT

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AMSA has had an eventful year during 2001-2002 following some significant external events impacting on its ship safety, environment protection and search and rescue responsibilities.

The terrorist attacks in the United States of America in September last year brought security issues to the forefront in the International Maritime Organization (IMO) and in the Australian maritime industry. AMSA has worked closely with the portfolio Department in representing Australia's interests in the IMO and progressing new international security measures with the shipping industry. This has entailed a substantial contribution to addressing issues in a number of additional IMO conferences and working groups, expected to culminate in a Diplomatic Conference later this year.

In August 2001, AMSA's Australian Search and Rescue Division (AusSAR), was involved in the response to an Indonesian boat signalling distress whose crew and passengers subsequently were picked up by the container ship *Tampa*. This incident highlighted areas where procedures and protocols could be strengthened to improve communication between interested agencies, both in Australia and Indonesia.

### **Ship Safety and Environment Protection**

While attending to the increased demands entailed with the greater focus on maritime security issues, AMSA officers continued to make a substantial contribution to ship safety and environment protection initiatives in the IMO and in regional forums. AMSA takes an active role in both the Asia-Pacific and Indian Ocean port State control committees promoting enhanced ship inspection procedures and sharing of electronic data to better monitor substandard shipping within the region. AMSA is seeking to share with other regional administrations its groundbreaking work in improved targeting inspections of high risk ships. AMSA's focused ship inspection campaigns spotlighting particular safety issues also have proved to be an effective method of drawing attention to topical safety and operational issues.

The unique environment of the Great Barrier Reef and Torres Strait region has attracted international recognition of special protective measures to reduce the risk of damage and pollution arising from a shipping incident. The Minister announced in July 2002 his in principle acceptance of the recommendations from last year's review of these measures. This will see AMSA continuing its work in progressing relevant ship safety and environment protection recommendations in the IMO, enhancing the coastal pilotage regime and fostering adoption of new technology to improve ship tracking in these waters.

### **Search and Rescue Services**

AusSAR continues to build on its international reputation as a highly professional and effective search and rescue agency. Several initiatives have been undertaken to strengthen communications with its counterparts in the States and the Northern Territory. Its continuous improvement management system has seen implementation of improved administrative procedures and greater use of computer technology in recording and displaying search and rescue incident data.

## Corporate Governance

The AMSA Board views seriously its obligations under the *Commonwealth Authorities and Companies Act 1997* and AMSA's establishment legislation. The Board maintains a regular review of its governance responsibilities and during 2001-2002 carried out an assessment of its procedures and performance in conjunction with the National Institute for Governance at the University of Canberra.

## Board Membership

The Board paid tribute to the considerable contribution made to its work by Mr Julian Manser when he retired as Deputy Chairman in April 2002. During the five years that Mr Manser served on the Board, AMSA benefited greatly from his wealth of practical experience in the maritime industry. The Minister appointed Mrs Sarina Bratton as Deputy Chair in April 2002 and I am grateful for her support, particularly as Chair of the Board Audit Committee.

Mr James Kimpton also retired as a Director in December 2001 after a two year term. His experience in the aviation industry and corporate planning and governance skills were greatly appreciated by his colleagues on the Board.

The Board membership was strengthened with the Minister's appointment of three new Board members in April 2002 who have brought a diversity of experience in both the public and private sectors in relation to shipping and environment protection. I was delighted to welcome the Hon Virginia Chadwick, Captain John Paine and Mr Barry Vellnagel to the Board and our deliberations already have been influenced by their valuable perspectives on AMSA's work.

## AMSA Staff

On behalf of the Board, I extend our sincere appreciation for the hard work and professional dedication shown by AMSA staff. The past year imposed a new set of challenges with the international focus on maritime security and new issues in border protection and environment protection to which AMSA made a significant contribution. While these areas will continue to require attention, AMSA already has passed the initial test in taking a strong lead in contributing to the resolution of these complex and demanding issues.



Ken Moss  
Chairman  
September 2002

**MEMBERS OF THE  
AUSTRALIAN MARITIME SAFETY AUTHORITY**

**30 JUNE 2002**



#### **Chairman , Dr Kenneth Moss**

Dr Moss became Chairman on 1 July 2001 for a period of four years, having been originally appointed to the AMSA Board on 8 April 1999 for a period of three years. After several years at BHP, he joined the Howard Smith Group in 1974 and was Managing Director from 1993 until his retirement in late 2000. Dr Moss is Chairman of Boral Limited and Centennial Coal Company Limited and serves on the Board of the National Australia Bank, Adsteam Marine Limited, GPT Management Limited, the Australian Institute of Company Directors and, until 30 April 2002, Hunter Medical Research Limited.



#### **Deputy Chair, Mrs Sarina Bratton**

Mrs Bratton was appointed as Deputy Chair on 8 April 2002 for a two-year term. She originally was appointed to the AMSA Board in September 1996, and reappointed from 1 September 1998 and again from 8 October 2000, for two-year terms. She has extensive experience in the cruise shipping sector having been the founder and Managing Director of the Norwegian Capricorn Line. Formerly she was Vice President and General Manager Asia Pacific, Cunard Line. Mrs Bratton is also a Director of the Australian Trade Commission and was a Director of the Sydney Paralympic Organising Committee (Prime Ministerial nominee).



#### **Mr Tony Hyams**

Mr Hyams was appointed to the AMSA Board on 1 September 1998 for a period of two years and was appointed for another two-year term from 8 October 2000. He is a Director of Credit Suisse First Boston, the Australian Pacific Airports Corporation (Melbourne and Launceston airports), the Australian Infrastructure Fund, the Australian Government Employees' Superannuation Trust and the Blue Star Print Group (NZ).



#### **The Hon Virginia Chadwick**

Mrs Chadwick was appointed to the AMSA Board on 8 April 2002 for a two-year term. She is the Chair of the Great Barrier Reef Marine Park Authority (GBRMPA). This followed a distinguished political career in the New South Wales Parliament where she served as President of New South Wales Legislative Council and held several ministerial portfolios.



#### **Captain John Paine**

Captain John Paine was appointed to the AMSA board on 1 April 2002 for a three-year term. He held several senior executive positions in shipping operations for BHP until his retirement as General Manager North West Shelf Shipping Services in 2000, having joined BHP as a deck officer and served as a master in the BHP fleet. He also held a number of directorships of BHP companies and is a former director of the Australian Shipowners Association.

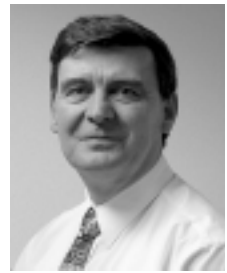
### **Mr Barry Vellnagel**

Mr Barry Vellnagel was appointed to the AMSA Board on 1 April 2002 for a three-year term. He is Chairman of the National Bulk Commodities Group and is a member of the Australian Maritime Defence Council. Until 2000, he was the Deputy Director of the Minerals Council of Australia and had been a senior executive with the Department of Transport and Communications, specialising in international shipping policy development and waterfront reform.



### **Chief Executive Officer, Mr Clive Davidson**

Mr Davidson was appointed on 4 May 1998 for a three-year term and was reappointed from 4 May 2001 for another three years. He has held executive positions at the former Department of Transport and Communications, Australian Civil Aviation Authority, Siemens Plessey Systems, AMSA Navigational Services and the Federal Office of Asset Sales and IT Outsourcing. He is a member of the Seafarers Safety, Rehabilitation and Compensation Authority and the Council of the Australian Maritime College.



## **Directors Retiring During 2001-2002**

### **Mr Julian Manser**

Mr Manser was Chief Executive of the Perkins Shipping Group and was appointed as Deputy Chair in April 1999 for a three-year term until April 2002, after originally being appointed to the AMSA Board in June 1997. He was a Director of the Darwin Port Corporation and a Director of Shipowners Protection Ltd based in London. He previously had been a Director of National Terminals Ltd, Melbourne Port Authority and ANL Cargo Operations.

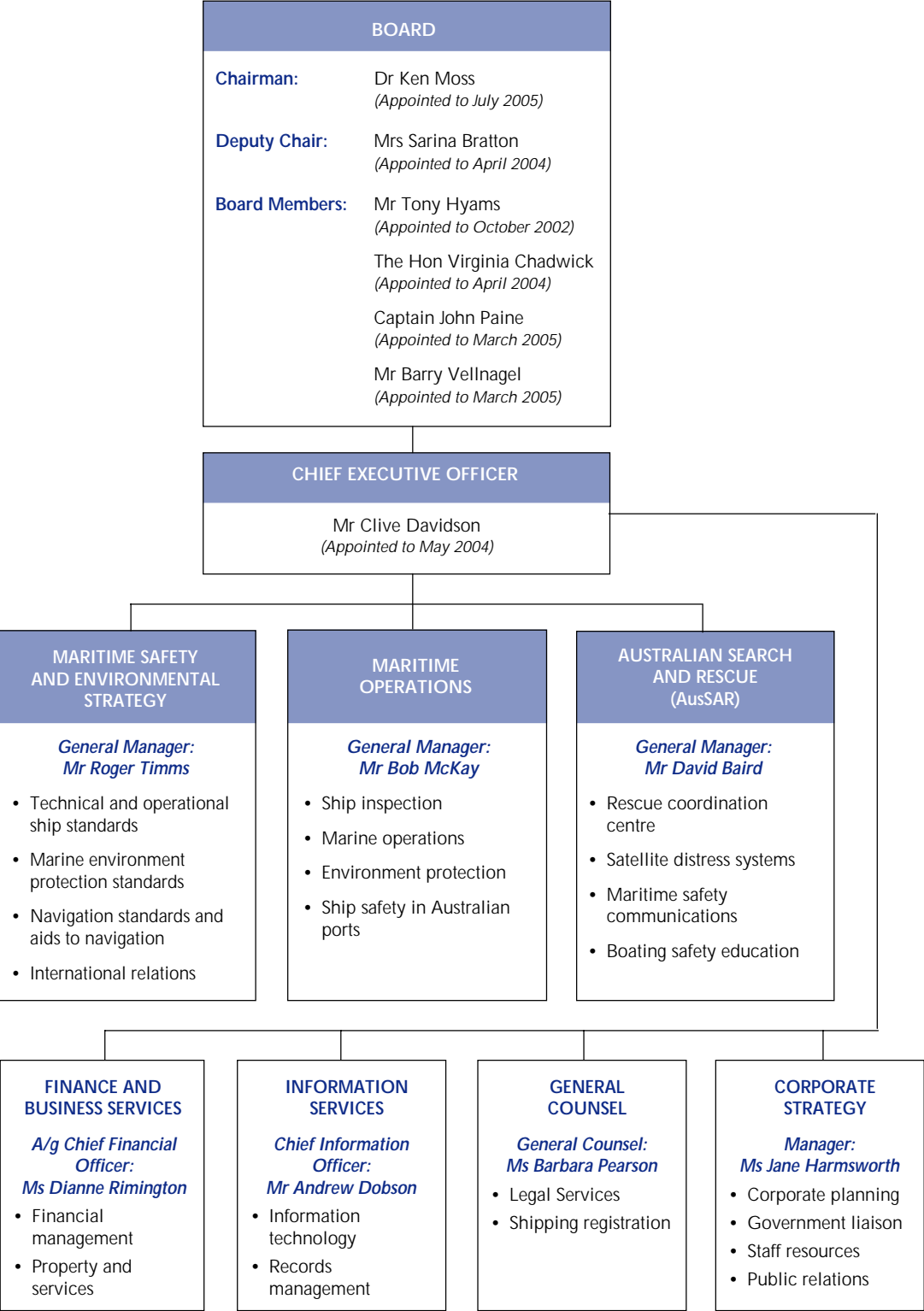


### **Mr James Kimpton AM**

Mr Kimpton was appointed to the AMSA Board in December 1999 for a two-year period until November 2001. Until July 1999, he held senior management positions with Ansett Australia. His career involved product marketing and distribution, management consulting in marketing, market research and strategic planning, public administration and government relations. He is Deputy Chairman of the Civil Aviation Safety Authority and Chairman of the Creswick Foundation.



# CORPORATE STRUCTURE





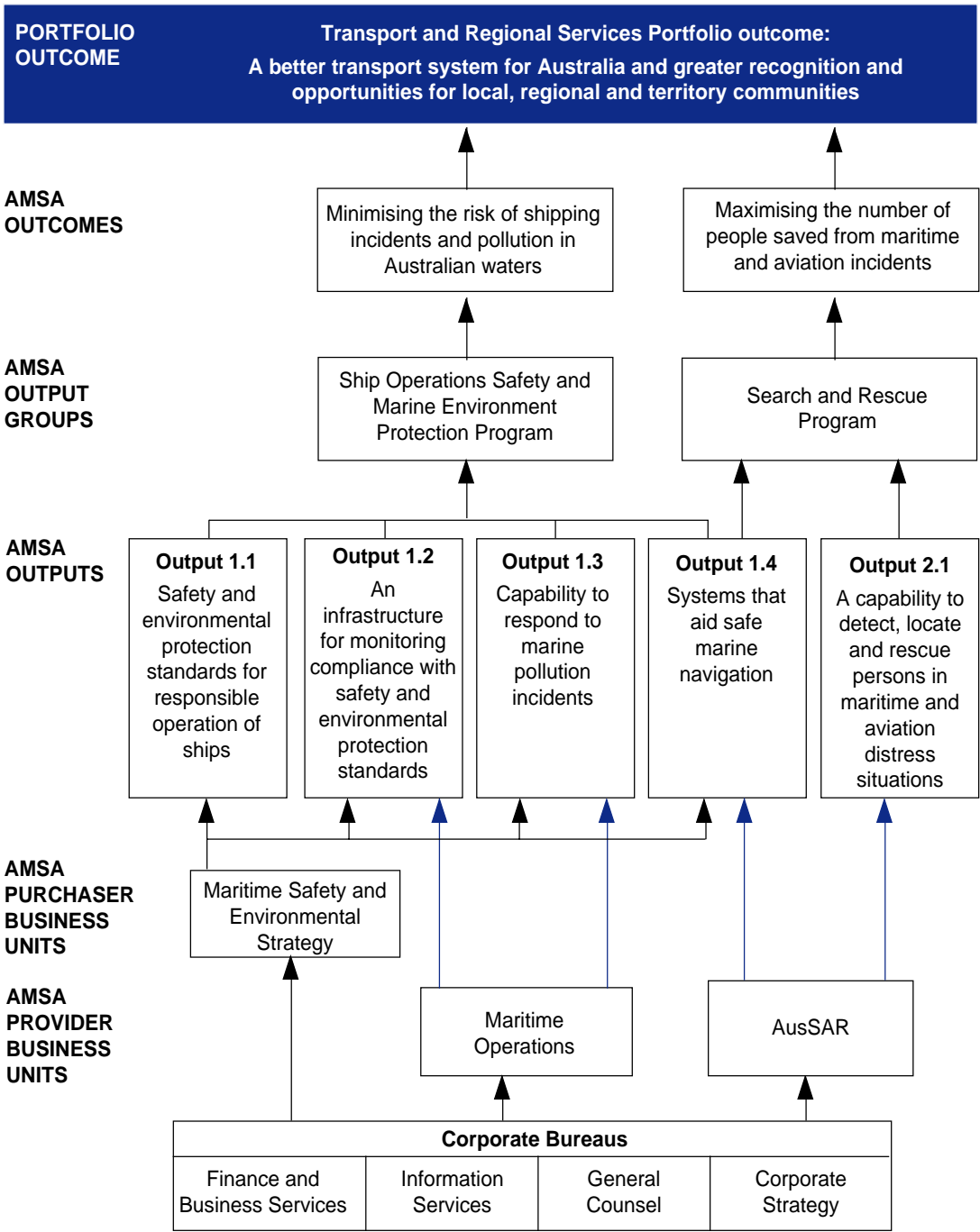
## FINANCIAL SNAPSHOT

	1998-99 \$m	1999-00 \$m	2000-01 \$m	2001-02 \$m
<b>REVENUE</b>				
Marine Navigation Levy	26.92	22.47	20.29	18.93
Regulatory Functions Levy	16.11	18.59	19.20	21.96
Protection of the Sea Levy	3.59	3.61	3.72	3.76
Community Service Obligation (Commonwealth Funded)	16.43	16.63	16.93	21.22
Other Revenue	13.84	22.35	18.87	11.68
<b>Total Operating Revenue</b>	<b>76.89</b>	<b>83.65</b>	<b>79.01</b>	<b>77.55</b>
<b>Total Operating Expenditure</b>	<b>71.86</b>	<b>77.92</b>	<b>73.71</b>	<b>71.53</b>
<b>Net Surplus</b>	<b>5.03</b>	<b>5.73</b>	<b>5.30</b>	<b>6.02</b>
Total Assets	91.41	86.58	85.79	84.14
Total Liabilities	12.27	11.00	10.87	15.25
Total Current Assets	18.45	27.74	19.40	13.75
Total Current Liabilities	7.78	6.84	8.05	11.63
Total Equity	79.14	75.58	74.92	68.89

## PERFORMANCE SUMMARY

	1998-99	1999-00	2000-01	2001-02
<b>FINANCIAL</b>				
Total Liabilities to Total Equity	0.16	0.15	0.15	0.22
Return on Equity (before abnormals)	6.36%	7.58%	7.07%	8.74%
Current Ratio (Current Assets/ Current liabilities)	2.37	4.06	2.41	1.18
<b>REAL PRICE INDEX (base of 100 in 1996-97)</b>				
– Marine Navigation Levy	77.1	61.3	50.8	44.1
– Regulatory Functions Levy	112.6	123.8	117.2	124.9
– Protection of the Sea Levy	97.9	95.0	89.6	85.4
<b>TOTAL DAYS LOST</b>				
Industrial Disputes	0	0	0	0
Sick leave	1915	1568	945	988
Industrial Accidents	209	144	35	21
Total	2124	1712	980	1009
<b>ACCIDENT REDUCTION</b>				
No. of accidents resulting in injuries	59	55	47	29
No. of accidents NOT resulting in injuries	11	19	8	3
<b>TOTAL EMPLOYMENT</b>				
Permanent Staff Only	347	321	238	201
Temporary Contract Staff	32	28	12	42

# AMSA'S OUTCOMES AND OUTPUTS 2001-2002



## AMSA OUTCOME 1:

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### MINIMISING THE RISK OF SHIPPING INCIDENTS AND POLLUTION IN AUSTRALIAN WATERS

#### Output 1.1: Safety and environmental protection standards for responsible operation of ships.

***Business Unit: Maritime Safety and Environmental Strategy***

**AMSA delivers this output by:**

- Representing Australia in the International Maritime Organization (IMO) in the development, implementation and enforcement of international standards governing ship safety, navigation, marine environment protection, ship operations, maritime security, crew competency, training and fatigue management.
- Developing Australia's maritime regulatory framework based upon these international standards and contemporary safety management systems primarily through the making of subordinate legislation, Marine Orders, under the Commonwealth *Navigation Act 1912*, *Protection of the Sea (Powers of Intervention) Act 1981* and *Protection of the Sea (Prevention of Pollution from Ships) Act 1983*.
- Promulgating policy and guidelines for the discharge of the range of powers and functions allocated to AMSA under relevant Commonwealth legislation, particularly relating to ship construction standards, ship survey and safety, crewing, seafarers' qualifications and welfare, occupational health and safety, carriage and handling of cargoes, passengers and regulation of marine pollution.

## MAJOR ACTIVITIES 2001-2002

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### Contribution to International Maritime Organization (IMO) Issues

A new dimension was added to the work of the IMO following the terrorist attacks in the United States of America on 11 September 2001 and the subsequent focus by the international shipping industry on maritime security issues. AMSA is working closely with the Department of Transport and Regional Services in developing appropriate measures and instruments aimed at addressing these issues, for adoption by an IMO Diplomatic Conference in December 2002.

The IMO also has considered issues associated with the involvement of commercial shipping in the rescue at sea of suspected illegal immigrants. This was a matter of interest to Australia following the rescue by the Norwegian container ship, *Tampa*, while on a voyage from Fremantle to Singapore, of a large group of people from a boat drifting in the Indian Ocean.

#### Ship Safety Issues

AMSA provided Australian representation at the 22nd session of the IMO Assembly, the IMO's governing body of all its members, which commenced in late November 2001. With Australian support, the Assembly adopted a resolution on the review of measures and procedures to prevent acts of terrorism threatening the security of passengers and crews and the safety of ships. This set the basic agenda for the IMO's ongoing work addressing maritime security issues. A second resolution was adopted on the review of safety measures and procedures for the treatment of persons rescued at sea, reflecting issues raised during the *Tampa* incident.

In addition, the IMO continued to consider ship safety technical issues relevant to Australia's interests and AMSA made a number of submissions to the relevant subcommittees of the IMO's Maritime Safety Committee. AMSA contributed to the following achievements during the year:

- Finalisation of interim guidelines for the safety of wing-in-ground effect (WIG) craft, to be used by a developing Australian industry for these water borne vessels with flying capability.
- Development of interpretations of the 2000 High-Speed Craft Code by relevant Sub-Committees as sought by Australian industry.
- Progress on a structured work program to address accidents with lifeboats.
- Adoption of Australia's conceptual proposals for application of Annex 1, *Regulations for Prevention of Pollution by Oil*, of the

International Convention for Prevention of Pollution from Ships (MARPOL73/78) to offshore floating production and storage units.

- Acceptance of Australian proposals for work on requirements for anchoring, towing and mooring equipment, updating the Dynamically Supported Craft and 1994 High Speed Craft Codes and on review of IMO's Offshore Supply Vessel Guidelines.
- Amendments to the enhanced program of surveys of oil tankers and bulk carriers and the associated provisions of the International Convention for Safety of Life at Sea (SOLAS) to bring them into effect.

There were several major ship safety initiatives that Australia strongly supported in the IMO during the year:

- Mandatory carriage of Voyage Data Recorders on new ships and on existing passenger ships. This initiative will provide information that will assist in determining the cause of maritime casualties.
- A new revised High Speed Craft Code. The Australian high-speed craft building industry contributed significantly to AMSA's input to the development of the new code.
- Amendments to the International Convention for Safety of Life at Sea (SOLAS) including a complete revision of Chapter V of the convention on safety of navigation and Chapter II-2 on fire protection for entry into force in July 2002.
- Development of a Fire Safety Code for ships.
- Identification of measures to be reviewed in assessing the safety of large passenger ships and continuing work to improve the safety of bulk carriers.
- Safety related issues associated with the international shipping community's response to loss of the tanker *Erika* off the French coast, which caused a significant pollution incident in 1999. These included a condition assessment scheme, the accelerated phase out of single hull oil tankers, and the identification of other measures to eliminate substandard oil tankers.
- Approval of a code covering piracy and armed robbery against ships and associated measures to help combat the trafficking or transport of illegal migrants at sea.
- Revision of the Code for Safe Practice for Solid Bulk Cargoes.
- Amendments to the Code for the Carriage of Irradiated Nuclear Fuels (INF Code) by ships.

## **Improved Seafarer Training and Certification Standards**

The revised Convention on Standards of Training, Certification and Watchkeeping (STCW 95) entered into full force internationally on 1 February 2002. The previous standards of training, certification and watchkeeping contained in STCW 78 were completely updated by STCW 95, to provide a stronger focus on the human element in ship safety and pollution prevention.

AMSA worked cooperatively during early 2001-2002 with the National Marine Safety Committee (NMSC) to ensure that standards underpinning State and Territory issued certificates of competency were appropriately aligned with the revised standards under STCW 95. State and Territory issued certificates of competency can be used for service on board Australian ships coming under Commonwealth jurisdiction and also by seafarers seeking employment on overseas flagged vessels. AMSA was seeking to facilitate the continued use of these certificates after February 2002 by seafarers on Australian registered ships making voyages under Commonwealth jurisdiction.

STCW 95 is given the force of law in Australia through Marine Orders Part 3, Seagoing Qualifications, made under the Commonwealth *Navigation Act 1912*. A review of Marine Orders Part 3 commenced in 2002 with the aim of simplifying the current seafarer qualifications system and confirming its complete alignment with the requirements of STCW 95. Following consultation with industry stakeholders, AMSA anticipates publication of a revised edition of the Marine Order in 2003.

## **Environment Protection**

Australia contributed to debate in the IMO leading to the successful conclusion of the International Convention on the Control of Harmful Anti-Fouling Systems on Ships at a Diplomatic Conference in October 2001. The new Convention will enter into force twelve months after ratification by 25 States representing 25 per cent of the world's merchant shipping tonnage.

Other key issues for Australia included the development of new Conventions dealing with the transfer of harmful aquatic organisms by ship's ballast water, issues related to greenhouse gas emissions from ships and the on-going implementation of the *International Convention on Oil Pollution Preparedness, Response and Cooperation 1990*.

The 22nd session of the IMO Assembly in November 2001 adopted revised Guidelines for the Designation of Special Areas under MARPOL 73/78 and Guidelines for the Identification and Designation of Particularly Sensitive Sea Areas. Australian delegates led the correspondence and drafting groups that developed these Guidelines.

Australia was also active during sessions of the governing bodies of the 1992 International Oil Pollution Compensation Fund (IOPC Fund) in increasing available compensation limits and progressing the issue of compensation for environmental damage. The IOPC Fund Assembly in October 2001 endorsed a proposal submitted by Australia and several other countries for a new supplementary protocol. In May 2002, a special Working Group endorsed a proposal submitted by Australia and several other countries proposing guidelines on claims for the costs of measures of reinstatement of the environment and post spill environmental studies.

AMSA played an active role at the IMO's third Research and Development Forum in Brest, France, in March 2002. AMSA chaired a session that dealt with the behaviour and fate of high density oils. Approximately 300 delegates from 70 countries attended the Forum which aimed at focusing attention on issues associated with high density oils. Delegates explored opportunities for improving the ability of agencies to detect and model the movement of the oil when spilled, and gained a better understanding of its behaviour and fate when spilled and how to contain and recover the product at sea.

## **National Regulatory Framework**

The *International Maritime Conventions Legislation Amendment Act 2001* commenced operation on 1 October 2001. This Act features some significant changes and updates to the MARPOL 73/78 implementing legislation, including provisions relating to:

- prosecution of a person other than the Master or owner of a ship for an illegal discharge;
- powers to require ships to discharge waste to a reception facility when reasonable and justifiable;
- consideration of legal action where negligence results in a pollution incident; and
- ensuring that the “wear and tear” defence in MARPOL 73/78 cannot be used inappropriately.

**Marine Orders** During 2001-2002, AMSA promulgated a number of new and amended Marine Orders implementing enhanced standards that are summarised in AMSA's Regulatory Plan in the appendices to this report.

The majority of these Marine Orders give effect to amendments to conventions adopted by the IMO. They include requirements relating to carriage of dangerous goods, navigational equipment, fire safety measure and high-speed craft.

Relevant Marine Orders were amended to give effect to new IMO regulations for certain ships to carry automatic identification systems (AIS) and voyage data recorders (VDRs), which entered into force on 1 July 2002.

The International Management Code for the Safe Operations of Ships and for Pollution Prevention (ISM Code) became mandatory for most ships operating internationally from 1 July 2002. The second phase of implementation of the ISM Code was given effect in the appropriate Marine Order.

While the amendments promulgated by the IMO are generally prescriptive in nature, AMSA is seeking to adopt a performance-based approach where possible during drafting of appropriate Marine Orders. An example of this approach is reflected in Marine Orders Part 10 Medical First Aid on Ships.

