



Australian Government
Australian Maritime Safety Authority

ANNUAL REPORT 2012-13



AUSTRALIAN MARITIME SAFETY AUTHORITY

TWENTY-THIRD ANNUAL REPORT 2012-13

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Our vision

Safe shipping, clean seas and saving lives

Our mission

Ensuring safe vessel operations, combatting marine pollution, and rescuing people in distress

Our aspirations

- take the lead in maritime safety regulation, maritime environmental emergencies, and maritime and aviation search and rescue
- lead the implementation of measures promoting and giving effect to safety and environment policies, both nationally and internationally
- have strong and confident strategic partnerships with stakeholders
- be sought after as a preferred choice for career development and advancement
- support our operations and community through information systems that are linked, reliable and up to date



CHAIRMAN

The Hon Warren Truss MP
Minister for Infrastructure and Regional Development
Parliament House
CANBERRA ACT 2600

Dear Minister

On behalf of the Australian Maritime Safety Authority (AMSA), I present to you the Annual Report for the reporting year 1 July 2012 to 30 June 2013.

The report provides a detailed description of AMSA's operations during the year as well as financial statements and the Auditor-General's report on those financial statements. The report has been prepared in accordance with the *Commonwealth Authorities and Companies Act 1997*, the associated Orders made under the Act, and in accordance with the *Australian Maritime Safety Act 1990*.

The report is made in accordance with a resolution on 19 September 2013 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

LEO M. ZUSSINO
19 September 2013

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Guide to the report

Reporting requirements and responsible minister

This report has been prepared in accordance with the requirements set out in the *Commonwealth Authorities and Companies Act 1997* (CAC Act), the *Commonwealth Authorities (Annual Reporting) Orders 2011*, the *Australian Maritime Safety Authority Act 1990* (AMSA Act) and the 'Printing standards for documents presented to Parliament'. This report has also been prepared in accordance with the Finance Minister's Orders.

Throughout 2012-13, we reported to the Australian Parliament and to the government through the Minister for Infrastructure and Transport, the Hon. Anthony Albanese MP.

Under the AMSA Act and the CAC Act, the directors of AMSA (the members of the Board) are responsible for this annual report.

This report provides a review of activities undertaken in 2012-13, using the reporting arrangements set out in the Portfolio Budget Statements 2012-13 and the AMSA Corporate Plan 2012-2017.

Structure of this report

- The **Chairman's review** provides a snapshot of our performance over the past year, and a view to the future.
- The **Organisational profile** details our role and functions, directors and executive and a summary of our financial performance.
- **Our operating environment** talks about our priorities, organisational changes and our structure.
- **Our year in review** talks about our challenges, and showcases a number of activities we are particularly proud of, grouped under themes.
- **Our performance** explains how our strategies, objectives and deliverables relate to the government's departmental outcomes and outputs. This section also reports on our activities and performance, and challenges and lessons learned, against each of the following key achievement areas:
 - Ship safety
 - Maritime safety reform
 - Search and rescue
 - Environment protection.
- **International and regional engagement** provides a summary of our work with our international and regional counterparts to strengthen maritime safety and protection of the marine environment globally.

- **Seafarer skills and working conditions** talks about seafarer qualifications and the arrangements in place to ensure decent working and living conditions for seafarers on board ships.
- **Our stakeholders** identifies our interest groups and government partners, and explains our approach to consultation and communication with these groups.
- **Our governance arrangements** describe the responsibilities and accountabilities we have in place to ensure we deliver our statutory and other obligations.
- **Our people** provides an overview of how we lead our people and manage the issues that affect them.
- **Appendices** to this report include:
 - Appendix 1: Financial statements
 - Appendix 2: Representative sample of search and rescue incidents
 - Appendix 3: Environmental performance
 - Appendix 4: Marine Orders
 - Appendix 5: Our functions and powers
 - Appendix 6: AMSA Board members
 - Appendix 7: Current publications.
- **References** in this report include:
 - Acronyms and abbreviations
 - Compliance index
 - Index.

Chairman's review



The past year has been the most challenging in AMSA's 22-year history, but one that has set it up to play a crucial role in Australia's maritime future.

Preparations for the *Marine Safety (Domestic Commercial Vessel) National Law Act 2012* coming into effect have been at the forefront of our efforts. For domestic commercial vessels this reform is the most significant since federation. With one law under one regulator—AMSA—inconsistencies and duplications in the regulations applying to seafarers and commercial vessels across Australia are removed, improving industry efficiency, reducing costs for interstate operations, and promoting an efficient and flexible national labour market.

Developing legislation and service delivery standards, to which all jurisdictions can agree, has tested all involved. However, through determination and a flexible approach, the National System was successfully launched on 1 July 2013.

Implementing the new *Navigation Act 2012* for international vessels was also a major achievement, replacing an outdated 100 year old Act with a contemporary maritime safety system and regulatory framework for international shipping. The new Act also implements features of the new *Maritime Labour Convention, 2006*, which establishes comprehensive rights and protections at work for the world's seafarers. In conjunction with the National System, it will have a significant impact on shaping our organisation into the future.

The year saw the most comprehensive revision of our national pollution response capability since arrangements first started in 1973. Following on from last year's National Plan to Combat Pollution of the Sea by Oil and other Noxious and Hazardous Substances and the National Maritime Emergency Management Arrangements Review, our work this year culminated in the creation of a single National Plan for Maritime Environmental Emergencies (the National Plan), replacing the former plan and arrangements.

The new National Plan improves alignment with Commonwealth and state/ Northern Territory (NT) emergency management arrangements, sees our equipment stockpiles and emergency towage capability upgraded and expanded, and provides new governance and advisory arrangements.

Our operating environment is becoming busier and more complex, exemplified by Australia's north-east region. During the year we engaged experts to help forecast the growth in commodity shipments through ports in north Queensland out to 2025. The results showed that the overwhelming driver for shipping activity in this region will continue to be coal exports, with an anticipated increase of around 83 per cent (equivalent to more than 4500 annual coal ship movements) by 2025. Emerging liquid natural gas exports will also add to shipping activity in the region.

In response to these trends, we have led the development of the North-East Shipping Management Plan through the multi-agency North-East Shipping Management Group, which embodies Australia's efforts to enhance navigation safety and environment protection in the north-east region. This region includes the Great Barrier Reef, Torres Strait and the Coral Sea (within Australia's Exclusive Economic Zone).

While all this change is taking place, it is vital that we continue to deliver our core services well. In this regard we have had another busy year. This is demonstrated by the significant increase in search and rescue responses coordinated by AMSA's Rescue Coordination Centre throughout the year, driven largely by the growth of vessels in our north-west seeking maritime assistance from AMSA. These vessels place particular challenges on rescuers above and beyond other vessels, and I pay particular tribute to the professionalism and determination of AMSA staff involved in this throughout the year.

The report contains more detailed information on all of the achievements, challenges, initiatives and core functions that keep our management and staff engaged on a daily basis.

AMSA is a vibrant and progressive organisation, and the AMSA Board is proud of the organisation's achievements. The authority plays a vital role for Australia, and our people are central to our successes. We appreciate their professionalism and commitment.

I would like to acknowledge my fellow Board members and their contributions throughout the year.

I would also like to acknowledge the minister during the period, the Hon Anthony Albanese MP, who in two terms as Minister for Infrastructure and Transport led the significant maritime reform program. I thank Mike Mrdak, Secretary of the Department of Infrastructure and Transport and his officers. Finally, I would like to thank the staff of the various state and Northern Territory jurisdictions who have worked tirelessly to make the National System a reality.

Our Executive and the Board remain committed to maintaining AMSA's standing as an internationally-recognised and well-respected world leading agency for maritime safety, environment protection and search and rescue services. Our vision, refreshed this year, is very clear on what we are striving to achieve—safe shipping, clean seas and saving lives.

LEO M. ZUSSINO
19 September 2013

Organisational profile

AMSA is Australia's national agency responsible for maritime safety, protection of the marine environment, and maritime and aviation search and rescue. It is governed by the *Australian Maritime Safety Authority Act 1990* (the AMSA Act) and is a Commonwealth Authority under the *Commonwealth Authorities and Companies Act 1997* (the CAC Act).

Our principal functions are:

- promoting maritime safety and protection of the marine environment
- preventing and combating ship-sourced pollution in the marine environment
- providing infrastructure to support safety of navigation in Australian waters
- providing a national search and rescue service to the maritime and aviation sectors.

Board, Board Audit Committee and Remuneration Committee

AMSA Board

The AMSA Board discharges its duties under the *Australian Maritime Safety Authority Act 1990* (the AMSA Act) and the *Commonwealth Authorities and Companies Act 1997* (the CAC Act). The Board has four main roles:

- providing strategic oversight of AMSA, on behalf of the responsible minister, by determining the overall manner in which various functions should be performed. In doing so, the Board expresses its understanding of the expectations of the minister within the context of:
 - strategy setting and approval
 - risk management
 - operating framework
 - communication and relationship management across the organisation
- reviewing and evaluating the performance of the Chief Executive Officer and senior management
- taking responsibility for AMSA's resources with the financial oversight of AMSA's budget and financial outlook, financial statements and compliance reports, and balance sheets; and approving major expenditure
- executing good governance by ensuring compliance with the CAC Act, the AMSA Act, and operational legislation with corporate governance implications, while promoting careful, diligent, transparent and ethical conduct throughout the organisation.

Our Board is appointed by the Minister for Infrastructure and Transport. Members are usually appointed for a three-year term. Current Board members have experience in industry, financial and government institutions. All members work on a part-time basis, with the exception of the Chief Executive Officer.

Board members have participated in presentations and discussions to deepen their knowledge in directors' roles and board practices. Board members have:

- received presentations on AMSA's e-business strategy
- received presentations and participated in discussions with the Attorney-General's Department on the 'critical infrastructure and protective security policy'
- participated in discussions from the Secretary-General, International Association of Marine Aids to Navigation and Lighthouse Authorities
- participated in the Natship12 conference, a national shipping industry conference
- attended Spillcon 2013, an Asia-Pacific oil spill conference that brings together local and international environmental and shipping representatives
- undertaken a 'finance for directors', a course from the Australian Institute of Company Directors
- participated in the development of AMSA's Vision 2013-33.

The Board and the Board Audit Committee undertake a performance evaluation biannually and the Board will engage in the process of evaluation in 2013-14.

[Appendix 6](#) lists Board members, their qualifications and experience, and attendance at Board meetings.

Board Audit Committee

The Board Audit Committee assists the Board in fulfilling its audit, accounting and reporting obligations in accordance with requirements of the CAC Act. The committee is independent from management and comprises at least three persons, one of whom must be a member of the Board. The Chair of the committee and the members are appointed by the Board. Other Board members may attend committee meetings as observers.

Membership of the Board Audit Committee and attendance at meetings are listed in [appendix 6](#).

Remuneration Committee

The Remuneration Committee assists the Board in considering senior executive remuneration matters and issues arising from the Remuneration Tribunal. Membership of the Remuneration Committee and meeting attendance are listed in [appendix 6](#).

AMSA Executive

AMSA is led by a Chief Executive Officer, who works closely with other members of the Executive—the Deputy Chief Executive Officer and seven General Managers. We have 37 senior managers with responsibility for coordinating the activities of staff to ensure milestones are met, budgets and staffing resources are appropriately utilised, and the sections' outputs contribute to the organisation's goals and outcomes.

At 30 June 2013, the AMSA Executive comprised:



Graham Peachey, Chief Executive Officer

The Chief Executive Officer, Graham Peachey, is responsible to the AMSA Board for the running of the agency and, in conjunction with the Board, for the strategic leadership of AMSA.



Mick Kinley, Deputy Chief Executive Officer

The Deputy Chief Executive Officer, Mick Kinley, is directly responsible to the Chief Executive Officer to support the effective operation and coordination of the various divisions, and for progressing strategic objectives. Mr Kinley is delegated to act as Chief Executive Officer when Mr Peachey is unavailable.



Allan Schwartz, General Manager, Ship Safety Division

The General Manager of the Ship Safety Division, Allan Schwartz, is responsible for ensuring the seaworthiness and safe operation of Australian and foreign ships in Australian waters, the safe handling of cargoes, and the issuing of Australian marine qualifications. Mr Schwartz is also responsible for the functions of the Register of Ships.



Brad Groves, General Manager, Navigation Safety and International Division

As General Manager of the Navigation Safety and International Division, Brad Groves is tasked with providing strategic advice and executive oversight on maritime safety matters, aids to navigation, the management of vessel tracking, pilotage, and international coordination matters.



Toby Stone, **General Manager, Marine Environment Division**

Toby Stone is the General Manager of the Marine Environment Division. His role is to manage Australia's National Plan for Maritime Environmental Emergencies, regulations to minimise the risk of pollution from ships, and the National Emergency Towing Program.



John Young, **General Manager, Emergency Response Division**

As General Manager, Emergency Response Division, John Young is responsible for delivering aviation and maritime search and rescue services and for overall coordination of AMSA's emergency response where there are multiple aspects to an incident.



Yew Weng Ho, **General Manager, Corporate Services Division**

As General Manager of the Corporate Services Division, Yew Weng Ho is responsible for supporting the delivery of our agency-wide functions, including people and development, planning and portfolio management, finance, information services, contracts, quality systems, and other business services.



John Fladun, **General Manager, Domestic Vessel Division**

As General Manager of the Domestic Vessel Division, John Fladun provides leadership in the development and implementation of the Australian Government's national maritime commercial vessel safety reform. Mr Fladun is also General Manager responsible for executive management of legal advice to AMSA, drafting legislative instruments, and providing services relating to freedom of information.



Mal Larsen, **General Manager, Corporate Relations Division**

As General Manager of the Corporate Relations Division, Mal Larsen leads AMSA's engagement with the maritime industry and the broader Australian community. The Corporate Relations Division integrates our corporate communication, media, marketing, events and parliamentary support functions, and assists AMSA business units in their communications with stakeholders.

Financial summary

Financial overview

AMSA has surpassed budgeted expectations for 2012-13, primarily due to the continued effects of the mining boom which has in turn continued to lift shipping activity and delivered better than expected results.

While prior year results included costs from our responses to significant pollution incidents, there were no such incidents in this financial year. We also finalised the payment of claims from Maritime Safety Queensland for both the *Pacific Adventurer* and the *Sheng Neng 1* incidents. The finalisation of these two claims extinguished corresponding previously recognised liabilities on the balance sheet.

Our search and rescue (SAR) response activity costs continued to exceed government funding. The majority of this activity related to domestic searches, such as private sailing vessels and wide area searches, as well as an increase in costs for the increasing demands on search and rescue in our north-west region.

Our staffing costs grew significantly during the year. The major driver for this growth was the recruitment of staff needed in preparation for the implementation of the National System from 1 July 2013. We expect to see a stabilisation in numbers for the 2013-14 financial year.

Our capital expenditure program continues to be dominated by purchases for the National Plan and our aids to navigation network. This will be the last year of significant spending on the National Plan, with future years moving to a more maintenance level of spending. Also included in this year's capital expenditure program was government funding for the national marine database management system to support our implementation of the National System.

Financial outcome

We recorded an operating surplus of \$10.6 million in 2012-13, compared with a \$2.1 million surplus in 2011-12. The increase in surplus of \$8.5 million relates to the overall result of an increase in income of \$13.5 million offset by increased expenditure of \$5.0 million. Income growth was mainly due to increased shipping activity and funding for previous years' shortfalls in SAR funding. The main drivers of expenditure were staffing cost increases due to increased staff numbers and increased expenditure on SAR-related activities offset by decreased supplier costs (due to the lack of any significant pollution incidents during the year).

Table 1 shows a comparison of actual results for 2012-13 and 2011-12.

*Table 1
Comparison of actual
results for 2012-13 and
2011-12*

	Actual 2012-13 \$m	Actual 2011-12 \$m	Variance \$m
Income	185.0	171.5	13.5
Expenses	174.4	169.4	(5.0)
Surplus / (Deficit)	10.6	2.1	8.5

Income

Total income increased by \$13.5 million in 2012-13 primarily due to increased levy revenue from increased shipping activity. An extra \$5.1 million was received from government to cover the SAR funding shortfall in 2011-12. Own source revenue was slightly higher than prior years across all activities.

In 2012-13, 57 per cent of our income was derived from levies and 35 per cent from government funding. The remainder was derived from the rendering of services, interest, and other sources. Figure 1 shows the sources of income for 2012-13.

Income sources, in percentage terms, have remained broadly in line with that of last financial year. Figure 2 shows the change in income from 2011-12 to 2012-13.

Figure 1
Sources of income
for 2012-13

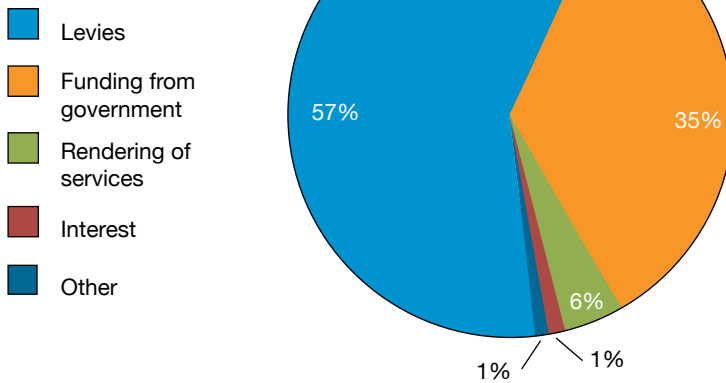
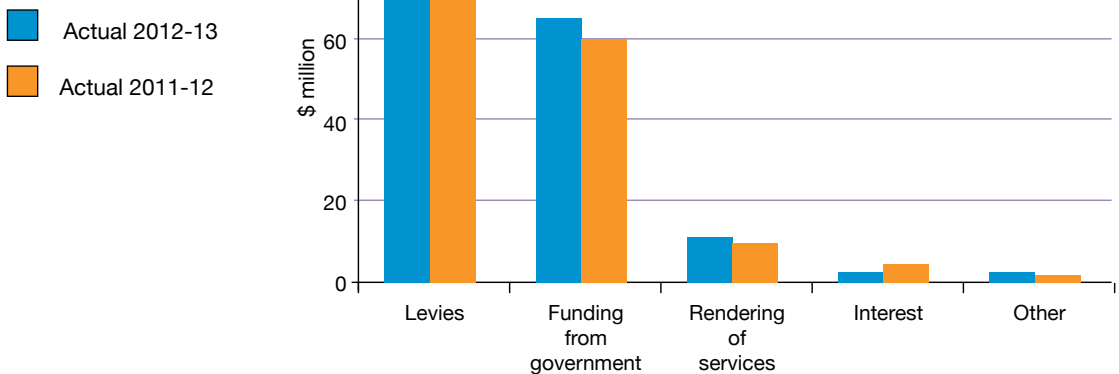


Figure 2
Change of income from
2011-12 to 2012-13



Expenses

Total expenses increased by \$5.0 million in 2012-13 compared to 2011-12. This was primarily due to additional staffing, salary and remuneration increases. There was a net decrease in supplier costs driven by a combination of: a lack of any significant pollution incidents; and reductions in previously recognised liabilities for pollution incidents, offset by increased expenditure on SAR-related activities.

In 2012-13, 63 per cent of our expenditure was on suppliers, 30 per cent on employee costs, 6 per cent on depreciation and amortisation expenses, and the remainder on write-down and impairment of assets. Figure 3 provides a breakdown of expenditure during 2012-13 whereas figure 4 shows the change in expenditure from 2011-12 to 2012-13.

Further details of our financial position can be found at [Appendix 1 - Financial statements](#) on pages 111 to 157.

Figure 3
Expenditure for 2012-13

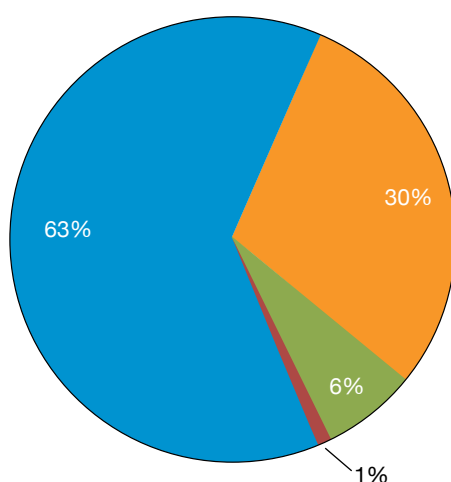
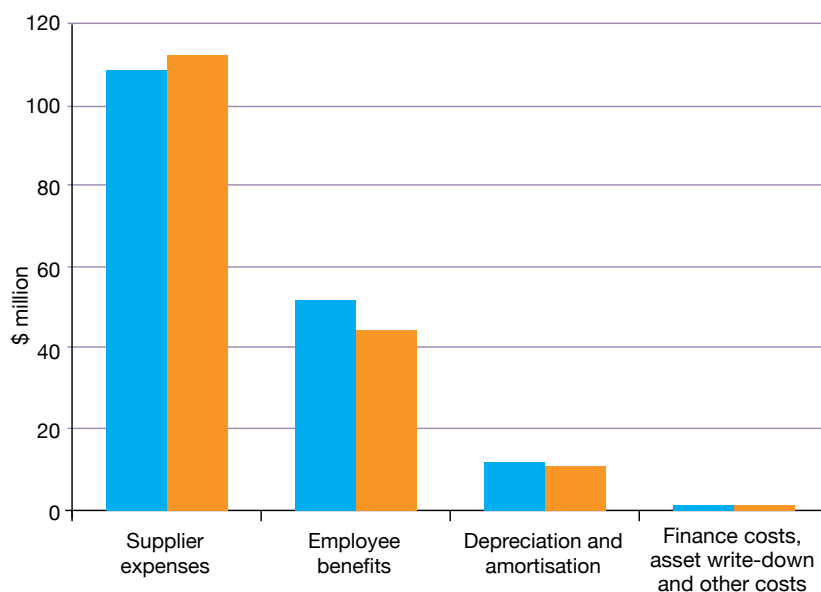
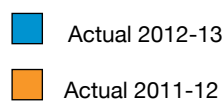


Figure 4
Change of income from 2011-12 to 2012-13



Our operating environment

Our operating environment is becoming busier and more complex. This impacts all aspects of our business, from vessel safety regulation and marine environment impacts, to search and rescue.

Our priorities

We continually assess our operating environment, challenges, goals and risks to identify our key priorities for coming years. Our priorities for 2012-13 included:

- implementing and embedding arrangements for our expanded role as the national regulator for domestic commercial vessels in Australian waters from 2013
- contributing to maritime safety by implementing reforms contained in the *Navigation Act 2012* (in effect from July 2013), as well as giving effect to the *Maritime Labour Convention, 2006* to come into force in August 2013
- responding to growth in the maritime sector, driven largely by resource and offshore energy development in the north-west and north-east of Australia, by developing measures to mitigate any increased risks to safety or the environment from marine pollution
- strengthening measures to protect the marine environment, particularly pristine ecological areas such as the Great Barrier Reef, Torres Strait, the Coral Sea and Ningaloo Reef
- responding to the increasing demand for search and rescue services as outdoor lifestyle activities continue to grow among the Australian community
- influencing technological developments relevant to ship navigational safety, emergency and pollution response techniques, and search and rescue activities.

At the same time, we sought to increase our level of engagement and involvement with the communities we serve.

Details of our work on these priorities are reported throughout this annual report.

Organisational changes

In preparation for our expanded role under the National System, Chief Executive Officer, Graham Peachey, announced several adjustments to our organisational structure on 2 October 2012.

The Regulatory Affairs and Reform Division became the Domestic Vessel Division. The division administers the National Law; maintains and develops national standards; coordinates training and safety education; provides a support function to industry; and liaises with industry and government.

Our operating environment

The Maritime Standards Division became the Navigation Safety and International Division, to more accurately reflect its focus on regulating navigation safety standards and operations, adopting international convention standards for Australia, and leading our international engagement—including technical cooperation with nations and international bodies such as the International Maritime Organization.

The Maritime Operations Division became the Ship Safety Division, to more accurately reflect its focus on regulating ship and seafarer safety.

A new Corporate Relations Division was established, consolidating our communication, media, marketing, industry consultation, ministerial and parliamentary support functions. In response to increasing community interest in our maritime safety, marine environment protection, and search and rescue activities, the division will focus on enhancing engagement with industry and the broader Australian community.

A map showing the location of our offices is shown below, our organisational structure is shown on the following page.