Marine Orders also promulgate national standards, some of which lead the way in regulation of certain types of ships. For instance, there are no international convention standards specifically regulating livestock carriers that transport live animals by sea. AMSA has developed a Marine Order regulating ship safety and ship operations for livestock carriers, in consultation with shipping and livestock interests, relevant government agencies and the Royal Society for the Prevention of Cruelty to Animals (RSPCA). These standards have been used by overseas administrations to regulate livestock carriers coming within their jurisdiction. During 2001-2002, AMSA updated and amended the Marine Order in light of industry experience and to provide a more performance-based regulatory framework.

**National Marine Safety Committee** AMSA continues to participate in the National Marine Safety Committee (NMSC), which is tasked with developing a harmonised system of marine regulation across Commonwealth, State and Territory jurisdictions for smaller ships on domestic voyages.



AMSA has worked closely with the NMSC to assist the States and Northern Territory develop a national strategy for the implementation of the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW 95). The strategy has utilised provisions in the convention whereby a Maritime Administration may define national requirements for the qualifications and training of crews on ships engaged on near-coastal voyages. This enables the provisions of the convention to be incorporated into Australia's network of Federal, State and Territory maritime jurisdictions.

#### **Royal Australian Navy Gap Analysis**

During 2001-2002, AMSA continued to work with the Royal Australian Navy (RAN) to develop a gap analysis aimed at establishing areas where core competencies are common to both naval training syllabuses and the requirements of STCW 95. A number of commonalities have been established and it is anticipated that more of the prior learning and sea time of military personnel may be accepted as counting towards the issue of AMSA certificates of competency on completion of the project.

#### **Review of the Great Barrier Reef Ship Safety and Pollution Prevention**

In July 2002, the Minister for Transport and Regional Services announced his acceptance in-principle of the recommendations of the *Review of Great Barrier Reef Ship Safety and Pollution Prevention Measures*. The Minister agreed to the establishment of the Great Barrier Reef and Torres Strait Shipping Management Group to oversee the implementation of the review's recommendations and to prepare a Shipping Management Plan for the region.

The Group comprises the Department of Transport and Regional Services (Chair), AMSA, the Great Barrier Reef Marine Park Authority and the Queensland Department of Transport. AMSA is providing the secretariat service for the Group, which held its inaugural meeting on 25 July 2002 to commence the planning process.

#### **Maritime Occupational Health and Safety**

AMSA continues to work closely with the Seacare Authority and carries out the role of inspectorate for the Authority as required under the *Occupational Health and Safety (Maritime Industry) Act 1993*. AMSA received 56 occupational health and safety incident reports during 2001-2002 and five dangerous occurrences were reported. Two prohibition notices and three improvement notices were issued by AMSA Occupational Health and Safety Inspectors. Fourteen investigations into incidents and dangerous occurrences were conducted by AMSA.

The number of reported incidents continues the downward trend since the introduction of the Act and suggests that the performance of the Australian maritime industry continues to improve. However, occupational health and safety issues prompted a focused inspection of the ships of one operator.

AMSA continued to assist in the development of positive performance indicators for the maritime industry and provided advice to the Seacare Authority secretariat throughout the year on a wide range of issues.

## **Environment Protection Initiatives**

A Safe Havens and Salvage Conference, jointly sponsored by AMSA and the Association of Australian Ports and Marine Authorities (AAPMA), was held in Sydney on 19-20 February 2002. International and local experts discussed the practical and legal implications of ship refuge access and salvage operations around the Australian coastline.

Key issues considered included the application of Commonwealth and State powers of intervention; legal implications for all organisations involved in a salvage operation; criteria for selecting and identifying places of refuge; and major salvage challenges in the application of different forms of salvage awards. The Conference identified the need for the preparation of national guidelines for providing places of refuge. The guidelines will be prepared under the auspices of the National Plan Management Committee.

AMSA coordinated the 11th Environment and Scientific Coordinators' Workshop held in March 2002 in Adelaide. Participants included State and Northern Territory government and industry personnel. This annual forum brings together pollution response planners and decision makers to discuss and debate issues related to environmental and scientific support during maritime spills.

A National Oiled Wildlife Workshop was held in Canberra on 7-8 May 2002. Over 20 participants from the Commonwealth, New Zealand, the States and the Northern Territory attended. A key focus of the Workshop was to provide input to the development of National Wildlife Response Guidelines.

Discussions were held with the South Pacific Regional Environment Program (SPREP) regarding possible AMSA assistance with a number of projects under the Pacific Ocean Pollution Prevention Programme, a comprehensive programme of projects aimed at reducing marine pollution from shipping in the Pacific island region. SPREP is a regional organisation based in Apia, Samoa, established by the governments and administrations of the Pacific region to protect the environment.

# PERFORMANCE REVIEW 2001-2002

**Portfolio Outcome 2001-2002: A better transport system for Australia and greater recognition and opportunities for local, regional and territory communities.**

## OUTPUT GROUP 1- SHIP OPERATIONS SAFETY AND MARINE ENVIRONMENT PROTECTION PROGRAM.

### Output 1.1: Safety and environmental protection standards for the responsible operation of ships.

The Authority provides a regulatory framework of safety and environmental protection standards for Australia in the area of maritime ship safety and maritime environment protection consistent with international treaties.

**Strategy: Maintain an appropriate Australian maritime safety and marine environment protection regulatory framework and operational standards.**

Measure	Performance 2001-2002
<p>Currency and relevance of the Australian regulatory framework. (Quality)</p> <p><b>Target:</b> 100% current and relevant.</p> <p><i>[Australia is a party to nearly all of IMO's international conventions regulating shipping. AMSA is responsible for implementing changes to Australia's regulatory framework flowing from improved international standards in these conventions. AMSA promulgates subordinate legislation, Marine Orders, under the Navigation Act 1912, Protection of the Sea (Powers of Intervention) Act 1981 and Protection of the Sea (Pollution from Ships) Act 1983.]</i></p>	<p>During 2001-2002, the currency and relevance of the regulatory framework was maintained by the reissue/ amendment of 18 Marine Orders:</p> <p>Twelve Marine Orders were reissued/amended giving effect to international standards or codes.</p> <p>Three Marine Orders were reissued giving effect to national standards.</p> <p>Three Marine Orders were issued making minor amendments to existing Marine Orders.</p>
<p>Proportion of accepted recommendations actioned coming from debrief/investigation. (Quality)</p> <p><b>Target:</b> 100%.</p> <p><i>[Following a shipping incident, agencies involved in the response conduct a debrief and/or AMSA may conduct an investigation into the incident from which recommendations are made to improve the regulatory framework in future. This measure records the proportion of such recommendations actioned.]</i></p>	<p>During 2001-2002, there have been three significant changes flowing from debriefs and/or investigations:</p> <ol style="list-style-type: none"> <li>1. Removal of the "wear and tear" defence in a pollution incident.</li> <li>2. Change to someone other than the Master of a vessel to be prosecuted for an offence.</li> <li>3. Additional power to require ships to discharge waste in port.</li> </ol>
<p>Number of changes to Australia's regulatory framework flowing from new international standards. (Quantity)</p> <p><b>Target:</b> All relevant international standards implemented.</p>	<p>During 2001-2002, five amendments resulted from the passing of the <i>International Maritime Conventions Legislation Amendment Act 2001</i>. Twelve Marine Orders were amended to reflect changes to international standards.</p>
<p>Cost to provide the regulatory framework. (Price)</p> <p><b>Target:</b> 2001-2002 estimates: \$3.612 million</p>	<p>During 2001-2002, the cost of providing the regulatory framework was \$3.525 million.</p>
<p>Improvement in the standard of ships operating in Australian waters. (Quality)</p> <p><b>Target:</b> Reducing trend in detention rate over time.</p> <p><i>[AMSA undertakes a port State control inspection program in line with international conventions, which allow inspection of foreign ships visiting Australian ports. If ships fail to comply with convention requirements, they may be detained until restored to a safe and seaworthy condition.]</i></p>	<p>During 2001, the detention rate was 4.4% compared to the past detention rates (in calendar years):</p> <p>2001: 4.4%; 2000: 4.3%; 1999: 5.3%; 1998: 6.8%; 1997: 6.5%; 1996: 8.5%</p> <p><i>[The slight rise in the detention rate reflected the results from AMSA's focused inspection program.]</i></p>
<p>Number of policy and program initiatives implemented. (Quantity)</p> <p><b>Target:</b> Industry acceptance of initiatives.</p>	<p>During 2001-2002, a significant work program was progressed to give full effect to the STCW 95 Convention changes. The acceptance by the industry was indicated by the high level of compliance with STCW 95 when it came into full effect on 1/2/2002.</p>
<p>Cost of promoting a safety culture in the maritime industry. (Price)</p> <p><b>Target:</b> 2001-2002 estimates: \$0.983 million.</p>	<p>During 2001-2002, the cost of promoting safety culture in the maritime industry was \$1.032 million.</p>

**Strategy: Participation and influence in international and regional maritime forums and partnerships.**

Measure	Performance 2001-2002
Proportion of significant Australian issues identified that are resolved or addressed to Australia's satisfaction. (Quality) Target: 100%.	During 2001-2002, Australia presented 22 papers on significant issues. There were four significant issues progressed with one resolved satisfactorily and three still being progressed through the forum processes with the expectation of being resolved satisfactorily.
Attendances at international and regional maritime forums and partnerships meetings. (Quantity) Target: Selected attendances in accordance with meetings scheduled for 2001-2002: 38.	During 2001-2002, AMSA attended 38 meetings, which represented 100% of the meetings scheduled.
Cost of participation in international and regional maritime forums and partnerships meetings. (Price) Target: 2001-2002 estimates: \$1.064 million.	During 2001-2002, the cost of participation was \$1.157 million.

## AMSA OUTCOME 1:

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### MINIMISING THE RISK OF SHIPPING INCIDENTS AND POLLUTION IN AUSTRALIAN WATERS

**Output 1.2: An infrastructure for monitoring compliance with safety and environmental protection standards.**

*Business Unit: Maritime Operations*

**AMSA delivers this output by:**

- Conducting inspections of ships, cargoes and related equipment to monitor compliance with standards for the condition of ships, compliance with operational, occupational health and safety and coastal pilotage requirements and the correct handling and loading of certain cargoes.
- Monitoring compliance by Australian flag ships and their operators with the International Safety Management (ISM) Code under the Safety of Life at Sea (SOLAS) Convention.
- Exercising rights under international conventions to inspect foreign flag ships visiting Australian ports through the port State control program to monitor their compliance with international standards.
- Participating in regional forums to promote consistency in port State control standards and exchange of ship inspection data with neighbouring countries.
- Providing occupational health and safety inspectorate services under the *Occupational Health and Safety (Maritime Industry) Act 1993*.
- Ensuring safety training and maritime qualifications of crew on ships operating under the *Navigation Act 1912* meet the standards of the Standards of Training Certification and Watchkeeping for Seafarers (STCW 95) Convention.
- Administering the licensing system for coastal pilots and safety regulation of coastal pilotage services under the *Navigation Act 1912*.

## MAJOR ACTIVITIES 2001-2002

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### **Port State Control Program**

AMSA's annual report, *Port State Control in Australia*, published in April 2002, recorded that AMSA inspected 2,913 ships under the port State control program during calendar year 2001. AMSA detained 127 ships until serious safety deficiencies were rectified, representing a detention rate of 4.4 per cent, compared to 4.3 per cent in 2000. Some of these additional detentions reflect the results of AMSA's focused inspection campaigns on specific ship safety and operational issues.

During the period the redeveloped ship inspection computer system, Shipsys2000, was commissioned. This new system includes a module to monitor ship arrivals and automatically generates ship target factor information to assist inspection resources to be more effectively allocated. The system is also designed to allow full exchange of inspection information with the database of the Asia Pacific Memorandum of Understanding on Port State Control Computer Information System (APCIS).

### **Focused Ship Inspection Campaigns**

AMSA continued its program to focus ship inspections at selected operational areas identified as needing special attention. The program commenced in December 2000 and was intended to operate for two years with six campaigns of four months' duration.

Four different campaigns overlapped the 2001-2002 financial year. The second campaign focusing on the Global Maritime Distress Safety System (GMDSS) radio communications ended on 31 July 2001. The third covered crew living conditions and compliance of crew's certificates of competency with STCW 95 for the four months from August to end November 2001. The fourth program ran from December 2001 to 31 March 2002 and examined cargo management and securing as stipulated under international convention in two general areas: general/containerised cargo and dry bulk cargo.

The fifth program covered pollution prevention by garbage and oil as stipulated under the MARPOL Convention ran from March until end July 2002. The sixth focused inspection campaign commencing on 1 August 2002 will address full compliance with STCW 95. Following the end of the two year campaign in late November 2002, the effectiveness of the program will be reviewed and a decision made on whether to continue the campaigns. The results of the campaigns are published on AMSA's website.

## **International Cooperation on Port State Control**

AMSA was an inaugural member of the Asia-Pacific Memorandum of Understanding on Port State Control (Tokyo MOU). AMSA attended the regular Committee meetings of the Tokyo MOU in Tokyo, Japan, in October 2001 and Manila in the Philippines in June 2002. AMSA also is an active contributor to the various technical inter-session working groups that develop guidelines and produce proposals for consideration by the Committee. AMSA led the working group in developing the ship inspection targeting system that the AP-MOU will be implementing in 2003.

The Committee also approved a revised port State control manual which took effect on 1 January 2002 with the aim of standardizing ship inspection procedures. A new concentrated inspection campaign on the International Safety Management (ISM) Code will run from July to September 2002 with Australia acting as coordinator of this campaign. This will coincide with the mandatory application of the ISM Code for all ships from 1 July 2002.

AMSA attended the Committee meeting of the Indian Ocean Memorandum of Understanding on Port State Control (IO-MOU) in Colombo, Sri Lanka, in September 2001 and will chair the next Committee meeting. AMSA has supported efforts to facilitate the development of an information exchange system for the region.

## **Improved Seafarer Training and Certification Standards**

AMSA worked intensively during the year with ship operators and seafarers to facilitate the transition to the revised standards for seafarers' certificates of competency under the Convention on Standards of Training, Certification and Watchkeeping (STCW 95), which came into full operation from 1 February 2002. AMSA issued over 5,000 certificates or endorsements to seafarers in 2001-2002, which was almost double the 2,700 in the previous year because of the renewals required by seafarers upgrading their competency levels to STCW 95 standards.

The revised Convention entered into force internationally over a five-year transition period beginning in 1997. Despite this lead-time, there were a number of seafarers worldwide who had not been able to obtain the necessary certification before 1 February 2002. Also parties to the Convention had experienced difficulties in concluding the required arrangements to process reciprocal recognition endorsements with other parties.

The IMO reluctantly issued a recommendation to port State control officers allowing a six months' grace period until 31 July 2002 in relation to ship inspections for compliance with STCW 95. While the IMO recommended that ships whose officers did not hold STCW 95 certificates or flag State endorsements did not need to be detained, it also encouraged the issuing of warnings to the shipping companies concerned and notification to the seafarers and the ship's flag State accordingly. Upon expiry of the period of grace on 1 August 2002, AMSA commenced a focused inspection campaign examining full compliance of all ships inspected with the STCW 95 requirements.

### **Coastal Pilotage**

AMSA has closely monitored the operation of the Great Barrier Reef Pilotage Safety Management Code, which came into full operation from 1 July 2001. The Code adopts the systems management approach to safety regulation similar to the approach taken in the shipping industry with the International Safety Management (ISM) Code. The responsibilities and accountabilities of all parties are clearly defined within the safety management system and each has a recognised role in achieving safety outcomes consistent with the Code. An integral part of the Code is recognition of fatigue management as an essential element in the overall safety management system for coastal pilots.

AMSA holds regular meetings with pilots, pilotage service providers, and shipping industry users of the pilotage services on the operation of the Pilotage Code and implementation of the compliance audit system, including enforcement in cases of non-compliance. The audits of both pilotage service providers and pilots are conducted by specially trained AMSA officers, with the pilot audit involving the AMSA officer making a trip on a vessel with the pilot. The Code also requires pilotage providers to appoint check pilots to carry out check voyages with their licensed coastal pilots operating in the Great Barrier Reef and Torres Strait.



## **Targeting of Ship Inspections**

AMSA continues to refine its ship inspection risk management process to improve targeting at higher risk ships. It has been allocating a ranking to all ships arriving at Australian ports that are eligible for inspection to identify higher risk vessels. Eligible ships are those that have not been inspected in Australia or New Zealand for the last six months and all passenger ships and tankers over 15 years old that have not been inspected for three months.

About 5,500 of the 20,000 port arrivals each year are eligible for inspection and AMSA inspects some 3,000 of these. This risk ranking is used by AMSA to assist decisions as to which ships should be inspected to determine whether they meet international safety and environment protection standards.

The initial data analysis by AMSA that produced the basis for these risk rankings was refined and extended during 2001-2002 by the Commonwealth Scientific and Industrial Research Organisation (CSIRO). The analysis was specifically aimed at confirming which factors were useful indicators of ship seaworthiness, ranking those factors in order of importance and estimating their relative importance.

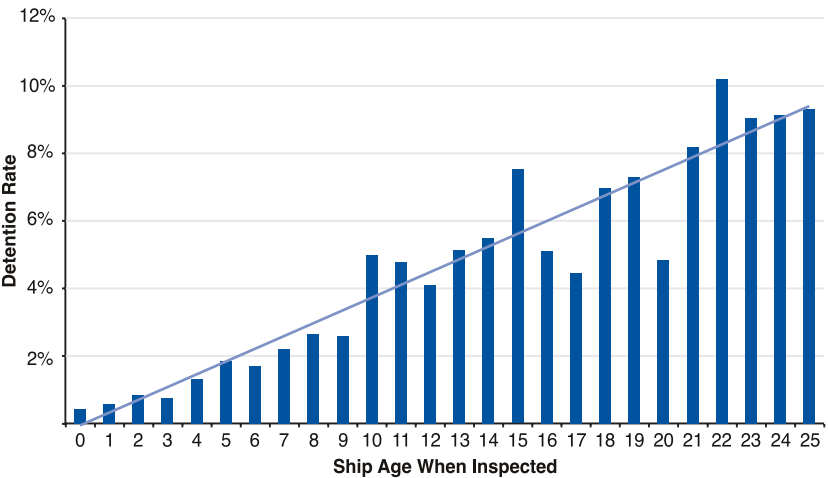
The CSIRO found that the most important indicator of ship seaworthiness was the age of the ship. Another important indicator was the inspection history of the ship, as larger numbers of deficiencies at a ship's previous inspection meant a higher likelihood of it being unseaworthy. Different ship types represented higher or lower degrees of risk and larger ships were found to be less likely to be unseaworthy than smaller ships. Several other factors were found to have minor value as indicators of seaworthiness.

The Flag state of a ship is used by some overseas administrations for risk assessment purposes, but this factor was not found to be a useful indicator of seaworthiness, except to a small extent with bulk carriers. AMSA analysis indicates that open registers are often used by both low risk and high risk operators and that this factor is not, by itself, a useful indicator of ship quality.

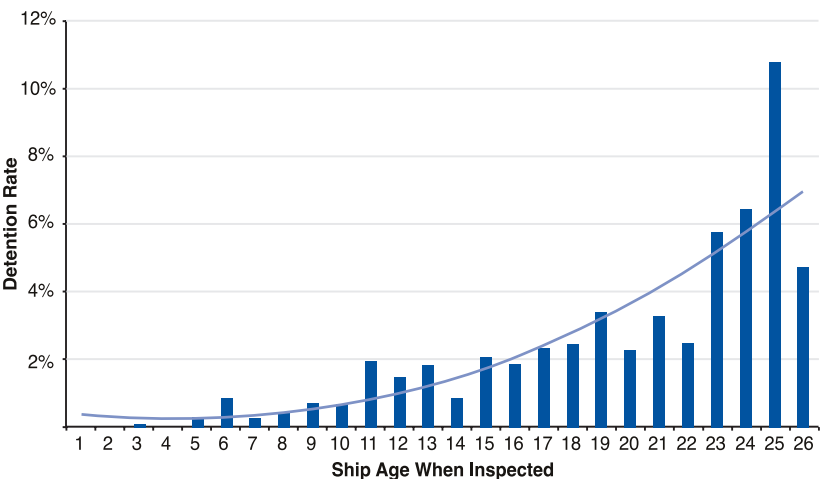
Another finding by the CSIRO is that there has been a genuine improvement since 1995 in the standard of ships visiting Australia, as no other factor explained the decline in detention rates over this period.

This risk ranking of ships prompted AMSA to relocate two marine surveyors over the past year to ensure better coverage of higher risk ships at remote ports. AMSA has also undertaken some initial analysis of the incidence of deficiencies and detentions of ships due to specific categories of deficiencies and how those deficiency types typically occur over the life of a ship. Examples of the occurrence profiles of detainable deficiencies for fire safety measures and for load line (water access) are shown in the following charts.

**Detainable fire  
safety measures  
deficiencies vs  
ship age**



**Detainable  
loadline  
deficiencies vs  
ship age**



## PERFORMANCE REVIEW 2001-2002

**Portfolio Outcome 2001-2002: A better transport system for Australia and greater recognition and opportunities for local, regional and territory communities.**

### OUTPUT GROUP 1- SHIP OPERATIONS SAFETY AND MARINE ENVIRONMENT PROTECTION PROGRAM.

#### Output 1.2: An infrastructure for monitoring compliance with safety and environmental protection standards.

The Authority monitors compliance with international standards by conducting inspections of ships, cargoes and cargo handling equipment in Australian ports, overseeing ship operations in Australian waters (including coastal pilotage in Torres Strait and the Great Barrier Reef) and issues certificates of competency to seafarers.

**Strategy: Improve compliance with standards covering ship condition, operation and handling of cargoes.**

Measure	Performance 2001-2002
<p>Inspection rate of risk rated eligible ships under the port State control program. (Quality)</p> <p><b>Target:</b> High risk ships - 80%; Medium to high risk - 60%; Low to medium risk - 40%; Low risk - 25%; Overall target = &gt; 50%.</p> <p><i>[AMSA's Ship Inspection Decision Support System (SIDSS) aims to improve focus of the port State control program on higher risk ships. It provides a risk rating of each ship based on age, type and inspection history.]</i></p>	<p>During 2001-2002 the inspection rates were: High risk ships - 95%; Medium to high risk - 81%; Low to medium risk - 68%; Low risk - 63%; Overall percentage = 77%.</p>
<p>Improvement in the standard of ships operating in Australian waters. (Quality)</p> <p><b>Target:</b> Reduction in detention rate over time.</p>	<p>During 2001, the detention rate was 4.4% compared to the past calendar years: 2000: 4.3%; 1999: 5.3%; 1998: 6.8%; 1997: 6.5%; 1996: 8.5%.</p>
<p>Number of port State control inspections. (Quantity)</p> <p><b>Target:</b> PSC inspections 2001-2002 estimates: 2,920.</p>	<p>During 2001, 2,913 port State inspections were conducted which is on target and compares to past calendar years: 2000: 2,926; 1999: 2,753; 1998: 2,946; 1997: 3,131; 1996: 2,901</p>
<p>Number of flag State control inspections. (Quantity)</p> <p><b>Target:</b> FSC inspections 2001-2002 estimates: 160.</p>	<p>During 2001-2002, 84 flag State inspections were conducted which is on target.</p>
<p>Cost of providing a compliance monitoring infrastructure. (Price)</p> <p><b>Target:</b> 2001-2002 estimate: \$8.9 million.</p>	<p>During 2001-2002, the cost of compliance monitoring was \$9.019 million.</p>
<p>Average cost of undertaking port and flag State control inspections. (Price)</p> <p><b>Target:</b> 2001-2002 estimates: port State control: \$650/inspection; flag State control: \$520/inspection.</p>	<p>During 2001-2002, the cost of inspections were: Port State Control: \$608/inspection; Flag State Control: \$361/inspection.</p>

**Strategy: Maintain and enhance strategic relationships, increase public awareness and consultation with the maritime industry on compliance matters.**

Measure	Performance 2001-2002
Extent of adverse consequences from AMSA advice. (Quality) <b>Target:</b> No adverse consequences.	During 2001-2002, there were no adverse consequences recorded.
Person hours spent. (Quantity) <b>Target:</b> 2001-2002 estimates: 15,000 hours.	During 2001-2002, 11,980 hours which is below the target.
Cost of the strategy. (Price) <b>Target:</b> 2001-2002 estimates: \$2.4 million.	During 2001-2002, \$2.339 million.

**Strategy: Maintain a high standard of seafarers' qualifications.**

Measure	Performance 2001-2002
IMO endorsement of seafarer qualifications system as being compliant with international standards. (Quality) <b>Target:</b> Maintain Australia's inclusion on IMO "White List" of STCW 95 compliant administrations.	During 2001-2002, Australia maintained its inclusion on the IMO "White List" .
Number of certificates issued. (Quantity) <b>Target:</b> 01-02 estimates: 2,300 certifications, 700 oral examinations.	During 2001-2002, 5,023 certificates were issued and 544 oral examinations were held. <i>[The number of certificates was higher than the target because of the surge in upgrades required before STCW 95 came into full effect on 1/2/2002.]</i>
Person hours spent. (Quantity) <b>Target:</b> 2001-2002 estimates: 19,000 hours.	During 2001-2002, 21,600 hours were recorded.
Cost of maintaining marine qualifications and certification system. (Price) <b>Target:</b> 2001-2002 estimates: \$2.578 million.	During 2001-2002, the cost of maintaining marine qualifications was \$2.777 million.

## AMSA OUTCOME 1:

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### MINIMISING THE RISK OF SHIPPING INCIDENTS AND POLLUTION IN AUSTRALIAN WATERS

#### Output 1.3: Capability to respond to marine pollution incidents.

*Business Unit: Maritime Operations*

**AMSA delivers this output by:**

- Managing the National Plan to Combat Pollution of the Sea by Oil and Other Noxious and Hazardous Substances (the National Plan). This involves providing oil and chemical pollution preparedness and response services in consultation with State/Northern Territory governments, port corporations and authorities, shipping, oil, exploration and chemical industries and emergency services.
- Contributing to environment protection initiatives and education and information sharing on marine pollution prevention.

### **National Plan Review Implementation**

Implementation of the recommendations arising from the 2000 National Plan Review continued during 2001-2002. By June 2002, twelve of the Review's 17 recommendations had been implemented. The remaining five recommendations, generally relating to detailed funding arrangements, are being considered by the National Plan Management Committee (NPMC) with a view to implementation during 2002-2003.

The key outcome of the Review was the development of the Inter-Governmental Agreement (IGA) to provide a basis for continued Commonwealth, State and Northern Territory commitment and support for the National Plan. The IGA was endorsed by the Australian Transport Council and formally ratified in May 2002 by all Commonwealth, State and Northern Territory Transport Ministers.

Another important outcome of the Review was the need for a comprehensive revision of Australia's contingency plan for responding to chemical spills, known as Chemplan. The completed revision of Chemplan was widely circulated in May 2002. The revised Chemplan provides additional focus on communications, includes more information on responding to chemical spills from containers and reflects the adoption of the Incident Control System (ICS) as the basis for the National Plan management structure during response operations. A chemical spill response training course was held in Launceston, Tasmania in June. The course targeted middle level spill managers and response personnel, including fire brigade and hazardous material officers from State and Territory agencies.

During 2001-2002, the NPMC also agreed to continue to examine funding for the National Plan and the "potential polluter pays principle" and to examine issues associated with compensation and insurance during National Plan exercises.

The NPMC also endorsed Australia moving towards adoption of the Protocol on Preparedness, Response and Cooperation to pollution incidents by Hazardous and Noxious Substances 2000 (OPRC HNS Protocol). This Protocol provides a global framework for international cooperation in combating major incidents or threats of marine pollution by substances other than oil. It requires parties to establish measures for dealing with chemical pollution incidents, either nationally or in cooperation with other countries.

## Pollution Response

During 2001-2002, there were no major ship-sourced marine pollution incidents in Australia. AMSA played a role in the response to the oil pollution incident from a grounded log carrier vessel, *Jody F Millennium*, which grounded off the port of Gisborne in New Zealand in February 2002. The ship had about 650 tonnes of heavy fuel oil on board of which almost 25 tonnes was lost in the two days following its grounding. The Maritime Safety Authority of New Zealand (MSANZ) requested environment protection support, which included an assessment of the resources available from Australia and for AMSA to act as an adviser to the New Zealand incident controllers during the initial response. After lightening the ship by removing a quantity of its log cargo, it was refloated without further loss of oil and later towed from New Zealand to an overseas port for repairs in March 2002.

*The Jody F Millennium  
grounded at Gisborne,  
New Zealand.*



# PERFORMANCE REVIEW 2001-2002

**Portfolio Outcome 2001-2002: A better transport system for Australia and greater recognition and opportunities for local, regional and territory communities.**

## OUTPUT GROUP 1- SHIP OPERATIONS SAFETY AND MARINE ENVIRONMENT PROTECTION PROGRAM.

### Output 1.3: Capability to respond to marine pollution incidents.

The Authority manages the National Plan to Combat Pollution of the Sea by Oil and Other Noxious and Hazardous Substances, which involves providing oil and chemical spill preparedness and response services in consultation with State and Northern Territory governments, port corporations and authorities, shipping, oil, exploration and chemical industries and emergency services.

**Strategy:** Provide a level of response capability consistent with National Plan requirements.

Measure	Performance 2001-2002
Availability of support resources and equipment. (Quality) <b>Target:</b> 95% availability.	During 2001-2002, the availability of support resources and equipment was 99%.
Implementation of recommendations from reviews of exercises and responses to spills. (Quality) <b>Target:</b> 100% implementation of accepted recommendation.	During 2001-2002, there were no significant incidents requiring review and no major National Plan exercises were held during this period.
Number of trained and adequately equipped personnel. (Quantity) <b>Target:</b> 40 national response team members/200 support personnel.	During 2001-2002, more than 40 national response team members and 200 trained support personnel were available.
Cost of maintaining a response capability. (Price) <b>Target:</b> 2001-2002 estimates: \$3.882 million.	During 2001-2002, the cost of maintaining a response capability was \$5.580 million. <i>[National Plan assets are being transferred to the States at no cost to them. The above figure is higher than the target as it includes accelerated depreciation on these assets.]</i>



## AMSA OUTCOME 1:

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### MINIMISING THE RISK OF SHIPPING INCIDENTS AND POLLUTION IN AUSTRALIAN WATERS

#### Output 1.4: Systems that aid safe marine navigation.

*Business Unit: Maritime Safety and Environmental Strategy*

**AMSA delivers this output by:**

- Providing the national network of integrated aids to navigation and coastal traffic management measures that meet the requirements of commercial shipping for safe and efficient coastal navigation.
- Participating in the development and application of international navigation safety policy and standards, principally through the International Maritime Organization (IMO) and International Association of Marine Aids to Navigation and Lighthouse Authorities (IALA).
- Providing a maritime safety communications network that broadcasts and receives safety and navigation information to and from ships at sea.

## MAJOR ACTIVITIES 2001-2002

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### **Navigational Services Advisory Committee**

The Navigational Services Advisory Committee (NSAC), AMSA's principal consultative forum on navigational services matters in Australian waters, met twice during the year, in November 2001 and in July 2002. The Committee generally concurred with AMSA's proposals in relation to the future directions for the aids to navigation network and addressed the following major issues:

- review of measures to promote ship safety and pollution prevention in the waters of the Great Barrier Reef;
- review of the aids to navigation network around Australia;
- new radar and system upgrades for the REEFREP ship reporting system;
- trials of the Automatic Identification System (AIS) and the potential to use INMARSAT C polling for ship tracking purposes in the REEFREP ship reporting region;
- AMSA's Differential Global Positioning System (DGPS) program; and
- production of Electronic Navigational Charts by the Royal Australian Navy Hydrographic Office.

### **Improvements to the Aids to Navigation Network**

During 2001-2002, the aids to navigation network was maintained at a level of availability above the relevant IALA standards.

Improvements to the network continued through a number of major projects:

- new or replacement lights were established at Adele Island (Western Australia); Arden Island (Queensland); Long Spit, Margaret Brock Reef, Yarraville Shoal and Marion Reef (South Australia); and new racons established at Robe and Middle Bank South (South Australia). A buoy with light and racon was established at Stagg Patches off the Queensland coast; and
- Differential Global Positioning Systems (DGPS) stations were established at Mallacoota, Victoria and Darwin, Northern Territory.

### **Great Barrier Reef Ship Reporting System Management Group**

It is mandatory for certain ships in the Torres Strait and inner route of the Great Barrier Reef to regularly report their position to the REEFREP Ship Reporting System (SRS), a joint facility of AMSA and the Queensland Department of Transport. The REEFREP system employs a VHF radio network at sites distributed throughout the region to interact and communicate with shipping together with a radar system to monitor shipping movements and provide enhanced traffic information.

The Ship Reporting Service Management Group provides the overarching leadership, high-level strategic oversight, long-term direction and viability of the REEFREP. It comprises representatives from AMSA and Queensland Transport and met twice during the year when discussion centred on the initiation of a comprehensive review of the REEFREP Ship Reporting System, the conduct of INMARSAT C trials for satellite based ship tracking and a review of maintenance arrangements and fault reporting.

A major upgrade of the Traffic Information Module to accommodate the future needs of REEFREP commenced this year. The upgrade involves a significant redesign of the database and systems architecture to cater for the rapidly evolving requirements of the SRS. In particular, this includes the need to ensure the enhanced management of increasing quantities of automatic input positioning data (e.g. INMARSAT C, the Automatic Identification System (AIS)), support for an increasing number of users, address evolving business requirements and provide a more robust system.

### **Maritime Safety Communications Network**

AMSA continued to broadcast maritime safety information through the Coast Radio communications network maintained by AusSAR. During the year, 504 messages were broadcast to ships at sea on a wide range of incidents such as faults with particular aids to navigation, ship breakdowns, hazards to navigation, marine pollution and distress situations.

### **Satellite Tracking in the Great Barrier Reef**

In late 2001, AMSA in conjunction with the Queensland Department of Transport commenced a six month trial to examine the potential of satellites providing 'near real time' pictures of ship movements in the Great Barrier Reef. More than 80 vessels from 20 companies participated in the trials which involved the INMARSAT C global satellite communications network. INMARSAT C is fitted to most ships to provide relevant data to the REEFREP Ship Reporting System in a larger area within the Great Barrier Reef and Torres Strait to that presently covered.

The results clearly demonstrated that this technology can enhance ship traffic information throughout the REEFREP region by reliable delivery of Automated Position Reports from individual vessels. The evaluation demonstrated that the 'near real time' availability of ships' positional information would significantly improve the quality of ship traffic information provided by the REEFREP system. It is expected that vessels transiting the region in future will be encouraged to participate.

## Automatic Identification Systems

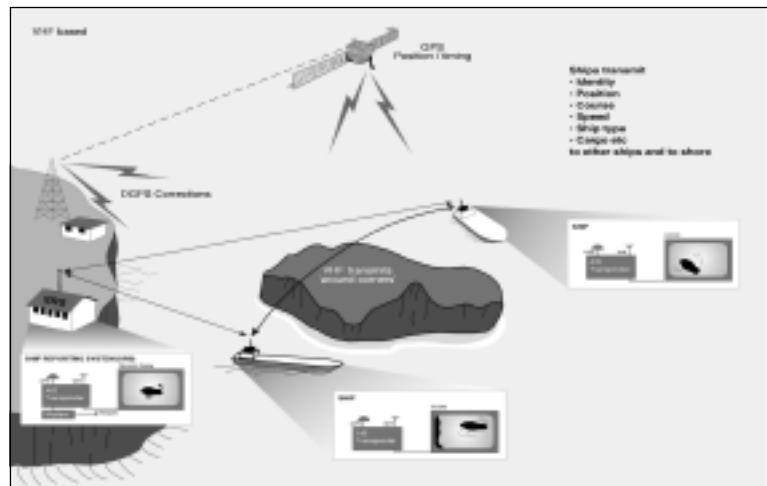
During 2001-2002, AMSA completed trials of Universal Automatic Identification System (AIS) technology in the Great Barrier Reef and Torres Strait. AIS is a shipboard broadcast transponder system that is capable of automatically sending ship information (such as identity, position, course, speed, ship length, draught, ship type and cargo details) to shore and to other ships or suitably fitted aircraft. It is also capable of receiving such information from similarly fitted ships and can be used to monitor, track and exchange information with ships from shore.

The International Maritime Organization has endorsed compulsory carriage of AIS by all ships by 1 July 2008. The IMO's International Convention for the Safety of Life at Sea (SOLAS) requires mandatory AIS carriage on board all new ships from 1 July 2002 and its progressive introduction on existing vessels.

AIS originally was conceived as a shipboard collision avoidance tool. It has since been extended to incorporate shore-based functionality and information exchange. There is now greater interest in extending its uses to include traffic monitoring and management, particularly since the focus on maritime security issues arising from the terrorist attacks in the United States of America in September 2001. As part of its review of security measures, the IMO is considering advancing the deadline for AIS compulsory carriage before 2008.

In planning for the introduction of AIS, AMSA conducted a series of sea trials to experience the technology. The trials also evaluated the effectiveness of AIS when integrated with the existing mandatory Ship Reporting System, REEFREP. The sea trials included the capability of portable AIS transponder units, 'pilot packs' for carriage by pilots aboard ships. The 'pilot packs' proved generally reliable and effective and provided valuable additional information on the practical aspects of using this new technology.

## Automatic Identification System (AIS)



## **IALA Conference**

AMSA hosted the fifteenth conference of the International Association of Marine Aids to Navigation and Lighthouse Authorities (IALA) in March 2002 attended by more than 300 of the world's leading experts in maritime navigation from 45 countries. It was the first time that the four yearly conference had been held in the southern hemisphere.

IALA is a non-government association of organisations concerned with the provision and maintenance of navigation systems at sea and on inland waterways. It fosters safe and economic vessel movement and protection of the marine environment through improvement and harmonisation of navigation aids and marine traffic practices.

The conference examined a diverse range of issues including the use of lasers as navigation aids, the role of navigation technologies such as ship tracking and monitoring to avert terrorist incidents and the future of ship traffic management. Following the conference, a technical workshop on the safety of navigation in environmentally sensitive areas, such as the Great Barrier Reef, was held in Cairns, Queensland.

## PERFORMANCE REVIEW 2001-2002

**Portfolio Outcome 2001-2002: A better transport system for Australia and greater recognition and opportunities for local, regional and territory communities.**

### OUTPUT GROUP 1- SHIP OPERATIONS SAFETY AND MARINE ENVIRONMENT PROTECTION PROGRAM.

#### Output 1.4: Systems that aid safe marine navigation.

AMSA provides technical, maintenance and engineering services supporting the provision of a national network of integrated aids to navigation and traffic management measures to meet the needs of commercial shipping for safe and efficient coastal navigation. In addition, AMSA provides a distress and safety communications network under the International Convention for Safety of Life at Sea (SOLAS).

**Strategy: Enhancement of systems that aid safe navigation.**

Measure	Performance 2001-2002
Marine navigational aids network meets requirements of the five-year Navigational Strategic Plan. (Quality) <b>Target:</b> 100%.	During 2001-2002, the network met 100% of the Navigational Plan Strategic Requirements.
Availability of the marine navigational aids network. (Quality) <b>Target Visual:</b> Cat 1 - 99.8%; Cat 2 - 99.0%; Cat 3 - 97.0%; Buoy top marks or day marks: 97.0%; and DGPS/Racons/Tide gauges/radars: > 98%.	During 2001-2002, the network was available: Visual: Cat 1 - 99.95%; Cat 2 - 99.93%; Cat 3 - 99.99%; Buoy top marks or day marks: 100%; and DGPS/Racons/Tide gauges/radars: >99.66%
Provision of a comprehensive network of aids to navigation. (Quantity) <b>Target:</b> 338 lights, 39 racons, six radar, 13 auxiliary lights, nine unlit beacons, 13 DGPS stations and five tide gauges at 367 locations.	During 2001-2002, the network comprised: 338 lights, 42 racons, four radar, 13 auxiliary lights, nine unlit beacons, 14 DGPS stations and four tide gauges at 369 locations.
Cost to provide a network of aids to navigation. (Price) <b>Target:</b> 2001-2002 estimates: \$19.615 million.	During 2001-2002, the estimated cost of providing the network was \$19.522 million.
Cost per aid to navigation location. (Price) <b>Target:</b> \$53,500 per location.	During 2001-2002, the cost estimate per aid to navigation was \$47,076 per location.
Median time taken to distribute safety information messages. (Quality) <b>Target:</b> 2 hours.	During 2001-2002, the median time was 16 minutes.
Capability to distribute a number of safety messages per day. (Quantity) <b>Target:</b> An average of five messages per day.	During 2001-2002, 504 messages were sent with a capability maintained in excess of an average of five messages per day.
Cost to provide maritime safety messages. (Price) <b>Target:</b> 2001-2002 estimates: \$0.260 million.	During 2001-2002, the cost is estimated to be \$0.260 million.

## AMSA OUTCOME 2:

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### MAXIMISING THE NUMBER OF PEOPLE SAVED FROM MARITIME AND AVIATION INCIDENTS

#### Output 2.1: A capability to detect, locate and rescue persons in maritime and aviation distress situations.

*Business Unit: Australian Search and Rescue (AusSAR)*

**AMSA delivers this output by:**

- Providing a 24 hour Rescue Coordination Centre servicing the internationally agreed Australian Search and Rescue Region for the maritime and aviation sectors.
- Assuming coordination of maritime and aviation search and rescue incidents.
- Providing a maritime distress and safety communications network that meets the requirements of the Safety of Life at Sea (SOLAS) Convention and also can be used by suitably equipped non-SOLAS vessels.
- Administering a ship reporting system that identifies and tracks ships at sea as a safety measure and provides a database of ships that may be in a position to respond to an emergency.
- Providing training and specialist search and rescue equipment to selected general aviation operators designated as Search and Rescue Units (SRUs) around Australia.
- Contributing to international and national issues of significance concerning aviation and maritime search and rescue activities, maintaining and enhancing strategic relationships and increasing public awareness of maritime safety issues.

## MAJOR ACTIVITIES 2001-2002

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### Rescue Coordination Centre

During the year, 9,469 incidents were processed and around 92 per cent were resolved. Of these incidents, 494 required search activity with around 75 per cent of the searches resolved. The latter figure is dominated by searches for distress beacons that cease transmitting before they can be located. There were 1,365 search and rescue incidents involving distress beacon activations during the year.

Overall, a total of 327 people were rescued, a success rate of 95 per cent.

Notable search and rescue operations included:

- An extensive and protracted search was conducted in conjunction with the Queensland and New South Wales Police Services for four men missing between Mooloolaba and Swansea in the vessel *Just Cruisin'*. The sunken wreck was found at the entrance to Moreton Bay. The men were never located.
- The bulk carrier *Captain Aysuna* suffered an engine room fire in Bass Strait. An aircraft was deployed to the scene and another merchant vessel, *Rere Moana*, diverted to assist. The Tasmania Police responded by putting an aero-medical aircraft on stand-by. However, the crew of *Captain Aysuna* extinguished the fire and, after drifting overnight, proceeded to its original destination, Hobart.
- In January 2002 a light aircraft crashed in bad weather in the Torres Strait, near Horn Island, Queensland. An extensive air search found an oil slick and debris from the aircraft. Queensland Police divers found the aircraft wreckage but the pilot was not located.

The Australian Ship Reporting system (AUSREP) received 232,331 reports in 2001-2002 of which 2,882 ships (1.2 per cent) failed to report on schedule and required follow-up action. In all cases their safety was confirmed without a search being required.

### Maritime Distress and Safety Communications

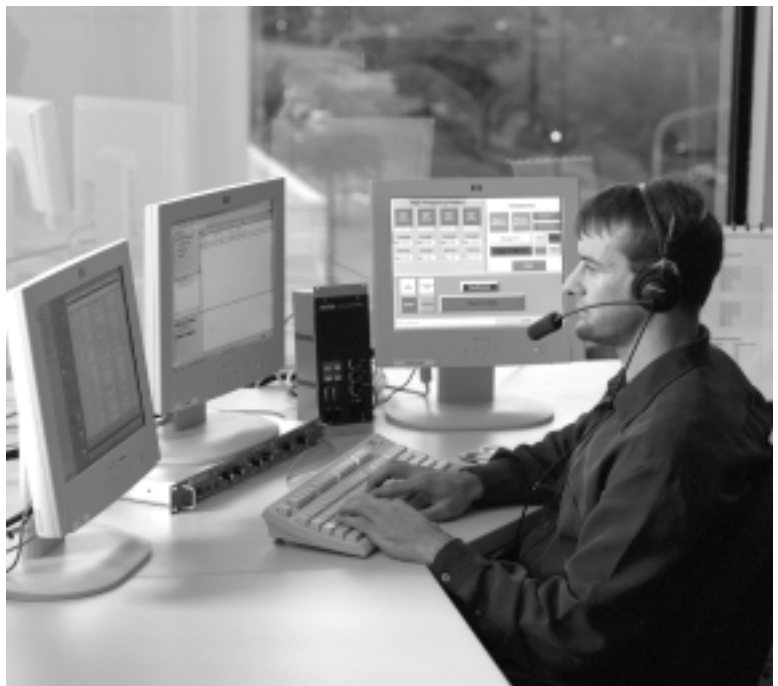
AMSA managed the project aimed at providing High Frequency (HF) maritime distress and safety radio communications services from 1 July 2002. The contractor, TVNZ (Australia) Pty Limited demonstrated system functionality in April 2002. Coverage testing, parallel operations and preliminary acceptance of the new system were completed in June 2002 and the new network commenced operations as planned on 1 July 2002. AMSA's contract with Telstra for the provision of terrestrial and satellite distress and safety communications services expired on 30 June 2002 and AMSA ensured a smooth transition between the termination of this contract and the new service.



The INMARSAT satellite service provider Xantic Sales BV was the successful tenderer to provide INMARSAT satellite services from 1 July 2002. Xantic is the operator of Land Earth Station Perth and the transition from former provider Telstra to Xantic will not require reconfiguration of the existing system.

With the closure of the Telstra maritime communications stations on 1 July 2002, a new network of State and Northern Territory Limited Coast Radio Stations commenced operations to provide HF and VHF voice radio services for small craft. As NAVAREA X Coordinator, the Rescue Coordination Centre will provide the HF stations with Australian coastal navigation warnings.

*The TVNZ Operations  
Centre, Canberra*



**Phasing-out of  
121.5 MHz  
Distress Beacons**

It has been agreed internationally that global satellite alerting system, COSPAS-SARSAT, will cease satellite processing of the 121.5 MHz frequency distress beacons on 1 February 2009 when only the 406 MHz distress beacons will be processed. AusSAR continued to work during the year to make sure all relevant agencies are aware of the forthcoming changes, including advice through various forums to State and Territory authorities to review distress beacon carriage requirements in relevant legislation. AusSAR continued the national education campaign to inform distress beacon users of the changes and the benefits of the superior and more accurate 406 MHz beacons.

The 406 MHz digital beacons have a number of advantages over the 121.5 MHz analogue devices. They are detected more quickly, have a longer range and give a more accurate position.

Digital beacons give their position to within a five kilometre radius; analogue beacons to within 20 kilometres. It takes two satellite passes to get an accurate location fix from an analogue beacon whereas a digital beacon normally requires only one pass. This dramatically improves the search and rescue response time.

The high false alarm rate has been the driving force behind the change to a digital signal. Unlike analogue beacons, the signal from a digital beacon contains information including the unique identity code of the device's owner. This identity code can be cross-referenced with a database of registered owners at AMSA and other rescue coordination centres around the world. In the event of a digital beacon detection, search and rescue authorities are able to first attempt to contact the owner to determine if there is an emergency before launching a rescue asset.

121.5 MHz beacons cannot store a code and therefore there is no means of checking if the alert is genuine before a rescue operation is commenced. On average, only three percent of analogue signals are genuine and thus scarce search and rescue resources are regularly used to chase up false alarms. These resources could be diverted away from genuine emergencies.

AusSAR has continued to work with the COSPAS-SARSAT organization and Australian beacon manufacturers in an attempt to promote the development of a lower cost (Class 3) 406 MHz distress beacon for use by recreational users. Australia hosted a COSPAS-SARSAT Task Group Meeting in March 2002 which examined the technical and operational requirements, specification and testing standards required of a potential Class 3 lower cost 406 MHz beacon. COSPAS-SARSAT is continuing to sponsor testing to examine the potential impact of this type of beacon upon the satellite system.

### **Search and Rescue Unit (SRU) Program**

Following the increase in funding in the May 2001 Budget for the SRU Program, AusSAR has largely implemented the new program. For the first time AusSAR contracted three dedicated fixed wing aircraft on the east coast of Australia that are available when tasked for search and rescue operations. These are supported by a further 59 opportunity based operators, comprising both fixed and rotary wing aircraft.

During the year, AusSAR provided 74 training sessions to selected general aviation operators around Australia designated as SRUs, which involved training of 366 pilots and aircrew. AusSAR facilitated the training of a further 282 air search observers.

A Memorandum of Understanding (MOU) was signed with Queensland to participate in a national visual air search program. The program aims to increase the effectiveness of Australia's air search capability. Discussions are progressing with other States and Territories to finalise similar MOUs.

### **New Specialised Direction Finders and Infra-Red Search Cameras**

The Federal Government provided \$1.7 million in capital funding in the 2001-2002 Budget for the purchase of night search and specialised distress beacon direction finding equipment.

Three Search and Rescue Units are to be fitted with night search equipment in the form of advanced Forward Looking Infra-Red (FLIR) cameras. The camera detects heat-generating objects like human bodies. They are most commonly used by law enforcement agencies to track people and vehicles at night.

A tender for the provision and installation of the three FLIR systems was released in May 2002. They will be fitted to Search and Rescue Units in Melbourne, Victoria; Wollongong, New South Wales; and Hobart, Tasmania. The fitting of the FLIR camera to a Tasmanian search and rescue helicopter will give Tasmania access to this technology for the first time for search and rescue operations.

Following an open tender process, AusSAR has ordered a range of specialised direction finders that will be fitted to many of the Search and Rescue Unit aircraft around Australia or used on the ground to locate transmitting distress beacons.

### **International and National Cooperation**

An Asia-Pacific Regional Search and Rescue Conference was held in Cairns in August 2001. This conference was initiated and funded by the United States Government, with the United States Coast Guard (USCG) inviting AusSAR to co-host the conference. The planning and development was a cooperative effort between both agencies, with AusSAR providing the secretariat.

The conference successfully brought together representatives from thirteen countries in the Asia-Pacific region. The conference aimed to promote a framework for regional cooperation in search and rescue,

demonstrate the advantages of a strategic regional approach to search and rescue systems, and to enhance regional aeronautical and maritime safety. The aims were achieved and a number of recommendations were reported to the international organisations (the International Maritime Organization (IMO), International Civil Aviation Organization (ICAO) and COSPAS-SARSAT).

In August 2001, AusSAR attended the eighth meeting of the ICAO/IMO Joint Working Group for the harmonisation of aviation and maritime search and rescue, held in Montreal, Canada. The meeting brought together maritime and aviation search and rescue experts to discuss issues of mutual interest, and operates through supervising ICAO and IMO forums.

In November 2001 AusSAR hosted a visit by eight representatives from the Offshore Rescuing Centre of Guangdong Province, Shenzhen, China.

## PERFORMANCE REVIEW 2001-2002

**Portfolio Outcome 2001-2002: A better transport system for Australia and greater recognition and opportunities for local, regional and territory communities.**

### OUTPUT GROUP 2: SEARCH AND RESCUE PROGRAM.

#### Output 2.1: A capability to detect, locate and rescue persons in aviation and maritime distress situations.

The Authority, through its division AusSAR (Australian Search and Rescue), maintains a safety communications network and provides a 24-hour search and rescue coordination service over the Australian Search and Rescue Region.

**Strategy: Provide a 24 hour Rescue Coordination Centre (RCC).**

Measure	Performance 2001-2002
Availability of the RCC. (Quality) <b>Target:</b> 100%.	During 2001-2002, the RCC was available 100%.
An RCC established that can handle a number of incidents, searches and AUSREP reports distributed evenly over year. (Quantity) <b>Target:</b> 15,000 incidents, 500 searches, 240,000 AUSREP reports.	During 2001-2002, the RCC handled 9,469 incidents, 494 searches and 232,331 AUSREP reports.
Cost of the strategy. (Price) <b>Target:</b> 2001 - 2002 estimates: \$8.3 million.	During 2001-2002, the cost is estimated to be \$8.706 million.

**Strategy: Provide a distress and safety communications network.**

Measure	Performance 2001-2002
Availability of each system. (Quality) <b>Target:</b> 99.5%.	During 2001-2002, following availabilities: Cospas/Sarsat 99.9%; Coast Radio 99.9%; and Inmarsat 99.76%.
Number of COSPAS/SARSAT ground segments and Mission Control Centre. <b>Target:</b> Two ground stations and one MCC.	During 2001-2002, two ground stations and one MCC were maintained.
Number of Coast Radio stations. (Quantity) <b>Target:</b> Six stations.	During 2001-2002, six coast radio stations were maintained.
Cost of the strategy. (Price) <b>Target:</b> 2001-2002 estimates: \$8.3 million.	During 2001-2002, the cost is estimated to be \$8.684 million.

**Strategy: Provide trained and equipped search and rescue response assets.**

Measure	Performance 2001-2002
Availability of Search and Rescue Units (SRUs). (Quality) <b>Target:</b> Three dedicated and 51 on an opportunity basis.	During 2001-2002, three dedicated SRUs and 50 SRUs on an opportunity basis were maintained.
Number capable of deploying equipment, searching, rescuing. (Quality) <b>Target:</b> 12 to deploy equipment, 54 to search, 21 to rescue	During 2001-2002, 17 to deploy equipment, 53 to search and 21 to rescue.
Number of trained SRUs. (Quantity) <b>Target:</b> 54.	During 2001-2002, the number of trained SRUs was 53.
Number of trained pilots and crew. (Quantity) <b>Target:</b> 315.	During 2001-2002, a total of 364 pilots and crew have been trained.
Cost of the strategy. (Price) <b>Target:</b> 2001-2002 estimates: \$4.3 million.	During 2001-2002, the cost is estimated to be \$4.316 million.