*Figure 5
Location of AMSA offices*



Organisational structure

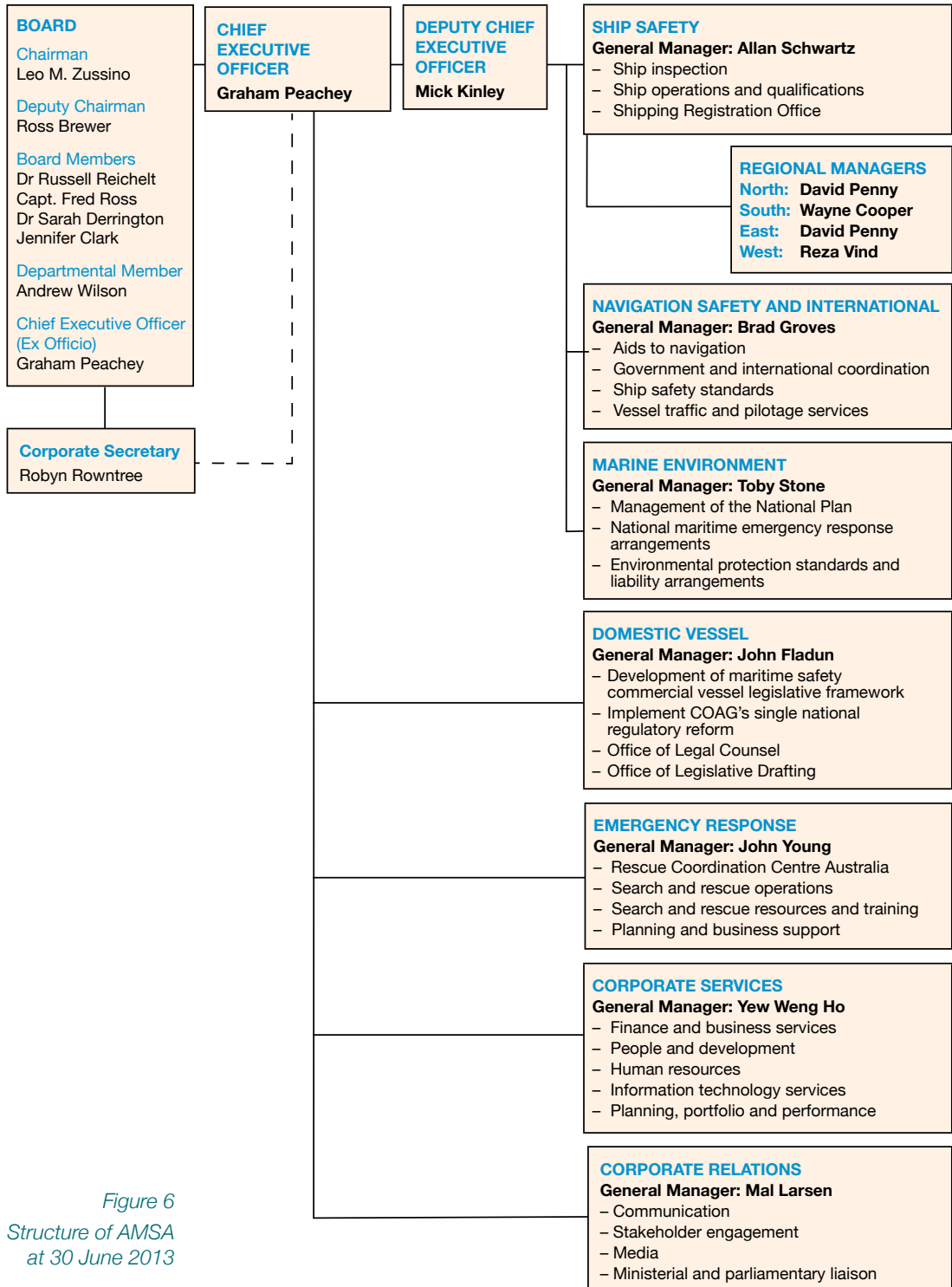


Figure 6
 Structure of AMSA
 at 30 June 2013

Our year in review

The past year has been one of the busiest and most challenging in our history. It is always difficult to single out specific activities or areas for particular attention, but this year we recognise several key achievements, including:

- implementing maritime reform
- expanding the maritime safety regulatory framework
- responding to increasing demands on search and rescue
- preparing for the future.

Maritime reform and regulation

Commercial vessel safety reform

After four years of consultation, negotiation and deliberation, preparations for the National System for Domestic Commercial Vessel Safety (National System) were finalised prior to its 1 July 2013 implementation date.

In 2012 the Australian Parliament passed the *Marine Safety (Domestic Commercial Vessel) National Law Act 2012* (National Law), making AMSA the National Marine Safety Regulator (National Regulator) for all domestic commercial vessels and seafarers operating in Australian waters.

Under the terms of the Intergovernmental Agreement underpinning the National System, we delegated powers under the National Law to the state and territory maritime agencies who, in effect, became the service delivery partners for the National System.

The reform removes inconsistencies applying to seafarers and commercial vessels across Australia in areas such as:

- the design and construction of domestic commercial vessels
- onboard safety equipment requirements
- commercial vessel operational safety management
- seafarer near-coastal qualifications.

A three-year transitional period is in place to assist industry in adapting to new arrangements.

We were closely involved in the development of the legislation as well as regulations, Marine Orders, standards and guidance material, and led consultation with industry. The reform work does not end with the implementation of the new system. The National System will mature as standards are further developed into the future.

Reform for international shipping

Introduction of the *Navigation Act 2012* and the *Maritime Labour Convention, 2006*

As of 1 July 2013, the *Navigation Act 2012* replaces its century-old predecessor with a contemporary legislative framework reflecting changes in the maritime sector and the nature of regulation. It operates alongside the *Marine Safety (Domestic Commercial Vessels) National Law Act 2012*.

Our preparation for this modernised regulatory framework and the introduction of the *Maritime Labour Convention, 2006* included:

- conducting extensive information sessions with the shipping industry
- developing new compliance and enforcement policies
- registering seafarer recruitment agencies
- introducing new seafarer qualifications.

We applied extensive effort to revising Marine Orders, especially Marine Orders 4 and 11, and updating the Instructions to Surveyors and Instructions to Examiners. Surveyor workshops ensured that our compliance-monitoring staff members were thoroughly trained to oversee the shipping industry's operations under these new requirements.

The *Navigation Act 2012* will provide the primary legislative means for regulating international ship and seafarer safety, shipping aspects of protecting the marine environment, and the actions of seafarers in Australian waters. It also gives effect to the relevant international conventions to which Australia is a signatory.

In summary, the new legislation:

- recasts the *Navigation Act 1912* in plain language
- subsumes parts of the repealed *Lighthouses Act 1911*
- reflects contemporary conditions and practices in the shipping industry
- removes unnecessary and outdated provisions
- enhances ship safety and protection of the marine environment
- introduces greater flexibility to allow regulation to remain contemporary with national and international standards
- provides confidence and certainty for the shipping industry.

Community consultation on reform

From October through December 2012, we hosted a series of 19 community information days around the country. These sessions were attended by approximately 1350 stakeholders, and provided detailed information on the reform and its progress.

Feedback obtained from surveys of participants and comment on our website indicated these information days were well received.

Significant consultation activity also occurred during the year on the subordinate legislation supporting the *Marine Safety (Domestic Commercial Vessel) National Law Act 2012*, and the *Navigation Act 2012*.

Responding to increasing demands on search and rescue

AMSA's Rescue Coordination Centre (RCC Australia) coordinated Australian ships, aircraft and merchant shipping in search and rescue responses to a growing number of vessels carrying very large numbers of people on dangerous voyages in our north-west.

Indonesia / Australia cooperation

AMSA continued to work closely with Indonesia, the Australian Customs and Border Protection Service and the Royal Australian Navy on responding to a number of maritime incidents in the Indonesian Search and Rescue Region.

Strong growth in the number of people undertaking voyages to Christmas Island from Indonesia and to the Cocos (Keeling) Islands from Sri Lanka presented significant challenges to us, particularly our Rescue Coordination Centre, and to our partners in the Australian Defence Force and the Australian Customs and Border Protection Service.

These voyages presented grave risks to the lives of people aboard the vessels, which did not conform to the *International Convention for the Safety of Life at Sea (SOLAS)* requirements for passenger ships. By and large the vessels were overloaded and unreliable, not equipped with maritime communications or survival equipment such as life rafts and distress beacons, and carried inadequate crew unskilled in ocean passages.

Information about the status of vessels reached AMSA by a wide range of disparate paths such as through refugee advocates, family members and calls to 000. The callers were inexperienced, and the information was usually ambiguous, incomplete, conflicting, and on many occasions deceptive.

All of these factors added to the complexity in coordinating effective and efficient search and rescue operations to assist the vessels, particularly when there were multiple concurrent incidents. Most of the resulting impact fell on the men and women in the Navy warships and Customs and Border Protection vessels deployed to Christmas Island. However, our Rescue Coordination Centre was also challenged by the additional activity and the impact of this work.

Technology changes

The rapid development and deployment of new applications for smart phones, and the integration of disparate functions into smart phones, also brought rapid evolution of the environment for coordinating search and rescue. With improved connectivity, there is an evident tendency for people to activate search and rescue services through novel channels, and to do so for emergency responses not normally thought of as 'search and rescue'.

Similarly, the growing use and functionality of social media presents both opportunities (for gathering better search information) and challenges (that is, yet more ways for people needing assistance to attempt to summon help).

These trends present challenges to avoid spreading search and rescue resources too thinly, to be very open to receiving distress alerts by new pathways, and to coordinate with more appropriate emergency service providers, such as police forces and ambulance services.

Preparing for the future

- In 2002, 3222 international ships with an average size of 37,755 gross tonnes and an average age of 10.7 years made 18,000 calls at Australian ports.
- In 2012-13, 5338 international ships with an average size of 45,394 gross tonnes and an average age of 8.1 years made 25,173 calls at Australian ports.
- By 2033, forecasts suggest port calls could exceed 38,000 annually.
- Just over 23,000 new recreational boats are registered in Australia each year.

The North-East Shipping Management Plan

Continued growth of Queensland's mining and energy industries is likely to lead to an increase in international ships visiting the sensitive marine environments of Australia's north-east region.

In response to this increased shipping activity, we have led the development of the [North-East Shipping Management Plan](#) through the multi-agency North-East Shipping Management Group, which embodies Australia's efforts to enhance navigation safety and environment protection in the north-east region.

This region includes the Great Barrier Reef, Torres Strait and the Coral Sea (within Australia's Exclusive Economic Zone).

As part of the development of the plan we hosted a focus workshop of international experts to look at world best practice in protective measures for the north-east area of Australia, with a view to being able to increase draft limits in the future. Topics covered include current draft limits (which are 12.2 metres), routeing measures and possible areas to be avoided, and extending pilotage requirements within the GBR to cover the area south of Cairns to accommodate increased shipping traffic.

The plan is not intended to be a static document, and will be subject to regular reviews by the North-East Shipping Management Group in consultation with stakeholders.

It will be launched later in 2013.

Enhancing maritime safety and environment protection in the north-west

The ongoing growth in commodities exports from the north-west region of Australia is resulting in significant increases in shipping activity, both at the major ports and offshore. This increase in traffic, some of it through environmentally sensitive areas (such as Ningaloo Coast and Rowley Shoals Marine Parks), implies that the degree of risk will increase. In 2011 we, in conjunction with the Department of Transport Western Australia, reviewed the preventative maritime safety and environment protection measures in the region to manage the risk from increased shipping activity.

We are continuing to evaluate the trends of shipping traffic to determine the most appropriate protective measures, which may include coastal Vessel Traffic Services and/or additional ship routing measures.

The review recommendations can be found on the navigation section of our website.

We established a network of shipping fairways in the region, aiming to reduce the risk of collision between transiting vessels and offshore infrastructure. We also established an IMO-adopted 'area to be avoided' in the World Heritage listed Ningaloo Coast region, mitigating the risk created by increasing coastal traffic and shipping activity.

[Marine Notices](#) can be accessed via our website.

Aids to navigation maintenance request for tender

We developed a joint tender for the provision of emergency towage services in Far North Queensland, and for the maintenance of our aids to navigation network. The tender closes in July 2013. These long-term contracts need to commence on 1 July 2014, and are two of our more significant commitments.

Sustaining search and rescue capability into the future

Medium-altitude Earth Orbit Search and Rescue (MEOSAR) satellite system

The [International Cospas-Sarsat system](#) is in the process of upgrading its satellite system by placing search and rescue receivers on new medium-altitude earth orbiting satellites. These receivers will augment search and rescue receivers currently installed on low-altitude polar-orbiting satellites and geostationary satellites. The augmented system will dramatically improve both the speed and location accuracy of distress beacon detections, and is expected to be operational by 2017.

The Australian component of the MEOSAR satellite system includes construction of a satellite tracking station in Western Australia and installation of a central processing computer in Canberra. A joint Australia and New Zealand MEOSAR approach to market addressing these requirements was released in May.

Shipping industry

An [Australian International Shipping Register](#) (AISR) was established in July 2012 with an aim to:

- facilitate Australian participation in international trade
- provide an internationally competitive register to facilitate the long-term growth of the Australian shipping industry
- promote the enhancement and viability of the Australian maritime skills base and the Australian shipping industry.

The *Maritime Labour Convention, 2006* will come into force internationally in August 2013.

Workforce planning

The Maritime Workforce Development Forum was established by the Minister for Infrastructure and Transport in 2012 to address areas fundamental to building a sustainable domestic maritime skills base in Australia. The forum reported its findings in April 2013, noting concerns about the age profile of Australian seafarers and the modest numbers of trainees in the domestic industry.

We assisted the Maritime Workforce Development Forum by providing detailed data on current resident seafarers with active certificates (by type/level of competency and by age profile). Additionally, we supplied data on the numbers of new entrant seafarers across recent years in the categories of deck officers, engineers and ratings.

Adoption of the 'Manila Amendments' to the *International Convention on Standards of Training, Certification and Watchkeeping for Seafarers* (STCW) will improve the training requirements for seafarers, especially in relation to security preparedness.

In anticipation of increased shipping activity across Australia, we are increasing our national port State control (PSC) inspection capability by 14 additional positions over the 5 years from 2011. In recognition of the emerging focus on the human element, we have added a dedicated resource to consider and identify steps to reduce the influence of human factors on ship and cargo safety.

Our performance

We measure our performance against the strategies, objectives and deliverables set out in the Portfolio Budget Statements 2012-13 for the Department of Infrastructure and Transport and in AMSA's Corporate Plan 2012-2017.

Pages 22 to 109 highlight our performance, represented by tables at the front of each section that outline our key performance measures. The reference column in the tables directs you to a more comprehensive view of our performance.

We contribute to the wellbeing of the community through the Portfolio Budget Statement outcome below:

AMSA's Outcome Statement

Minimise the risk of shipping incidents and pollution in Australian waters through ship safety and environment protection regulation and services and maximise people saved from maritime and aviation incidents through search and rescue coordination.

AMSA's Program

Seafarer and ship safety, environment protection and search and rescue program.

AMSA's Subprograms

Subprogram 1.1.1

Seafarer and ship safety and environment protection

Subprogram 1.1.2

Search and rescue

AMSA's Divisions

Ship Safety Division

Domestic Vessel Division

Marine Environment Division

Navigation Safety and International Division

Emergency Response Division

Corporate Services Division and Corporate Relations Division

Ship safety

Our objective is to:

- ensure safe shipping in Australian waters.

Performance



Achieved



Partially achieved



Not achieved

INDICATOR: Improved standard of foreign ships operating in Australian waters (Quality)

Target	Actual	Result	Reference	Previous
Declining average number of deficiencies per inspection	2.3		Page 25	2011-12: 2.64 2010-11: 2.64 2009-10: 2.61
3.25 average deficiencies per inspection				

INDICATOR: Inspection rate of accessed eligible foreign-flagged ships (Quality)¹

Target	Actual	Result	Reference	Previous
Priority one: 80%	91.1%		Page 25	2011-12: 92.1%
Priority two: 60%	81.2%			77.7%
Priority three: 40%	66.5%			60.2%
Priority four: 20%	44.8%			45.9%
				2010-11: 92%
				79%
				66%
				51%
				2009-10: 93%
				83%
				64%
				46%

¹ In previous years, inspection rates for single hull tankers were reported. Single hull tankers are now being phased out and are no longer relevant for inspection purposes.

INDICATOR: Number of port and flag State ship inspections (Quality)


Target	Actual	Result	Reference	Previous
Port State inspections (PSC): 3000	3196		Page 25	2011-12: PSC: 3143 FSC : 85
Flag State inspections (FSC): 75	56	²		2010-11: PSC: 313 FSC: 181
				2009-10: PSC: 2998 FSC: 86

²Below target due to other priorities – see also footnote 3.


INDICATOR: A reduction of ship related incidents as a proportion of foreign-flagged ship arrivals

Target	Actual	Result	Reference	Previous
Ship operation incidents: 0.2%	0.08%		Page 26	2011-12: 0.27% 2010-11: 0.35% 2009-10: 0.38%

INDICATOR: Effective management of serious ship-related incidents as evidenced by no adverse findings from incident analysis reports

Target	Actual	Result	Reference	Previous
Ship operation incidents: 0.2%	0		Page 26	2011-12: Achieved 2010-11: Achieved 2009-10: Achieved











INDICATOR: The number of all inspections

Target	Actual	Result	Reference	Previous
7900	6926	 ³	Page 25	2011-12: 7803 2010-11: 7723 2009-10: 7640

³This shortfall in overall inspections of all types was the result of several factors:

- surveyor training in the requirements of the *Maritime Labour Convention, 2006* and the new *Navigation Act 2012* effectively impacted on the availability of resources
- changed procedures for recording some inspections, such as: bulk cargo inspections, reduced recorded numbers to some extent
- industry demand was below expectations in some areas such as surveys and determination/exemption inspections
- seaworthiness inspections were down by 23 per cent due to a reduced number of serious incidents
- surveyor vacancies through the year reduced available resources to lower than expected levels – this resulted in available resources being focused on high priority areas, including ISM audits and qualifications work, which are outside of this KPI, and reductions in inspections of some lower-risk types.

INDICATOR: Availability of the marine aids to navigation network (Quality)
(Compliance with International Association of Marine Aids to Navigation and Lighthouse Authorities (IALA) guidelines)

Target	Actual	Result	Reference	Previous
Visual: Category 1: 99.8% Category 2: 99.0% Category 3: 99.7%	Visual: Category 1: 99.9% Category 2: 99.9% Category 3: 100%	  	Page 29, 30	2009-12: Achieved 2009-12: Achieved 2009-12: Achieved
Racons: 99.6%	Racons: 99.9%		Page 27	2009-12: Achieved
Met-ocean sensors: 99.8%	Met-ocean sensors: 99.7%	 ⁴		2009-12: Achieved
DGPS: 99.8%	DGPS: 99.6%	 ⁵		2011-12: Not achieved 2009-11: Achieved
REEFVTS Radars: 99.6%	REEFVTS Radars: 99.7%			2011-12: Not achieved 2009-11: Achieved
AIS: 99.6%	AIS: 99.7%			2009-12: Achieved
Unlit beacons: 97.0%	Unlit Beacons: 100%			2009-12: Achieved
Topmarks/daymarks: 97.0%	Topmarks/daymarks: 99.9%			2009-12: Achieved

⁴The performance for Met-ocean sensors in 2012-13 was slightly under target. This was primarily due to the Booby Island tide gauge being physically damaged by both a vessel strike and a lightning strike, and therefore outside AMSA's control.

⁵Similarly to 2011-12, DGPS availability was less than target mainly due to the continuing impact of lengthy outages caused by Cyclone Yasi on two DGPS sites in north Queensland in early 2011. The three-year rolling average basis we use for measuring availability means that significant outages such as this can continue to impact the availability figures well after the outage has been rectified and across financial years.

Highlights

In 2012–13 we:

- conducted 6926 inspections of various types, with 201 ships being detained, including inspecting more than 90 per cent of the higher risk 'priority one' ships
- proposed, and had approved by the International Maritime Organization, an area to be avoided for shipping around the World Heritage listed Ningaloo Reef in Western Australia
- completed stakeholder consultation through a series of three workshops on the Vessel Traffic Services Competent Authority for Australia. These workshops provided us with input to assist us in undertaking this role, and in developing the regulatory policy and procedures
- promoted the development of e-navigation communications capabilities at the International Telecommunication Union. Our aim was to ensure effective use of the maritime radio spectrum to enable digital data communications
- released a tender for our next long-term aids to navigation maintenance contract. This contract is one of our more significant commitments
- awarded contracts for the refurbishment of Cape Don lighthouse and the total repainting of Charles Point and Cape Hotham lighthouses, all of which are heritage listed and located in the Northern Territory. Work is progressing to schedule with these projects, with the Cape Hotham repainting already completed
- renewed the contract for long-range identification and tracking (LRIT), taking responsibility for this contract from Border Protection Command
- successfully hosted an officer exchange with the China Maritime Safety Authority. Six officers spent three months with AMSA sharing information on a wide range of activities including port State control, vessel traffic services and search and rescue. An AMSA officer also spent time with the China Maritime Safety Authority.

Year in review **Safety regulation in 2012-13**

Overall, shipping activity levels continued the growth trend of recent years, and the composition of the foreign-flagged fleet that delivered most of that capacity also continued to change, although by a lesser extent than in recent years.

- The number of port visits by foreign ships increased by 2.7 per cent to 25,170 (compared to 8.4 per cent growth in the previous year).
- The number of individual ships making those port calls increased by 2.7 per cent to 5338 (compared to 11.4 per cent growth in the number of ships in the previous year).

This change in the composition of the fleet also continued the trend of ships becoming larger.

- The average deadweight tonnage increased by 5.2 per cent in the year (compared to 3.2 per cent in 2011-12).

This combination of growth in port visits and larger ships on average delivered an increase in total deadweight.

- The carrying capacity increased by 7.9 per cent in 2012-13 (compared to 7.9 per cent in 2011-12) by the foreign-flagged fleet engaged in the Australian trades.

This year marked the end of the unusually high level of turnover in the foreign ship fleet in recent years. This was largely a result of the high number of new vessels being introduced into service in recent years after the surge in new ship build orders during the commodities boom of the past decade. However, an over-supply of some ship types remains (which keeps their charter rates at very low levels), with the ongoing scrapping of high numbers of older ships worldwide. A benefit of this trend is that the average age of the ships visiting Australia was reduced again in the year, although by a lesser extent than in recent years, representing an improved (lower) risk profile for these ships. We profile each ship at each arrival based on a series of criteria and assign a priority level to that ship. Priority one equates to high risk and priority four to low risk. The priority group assists in targeting ships for inspection.

Even with the growth in overall shipping activity, the increased proportion of lower-risk ships allowed safety regulatory resources to be applied at a higher level in areas of cargo safety and human factors.

Figure 7
Trend in risk profile of arriving ships



During 2012-13 we recruited extra marine surveyors and other specialist staff to allow greater focus on these risk areas, and to address increasing general workloads at higher growth ports. In 2012-13 we opened a new office in Geraldton, Western Australia to inspect vessels arriving in the ports of Cape Cuvier, Geraldton, and Useless Loop.

Redevelopment of our safety regulatory database applications for the Register of Ships, and the management of ship and cargo inspections, was approved, with an emphasis on much-improved access for clients through online applications for services and improved electronic data exchange.

These two systems are expected to be commissioned in 2013-14. Redevelopment of our Marine Qualifications System also commenced in June 2013. Preparation for the [Australian International Shipping Register](#) was completed to allow the registration of international trading vessels under this new policy from July 2012.

Marine incident investigations and prosecutions

We coordinated a number of successful investigations and prosecutions during the year under a suite of legislation related to maritime safety and the marine environment. These included offences under the *Navigation Act 1912*, the *Protection of the Sea (Prevention of Pollution from Ships) Act 1983* and the *Occupational Health and Safety (Maritime Industry) Act 1993* in relation to a fatality on board an Australian-flagged passenger ship in New Zealand.

We also provided assistance to the Australian Federal Police (AFP), the Great Barrier Reef Marine Park Authority (GBRMPA), the Commonwealth Department of Sustainability, Environment, Water, Population and Communities (SEWPaC), and Maritime Safety Queensland in support of their investigation activities.

Successful prosecutions:

- a total of six charges against four separate entities under the *Protection of the Sea (Prevention of Pollution from Ships) Act 1983*
- one successful charge under the *Occupational Health and Safety (Maritime Industry) Act 1993*
- three successful charges under the *Great Barrier Reef Marine Park Act 1975* involving two separate individuals as part of a joint AMSA/AFP/GBRMPA investigation relating to the *Shen Neng 1*.

Ongoing prosecutions commenced in the 2012-13 financial year include:

- four possible MARPOL charges under the *Protection of the Sea (Prevention of Pollution from Ships) Act 1983*
- one charge under the *Navigation Act 1912*.

Legislation and Marine Orders

Under the *Navigation Act*, the *Protection of the Sea (Prevention of Pollution from Ships) Act 1983*, and the *Protection of the Sea (Harmful Anti-fouling Systems) Act 2006*, we have the power to make Marine Orders. Marine Orders have the status of legislative instruments, and implement the technical and operational standards of international conventions and contemporary safety management systems. Each year we review and prepare updates to Marine Orders, or make new Marine Orders as appropriate. These are made by AMSA's Chief Executive Officer and subsequently registered on the Attorney-General's Federal Register of Legislative Instruments. Further information on AMSA's Marine Orders can be found at [appendix 4](#).

Marine Orders made under the *Navigation Act 1912* required modifications to operate under the *Navigation Act 2012*. This was a substantial task to review 43 Marine Orders and identify texts that required amending. *Marine Order 4 (Transitional modifications) 2013* contains schedules for each Marine Order that is amended. A program of reissuing of all Marine Orders commenced in 2013.

A full list of all Marine Orders made and/or amended can be found at [appendix 4](#).

Using new technologies to increase maritime safety

Over the past several decades, new technology such as satellite navigation and the Automatic Identification System (AIS) has been introduced into the process of navigating ships. The rate of development of new technologies is now running at such a pace that the International Maritime Organization (IMO) has recognised the need to improve the way that new technologies are taken up in the processes associated with marine navigation. Since 2007 the IMO has been working on this important matter under a work program item called e-navigation. This work program item is expected to culminate in an IMO E-navigation Implementation Strategy Plan in 2014.

The role of people, and the impacts of new technologies, can have positive and negative effects, some of which could impact the safe conduct of navigation. In collaboration with the Australian Maritime College, we coordinated the development of usability guidelines to progress future marine navigation equipment and systems. These guidelines have been provided to the IMO for inclusion in the development of e-navigation—a body of work that will guide the uptake of new technology into the way that ships are navigated in the future.

Our *Navigational Services in Australian Waters 2010-2025* publication identifies the implementation of e-navigation as one of our top five strategies to enhance navigational safety.

We are an active member at relevant IMO and International Association of Marine Aids to Navigation and Lighthouse Authorities' (IALA) e-navigation forums. (For more detailed information on our involvement with IMO and IALA, see pages 61 and 63, [International and regional engagement](#)).

AIS as an aid to navigation

The Automatic Identification System (AIS), used as an aid to navigation, is demonstrating there are new and effective ways to communicate relevant safety information to mariners. AIS aids to navigation complement existing aids and can assist with:

- providing positive, all-weather identification of an aid at very high frequency (VHF) range
- indicating if a floating aid is off position
- monitoring the 'health' of an aid to navigation
- rapidly marking areas, tracks and limits using virtual aids to navigation.

In 2012-13 we completed a project to evaluate the use of AIS as an aid to navigation. The evaluation was conducted in the Torres Strait and the Inner Route of the Great Barrier Reef, where coastal pilots, our emergency towage vessel (ETV) *Pacific Responder*, and Royal Australian Navy vessels provided feedback.