**Strategy: Provide an effective response to search and rescue incidents.**

Measure	Performance 2001-2002
Median time for RCC to initiate response. (Quality) <b>Target:</b> 30 minutes.	During 2001-2002, the median time was 26 minutes.
Median time for first unit to commence response action. (Quality) <b>Target:</b> 30 minutes.	During 2001-2002, the median time was 24 minutes.
Median time until asset on scene. (Quality) <b>Target:</b> 90 minutes.	During 2001-2002, the median time was 12 minutes.
A capability to respond to incidents. (Quantity) <b>Target:</b> Maintain above capability.	During 2001-2002, the above capability was maintained.
Median cost per search. (Price) <b>Target:</b> \$9,800.	During 2001-2002, the median cost per search was \$2,663.

**Strategy: Maintain and enhance strategic relationships and increase public awareness of maritime safety issues.**

Measure	Performance 2001-2002
Number of issues/problems identified in agreements or programs. (Quality) <b>Target:</b> Nil.	During 2001-2002, there were two issues identified in agreements or programs. One with Mauritius regarding SAR border with France/Mauritius and Australia involved through a SAR Agreement with France (La Reunion). The second issue involved Commonwealth/ State/Territory division of SAR responsibility.
Number of agreements developed or varied satisfactorily. (Quantity) <b>Target:</b> Seven.	During 2001-2002, five agreements were developed or varied.
In conjunction with States and Territories, number of education programs supported. (Quantity) <b>Target:</b> Four.	During 2001-2002, there were five education programs supported.
Cost of the strategy. (Price) <b>Target:</b> 2001-2002 estimates: \$1.6 million.	During 2001-2002, the cost is estimated to be \$1.588 million.
Contributions to States/Territories to assist in establishing a distress and safety communications network for non-SOLAS vessels. <b>Target:</b> 2001-2002 estimates: \$3.025 million.	During 2001-2002, the contribution made to the States/Territories was \$3.025 million at 30 June 2002.

## CORPORATE CULTURE

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### EFFECTIVE CORPORATE SUPPORT FOR DELIVERY OF ALL AMSA OUTPUTS

AMSA's corporate support objectives include:

- Meeting and exceeding stakeholder expectations.
- Fostering committed and professional staff.
- Continuously improving business processes.
- Maximising value for money.

## MAJOR ACTIVITIES 2001-2002

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### AMSA'S STAFF

**Organisational Reform** Following the full implementation of the substantial organisational changes resulting from AMSA's Program for Business Improvement from 1 July 2001, a process of consolidation has occurred during 2001-2002 for the new structure of three business units supported by four corporate service bureaus.

A recent management review of AMSA's shipping emergency response services concluded in August 2002 that the Environment Protection Group should be transferred from the Maritime Operations business unit to the AusSAR business unit. The Group, which has primary responsibility for coordinating National Plan preparedness and response operations, shares considerable work synergies with the AusSAR responsibilities for ship reporting functions and search and rescue response to shipping incidents.

**Human Resources Services Review** In October 2001, AMSA commenced a comprehensive review of its human resource policies and programs with the aim of identifying opportunities for improvement, including through an examination of developments in human resource practices in the public and private sectors.

The review was undertaken with the conceptual framework that recognized AMSA and its staff share responsibility for the achievement of corporate objectives through a structured human resource and performance planning framework that has the objectives of:

- providing a systemic foundation for the continuous improvement of human resources services and for the progressive development of human resource initiatives aligned with AMSA's strategic direction;
- ensuring confidence that human resource programs and initiatives are fully integrated with and provide support for the operational activities of AMSA's business units and corporate bureaus; and
- facilitating the contribution of all staff to service excellence in a manner that is consistent with AMSA's corporate values and the achievement of a single, dominant culture based upon common expectations of performance, professionalism and mutual respect.

As a result of the review, a new service delivery structure based upon the concept of "service pathways" was implemented from 1 July 2002, which aims to improve the integration and outcome focus of human resource programs and initiatives. A formal service protocol has been developed for each program documenting the activities and decision-makers involved in achieving the outcome specified for that program.



## **Training and Development Programs**

AMSA's performance management system commits the organisation and its people to training and development opportunities tailored to improvements in service outcomes and personal effectiveness. This commitment is demonstrated by AMSA's ongoing investment in education and training. A total of \$0.594 million or 2.38 per cent of actual salary costs was expended on training and development activities during the 2001-2002.

AusSAR's National Search and Rescue School conducted two major training programs for eight internal staff and seven training courses tailored specifically for external SAR authorities involving ninety-two officers. These training programs covered, in aggregate, 43 weeks of instruction during 2001-2002. The School also conducted three major training exercises involving multi-agency emergency responses to search and rescue incidents.

## **Studies Assistance Scheme**

The Studies Assistance Scheme provided support to thirteen employees engaged in formal tertiary education in 2001-2002. Under the scheme, students are provided with a range of financial and other assistance, including payment of fees and charges and paid leave to attend classes, exams and complete assignments. Currently courses are being undertaken in the areas of maritime studies, business administration, science and technology.

## **Workplace Relations**

As part of the Human Resources Services Review, AMSA's employment agreements were examined and new template contracts for executive and senior managers and Australian Workplace Agreements were agreed. Approximately 66 per cent of staff are employed under the terms of a contract or Australian Workplace Agreement.

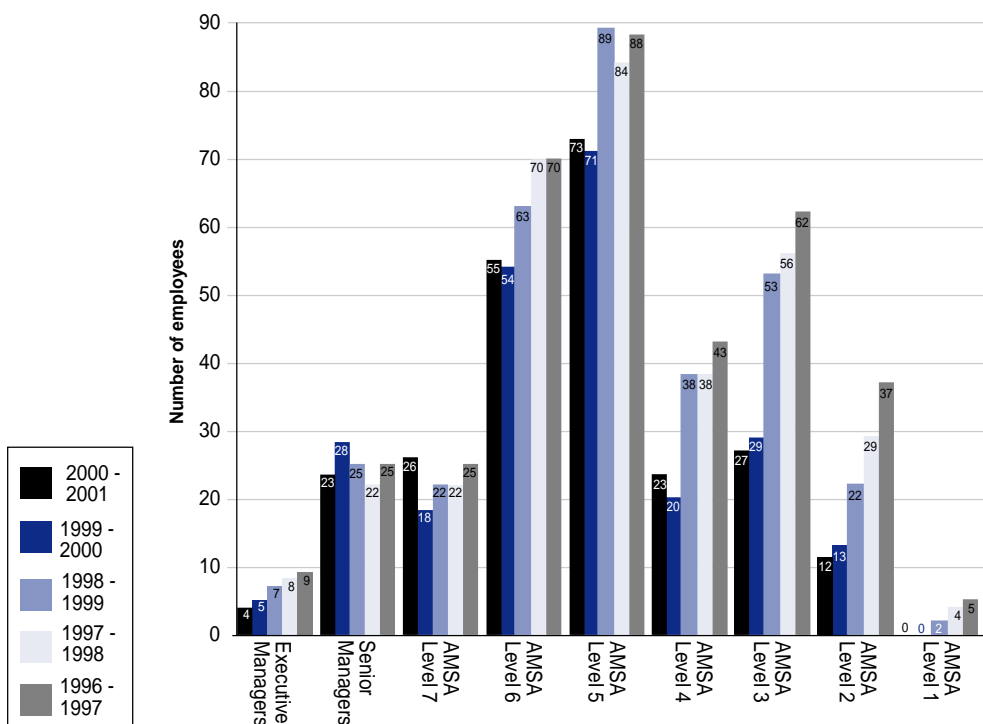
AMSA's current certified agreement applies to the 34 per cent of staff not covered by a contract or Australian Workplace Agreement and has a nominal expiry date of 24 November 2002. Consultations with management and staff on the development of elements in a replacement agreement have been underway since early 2002 for negotiation of the final agreement in 2002-2003.

**Staff Profile** The following tables illustrate AMSA's staff profile as at 30 June 2002.

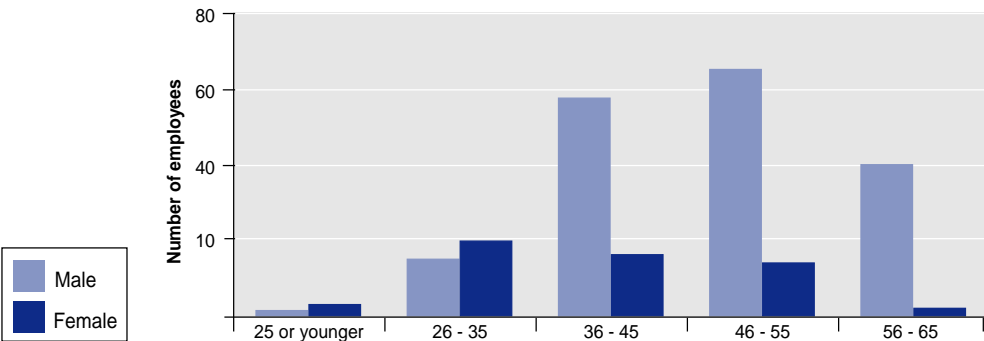
Classification	Fixed Term						Ongoing						Overall Total		Total all staff
	Full-time		Part-time		Casual		Full-time		Part-time		Casual				
	M*	F*	M*	F*	M*	F*	M*	F*	M*	F*	M*	F*	M*	F*	
Chief Executive	1	-	-	-	-	-	-	-	-	-	-	-	1	-	1
Executive Manager	3	-	-	-	-	-	-	-	-	-	-	-	3	-	3
Senior Manager	20	3	-	-	-	-	-	-	-	-	-	-	20	3	23
AMSA 7	1	-	-	-	4	-	19	1	-	-	1	-	25	1	26
AMSA 6	2	1	-	-	-	-	44	6	1	1	-	-	47	8	55
AMSA 5	1	1	-	-	-	-	63	6	-	2	-	-	64	9	73
AMSA 4	1	-	-	-	-	-	10	10	-	1	-	1	11	12	23
AMSA 3	1	3	-	-	-	-	8	9	-	4	-	2	9	18	27
AMSA 2	-	-	-	-	-	-	4	8	-	-	-	-	4	8	12
AMSA 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	30	8	-	-	4	-	148	40	1	8	1	3	184	59	243

\*M = Male, F = Female

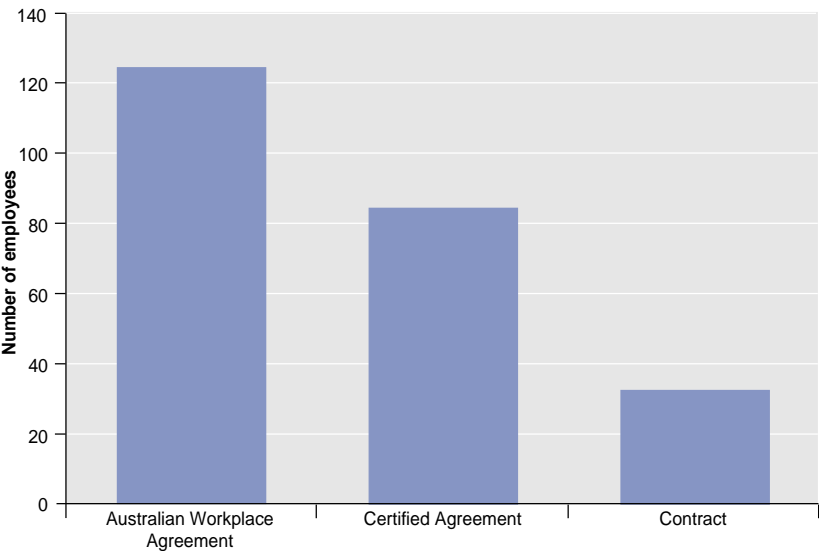
The following graph shows the movement in the number of employees in each AMSA classification over the last five years.



The following graph provides a breakdown of AMSA staff by gender and age.



The following graph demonstrates the number of employees engaged under the AMSA certified agreement, Australian workplace agreements or under contract.



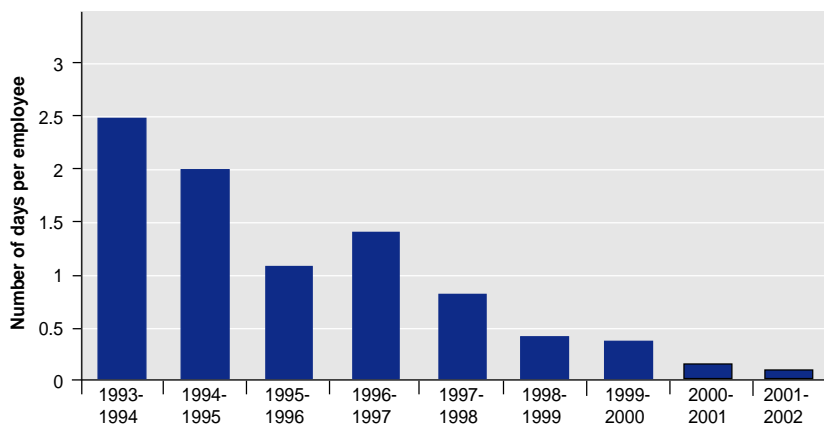
**Occupational  
Health and Safety  
Activities**

In support of AMSA’s commitment to achieving and sustaining the highest practical health and safety standards for its employees, contractors and visitors, the following key activities were undertaken in 2001-2002:

- Finalisation of AMSA’s Occupational Health and Safety Agreement in consultation with employees, unions and management;
- Development of a tailored occupational health and safety training course for managers and supervisors in the AusSAR business unit;
- Continuing program of ergonomic workstation assessments for Canberra and regional employees;
- Implementation of recommendations arising from first aid risk assessments in Canberra and some field environments;

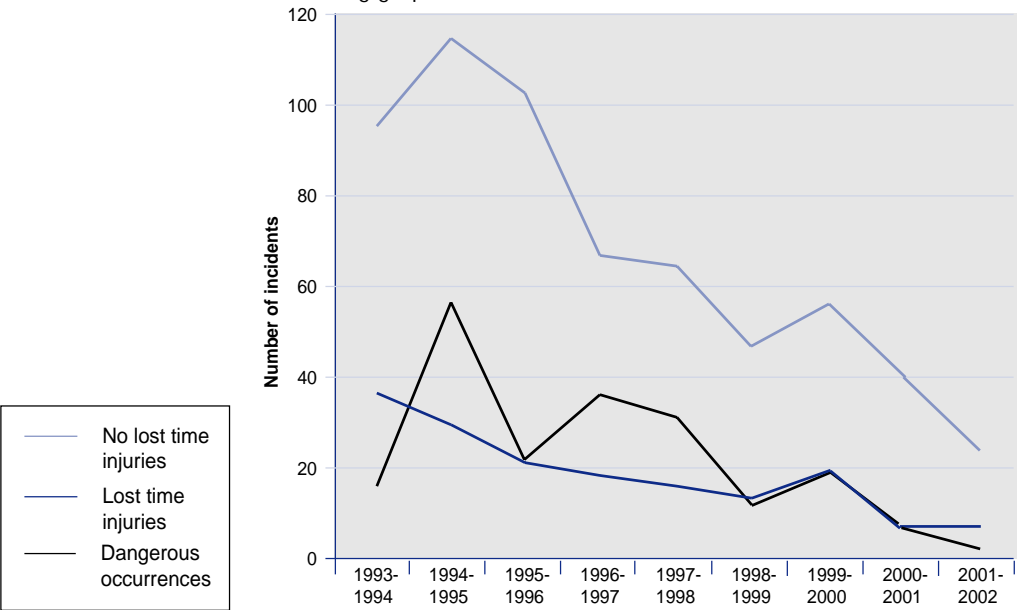
- Development of hazard identification and risk assessment documentation;
- Risk assessments of helicopter winching activities, helicopter underwater escape training, search and rescue simulated field exercises and confined space entry for marine surveyors;
- Refinement of the confined space entry checklist and standardisation of personal protective equipment (reflective vests) requirements for marine surveyors;
- Development of an evidential “Official Note Book” for documentation of incidents involving marine surveyors;
- Revisions to the occupational health and safety sections of the Search and Rescue Manuals for Dropmasters and Pilots involved in the national network of Search and Rescue Units;
- Hazard inspections of Canberra and regional office environments;
- Ergonomic equipment improvements to the Rescue Coordination Centre including purchase of new operator chairs, improved lighting arrangements and provision of workstation aids; and
- Continued occupational health and safety training including AMSA’s occupational health and safety management system, workplace ergonomics, confined space entry, advanced and defensive driving skills, first aid, helicopter/aircraft underwater escape and gas monitor usage.

AMSA has continued to record a decline in the average lost days by employees through injury/illness per employee as shown in the following graph.



In accordance with Section 68 of the *Occupational Health & Safety (Commonwealth Employment) Act 1991*, three incidents were notified and reported to Comcare.

The total incidents reported each financial year is shown in the following graph.



**Occupational Health & Safety Committees**

The National Occupational Health and Safety Committee comprising management, staff and union representatives met three times during 2001-2002. Two additional workplace occupational health and safety committees were formed.

**Health and Safety Representatives**

In accordance with the *Occupational Health & Safety (Commonwealth Employment) Act 1991*, Health and Safety Representatives have been appointed and information about the selected representative and deputy, where applicable, placed in each workplace. A number of new representatives have been selected and trained as vacancies have arisen in Designated Work Groups. AMSA altered two Designated Work Groups to reflect organisational changes during 2001-2002.

**National Policy Development**

AMSA finalised its Occupational Health and Safety Agreement in January 2002 and revised its draft policy on management of contractor safety. These documents were developed/revised in consultation with employees and unions.

**Employee Assistance Program**

AMSA provides an Employee Assistance Program (EAP) that delivers free counselling services to staff and their families. The EAP was accessed by thirteen AMSA employees and three family members during the year. Three initial telephone consultations were provided. This represents an annual utilisation rate by staff of around eight per cent.

## Disability Strategy

During the 2001-2002, AMSA continued to support equity of access for people with disabilities in accordance with the *Disability Discrimination Act 1992* (DDA) and the Commonwealth Disability Strategy (CDS). Following completion of the human resource services review AMSA is refocusing its existing policies and procedures to address equity of access across business units and regional locations to meet the needs of people with disabilities. This includes improving organisational awareness; information gathering and analysis, in terms of best practice policies and initiatives; and the Performance Reporting Framework under the CDS.

Under the Performance Reporting Framework, AMSA has identified the roles of policy advisory, regulator and employer as being most relevant to its reporting responsibilities. AMSA will be ensuring that the underlying principles and philosophies of the DDA and the CDS are incorporated in its new human resources planning framework and, through the quality management system, in policy development and service delivery.

Of particular interest to AMSA's stakeholders is the issue of accessibility to information with ongoing work to ensure that no users are disadvantaged in accessing its online services. AMSA's web site is being progressively redesigned to conform with the World Wide Web Consortium's Priority 1 accessibility standards. Work is also underway to ensure higher level conformance at later stages of the development of AMSA's online resources. AMSA is also ensuring that all development work on its web site takes into consideration difficulties of access for stakeholders, including senior citizens, clients in remote locations and physically or technically disadvantaged users.

AMSA's relationship with its employees and prospective employees is underpinned by the principles of workplace diversity and anti-discrimination. Accordingly, employment policies and practices comply with the requirements of the *Disability Discrimination Act 1992*. Prospective employees have access to comprehensive information online and a 24-hour TTY unit for contact. All new employees attend a mandatory induction program that includes education on AMSA's workplace diversity and anti-discrimination policies. A network of accessible workplace harassment officers and open communication between managers, staff and corporate support areas assists in providing an attractive and supportive working environment.

AMSA’S SERVICES AND BUSINESS PROCESSES

Shipping Registration Services

AMSA provides the ship registration service for the maritime and fishing industries and the boating community pursuant to the *Shipping Registration Act 1981*. The number of ships on the Register increased by 153 during 2001-2002 with 8,888 registered at 30 June 2002, compared with 8,735 registered at 30 June 2001. There were 272 ships registered during the year.

Amendments have been proposed to the *Shipping Registration Act 1981* following recommendations of the regulatory review of the legislation. The main recommendations were to remove the requirement for large commercial or trading ships to be registered and to divide the register into four parts with one each for title, nationality, foreign-owned demise-chartered ships, and ships in the course of construction. The amending legislation is expected to be introduced into Federal Parliament in 2002-2003.

Summary of registered ships as at 30 June 2002

State	Recreational	Fishing	Government	Demise Charter	Commercial & Trading	TOTAL
NSW	1807	280	4	6	251	2348
VIC	666	199	0	1	100	966
QLD	1634	756	18	10	411	2829
SA	283	317	1	0	45	646
WA	623	412	1	3	147	1186
TAS	259	219	2	0	58	538
NT	284	61	1	0	29	375
TOTAL	5556	2244	27	20	1041	8888

AMSA Fees and Charges

AMSA provides a number of services to individuals that are not covered by the levy scheme and are subject to specific fees and charges. These mainly relate to certain ship inspections and the processing of marine qualifications. During 2001-2002, AMSA maintained the same level of fees and charges for marine services as have been operative since 1 October 2000 and for marine qualifications as have been operative since 1 February 2001. The fees and charges reflect the costs of providing these services.

**AMSA Levy System** AMSA continued to maintain its effective financial performance to stakeholders as reflected in its series of levy reductions in recent years and no changes to the levy rates occurred in 2001-2002.

**Management System** During 2001-2002, three operational business units AusSAR, Maritime Safety and Environmental Strategy and Maritime Operations maintained their third party certification to AS/NZS ISO 9001:2000 standards. The four corporate support bureaus are committed to full implementation of an AS/NZS ISO 9001:2000 compliant management system with the aim of third party certification in 2002-2003.

**Information Services** AMSA is undertaking a number of initiatives in Information Services to consolidate and improve its service delivery and support its business functions. An important component in achieving this objective is identifying an Information Services governance framework. The methodology provided through this framework promotes measurable, continuous improvement across key service and support offerings within Information Services.

During 2001-2002, major Information Services activities included continued development of the following projects:

- The AusSAR suite of systems to assist with search and rescue operations.
- The Oil Spill Response Atlas and commissioning of the new Oil Spill Trajectory Model to assist environmental protection activities.
- The AMSA internet environment in line with the Commonwealth's Government On Line (GOL) initiative.
- The Shipyys application to assist in ship inspections activities.
- The Electronic Document Management (EDM) system to meet Commonwealth obligations in the management of electronic business records.
- The review and improvement of the Disaster Recovery Plan (DRP). This included the relocation of the Disaster Recovery Facility (DRF) within the Winchester Centre, an Australian Federal Police facility in Canberra.

In 2002-2003, the following projects are being pursued:

- Implementation of a Australian Registry of Shipping (AROS).
- Improvement in the performance and cost of the Telecommunications infrastructure supporting AMSA.
- Continuous improvement in the Information Technology Security environment.



- Redevelopment of the Intranet and Internet environments to improve information availability internally and externally to AMSA.
- Hardware and storage upgrade and consolidation within the server environments to improve performance and manageability.

### **The Government On Line Initiative**

Under the Government On Line initiative, the key standards that AMSA are expected to comply to or develop include:

- Online Information Service Obligations (OISOs).
- Meta data.
- Electronic publishing.
- Electronic record keeping and archiving.
- Accessibility.
- Privacy.
- Authentication.

AMSA has identified opportunities to enhance the organisation's future delivery of online services. The following are a list of the key projects:

- Promotion of 406 MHz beacons.
- Ship inspection data sharing.
- Self-assessment of time at sea.
- Shipping registration searches online.
- Levies payments online.
- Search and rescue online.
- 406 MHz beacons online register.

### Enabling Legislation and Responsible Minister

The Australian Maritime Safety Authority (AMSA) is established under the *Australian Maritime Safety Authority Act 1990* (No 78 of 1990) which came into effect on 22 October 1990. The main objects of the Act are to:

- (a) promote maritime safety;
- (b) protect the marine environment from pollution from ships and other environmental damage caused by shipping;
- (c) provide a national search and rescue service; and
- (d) promote the efficient provision of services by the Authority.

AMSA commenced operations on 1 January 1991 and has the statutory functions to:

- (a) combat pollution in the marine environment;
- (b) provide a search and rescue service;
- (c) provide on request services to the maritime industry on a commercial basis;
- (d) provide on request services of a maritime nature, on a commercial basis, to the Commonwealth, a State, a Territory or their authorities or agencies;
- (e) perform such other functions as are conferred on the Authority by or under any other Act;
- (f) provide consultancy and management services or to perform any other prescribed functions relating to any of the above matters; and
- (g) perform functions incidental to any of the previously described functions.

During the period covered by this report, the responsible Minister under the *Australian Maritime Safety Authority Act 1990* is the Hon John Anderson MP, Minister for Transport and Regional Services.

### Organisational Structure

On 1 July 2001, AMSA reduced its number of business units from four to three with the Corporate Support business unit being divided into four bureaus: Finance and Business Services, Information Services, General Counsel and Corporate Strategy, as shown on page 10 of this annual report.

AMSA's services are mainly provided, on a cost recovery basis, from fee and levy revenue sources. It also receives Community Service Obligation (CSO) funding from the Commonwealth Government specifically relating to search and rescue, maritime safety communications and boating safety education. From 1 July 2002, AMSA will no longer be required to provide a

maritime distress and safety communications service to vessels that do not come within the International Convention on Safety of Life at Sea (SOLAS) (ie vessels less than 300 gross tonnage). Consequently, there will no longer be a CSO appropriation for maritime safety communications and this will be funded entirely from levy funding met by the commercial shipping industry.

AMSA's head office is situated in Canberra. Principal offices are located in Brisbane, Queensland; Sydney, New South Wales; Melbourne, Victoria; Adelaide, South Australia; and Fremantle, Western Australia. (A list of AMSA office addresses are included in the Appendices to this annual report.)

## **Review of Operations and Future Prospects**

AMSA's outcomes and outputs are described on page 12 of this annual report and the review of AMSA's operations and future prospects is discussed under each Output Group from page 13 to 48 of this annual report.

A summary table providing a financial snapshot and performance summary for the last four financial years including 2001-2002 appears at page 11 and detailed financial statements commence at page 67 of this annual report. Performance review against the measures included in the Portfolio Budget Statements for 2001-2002 appear at the end of each output group.

## **Significant Events**

There were no significant changes in AMSA's state of affairs or principal activities during 2001-2002 and no events occurred relevant to section 15 of the *Commonwealth Authorities and Companies Act 1997* during 2001-2002 or after the financial year's end.

## **Judicial Decisions and Reviews by Outside Bodies**

During 2001-2002, there were no judicial decisions or decisions of administrative tribunals that had, or may have, a significant impact on AMSA's operations.

In November 2001, the Australian National Audit Office released the report, *Performance Information in Portfolio Budget Statements*, from its performance audit assessing the appropriateness of the performance information in a selection of PBS and annual reports for a mix of ten small and large agencies, including AMSA.

In March 2002, the Productivity Commission released the report, *Review of Cost Recovery by Commonwealth Agencies*, from its public inquiry into cost recovery arrangements by Commonwealth Government regulatory, administrative and information agencies, including AMSA.

In May 2002, the Australian National Audit Office released its Better Practice Guide, *Performance Information in Portfolio Budget Statements*, which cited AMSA in several examples of better practice in relation to presentation of performance information.