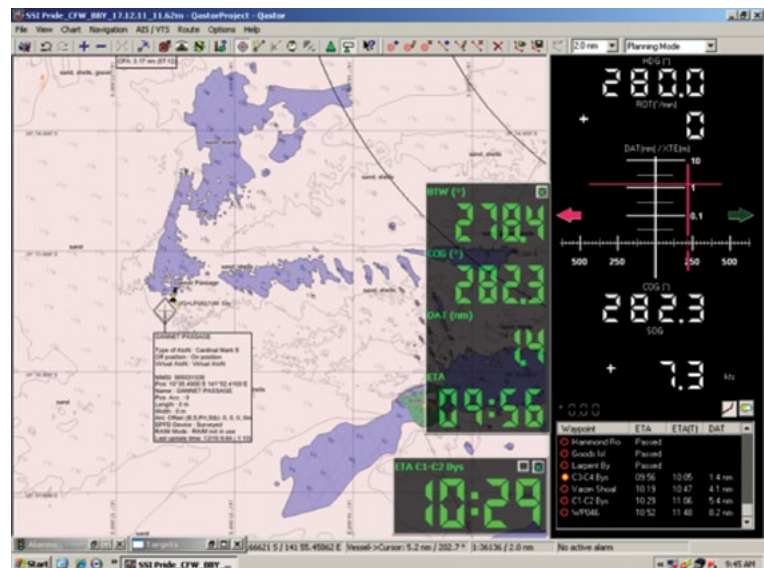
The evaluation concluded that:

- there was strong support from coastal pilots that AIS aids to navigation contributed to the safety of navigation
- a range of equipment configuration issues need to be taken into account in successfully deploying AIS aids to navigation
- coordinated management by AMSA of the timing of the transmissions by AIS aids to navigation is critical to avoid signal clashes with other AIS aids to navigation and AIS base stations within VHF range
- there are both navigation safety and service efficiency benefits of being able to quickly deploy a virtual AIS aid to navigation for temporary or permanent marking.

AIS via satellite

We continue to use satellite AIS data to deliver a continuous feed of vessel information covering the Australian Search and Rescue Region. Satellite AIS provides improved information on ship movements and maritime activities to AMSA, the maritime industry, and the Australian Government in a broader sense. The use of satellite AIS has enabled the development of the automated Modernised Australian Ship Reporting System (MASTREP), which replaced the previous manual reporting system that was prone to under, or mis-reporting. Satellite AIS complements the existing coast (terrestrial) Australian AIS Network, which consists of both AMSA and non-AMSA AIS base stations, thus creating a much expanded coverage.

Figure 8
Display of virtual AIS aid
to navigation at Gannet
Passage



Aids to navigation

Aids to navigation in Australia are managed by AMSA, state and territory marine authorities and ports as part of Australia's obligations under the *International Convention for the Safety of Life at Sea 1974* (SOLAS) Chapter V, Reg.13. Providing mariners with reliable, accessible information about the status of Australia's aids to navigation is an important requirement under SOLAS. During the year we contributed to these requirements through meetings and other dialogue with state authorities, ports and the Australian Hydrographic Service (AHS) to resolve policy and technical issues, share expertise and provide specific assistance.

We manage a network of 492 aids to navigation at 381 sites around the Australian coastline to assist mariners make safe and efficient passages. The network is made up of traditional lighthouses, beacons, buoys, radar transponders, differential global positioning systems (DGPS), Automatic Identification System (AIS) stations, and meteorological and oceanographic sensors.

We are guided in this role by a strategic plan *Navigational Services in Australian Waters 2010-2025* and five-year aids to navigation operational plan. More information is available on the navigation section of our website.

We operate on a five-year rolling program of major capital and maintenance works. Together with our annual aids to navigation review, this program safeguards and strengthens our network, and defines our approach to maintenance practices, equipment modernisation, and enhancement of our environmental and occupational health and safety management.

Total repainting of the historic lighthouse at Cape Hotham (NT) was completed in May 2013, and similar repainting of the Charles Point (NT) historic lighthouse was well advanced by the end of June 2013. Extensive refurbishment works were partially completed on the Cape Don lighthouse on the Arnhem Land coast.

A number of projects were delivered during the year to enhance the reliability and efficiency of our network, including:

- installing more efficient light sources and power systems, particularly for our historic lighthouses at Hannibal Island, Albany Rock and Eborac Island
- identifying and eliminating hazardous materials from our aids to navigation network, including significant asbestos removal projects at Swan and Goose Islands off north-east Tasmania.



*Cape Hotham lighthouse
(NT)*

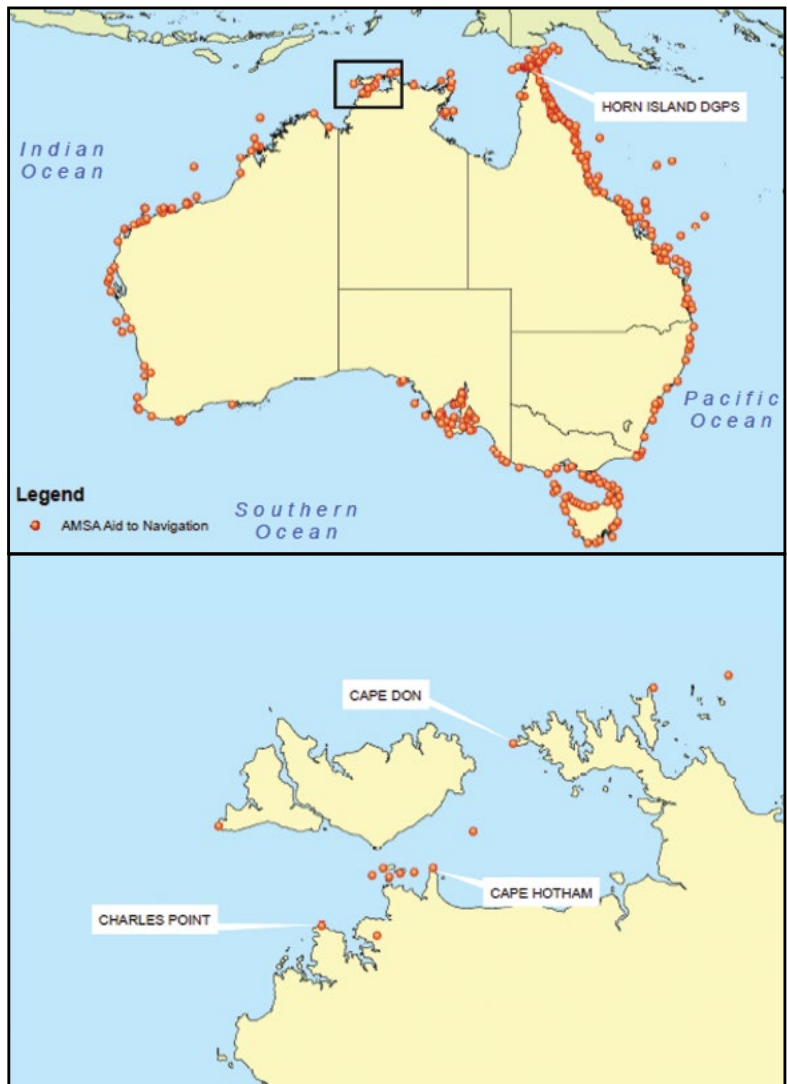


*Charles Point lighthouse
(NT)*

We consulted with Commonwealth and state environmental authorities before undertaking any maintenance activities at environmentally sensitive locations. In particular, we consulted with the Great Barrier Reef Marine Park Authority (GBRMPA) and the Queensland Government in planning for the replacement of aids to navigation structures at Baily Islet and Middle Reef due to be undertaken in 2013-14. We also consulted with these authorities on the decommissioning of several aid to navigation sites within the Great Barrier Reef which were surplus to requirements.

In accordance with the *Environmental Protection and Biodiversity Conservation Act 1999*, we go to considerable lengths to preserve the heritage values of AMSA's heritage lighthouses and maritime artefacts.

Figure 9
Location of AMSA's aids to navigation network and sites where key new works or maintenance projects were undertaken during 2012-13



Safe navigation in Australia's sensitive marine environments

Iconic areas such as the Great Barrier Reef and the Torres Strait are used extensively by vessels transiting our region. The following details the initiatives we are undertaking to make sure this can be done safely and efficiently.

Under keel clearance management

[Under keel clearance](#) (UKC) is the vertical distance between the lowest part of the ship's hull and the seabed. Maintaining a UKC margin in the Torres Strait is important to ensure a ship's keel is kept clear of the seabed and minimises the chance of the ship running aground.

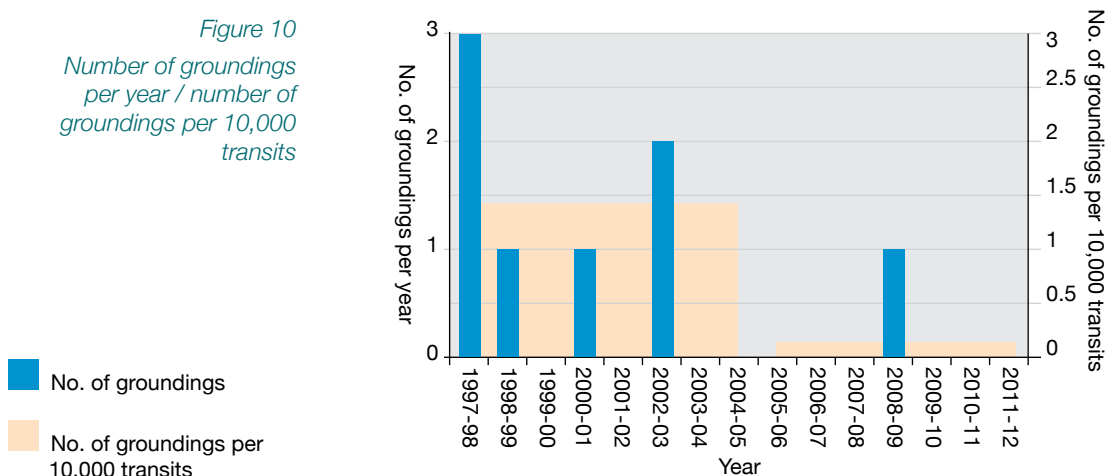
In December 2011, our under keel clearance management (UKCM) system was declared operational. This means that vessel operators, coastal pilots and pilotage providers are able to use the system to plan and monitor deep draught transits through the Torres Strait. In the intervening months we have been carefully evaluating the system to ensure it is effective and accurate. Before proceeding to the next step of mandating the use of the system by the coastal pilots, we are finalising a training regime, assessing sensor availability and reliability, and confirming the potential role of REEFVTS in the system monitoring.

REEFVTS in the north-east

Australia's [Great Barrier Reef and Torres Strait Vessel Traffic Service](#) (REEFVTS) continues to be effective in providing timely and accurate information to assist onboard decision making by the bridge team.

Since the introduction of REEFVTS in 2004, the average number of groundings per 10,000 transits has reduced from 1.42 to 0.15. This equates to about 90 per cent.

Figure 10
Number of groundings per year / number of groundings per 10,000 transits



The developments in REEFVTS have been provided in a video that is available on the navigation section of our website.

This video was presented at the International Maritime Organization (IMO), and is now part of an ongoing display devoted to Particularly Sensitive Sea Areas (PSSA) at the IMO in London.

Regulatory framework for Vessel Traffic Services in Australia

Amendments to the Navigation Act provide, among other things, the provision for AMSA to regulate for Vessel Traffic Services (VTS) in Australia, including:

- establishment and recognition of VTS
- authorisation of VTS by AMSA
- testing of VTS
- training, certification and auditing in relation to VTS
- provision of reports and information to a VTS authority by specified persons in relation to the identity, intended passage and geographical location of vessels
- the form of such reports and information, and the period within which such reports are to be provided
- Master and owner liability
- offence provisions.

In 2012-13, we hosted a series of workshops to engage representatives from port authorities and state/territory government agencies in the development of an arrangement for the determination, establishment and operation of VTS in Australia. A significant outcome from the workshop series was agreement that the arrangement should be by regulation under the *Navigation Act 2012*, a Marine Order.

The proposed Marine Order for VTS defines the processes associated with application, assessment and auditing of VTS authorities, and lists the details of each VTS authority and the requirements of vessels operating within each VTS Area. This Marine Order will also provide VTS authorities with legal authority under Commonwealth law. In particular, it will ensure that:

- a legal basis for the operation of a VTS is provided for, and that the VTS is operated in accordance with national and international law
- VTS authorities are appointed and legally empowered.

The Marine Order is expected to come into effect in September 2013, and will give effect to Regulation 12 of Chapter V (Safety of Navigation) of the *International Convention for the Safety of Life at Sea (SOLAS)* regarding Vessel Traffic Services.

Under Regulation 12 of Chapter V of SOLAS, Australia is obliged to arrange for the establishment of Vessel Traffic Services where, in its opinion, the volume of traffic or the degree of risk justifies such services. It also obliges Australia to, wherever possible, follow the guidelines developed by the International Maritime Organization (IMO) for Vessel Traffic Services. The IMO's Guidelines for Vessel Traffic Services provide for the operation of VTS authorities under instruments of authority (to be issued by the competent authority). AMSA is the competent authority for VTS in Australia.

Coastal pilotage

Under the Navigation Act, coastal pilotage is compulsory in the Great Barrier Reef and Torres Strait. We regulate and license pilot providers and coastal pilots who provide the service to ships transiting the compulsory pilotage areas.

The Australian Transport Safety Bureau carried out a safety investigation into coastal pilotage over an 18-month period, releasing the report in mid-2012. We welcomed the report, which identified areas for improvement as well as acknowledging areas that have been steadily improving over the year.

Areas that have developed significantly over the past year include:

- pilot training and examination
- check pilot assessment
- fatigue monitoring.

Pilot providers were audited against Marine Order 54, issue 5, and each provider has effectively addressed the outcomes of the audit process.

North-East Shipping Management Group

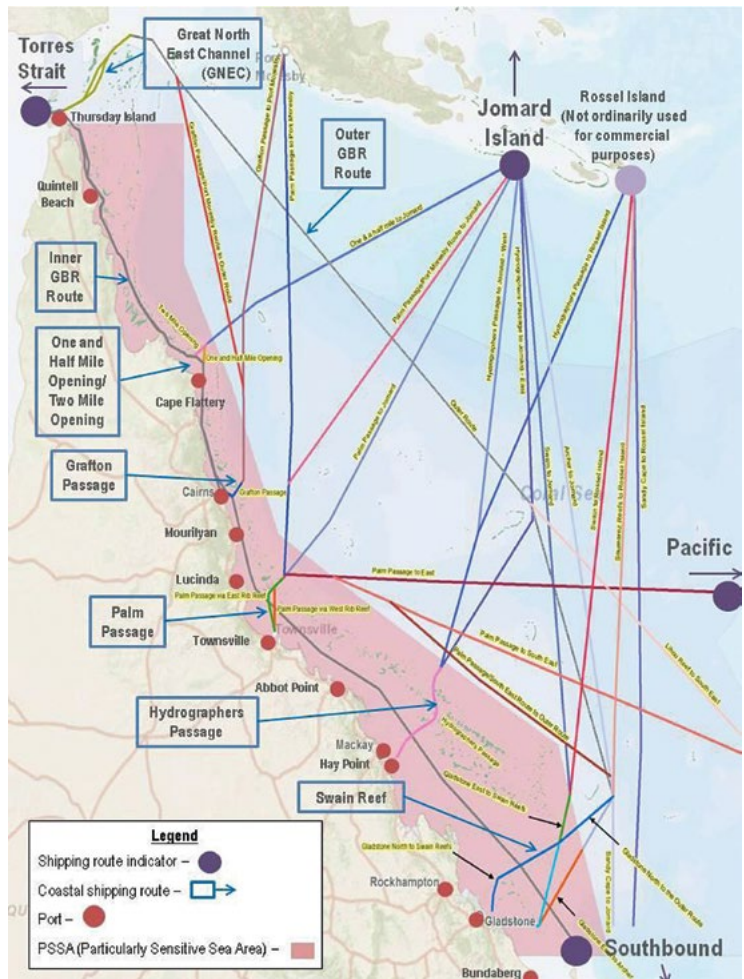
We chair the North-East Shipping Management Group (NESMG), which is tasked with the development and implementation of measures to continually enhance maritime safety in the sensitive marine environments of Australia's north-east region. The group comprises senior representatives from:

- AMSA
- Great Barrier Reef Marine Park Authority (GBRMPA)
- Maritime Safety Queensland (MSQ)
- Department of Infrastructure and Transport (DIT)
- Department of Sustainability, Environment, Water, Population and Communities (SEWPaC)
- Department of Resources, Energy and Tourism (DRET)
- Department of Agriculture, Fisheries and Forestry (DAFF).

The NESMG has developed the [North-East Shipping Management Plan](#) that seeks to provide stakeholders with a strategy to:

- manage shipping in Australia’s north-east region
- assess the effectiveness of current risk control measures
- identify new or enhanced control measures that may be necessary to deal with projected shipping growth over the next 10 to 20 years.

Figure 11
North-east shipping routes



An important input into the plan was the findings from a risk assessment of the region conducted by Det Norske Veritas.

The plan proposes measures such as:

- extending the current GBR Particularly Sensitive Sea Area (PSSA) to include some of the Coral Sea within Australia’s Exclusive Economic Zone
- extending vessel monitoring of vessels visiting Australian ports after transiting the Coral Sea
- reviewing the effectiveness of AMSA’s already operational under keel clearance management (UKCM) system in the Torres Strait.

North-west review

In 2011, the Commonwealth and state governments accepted, in principle, the nine recommendations of the review of maritime safety and environment protection measures for north-west Australia.

Since then, we have worked with Western Australia's Department of Transport (WADoT) to implement the recommendations. Progress on the implementation can be found on the navigation section of our website.

Progress on some of the key recommendations is outlined below.

Coastal Vessel Traffic Services

A joint AMSA and WADoT project team is working to ascertain whether, based on the volume of traffic and degree of risk, a coastal VTS is required. If a coastal VTS is justified, the team will identify:

- areas for establishing a VTS
- the type(s) of services to be offered
- funding and governance options
- proposed timeframes for implementation.

Shipping fairways

The review recommended that additional shipping fairways be established in the waters extending from Geraldton to Port Hedland, where traffic patterns warrant.

Together with WADoT, we engaged with a wide range of stakeholders, particularly in the offshore sector, to implement a network of shipping fairways. We also worked with the Australian Hydrographic Service to ensure new charts were made available depicting the fairways (see Figure 11). AMSA Marine Notice 15/2012 provides more information on the fairways, and can be accessed via our website.

Area to be avoided

The 'area to be avoided' is a ship routing system that aims to:

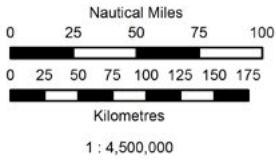
- mitigate the risk created by increasing coastal traffic and shipping activity by maintaining a safer distance between ships and the reefs
- prevent incursions by off-loading and offshore support ships servicing production facilities further north
- reduce the risk of shipping accidents
- protect a World Heritage listed region from any ship-sourced pollution.

The IMO-adopted area to be avoided off the Ningaloo Coast came into effect on 1 June 2013 (see Figure 12).

Figure 12
Shipping fairways in north-west Australia



Locality Map



Notes
Data sources for the Shipping Fairways provided by the Australian Hydrographic Service in conjunction with AMSA.

Background Seafarer Charts provided by the Australian Hydrographic Service.

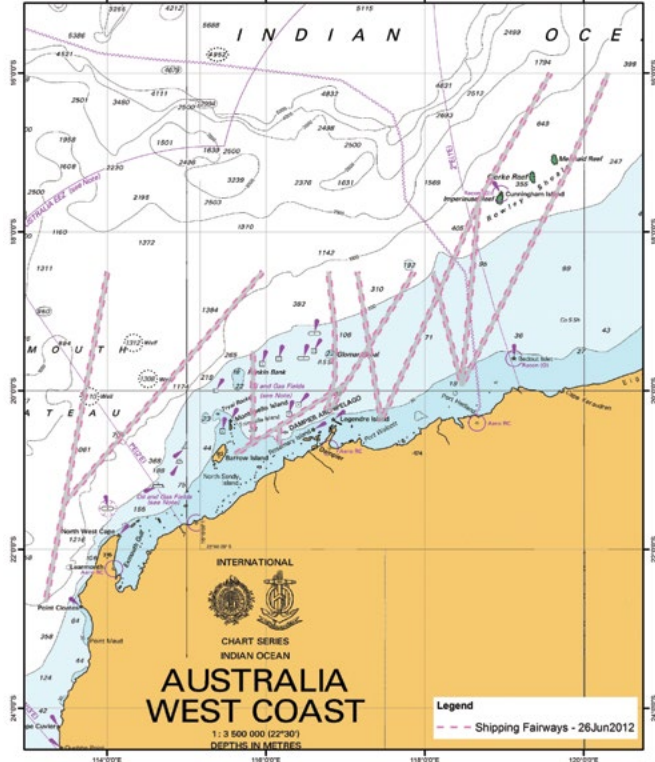
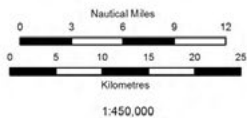


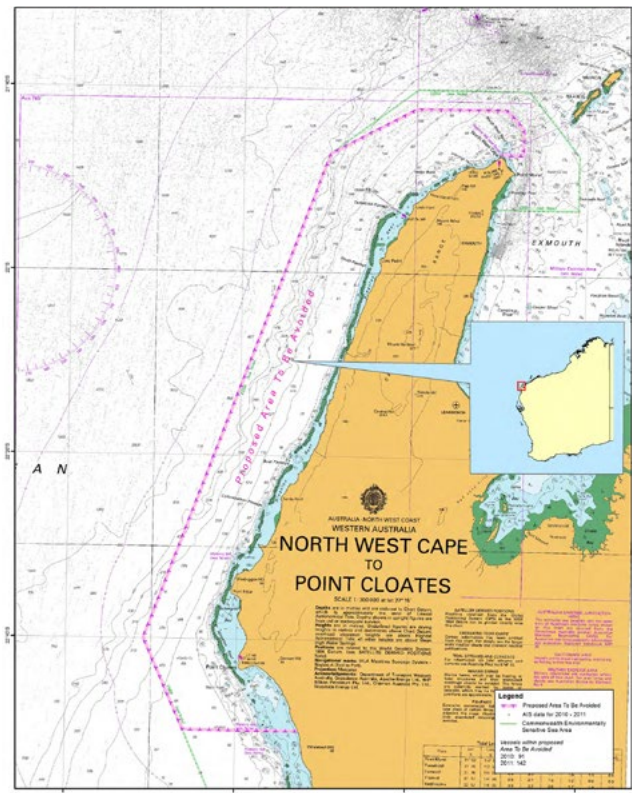
Figure 13
IMO-adopted area to be avoided off the Ningaloo Coast



Map Datum: GDA94
Projection: MGA84 Zone 49
Map not to be used for navigation purposes.
Map prepared March 2012

Notes.
Seafarer charts provided by the Australian Hydrographic Service.

AIS data obtained from AMSA's AIS network and covers the period 10 August 2010 - 15 September 2011.



Hydrographic matters

We enjoy a good working relationship with the Australian Hydrographic Service and work towards ensuring nautical charts and publications fulfil the needs of the commercial, levy-paying shipping industry.

Key achievements in 2012-13 included:

- our input into Australia's national charting and surveying program, known as HydroScheme. This incorporates information on ongoing/future offshore projects, development of new ports and the changes engendered in shipping patterns and volumes, all of which will have major implications for charting and surveying requirements
- our significant contribution towards a review of the Australian Seafarers' Handbook. We coordinated the updating of information on various topics related to maritime regulations and safety of navigation in Australian waters. The publication was re-titled Seafarers Handbook for Australian Waters and released in December 2012
- charting a network of shipping fairways off the north-west coast of Australia. Twenty-two nautical charts were updated
- charting a new draft of two-way routes in the southern portion of the Great Barrier Reef
- completing coverage by Electronic Navigational Charts (ENC) of the Australian area of charting responsibility (including Antarctica)
- facilitating Papua New Guinea's (PNG) request to conduct a survey of the Jomard Entrance area in PNG, to support a proposal for a ship routing system to the IMO.

Maritime safety reform

Our objective is to:

- contribute to the long-term future of the Australian shipping industry by simplifying maritime safety laws, reducing costs, and making it easier for seafarers and their vessels to travel around the nation without barriers.

Performance



Achieved




Partially achieved




Not achieved


INDICATOR: Transition the National Marine Safety Committee commercial vessel marine standards of development and maintenance function to AMSA

Target	Actual	Result	Reference	Previous
Transitioned in 2013	NMSC ceased operation in June 2013		Pages 40, 41	2011-12: AMSA assumed the secretariat function of the NMSC from November 2010. NMSC Secretariat function was transferred to Canberra from November 2011.


INDICATOR: Prepare service delivery partnerships with jurisdictions and arrangements for the national maritime safety regulatory system

Target	Actual	Result	Reference	Previous
Completed by December 2012	National System to commence on 1 July 2013		Pages 40, 41	2011-12: Agreed as part of negotiation to finalise the Intergovernmental Agreement on commercial vessel safety reform in August 2011.

INDICATOR: Commencement of the National Law Bill

Target	Actual	Result	Reference	Previous
Commences in 2012-13	Act proclaimed in March 2013 for 1 July 2013 commencement		Pages 40, 41	2011-12: <i>Marine Safety (Domestic Commercial Vessel) National Law Bill 2012</i> and the <i>Navigation Bill 2012</i> were introduced into the Australian Parliament on 24 May 2012.

INDICATOR: Legislation to give effect to the National System comes into effect in 2013

Target	Actual	Result	Reference	Previous
Legislation comes into effect in 2013	Act proclaimed in March 2013 for 1 July 2013 commencement		Pages 40, 41	2011-12: (see above)

Highlights

In 2012-13 we:

- secured the passage and proclamation of the *Marine Safety (Domestic Commercial Vessel) National Law Act 2102* (National Law)
- developed and consulted on the regulatory instruments (Regulations, Marine Orders and Exemptions) required to implement the National System for Domestic Commercial Vessel Safety (National System)
- undertook a series of well-received consultation sessions (community information days) with industry on the progress of the National System and development of key standards
- secured agreement of state and territory marine safety agencies operational heads on nationally consistent outcomes for the National System
- finalised the business rules and processes needed for implementation of the National System on 1 July 2013
- delivered Marine Safety Inspector training and National System familiarisation training to operational staff
- significantly progressed the modernisation of key parts of the National Standard for Commercial Vessels (NSCV), including revised standards for Part D Seafarer Qualifications and Part E Operations, which were unanimously approved by Transport Ministers
- progressed the development of a national data management system, including advanced functions of a national database.

Challenges

Developing the legislation and the service delivery arrangements was a challenging undertaking. The legislation and all standards were unanimously agreed by all Australian Transport Ministers. The service delivery arrangements, whereby jurisdictional staff deliver regulatory products to industry on AMSA's behalf, were difficult to develop in the limited time available for implementation.

Public consultation on the various elements of the project—the law, the regulations, Marine Orders, Regulatory Plan and Standards—was an enormous commitment of personnel and resources from both AMSA and all marine safety jurisdictions. However, the investment was worthwhile because the consultation resulted in many sensible changes. Industry feedback on the extent and quality of the consultation was overwhelmingly positive.

Through the cooperation of all transport jurisdictions, it has been possible to develop and implement complex implementation arrangements. These included all of the necessary forms, business processes and internal manuals and train all of the appropriate staff in time for the launch of the National System on 1 July 2013.

Year in review

Substantial progress was made on the Council of Australian Governments' (COAG) domestic commercial vessel safety reform during the year.

During 2012-13 we worked closely with our reform partners in marine safety jurisdictions to implement the Council of Australian Government's domestic commercial vessel safety reform. With the passage of the National Law in August 2012, the focus of work in 2012-13 shifted to implementation.

Substantial work was completed during the year on the necessary subordinate legislation, as well as the documentation and guidance material necessary for jurisdictions to deliver services to industry. Training of Marine Safety inspectors was undertaken from October 2012, and familiarisation sessions for jurisdictional staff from February 2013.

During the year AMSA staff servicing the National Marine Safety Committee (NMSC) continued work on the National Standard for Commercial Vessels (NSCV). While the NMSC ceased operation in June 2013, we have assumed its role as part of the implementation of the National System.

Marine Safety (Domestic Commercial Vessel) National Law Act 2012 and associated legislative instruments

The National Law passed the Commonwealth Parliament in August 2012, received Royal Assent in September 2012, and was proclaimed on 28 March 2013 for a 1 July 2013 commencement. This means that, for the first time, all commercial vessel operations in Australian waters are either governed by the *Navigation Act 2012* or the National Law and regulated by AMSA. All domestic commercial vessels previously operating under eight sets of rules now come under the National Law.

All maritime jurisdictions, with the exception of Queensland and Western Australia, passed application laws to ensure every vessel (not otherwise covered by the law within their state or territory) was addressed. The absence of those application laws does not affect the National Law. It just means that a very small number of vessels operating on inland waters may not be picked up through the application provisions of the National Law. The vast majority of commercial vessels are captured through the constitutional reach of the National Law. It is anticipated that these jurisdictions will pass their application laws in 2013-14.

Significant activity also occurred during the year on the subordinate legislation supporting the National Law.

The regulations and Marine Orders take effect as of 1 July 2013.

National Marine Safety Committee

The National Marine Safety Committee (NMSC) was created in 1997 as a means of involving state and territory maritime agencies in developing marine safety standards. One of the aims of the NMSC was to develop a suite of national safety standards for seafarers, vessels and their operations.

Our performance - maritime safety reform

Over the past 14 years, the NMSC has developed the National Standard for Commercial Vessels (NSCV) in close consultation with government and industry partners.

In accordance with arrangements agreed to as part of the Intergovernmental Agreement, the NMSC ceased operation in June 2013. Commercial vessel standards development and maintenance was formally transferred to AMSA ahead of the commencement of the National System on 1 July 2013 and will be fully wound up by the end of August 2013.

Progress on National Standard for Commercial Vessels

During 2012-13 two major standards were completed and agreed to by Transport Ministers in May 2013. These were amended NSCV Standards on Crew Qualifications (Part D) and Safe Operations (Part E).

For the first time in almost 30 years there is a single national standard for near coastal 'tickets' (NSCV Part D), along with a standard on safe operations (NSCV Part E) that will be consistently implemented from 1 July 2013 under one law and by one regulator with no variations. The new arrangements for crew competencies under Part D streamlines the number of qualifications, and includes competency-based training to ensure candidates have greater exposure to practical onboard skills. Crewing requirements are now covered by Part E. Operators are responsible for crewing requirements in addition to assessing and addressing risks through safety management plans and practical guidelines.

The unanimous agreement of Australian Transport Ministers to these new standards follows three years of extensive national consultation with the public and through industry reference groups involving representatives from a range of domestic marine operators.

Our staff developed a work plan to review other NSCV standards during the year.

National System implementation

In October 2012 we established the Domestic Vessel Division (DVD) headed by a General Manager to provide an organisational focus ahead of the commencement of the National System in 2013. This division subsumed the reform team of the former Regulatory Affairs and Reform Division. The Office of Legal Counsel and the Office of Legislative Drafting are now separate from DVD, although they report to the same General Manager.

During 2012-13 we worked closely with all jurisdictions to develop the implementation arrangements to support the reform. From October 2012 our staff commenced the delivery of training aimed at Marine Safety Inspectors (MSIs). MSIs are the front line in delivering the compliance and enforcement arrangements under the National Law.

The National Regulator Implementation Project (to establish AMSA's part of the National System) continued to develop the operational aspects of the system. A suite of National Regulator application forms and certificates

were developed, along with industry and delegate guidance and business rules. These were tested and further refined with all jurisdictions as part of the integration work. Aligned with this work, familiarisation sessions for jurisdictional staff delivering the National System products commenced in February 2013.

We established a Regional Liaison Unit within DVD in early 2013 to provide support within jurisdictions to implement the National System. Staff in that unit worked closely with jurisdictional staff during the year in the delivery of training and familiarisation sessions. They also facilitated on-ground contact with industry within states and the Northern Territory on National System issues.

Based on a business case developed in 2012, and in consultation with state and territory marine safety agencies, the design of the data management solution for the National System was completed. Building this system is proceeding. During the transition stage of the National System jurisdictions will access data through an AMSA-operated portal.

Navigation Act rewrite

The *Navigation Act 2012* works in concert with the *Marine Safety (Domestic Commercial Vessel) National Law Act 2012* (both of which are in force from 1 July 2013). During 2012-13 we continued to work closely with the Department of Infrastructure and Transport to ensure the historic reforms embodied in these pieces of legislation will be implemented seamlessly. This work involved staff from policy, operational and legal areas.

In general, the *Navigation Act 2012* covers:

- Australian vessels that hold international convention certification
- Australian vessels that will operate more than 200 nautical miles from the Australian coast
- all foreign vessels.

Australian commercial vessels that remain within 200 nautical miles of the Australian coast are covered by the National Law.

This new legislation represents a major modernisation of the maritime safety regulatory framework, and aligns that framework with modern shipping practices. Preparation for the application of this legislation from 1 July 2013 required very extensive work in assisting drafting of the legislation, preparation of new Marine Orders, and internal policies covering application of the new Act. There have been extensive consultations with the shipping industry, as well as training programs for our staff, to prepare for these new requirements.

A review of *Marine Order 3 (Seagoing qualifications) 2004* is well advanced, and is to be finalised in the first half of 2013-14. Preparation was also completed for the introduction of the 'Manila Amendments' to the *International Convention for the Standards Training, Certification and Watchkeeping for Seafarers* (STCW) which, among other things, emphasises better training in relation to security.

Office of Legislative Drafting

Our Office of Legislative Drafting drafts Marine Orders and other instruments for the organisation. For the *Navigation Act 2012*, the office has prepared modifications for all of the current Marine Orders that will continue to operate under the new Act. The office also prepared a set of Marine Orders, exemptions and delegations that will be necessary for the *Marine Safety (Domestic Commercial Vessels) National Law Act 2012* to operate.

The office is also drafting replacement legislation for the Papua New Guinea Merchant Shipping Act and subordinate legislation, under an agreement with the International Maritime Organization.

In 2012-13 the following were drafted:

- 4 new issues of Marine Orders
- 4 reissues of Marine Orders
- 2 amending Orders
- 7 new Orders under the National Law
- 24 standing exemptions for the National Law
- delegations under the National Law and the Navigation Act.

Details on the Marine Orders can be found in appendix 4.

Office of Legal Counsel activities

During 2012-13 our Office of Legal Counsel shifted its focus to the implementation of the *Navigation Act 2012* and the *Marine Safety (Domestic Commercial Vessel) National Law Act 2012*. This involved:

- supporting the establishment of delegation and sub-delegation arrangements for the National System
- delivering training for National System delegates, sub-delegates and Marine Safety Inspectors
- contributing to the creation of National System certificates, forms, guidance and other materials.

The office also reviewed the delegation and other arrangements under the *Navigation Act 1912* to assist in a seamless transition to the *Navigation Act 2012*.

In addition, the office has responded to a continuous flow of requests for legal advice, and undertaken a range of activities on behalf of AMSA. It also manages requests for access to information under the *Freedom of Information Act 1982* and the *Privacy Act 1988*. The office worked closely with Corporate Services Division and our Occupational Health and Safety Officer to ensure that we were ready to accept the new responsibilities placed on the organisation as a result of the introduction of the *Work Health and Safety Act 2011*.

Search and rescue

Our objective is to:

- rescue people from maritime and aviation distress situations.

Performance



Achieved



Partially achieved



Not achieved

INDICATOR: Provision of Rescue Coordination Centre (RCC Australia) with capacity to handle incidents and searches (Quantity)

Target	Actual	Result	Reference	Previous
Incidents: 8500 Searches: 740	7477 incidents with 546 searches		Page 45	2011-12: 7343 incidents with 565 searches conducted 2010-11: 7329 incidents with 566 searches conducted 2009-10: 7381 incidents with 642 searches conducted

INDICATOR: Availability of distress and safety communications services (Quality)

Target	Actual	Result	Reference	Previous
100% of the time	99.60%		Page 47	2011-12: 99.81% 2010-11: 99.46% 2009-10: 99.92%

INDICATOR: Number of search and rescue units (Quantity)

Target	Actual	Result	Reference	Previous
5 dedicated airborne units and an additional 50 trained units not dedicated primarily to search and rescue	5 dedicated airborne search and rescue units with an additional 57 airborne search and rescue units available on an opportunity basis		Page 48	2011-12: 5 with an additional 58 on opportunity basis 2010-11: 5 with an additional 58 on opportunity basis 2009-10: 5 with an additional 58 on opportunity basis

INDICATOR: Median time for the RCC Australia to initiate a response (Quality)

Target	Actual	Result	Reference	Previous
30 minutes	28 minutes		Page 45	2011-12: 27 minutes 2010-11: 21 minutes 2009-10: 24 minutes

INDICATOR: Maximise lives saved

Target	Actual	Result	Reference	Previous
100% ¹	8978 lives ² 98.7% saved		Page 45	2011-12: 2608 lives / 95.7% saved 2010-11: 818 lives / 91% saved 2009-10: 857 lives / 96.7% saved

¹AMSA always wants to save 100 per cent of lives, however the reality of search and rescue means that this is not always possible, despite the efforts of those concerned.

²The increase in number of lives saved reflects a substantial increase in the number of people undertaking dangerous voyages in our north-west. These voyages are often undertaken on overloaded, poorly maintained vessels with inadequate life-saving equipment.

Highlights

Australia Day Weekend

Over the January 2013 Australia Day long weekend, our Rescue Coordination Centre (RCC Australia):

- was involved in 9 search and rescue incidents, which resulted in 11 lives being saved
- conducted 10 searches all over our region, from Christmas Island to Rottnest Island, from Torres Strait to the Bass Strait, and also in the Blue Mountains
- launched 38 aircraft missions
- used 13 helicopters as well as police vessels
- handled a telephone enquiry every 2.5 minutes and a message every 9 seconds.

In 2012-13:

- our Rescue Coordination Centre (RCC Australia) coordinated the rescue of 8978 people in distress from 9097 (representing 98.7 per cent of lives saved) and assisted with the rescue of 6961 others
- the median time for RCC Australia to initiate response was 28 minutes
- we coordinated Australian ships, aircraft and merchant shipping in search and rescue responses to a growing number of vessels carrying very large numbers of people on dangerous voyages close to Indonesia and in the Indian Ocean
- we assisted Customs and Border Protection to provide first response search and rescue capability to make non-precision life raft drops from their aircraft operating from Christmas Island
- we secured joint agreement of the Indonesian and Australian transport ministers (along with funding) for the AMSA Search and Rescue (SAR) 2012-14 project. The aim of this project is to engage with Indonesia's search and rescue agency Badan SAR National (BASARNAS) to enhance search and rescue services
- we welcomed our first BASARNAS officer on extended deployment for capability development in RCC Australia under the 2012-14 SAR project
- we deployed two AMSA Capability Development Officers to be embedded in BASARNAS Headquarters, Jakarta, under the 2012-14 SAR project
- we secured additional government funding to replace the existing dedicated fixed-wing airborne SAR service, and to provide a new system for the satellite detection of distress beacons from 2015-16
- our trainee Torres Strait Indigenous Boating Safety Officer was selected to receive the NAIDOC Trainee of the Year Award in mid-2013

A solo yachtsman was one of the 8978 people rescued from distress situations during 2012-13



Our performance - search and rescue

- we requested tenders for the provision of a ground station system for improved detection of distress beacons via medium earth orbit satellites
- we made significant changes to the Australian Ship Reporting System (AUSREP) in preparation for the transition to the Modernised Australian Ship Tracking and Reporting System ([MASTREP](#)) on 1 July 2013. Using AIS technology, there is a considerable reduction of reporting workload for ships on passage in the Australian Search and Rescue Region
- we completed the signing of the revised [Intergovernmental Agreement for National SAR Response Arrangements](#). This reinforces the concept that the best placed SAR authority should coordinate a SAR incident, and that it is the responsibility of all jurisdictions to continue to adequately plan and resource for distress situations
- we re-signed a contract with Kordia for the provision of HF radio services under Australia's international obligations to provide Global Maritime Distress and Safety System (GMDSS) services
- we released the Medium-altitude Earth Orbit Search and Rescue (MEOSAR) project approach to market in conjunction with Maritime New Zealand. The project will provide the capability to detect distress beacons using MEOSAR satellites.
- an internal review of the Torres Strait Marine Safety Program (TSMSP) conducted jointly by AMSA and Maritime Safety Queensland was completed in November, and found a measurable reduction in both the number of SAR incidents in the Torres Strait region and lives lost at sea. Incidents in the region now frequently involve a distress beacon, resulting in faster alerting and quicker rescues. More information on the TSMSP can be found on page 70.

Torres Strait Marine Safety Program (TSMSP)



Year in review Safety and distress communications

Distress beacons

At the end of June 2013 there were 285,625 distress beacons registered in our database:

- 206,282 Emergency Position Indicating Radio Beacons (EPIRB)
- 73,297 Personal Locator Beacons (PLB)
- 5984 Emergency Locator Transmitters (ELT).

Of these, 11 per cent of EPIRBs and 82 per cent of PLBs are Global Positioning System-equipped (GPS) models.

These figures¹ reflect the popularity of distress beacons as emergency signalling devices in the Australian community compared to use elsewhere. It is significant to note that since December 2012, 49 per cent of the EPIRBs newly registered with us were GPS-equipped.

Safety communications

In 2012-13 we continued to receive a high level of service from Kordia Pty Ltd, providing high frequency (HF) maritime safety radio communications services as part of our obligations under the Global Maritime Distress and Safety System (GMDSS). In July 2012 we signed a contract variation with Kordia that extended our relationship for another five years.

More information on this system is available on the search and rescue section of our website.

Radio and Inmarsat communications enable RCC Australia to communicate with vessels at sea, issue distress broadcasts, and support the Australian and Great Barrier Reef Ship Reporting Systems (AUSREP and REEFREP). In July, changes to the AUSREP system (to be known as MASTREP from 1 July 2013) reduced reporting requirements for merchant vessels and allowed for continuation of positive SAR watch services by monitoring of [Automatic Identification Systems \(AIS\)](#).

Coastal navigation warnings, broadcast by our communications network, are also provided to state and territories' coast radio station networks. These networks provide HF and very high frequency (VHF) voice radio services to small craft.

¹ Total number of registered beacons (285,625) is slightly different to the cumulative breakdown of registered beacons by type. This is due to a small number of beacons coded or registered with the test-protocol.

Satellite system

In October 2012, the 30th anniversary of the [Cospas-Sarsat International Satellite System](#) for Search and Rescue was celebrated. The Australian ground segment of the satellite beacon detection system continued to provide good service throughout the year.

We continue to move forward with preparations for the Cospas-Sarsat Medium-altitude Earth Orbit Search and Rescue (MEOSAR) satellite system, and a joint Australia and New Zealand MEOSAR Approach to Market was released in May 2013. The Australian component of the project includes construction of a satellite tracking station in Western Australia and installation of a central processing computer in Canberra. The MEOSAR system is currently scheduled to commence operation in 2017.

Search and rescue coordination training

Training for our rescue coordination team is provided through the national search and rescue school. The school also provides training for national and international search and rescue personnel as required. We offer a number of courses, including:

- Search and Rescue Officer Course, which is aligned with PUA50912 Diploma of Public Safety (Search and Rescue – Coordination)
- Search and Rescue Mission Coordinator Course, which is aligned with PUA60604 Advanced Diploma of Public Safety (Search and Rescue – Management).

We also provide training and development support and Registered Training Organisation (RTO) services to the National Police Search and Rescue Manager's Course, which is aligned with PUA60212 Advanced Diploma of Public Safety (Police Search and Rescue – Management).

During 2012-13 we:

- assisted the 23rd National Police Search and Rescue Managers' Course with administrative and RTO services
- trained four new search and rescue mission coordinators for RCC Australia
- commenced training four new search and rescue officers for RCC Australia.

Search and rescue resources

We maintained five dedicated fixed-wing aircraft for SAR response and 55 opportunity providers (aircraft and crews which meet our minimum criteria for SAR, but are not dedicated to AMSA). At the end of March 2013 this was being achieved with the five aircraft provided through contract with AeroRescue and an additional 57 available on an opportunity basis.

The National Search and Rescue Council

We chaired the 36th National Search and Rescue (SAR) Council in Melbourne in October 2012. The theme for this meeting was 'Technology in SAR', and the assembled members considered the role of social media in providing information to SAR responders and how technology could be adapted for use with the Australian SAR system. More information on the work of the [National Search and Rescue Council](#) is available on the search and rescue section of our website.

During the council meeting the Victorian Emergency Services Commissioner, Michael Hallowes, presented the 2012 [Australian Search and Rescue Award](#) to the four-man *Trybooking.com* crew. Grant Dunoon, Peter Ffecht, Ross Fisher and Kim Walker battled huge swells and wind gusts of up to 70 knots in the middle of the night to rescue the six survivors from the yacht *Inception*, which sank during the Melbourne to Port Fairy race at Easter 2012.

*Recipients of the 2012
Australian Search and
Rescue Award (L-R)
Grant Dunoon, Peter Ffecht,
Ross Fisher and Kim Walker*



Environment protection

Our objectives are to:

- prevent pollution of the marine environment
- respond quickly and efficiently to maritime casualties and marine pollution incidents that occur from shipping, offshore production or any other source.

Performance



Achieved




Partially achieved




Not achieved

INDICATOR: All regulatory measures introduced internationally or domestically are given effect within specified timeframes


Target	Actual	Result	Reference	Previous
100%	70%	 ¹	Pages 51, 57-58	Not previously measured

¹Due to the focus on implementing the new *Navigation Act 2012*, the development of revised Marine Orders to apply the technical aspects of the new energy efficiency and garbage disposal standards of the *International Convention for the Prevention of Pollution From Ships* was delayed.


INDICATOR: Availability of pollution response resources and equipment to a pollution incident (Quality)

Target	Actual	Result	Reference	Previous
100%	100%		Pages 53-56	2011-12: 100% 2010-11: 100% 2009-10: 100%

INDICATOR: Availability of emergency response capability (Quality)

Target	Actual	Result	Reference	Previous
100% availability of emergency towage vessels and fixed-wing dispersal aircraft	100%		Pages 56-57	2011-12: 100% 2010-11: 100% 2009-10: 100%

INDICATOR: There is a demonstrated reduction in the number of serious pollution response incidents as a proportion of foreign and Australian-flagged ship arrivals

Target	Actual	Result	Reference	Previous
Significant pollution incidents: <0.7	0		Page 53	2011-12: <0.1 2010-11: 0 2009-10: <0.1

Highlights

In 2012-13, we:

- commenced implementation of the outcomes of the 2011-12 National Plan to Combat Pollution of the Sea by Oil and other Noxious and Hazardous Substances and National Maritime Emergency Response Arrangements Review ([National Plan/NMERA Review](#))
- released tenders for storage and maintenance of the National Plan equipment stockpiles
- released a request for tender for the continued provision of an appropriate level two (regional) emergency towage capability around the Australian coastline
- released a request for tender for the continued provision of a dedicated 24/7 emergency towage vessel to provide emergency towage and first strike pollution response capability in the northern Great Barrier Reef and the Torres Strait
- managed the completion of the oily waste disposal and the removal of the wreck of the MV *Tycoon*, which grounded and subsequently broke up at Christmas Island in January 2012
- facilitated the passing of legislation through parliament giving effect to significant new environment protection initiatives
- hosted the [Spillcon 2013](#) conference in Cairns (see page 72)
- recorded no serious pollution incidents.

Challenges

- Due to the focus on implementing the new *Navigation Act 2012*, the development of revised Marine Orders to apply the technical aspects of the new energy efficiency and garbage disposal standards of the *International Convention for the Prevention of Pollution From Ships (MARPOL)* was delayed.
- Government staffing reductions in some states/NT have led to concerns regarding the capacity to respond to major incidents in some areas. This issue will be considered in detail by the National Plan Strategic Co-ordination Committee during 2013-14.
- The release of tenders for all our major environment-related cost items in the same year. Equipment storage and maintenance and level one and two emergency towage capability represented short-term staffing challenges.
- Addressing the 70 recommendations arising from the National Plan/NMERA Review has represented a challenge for all National Plan stakeholders. This has in part been addressed by the establishment of several technical and working groups that draw on the resources and expertise of all government and industry stakeholders to prepare a revised National Plan.

Year in review **The National Plan/NMERA review**

Following the 2011-12 National Plan/NMERA Review, a major focus for us in 2012-13 was the implementation of the outcomes of the review process.

One of the key changes is the formal integration of the pollution response and casualty management arrangements into a single structure, to be known as the National Plan for Maritime Environmental Emergencies (National Plan). AMSA manages the National Plan, working with state and Northern Territory governments, the shipping, oil, ports, salvage, exploration and chemical industries, and emergency services to maximise Australia's response to maritime environmental emergencies.

The outcomes of the review represent the most comprehensive revision of our national pollution response capability since the arrangements first commenced in 1973. The new arrangements:

- provide clearer linkages to Australia's obligations as a signatory to the *International Convention on Oil Pollution Preparedness, Response and Co-operation 1990* and its 2000 protocol dealing with hazardous and noxious substances
- are more closely aligned to Commonwealth and state/Northern Territory (NT) emergency management arrangements
- will result in AMSA's nine equipment stockpiles and emergency towage capability being upgraded and expanded to more accurately reflect the areas of highest risk identified during the review
- provide a new governance structure, with oversight by a National Plan Strategic Coordination Committee comprising Commonwealth and state/NT governments, and a National Plan Strategic Industry Advisory Forum responsible for providing industry-focused advice on strategic issues.

Work to implement these and other review outcomes will continue during 2013-14.

More information on the National Plan can be found on the environment section of our website.

New environmental standards for ships

On 1 January 2013 we introduced a number of important changes to environmental standards for ships. The changes are the result of amendments to the [International Convention for the Prevention of Pollution From Ships](#) (known as the MARPOL Convention), and provide new energy efficiency standards for ships and significantly tighter controls on the discharge of garbage from ships. Changes include:

- inclusion of a new requirement specifying that discharge of all garbage into the sea is prohibited, except as expressly provided otherwise
- a mandatory Energy Efficiency Design Index for new ships
- a Ship Energy Efficiency Management Plan for all ships.

New ships must be built to meet the requirements of an Energy Efficiency Design Index, and all ships are required to have a Ship Energy Efficiency Management Plan.

Pollution response

While there were no major incidents during 2012-13, we provided support to the states/NT for several minor incidents, and completed the removal of the wreck of the MV *Tycoon* from Flying Fish Cove, Christmas Island. The MV *Tycoon* broke free from its moorings on 8 January 2012 and subsequently ran aground on a nearby cliff face, broke in half and sank. In April 2012 we formally announced the government's decision to step in and manage the wreck removal operation, after the failure of the owner to take responsibility. The wreck removal was undertaken by a contractor to AMSA and managed through a cooperative agreement between AMSA and the Department of Regional Australia, Local Government, Arts and Sport.

The remains of the wreck of the MV Tycoon leaving Christmas Island, July 2012



In December 2012 all orders for the second year of the five-year National Plan equipment procurement strategy were placed. This involved \$4.6 million in equipment that either replaced or upgraded the nine National Plan Tier 2/3 equipment stockpiles. All equipment associated with these orders was delivered prior to the end of June 2013.

\$4.6 million of National Plan equipment was delivered during 2012-13



Our performance - environment protection

In November 2012 requests for tenders were released for the storage and maintenance of the National Plan equipment stockpiles for up to nine years (storage) and six years (maintenance) if all options for extensions are executed. These contracts, including all possible extensions, involve up to \$14 million in expenditure. A tender assessment process was undertaken in March 2013, and new contracts were negotiated and in place by 30 June 2013.