## Effects of Ministerial Directions

There were no Ministerial Directions issued during 2001-2002. One Ministerial Direction continued from previous financial years that was published in the Commonwealth of Australia Gazette No. GN 34 on 30 August 1995. The then Minister for Transport in accordance with section 8(1) of the *Australian Maritime Safety Authority Act 1990* directed AMSA to make arrangements with the States to transfer any interest in land held by AMSA at specified locations in the schedule to the Direction. These transfers have been effected and AMSA has fully complied with the Direction.

## Directors and Audit Committee

The particulars about AMSA Board members (page 8) and their attendance at meetings of the Board and the Audit Committee (page 64) are provided in this annual report.

## Statement of Governance

The Board has three key roles:

- Provide strategic oversight of the organisation through:
  - determining the overall manner in which the various functions entrusted to AMSA should be performed in order to maximise public benefit;
  - enunciating for the organisation the Board's understanding of the expectations of the Minister within the context of technological change and the external environment;
  - directing high level risk management in AMSA; and
  - monitoring the performance of the Chief Executive Officer and senior management.
- Take responsibility for AMSA's resources through:
  - monitoring the major components in AMSA's profit and loss account and balance sheet; and
  - taking responsibility for major capital works.
- Ensure good governance through:
  - ensuring compliance with the *Commonwealth Authorities and Companies Act 1997* and the *Australian Maritime Safety Authority Act 1990*; and
  - promoting careful, diligent and ethical conduct throughout the organisation.

The Chief Executive Officer is appointed by the Minister after receiving the recommendation of the Board and, under the Board, manages the Authority. It is the role of management (the CEO and his senior staff) to:

- Manage resources to produce outcomes that achieve the strategic objectives established by the Board; and
- Provide prompt and regular advice to the Board on any matter relevant to the discharge of its duties.

## Board structure

AMSA has seven directors, of which six are independent non-executive directors appointed by the Minister. The Chief Executive Officer is a director *ex officio*.

Dr Kenneth Moss	Member since 8 April 1999; Chairman since 1 July 2001.
Mr Julian Manser	Member 9 June 1997 to 7 April 2002; Deputy Chair from 8 April 1999 to 7 April 2002.
Mrs Sarina Bratton	Member 1 September 1996 to 31 August 2000 and from 9 October 2000; Deputy Chair from 8 April 2002.
Mr Tony Hyams	Member from 1 September 1998 to 31 August 2000 and from 9 October 2000.
Mr James Kimpton AM	Member from 2 December 1999 to 1 December 2001.
Mr Barry Vellnagel	Member since 1 April 2002.
Captain John Paine	Member since 1 April 2002.
The Hon. Virginia Chadwick	Member since 8 April 2002.
Mr Clive Davidson	Member <i>ex officio</i> since 4 May 1998.

The Board normally holds eight formal meetings each year, although postponement of the June 2002 meeting to early July 2002 reduced the number of meetings during 2001-2002 to seven. Additional meetings are held if required, although no such meetings were held during 2001-2002.

## Committees

The Board has one formal committee, the Audit Committee, which assists the Board in fulfilling its audit, accounting and reporting obligations.

The Board does not delegate major decisions to the Audit Committee. Membership during 2001-2002 was as follows:

Mr Manser	Chair until 7 April 2002.
Mrs Bratton	Member throughout 2001-2002; Chair from 21 May 2002.
Mr Hyams	Member throughout 2001-2002.
Mr Vellnagel	Member from 21 May 2002.

The Audit Committee normally holds four formal meetings each year, although the postponement of the June 2002 meeting to early July 2002 reduced the number of meetings during 2001-2002 to three.

In addition, the Board establishes *ad hoc* committees as required to handle issues as they arise (eg to consider and make recommendations on senior executive remuneration).

**Board Member  
meeting  
attendance  
2001 - 2002**

<i>Member</i>	<i>Board Meeting</i>		<i>Audit Committee</i>	
	<i>Eligible</i>	<i>Attended</i>	<i>Eligible</i>	<i>Attended</i>
Dr Ken Moss	7	7	–	–
Mr Julian Manser (Retired as Deputy Chair on 7 April 2002)	5	4	2	2
Mrs Sarina Bratton (Appointed Deputy Chair on 8 April 2002)	7	7	3	3
Mr Tony Hyams	7	7	3	3
Mr James Kimpton AM (Retired from the Board on 30 November 2001)	3	2	–	–
Mrs Virginia Chadwick (Appointed to the Board on 8 April 2002)	2	2	–	–
Captain John Paine (Appointed to the Board on 1 April 2002)	2	1	–	–
Mr Barry Vellnagel (Appointed to the Board on 1 April 2002)	2	2	–	–
Mr Clive Davidson	7	7	–	–

**Governance  
practices**

The Board bases its approach to governance on the Australian National Audit Office Better Practice Guide *Corporate Governance in Commonwealth Authorities and Companies of June 1999*. This includes the following measures:

- the role of the Board is documented in a Board Charter;
- Directors can, and do, engage independent professional legal advice when appropriate;
- Directors are provided with information and initial training on appointment and subsequently in accordance with their individual needs;
- a regular agenda item for Board meetings relates to conflicts of interest; all directors have tabled standing notices under the *Commonwealth Authorities and Companies Act 1997*;
- a written Code of Conduct has been established for the organisation and approved by directors;
- the Corporate Plan, Budget and Annual Report are discussed and approved by directors;
- an advisory committee of stakeholders meets three times a year, once with the directors;
- during 2001-2002, directors carried out a review on a self-assessment basis, of its procedures and performance. The review was evaluated by the National Institute of Governance, located in the University of Canberra;

- Directors regularly report the outcomes of their deliberations to the Minister; and
- Directors maintain a regular program of presentations by AMSA management and others on topical issues relevant to the work of AMSA; hold meetings with stakeholders, including attendance at relevant industry conferences and seminars; and to the extent practical, visits to locations where AMSA does business.

**Indemnities and  
Insurance Premiums  
for Officers**

AMSA provides indemnities and insurance cover to Board members and other officers in line with the *Commonwealth Authorities and Companies Act 1997*.

**Statutory  
Requirements**

This annual report provides reports required under the following statutory provisions:

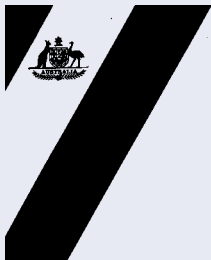
- *Freedom of Information Act 1982* (section 8): page 106;
- *Environment Protection and Biodiversity Conservation Act 1999* (section 516A): page 109; and
- *Occupational Health and Safety (Commonwealth Employment) Act 1991* (section 74): pages 53 -56.





# FINANCIAL STATEMENTS

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## INDEPENDENT AUDIT REPORT

To the Minister for Transport and Regional Services

### Scope

I have audited the financial statements of the Australian Maritime Safety Authority for the year ended 30 June 2002. The financial statements comprise:

- Statement by Directors;
- Statements of Financial Performance, Financial Position and Cash Flows;
- Schedules of Commitments and Contingencies,
- Notes to and forming part of the Financial Statements.

The members of the Board are responsible for the preparation and presentation of the financial statements and the information they contain. I have conducted an independent audit of the financial statements in order to express an opinion on them to you.

The audit has been conducted in accordance with Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Australian Accounting Standards, other mandatory professional reporting requirements and statutory requirements in Australia so as to present a view of the entity which is consistent with my understanding of the Australian Maritime Safety Authority's financial position, the results of its operations and its cash flows.

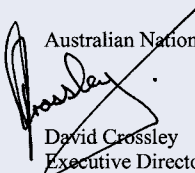
The audit opinion expressed in this report has been formed on the above basis.

GPO Box 707 CANBERRA ACT 2601  
Centenary House 19 National Circuit  
BARTON ACT  
Phone (02) 6203 7300 Fax (02) 6203 7777

Audit Opinion

In my opinion,

- (a) the financial statements have been prepared in accordance with the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*; and
- (b) give a true and fair view, in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Finance Minister's Orders, of the financial position of the Australian Maritime Safety Authority as at 30 June 2002 and its financial performance and cash flows for the year then ended.

 Australian National Audit Office  
David Crossley  
Executive Director

Delegate of the Auditor-General

Canberra  
17 September 2002

## AUSTRALIAN MARITIME SAFETY AUTHORITY STATEMENT BY DIRECTORS

In our opinion, the attached financial statements for the year ended 30 June 2002 give a true and fair view of the matters required by the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*.



Signed Dr Ken Moss  
Chairman of the Board  
16 September 2002



Signed Clive Davidson  
Chief Executive Officer  
16 September 2002

**AUSTRALIAN MARITIME SAFETY AUTHORITY**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
*for the year ended 30 June 2002*

	Notes	2002 \$'000	2001 \$'000
<b>Revenues from ordinary activities</b>			
Revenues from Government	4A	73,337	69,247
Sales of goods and services	4B	2,845	3,708
Interest	4C	889	1,528
Net gains from sales of assets	4D	-	594
Other		476	433
<b>Total revenues from ordinary activities</b>		<b>77,547</b>	<b>75,510</b>
<b>Expenses from ordinary activities</b>			
Employees	5A	23,209	28,866
Suppliers	5B	36,685	33,627
Depreciation and amortisation	5C	10,567	7,617
Write-down of assets	5D	883	103
Net losses from sales of assets	5E	185	-
<b>Total expenses from ordinary activities</b>		<b>71,529</b>	<b>70,213</b>
<b>Net operating surplus from ordinary activities</b>		<b>6,018</b>	<b>5,297</b>
Loss on extraordinary items		-	-
<b>Net surplus (deficit)</b>		<b>6,018</b>	<b>5,297</b>
<b>Net surplus attributable to the Commonwealth</b>		<b>6,018</b>	<b>5,297</b>
Net credit (debit) to asset revaluation reserve		-	7,093
<b>Total revenues, expenses and valuation adjustments attributable to the Commonwealth and recognised directly in equity</b>		<b>-</b>	<b>7,093</b>
<b>Total changes in equity other than those resulting from transactions with owners as owners</b>		<b>6,018</b>	<b>12,390</b>

The above statement should be read in conjunction with the accompanying notes

**AUSTRALIAN MARITIME SAFETY AUTHORITY**  
**STATEMENT OF FINANCIAL POSITION**  
*as at 30 June 2002*

	Notes	2002 \$'000	2001 \$'000
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash	6A	3,946	4,268
Receivables	6B	2,180	1,805
Accrued Revenue	6C	16	86
Investments	6D	7,056	11,500
<b>Total financial assets</b>		<b>13,198</b>	<b>17,659</b>
<b>Non-financial assets</b>			
Land and buildings	7A,D	6,994	8,533
Infrastructure, plant and equipment	7B,D	49,275	54,184
Inventories	7E	2,270	1,406
Intangibles	7C,D	11,856	3,666
Other	7F	549	338
<b>Total non-financial assets</b>		<b>70,944</b>	<b>68,127</b>
<b>Total assets</b>		<b>84,142</b>	<b>85,786</b>
<b>LIABILITIES</b>			
<b>Provisions</b>			
Employees	8A	7,543	7,351
<b>Total provisions</b>		<b>7,543</b>	<b>7,351</b>
<b>Payables</b>			
Suppliers	9A	7,707	3,508
Other	9B	5	7
<b>Total payables</b>		<b>7,712</b>	<b>3,515</b>
<b>Total liabilities</b>		<b>15,255</b>	<b>10,866</b>
<b>NET ASSETS</b>		<b>68,887</b>	<b>74,920</b>
<b>EQUITY</b>			
Contributed Equity	10	25,310	30,610
Reserves	10	17,770	18,109
Accumulated surplus	10	25,807	26,201
<b>Total equity</b>		<b>68,887</b>	<b>74,920</b>
<b>Current assets</b>		<b>13,747</b>	<b>17,997</b>
<b>Non-current assets</b>		<b>70,395</b>	<b>67,789</b>
<b>Current liabilities</b>		<b>11,631</b>	<b>8,053</b>
<b>Non-current liabilities</b>		<b>3,624</b>	<b>2,813</b>

The above statement should be read in conjunction with the accompanying notes

**AUSTRALIAN MARITIME SAFETY AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
*for the year ended 30 June 2002*

	Notes	2002 \$'000	2001 \$'000
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Sales of goods and services			
Government		-	-
Non-government		2,883	4,380
Appropriations		73,027	69,343
Interest		941	1,607
Other		476	433
GST recovered from ATO		5,179	3,203
<b>Total cash received</b>		<b>82,506</b>	<b>78,966</b>
<b>Cash used</b>			
Employees		23,019	30,000
Suppliers		39,731	37,186
<b>Total cash used</b>		<b>62,750</b>	<b>67,186</b>
<b>Net cash from operating activities</b>	11	<b>19,756</b>	<b>11,780</b>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sales of property, plant and equipment		1,518	4,096
<b>Total cash received</b>		<b>1,518</b>	<b>4,096</b>
<b>Cash used</b>			
Purchase of property, plant and equipment		6,901	8,444
Purchase of intangibles		7,088	3,236
<b>Total cash used</b>		<b>13,989</b>	<b>11,680</b>
<b>Net cash from / (used by) investing activities</b>		<b>(12,471)</b>	<b>(7,584)</b>
<b>FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
Appropriations - contributed equity		1,700	-
<b>Total cash received</b>		<b>1,700</b>	<b>-</b>
<b>Cash used</b>			
Repayment of capital		7,000	5,000
Capital use charge paid		6,751	8,054
<b>Total cash used</b>		<b>13,751</b>	<b>13,054</b>
<b>Net cash from / (used by) financing activities</b>		<b>(12,051)</b>	<b>(13,054)</b>
<b>Net increase / (decrease) in cash held</b>		<b>(4,766)</b>	<b>(8,858)</b>
Cash at the beginning of the reporting period		15,769	24,627
<b>Cash at the end of the reporting period</b>		<b>11,003</b>	<b>15,769</b>

The above statement should be read in conjunction with the accompanying notes

**AUSTRALIAN MARITIME SAFETY AUTHORITY**  
**SCHEDULE OF COMMITMENTS**

as at 30 June 2002

	Notes	2002 \$'000	2001 \$'000
<b>BY TYPE</b>			
<b>Capital Commitments</b>			
Infrastructure, plant and equipment <sup>1</sup>		1,587	9,205
<b>Total capital commitments</b>		<b>1,587</b>	<b>9,205</b>
<b>Other Commitments</b>			
Operating leases <sup>2</sup>		12,948	14,009
Other commitments <sup>3</sup>		10,389	21,943
<b>Total other commitments</b>		<b>23,337</b>	<b>35,952</b>
<b>Commitments Receivable</b>		<b>(2,266)</b>	<b>(4,105)</b>
<b>Net commitments</b>		<b>22,658</b>	<b>41,052</b>
<b>BY MATURITY</b>			
<b>All net commitments</b>			
One year or less		7,270	20,055
From one to five years		13,967	18,126
Over five years		1,421	2,871
<b>Net commitments</b>		<b>22,658</b>	<b>41,052</b>
<b>Operating lease commitments</b>			
One year or less		2,675	2,620
From one to five years		7,774	7,382
Over five years		1,322	2,734
<b>Net operating lease commitments</b>		<b>11,771</b>	<b>12,736</b>

NB: Commitments are GST inclusive where relevant.

- <sup>1</sup> Relates primarily to a contractual agreement with TVNZ Australia Ltd. for the provision of shore based facilities for terrestrial radio services and Immarsat satellite services, and assets under construction;

- <sup>2</sup> Operating leases included are effectively non-cancellable and comprise:

<i>Nature of lease</i>	<i>General description of leasing arrangement</i>
leases for office accommodation	• lease payments are subject to annual increases in accordance with the terms specified in the lease agreements.
motor vehicles to AMSA Officers	• no contingent rentals exist; • there are no renewal or purchase options available to the Agency.

- <sup>3</sup> As at 30 June 2002, other commitments relate primarily to:

- a contractual agreement with TVNZ Australia Ltd. for the provision of shore based facilities for terrestrial radio services and Immarsat satellite services valued at \$5,586,792 (2001: \$5,586,792); and
- hire of the vessel Southern Supporter valued at \$4,238,877 (2001: \$6,547,797)

The above schedule should be read in conjunction with the accompanying notes



**AUSTRALIAN MARITIME SAFETY AUTHORITY**  
**SCHEDULE OF CONTINGENCIES**

as at 30 June 2002

	Notes	2002 \$'000	2001 \$'000
<b>Contingent Losses</b>			
Claims for damages/costs *		80	-
<b>Total contingent losses</b>		80	-
<b>Contingent Gains</b>			
Claims for damages/costs *		80	-
<b>Total contingent gains</b>		80	-
<b>Net contingencies</b>		-	-

Remote contingencies are disclosed in Note 12.

\* The amounts represents an estimate of the Authority's liability based on precedent claims. Insurance is expected to cover the claims if required. The Authority has denied liability and is defending the claims.

**SCHEDULE OF UNQUANTIFIABLE CONTINGENCIES**

In the normal course of operations, the Authority is responsible for the provision of funds necessary to meet the clean up costs arising from ship sourced marine pollution, and in all circumstances the Authority is responsible for making appropriate efforts to recover the costs of any such incidents. In the event that funds are insufficient to meet these costs, funding could be provided on an as needs basis from the Commonwealth.

The above schedule should be read in conjunction with the accompanying notes

**AUSTRALIAN MARITIME SAFETY AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
*for the year ended 30 June 2002*

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**AUSTRALIAN MARITIME SAFETY AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
*for the year ended 30 June 2002*

**Note 1 Summary of Significant Accounting Policies**

**1.1 Basis of Accounting**

The financial statements are required by clause 1(b) of Schedule 1 to the *Commonwealth Authorities and Companies Act 1997* and are a general purpose financial report.

The statements have been prepared in accordance with:

- Finance Minister's Orders (being the *Commonwealth Authorities and Companies (Financial Statements 2001-2002) Orders*);
- Australian Accounting Standards and Accounting Interpretations issued by the Australian Accounting Standards Board;
- Other authoritative pronouncements of the Board; and
- Consensus Views of the Urgent Issues Group.

The statements have been prepared having regard to:

- The Explanatory Notes to Schedule 1 issued by the Department of Finance and Administration; and
- Finance Briefs issued by the Department of Finance and Administration.

The Authority's Statement of Financial Performance and Financial Position have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets, which, as noted, are at valuation. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

Assets and liabilities are recognised in the Authority's Statement of Financial Position when and only when it is probable that future economic benefits will flow and the amounts of assets and liabilities can be reliably measured. Assets and liabilities arising under agreements equally proportionately unperformed are however not recognised unless required by an Accounting Standard. Liabilities and assets which are unrecognised are reported in the Schedule of Commitments and the Schedule of Contingencies (other than remote contingencies, which are reported at Note 12).

Revenues and expenses are recognised in the Authority's Statement of Financial Performance when and only when the flow or consumption or loss of economic benefits has occurred and can be reliably measured.

*Administered items*

AMSA is entitled to recover, from the Commonwealth, the costs incurred for search and rescue incidents. While the recoveries are used to fund the search and rescue operations of the Authority, they are not directly available to be used by the Authority for any other purpose. Transactions and balances relating to these incident costs and recoveries are reported as Administered Items.

The Schedules of Administered Revenues and Expenses, Assets and Liabilities, and Cash Flows are prepared on the same basis and using the same policies as for Authority items, except where otherwise stated at Note 1.21.

Administered items are distinguished in the financial statements by shading.

## 1.2 Changes in Accounting Policy

The accounting policies used in the preparation of these financial statements are consistent with those used in 2000-2001, except in respect of presentation and disclosure of administered items (refer note 20).

## 1.3 Reporting by Outcomes

A comparison of Budget and Actual figures by outcome specified in the Appropriation Acts relevant to the Authority is presented in Note 22. Any intra-government costs included in the figure 'net cost to Budget outcomes' are eliminated in calculating the actual budget outcome for the Government overall.

## 1.4 Revenue

The revenues described in this Note are revenues relating to the core operating activities of the Authority.

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from disposal of non-current assets is recognised when control of the asset has passed to the buyer.

Revenue from the rendering of a service is recognised by reference to the stage of completion of contracts. The stage of completion is determined according to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

### *Revenues from Government – Output Appropriations*

The major appropriation revenue for the Authority relates to maritime infrastructure charges and includes levies received by the Commonwealth under the *Marine Navigation Levy Act 1989*, the *Protection of the Sea (Shipping Levy) Act 1981* and the *Marine Navigation (Regulatory Functions) Levy Act 1991* and through agreements with the Commonwealth for the provision of search and rescue and maritime communications services.

Appropriations for outputs are recognised as revenue to the extent they have been received into the Authority's Bank account or are entitled to be received by the Authority at year end.

### *Resources Received Free of Charge*

Services received free of charge are recognised as revenue when and only when a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

Contributions of assets at no cost of acquisition or for nominal consideration are recognised at their fair value when the asset qualifies for recognition.

## 1.5 Transactions by the Government as Owner

Amounts appropriated by the Parliament as equity injections, have been fully drawn down in 2001-02 and recognised as "contributed equity" in accordance with the Finance Ministers Orders.

## **1.6 Employee Entitlements**

### *Leave*

The liability for employee entitlements includes provision for annual leave and long service leave.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the Authority is estimated to be less than the annual entitlement for sick leave.

The liability for annual leave reflects the value of total annual leave entitlements of all employees at 30 June 2002 and is recognised at its nominal amount.

The non-current portion of the liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at 30 June 2002. In determining the present value of the liability, the Authority has taken into account attrition rates and pay increases through promotion and inflation.

### *Separation and redundancy*

Provision is also made for separation and redundancy payments in circumstances where the Authority has formally identified positions as excess to requirements and a reliable estimate of the amount of the payments can be determined.

### *Superannuation*

Employees contribute to the Commonwealth Superannuation Scheme and the Public Sector Superannuation Scheme. Employer contributions amounting to \$2,299,234 (2001: \$2,543,827) have been expensed in these financial statements.

No liability for superannuation benefits is recognised as at 30 June as the employer contributions fully extinguish the accruing liability, which is assumed by the Commonwealth.

Employer Productivity Superannuation Contributions totalled \$399,363 (2001: \$465,091).

## **1.7 Leases**

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased non-current assets, and operating leases under which the lessor effectively retains substantially all such risks and benefits.

Operating lease payments are expensed on a basis which is representative of the pattern of benefits derived from the leased assets. The net present value of future net outlays in respect of surplus space under non-cancellable lease agreements is expensed in the period in which the space becomes surplus.

Lease incentives taking the form of 'free' fitout and rent holidays are recognized as liabilities. These liabilities are reduced by allocating lease payments between rental expense and reduction of the liability.

## **1.8 Cash**

Cash and investments includes notes and coins held and any deposits held at call with a bank or financial institution.

## **1.9 Financial Instruments**

Accounting policies for financial instruments are stated at Note 19.

## 1.10 Acquisition of Assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken.

Assets acquired at no cost, or for nominal consideration are initially recognised as assets and revenues at their fair value at the date of acquisition, except where they are acquired as part of a transfer of functions from another Government entity, in which case they are recognized as contributed equity at the carrying amount on the books of the transferor.

## 1.11 Property, plant and equipment

### *Asset recognition threshold*

Purchases of property, plant and equipment are recognised initially at cost in the Statement of Financial Position, except for purchases costing less than \$3,000 (2001: \$2,000), which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total). The increase in the asset recognition threshold this financial year resulted in a \$292,079 write off of property, plant and equipment.

### *Revaluations*

Land, buildings, infrastructure, plant and equipment are revalued progressively in accordance with the 'deprival' method of valuation in successive three-year cycles, so that no asset has a value greater than three years old.

Land and buildings, aids to navigation and vessels and amphibian assets were revalued in the 2000-2001 financial year. Plant and equipment, office and computer equipment, furniture and fittings and vehicles were revalued in the 1999-2000 financial year.

Assets in each class acquired after the commencement of a progressive revaluation cycle are not captured by the progressive revaluation then in progress.

In accordance with the deprival methodology, land is measured at its current market-buying price. Property (other than land), plant and equipment are measured at their depreciated replacement cost. Where assets are held which would not be replaced or are surplus to requirements, measurement is at net realisable value. At 30 June 2002, the Authority had no assets in this situation.

All valuations are independent.

### *Valuation of Heritage Assets*

Heritage assets are not brought to account, as the economic benefit of these items which would otherwise be acquired if the Authority was to be deprived of these items, is not material.

### *Recoverable Amount Test*

Schedule 1 requires the application of the recoverable amount test to the Authority's non-current assets in accordance with *AAS 10 Recoverable Amount of Non-Current Assets*. The carrying amounts of these non-current assets have been reviewed to determine whether they are in excess of their recoverable amounts. In assessing recoverable amounts, the relevant cash flows have been discounted to their present value.

### *Depreciation and Amortisation*

Depreciable property plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the Authority using, in all cases, the straight line method of depreciation. Leasehold improvements are amortised on a straight-line basis over the lesser of the estimated useful life of the improvements or the unexpired period of the lease.

Depreciation/amortisation rates (useful lives) and methods are reviewed at each balance date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate. Residual values are re-estimated for a change in prices only when assets are revalued. Depreciation and amortisation rates applying to each class of depreciable asset are based on the following useful lives:

	<b>2002</b>	2001
Buildings	<b>20 to 40 years</b>	20 to 40 years
Furniture and fittings (includes leasehold improvements)	<b>4 to 10 years</b>	4 to 10 years
Plant and equipment	<b>3 to 30 years</b>	3 to 30 years
Office and computer equipment	<b>3 to 16 years</b>	3 to 16 years
Aids to navigation	<b>3 to 40 years</b>	3 to 40 years
Vessels and amphibians	<b>10 to 20 years</b>	10 to 20 years
Vehicles	<b>5 to 8 years</b>	5 to 8 years

The aggregate amount of depreciation allocated for each class of asset during the reporting period is disclosed in Note 5C.

## 1.12 Inventories

Inventories include bulk purchases of managed stores which are expected to be used within twelve months, less a provision for obsolete and slow moving stock. These items are not held for resale and are valued at weighted average unit cost.

All inventories are non-current assets.

## 1.13 Intangibles

The Authority's intangibles comprise software and rights. During the financial year ended 30 June 1996, the Authority purchased a right to four child care places in a joint Departmental venture to build a child care centre. This right is able to be sold to other Departments, and additional rights are able to be purchased by the Authority. The asset is to be amortised over 10 years, being the number of years the right to places exists.

During the financial year ended 30 June 1998, the Authority paid \$220,000 to Telstra to gain access to a tower on Warraber Island. This right is to be amortised over 15 years, being the number of years the period of access exists.

During the financial years ended 30 June 2001 and 30 June 2002, the Authority paid \$9,650,000 to TVNZ Australia Ltd. upon signing a contract for the provision of shore based facilities for terrestrial radio services and Inmarsat services in accordance with the requirements of the Global Maritime Distress and Safety (GMDSS).

These assets are carried at cost. The carrying amount of each non-current intangible asset is reviewed to determine whether it is in excess of the asset's recoverable amount. If an excess exists as at the reporting date, the asset is written down to its recoverable amount immediately. In assessing recoverable amounts, the relevant cash flows, including the expected cash inflows from future appropriations by the Parliament, have been discounted to their present value.

No write-down to recoverable amount has been made in 2001-02.

### **1.14 Capital Works Under Construction**

Capital works under construction are carried at cost and capitalised when completed and ready for use. Costs include both direct and indirect costs which can be reasonably attributed to the capital work under construction. Direct and indirect costs include amounts recovered from employee, administrative and vessel costs.