We have developed a simple web-based Geographic Information System (GIS) to provide stakeholders with information about AMSA-owned oil spill response assets, its fixed-wing aerial dispersant capability and emergency towage vessels.

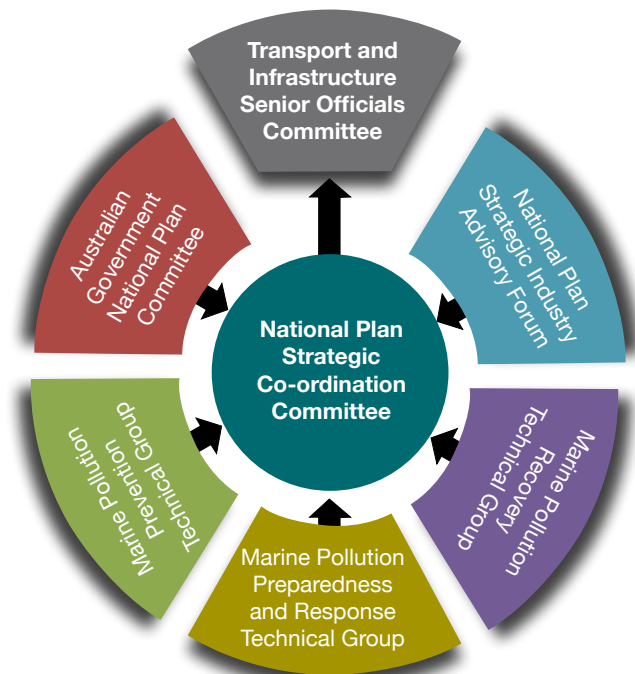
During 2012-13 we finalised an agreement with the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) regarding the responsibilities of NOPSEMA and AMSA with respect to oil spill preparedness and response arrangements for offshore petroleum activities in the Commonwealth offshore area.

Transport and Infrastructure Senior Officials Committee

At its meeting in September 2012, the Transport and Infrastructure Senior Officials Committee agreed to new governance arrangements to oversee the National Plan. The new arrangements provide for a broader range of government and industry stakeholders to provide input into decisions affecting these arrangements, including the shipping, ports, offshore exploration and production and salvage industries (see Figure 13 below).

Figure 14

Governance arrangements to oversee the National Plan



Our performance - environment protection

The first meetings of the newly-established committees and working groups were held during the last quarter of 2012. The focus of these meetings was to develop a work program to implement the outcomes arising from the 2011-12 National Plan/NMERA Review.

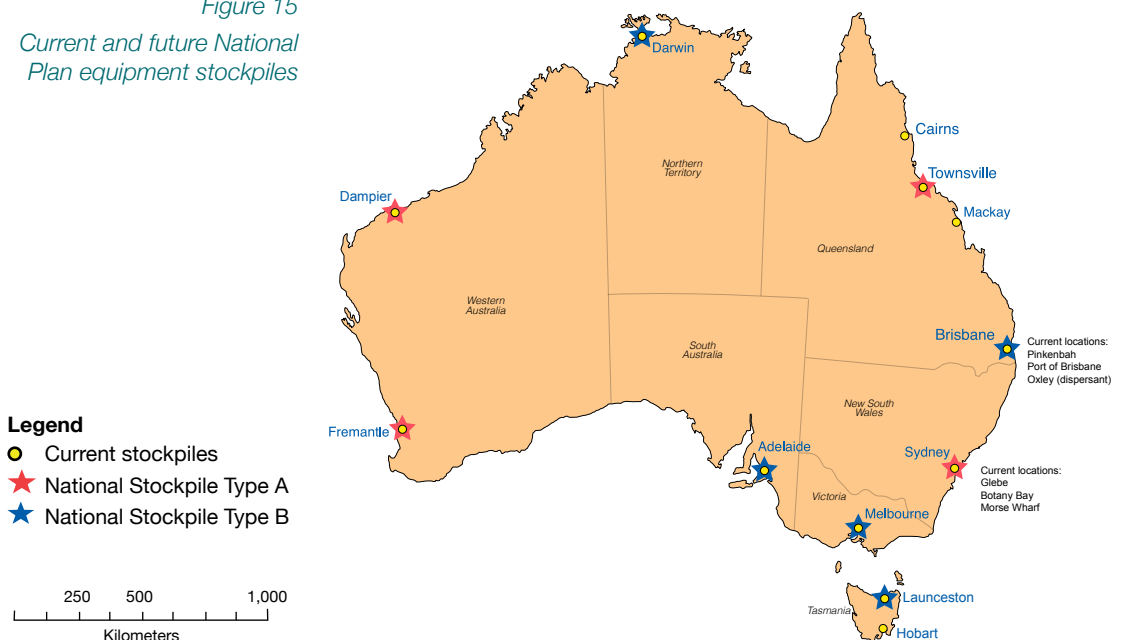
A new comprehensive National Plan document is to be developed to provide an overall outline of the prevention, preparedness, response and recovery arrangements for marine pollution. The document will include all existing and future policies of the National Plan, and will maintain the existing arrangements for contingency planning at the state/NT and industry level.

Each jurisdiction will review the adequacy of their current preparedness and response arrangements for the delivery of environment and scientific advice within their incident management systems, and their contributions to and expectations of National Plan support.

All states and territories will conduct audits against the obligations contained in the *International Convention on Oil Pollution Preparedness, Response and Co-operation 1990* and the *Protocol on Preparedness, Response and Co-operation to Pollution Incidents by Hazardous and Noxious Substances 2000*, including any legislation or other regulatory mechanisms.

A substantial program of equipment replacement and refurbishment is well underway, with the two National Plan equipment stockpiles adjacent to the 'very high' risk areas identified during the risk assessment project—Dampier and Townsville—targeted to be upgraded (see Figure 14 below).

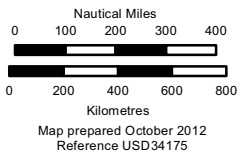
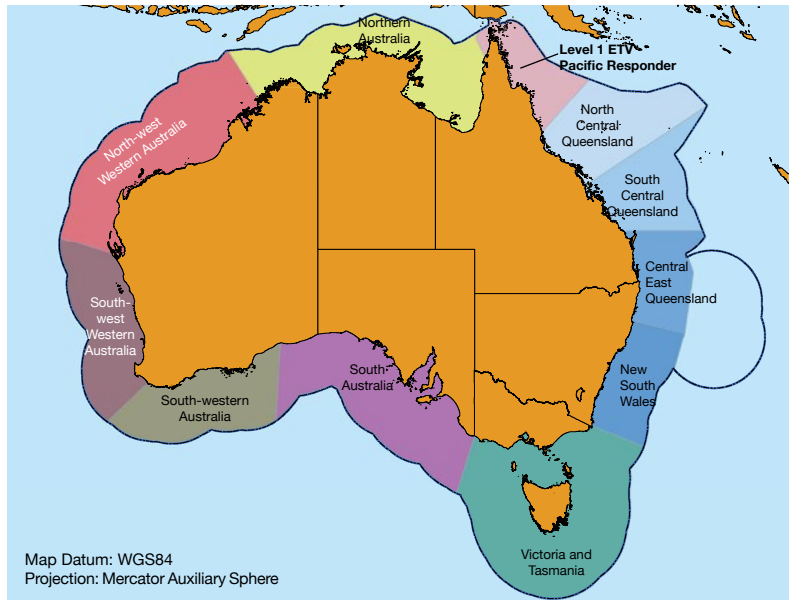
Figure 15
Current and future National Plan equipment stockpiles



To address the increased risk since NNERA was implemented in 2006, two new emergency towage capability (ETC) regions are to be implemented for south Western Australia and north Central Queensland (see below). A tender process for new Emergency Towage Capability provisions was completed during 2012-13 and it is expected the new arrangements will be established by July 2013.

Figure 16

New ETC regions to be implemented for south Western Australia and north Central Queensland



Maritime casualty response

The National Plan includes the delegation of the Maritime Emergency Response Commander (MERCOCM), a national decision maker responsible for the strategic management of responses to maritime casualties. The National Plan also includes an emergency towage capability that is maintained at strategic locations around the Australian coast. Tugs are maintained at a high level of readiness throughout the year to respond to breakdowns and have, on several occasions, been placed on standby to respond to disabled or distressed vessels.

Our dedicated emergency towage vessel (ETV), the *Pacific Responder*, worked diligently throughout the year to remain available 24/7 to respond to incidents in the Great Barrier Reef, Torres Strait, the Gulf of Carpentaria and the Coral Sea. The *Pacific Responder* was activated on four occasions to provide assistance to maritime casualties as they transited the region.

The *Pacific Responder* also provided assistance in the rescue of a number of small craft in the area and responded to outages in our aids to navigation network.

In November 2012 we released a request for tender for the continued provision of an appropriate level two emergency towage capability (ETC) around the Australian coastline. The level two capability requires that arrangements are in place for suitably equipped harbour towage vessels to

Our performance - environment protection

respond at short notice to perform first strike emergency towage capability in the event of shipping incidents or casualties. An ETC provider in each region is contracted to make suitable vessels available. The assessed risk has increased since the inception of the ETC program in 2006 and, as a result, we have proposed two additional regions on the Australian coastline—south Western Australia and north Central Queensland. A tender assessment process was undertaken with a view to having the new contracts in place by 30 June 2013.

In April 2013 a request for tender was released for the continued provision of a level one emergency towage capability in the northern Great Barrier Reef and the Torres Strait. The contract for the current capability, provided by the towing vessel the *Pacific Responder*, is due to expire in June 2014. It is expected that a transition will occur between the current and the new contract from January 2014, with the new contract being in place on 1 July 2014.

Regulations

Amendments to the *Commonwealth Protection of the Sea (Prevention of Pollution from Ships) Act 1983* were passed through parliament in September 2012 to give effect to key amendments to Annexes V and VI of the *International Convention for the Prevention of Pollution From Ships (MARPOL)*.

The main change in the Annex V amendments is the inclusion of a new requirement specifying that discharge of all garbage into the sea is prohibited, except as expressly provided otherwise. Further details can be found in AMSA Marine Notices 06/2012 and 19/2012 on [our website](#).

The Annex VI amendments encompass mandatory measures to reduce emissions of greenhouse gases from international shipping, representing the first ever mandatory global greenhouse gas reduction regime for an international industry sector. The amendments make the Energy Efficiency Design Index mandatory for new ships, and the Ship Energy Efficiency Management Plan mandatory for all ships. Further details can be found in Marine Notice 13/2012 on [our website](#).

Liability and compensation regimes

During 2012-13 we attended several meetings of the governing bodies of the London-based International Oil Pollution Compensation (IOPC) Funds, and in October 2012, Australia was elected as a member of the 1992 Fund Executive Committee. The meetings considered claims arising from major global oil spills and matters relating to the administration and governance of the funds, as well as working groups examining claims handling experience and the definition of 'ship' applied in the conventions.

We attended the workshop on the international liability and compensation regime hosted by the IOPC Funds and the International Tanker Owners Pollution Federation held in Cairns adjacent to Spillcon 2013. Our representatives provided a presentation on the Australian experience in implementing the IOPC Fund, including identifying contributors and administration and auditing of received oil reports.

Our performance - environment protection

During 2012-13 we worked closely with the Department of Infrastructure and Transport in progressing domestic consultations with a view to Australian adoption of the *International Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea, 1996*. This convention, which is not yet in force internationally, will provide a two-tier compensation regime for hazardous and noxious substances spills, similar to the long-standing international arrangements in place for spills from oil tankers.

Recovering the costs from responding to major incidents such as the *Pacific Adventurer* (2009), *Shen Neng 1* (2010) and *Tycoon* (2012) was also a major focus during the year. This involved extensive consultation with ships' insurers, known as Protection and Indemnity Clubs, and with all of our National Plan stakeholders to obtain comprehensive documentation to support claims.

AMSA is currently subject to an audit by the Australian National Audit Office (ANAO). The ANAO is looking at a number of international conventions and their implementation by Australian Government departments/agencies as part of their review to ascertain whether Australia is meeting its international convention obligations. Our involvement in this review is based on our responsibility for, and domestic implementation of, the *International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001* (the Bunkers Convention). The ANAO is currently preparing the draft report for the agency's consideration.

Spill response decision support systems

Incident management system

The introduction of a National Plan management system was identified as a priority in the response to the National Plan/NMERA Review. We have undertaken a comprehensive business analysis process, and have procured an off-the-shelf incident management system that will assist us and other National Plan stakeholders to improve both day-to-day National Plan business and plan responses.

The system will be used to manage both maritime casualties and pollution incident response under the National Plan.

The project is now in the implementation stage, with an expected completion of stage one by August 2013.

Satellite surveillance for spills

AMSA is currently trialling the use of satellites to look for oil spills in Australian waters.

Satellite-based Synthetic Aperture Radar (SSAR) can identify potential oil spills directly from orbit. These satellites can monitor day and night, and can see through cloud, rain, fog and other weather. They are one of the most effective and reliable ways of spotting oil spills and the ships that

cause them. To minimise oil spill damage in the marine environment it is important to quickly find the spilled oil and remove it from the sea. The satellite information gets to AMSA within 60 minutes, and this is essential to catch polluters red-handed and commence response operations.

The world-leading Norway-based company Kongsberg Satellite Services (KSAT) obtains and analyses the satellite data for us. The satellites target areas of Australian waters considered to be at a high risk of oil pollution due to heavy shipping movements or offshore oil and gas projects.

Once this phase of the trial is completed, we will assess the viability of implementing the system permanently in Australia, so it will continue to have a deterrent effect on would-be polluters.

Training

We continued to enhance and improve our national oil spill training framework through competency-based training. In excess of 1200 people have been involved during 2012-13 in competency-based training, online learning and workshops.

We deliver competency-based training courses under the National Plan and intergovernmental arrangements, as well as online training and workshops. During 2012-13 we developed and delivered the following accredited competency-based training:

- 10 Incident Management courses in Australia, the Philippines and Vietnam, with a total of 168 participants in Australia and 58 overseas
- 3 Incident Controller courses (54 participants)
- 2 each of Logistics and Operations courses (66 participants)
- 4 Shoreline courses (75 participants)
- 5 Basic Equipment Operator courses (87 participants).

Based on feedback, a significant Incident Management Team (IMT) course review process was undertaken between October 2012 and January 2013. A revised IMT course was presented in February 2013 at the Australian Emergency Management Institute (AEMI), Mount Macedon, Victoria.

We now provide a full suite of specialist incident management courses within our scope of registration (Incident Controller, Planning, Operations and Logistics). The inaugural Planning Officer course was conducted at AEMI on 22-26 October 2012.

Through a tender process, we are progressing approved training providers to deliver nationally consistent and accredited training in the operations of basic and advanced oil spill response equipment and oiled shoreline response. It is anticipated that these programs will be developed and ongoing delivery commenced by July 2013.

International and regional engagement

Our objective is to:

- promote safe and environmentally-sensitive shipping and search and rescue services across the globe.

Introduction

Promoting safe, secure and efficient shipping, both in our region and throughout the world, is critical to our nation's economic prosperity and environmental future.

Australia has a particular focus on its geographic neighbourhood, which includes the Asia-Pacific and Indian Ocean regions. It recognises the importance of key trading partners, but also the requirements of less-developed countries.

During the year we continued to strengthen our close relationships with international maritime organisations and training institutions, as well as helping to influence the work of other international organisations.

We achieved this through regular bilateral contact, regional agreements, regional leadership fora, and through a large range of international maritime organisations, most notably the [International Maritime Organization](#) (IMO) and the [International Association of the Marine Aids to Navigation and Lighthouse Authorities](#) (IALA).

Engaging with our international maritime counterparts

The IMO is the United Nations agency with responsibility for setting and maintaining international ship safety standards.

In 2012-13, AMSA signed a memorandum of understanding (MoU) with the IMO to support the IMO Integrated Technical Co-operation Programme. Under the MoU, we contributed to seven technical cooperation activities across the Asia-Pacific region. These included providing technical experts for five training workshops on ship safety and navigation, and two training workshops on marine environment protection.

Beyond the IMO's technical cooperation programme, we also conducted 49 activities across 19 countries under our Technical Cooperation Strategy. This occurred in the Asia-Pacific and Indian Ocean regions through staff exchange programs and the provision of expertise on maritime matters such as port State control, search and rescue, navigational safety, and pollution preparedness and response.

We also signed a number of new cooperative agreements with international maritime agencies, including the Republic of Korea Coast Guard, Maritime New Zealand, and 18 countries of the Indian Ocean Region. We also made significant progress towards signing a new agreement on search and rescue with 22 Pacific Island countries and territories. This takes AMSA to 34 international agreements with 18 different countries.

International Maritime Organization (IMO)

IMO Council

The IMO's comprehensive regulatory framework for international shipping covers:

- safety of ships
- qualifications and welfare of seafarers
- prevention of pollution from shipping
- maritime security
- the efficiency of shipping.

Australia is a key player in the IMO, having been elected by its 170 members to its governing Council for more than 40 years. This honour affords us considerable influence over IMO work program and goals.

With trade at Australian ports expected to continue to grow over coming decades, international shipping safety, security and protection of the marine environment will continue to be high priorities for Australia within the IMO context.

Our Chief Executive Officer is Australia's Head of Delegation to the IMO. Brad Groves, AMSA's General Manager, Navigation Safety and International Division, is currently the Chair of the Standards on Training and Watchkeeping Sub-Committee. The Hon. Mike Rann, Australia's High Commissioner to the United Kingdom, is Australia's Permanent Representative to the IMO. Australia also maintains an Alternate Permanent Representative, Anthony Hogan, based at the Australian High Commission in London.

*The Australian delegation
at the 110th session of
Council at the IMO*



Under the Assembly, the IMO Council is responsible for supervising the work of the organisation. The Council is elected by the Assembly for two-year terms. On 29 November 2013, the 170 IMO Member States will vote for its 40-Member governing Council for the 2014-15 biennium. In 2013 Australia will again stand for re-election to Council under Category C - 20 Member States with special interests in maritime transport or navigation, and whose election will ensure the representation of all major geographic areas of the world.

Australia is a long-standing member of Category C, having served on the Council for more than 40 years (1959-1975 and 1985 to present). In the 2011 election, Australia achieved its best ever result, ranking second in Category C with 128 votes. The 2013 election strategy seeks to maintain Australia's membership on the Council.

Our work at the IMO

Australia's key priorities at the IMO in 2012-13 were:

- to continue to develop and facilitate international agreement on a comprehensive regulatory regime for emissions from shipping. Australia provided a financial contribution to update research to underpin this ongoing work
- to support reform of the IMO methods of work and the IMO Secretariat structure to maximise efficiency of the budget, constrained by international pressures on Member States
- to work towards improvements in passenger ship safety in the light of recent international incidents and the significant growth of passenger ship traffic in our region. Australia is chairing an important working group on this issue
- to continue to promote the adoption and implementation of IMO instruments in the Indo-Pacific region through our technical cooperation activities
- to promote the development and adoption of construction and operational standards for ships operating in polar environments, particularly those in Australian waters
- the development of guidance documents supporting the 2013 amendments to the garbage disposal regulations included in the *International Convention for the Prevention of Pollution From Ships* (MARPOL), in particular relating to the format of the garbage record book carried by ships.

IMO subcommittees

Maritime Safety Committee

AMSA led Australia's delegation to the 91st and 92nd session of the IMO's Maritime Safety Committee (MSC) meeting in November 2012 and June 2013 respectively. The delegation also included Australia's Alternate Permanent Representative to the IMO.

Australia chaired the Working Group on Passenger Ship Safety, dealing with issues associated with the *Costa Concordia* casualty.

Developing environmental protection standards

We are responsible for administering legislation that gives effect to international environment protection standards for ships. In 2012-13 we participated in a number of committees and working groups of the IMO and the International Oil Pollution Compensation Fund.

We participated in the 64th and 65th sessions of the IMO Marine Environment Protection Committee (MEPC) in October 2012 and May 2013 respectively.

More information on the amendments to MARPOL Annex V and Annex VI can be found in Marine Notices 2012/06, 2012/13 and 2012/19 on our website.

International Association of Marine Aids to Navigation and Lighthouse Authorities (IALA)

We actively contributed to the work of IALA on developing new and upgraded standards for marine aids to navigation.

We participated extensively in several technical committees of IALA. Our Chief Executive Officer and General Manager, Navigation Safety and International Division, attended meetings of the IALA Council. AMSA played an important role in the development of a new IALA Strategic Plan. In particular, our representation contributed to the IALA work program in regard to:

- developing the implementation plan for e-navigation
- developing guidance on the effective planning and management of aids to navigation
- developing training modules for the IALA World Wide Academy for training aids to navigation personnel, particularly in developing countries.

We hosted two IALA training seminars in November 2012 that covered international obligations for the provision of aids to navigation, and the use of tools to better manage risks to the safe navigation of ships.

We commenced development of a strategy and implementation plan for our role as the regional point of contact for IALA's new training and capacity building initiative, the World Wide Academy. The strategy is the first step for us in defining the role in which we will promote, coordinate and facilitate aids to navigation and other navigation safety-related training and assistance initiatives for countries in the south-west Pacific.

International Telecommunication Union

We have been active in another UN specialist agency, the International Telecommunication Union (ITU). We were involved in the Australian consultative processes with the Australian Communications and Media Authority and other stakeholders, contributing to relevant ITU-R Working Parties that are responsible for the technical and spectrum arrangements for the radio navigation equipment and the Global Maritime Distress and Safety System.

Linked with the developments of e-navigation is the need for effective, digital communications. We continue to be involved at the ITU and other international meetings to develop this digital VHF communications capability.

International Electrotechnical Commission

We chair the Joint Australia/New Zealand standards committee RC-004, which deals with maritime radio communication equipment and safety of life radio devices, such as satellite distress beacons. This committee also acts as the Australian mirror committee to the IEC TC80 Committee, which sets testing standards for radio communication and radio navigation equipment used aboard ships.

Our technical cooperation program

AMSA continues its long history of supporting countries in Australia's geographic neighbourhood, which includes the Asia-Pacific and Indian Ocean regions.

The assistance we provide to other countries and organisations is called 'technical cooperation' or 'capacity building'. The purpose is to improve the knowledge and resources needed to operate a safe and efficient shipping industry.

These efforts have strengthened our already close relationships with counterpart maritime agencies and training institutions, as well as assisting with the work of other international, intergovernmental and non-governmental organisations.

AMSA provides assistance to countries in a number of ways, including:

- staff exchange programs
- assisting with the adoption and implementation of international regulations and conventions
- providing training, technical advice and expert missions to help develop human and institutional resources
- assisting with funding for regional staff to attend important meetings and seminars.

AMSA's technical cooperation program comprises the following core elements:

- activities conducted under country agreements/memoranda of understandings

Our performance - international and regional engagement

- activities tasked by the IMO under their Integrated Technical Cooperation Programme
- programs developed to address specific maritime needs
- joint projects or training with Australian maritime training institutions such as the Australian Maritime College
- ad-hoc requests for assistance from countries
- hosting of international visitors.

Our technical cooperation program is driven by AMSA's Strategic Vision, Corporate Plan and a range of regional directives, declarations and strategies, such as the AusAID program for achieving its millennium development goals.

Our goals and activities for technical cooperation are outlined in the publication, AMSA's Technical Cooperation Strategy 2010-2015, which is available on our website.

In 2012 we achieved a range of technical cooperation activities, both regionally and bilaterally. This included participation in 49 activities with 19 countries across all areas of the Asia-Pacific and Indian Ocean.

Technical cooperation achievements

Australia provides strong leadership on maritime issues in the Asia-Pacific and Indian Ocean regions by engaging at a regional level to ensure that technical cooperation activities have tangible outcomes consistent with the broader regional and political objectives of AMSA and Australia.

One example is Australia's role in the [Asia-Pacific Heads of Maritime Safety Agencies](#) (APHoMSA) forum. Australia assisted Vietnam's hosting of APHoMSA in July 2012, where participants reaffirmed the important role of the forum in building a better understanding of shared maritime issues in the Asia-Pacific region. A key outcome was for Australia to lead further development of a regional cooperation strategy for the Asia-Pacific.

Australia assisted Vietnam's hosting of the 13th APHoMSA meeting in July 2012



Our performance - international and regional engagement

AMSA is an important member of two regional MoUs on port State control—the Tokyo MoU in the Asia-Pacific region and the Indian Ocean MoU. We continue to conduct port State control and maritime English terminology training courses, and expert missions under both of these arrangements. For example, in March 2013 we delivered a course in Ecuador for 23 countries of the Vina del Mar Agreement region.

We also became chair of the International Civil Aviation Organisation (ICAO) Search and Rescue (SAR) Task Force for the Asia-Pacific region. The task force was convened in response to a paper Australia submitted to the Asia-Pacific Air Navigation Planning and Implementation Regional Group (APANPIRG) SAR working group. The IMO was engaged at this meeting with a view to consideration of ICAO and IMO's stated aim to harmonise maritime and aviation SAR where possible. The task force aims to deliver a plan for enhancement of SAR capability in the Asia-Pacific region within two years of establishment.

We attended the Pacific Search and Rescue Discussion Group forum, in Fiji. We also conducted SAR training exercises in multiple countries around the Asia-Pacific and Indian Ocean including Fiji, Indonesia, La Reunion, Maldives, New Caledonia, New Zealand, Papua New Guinea, South Africa and the Solomon Islands.

In June 2013 an AMSA representative attended the Regional Marine Pollution Exercise (Regional Marpolex) in Makassar, Indonesia, as an observer. The exercise was held pursuant to annex VII of the Association of Southeast Asian Nations (ASEAN) Oil Spill Response Action Plan 1992 and the Sulawesi Sea Oil Spill Response Plan. It involved personnel from Indonesia, Malaysia and the Philippines. The aim of the two-day exercise was to test and evaluate the effectiveness of personnel and equipment in oil spill response. Table-top and communications exercises were held on the first day, with the second day involving practical on-water exercises, claims and compensation calculation, and an exercise critique.

In the Pacific region, Australia engages through two prominent regional organisations—the South Pacific Regional Environment Programme (SPREP), and the Secretariat of the Pacific Community (SPC).