### **1.15 Taxation**

The Authority is exempt from all forms of taxation except fringe benefits tax and the goods and services tax.

### **1.16 Capital Usage Charge**

A capital usage charge of 11% (2001: 12%) is imposed by the Government on the net assets of the Authority. The charge is adjusted to take account of asset gifts and revaluation increments during the financial year.

### **1.17 Foreign Currency**

Transactions denominated in a foreign currency are converted at the exchange rate at the date of the transaction. Foreign currency receivables and payables are translated at the exchange rates current as at balance date. Associated currency gains and losses are not material.

### **1.18 Insurance**

The Authority has insured for risks through the Government's insurable risk managed fund, called 'Comcover'. Workers compensation is insured through Comcare Australia.

### **1.19 Comparative Figures**

Comparative figures have been adjusted to conform to changes in presentation in these financial statements where required.

### **1.20 Rounding**

Amounts have been rounded to the nearest \$1,000 except in relation to the following:

- remuneration of directors;
- remuneration of officers; and
- remuneration of auditors.

### **1.21 Administered Revenue**

All revenues described in this note are revenues relating to the core operating activities performed by the Authority on behalf of the Commonwealth.

Recoveries of costs incurred for search and rescue operations conducted by the Authority are recognised as revenue when the economic activity takes place that gives rise to the Commonwealth's obligation to reimburse the Authority.

## **Note 2: Economic Dependency**

The Australian Maritime Safety Authority was established by *the Australian Maritime Safety Authority Act 1990* which came into effect on 22 October 1990 and is controlled by the Commonwealth of Australia.

The Authority is dependent on appropriations from the Parliament of the Commonwealth for its continued existence and ability to carry out its normal activities.

## **Note 3: Events Occurring After Reporting Date**

AMSA is not aware of any subsequent event that has occurred since balance date that could materially effect these financial statements.



	2002	2001
	\$'000	\$'000

#### Note 4: Operating Revenues

##### Note 4A - Revenues from Government

Appropriations for outputs		
Marine Navigation Levy	18,931	20,292
Regulatory Function Levy	21,957	19,195
Protection of the Sea Levy	3,763	3,719
Services provided on behalf of government	21,224	16,930
Capital use charge received	7,462	9,111
	<u>73,337</u>	<u>69,247</u>

##### Note 4B - Sales of Goods and Services

Goods	25	28
Services	2,820	3,680
	<u>2,845</u>	<u>3,708</u>

Goods and services were sold to:

Government	-	-
Non-Government	2,845	3,708
	<u>2,845</u>	<u>3,708</u>

Cost of sales of goods	25	28
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##### Note 4C - Interest

Deposits	889	1,528
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##### Note 4D - Net Gain from Sale of Assets

Land and buildings:		
Proceeds from sale	-	3,200
Net book value at sale	-	2,755
Net gain	-	445
Infrastructure, plant and equipment:		
Proceeds from sale	-	895
Net book value at sale	-	746
Net gain	-	149
Net gain on disposal of property, plant and equipment	-	594

#### Note 5: Operating Expenses

##### Note 5A - Employee Expenses

Remuneration (for services provided)	21,498	24,304
Separation and redundancy	359	3,082
Total remuneration	21,857	27,386
Other employee expenses	1,352	1,480
	<u>23,209</u>	<u>28,866</u>

The Authority contributes to the Commonwealth Superannuation (CSS) and the Public Sector (PSS) Superannuation schemes, which provide retirement, death and disability benefits to employees. Contributions to the schemes are at rates calculated to cover existing and emerging obligations. Current contribution rates are 21.1% of salary (CSS) and 11.4% of salary (PSS). An additional average 3% is contributed as Employer Productivity Superannuation Contributions.

<b>2002</b>	<b>2001</b>
<b>\$'000</b>	<b>\$'000</b>

**Note 5B - Suppliers Expenses**

Supply of goods and services	<b>31,967</b>	27,367
Vessel operating costs	<b>1,387</b>	2,847
Operating lease rentals	<b>3,331</b>	3,413
	<b>36,685</b>	33,627

**Note 5C - Depreciation and Amortisation**

Depreciation of property, plant and equipment and intangibles	<b>10,567</b>	7,617
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The aggregate amounts of depreciation or amortisation expensed during the reporting period for each class of depreciable assets are as follows:

Buildings on freehold land	<b>387</b>	404
Infrastructure, plant and equipment	<b>9,566</b>	6,873
Intangibles	<b>614</b>	340
	<b>10,567</b>	7,617

**Note 5D - Write-Down of Assets**

Bad and doubtful debts expense	<b>2</b>	(8)
Infrastructure, plant and equipment - revaluation decrement	-	-
Infrastructure, plant and equipment - write-off on disposal	<b>881</b>	111
	<b>883</b>	103

**Note 5E - Net Losses from Sale of Assets**

**Land and buildings:**

Proceeds from sale	<b>1,413</b>	-
Net book value at sale	<b>1,485</b>	-
Net loss	<b>72</b>	-

**Infrastructure, plant and equipment:**

Proceeds from sale	<b>106</b>	-
Net book value at sale	<b>219</b>	-
Net loss	<b>113</b>	-
Net loss on disposal of property, plant and equipment	<b>185</b>	-

	2002	2001
	\$'000	\$'000

## Note 6: Financial Assets

### Note 6A - Cash

Cash at bank and on hand  
Deposits at call

2,946	2,768
1,000	1,500
<b>3,946</b>	<b>4,268</b>

Balance of cash as at 30 June shown in the  
Statement of Cash Flows:

- Cash  
- Investments (Note 6D)

3,946	4,268
7,056	11,500
<b>11,002</b>	<b>15,768</b>

### Note 6B - Receivables

Goods and services  
Less: provision for doubtful debts

490	660
(17)	(17)
<b>473</b>	<b>643</b>

GST receivable  
Appropriation receivable  
Other receivables

1,061	976
345	35
301	151
<b>2,180</b>	<b>1,805</b>

Receivables (gross) are aged as follows:

Not overdue

Overdue by:

Less than 30 days

30 to 60 days

60 to 90 days

More than 90 days

2,079	1,698
82	52
15	6
2	14
19	52
118	124
<b>2,197</b>	<b>1,822</b>

### Note 6C - Accrued Revenue

Interest  
Other

16	68
-	18
<b>16</b>	<b>86</b>

### Note 6D - Investments

Floating rate notes (market value \$6,505,640)  
Deposits at call

6,500	11,500
556	-
<b>7,056</b>	<b>11,500</b>

Investments are categorised as follows:

Current

Non-current

7,056	11,500
-	-
<b>7,056</b>	<b>11,500</b>

2002	2001
\$'000	\$'000

#### **Note 7: Non-financial assets**

##### Note 7A - Land and Buildings

Freehold Land - at independent valuation 2001	808	1,621
Freehold Land - at cost	-	-
Total land	<u>808</u>	<u>1,621</u>
Buildings on freehold land - at independent valuation 2001	5,081	5,804
Accumulated depreciation	(362)	(104)
	<u>4,719</u>	<u>5,700</u>
Buildings on freehold land - at cost	1,600	1,260
Accumulated depreciation	(133)	(48)
	<u>1,467</u>	<u>1,212</u>
Total buildings	<u>6,186</u>	<u>6,912</u>
Total Land and Buildings	<u>6,994</u>	<u>8,533</u>

The revaluations were in accordance with the revaluation policy stated at Note 1 and were completed by an independent valuer Edward Rushton Australia Pty Limited. Revaluation increments of \$41,151 for land and \$360,208 for buildings were made to the asset revaluation reserve as at 28 February 2001.

##### Note 7B - Infrastructure, Plant and Equipment

Aids to navigation - at independent valuation 2001	33,137	33,745
Accumulated depreciation	(5,523)	(1,346)
	<u>27,614</u>	<u>32,399</u>
Aids to navigation - at cost	12,757	4,595
Accumulated depreciation	(1,733)	(92)
	<u>11,024</u>	<u>4,503</u>
Total Aids to Navigation	<u>38,638</u>	<u>36,902</u>
Plant and equipment - at independent valuation 2000	5,797	6,270
Accumulated depreciation	(1,922)	(625)
	<u>3,875</u>	<u>5,645</u>
Plant and equipment - at cost	2,402	2,354
Accumulated depreciation	(987)	(203)
	<u>1,415</u>	<u>2,151</u>
Total Plant and Equipment	<u>5,290</u>	<u>7,796</u>
Office and computer equipment - at independent valuation 2000	1,000	1,325
Accumulated depreciation	(621)	(560)
	<u>379</u>	<u>765</u>

	2002 \$'000	2001 \$'000
Office and computer equipment - at cost	1,248	706
Accumulated depreciation	<u>(450)</u>	<u>(177)</u>
	798	529
 Total Office and Computer Equipment	 <u>1,177</u>	 <u>1,294</u>
 Furniture and fittings - at independent valuation 2000	 2,111	 2,472
Accumulated depreciation	<u>(563)</u>	<u>(339)</u>
	1,548	2,133
Furniture and fittings - at cost	1,022	966
Accumulated depreciation	<u>(710)</u>	<u>(526)</u>
	312	440
 Total Furniture and Fittings	 <u>1,860</u>	 <u>2,573</u>
 Vehicles - at cost	 17	 36
Accumulated depreciation	<u>(1)</u>	<u>(6)</u>
	16	30
 Total Vehicles	 <u>16</u>	 <u>30</u>
 Vessels and Amphibians - at independent valuation 2001	 1,459	 1,459
Accumulated depreciation	<u>(250)</u>	<u>(63)</u>
	1,209	1,396
Vessels and Amphibians - at cost	-	-
Accumulated depreciation	<u>-</u>	<u>-</u>
	-	-
 Total Vessels and Amphibians	 <u>1,209</u>	 <u>1,396</u>
 Capital Works under Construction	 <u>1,085</u>	 <u>4,193</u>
 Total Infrastructure, Plant and Equipment	 <u>49,275</u>	 <u>54,184</u>

The revaluations were in accordance with the revaluation policy stated in Note 1 and were completed by an independent valuer Edward Rushton Australia Pty Limited. Revaluation increments of \$6,307,184 for Aids to Navigation and \$384,426 for Vessels were made to the asset revaluation reserve as at 28 February 2001. A revaluation increment of \$238,892 for Plant and Equipment and decrements of \$32,129 for Furniture and Fittings and \$21,073 for Motor Vehicles were made to the asset revaluation reserve as at 31 May 2000; decrements of \$245,666 for Office and Computer Equipment and \$685,164 for Furniture and Fittings were expensed in the year ended 30 June 2000.

In applying the recoverable amount test to the Authority's non-current assets, specific assets were identified as having carrying amounts in excess of their recoverable amounts. Accordingly, these assets were adjusted to their recoverable amount by discounting the relevant expected cash flows to their net present value, and increasing the current year's depreciation charge to reflect the additional expense. Adjustments amounted to \$1,453,385 for Plant and Equipment, \$83,685 for Furniture and Fittings and \$1,311,323 for Aids to Navigation.

The carrying amounts of each class of non-current asset that have been adjusted down to their recoverable amount and other assets within each class are represented as:

	<b>Recoverable Amount \$'000</b>	<b>Other Assets within Class \$'000</b>	<b>Total Carrying Amount \$'000</b>
Plant and Equipment	515	4,775	5,290
Furniture and Fittings	149	1,711	1,860
Aids to Navigation	94	38,544	38,638
	<b>758</b>	<b>45,030</b>	<b>45,788</b>

	<b>2002 \$'000</b>	<b>2001 \$'000</b>
<b>Note 7C - Intangibles</b>		
Computer software - purchased	<b>3,329</b>	1,675
Accumulated amortisation	<b>(1,295)</b>	(702)
	<b>2,034</b>	973
Other intangibles	<b>9,938</b>	2,788
Accumulated amortisation	<b>(116)</b>	(95)
	<b>9,822</b>	2,693
<b>Total Intangibles</b>	<b>11,856</b>	3,666

Note 7D: Analysis of Property, Plant, Equipment and Intangibles

**TABLE A – Reconciliation of the opening and closing balances of property, plant and equipment and intangibles**

Item	Land \$'000	Buildings on Freehold Land \$'000	Total Land & Buildings \$'000	Total Infrastructure, plant & equipment \$'000	Computer Software \$'000	Other Intangibles \$'000	Total Intangibles \$'000	TOTAL \$'000
Gross value as at 1 July 2001	1,621	7,065	8,686	58,109	1,675	2,788	4,463	71,258
Additions - Purchase of Assets	-	339	339	6,774	1,654	7,150	8,804	15,917
Revaluations: write-ups/(write-downs)	-	-	-	-	-	-	-	-
Write offs	-	(7)	(7)	(2,571)	-	-	-	(2,578)
Disposals	(813)	(716)	(1,529)	(276)	-	-	-	(1,805)
<b>Gross Value as at 30 June 2002</b>	<b>808</b>	<b>6,681</b>	<b>7,489</b>	<b>62,036</b>	<b>3,329</b>	<b>9,938</b>	<b>13,267</b>	<b>82,792</b>
Accumulated depreciation /amortisation as at 1 July 2001	n/a	153	153	3,925	702	95	797	4,875
Disposals	n/a	(44)	(44)	(58)	-	-	-	(102)
Depreciation/amortisation charge for the year	n/a	387	387	9,566	593	21	614	10,567
Revaluations: write-ups/(write-downs)	n/a	-	-	-	-	-	-	-
Write offs	n/a	(1)	(1)	(672)	-	-	-	(673)
<b>Accumulated depreciation/ amortisation as at 30 June 2002</b>	<b>n/a</b>	<b>495</b>	<b>495</b>	<b>12,761</b>	<b>1,295</b>	<b>116</b>	<b>1,411</b>	<b>14,667</b>
<b>Net book value as at 30 June 2002</b>	<b>808</b>	<b>6,186</b>	<b>6,994</b>	<b>49,275</b>	<b>2,034</b>	<b>9,822</b>	<b>11,856</b>	<b>68,125</b>
Net book value as at 1 July 2001	1,621	6,912	8,533	54,184	973	2,693	3,666	66,383

TABLE B – Assets at valuation

Item	Land \$'000	Buildings on Freehold Land \$'000	Total Land & Buildings \$'000	Total Infrastructure, plant & equipment \$'000	Computer Software \$'000	Other Intangibles \$'000	Total Intangibles \$'000	TOTAL \$'000
As at 30 June 2002								
Gross Value	808	5,081	5,889	43,504	-	-	-	49,393
Accumulated depreciation / amortisation	-	(362)	(362)	(8,879)	-	-	-	(9,240)
<b>Net Book Value</b>	<b>808</b>	<b>4,719</b>	<b>5,527</b>	<b>34,626</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40,153</b>
As at 30 June 2001								
Gross Value	1,621	5,804	7,425	45,271	-	-	-	52,696
Accumulated depreciation / amortisation	-	(104)	(104)	(2,933)	-	-	-	(3,037)
<b>Net Book Value</b>	<b>1,621</b>	<b>5,700</b>	<b>7,321</b>	<b>42,338</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49,659</b>

TABLE C – Assets under construction

Item	Land \$'000	Buildings on Freehold Land \$'000	Total Land & Buildings \$'000	Total Infrastructure, plant & equipment \$'000	Computer Software \$'000	Other Intangibles \$'000	Total Intangibles \$'000	TOTAL \$'000
As at 30 June 2002								
Gross Value	-	-	-	1,110	-	-	-	1,110
Accumulated depreciation / amortisation	-	-	-	-	-	-	-	-
<b>Net Book Value</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,110</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,110</b>
As at 30 June 2001								
Gross Value	-	-	-	4,193	-	-	-	4,193
Accumulated depreciation / amortisation	-	-	-	-	-	-	-	-
<b>Net Book Value</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,193</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,193</b>



	2002 \$'000	2001 \$'000
<b>Note 7E - Inventories</b>		
Stores		
Inventories not held for sale (cost)	3,199	2,238
less: Provision for obsolete and slow moving stock	(929)	(832)
	<u>2,270</u>	<u>1,406</u>

All inventories are non-current assets.

<b>Note 7F - Other Non-Financial Assets</b>		
Prepaid insurance	-	39
Prepaid property rentals	142	36
Other prepayments	407	263
	<u>549</u>	<u>338</u>

## **Note 8: Provisions**

<b>Note 8A - Employee Provisions</b>		
Salaries and wages	1,634	1,549
Leave	5,540	5,432
Superannuation	232	-
Separation and redundancy	137	370
Aggregate employee entitlement liability	<u>7,543</u>	<u>7,351</u>

Employee provisions are categorised as follows:

Current	3,919	1,919
Non-current	3,624	5,432
	<u>7,543</u>	<u>7,351</u>

## **Note 9: Payables**

<b>Note 9A - Supplier Payables</b>		
Trade creditors	6,959	3,043
Operating lease rentals	748	465
	<u>7,707</u>	<u>3,508</u>

All supplier payables are current.

<b>Note 9B - Other</b>		
Unearned income	5	7
	<u>5</u>	<u>7</u>

# **Note 10: Equity**

Item	Accumulated Results		Asset revaluation reserve		Other reserve (Protection of the Sea Reserve)		Total reserves		Contributed Equity		TOTAL EQUITY	
	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000
Opening balance 1 July	26,201	28,396	16,609	10,078	1,500	1,500	18,109	11,578	30,610	35,610	74,920	75,584
Operating result and extraordinary items after tax	6,018	5,297	-	-	-	-	-	-	-	-	6,018	5,297
Net revaluation increases/(decreases)	-	-	-	7,093	-	-	-	7,093	-	-	-	7,093
Transfers to/(from) reserves	339	562	(339)	(562)	-	-	(339)	(562)	-	-	-	-
Capital use charge (CUC)	(6,751)	(8,054)	-	-	-	-	-	-	-	-	(6,751)	(8,054)
Contribution of equity: appropriation	-	-	-	-	-	-	-	-	1,700	-	1,700	-
Repayment of Equity to Commonwealth	-	-	-	-	-	-	-	-	(7,000)	(5,000)	(7,000)	(5,000)
<b>Closing balance as at 30 June</b>	<b>25,807</b>	<b>26,201</b>	<b>16,270</b>	<b>16,609</b>	<b>1,500</b>	<b>1,500</b>	<b>17,770</b>	<b>18,109</b>	<b>25,310</b>	<b>30,610</b>	<b>68,887</b>	<b>74,920</b>
Less: outside equity interests												
<b>Total equity attributable to the Commonwealth</b>	<b>25,807</b>	<b>26,201</b>	<b>16,270</b>	<b>16,609</b>	<b>1,500</b>	<b>1,500</b>	<b>17,770</b>	<b>18,109</b>	<b>25,310</b>	<b>30,610</b>	<b>68,887</b>	<b>74,920</b>

<b>Note 11: Cash Flow Reconciliation</b>	<b>2002 \$'000</b>	<b>2001 \$'000</b>
<b>Reconciliation of operating surplus to net cash from operating activities:</b>		
Operating Surplus before extraordinary items	6,018	5,297
Depreciation and amortisation	9,953	7,277
Amortisation of intangibles	614	340
Gain on disposal of assets	-	(594)
Loss on disposal of assets	185	-
Write down of non-current assets	881	112
Bad and doubtful debts	2	(9)
(Increase)/decrease in receivables	(65)	(833)
(Increase)/decrease in accrued revenue	(240)	703
(Increase)/decrease in inventory	160	317
(Increase)/decrease in other assets	(211)	(699)
Increase/(Decrease) in employee provisions	192	(1,134)
Increase/(Decrease) in supplier payables	2,269	1,003
Increase/(Decrease) in other payables	(2)	-
<b>Net cash from / (used by) operating activities</b>	<b>19,756</b>	<b>11,780</b>

#### **Note 12: Remote Contingencies**

There were no remote contingencies as at 30 June 2002.

#### **Note 13: External Financing Arrangements**

The Authority had access to loan facilities with the Westpac Banking Corporation in 2000-01 totalling:

Total facilities	-	10,000
Amount of facility used as at 30 June	-	-
Facility available	-	10,000

#### **Note 14: Director Remuneration**

The number of directors of the Authority included in these figures are shown below in the relevant remuneration bands.

	<b>2002</b>	<b>2001</b>
- \$Nil - \$10,000	4	-
- \$10,001 - \$20,000	-	1
- \$20,001 - \$30,000	3	3
- \$30,001 - \$40,000	-	1
- \$40,001 - \$50,000	1	1
	<b>8</b>	<b>6</b>

Aggregate amount of superannuation payments in connection with the retirement of directors

<b>10,721</b>	<b>12,348</b>
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Other remuneration received or due and receivable by directors of the Authority:

<b>134,008</b>	<b>155,010</b>
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Total remuneration received or due and receivable by the directors of the Authority:

<b>144,729</b>	<b>167,358</b>
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The remuneration of the Chief Executive Officer is reported in Note 16.

## Note 15: Related Party Disclosures

### Directors of the Authority

The Directors of the Authority during the year were:

Dr Kenneth Moss	Chairman (from 1 July 2001)
Mr Julian Manser	(appointed 5 June 1997)
	Deputy Chair (from 15 December 1998 to 7 April 2002)
Mrs Sarina Bratton	(appointed 1 September 1996 and term ceased 31 August 2000, reappointed 9 October 2000)
	Deputy Chair (appointed 8 April 2002)
Mr Tony Hyams	(appointed 1 September 1998 and term ceased 31 August 2000, reappointed 9 October 2000)
	(term ceased 30 November 2001)
Mr James Kimpton	(appointed 8 April 2002)
The Hon Virginia Chadwick	(appointed 1 April 2002)
Captain John Paine	(appointed 1 April 2002)
Mr Barry Vellnagel	
Mr Clive Davidson	Chief Executive Officer (appointed 4 May 1998)

The aggregate remuneration of Directors is disclosed in note 14.

### Transactions with Director related entities

Any transactions between Directors related entities and the Authority are on normal commercial terms and conditions.

## Note 16: Remuneration of Officers

	2002	2001
The number of Officers who received or were due to receive total remuneration of \$100,000 or more:		
	<u>Number</u>	
- \$160,001 - \$170,000	-	1
- \$170,001 - \$180,000	1	1
- \$180,001 - \$190,000	-	-
- \$190,001 - \$200,000	1	1
- \$200,001 - \$210,000	-	2
- \$230,001 - \$240,000	-	1
- \$260,001 - \$270,000	1	-
- \$290,001 - \$300,000	-	1
- \$310,001 - \$320,000	1	-
	<u>4</u>	<u>7</u>

The aggregate amount of total remuneration of Officers shown above.

<u>966,404</u>	<u>1,464,144</u>
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The aggregate amount of separation and redundancy payments during the year to officers shown above.

<u>-</u>	<u>333,948</u>
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The officer remuneration includes all officers concerned with or taking part in the management of the entity during 2001-02 including the Chief Executive Officer.

	2002 \$'000	2001 \$'000
<b>Note 17: Remuneration of Auditors</b>		
Remuneration to the Auditor-General for auditing the financial statements for the reporting period.	<b>22,000</b>	<b>22,000</b>

No other services were provided by the Auditor-General during the reporting period.

	2002	2001
<b>Note 18: Average Staffing Levels</b>		
The average staffing levels for the Authority during the year were:	<b>236</b>	<b>292</b>

## Note 19: Financial Instruments

### Note 19A - Terms, conditions and accounting policies

Financial Instrument	Notes	Accounting Policies and Methods (including recognition criteria and measurement basis)	Nature of underlying instrument (including significant terms & conditions affecting the amount, timing and certainty of cash flows)
<b>Financial assets</b>		Financial assets are recognised when control over future economic benefits and the amount of the benefit can be reliably measured.	
Deposits at call	6A	Deposits are recognised at their nominal amounts. Interest is credited to revenue as it accrues.	Temporary surplus funds, mainly from drawdowns of appropriation, are placed on deposit at call with the Authority's banker. Interest is earned on the daily balance at the prevailing daily rate on call and is paid at month end.
Receivables for goods & services	6B	These receivables are recognised at the nominal amounts due less any provision for bad and doubtful debts. Provisions are made when collection of the debt is judged to be less rather than more likely.	Credit terms are 30 days (2001: 30 days)
Other debtors	6B	As for receivables for good and services.	As for receivables for good and services.
Accrued revenue	6C	As for receivables for good and services.	As for receivables for good and services.
Floating rate notes	6D	Floating rate notes are recognised at cost. Interest is accrued as it is earned.	Floating rate notes are held with various financial institutions and earn a weighted average effective interest rate of 5.84%. The interest is payable quarterly.
<b>Financial liabilities</b>		Financial liabilities are recognised when a present obligation to another party is entered into and the amount of the liability can be reliably measured.	
Trade creditors	9A	Creditors and accruals are recognised at their nominal amounts being the amounts at which the liabilities will be settled. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).	Settlement is usually made net 30 days.
Other creditors	9B	As for trade creditors.	As for trade creditors.
<b>Unrecognised financial liabilities</b>			
Contingent Liabilities		The contingency disclosed by the Authority is the maximum estimated amount payable in the likelihood that the loss would be incurred. At the time of completion of the financial statements, it was not possible to determine the likelihood of the potential loss, and recognition of the liability was therefore not required.	The extent and nature of the contingencies are disclosed in the Schedule of Contingencies.

# **Note 19: Financial Instruments (cont.)**

Note 19B - Interest Rate Risk

Financial Instrument	Notes	Floating Interest Rate		Fixed Interest Rate		Non- Interest Bearing		Total		Weighted Average Effective Interest Rate	
		2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000
<b>Financial Assets</b>											
Cash at bank	6A	2,940	2,759	-	-	-	-	2,940	2,759	4.83%	4.61%
Cash on hand	6A	-	-	-	-	6	9	6	9	n/a	n/a
Deposits at call	6A	1,000	1,500	-	-	-	-	1,000	1,500	5.33%	4.90%
Receivables for goods and services	6B	-	-	-	-	791	811	791	811	n/a	n/a
<i>Less: provision for doubtful debts</i>	6B	-	-	-	-	(17)	(17)	(17)	(17)	n/a	n/a
Appropriation receivable	6B	-	-	-	-	345	35	345	35	n/a	n/a
Accrued Revenue	6C	-	-	-	-	16	86	16	86	n/a	n/a
Investments	6D	7,056	11,500	-	-	-	-	7,056	11,500	5.37%	5.84%
<b>Total</b>		<b>10,996</b>	<b>15,759</b>	-	-	<b>1,141</b>	<b>924</b>	<b>12,137</b>	<b>16,683</b>		
<b>Total Assets</b>								<b>84,142</b>	<b>85,786</b>		
<b>Financial Liabilities</b>											
Trade and other creditors	9A	-	-	-	-	7,707	3,508	7,707	3,508	n/a	n/a
Other	9B	-	-	-	-	5	7	5	7	n/a	n/a
<b>Total</b>		-	-	-	-	<b>7,712</b>	<b>3,515</b>	<b>7,712</b>	<b>3,515</b>		
<b>Total Liabilities</b>								<b>15,255</b>	<b>10,866</b>		
Contingent Liabilities											
<b>Total Financial Liabilities (Unrecognised)</b>		-	-	-	-	<b>80</b>	-	-	-	n/a	n/a

## Note 19: Financial Instruments (cont.)

### Note 19C - Net Fair Values of Financial Assets and Liabilities

		2002		2001	
		Total Carrying Amount \$'000	Aggregate Net Fair Value \$'000	Total Carrying Amount \$'000	Aggregate Net Fair Value \$'000
<b>Financial Assets</b>					
Cash at Bank	6A	2,940	2,940	2,759	2,759
Cash on Hand	6A	6	6	9	9
Deposits at call	6A	1,000	1,000	1,500	1,500
Receivables	6B	1,119	1,119	829	829
Accrued Revenue	6C	16	16	86	86
Investments	6D	7,056	7,062	11,500	11,500
<b>Total Financial Assets</b>		<b>12,137</b>	<b>12,143</b>	<b>16,683</b>	<b>16,683</b>
<b>Financial Liabilities</b>					
Trade and other creditors	9A	7,707	7,707	3,508	3,508
Other	9B	5	5	7	7
<b>Total Financial Liabilities</b>		<b>7,712</b>	<b>7,712</b>	<b>3,515</b>	<b>3,515</b>
<b>Financial Liabilities (Unrecognised)</b>					
Contingent Liabilities		-	-	-	-
<b>Total Financial Liabilities (Unrecognised)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Financial Assets

The net fair value of cash, deposits on call and non-interest bearing monetary financial assets approximate their carrying amounts.