An AMSA representative attended the Regional Marine Pollution Exercise (Regional Marpolex) in Makassar, Indonesia in June 2013



Our performance - international and regional engagement

Through these organisations, Australia contributed to activities such as revising the Pacific Islands Regional Marine Spill Contingency plan (PACPLAN), which outlines co-operative regional responses to major marine spills in the Pacific Island region. Under the PACPLAN arrangements, Australia is listed as the 'primary source of assistance' for Nauru, Papua New Guinea, Solomon Islands, Tuvalu, Vanuatu, and Kiribati. Along with the other non-island members, Australia is a 'secondary source of assistance' for the remaining 16 island members.

Also in the Pacific region, we held a series of seminars and meetings with IALA in Sydney and Brisbane in November 2012. The seminars focussed on improving the capacity of maritime authorities to ensure the safety of life at sea (SOLAS). This included risk management training, awareness of the SOLAS Convention obligations, and providing aids to navigation to meet mariner needs. Attendance by developing countries in the south-west Pacific region was sponsored by the IMO, AusAID and AMSA.

Australia is also an active and engaged participant in IMO's Technical Co-operation Committee. Under our MoU with the IMO we give support by providing experts, administrative and organisational support, and cost sharing of travel and accommodation arrangements. For example, we:

- provided a technical expert to workshops held in Fiji (May 2012) and Indonesia (December 2012) on the implementation of the International Maritime Solid Bulk Cargoes (IMSBC) and International Maritime Dangerous Goods (IMDG) Codes (cargoes that may liquefy)
- hosted a regional seminar in Townsville (August 2012) on Particularly Sensitive Sea Areas (PSSAs) for the Pacific Island region, where 16 participant countries were trained in area-specific management of shipping to protect the marine environment in designated PSSAs
- provided a technical expert to a training workshop on implementing the STCW Convention, hosted by the Philippines (August 2012)
- provided technical experts and funding assistance for the first Pacific Domestic Ferry Safety workshop, hosted by the Secretariat of the Pacific Community in Fiji (October 2012)

The Secretariat of the Pacific Community (SPC) hosted the 5th Pacific Regional Search and Rescue (SAR) Workshop from 3 to 7 June 2013 in Suva, Fiji



Our performance - international and regional engagement

- assisted the delivery of, and provided technical experts to, a regional oil spill training course on Oil Pollution Preparedness, Response and Coordination (OPRC) Level 2/3 and sight sensitivity mapping for 12 Pacific Island countries, hosted by Samoa (October 2012)
- provided a technical expert to conduct a review of Papua New Guinea's national legislation and regulation, and provided advice on updating their domestic ferry safety legislation (December and June 2012) and ships' routeing systems (February 2013)
- provided a technical expert to conduct a regional workshop on maritime security and Long Range Identification and Tracking in Thailand.

Opportunities for international agreements and memoranda of understanding are regularly reviewed. AMSA now delivers capacity building activities in partnership with more than 18 countries under 34 memoranda of understanding, as well as under bilateral and regional arrangements.

For example, during 2012-13 we progressed the development of a search and rescue agreement for 22 Pacific Island countries and territories, which is expected to be signed in November 2013. The Australian Cooperative Data Centre (AusCDC) agreement for sharing long range identification and tracking data was expanded to include Palau, in addition to the existing membership of New Zealand, Cook Islands and Papua New Guinea.

As well as regional cooperation, we also provide direct assistance to countries. For example, we have coordinated a number of visits by senior officials from overseas maritime administrations such as Turkey, Philippines, Papua New Guinea, Russia, New Zealand, United States, Thailand and Canada to facilitate knowledge sharing and the transfer of skills and expertise.

We have staff exchange programs to achieve a similar outcome, but through extended exposure across a number of months. For example, we completed the China-Australia exchange program (October-December 2012), which was the third Maritime Safety Exchange Program between AMSA and the China Maritime Safety Administration (China MSA). The purpose was to share knowledge, procedures and develop skills in ship and seafarer safety, security, and environment protection. This year, we were pleased to develop another exchange program with officials from the Republic of Korea to achieve similar outcomes in the area of port State control.

Another significant bilateral achievement for us during 2012 was completion of the first phase of the Australia-PNG Transport Co-operation MoU, comprising a gap analysis of the PNG SAR capacity and assisting PNG with an aids to navigation review (October-November 2012).

We provided training for PSC inspectors from other countries through the MoU structures, and provided training in ship safety issues under the Indonesian Transport Safety Assistance Program.

Significant programs **Antarctic Treaty**

We participated in the 36th Antarctic Treaty Consultative Meeting from 20-29 May in Brussels. The meeting is the primary international forum for Antarctic matters, and the Australian delegation was led by the Department of Foreign Affairs and Trade, closely supported by the Australian Antarctic Division.

A separate Search and Rescue (SAR) Working Group convened to discuss a number of matters and particularly focused on the present search and rescue arrangements in place in the Antarctic, the growth of tourism in the region, and the increase in the number of national Antarctic programs and their role in search and rescue.

Australia actively engaged in the positive outcomes for search and rescue in the region, including:

- The Australian Antarctic Division is the Australian representative member of the Council of Managers of National Antarctic Program (COMNAP). Each country that is a signatory to the Antarctic Treaty (1959) establishes a National Antarctic Program, which has responsibility for managing the support of scientific research in the Antarctic Treaty Area on behalf of its Government. COMNAP brings together the National Antarctic Programs of 29 countries.
- The 36th Antarctic Treaty Consultative Meeting was held in Brussels between 20 to 29 May with the SAR Working Group convening on the 23 and 24 May. The SAR Working Group was convened in accordance with Resolution 8 (2012) of the 35th ATCM meeting to discuss means of improving SAR coordination in Antarctica, with particular emphasis on land-based incidents.

Of other notable interest was the report presented by the International Hydrographic Organization (IHO) on the focus of improved hydrographic survey and charting for the Antarctic Treaty Area.

Indonesian Transport Safety Assistance Package

AMSA continued to deliver a range of assistance under the Indonesian Transport Safety Assistance Package (ITSAP), a program of the Department of Infrastructure and Transport. In 2012-13 year we implemented the AMSA SAR 2012-14 project. The project comprises three components:

- the placement of operational officers in Jakarta and Canberra
- assistance to provide an operational picture (a geographic information system (GIS) picture displayed on computer equipment) to a Badan SAR Nasional (BASARNAS) rescue coordination centre (RCC), including vessel track data for the Indonesian Search and Rescue Region (SRR)
- assistance to develop the capacity to communicate with merchant vessels, including the transmission of distress broadcasts via Inmarsat satellite communications (Inmarsat is the only IMO approved satellite system employed for the transmission of maritime safety information).

Our performance - international and regional engagement

Our Rescue Coordination Centre (RCC Australia) began hosting BASARNAS officers in April 2013 for development purposes, and will continue to rotate these officers on a three-monthly basis for a period of approximately 18 months. In May, we deployed two Bahasa-speaking Capability Development Officers for mentoring and capacity building purposes to the BASARNAS Headquarters, nominally until December 2014.

In support of this project, two of our subject matter experts were deployed to BASARNAS in Jakarta and participated in a search and rescue exercise involving RCC Australia and BASARNAS from 27 May to 7 June.

With ITSAP in its last year, we have established a second major project of technical cooperation activities called AMSA SAR 2012-14 project. It includes:

- the officer exchange program between BASARNAS and AMSA
- enhanced technological capabilities in the area of ship tracking and satellite communications
- search and rescue training exercises and discussions
- bilateral discussions on improved access for Australian search and rescue aircraft to be able to refuel quickly in Indonesia when necessary.

Torres Strait Marine Safety Program

The Torres Strait Marine Safety Program (TSMSP) has achieved a wide range of outcomes. Of particular success was the training provided to Torres Strait Islanders for the Traditional Inhabitant Boat Coxswain Certificate course. Training was delivered throughout the Torres Strait region from a dedicated training vessel that operated as a mobile classroom.

*Traditional Inhabitant Boat
Coxswain Certificate course
participants*



Our performance - international and regional engagement

It was funded through a cost-sharing arrangement between partnership agencies that form the Land and Sea Support Group—AMSA, Maritime Safety Queensland, Torres Strait Regional Authority and Community Enterprises Australia. This training resulted in the significant achievement of 115 Torres Strait Islander students obtaining their Certificate 1 (Traditional Inhabitant Boat) Coxswain Certificate.

In addition to the training, the TSMSP also progressed a 406 MHz beacon replacement project, school and TAFE education programs, and the delivery of 1500 lifejackets to Papua New Guinea Treaty villages situated across the South Fly region.

International Cospas-Sarsat Programme

From 25 February to 1 March 2013 we hosted the 1/2013 Cospas-Sarsat Experts Working Group meeting on Second Generation Distress Beacons. Sixty-seven participants from sixteen countries attended the meeting.

The working group is preparing specifications for the next generation of distress beacons that will work with the MEOSAR satellite system being developed by Cospas-Sarsat. In addition to improved detection speed and accuracy, the new generation beacons will also facilitate return link transmission, allowing the beacon to provide the user with confirmation that the distress message has been received.

Safer Shipping Asia Public Sector Linkages Program (PSLP)

The South Asia PSLP 'Safer Shipping for Members of the Indian Ocean Memorandum of Understanding' project commenced in July 2012, and aims to improve both the application of national port State control (PSC) procedures in the Indian Ocean region (IOR) and skills relating to English Maritime Terminology. This project is AusAID funded and assists the government's broader geopolitical objective with regard to engagement in the Indian Ocean. Activities are coordinated through the Tokyo MOU.

India is hosting the first Expert Mission Training course under the PSLP in 2013, and South Africa is hosting in 2014.

Significant events

International Oil Spill Conference for the Asia-Pacific region - Spillcon 2013

The Asia-Pacific oil spill preparedness and response conference, Spillcon 2013, was held during 8-12 April in Cairns, Australia. Spillcon 2013 brought together local, regional and global environmental and shipping representatives from across industry, government and non-government organisations to provide a forum for discussion on topics such as oil spill cause and prevention, preparedness, response management and environmental issues.

A record number of people attended Spillcon 2013, with 525 national and international delegates from more than 25 countries attending the sessions, exhibition and functions over the week-long event. Although the exhibition size was increased since the previous Spillcon in 2010, exhibition stands sold out in record time, with exhibitors pleased by the number and variety of attendees.

The conference program was made up of 12 sessions based on oil spill prevention, preparedness, response and recovery. Popular presentations during the conference included Maritime New Zealand's case study of the MV *Rena*, the salvage of the *Costa Concordia* off the coast of Italy. The keynote speaker, Indigenous activist, lawyer and Director of the Cape York Institute for Policy and Leadership, Noel Pearson, and the speakers from the International Oil Pollution Compensation Funds and the International Tanker Owners Pollution Federation Limited were well received by delegates.

Indigenous activist, lawyer and Director of the Cape York Institute for Policy and Leadership, Noel Pearson was keynote speaker at Spillcon 2013



The Secretary-General of the International Maritime Organization, Koji Sekimizu, addressed delegates on Thursday 11 April. While in Cairns, the Secretary-General also participated in a helicopter tour of the Great Barrier Reef with our Chief Executive Officer, Graham Peachey; Board Member, Jennifer Clark; General Manager, Navigation Safety and International Division, Brad Groves; and Great Barrier Reef Marine Park Authority Director - Tourism and Recreation, Chris Briggs.

A highlight of the week was the on-water display of Australia's capability to respond to an oil spill, including the simulated application of dispersant from two aircraft and AMSA's emergency towage vessel *Pacific Responder*. While the display was hampered by the weather, delegates enjoyed viewing a response in practice.

Spillcon is held every three years, and operates in cooperation with the International Oil Spill Conference (IOSC) in the United States, and Interspill in Europe. It is organised by AMSA and the Australian Institute for Petroleum.

IMO shoreline assessment workshop

Associated with Spillcon 2013, and supported by the IMO, AMSA provided a training course on shoreline assessment for oil spill response. The one-day course was attended by five international participants representing Indonesia, Thailand, Malaysia, Philippines and Papua New Guinea. The purpose of the course was to provide the participants with a working understanding of the role and application of shoreline assessment within oil spill response operations. Training services were provided by the National Plan training provider, John Wardrop of SEER Associates, with the support of Dr. Michael O'Brien from the International Tanker Owners Pollution Federation Limited (ITOPF).

E-navigation strategy implementation plan

In March 2013 we hosted an E-navigation Usability Workshop. The aim was to assist the IMO with the development of an e-navigation strategy implementation plan by creating guidelines for the usability of navigation equipment and systems. Forty-four delegates representing eleven countries participated in the workshop, representing four key stakeholder areas for e-navigation—academia, maritime administrations, the marine electronics industry, and users (seafarers and shore organisations such as Vessel Traffic Services).

Seafarer skills and working conditions

Our objectives are to:

- increase opportunities for Australian seafarers to operate within the Australian shipping industry
- maintain the high standards required to obtain seafarer qualifications
- ensure seafarer living and working conditions meet international standards and the expectations of the Australian public.

Performance



Achieved



Partially achieved



Not achieved

INDICATOR: All regulatory measures necessary to implement the *Maritime Labour Convention, 2006 (MLC, 2006)* are given effect within specified timeframes

Target	Actual	Result	Reference	Previous
100%	100%		Page 77	Not previously measured

INDICATOR: Amendments to the *STCW Convention* are implemented in accordance with international timeframes

Target	Actual	Result	Reference	Previous
100%	Yet to be determined	¹	Page 75	Not previously measured

¹The amendments to the STCW Convention have been 'three quarters' implemented, in that the Registered Training Organisation courses are now compliant and several other steps are in place, but, technically, we are waiting on the finalisation of MO3 to complete the last step, which is the changes to Ratings Certificates from perpetual to renewable at 5-yearly intervals.

INDICATOR: The number of entry level certificates shows an increase on previous years

Target	Actual	Result	Reference	Previous
100%	100%		Page 75	Not previously measured

Highlights

In 2012-13 we:

- issued 4435 certificates of seafarer qualifications.
- continued to promote seafarer and ship safety programs through workshops and forums, especially in relation to the introduction of both the new *Navigation Act 2012* and the *Maritime Labour Convention, 2006*.

Challenges

Marine Order 3 – Seafarer Certification (MO3) is the key piece of regulation under the *Navigation Act 2012* that sets AMSA’s training and certification standards for seafarers.

On 25 June 2010, amendments to the IMO’s *International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW)* were adopted by the parties to the convention, which includes Australia. The amended convention began a 5-year transition period on 1 January 2012.

We produced a modified draft of MO3 reflecting these changes and modernising the seafarer certificate structure to allow a more streamlined career pathway and allow for the use of more modern and contemporary educational outcomes.

Alternative legislative proposals were also introduced into the parliament which challenged us in responding to those through MO3 should they become law.

Through on going consultation it is anticipated that a revised MO3 will be released for final comment, ready for the Order to be made in the upcoming year.

Year in review

We continued to promote seafarer safety by participating in national and international programs and meetings. Workshops were held for all marine surveyors to update their knowledge and discuss emerging issues. These workshops also included specific training and familiarisation with new requirements under the *Navigation Act 2012*.

Seafarers’ qualifications

Key numbers:

- seafarer certificates processed (all types): 4435
- certificates of competency: 883
- oral examinations: 611
- revalidations: 565
- safety training certificates: 2219
- International Safety Management audits: 64.

Maritime crew qualifications system

Our engagement with maritime industry stakeholders and state and territory jurisdictions has identified and reinforced the need for reform of Australia's maritime crew qualifications system.

The administration process for the issue of certificates is being modified, with the Marine Qualifications System (MQS) being redeveloped with many functional improvements, including permitting doctors and colleges to input data directly into the system.

The application process is being streamlined. Applicants will soon be able to lodge applications at an Australia Post Office and use an online sea service check and customised online application process.

The arrangements for seafarer medicals were changed this year under a service provider agreement with Medibank Health Solutions (MHS). This permits a centralised booking service, medical review of all certificates and centralised record keeping by MHS.

We implemented new credit card-style certificates for safety training, barrier reef pilots and marine cooks.

The AMSA Seafarer Ready Reckoner

In 2012-13, our Information and Technology Services team developed an iPad application (AMSA Seafarer Ready Reckoner) for use by seafarers. It provides the ability for seafarers to understand what they need to obtain higher level qualifications. It also enables them to calculate sea service and summarise this for submission to our Ship Operations and Qualifications section.

The application distils a complex set of maritime qualifications regulations using a unique colour-coded timeline to display progress towards completion of training, sea service and other specialist duties needed to qualify for certain certificates. It allows mariners to record sea service on specific voyages and vessels, giving them a portable, printable summary of their service to date.

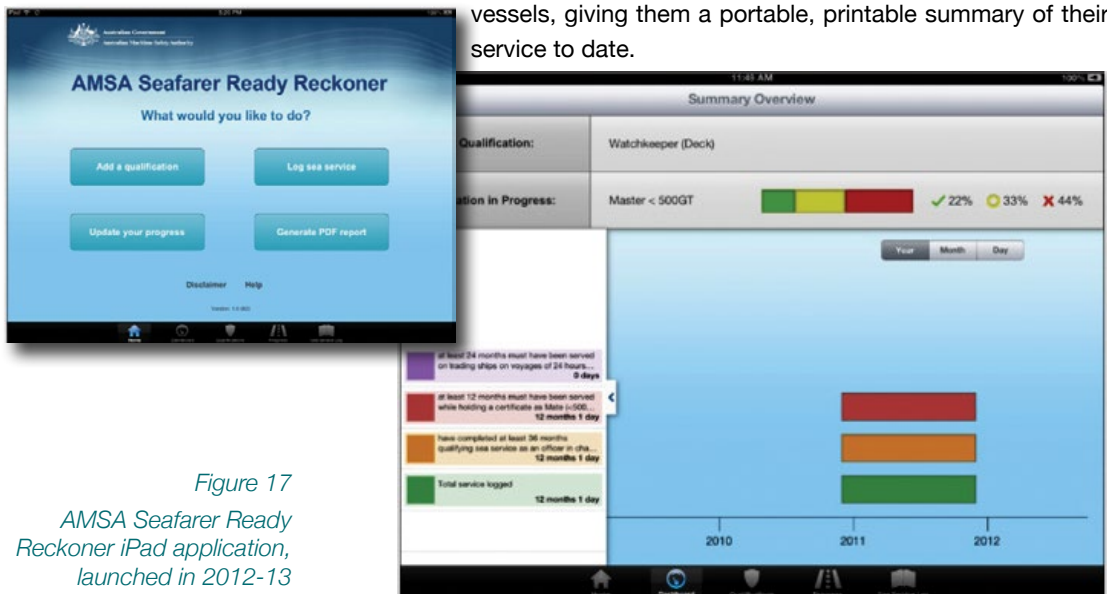


Figure 17

AMSA Seafarer Ready Reckoner iPad application, launched in 2012-13

Maritime Labour Convention, 2006

In December 2011 the Australian Government ratified the *Maritime Labour Convention, 2006* (MLC, 2006).

The MLC, 2006 establishes decent working and living conditions for the world's 1.2 million seafarers, while creating a level playing field for Australian ship owners. It addresses issues such as:

- conditions of employment
- accommodation
- food and catering standards
- occupational health and safety
- medical care
- welfare
- social security protection.

The MLC, 2006 will come into force internationally on 20 August 2013.

AMSA will have the responsibility for exercising Australia's flag and port State responsibilities under the convention, and will be the competent authority to certify Australian ships against its requirements.

The *Navigation Act 2012* is compliant with the MLC, 2006.

For more information on the *Maritime Labour Convention, 2006*, see page 16.

Our stakeholders

Our objective is to:

- meet key stakeholder expectations.

Performance

INDICATOR: Stakeholder feedback is actively sought and confirms that the majority of our stakeholders assess our performance as better than satisfactory

Target	Actual	Result	Reference	Previous
An external stakeholder survey will be conducted every two years.	A survey was not scheduled for 2012-13	N/A (to be reported in 2013-14)	N/A	2011-12: Over 80% of respondents indicated that: <ul style="list-style-type: none">• their organisation has an effective working relationship with AMSA• they are satisfied with their dealings with AMSA• they agree that AMSA performs its functions effectively. 2010-11: Satisfactory 2009-10: N/A

Highlights

In 2012-13 we:

- organised two high-profile international maritime conferences and attended a number of boat, air and outdoor shows promoting safety
- redeveloped our website
- held community information days around our coastline
- established a social media presence.

Challenges

A major challenge for AMSA in 2012-13 was to prepare itself to communicate with the domestic commercial vessel industry.

While our community in the past could be described as extremely varied and broad, it was well-represented by peak bodies and clearly identified organisations. The community and its expectations were well known to us, and communication and engagement methods operated accordingly.

Our community profile will change dramatically under the new National System. Stakeholders will be smaller, Australian-based operations, and far greater in number than we are used to.

In 2012-13 we prepared to meet this challenge in three ways. Firstly, a media protocol with state and territory maritime safety agencies was established to ensure the requirements of media are met and coverage is accurate. Secondly, we fully redeveloped our website to remove outdated information and make it easier for our community to access the information it needs. Thirdly, we began using social media as another way to connect with our community.

The success of these efforts will be known in 2013-14. The Corporate Relations Division will monitor the performance of each initiative and adjust them as required to achieve the intended outcome of an informed, engaged and satisfied community.

Year in review

On 1 October our Corporate Relations Division (CRD) was established, integrating AMSA media, communication, publishing, events and parliamentary liaison functions into one division. The new division has two key functional teams: Media & Engagement, and Communication.

AMSA Media was actively engaged with the national and international media due to a number of high profile search and rescue incidents, including the rescue of French solo sailor Alain DeLord from the Southern Ocean. Further information on this high profile search and rescue can be found at appendix 2.

We started to implement a planned and coordinated approach to:

- stakeholder engagement
- increasing community understanding of our role
- providing more opportunities for stakeholders to engage with us
- developing stronger domestic and international relationships.

Our performance - **our stakeholders**

From 6-8 August 2012, we hosted the seventh National Shipping Industry Conference, Natship12, in Melbourne. Natship12 is a biennial conference convened by AMSA, and this year was held in association with the Australian Shipowners Association, Australian Maritime Systems and the Department of Infrastructure and Transport.

This year is significant for the shipping industry, with the most important reforms in Australian maritime history:

- the development of the National System for Domestic Commercial Vessel Safety
- the modernisation of the Navigation Act
- the Revitalising Australian Shipping legislative reform package.

So it was appropriate that the theme for Natship12 was 'Our Shipping Future', and the program was developed to complement this, with speeches from:

- Minister for Infrastructure and Transport, the Hon. Anthony Albanese MP
- Gary Prosser, Secretary-General of the International Association of Marine Aids to Navigation and Lighthouse Authorities
- Koji Sekimizu, Secretary-General of the International Maritime Organization (IMO).

With more than 200 national and international delegates attending the sessions and social functions over the three days, the conference continues to be a popular event for industry stakeholders. It was a great networking opportunity, and it was invaluable to hear from the experts about the many exciting developments in the maritime industry.

Koji Sekimizu, Secretary-General of the International Maritime Organization (IMO)



A range of other stakeholder activities we delivered in 2012-13 include:

- Ships and the Sea exhibition (Dec 2012 – May 2013) - in partnership with the Australian National Maritime Museum
- Rescue exhibition (March 2012 – May 2013) - in partnership with the Australian National Maritime Museum
- International Association of Marine Aids to Navigation and Lighthouse Authorities (IALA) 5-day training seminar on risk management tools;
- IALA Aids to Navigation Awareness 3-day seminar
- the 19th meeting of the Aids to Navigation Management Committee – the first time this committee has met in Australia
- booths at Mandurah, Melbourne, Brisbane, Sanctuary Cove and Sydney Boat Shows, and Avalon Air Show promoting maritime reform, shipping registration and qualifications, and personal safety (beacons) messages. We also promoted AMSA's message through both space at the Marine13 Conference and Exhibition
- the 50th and 51st meetings of AMSA's Advisory Committee
- sponsorship of the Seafarers Welfare Award at the 17th Annual Lloyd's List Daily Commercial News Australian Shipping and Maritime Industry Awards.

Other major consultative bodies

Other major consultative bodies run by AMSA throughout 2012-13 include:

- Australian Search and Rescue Consultative Forum
- Bulk Cargoes Advisory Group
- Navigational Services Advisory Committee.

Representatives from AMSA also participated in a variety of external bodies that consider issues of shared interest. These include:

- Australia New Zealand Safe Boating Education Group
- Australian International Telecommunications Union Working Group
- Australian Maritime College Industry Liaison Committee
- Australian Maritime Group
- Australian Shipbuilders' Association Technical Committee
- Livestock Export Standards Advisory Group
- National Introduced Marine Pests Coordination Group
- National Marine Safety Committee
- National Plan Management Committee
- National Plan Operations Group
- National Search and Rescue Council
- Ports Australia Environmental and Sustainability Working Group
- Ports Australia Operations Working Group
- REEFVTS Management Group
- REEFVTS User Group
- Standards Australia technical committees.

Our Publishing and Design team manages the production and review of AMSA forms, publications and other printed materials. In 2012-13 the number of published items was 1010, a 215 per cent increase from 2011-12. This increase in production was driven by demand for forms and publications relating to maritime reform projects.

The main website project undertaken in 2012-13 was the redevelopment of the AMSA website. The new website features a new structure designed to provide relevant, accurate information to our diverse stakeholder groups.

Other significant website projects undertaken during 2012-13 were:

- the Spatial@AMSA website, an online services space for geospatial applications at AMSA
- the ongoing development and maintenance of the content management system used to maintain the staff intranet site.

AMSA Advisory Committee

Our principal consultative body is the AMSA Advisory Committee (AAC). The committee was established to act as a key conduit of direct engagement between our senior leadership and the maritime industry.

Membership of the committee includes industry leaders drawn from the shipping and offshore industries, the Royal Australian Navy, Australian Antarctic Division, National Offshore Petroleum Safety and Environmental Management Authority, and the largest maritime trade union. Representation may also be drawn from other sectors of the maritime industry if required. The committee met twice during 2012-13.