#### Financial liabilities

The net fair values for trade creditors, which are short-term in nature, are approximated by their carrying amounts.

None of the classes of financial liabilities are readily traded on organised markets in standardised form.

### Note 19D - Credit Risk Exposures

The Authority's maximum exposures to credit risk at reporting date in relation to each class of recognised financial assets is the carrying amount of those assets as indicated in the Statement of Financial Position.

The Authority has no significant exposures to any concentrations of credit risk.

All figures for credit risk referred to do not take into account the value of any collateral or other security.



	2002 \$'000	2001 \$'000
<b>Note 20: Administered Items</b>		
<u>Note 20A - Revenues Administered on Behalf of Government for the year ended 30 June 2002</u>		
<b>Revenues</b>		
<b>Other taxes, fees and fines</b>		
Non-taxation - appropriation	5,335	4,649
- interest	3	-
<b>Total Revenues Administered on Behalf of Government</b>	<b>5,338</b>	<b>4,649</b>
 <u>Note 20B- Expenses Administered on Behalf of Government for the year ended 30 June 2002</u>		
<b>Total Expenses Administered on Behalf of Government</b>	<b>5,338</b>	<b>4,649</b>
 <u>Note 20C - Assets Administered on Behalf of Government as at 30 June 2002</u>		
<b>Financial Assets</b>		
Cash at Bank	253	96
<b>Receivables</b>		
Appropriation Receivable	60	179
GST Receivable	51	22
Other Receivables	12	24
<b>Total Assets Administered on Behalf of Government</b>	<b>376</b>	<b>321</b>
 <u>Note 20D - Liabilities Administered on Behalf of Government as at 30 June 2002</u>		
<b>Creditors</b>		
Trade Creditors	126	121
Other Creditors	50	-
<b>Total Liabilities Administered on Behalf of Government</b>	<b>176</b>	<b>121</b>

	2002 \$'000	2001 \$'000
<u>Note 20E - Administered Cash Flows</u> <u>for the year ended 30 June 2002</u>		
<b>OPERATING ACTIVITIES</b>		
Cash received		
Appropriation	5,454	4,827
Interest	3	-
<b>Total cash received</b>	<b>5,457</b>	<b>4,827</b>
Cash used		
Cash to Official Public Account	5,300	4,965
<b>Total cash used</b>	<b>5,300</b>	<b>4,965</b>
<b>Net cash (used in) operating activities</b>	<b>157</b>	<b>(138)</b>
<b>INVESTING ACTIVITIES</b>	-	-
<b>FINANCING ACTIVITIES</b>	-	-
<b>Net increase (decrease) in cash held</b>	<b>157</b>	<b>(138)</b>
Cash at the beginning of the reporting period	96	234
<b>Cash at the end of the reporting period</b>	<b>253</b>	<b>96</b>

#### **Note 21: Appropriations**

The Authority received the following appropriations during the year out of the Consolidated Revenue Fund

Annual Appropriation Acts Nos 1 & 3 - basic appropriation	28,686	26,041
Annual Appropriation Acts Nos 2 & 4 - equity injection	1,700	-
Special Appropriation	44,341	43,206
	74,727	69,247
Search and Rescue Appropriation	5,300	4,649
	80,027	73,896

#### **Note 22: Reporting of Outcomes**

##### Note 22A - Outcomes of the Authority

The Authority is structured to meet two outcomes:

Outcome 1: Minimised risk of shipping incidents and pollution in Australian waters.

Outcome 2: Maximise the number of people saved from maritime and aviation accidents.

Only one Output Group is identified for each Outcome.

The Authority operates in Australia and, therefore, one geographical area for reporting purposes.  
The Authority contributes to the Department of Transport and Regional Services outcome:

***Linking Australia through transport and regional services***

## Note 22: Reporting of Outcomes (Continued)

### Note 22B - Total Cost/Contribution of Outcomes (Whole of Government)

	Outcome 1		Outcome 2		Total	
	Actual \$000	Budget \$000	Actual \$000	Budget \$000	Actual \$000	Budget \$000
Net Taxation, fees and fines revenue	-	-	-	-	-	-
Other administered revenues	-	-	(5,338)	(3,600)	(5,338)	(3,600)
Other administered expenses	-	-	5,338	3,600	5,338	3,600
Net cost of departmental outputs	41,141	39,677	26,178	25,950	67,319	65,627
Cost of outcome before extraordinary items	41,141	39,677	26,178	25,950	67,319	65,627
Extraordinary items	-	-	-	-	-	-
<b>Net cost to Budget outcome</b>	<b>41,141</b>	<b>39,677</b>	<b>26,178</b>	<b>25,950</b>	<b>67,319</b>	<b>65,627</b>

### Note 22C - Major departmental revenues and expenses by output group

	Outcome 1		Outcome 2		Total	
	2002 \$000	2001 \$000	2002 \$000	2001 \$000	2002 \$000	2001 \$000
<b>Operating revenues</b>						
Revenues from Government	47,683	48,146	25,654	21,101	73,337	69,247
Sale of goods and services	2,831	3,708	14	-	2,845	3,708
Interest	889	1,528	-	-	889	1,528
Net gains from sales of assets	-	573	2	21	2	594
Other non-taxation revenues	354	417	122	16	476	433
<b>Total operating revenues</b>	<b>51,757</b>	<b>54,372</b>	<b>25,792</b>	<b>21,138</b>	<b>77,549</b>	<b>75,510</b>
<b>Operating expenses</b>						
Employees	16,691	21,469	6,518	7,397	23,209	28,866
Suppliers	17,473	19,913	19,212	13,714	36,685	33,627
Depreciation and amortisation	9,930	7,223	637	394	10,567	7,617
Write-down of assets	934	85	(51)	18	883	103
Net losses from sales of assets	187	-	-	-	187	-
<b>Total operating expenses</b>	<b>45,215</b>	<b>48,690</b>	<b>26,316</b>	<b>21,523</b>	<b>71,531</b>	<b>70,213</b>

Note 22D - Major classes of departmental assets and liabilities by output group

	Output Group 1		Output Group 2		Non-Specific		Total	
	2002 \$000	2001 \$000	2002 \$000	2001 \$000	2002 \$000	2001 \$000	2002 \$000	2001 \$000
<b>Output specific departmental assets</b>								
Goods and services receivable	450	607	26	30	14	23	490	660
Less: provision for doubtful debts	(11)	(12)	-	-	(6)	(5)	(17)	(17)
Net GST receivable	424	(193)	516	179	121	990	1,061	976
Appropriation receivable	345	35	-	-	-	-	345	35
Accrued revenue	16	86	-	-	-	-	16	86
Land	234	449	-	-	574	1,172	808	1,621
Buildings	4,994	5,087	222	159	970	1,666	6,186	6,912
Plant and equipment	46,100	49,592	2,029	3,287	1,146	1,305	49,275	54,184
Internally developed software	904	712	1,033	17	97	244	2,034	973
Other intangibles	149	163	9,650	2,500	23	30	9,822	2,693
Inventory	717	717	1,553	689	-	-	2,270	1,406
<b>Total specific departmental assets</b>	<b>54,322</b>	<b>57,243</b>	<b>15,029</b>	<b>6,861</b>	<b>2,939</b>	<b>5,425</b>	<b>72,290</b>	<b>69,529</b>
<b>Other departmental assets</b>								
Cash at bank and on hand	1,987	(7,549)	(6,504)	(2,801)	8,463	14,618	3,946	4,268
Deposits at call	556	-	-	-	-	-	556	-
Other receivables	286	(102)	18	179	(3)	74	301	151
Investments	6,500	11,500	-	-	-	-	6,500	11,500
Other	281	147	107	71	161	120	549	338
<b>Total other departmental assets</b>	<b>9,610</b>	<b>3,996</b>	<b>(6,379)</b>	<b>(2,551)</b>	<b>8,621</b>	<b>14,812</b>	<b>11,852</b>	<b>16,257</b>
<b>Output specific departmental liabilities</b>								
Employees	4,098	4,263	1,993	1,694	1,452	1,394	7,543	7,351
Suppliers	2,890	1,765	3,984	1,259	838	491	7,712	3,515
<b>Total other departmental assets</b>	<b>6,988</b>	<b>6,028</b>	<b>5,977</b>	<b>2,953</b>	<b>2,290</b>	<b>1,885</b>	<b>15,255</b>	<b>10,866</b>
<b>Other departmental liabilities</b>								
Capital use charge	-	-	-	-	-	-	-	-
Employees	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
<b>Total other departmental liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note 22E - Major classes of administered revenues and expenses by outcome

	Outcome 1		Outcome 2		Total	
	2002 \$000	2001 \$000	2002 \$000	2001 \$000	2002 \$000	2001 \$000
<b>Operating revenues</b>						
Fees and fines	-	-	5,338	4,649	5,338	4,649
<b>Total Operating revenues</b>	-	-	5,338	4,649	5,338	4,649
<b>Operating expenses</b>						
Search and Rescue Incident Costs	-	-	5,338	4,649	5,338	4,649
<b>Total Operating expenses</b>	-	-	5,338	4,649	5,338	4,649

Note 22F - Major classes of administered assets and liabilities by outcome

	Outcome 1		Outcome 2		Total	
	2002 \$000	2001 \$000	2002 \$000	2001 \$000	2002 \$000	2001 \$000
<b>Outcome specific administered assets</b>						
Cash at bank	-	-	253	96	253	96
Receivables	-	-	123	225	123	225
<b>Total specific administered assets</b>	-	-	376	321	376	321
<b>Outcome specific administered liabilities</b>						
Trade creditors	-	-	126	121	126	121
Other creditors	-	-	50	-	50	-
<b>Total specific administered liabilities</b>	-	-	176	121	176	121



# APPENDICES

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# FREEDOM OF INFORMATION

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## Statement pursuant to section 8 of the *Freedom of Information Act 1982*

The *Freedom of Information Act 1982* requires Commonwealth Government agencies to publish a statement setting out their organisation's role, structure, functions and documents available for public inspection and access to such documents. Section 8 of the Act requires each agency to publish detailed information on the way it is organised, its powers, decisions made and arrangements for public involvement in its work. This statement, in conjunction with information in this annual report, is intended to meet the requirements of Section 8 of the Act and is correct as at 30 June 2002.

AMSA operates nationally under the direction of a Board of Directors and a Chief Executive Officer (as detailed at the front of this report). AMSA has a head office in Canberra, with principal offices in Brisbane, Sydney, Melbourne, Adelaide and Fremantle. AMSA's main offices are listed at the back of the appendices to this annual report.

**Access facilities** In many cases, an application under the *Freedom of Information Act 1982* may not be required as information or documents are readily available.

Formal requests under the Act must be made in writing to:

The Freedom of Information Officer  
Australian Maritime Safety Authority  
GPO Box 2181  
Canberra ACT 2601

Further information:  
Telephone: (02) 6279 5052  
Facsimile: (02) 6279 5017

**Decision process** The Chairman holds the general power to grant or refuse access to AMSA documents, which he has delegated to AMSA managers, together with the internal review power. The Chairman also has delegated the power to conduct internal reviews to AMSA's Chief Executive Officer.

**Functions** AMSA's functions are to regulate safety standards in the Australian maritime industry, combat pollution in the marine environment, provide a search and rescue coordination service for the maritime and aviation industries and perform other services for the maritime industry as requested.



**Powers** A wide range of powers, under the following Acts, is exercised by staff in performing AMSA's functions:

### ***Ship Operations***

- *Navigation Act 1912* and Marine Orders made under that Act relating to:
  - construction standards for ships;
  - survey of ships;
  - safety of ships;
  - crewing of ships;
  - qualifications of seafarers;
  - welfare and discharge of seafarers; and
  - cargoes and passengers.
- *Lighthouses Act 1911*, relating to marine navigational aids.
- *Occupational Health and Safety (Maritime Industry) Act 1993*, in relation to discharge of inspectorate functions as the Inspectorate under the Act.

### ***Registration***

- *Shipping Registration Act 1981*, relating to the registration of ships.

### ***Marine Pollution***

- *Protection of the Sea (Prevention of Pollution from Ships) Act 1983*;
- *Protection of the Sea (Powers of Intervention) Act 1981*;
- *Protection of the Sea (Shipping Levy) Act 1981*;
- *Protection of the Sea (Shipping Levy Collection) Act 1981*;
- *Protection of the Sea (Civil Liability) Act 1981*;
- *Protection of the Sea (Oil Pollution Compensation Fund) Act 1993*;
- *Protection of the Sea (Imposition of Contributions to Oil Pollution Compensation Fund - Customs) Act 1993*;
- *Protection of the Sea (Imposition of Contributions to Oil Pollution Compensation Fund - Excise) Act 1993*; and
- *Protection of the Sea (Imposition of Contributions to Oil Pollution Compensation Fund - General) Act 1993*, relating to marine pollution.

### ***Levies***

- *Marine Navigation Levy Act 1989*;
- *Marine Navigation Levy Collection Act 1989*;
- *Marine Navigation (Regulatory Functions) Levy Act 1991*;
- *Marine Navigation (Regulatory Functions) Levy Collection Act 1991*, relating to the funding of AMSA's regulatory activities.

**Categories of documents** Documents covering a broad range of topics related to AMSA's functions are recorded and maintained on a centralised database. Databases also are maintained for staff records, crew qualifications, shipping registration, port State control functions and financial records.

Maintenance of database records and microfilm records pertaining to the General Register of Seamen system closed effectively at 28 February 1998. These records are being transferred to the National Archives of Australia.

**Outside participation  
and public involvement**

AMSA officers participated in the following organisations/committees:

- Australian and New Zealand Environment Consultative Committee (ANZECC) Maritime Accidents and Pollution Implementation Group and working groups.
- Australian Maritime Safety Authority Advisory Committee.
- Australian Maritime Safety Authority Livestock Advisory Committee.
- Australian Shipbuilders' Association Technical Committee.
- Bass Strait Livestock Shipping Committee.
- Bulk Cargoes Advisory Group.
- Great Barrier Reef and Torres Strait Shipping Management Group.
- National Introduced Marine Pests Coordination Group (NIMPCG).
- National Marine Safety Committee (NMSC).
- National Oil and Gas Advisory Group (NOGAG).
- National Plan Management Committee (NPMC).
- National Plan Operations Group (NPOG).
- Navigational Services Advisory Committee.

## ENVIRONMENTAL PERFORMANCE 2001-2002

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### Report pursuant to section 516A of the *Environment Protection and Biodiversity Conservation Act 1999*

The *Australian Maritime Safety Authority Act 1990* specifies, inter alia, that AMSA's main objects are to:

- promote maritime safety;
- protect the marine environment from pollution from ships and other environmental damage caused by shipping;
- provide a national search and rescue service; and
- promote the efficient provision of services by the Authority.

AMSA's outputs reflect these primary responsibilities and include:

- Output 1.1: Safety and environmental protection standards for responsible operation of ships.
- Output 1.2: An infrastructure for monitoring compliance with safety and environmental protection standards.
- Output 1.3: Capability to respond to marine pollution incidents.
- Output 1.4: Systems that aid safe marine navigation.
- Output 2.1: A capability to detect, locate and rescue persons in maritime and aviation distress situations.

### Major Activities in 2001-2002

#### International

AMSA is responsible for the implementation and enforcement of a number of International Maritime Organization (IMO) conventions promoting ecologically sustainable development of the oceans.

The role of IMO in ecologically sustainable development relates to:

- Improving the safety and efficiency of maritime transport, thereby increasing global trade and improving economic well-being.
- Enhancing marine environment protection to facilitate integrated coastal management and greater access to protein through improved fisheries catches.
- Promoting sustainable livelihoods and poverty eradication by encouraging improved standards of employment for seafarers in the global shipping and fishing industries.

The Conventions specifically aimed at the prevention, reduction and

control of marine pollution from ships to which Australia is a signatory are:

- International Convention on Civil Liability for Oil Pollution Damage 1992.
- International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage 1992.
- International Convention for the Prevention of Pollution from Ships 1973/78 (MARPOL 73/78).
- International Convention Relating to Intervention on the High Seas in Cases of Oil Pollution Casualties 1969.
- International Convention on Oil Pollution Preparedness, Response and Cooperation 1990.

During 2001-2002, AMSA participated actively in the IMO's consideration of environmental issues. Major activities in this regard included:

- Adoption of the text of a new Convention dealing with the use of anti-fouling paint.
- Development of a new Convention dealing with the transfer of harmful aquatic organisms by ship's ballast water.
- Adoption of revised guidelines for the designation of Particularly Sensitive Sea Areas, developed by a Correspondence Group led by Australia.
- Development of an international strategy to address greenhouse gas emissions from ships.

## **National    *Ship Safety and Environment Standards***

The international maritime conventions are implemented in Australia by the following Commonwealth legislation, for which AMSA has administrative responsibilities:

- *Protection of the Sea (Civil Liability) Act 1981.*
- *Protection of the Sea (Oil Pollution Compensation Fund) Act 1993.*
- *Protection of the Sea (Prevention of Pollution from Ships) Act 1983.*
- *Navigation Act 1912.*
- *Protection of the Sea (Powers of Intervention) Act 1981.*

Some of these convention requirements are given effect by State and Northern Territory legislation. AMSA maintains an ongoing consultation with State and Territory marine administrations on an individual basis and through the Australian Maritime Group and the National Marine Safety Committee on the implementation and administration of ship safety and environment protection regulatory standards.

During 2001-2002, AMSA contributed to a significant revision of the *Protection of the Sea (Prevention of Pollution from Ships) Act 1983*, which gives effect to the International Convention for the Prevention of Pollution from Ships (MARPOL 73/78). In addition to implementing several changes to the Convention, the amendments take into account lessons learnt during prosecution action as well as the new Commonwealth Criminal Code.

### ***Marine Pollution Preparedness and Response***

AMSA manages Australia's National Plan to Combat Pollution of the Sea by Oil and Other Noxious and Hazardous Substances. The National Plan is a cooperative arrangement between the Commonwealth, State and Northern Territory Governments and the oil chemical, exploration and shipping industries on a range of preparedness and response capabilities and activities.

In May 2002, the Commonwealth and State/Territory Ministers comprising the Australian Transport Council ratified the new Inter-Governmental Agreement on the National Plan recording the administrative and funding arrangements underpinning the National Plan. The Agreement was the key outcome of the *2000 Review of the National Plan* and provides a basis for proceeding with the implementation of the remaining recommendations of the report.

### ***National Network of Aids to Navigation***

AMSA also has responsibility for providing the national network of marine navigational aids and safety communications to meet Australia's commitments under the International Convention for the Safety of Life at Sea, 1974 (SOLAS). These functions are specified in the Commonwealth *Lighthouses Act 1911*.

AMSA is responsible for:

- Managing technical, maintenance and engineering services supporting the provision of the Commonwealth aids to navigation network;
- Strategic planning to ensure that the aids to navigation network is meeting navigational safety and shipping industry requirements;
- Liaison with stakeholders such as the commercial shipping industry and Commonwealth and State bodies, mainly through the Navigation Services Advisory Committee; and
- Liaison and participation in regional and international standard-setting organisations, such as the IMO and the International Association of Marine Aids to Navigation and Lighthouse Authorities (IALA).

The AMSA network comprises 338 lights, 42 radar transponder beacons (racons), four radar, 13 auxiliary lights, nine unlit beacons, four tide gauges, 14 Differential Global Positioning System stations at over 369 locations and a Ship Reporting System. The network includes 58 lighthouses of historical significance. Many are located in highly remote areas of Australia requiring specialised environmental and heritage management strategies.

AMSA is accountable for the efficient and effective use of resources used for the navigational network, which are provided by the shipping industry through the Marine Navigation Levy. It is important therefore that AMSA clearly demonstrates the transparent and cost effective application of these funds.

AMSA's management system has third party accreditation to ISO 9001 standards, with a view to adopting a certified ISO 14001 environmental management system in future.

In modernising and maintaining the existing aids to navigation network, AMSA's environmental strategies include the application of:

- Low maintenance equipment and systems;
- Renewable energy power systems. Solar power supplies were first introduced in 1981 to operate remote aids to navigation. They now account for almost 80 per cent of the powered aids with the remainder using mains electricity;
- Increased maintenance intervals to minimise environmental impacts and environmentally sensitive maintenance policies to remove noxious vegetation and clean-up waste on sites;
- Innovative maintenance and construction techniques. As most sites are leased from State Governments, remote site designs tend to use lighter weight structures with pier or pile connections to the ground to minimise disturbance to the environment and simplify future removal tasks; and
- Revised maintenance and construction transport arrangements.

### ***Environmental Management System***

In May 2001, the Commonwealth Government decided to encourage Commonwealth agencies to implement an Environmental Management System (EMS) by December 2002 and to accredit at least one major site to the ISO 14001:1996 standard by December 2003. AMSA commenced the process of implementing an EMS by developing a draft environmental policy, undertaking an environmental risk assessment for each business unit and commissioning a gap analysis between its ISO9001:2000 systems and the ISO14001:1996 standards for environmental management.

## AMSA SERVICE CHARTER REPORT 2001-2002

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AMSA implemented its Service Charter in July 1998 following extensive consultation with major stakeholders, including government, industry and the community. It includes information about AMSA's service standards and the means by which stakeholders can provide feedback about the delivery of AMSA's services.

The Service Charter complements other avenues by which AMSA communicates regularly with its stakeholders, which include the AMSA Advisory Committee and a number of specialised consultative committees, comprising industry, government and community representatives. In addition the business units involved in coordinating search and rescue and marine environment protection functions participate in debriefing sessions after an incident to gain performance feedback.

### **Feedback - Compliments and Complaints**

Feedback on service performance (compliments, suggestions and complaints) is used in the following ways:

- referred to the action officer concerned;
- brought to the attention of other staff;
- used to improve the way that service is provided; and
- included in the corporate planning process.

During 2001-2002, three complaints were recorded (compared to 20 in 2000-2001) and 60 compliments (compared to 98 in 2000-2001).

The Service Charter provides that complaints will be investigated in accordance with AMSA's Customer Compliment/Complaint Handling Procedure and will be responded to within seven working days.

### **AMSA's Customer Compliment/ Complaint Handling Procedure**

AMSA's formal Customer Compliment/Complaint Handling procedure provides for a two-tier response to significant comments from stakeholders. The first tier is at the working level by the officer who initially receives the comment and the second tier involves reference of the comment to the General Manager of the relevant Business Unit or the Chief Executive Officer, as appropriate.

The procedure provides for recording of significant complaints and compliments. Feedback gained through the procedure, combined with other avenues of stakeholder communication, contributes to AMSA's continuous improvement process.

The three complaints that AMSA received in 2001-2002 were:

1. One complaint was about a mistaken report that a vessel was overdue under the AUSREP ship reporting system causing multiple contacts from salvage operators that disrupted the ship operators facsimile machine.
2. One criticism arose from the portrayal of AMSA's actions in a media report.
3. One comment concerned the abuse of visitors to a lighthouse operated by AMSA from a tenant occupying a nearby former lightkeeper's cottage that was owned by a State Government agency.

The five most common compliments that AMSA received in 2001-2002 were:

1. Thirty commendations for timely provision of relevant information and material to the industry and members of the public.
2. Ten compliments went to the quality and promptness of AMSA's services.
3. Six comments concerned the high quality of AMSA staff presentations.
4. Five compliments concerned assistance during search and rescue or medical evacuation incidents;
5. Four appreciative responses were about the quality of liaison undertaken with industry, national organisations and government agencies and for representing Australia's interests in the International Maritime Organization.

The complainants were provided with further information or were advised of the outcome from the investigation of their complaints and have not chosen to take the matter further. AMSA considers that all complainants found their complaints were handled in a satisfactory way.

AMSA considers that most of its stakeholders are aware of its Service Charter. It has been widely circulated to industry and government interests, both during its development phase and again after its finalisation. The level of response and comments received during the development phase indicated a high level of awareness. All AMSA staff are aware of AMSA's commitment to quality service and the majority are aware of the specific service standards provided in the Service Charter.

Access to the Charter is maintained through AMSA's website and staff also can access AMSA's Customer Compliment and Complaints Handling Procedure and standard Customer Comment form through AMSA's internal website.

AMSA's Service Charter invites stakeholders to provide comments to the officer with whom they are dealing or the manager at the nearest AMSA office. Alternatively, they can contact 1800 133 558 or e-mail [service.charter@amsa.gov.au](mailto:service.charter@amsa.gov.au), if they are not satisfied or think other contact is not appropriate.



**Measuring  
Performance**

The key performance standards in the Service Charter provide the following service levels in responding to stakeholders:

- a response to written and electronic communication within 20 working days;
- a response to telephone inquiries within two working days; and
- use of plain language that is clear and easy to understand.

Analysis of primary data and feedback from AMSA's consultative processes indicates that AMSA has substantially fulfilled these standards of service.

# AMSA REGULATORY PLAN 2001-2002

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## REGULATORY CHANGES MADE IN 2001-2002

Title: **Marine Orders Part 10 Medical First Aid on Ships Issue 4 (Order No 13 of 2001)**

Description of issue: Marine Orders Part 10 is made pursuant to the *Navigation Act 1912* and makes provision for medical supplies that must be provided on ships and provides instructions for their dispensing and use. The ship operator must ensure that appropriate medical supplies are available on board in accordance with the particular operations of the vessel and its risk management strategies.

Marine Orders Part 10 has been revised in accordance with the performance-based, compared to a prescriptive, regulatory approach proposed in the second stage of the regulatory review of the *Navigation Act 1912*. The Marine Order has been prepared in a new style and format using plain English. A separate document, *Guidance Notes on medical facilities aboard ships* provides guidance on the appropriate scales of medical supplies to be carried on ships.

Date of Effect: Marine Orders Part 10 Issue 4 came into effect on 1 February 2002.

Title: **Marine Orders Part 12 Construction - Subdivision and Stability, Machinery and Electrical Installations Issue 2 (Order 15 of 2001)**

Description of issue: Marine Orders Part 12 is made pursuant to the *Navigation Act 1912* and specifies the requirements for the construction, hull, equipment and machinery of ships. Issue 2 includes requirements for offshore supply vessels and hence repeals Marine Orders Part 46, Offshore Supply Vessels. It gives effect to Chapter II-1 of the International Maritime Organization (IMO) International Convention for the Safety of Life at Sea (SOLAS) as set out in SOLAS Consolidated Edition 2001 and includes amendments adopted by IMO Resolution MSC.99(73) effective July 2002. It also gives effect to the IMO guidelines for the design and construction of offshore supply vessels.