AMSA Advisory Committee members

- Graham Peachey (Chair) *Chief Executive Officer, Australian Maritime Safety Authority*
- David Anderson *Chief Executive Officer, Ports Australia*
- Rear Admiral Michael van Balen *Deputy Chief of Navy, Department of Defence*
- Dick Hall *General Manager – Operations, Farstad Shipping (Indian Pacific) Pty Ltd*
- Captain Phil Hickey *Senior Marine Advisor, Caltex Refineries (NSW) Pty Ltd*
- Phil Jones *Chief Executive Officer, Yachting Australia*
- Angela Gillham *Acting Executive Director, Australian Shipowners Association*
- Dale Cole *Executive Chairman, National Bulk Commodities Group Inc.*
- Tony Fleming *Director, Australian Antarctic Division*
- Rob Bryson (Alternate to Dr Fleming) *Operations Manager, Australian Antarctic Division*
- Professor Neil Bose *President and Principal, Australian Maritime College*
- Paddy Crumlin *National Secretary, Maritime Union Australia (MUA)*
- Ken Fitzpatrick *Chairman, Shipping Australia Limited*
- Miranda Taylor *Deputy, Environment, Safety and Productivity Australian Petroleum Production and Exploration Association (APPEA)*
- Jane Cutler *Chief Executive Officer, National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA)*
- Gary Webb *Chief Executive Officer, Newcastle Port Corporation*
- Stuart Richey *AM Managing Director, Richey Fishing*
- Darren Kindleysides *Director, Australian Marine Conservation Society*

Promoting public awareness and safety and community engagement

We worked closely with Parks Victoria and the Mallacoota community in Victoria on events marking the 150th anniversary of the Gabo Island lighthouse in November 2012. The event attracted many visitors to the lighthouse and at numerous related events in Mallacoota.

We assisted various media and community activities that required access to our lighthouses, including the filming of an episode of the BBC's 'Coast' series being produced on the Australian coastline at Tasman Island off the south-eastern tip of Tasmania.

Boat Safe courses, EPIRB distribution, media/marketing campaigns, community engagement, Papua New Guinea (PNG) coastal village engagement and the Torres Strait marine safety schools programs continued throughout the year.

Community engagement in the Torres Strait was greatly enhanced by the employment of the Indigenous Community Liaison Officer, Uel Bani.

Public awareness initiatives with regard to 406 MHz distress beacons continued to have a positive impact throughout the year. Increased promotion of the benefits of Global Positioning System (GPS) distress beacons from December coincided with a 37 per cent increase in registration of GPS-capable EPIRBs.

Encouraging owners of beacons to check their unit's battery expiry date to ensure it works if needed, and to dispose of expired beacons correctly, was also a focus of safety education. Two community service announcements featuring this message were produced for television in collaboration with celebrity fisherman Rob Paxevanos (Fishing Australia). The announcements will air nationally across regional and metropolitan television in 2013-14. The community service announcements were filmed at Huskisson, NSW in August 2012, and Port Lincoln, SA in June 2013.

*AMSA's Indigenous
Community Liaison Officer,
Uel Bani*



Community information days

From 28 October to 3 December 2012, we hosted 19 information days around the country. They were an opportunity for people to meet representatives from all areas within AMSA and learn more about AMSA's business, with a focus on:

- the National System for Domestic Commercial Vessel Safety
- the revised Navigation Act
- marine environment protection
- search and rescue
- ship safety
- the Australian International Shipping Register
- the *Maritime Labour Convention, 2006*.

Feedback suggests we were successful in delivering key messages regarding the impending maritime reforms (*Navigation Act 2012; Marine Safety (Domestic Commercial Vessels) National Law Act 2012; Maritime Labour Convention, 2006*; and the Australian International Shipping Register) in a single agency stakeholder communication package.

The community information days provided the opportunity for stakeholders to speak directly to AMSA representatives, discuss their specific concerns and make direct contact with us. The delivery of information was predominantly considered to be concise and accessible, and the registration process enabled the capture of more than 1300 attendee details to receive further updates.



19 community information days were conducted around the country from October to December 2012

Advertising and market research

Section 311A of the *Commonwealth Electoral Act 1918* requires certain reporting on advertising and market research by Commonwealth agencies, including those covered by the *Commonwealth Authorities and Companies Act 1997* (the CAC Act).

During 2012-13 AMSA paid \$66,000 to WIN Television for the filming of a Rob Paxevanos community service announcement promoting safe boating and the correct use of distress beacons.

AMSA paid \$244,065 to Adcorp for media advertising campaigns for communication services to support a national stakeholder consultation for the National System for Domestic Commercial Vessel Safety.

AMSA also paid \$44,162 to Blaze Advertising for the placement of recruitment advertisements in various publications.

Our governance arrangements

Our objectives are to:

- fulfil AMSA's statutory, financial and business obligations
- operate in an ethical and responsible manner.

Performance



Achieved




Partially achieved




Not achieved

INDICATOR: AMSA achieves unqualified financial statements and maintains financial viability


Target	Actual	Result	Reference	Previous
100%	100%		111-157	2011-12: Achieved 2010-11: Achieved 2009-10: Achieved

INDICATOR: Compliance with statutory, financial and business requirements is maintained

Target	Actual	Result	Reference	Previous
100%	100%		Pages 88-95	2011-12: Achieved 2010-11: Achieved 2009-10: Partially achieved ¹

¹In 2009-10 we had a late lodgement of our Compliance Report; this was subsequently reported in our 2010-11 Compliance Report.

INDICATOR: Certification to ISO9001, ISO14001 and AS/NZS4801 is maintained

Target	Actual	Result	Reference	Previous
100%	100%		Page 92	2011-12: Achieved 2010-11: Achieved 2009-10: Achieved

Highlights

In 2012-13 we:

- received unqualified financial statements for the financial year ending 30 June 2013
- obtained policy approval and established a pollution response reserve of \$10 million
- increased the collection of levies through our online payment portal to more than 99 per cent of total levies collected
- finalised claims from Maritime Safety Queensland (MSQ) for its costs in relation to the *Pacific Adventurer* and *Shen Neng 1* incidents that occurred in 2009 and 2010 respectively
- successfully finalised leasing arrangements for several major initiatives, most notably the implementation of our expanded regional centres (Brisbane and Sydney)
- achieved re-registration of our Registered Training Organisation under a new regulatory framework and new governing body
- established an Enterprise Portfolio Management Office to ensure we deliver on our projects
- launched AMSA's first iPad application
- were awarded Highly Commended in the Comcover Awards for Excellence in Risk Management¹.

Challenges

The year was not without its challenges:

- Integrity of our IT security and threat detection system was tested. IT security remains a priority however, like many other organisations, AMSA was the subject of attempts to compromise IT security through attempts to install viruses on to our network and to obtain personal information through deceptive emails. Despite a number of incidents of this nature, our security controls managed to prevent loss or corruption of data, as well as maintain access to business systems. Our key controls are those recommended by the Defence Signals Directorate, particularly regular security patching and strict access controls. Additionally, this was followed up by reminding staff of the risks associated with viruses and deceptive emails, as well as the use of mobile memory devices.
- Critical systems were interrupted when we experienced failure to our power supply. As a consequence, we now have a register of all Uninterruptible Power Supply (UPS) devices and a maintenance program for these.
- Subject matter experts faced competing demands for their attention to major contract renewals, on top of already large workloads. To support the successful delivery of the major contracts, external resources were engaged.
- Expenditure on live search and rescue exceeded government funding by \$8.1 million for the year. We will seek to recover this expenditure from the Commonwealth through the government budget process in 2014-15.

¹We received this award for our systematic approach to addressing and reducing two key risks:

- our ability to respond to a pollution incident with ageing stockpiles and variable environmental sensitivities
- maintaining our financial viability and the ability to pay immediate costs in the event of a major pollution incident.

Year in review Corporate governance

We place considerable emphasis on strong governance arrangements. We work to forge clear links between government and AMSA Board priorities, our vision and budget objectives, and the work undertaken by all staff.

An increased emphasis on integrated planning over the year resulted in:

- approval by the Board of the newly created vision and mission, and a reorientation of the content of our planning processes from a functional divisional view to a 'one-AMSA' view based on common strategic challenges
- clear alignment and prioritisation of our proposed activities and budget for the 2013-14 financial year (and future years) back to our strategic direction.

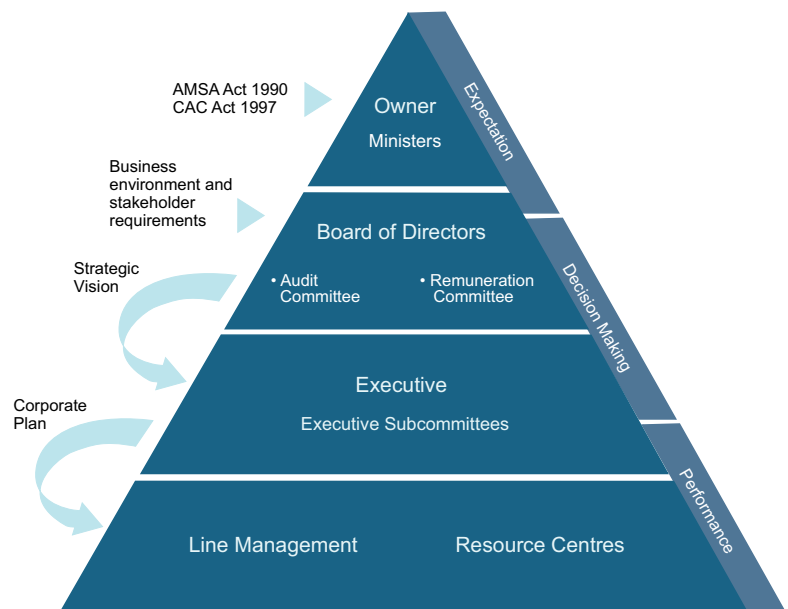
A number of subcommittees support the Executive:

- Strategic Workforce Development Group
- Information Steering Committee
- Quality Assurance Subcommittee
- Finance Committee and Ethics and Fraud Prevention Advisory Group
- Health, Safety and Environment Committee
- Business Continuity Subcommittee
- Security Subcommittee.

These subcommittees have recently been reviewed and streamlined.

The diagram below shows the links between our staff, our Executive and the AMSA Board as they work to deliver our statutory obligations.

*Figure 18
Our governance
arrangements*



AMSA service charter

Our service charter sets out our service standards and complaints procedures.

As AMSA assumes the national regulator role for domestic commercial vessels in 2013, we anticipate an increase in the volume of contact we have with our stakeholders. We will be reviewing our service charter and performance metrics in this area to ensure we continue to deliver professional and timely services to an expanded customer base.

Complaints and handling

During the year AMSA received 15 complaints, which were considered and actioned through divisional management and reported to our Quality Assurance Subcommittee. The analysis by the subcommittee demonstrated no single trend that affected our service delivery.

Government and parliament

Throughout 2012-13 the Hon. Anthony Albanese MP was the Minister for Infrastructure and Transport, with responsibility for the *Australian Maritime Safety Authority Act 1990*.

In 2012-13 we worked closely with the Maritime and Shipping Branch of the Department of Infrastructure and Transport to prepare ministerial briefings and responses to parliamentary, departmental and ministerial correspondence and questions. We provided briefing material on a number of issues throughout the year, most notably in relation to implementation of regulatory reforms in preparation for our role as the national safety regulator for domestic commercial vessels in July 2013, and Australia's candidacy for the International Maritime Organization Council elections.

AMSA officials also attended a range of inter-departmental committee meetings addressing some of the issues noted above.

During the year, senior executives appeared at public hearings of the Senate Rural and Regional Affairs and Transport Legislation Committee for:

- 2012-13 Supplementary Estimates on 16 October 2012
- 2012-13 Additional Estimates on 12 February 2013
- 2013-14 Budget Estimates on 29 May 2013.

Business planning and management

Risk management

We have a well-established risk management culture throughout the organisation, and this extends to all aspects of our business. An internal audit review of our risk management system during the year recommended some changes aimed at more closely aligning our system with the internationally recognised standard for risk management (ISO 31000), as well as best practice.

During the year we conducted two formal risk management reviews of AMSA as a whole, as well as two reviews of each division.

Our risk management program helps us to proactively manage our risks, reduce our exposure to financial and reputational harm, and optimise our use of resources. Although the process is not focused on insurable risk, we have received direct insurance benefits (in the form of premium discounts) every year since 2002.

The risk profile agreed in March 2013 is shown opposite.

Fraud control

The current AMSA Fraud and Corruption Control Plan was approved by the Board Audit Committee in April 2012 and implementation continues.

We participated in the annual fraud survey conducted by the Attorney-General's Department, which reports fraud data to the Australian Institute of Criminology. There were no cases of fraud in AMSA during the year.

All of our new employees were provided with fraud awareness training during their induction. Fraud awareness refresher training was also provided to staff during the year via a mandatory online training module.

The confidential reporting hotline that was implemented late in 2011-12 continued in operation through the year, with no allegations of fraud being reported.

Business continuity

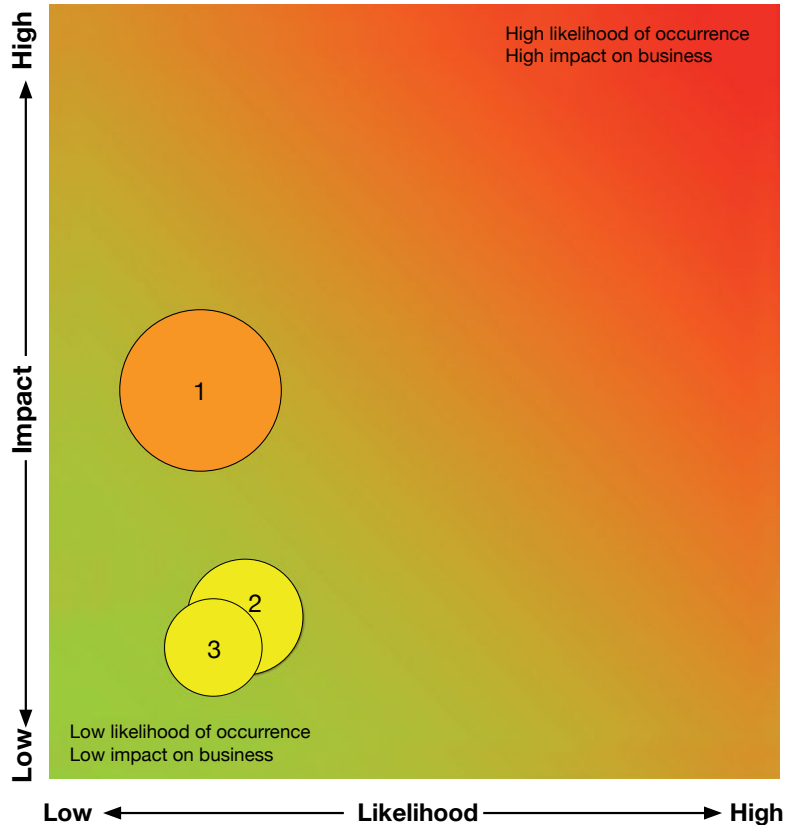
Our business continuity critical function plans were reviewed and updated in May 2013.

Activation of our disaster recovery facility at the Ted Anson Centre in Canberra was tested during the year. Networked systems have also been tested to ensure their ability to be used from that facility, either directly or remotely. Critical function plans were exercised by means of manual verification during the year.

Our performance - our governance arrangements

Figure 19
AMSA's top three risks 2012-13

● Extreme
● High
● Moderate
 Size of bubble indicates the level of risk



Risk ranked 1

A major incident which results in loss of life, significant environmental or socioeconomic damage

Responses:

- implement preventative and response measures to promote safe shipping in Australian waters
- minimise emissions and discharges from ships in the marine environment by influencing and implementing international instruments that aim to prevent pollution
- respond efficiently and effectively to maritime environmental emergencies
- save lives through search and rescue
- maintain compliance with international standards of training, certification and watchkeeping
- improve and promote maritime safety and environmental protection in the region.

Risk ranked 2

Failure to deliver the government's maritime reform package, which includes AMSA as the National Marine Safety Regulator for domestic commercial vessels

Responses:

- minimise the regulatory burden with a single set of rules for domestic commercial vessels and seafarers
- implement a modernised regulatory scheme for international trading and foreign vessels
- engage locally and directly on domestic commercial vessel interests
- develop and maintain intergovernmental relationships
- secure resourcing to deliver the National Marine Safety Regulator for domestic commercial vessels reform.

Risk ranked 3

Failure to maintain AMSA as an effective, vibrant and healthy organisation

Responses:

- maintain a work environment that encourages and attracts a professional, flexible and engaged workforce that is change ready
- use the best technology to improve service delivery and improve workforce participation and satisfaction
- secure a level of funding that will sustain service delivery into the future
- maintain effective and efficient processes and systems.

Performance measurement

Work continued throughout 2012-13 to ensure the strategies and performance measures identified in our corporate plan continue to provide the basis for a transparent review of our performance.

Our corporate plan contains key performance measures for each component of the organisation. Achievement against these performance measures is outlined in this report.

Certified management system

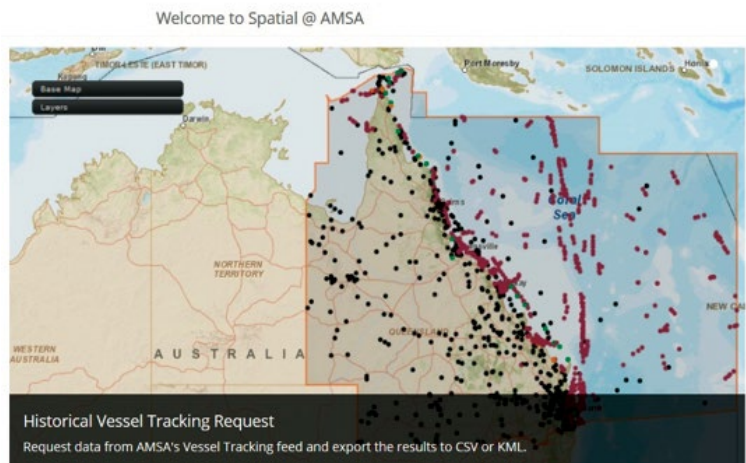
We are committed to providing the highest quality services, minimising adverse environmental impacts and upholding exemplary standards of workplace health and safety. The AMSA Management System enables us to meet these commitments.

In 2012-13, our Occupational Health and Safety, Quality, and Environmental Management Systems were assessed by Davis Langdon Certification Services and we were successfully recertified. The Quality Assurance Subcommittee, one of the Executive subcommittees, has met each quarter to discuss the application of the Management System within AMSA.

Information Technology Services

We commenced the implementation of the foundation layers of our e-business strategy this year. A number of capabilities have now been deployed, creating the information, technology and mobility platform for us to effectively conduct our business in the modern environment. The most significant of these include:

- the spatial data centre: this provides rich visual geographic information services to support search and rescue, pollution response, and vessel tracking and navigation services for internal and external users



Our performance - **our governance arrangements**

- identity and access management services: strengthening identity security and creating a single username access to AMSA. This will improve access to our online services for a wide range of stakeholders, including the individuals and businesses connecting for the first time as a result of the new national system
- a customer relationship management platform: another foundation on which we can build valuable contact information about our stakeholders and clients
- IP (Internet Protocol) telephony: a digital telephony platform was deployed across all major and regional sites. This replaces an outdated and difficult to support communications platform, and it enables better integration of voice, data and video traffic.

The full power of the above capabilities will be realised as they become more fully integrated. Our business users will be able to act with greater confidence in the currency and security of information, and the ability to access an integrated view of an incident, stakeholder or issue.

Our technical systems were further refined this year, improving organisational resilience through stronger business continuity capabilities. Three years ago it took several hours to transition IT systems to operate in our disaster recovery facility. In 2012-13 we reduced this time to less than an hour. This year we have reduced the cut-over time to seconds, with no loss of data.

We developed a new Marine Orders (MO) Review application for our Navigation Safety and International Division. This application streamlines and simplifies the convoluted consultation and review process in relation to the issuing of changes to Marine Orders. The MO Review application also uses identity and access management services delivered through the e-business strategy.

Financial management

The government provided approval for AMSA to establish a \$10 million pollution response reserve to meet the immediate costs of pollution responders while claims settlement is being negotiated, and for when claims exceed the limited liability of ship owners. This capability will be supplemented by a further \$40 million unsecured commercial line of credit.

Our Finance section continued to roll out financial management improvement initiatives that covered changing performance reporting whereby actual performance is assessed against forecast, as opposed to budget, and introducing fixed and variable cost reporting. These changes are driven by the need to provide more meaningful, relevant and timely information to operational areas.

Our activity-based costing model was comprehensively reviewed and redeveloped in light of recent and upcoming changes to its regulatory activities to ensure it continued to be capable of providing the necessary level of functionality necessary to determine appropriate cost recovery charges.

Purchasing

AMSA is compliant with the Commonwealth Procurement Rules when purchasing goods and services in achieving 'value for money' procurement.

Throughout the year our Procurement section:

- finalised a number of specific long-term, high-value standing offer panel arrangements, and initiated further standing offer panel arrangements
- moved to electronic-based tendering for all 'covered' procurement
- facilitated the tendering and letting of a number of specific long-term strategic service contracts.

Cost recovery

We are required under the CAC Act to follow the Australian Government Cost Recovery Guidelines. The guidelines require details of an agency's cost-recovery arrangements to be available in summary form in both the Portfolio Budget Statements and the annual report.

AMSA is largely a self-funded government agency, delivering ship safety and regulatory services on a cost recovery basis through charges to the shipping industry, primarily through levy funding and fee-for-service sources. Funding for the provision of search and rescue services is met by the Australian Government through Community Service Obligation funding. We have a longstanding policy of review and evaluation of our levies and fees to ensure the costs of our services are fully captured, our charges are appropriately aligned to costs and they meet their obligations in an efficient and effective manner.

Under the National Plan, we are responsible for reimbursing the direct clean-up costs arising from an oil pollution incident that cannot be recovered from the polluter. These costs are governed under guidelines set by the *International Oil Pollution Compensation Fund 1992*.

We review our levies and cost recovery systems regularly. A comprehensive independent review of our cost recovery arrangements against the Australian Government Cost Recovery Guidelines was conducted in December 2011.

In addition to internal and external reviews of our cost recovery arrangements, we regularly reviews our cost base, changes in structure or underlying activities, shipping volumes and the impact on levy rates.

Revised charges for marine services and shipping registration were introduced in July 2011, the first change for several years. The increases in rates of charges were generally well below the increases in the Consumer Price Index since the last revision of these charges.

Insurance and indemnities

The following information on AMSA's Commonwealth and commercial indemnities and insurance is provided in accordance with clause 16 of the *Commonwealth Authorities and Companies (Report of Operations) Orders 2008*.

We provide insurance cover to Board members and other officers in line with the *Commonwealth Authorities and Companies Act 1997*. We are required by the Australian Government to use Comcover for our insurance needs. Comcover's relevant insurance policy covers legal liability (including legal costs) for our Board members and employees. The premium paid for this insurance for 2012-13 was \$38,643 exclusive of GST. We indemnify our staff from liability when acting in good faith (without recklessness or gross negligence) in the course of their employment with AMSA.

Judicial decisions and reviews by outside bodies

AMSA has been party to matters before the Administrative Appeals Tribunal and in the Supreme Court of Queensland during 2012-13. None of these matters has resulted in findings that have had, or may have, a significant effect on our operations.

Reports (Auditor-General, Parliament or Ombudsman)

We have not been the subject of any reports made by the Auditor-General, a Parliamentary Committee or the Commonwealth Ombudsman or the Office of the Australian Information Commissioner.

Ministerial directions, policies and notices

Under sections eight and nine of the AMSA Act, the minister may give AMSA written directions with respect to the performance of its functions. No ministerial directions within the meaning of these sections were issued by the Minister for Infrastructure and Transport during the year.

Our people

Our objective is to:

- enable the achievement of our corporate objectives by building a capable, professional, motivated and engaged workforce.

Performance



Achieved




Partially achieved



Not achieved

INDICATOR: Our staff turnover rate shows a declining trend to previous years


Target	Actual	Result	Reference	Previous
Declining trend to previous years	9.5%		Page 101	2011-12: 11.5% 2010-11: 14.5% 2009-10: 6.9%

INDICATOR: The biennial staff engagement survey indicates strong staff satisfaction and engagement relative to public sector averages and continues to improve on previous years

Target	Actual	Result	Reference	Previous
Survey employees every two years and implement recommended actions addressing the results	Survey not undertaken in 2012-13 Due in 2013-14	N/A	N/A	2011-12: N/A 2010-11: Achieved ¹ 2009-10: N/A

¹In 2010-11 AMSA's staff survey indicated that 65% of employees were fully engaged which was greater than the public service benchmark of 36%. The next staff engagement survey is due in the 2013-14 reporting period.

INDICATOR: Our accreditation as an Registered Training Organisation is maintained

Target	Actual	Result	Reference	Previous
100%	Re-registration of the AMSA RTO for further five years approved in October 12		Page 102	Not previously measured

Highlights

In 2012-13 we:

- successfully negotiated and implemented the AMSA Enterprise Agreement 2012-2015
- developed AMSA's Workforce Strategy 2012-2017 and a project implementation plan, endorsed in December 2012
- progressed the National Indigenous Employment Strategy with the employment of an Indigenous Boating Safety Officer
- completed a third round of the annual employee work health and safety initiative, 'Good Health – Great Future' program with notable improvements in employee health indicators such as blood pressure, cholesterol and blood glucose achieved over the past two years
- continued our investment in developing and strengthening the leadership skills of our managers. The second Professional Leadership Program was completed in September 2012.

Challenges

In 2013, we revised the format of the Professional Leadership Program to include managers with varying levels of experience to broaden the scope of people management and leadership skills training throughout the organisation. The program is specifically developed for the AMSA context, and participants are invited to formalise their learning by undertaking the Diploma in Government (Management).

One of the challenges we face in providing learning opportunities to develop our leaders is the ability to successfully integrate the time that must be invested in broader development activities into their roles, which are operationally very demanding. Our response to this has been to reconfigure the training delivery from intensive, residential 'blocks' of training to a 'Leadership Seminar Series' where managers can choose to attend various modules in accordance with the demands of their work schedules.