Date of Effect: Marine Orders Part 12, Issue 2, came into effect on 1 February 2002.

Title: **Marine Orders Part 25 Equipment - Life Saving Issue 4 Amendment (Order 1 of 2002)**

Description of issue: Marine Orders Part 25 is made pursuant to the *Navigation Act 1912* and gives effect to relevant parts of the International Maritime Organization (IMO) International Convention for the Safety of Life at Sea (SOLAS) 1974, as amended, which gives effect to the International Life-Saving Appliances Code (LSA Code) and prescribes the appliances to be carried on ships for the saving of life at sea. This amendment reflects the IMO's revision of SOLAS Chapter III (Regulation III/28) that came into effect on 1 January 2002. The amended regulation now requires that only ro-ro passenger ships of 130 metres in length and above, and built on, or after, 1 July 1999 must be fitted with a helicopter landing area. Some provisions have been amended/updated following delegation to Classification Societies of the function for issuing or revoking a Certificate of Approval (previously delegated to AMSA only). This issue also clarifies requirements for radio life-saving appliances for cargo ships less than 500 tons and to which SOLAS Chapter III/Regulation 6 does not apply.

Date of Effect: Amendment to Marine Orders Part 25 Equipment - Life Saving came into effect on 1 March 2002.

Title: **Marine Orders Part 31 Ship Surveys and Certification Issue 5 Amendment (Order No. 3 of 2002)**

Description of issue: Marine Orders Part 31 is made pursuant to the *Navigation Act 1912* and prescribes matters relating to the survey, inspection and certification of ships for the purposes of Part IV of the Act and gives effect to Chapter I of the International Maritime Organization (IMO) International Convention for the Safety of Life at Sea (SOLAS) 1974, as amended. Issue 5 Amendment, amends Issue 5 and gives effect to SOLAS amendments reflected in the changes to the various statutory certificates and associated record of equipment forms in the Appendix of this Marine Order.

Date of Effect: Amendments to Marine Orders Part 31 Ship Surveys and Certification Issue 5 came into effect on 1 April 2002.

Title: **Marine Orders Part 33 Cargo and Cargo Handling - Grain Issue 3 (Order 2 of 2002)**

Description of issue: Marine Orders Part 33 is made pursuant to the *Navigation Act 1912* and specifies matters relating to the stowage and carriage of grain in bulk on Australian ships and foreign ships in Australian territorial waters. It also gives effect to Part C of Chapter VI of the International Maritime Organization (IMO) International Convention for the Safety of Life at Sea (SOLAS) 1974, as amended.

Marine Orders Part 33 was reviewed in 2001 to examine the effects of the previous amendment to Issue 2, which came into effect in March 1998. Marine Orders Part 33, Issue 3, repeals Issue 2. During the drafting process for Issue 3, the findings of a review of AMSA's involvement in the survey of ships' loading, stowage or carriage of grain, and subsequent changes to AMSA practices were considered.

Date of Effect: Marine Orders Part 33 Cargo and Cargo Handling - Grain Issue 3 came into effect on 1 April 2002.

Title: **Marine Orders Part 41 Dangerous Goods Issue 5 (Order 14 of 2001)**

Description of issue: Marine Orders Part 41 is made pursuant to the *Navigation Act 1912* and prescribes matters necessary to give effect to the International Maritime Dangerous Goods Code (IMDG Code) and Chapter VII of the International Maritime Organization (IMO) International Convention for the Safety of Life at Sea (SOLAS) 1974, as amended, which relates to the carriage of dangerous cargoes in packaged form.

Issue 5 repeals Marine Orders Part 41, Issue 4 and gives effect to Chapter VII of SOLAS and IMDG Code 2000 Edition including published errata. From 1 January 2002, IMDG Code 2000 became mandatory and superseding IMDG Code 1994. IMDG Code 2000 gives effect to a major revision of the packing, labeling, documenting and stowage of dangerous goods. It also simplifies the reporting requirements for those intending to ship dangerous goods.

Date of Effect: Marine Orders Part 41 Dangerous Goods Issue 5 came into effect on 1 January 2002.

Title: **Marine Orders Part 43: Cargo and Cargo Handling - Livestock Issue 5 (Order 12 of 2001)**

Description of issue: Marine Orders Part 43 is made pursuant to the *Navigation Act 1912* and promotes the safety of seafarers on ships carrying livestock and ship operations for the welfare of livestock carried. AMSA's Livestock Advisory Committee, comprising relevant government agencies, ship operators, shippers, the livestock industry and the RSPCA provides advice on issues associated with the regulation of live animal transport by sea.

Marine Orders Part 43 Issue 5 gives effect to agreed amendments from the Livestock Advisory Committee. It repeals Issue 4; introduces performance-based regulations in relation to livestock services; provides risk analysis as an acceptable alternative to prescribed requirements for systems and equipment for livestock services; provides for existing ships (built before 1 January 2002) to be brought up to substantial compliance with the requirements for livestock services by 31 December 2006; and amends and clarifies the provision related to sources of electrical power.

Date of Effect: Marine Orders Part 43: Cargo and Cargo Handling - Livestock came into effect on 1 January 2002.

Title: **Marine Orders Part 54 Coastal Pilotage Issue 3 (Order 6 of 2001)**

Description of issue: Marine Orders Part 54 is made pursuant to the *Navigation Act 1912* and provides for the licensing of coastal pilots and makes provision for matters dealing with the functions, conduct and liability of pilots.

Issue 3 repealed Issue 2 and facilitates the effective, efficient and safe management of pilotage services with the introduction of the Great Barrier Reef Pilotage Safety Management Code.

Date of Effect: Marine Orders Part 54 Coastal Pilotage Issue 3 came into effect on 1 July 2001.

Title: **Marine Orders Part 60 Floating Off-shore Facilities Issue 2 (Order 11 of 2001)**

Description of issue: Marine Orders Part 60 is made pursuant to the *Navigation Act 1912* and specifies requirements, additional to those specified in other Parts of Marine Orders, with which FPSOs and FSUs must comply and generally makes provision for the safe navigational and operational of FPSOs and FSUs.

Issue 2 repeals Issue 1 and introduces changes requested by industry that allow AMSA to permit in water surveys in lieu of dry-docking and it also introduces a new provision in relation to minimum safe manning.

Date of Effect: Marine Orders Part 60 Floating Off-shore Facilities Issue 2 came into effect on 1 January 2002.

Title: **Marine Orders Part 91 Marine Pollution Prevention Oil Issue 3 Amendment (Order 7 of 2001)**

Description of issue: Marine Orders Part 91 is made pursuant to the *Protection of the Sea (Prevention of Pollution from Ships) Act 1983* and the *Navigation Act 1912* and gives effect to Annex I of the International Maritime Organization (IMO) International Convention for the Prevention of Pollution from Ships 1973, as amended by the Protocol of 1978 (MARPOL 73/78).

This issue amends Issue 3 and removes provisions that gave effect to MARPOL 73/78 Convention relating to reporting of oil pollution incidents. These particular regulations have now been given effect in the Pollution Prevention Act by the *International Maritime Convention Legislation Amendment Act 2001*.

Date of Effect: Amendment to Marine Orders Part 91 Marine Pollution Prevention Oil Issue 3 came into effect on 22 October 2001.

Title: **Marine Orders Part 93 Marine Pollution Prevention - Noxious Liquid Substances Issue 3 Amendment (Order 8 of 2001)**

Description of issue: Marine Orders Part 93 is made pursuant to the *Protection of the Sea (Prevention of Pollution from Ships) Act 1983* (Pollution Prevention Act) and the *Navigation Act 1912* to give effect to Annex II of the International Maritime Organization (IMO) International Convention for the Prevention of Pollution from Ships 1973, as amended by the Protocol of 1978 (MARPOL 73/78).

This Issue amends Issue 3 and removes provisions that gave effect to MARPOL 73/78 relating to reporting of pollution incidents involving noxious liquid substances. These particular regulations have now been given effect in the Pollution Prevention Act by the *International Maritime Conventions Legislation Amendment Act 2001*.

Date of Effect: Amendments to Marine Orders Part 93 Marine Pollution Prevention - Noxious Liquid Substances Issue 3 came into effect on 22 October 2001.

Title: **Marine Orders Part 94 Marine Pollution Prevention - Packaged Harmful Substances Issue 3 (Order 9 of 2001)**

Description of issue: Marine Orders Part 94 is made pursuant to the *Protection of the Sea (Prevention of Pollution from Ships) Act 1983* (Pollution Prevention Act) and the *Navigation Act 1912* to give effect to Annex III of the International Maritime Organization (IMO) International Convention for the Prevention of Pollution from Ships 1973, as amended by the Protocol of 1978 (MARPOL 73/78).

Issue 3 repeals Issue 2 and excludes provisions that gave effect to MARPOL 73/78 Convention relating to reporting of pollution incidents involving packaged harmful goods. These particular regulations have now been given effect in the Pollution Prevention Act by the *International Maritime Conventions Legislation Amendment Act 2001*.

Date of Effect: Marine Orders Part 94 Marine Pollution Prevention - Packaged Harmful Substances Issue 3 came into effect on 22 October 2001.

Title: **Marine Orders Part 95 Marine Pollution Prevention - Garbage Issue 2 (Order 10 of 2001)**

Description of issue: Marine Orders Part 95 is made pursuant to the *Protection of the Sea (Prevention of Pollution from Ships) Act 1983* (Pollution Prevention Act) to give effect to Annex V of the International Maritime Organization (IMO) International Convention for the Prevention of Pollution from Ships 1973, as amended by the Protocol of 1978 (MARPOL 73/78). It pertains to a ship to which MARPOL 73/78 applies, and prescribes conditions and procedures for disposal of garbage from a ship.

Issue 2 repeals Issue 1 and excludes provisions that gave effect to MARPOL 73/78 Convention relating to reporting of pollution incidents and the management of garbage regulations. These particular regulations have now been given effect in the *Protection of the Sea (Prevention of Pollution from Ships) Act 1983* by the *International Maritime Conventions Legislation Amendment Act 2001*.

Date of Effect: Marine Orders Part 95 Marine Pollution Prevention - Garbage Issue 2 came into effect on 22 October 2001.

## PLANNED REGULATORY ACTIVITY 2002-2003

The following items concern regulations that come into effect during 2002-2003 or planned activities that may lead to regulatory changes in 2002-2003:

**Title: Marine Orders Part 11 Substandard Ships**

**Description of issue:** Marine Orders Part 11 is made pursuant to the *Navigation Act 1912* and provides for the inspection of substandard ships. It includes a list of prescribed matters in relation to accommodation and living arrangements based on the health and safety standards in the International Labor Organization (ILO) Convention No. 147.

Marine Orders Part 11 is being reviewed to update its requirements and remove unnecessary procedural matters.

**Date of Effect:** The amendment is planned to be introduced in October 2002.

**Title: Marine Orders Part 15 Construction - Fire Protection, Fire Detection and Fire Extinction**

**Description of issue:** Marine Orders Part 15 is made pursuant to the *Navigation Act 1912* and gives effect to Chapter II-2 of the International Maritime Organization (IMO) International Convention on Safety of Life at Sea (SOLAS) 1974, as amended, in relation to the prevention, detection and extinction of fire on ships.

Marine Orders Part 15 Issue 4 will repeal Issue 3 and give effect to IMO adopted revised SOLAS Chapter II-2 and a new International Code on Fire Safety Systems (FSS Code) that becomes effective on 1 July 2002.

**Date of Effect:** The amendment is planned to be introduced by 1 July 2002.

**Title: Marine Orders Part 17 Liquefied Gas Carriers and Chemical Tankers**

**Description of issue:** Marine Orders Part 17 is made pursuant to the *Navigation Act 1912* and gives effect to Parts B and C of Chapter VII of the International Maritime Organization (IMO) International Convention on Safety of Life at Sea (SOLAS) 1974, as amended, in relation to the construction and equipment of ships carrying dangerous liquid chemicals and liquefied gases in bulk. The IMO has established five Codes relating to the construction and equipment of liquefied gas carriers and chemical tankers, with a view to increasing their safety and reducing the likelihood of injury to crew members or other persons, or pollution of the oceans, in the event of damage or accident. The Codes are updated from time to time.

Marine Orders Part 17 Issue 5 will repeal Issue 4 and give effect to the relevant IMO Codes amendments effective 1 July 2002.

**Date of Effect:** The amendment is planned to be introduced by 1 July 2002.

**Title: Marine Orders Part 19 Tonnage Measurement**

**Description of issue:** Marine Orders Part 19 Issue 1 is made pursuant to the *Navigation Act 1912* and makes provision for and in relation to giving effect to the *International Convention on Tonnage Measurement of Ships, 1969*.

This Part is currently being reviewed as per AMSA's 5 yearly review cycle for Marine Orders. The function of tonnage measurement has been delegated to survey authority and this will be reflected in the amendments.

**Date of Effect:** The amendment is planned to be introduced by December 2002.

**Title: Marine Orders Part 21 Safety of Navigation and Emergency Procedures**

**Description of issue:** Marine Orders Part 21 is made pursuant to the *Navigation Act 1912* and promotes safe navigation and operation of ships and gives effect to a number of regulations of Chapter V Safety of Navigation in the International Maritime Organization (IMO) International Convention on Safety of Life at Sea (SOLAS). It prescribes requirements for carrying out musters, boat drills, fire drills, and other prescribed drills and for recording them in the official log books. It also deals with matter in relation to equipping of ships with compasses and the examination and adjustment of compasses on ships.

Marine Orders Part 21 Issue 4 repeals Marine Orders Part 21 Issue 3; Marine Orders Part 23 Issue 2; and Marine Orders, Part 29 Issue 2. It will give effect to the IMO approved revised Chapter V of SOLAS including introduction of new requirements for the Automatic Identification Systems and Voyage Data Recorders, that come into force on 1 July 2002.

**Date of Effect:** The amendment is planned to be introduced by 1 July 2002.

**Title: Marine Orders Part 27 Radio Equipment**

**Description of issue:** Marine Orders Part 27 is made pursuant to the *Navigation Act 1912* and gives effect to Chapter IV of the International Maritime Organization (IMO) International Convention on Safety of Life at Sea (SOLAS) 1974, as amended. It prescribes matters relating to Global Maritime Distress and Safety Systems (GMDSS) radio installations on ships and to performance standards developed by the IMO.

Marine Orders Part 27 Issue 2 will combine existing Marine Orders Parts 26 and 27 and will reflect new radio service arrangements to come into effect from mid 2002.

**Date of Effect:** The amendment is planned to be introduced by 1 July 2002.

**Title: Marine Orders Part 30 Prevention of collisions**

**Description of issue:** Marine Orders Part 30 is made pursuant to the *Navigation Act 1912* and specifies measures to be observed for the prevention of collisions and specifies lights and signals to be provided and used on a ship.

This Part has been recently reviewed as per AMSA's 5 yearly review cycle for Marine Orders. It is noted that amendments to the collision regulations adopted by IMO Resolution A.910(22) will enter into force on 29 November 2003. Therefore, it has been decided to defer amendment to this Part until mid 2003.

**Date of Effect:** The amendment is planned to be introduced by 1 July 2003.

**Title: Marine Orders Part 41 Carriage of Dangerous Goods**

**Description of issue:** Marine Orders Part 41 is made pursuant to the *Navigation Act 1912* and makes provision for different aspects of the carriage of dangerous goods and gives effect to the IMDG Code and Chapter VII of the International Convention for the Safety of Life at Sea (SOLAS), 1974, as amended.

IMO Resolution MSC.122(75) adopted IMDG Code 2002 Edition, which includes amendments 31-02, and this Code will become mandatory internationally from 1 January 2004. The Maritime Safety Committee agreed that Contracting Governments to the Convention might apply the IMDG Code in whole or in part on a voluntary basis as from 1 January 2003. Current issue of MO 41 gives effect to the IMDG Code 2000 edition including published errata. Therefore, it is considered appropriate to give effect to IMDG Code 2002 Edition on or before 1 April 2003.

**Date of Effect:** The amendment is planned to be introduced by 1 January 2003.

**Title: Marine Orders Part 44 Safe Containers**

**Description of issue:** Marine Orders Part 44 prescribes for the purposes of the *Navigation Act 1912* matters in relation to cargo containers used in international or interstate sea transport and gives effect to the International Maritime Organization (IMO) International Convention for Safe Containers 1972 for the purposes of section 240 of the Navigation Act.

Marine Orders Part 44 is to be reviewed as part of the routine review by the Australian Maritime Safety Authority of the content of specific Marine Orders every five years after the last new Issue.

**Date of Effect:** Amendments arising from the review are planned to be introduced by 1 July 2002.

**Title: Marine Orders Part 49 High Speed Craft**

**Description of issue:** Marine Orders Part 49 is made pursuant to the *Navigation Act 1912* and gives effect to Chapter X Safety measures for high-speed craft of the International Maritime Organization (IMO) International Convention for the Safety of Life at Sea (SOLAS). It specifies requirements with which the construction, hull, equipment and machinery of high-speed craft must comply and makes provision for the survey, inspection and issue of certificates in respect of high-speed craft.

Marine Orders Part 49 Issue 4 repeals Issue 3 and gives effect to amendments to Chapter X that make the High-speed craft Code (HSC Code) 2000 mandatory for new ships built after the date of entry into force on 1 July 2002.

**Date of Effect:** The new issue is expected to be introduced by 1 July 2002.

**Title: Marine Orders Part 51 Fishing Vessels**

**Description of issue:** Marine Orders Part 51 prescribes for the purposes of the *Navigation Act 1912* requirements relating to stability, subdivision and crew qualifications for fishing vessels.

Marine Orders Part 51 is being reviewed with a view to including provisions permitting the survey of fishing vessels, on a voluntary basis, to the standards provided in the Torremolinos International Convention for the Safety of Fishing Vessels (SFV).

Consideration will also be given to modifications required to the appendices relating to certification of deck and engineer officers to permit Australian ratification of the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers on Fishing Vessels (STCW-F).

**Date of Effect:** The new issue is expected to be introduced by January 2003.

**Title: Marine Orders Part 54 Coastal Pilotage**

**Description of issue:** Marine Orders Part 54 provides for the purposes of the *Navigation Act 1912* for the licensing of coastal pilots and makes provision for matters dealing with the functions, conduct and liability of pilots.

Issue 3 is to be amended to include guidelines for a Check Pilot system reflecting recent amendments to the Great Barrier Reef Pilotage Safety Management Code. The Code includes that one of the responsibilities of pilotage service providers is to appoint a person approved by the Manager to be a check pilot. The Check Pilot Guidelines have been made an annex to the Code.

**Date of Effect:** The new issue is expected to be introduced by 1 August 2002.



**Title:** **Marine Orders Part 58 International Safety Management Code**

**Description of issue:** Marine Orders Part 58 is made pursuant to the *Navigation Act 1912* and gives effect to Chapter IX, Management for the Safe Operation of Ships, of the International Maritime Organization (IMO) International Convention for the Safety of Life at Sea (SOLAS) and to the International Management Code for the Safe Operation of Ships and for Pollution Prevention (ISM Code).

Marine Orders Part 58 Issue 2 repeals Issue 1 and gives effect to amendments to Chapter IX and to the ISM Code mainly relating to the period of validity of certificates, interim certificates and forms of certificates, that enter into force on 1 July 2002.

**Date of Effect:** The new issue is expected to be introduced by 1 July 2002.

**Title:** **Marine Orders Part 62 Commonwealth Ships**

**Description of issue:** Marine Orders Part 62 is to be made pursuant to the *Navigation Act 1912* and gives effect to updated requirements applicable to Commonwealth ships.

**Date of Effect:** The new issue is expected to be introduced by November 2002.

**Title:** **Marine Orders Part 92 Powers of Intervention - Noxious Substances**

**Description of issue:** Marine Orders Part 92 is made pursuant to the *Protection of the Sea (Powers of Intervention) Act 1981* (Intervention Act) to give effect to the International Convention Relating to Intervention on the High Seas in Cases of Oil Pollution Casualties 1969, as amended by the Protocol Relating to Intervention on the High Seas in Cases of Pollution by Substances other than Oil 1973 (the Intervention Convention). The Marine Orders prescribe additional hazardous and noxious substances in respect of which intervention action may be taken. The list of substances attached to the Convention is to be updated by IMO.

The new issue is planned to be introduced concurrent with the entry into force of amendments to the list of substances to be adopted by the 48th session of the IMO Marine Environment Protection Committee in October 2002.

**Date of Effect:** The new issue is expected to be introduced by October 2002.

**Title:** **Marine Orders Part 93 Marine Pollution Prevention - Noxious Liquid Substances**

**Description of issue:** Marine Orders Part 93 is made pursuant to the *Protection of the Sea (Prevention of Pollution from Ships) Act 1983* (Pollution Prevention Act) and the *Navigation Act 1912* to give effect to Annex II of the International Maritime Organization (IMO) International Convention for the Prevention of Pollution from Ships 1973, as amended by the Protocol of 1978 (MARPOL 73/78).

From 1 January 2003 regulation 16 of Annex II will require all ships of 150 gross tonnage and above carrying noxious liquid substances in bulk to carry a Shipboard Marine Pollution Emergency Plan for Noxious Liquid Substances.

**Date of Effect:** The amendment will be introduced to apply from 1 January 2003.

**Title:** **Marine Orders Part 95 Marine Pollution Prevention - Garbage Issue 2**

**Description of issue:** Marine Orders Part 95 is made pursuant to the *Protection of the Sea (Prevention of Pollution from Ships) Act 1983* (Pollution Prevention Act) to give effect to Annex V of the International Maritime Organization (IMO) International Convention for the Prevention of Pollution from Ships 1973, as amended by the Protocol of 1978 (MARPOL 73/78). It pertains to a ship to which MARPOL 73/78 applies and prescribes conditions and procedures for disposal of garbage from a ship.

Issue 2 is to be amended to prescribe the format and other details relating to Garbage Record Books and Shipboard Waste Management Plans.

**Date of Effect:** The new issue is expected to be introduced by the end of 2002.

## AMSA INFORMATION

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**Internet address - [www.amsa.gov.au](http://www.amsa.gov.au)**

Information on AMSA's operations is available through AMSA Public Relations, Canberra head office. Undernoted are publications produced by each AMSA Business Unit or Corporate Bureau.

**Corporate**      AMSA Annual Reports (from 1991)  
A Decade of AMSA (Federation Yearbook January 2001)  
Boating safety brochures and posters  
Go Boating Safely - guidelines for small boat users\*  
Navigational Services brochure  
Reef Guide - a shipmaster's handbook to the Great Barrier Reef and Torres Strait  
Safety Aboard magazine (Winter and Summer editions)  
Survival at Sea (\$14.95)\*  
Yachts, Cruisers and Fishing Boats - Who Owns What? (a guide to vessel registration)

**Australian Search & Rescue (AusSAR)**      AUSREP and REEFREP - Ship reporting instructions for the Australian area  
AUSREP - The Australian Ship Reporting System for Search and Rescue  
Comparison of 121.5MHz and 406MHz - Fact sheet  
Distress Beacons - Care and Maintenance - Fact Sheet  
Distress Beacons, Some Frequently Asked Questions - Fact Sheet  
Marine Radio Frequencies - sticker  
Monitor 121.5MHz - sticker  
Set Sail Safely - brochure  
Small Craft - particulars form  
Search and Rescue in Australia - brochure  
Survival - Get a Better Fix with 406 (beacons)  
Surviving the Crash - brochure  
Weather, Wind and Waves - brochure  
24 hour emergency numbers - sticker

**Maritime Safety and Environmental Strategy**      Conventions and Legislation in Australia  
Differential Global Positioning System - brochure  
Disposal of Dry Bulk Cargo Residues in Australian Waters - brochure  
"Don't trash the oceans, bring your garbage back" - sticker  
"Fix a slick" (updated oil spill simulation game - on AMSA web site).  
"How would it feel" - posters  
National Marine Oil Spill Contingency Plan

National Plan - brochure

National Plan to Combat Pollution of the Sea by Oil and other Noxious and Hazardous Substances - Annual Report

"Oil and Water Don't Mix" (*storybook on AMSA web site for primary schools*)

"Oil and Water Don't Mix" stickers

Protecting Our Seas - brochure

Reef Guide - a Shipmasters' handbook to the Great Barrier Reef and Torres Strait

Reefplan - Oil spill contingency plan for the Great Barrier Reef

Stow it, don't throw it - Garbage disposal brochure

Waste Reception Facilities in Australia and New Zealand Ports directory

## **Maritime Operations**

Australian Global Maritime and Distress Safety System (GMDSS) Handbook\*\*

Australian Offshore Support Vessel Code of Safe Working Practice (OSV Code)

Compulsory Pilotage in the Great Barrier Reef - brochure

Health, Stress and Fatigue in Offshore Maritime Workers (A Review)

Port State Control Report 2001

Port State Control in Australia - brochure

Ship-Helicopter Transfers - Australian Code of Safe Practice

Survey of the Health, Stress and Fatigue of Australian Seafarers (FASTOH)

Work Practices of Marine Pilots : A Review

## **AMSA Videos and CDs**

Dory Safety - Commercial fishing vessel dory operation

"Fix-a-Slick" oil spill simulation game

From the Ground Up - Search and Rescue in Australia

In the Blink of an Eye - training for search pilots and observers

Managing the Risk - The National Plan to Combat Pollution of Sea by Oil and Other Noxious and Hazardous Substances

REEFREP - Ship Reporting System

Staying Afloat - Buoyancy in Boats

SAR Supply Dropping - A Guide for Search and Rescue Units

Storm Alert - a guide to severe weather at sea

Australia's Oil Spill Response Atlas (OSRA)

\* Available from Commonwealth Government Info Shops only

\*\*Available from AMSA Regional Offices

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## GLOSSARY

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ADF	Australian Defence Force
AIS	Automatic Identification System
AMSA	Australian Maritime Safety Authority
AUSREP	Australian Ship Reporting System
AusSAR	Australian Search and Rescue
CSO	Community Service Obligation
DGPS	Differential Global Positioning System
EAP	Employee Assistance Program
FPSO	Floating Production Storage and Offloading Facility
FSU	Floating Storage Unit
GIS	Geographical Information Systems
GMDSS	Global Maritime Distress and Safety System
IALA	International Association of Marine Aids to Navigation and Lighthouse Authorities
ILO	International Labour Organization
IMO	International Maritime Organization
ISM	International Safety Management Code for the Safe Operation of Ships and Pollution Prevention
ITU	International Telecommunication Union
MARPOL	International Convention for Prevention of Pollution from Ships
MEPC	Marine Environment Protection Committee
MOU	Memorandum of Understanding
MSC	Maritime Safety Committee
NMSC	National Marine Safety Committee
NPAC	National Plan Advisory Committee
NSAC	Navigational Services Advisory Committee
OSRA	Oil Spill Response Atlas
PSC	Port State Control
RCC	Rescue Coordination Centre
SAR	Search and Rescue
SIDSS	Ship Inspection Decision Support System
SOLAS	International Convention for the Safety of Life at Sea
SRS	Ship Reporting System
SRU	Search and Rescue Unit
STCW	International Convention on Standards of Training, Certification and Watchkeeping for Seafarers

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