Our 2012 Professional Leadership Program graduates



Year in review

AMSA's Enterprise Agreement (EA) 2012-2015 came into effect in September 2012 following more than ten months of negotiations. The EA received an overwhelming vote of acceptance, with 97 per cent of employees supporting the proposal. Implementation of the new arrangements brought by the EA were finalised at the end of September 2012.

The Workforce Strategy 2012-2017 outlines our approach to building employee capability to address current and future challenges faced by the organisation. It proposes a number of initiatives aimed at improving the strength of the workforce and the development of AMSA as an organisation in the context of significant external demands. The corresponding implementation plan sets out the sequencing and timing of the projects and work to be completed for the initiatives outlined in the strategy.

National Indigenous Employment Strategy

The focus of our National Indigenous Employment Strategy (NIES) 2011-13 is to improve Indigenous employment, recruitment and retention practices in AMSA and to assist in closing the gap between Indigenous and non-Indigenous Australians.

During the year we progressed a number of actions under the strategy. Of particular mention was the launch of a pilot Indigenous Boating Safety Officer traineeship program in the Torres Strait. The program introduced a traineeship position that is mentored by, and reports directly to, AMSA's Community Liaison Officer on Thursday Island. The position supports the Torres Strait Marine Safety Program operational staff in all aspects of program delivery.

The aims and objectives of this program include:

- increasing levels of Indigenous employment
- positioning AMSA as an organisation that attracts and retains Aboriginal and Torres Strait Islander people
- providing operational support to the Torres Strait Marine Safety Program
- improving communications with members of the Torres Strait community.

People management

Enterprise Agreement

Fair Work Australia provided approval for a 3-year Enterprise Agreement that commenced operation on 12 September 2012 and covers the majority of AMSA employees.

The Enterprise Agreement will provide for an overall nine per cent salary increase during the life of the agreement, paid to employees at an average of three per cent per annum. Increases to salaries will be offset against measures designed to improve productivity, efficiency and effectiveness throughout our workplace.

At 30 June 2013:

- 86 per cent of employees were employed under the Enterprise Agreement, in comparison to 84 per cent of employees being engaged under the Collective Agreement in the previous year
- approximately less than one per cent of employees are still engaged under Australian Workplace Agreements (AWAs)
- 13 per cent are engaged through common law contracts.

Throughout 2012-13, our People and Development section reviewed our approach in key activities such as recruitment, performance management and training. Our reporting has benefited from the introduction of new or upgraded technology to enable more efficient and effective use of information. Improved reporting of employee-related information continues to be a focus, as it will further strengthen our abilities in managing our people.

Staff Consultative Working Group

The Staff Consultative Working Group (SCWG) continued to operate during 2012-13 as the representative group for staff, working on issues of interest or concern.

The SCWG held three meetings during 2012-13. The group was consulted on several policies, and monitored the progress of the Top Nine Action Plan that was developed following the 2010 Staff Engagement Survey. The SCWG once again reviewed nominations for the Australia Day Awards, and presented recommendations to the Executive.

Employee numbers and profile

By location, we have 279 employees based in our Canberra offices, and 77 in regional offices. By comparison, at 30 June 2012 we employed 332 people. The increase in staff numbers this year was distributed across all divisions of the organisation.

Table 1
Staff by classification
at 30 June 2013

	Fixed-term						Ongoing				Overall total		Total all staff
	Full time		Part time		Casual		Full time		Part time		F	M	
	F	M	F	M	F	M	F	M	F	M			
Chief Executive		1									0	1	1
Executive Manager		8									0	8	8
Senior Manager	7	27	1	2							8	29	37
RCC Chief								5				5	5
Senior SARO							1	15			1	15	16
SARO	1						2	21			3	21	24
Port Marine Surveyor		4					1	35	1		2	39	41
AMSA 8						1	3	19			3	20	23
AMSA 7	2	5		2			2	25	2		6	32	38
AMSA 6	7	5		1			16	31	3		26	37	63
AMSA 5	1						16	19	1		18	19	37
AMSA 4	4	2					20	6	2	1	26	9	35
AMSA 3	1		1				6	2	1		9	2	11
AMSA 2	2						9	3	2		13	3	16
AMSA 1		1									0	1	1
Total	25	53	2	5		1	76	181	12	1	115	241	356

RCC – Rescue Coordination Centre

SARO – Search and Rescue Officer

Gender workforce demographics

At 30 June 2013, the AMSA gender workforce demographic consisted of 115 females (32 per cent of our workforce) and 241 males (68 per cent of our workforce).

Age workforce demographics

At 30 June 2013, 55 per cent of our workforce was aged 46 years or older, and 19 per cent over the age of 56. This age profile reflects that many employees join AMSA as a second career and bring substantial experience and knowledge to contribute in our endeavours. Retiring staff take valuable

corporate and historical knowledge with them, and we are addressing this important issue by increasing our focus on succession planning. We have also facilitated 'transition to retirement' plans, where employees who have reached retirement age and who would like to modify their work arrangements are supported. A structured knowledge transfer program is established to enable the best handover of information from the retiring employee to his/her team.

Staff retention and turnover

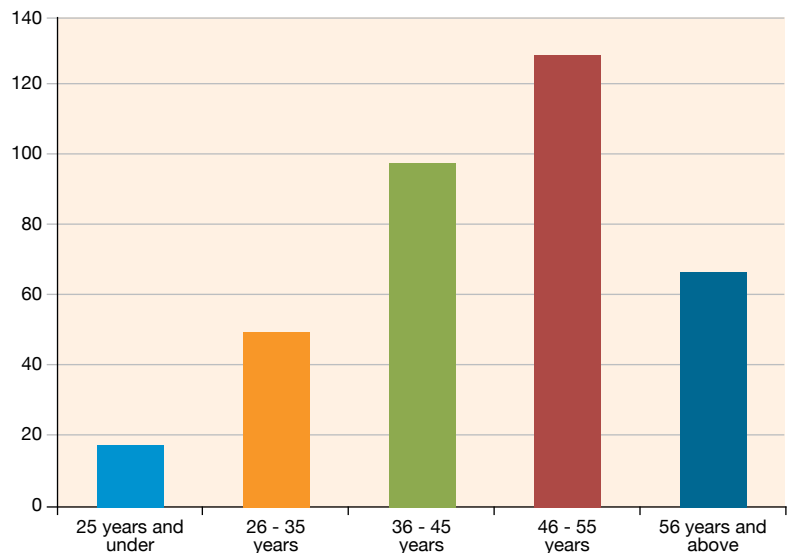
The rate of employee turnover has continued a downward trend for the third consecutive year:

- 2012-13: 9.5 per cent
- 2011-12: 11.5 per cent
- 2010-11: 14.5 per cent.

As we strive to attract and retain employees with skill sets that are in high demand, our focus continues on retention and aspects that support employee engagement.

This year we reviewed our exit interview process in an effort to learn more about the experience that departing employees have of working at AMSA. Exit interviews identify both positive and negative aspects and trends that are helpful to guide management actions. Ultimately, consideration of the feedback from exit interviews is one of the means by which we seek to improve our role as an employer.

*Figure 20
Employee age profile,
30 June 2013*



Our Registered Training Organisation (RTO)

In October 2012 we were notified of the successful re-registration of our RTO for a further five years. The registration was also expanded to include new units of competency for delivery under the National Plan training initiative.

The new regulatory framework for RTOs, introduced in 2011, has focussed the operations of the RTO to ensure compliance of our accredited training activities. This, combined with considerable increases in student numbers (see table), has presented some challenges to the RTO and the training schools to ensure that all aspects of training and assessment meet the high standards that are required of accredited training. To address this, our focus has been to refining our core policies and related documentation, and to devising audit schedules and reviews that identify areas in need of improvement.

Period	2010-11	2011-12	2012-13
Student enrolments	116	340	513

Learning and development

During 2012-13 we began to establish ways of coordinating our training/development activities in a more structured way. There are opportunities to target our training investment to assist in the development of skills needed now and for the future. We are also continuing to develop our existing suite of training to better meet the needs of our changing organisation.

For example, this year we have further broadened our offerings in online learning. We have developed training modules in the various aspects of under keel clearance management, which have been designed for pilots, planners, masters, our employees, and other users.

In addition, several training modules were developed for education within the organisation, including:

- Rescue Coordination Centre Chief Preparation module
- Manager Induction
- Fraud Awareness/Reporting.

Online learning is proving to be a valuable learning tool, with the take up and completion of courses through the AMSA Learning Centre almost doubling since 2011-12. Online learning also benefits staff in our regional offices, as well as those employed in shift work arrangements.

We expect to be supporting significant growth in the development of online learning, which will be used as a primary educational tool in the implementation of the National System for Domestic Commercial Vessel Safety.

The AMSA Employee Induction has been a particularly successful program, which involves a series of online modules that are also supported by face-to-face training. Here new employees meet members of the Executive and learn more about current happenings in the AMSA divisions. The following modules are included in the online component of AMSA's induction:

- Introduction to AMSA
- Code of Conduct
- Need to know information
- Work health and safety
- Workplace harassment prevention
- Office of Legal Counsel
- Communication
- Governance and compliance in AMSA.

Over the year we continued to offer training sessions to improve staff communication skills. The sessions are aimed to improve the ability of our staff to engage constructively with their colleagues, customers and the community when discussing issues such as performance management, technical advice and customer service response.

Our organisation

The adoption of the Workforce Strategy 2012-2015 outlines a program of development to enhance our organisation from a 'people' perspective. The initiatives referred to in the strategy describe some fundamental 'building blocks' of organisation and human resource development. These include strengthening our understanding of our workforce (enhanced information and reporting); how we manage our people (leadership development and better management practice); our value proposition as an employer (how we attract, engage and retain our employees); and how we need to support and guide our people through the challenges ahead; and the transition required of the organisation.

One important aspect of this will be continued effective communication with our employees.

Communication and consultation

Throughout 2012-13, executive managers held information sessions with their divisions to keep staff informed about major strategies, projects and change initiatives. Information sessions were also held to raise awareness of a range of policies. Regular seminars provided information to staff on topics such as emotional intelligence, and various health and wellbeing topics.

Our intranet forum, AMSA Ahoy, is a popular tool for communicating information to staff, offering daily articles and announcements about a wide range of topics. Video messages from the Chief Executive Officer were also made available to staff on a regular basis via the intranet.

Social activities

The AMSA Social Club provides a fun social scene for our staff and their families, with the ultimate aim of creating a sense of community and harmony outside of work, as well as promoting greater unity and teamwork.

Representatives are nominated by their fellow employees and make up the bulk of the AMSA Social Club Committee, which also includes the Chief Executive Officer. The committee organised several events throughout the year including a trivia night, games night, lunch, and sausage sizzle. The committee is also responsible for managing the AMSA Christmas party and Australia Day function.

Recognition

Australia Day Awards

The AMSA Australia Day Awards for 2013 were presented by the then Acting Chief Executive Officer, Mick Kinley. The recipients of the two Australia Day awards were:

Outstanding achievement

Peter Pokorny from the Navigation Safety and International Division received the Outstanding Achievement Award for being instrumental at the national, regional and international levels in securing significant maritime spectrum to be used for safety related devices.

Occupational Health & Safety

Adrian Davidson, Community Liaison Officer – Torres Strait, received the Occupational Health & Safety award for setting a strong example in boating safety, providing training and education and fostering safety awareness in the Thursday Island community.

Adrian Davidson, recipient of AMSA's OH&S award for 2012-13



Service recognition

Service recognition at AMSA aims to have a positive impact on employee commitment and engagement through recognition of periods of long service to the organisation. Service recognition medallions are presented by the General Manager of the division in which the employee works, followed by an announcement on the intranet.

During 2012-13 the following employees were recognised for their long-standing service with AMSA:

- 20 years' service: Glenn Staff, Abdul Hannan, David Penny
- 10 years' service: Simone Hitchins, Kerrie Abercrombie, Philip Syms, Nick Lemon, Christine Macmillian, Christopher Barber, and Kirsty Steger.

Chairman's Award

The AMSA Chairman's Award is awarded to an employee who has made a significant contribution to the maritime industry and our objectives. In 2012-13 there were two recipients of the award.

Richard Wallace, our first recipient, devised and implemented a comprehensive communication and consultation strategy around the National System for Domestic Commercial Vessel Safety in Australia and helped develop strong industry engagement.

The second recipient was Jocelyn Parsons. Since being appointed as Manager Marine Environment Salvage and Intervention in January 2011, Jocelyn has consistently worked to a very high standard in a critical post. In 2012, Jocelyn undertook the role of Project Manager for the wreck removal of the MV *Tycoon* from Christmas Island. Her capability and competence in the field of salvage and intervention has been praised both within and outside AMSA.

Jocelyn Parsons, recipient of the Chairman's award for 2012-13



Work health and safety

Policy commitment and statement

Work health and safety (WHS) is an important component of our management system. WHS management is placed alongside our commitment to environmental and quality management, and these values are maintained through the national and international accreditations we hold.

The past year provided an opportunity for the organisation to set and achieve strategic health and safety goals. In 2012-13 we introduced new policies and procedures, including:

- Work Health and Safety Risk Management policy
- Fit for Duty policy
- Health Assessment procedure
- Electrical Safety procedure
- Job Safety Analysis procedure
- Fall Prevention policy and procedure.

All of these procedures were developed in consultation with the Health, Safety and Environmental (HSE) Committee.

In adhering to our responsibilities under the *Work Health and Safety Act 2011*, we reviewed and updated the following procedures to ensure compliance with new Work Health and Safety Codes of Practice:

- First Aid policy and procedure
- Working with Screen Based Equipment policy and procedure
- Confined Spaces Manual
- Hearing Conservation Program
- Driving Long Distances Guide.

How we manage work health and safety

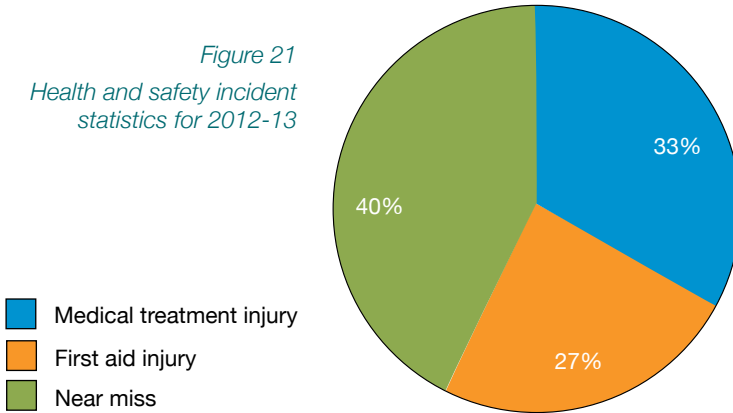
We manage our day-to-day health and safety issues through AMSA's Health, Safety and Environmental Committee, which comprises seven Health and Safety Representatives, four management representatives and two technical advisers. Health and Safety Representatives are elected by our employees and represent designated workgroups throughout the organisation. The committee met four times in 2012-13.

During the year we developed a work health and safety risk register, which was used to review all our activities and the risks associated with these activities. The development of the register also provided an opportunity to identify improvements to our safety processes.

Our WHS statistics

We have a strong commitment to preventing WHS incidents within the organisation. Twenty-four incidents were reported during 2012-13, none of the which required notification to Comcare.

*Figure 21
Health and safety incident
statistics for 2012-13*



Health and safety incidents that result in an injury are categorised according to the cause of the injury. The most common cause of injury during the year was body stressing.

*Figure 22
Health and safety incidents
by category for 2012-13*

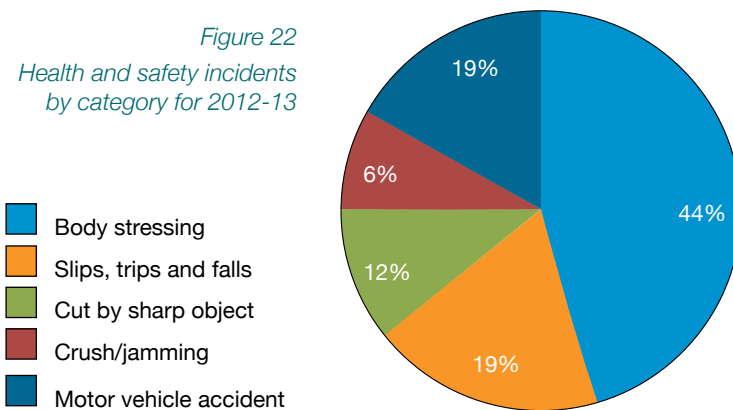


Table 2
Time lost to injury

Time lost to injury	2010-11	2011-12	2012-13
Total incidents	17	26	24
Total days lost to injury	0	1	0
Number of lost time incidents	0	1	0
Number of workers' compensation claims	0	3	1
Number of notifiable Comcare incidents	1	5	0

Our workers' compensation premium increased from \$175,065 in 2012-13 to \$262,069 in 2013-14. The increase was due to AMSA's workers' compensation activity in 2012-13 and a 13.5 per cent increase of all premium rates by Comcare. This additional margin was based on the estimated growth in the future cost of claims across the Commonwealth sector.

Our premium rate is currently 0.67 per cent of payroll, which remains well below the Commonwealth sector average of 0.81 per cent.

Health and safety training

To help promote sound health and safety practices throughout the organisation, we provided WHS awareness sessions to staff. These sessions covered information on mental health and wellbeing, risk management, manual handling, fire wardens and fitness for duty.

WHS programs and health surveillance initiatives

In 2012-13 we encouraged staff to develop and maintain a fit and healthy lifestyle through AMSA's Healthy Lifestyle Program. This program includes:

- \$300 reimbursement for membership to any fitness centre
- corporate membership benefits to MBF health insurance
- provision of health seminars and information sessions.

Our free vaccination program against H1N1 influenza and seasonal influenza was taken up by 143 employees, an increase from 126 employees in 2011-12.

One of our work health and safety initiatives, the 'Good Health - Great Future' program, was made available to all staff for the third year running. With the aims of the program to assist employees in setting personal (health) benchmarks, identifying risk factors and planning for a healthy future, the initiative was positively received with 185 participants this year.

Since 2008, 259 employees have participated in the program. Of the 185 who took part this year, 88 per cent were return participants.

Analysis of the results over the 3 years indicates improvements of between 3 per cent and 23 per cent on key health indicators such as blood pressure, cholesterol, and blood glucose levels.

In July 2012, 140 employees participated in our 10,000-step program. The program aims to increase day-to-day activity by encouraging employees to use a step-counting pedometer to accumulate 'incidental' physical activity. It went for 4 weeks, and followed Molly, Gracie and Daisy's extraordinary 1600 kilometre journey to find the rabbit-proof fence.

There was both an individual and team prize.

*Winners of AMSA's 10,000
Step Challenge (L-R):
Scott Kimber, Greg Hansen,
Alex Von Brandenstein,
Louie Griffith, Nathaniel
Barrett and Mercedes Tin*



We continue to provide staff with access to an Employee Assistance Program that delivers free counselling to staff and their families. In 2012-13, 3.22 per cent of our staff utilised the program compared to 5.20 per cent in the previous year. This year 57 hours of face-to-face counselling was provided to our staff and their families.

Disability report

In 2012-13 we continued to support the implementation of the *Disability Discrimination Act 1992* and the Commonwealth Disability Strategy by ensuring our policies and procedures meet the needs of people with disabilities. We encouraged all of our staff to consider the impact of their professional actions on people with disabilities, and to foster an environment that provides equity for people with a disability.

APPENDICES

Appendix 1 - Financial statements

Appendix 2 - Representative sample of search and rescue incidents

Appendix 3 - Environmental performance

Appendix 4 - Marine Orders made and amended during 2012-13

Appendix 5 - Our functions and powers

Appendix 6 - AMSA Board members

Appendix 7 - Current publications

References - Acronyms and abbreviations

- Compliance index

- Index

Appendix 1 - Financial statements



INDEPENDENT AUDITOR'S REPORT

To the Minister for Infrastructure and Regional Development

I have audited the accompanying financial statements of the Australian Maritime Safety Authority for the year ended 30 June 2013, which comprise: a Statement by the Directors, Chief Executive Officer and Chief Financial Officer; the Statement of Comprehensive Income; Balance Sheet; Statement of Changes in Equity; Cash Flow Statement; Schedule of Commitments; Schedule of Contingencies; and Notes to and forming part of the financial statements, including a Summary of Significant Accounting Policies and other explanatory information.

Directors' Responsibility for the Financial Statements

The directors of the Australian Maritime Safety Authority are responsible for the preparation of the financial statements that give a true and fair view in accordance with the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*, including the Australian Accounting Standards, and for such internal control as is necessary to enable the preparation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I have conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Australian Maritime Safety Authority's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Australian Maritime Safety Authority's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

Opinion

In my opinion, the financial statements of the Australian Maritime Safety Authority:

- (a) have been prepared in accordance with the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*, including the Australian Accounting Standards; and
- (b) give a true and fair view of the matters required by the Finance Minister's Orders including the Australian Maritime Safety Authority's financial position as at 30 June 2013 and of its financial performance and cash flows for the year then ended.

Australian National Audit Office



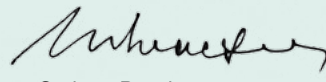
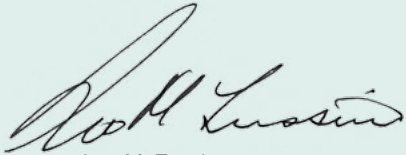
Peter Kerr
Executive Director
Delegate of the Auditor-General
Canberra
19 September 2013

**AUSTRALIAN MARITIME SAFETY AUTHORITY
STATEMENT BY THE DIRECTORS, CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER**

In our opinion, the attached Financial Statements for the year ended 30 June 2013 are based on properly maintained financial records and 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*, as amended.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Authority will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the directors.



Leo M. Zussino
Chairman of the Board
Australian Maritime Safety Authority

September 2013

Graham Peachey
Chief Executive Officer
Australian Maritime Safety Authority

September 2013



Attilio Martiniello
Chief Financial Officer
Australian Maritime Safety Authority

September 2013

AUSTRALIAN MARITIME SAFETY AUTHORITY
Statement of Comprehensive Income

for the period ended 30 June 2013

		2013	2012
	Notes	\$'000	\$'000
EXPENSES			
Employee benefits	3A	52,304	45,180
Supplier	3B	110,193	113,310
Depreciation and amortisation	3C	11,118	10,381
Finance costs	3D	63	53
Write-down and impairment of assets	3E	625	61
Foreign exchange losses	3F	-	1
Losses from asset sales	3G	146	370
Total expenses		<u>174,449</u>	<u>169,356</u>
LESS:			
OWN-SOURCE INCOME			
Own-Source Revenue			
Sale of goods and rendering of services	4A	10,232	8,465
Fees and fines	4B	7	16
Interest	4C	2,378	3,462
Rental income	4D	997	856
Other revenue	4E	802	664
Total own-source revenue		<u>14,416</u>	<u>13,463</u>
Total own-source income		<u>14,416</u>	<u>13,463</u>
Net cost of services		<u>160,033</u>	<u>155,893</u>
Revenue from Government	4F	170,624	158,009
Surplus attributable to the Australian Government		<u>10,591</u>	<u>2,116</u>
OTHER COMPREHENSIVE INCOME			
Items not subject to subsequent reclassification to profit or loss			
Changes in asset revaluation reserves		-	1,756
Total other comprehensive income		<u>-</u>	<u>1,756</u>
Total comprehensive income		<u>10,591</u>	<u>3,872</u>

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

AUSTRALIAN MARITIME SAFETY AUTHORITY**Balance Sheet**

as at 30 June 2013

	Notes	2013 \$'000	2012 \$'000
ASSETS			
Financial Assets			
Cash and cash equivalents	5A	55,213	61,590
Trade and other receivables	5B	8,034	7,350
Total financial assets		63,247	68,940
Non-Financial Assets			
Land and buildings	6A,C	16,354	14,840
Property, plant and equipment	6B,C	127,549	119,435
Intangibles	6D,E	5,181	1,648
Inventories	6F	4,406	5,106
Other non-financial assets	6G	3,416	1,558
Total non-financial assets		156,906	142,587
Total Assets		220,153	211,527
LIABILITIES			
Payables			
Suppliers	7A	30,330	36,167
Other Payables	7B	2,547	2,308
Total payables		32,877	38,475
Interest Bearing Liabilities			
Finance leases	8A	231	445
Total interest bearing liabilities		231	445
Provisions			
Employee provisions	9A	16,090	14,659
Other provisions	9B	4,971	4,935
Total provisions		21,061	19,594
Total Liabilities		54,169	58,514
Net Assets		165,984	153,013
EQUITY			
Contributed equity		30,501	28,121
Reserves		102,601	92,601
Retained surplus		32,882	32,291
Total equity		165,984	153,013

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

AUSTRALIAN MARITIME SAFETY AUTHORITY
Statement Of Changes In Equity
for the period ended 30 June 2013

	Retained earnings		Asset revaluation reserves		General reserve		Pollution reserve		Contributed equity/capital		Total equity	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Opening balance												
Balance carried forward from previous period	32,291	30,175	91,101	89,345	1,500	1,500	-	-	28,121	28,121	153,013	149,141
Adjusted opening balance	32,291	30,175	91,101	89,345	1,500	1,500	-	-	28,121	28,121	153,013	149,141
Comprehensive income												
Other comprehensive income	-	-	-	1,756	-	-	-	-	-	-	-	1,756
Surplus for the period	10,591	2,116	-	-	-	-	-	-	-	-	10,591	2,116
Total comprehensive income	10,591	2,116	-	1,756	-	-	-	-	-	-	10,591	3,872
Transactions with owners												
Contributions by owners Equity Injection	-	-	-	-	-	-	-	-	2,380	-	2,380	-
Total transactions with owners	-	-	-	-	-	-	-	-	2,380	-	2,380	-
Transfers between equity components												
Establishment of pollution reserve	(10,000)	-	-	-	-	-	10,000	-	-	-	-	-
Closing balance as at 30 June	32,882	32,291	91,101	91,101	1,500	1,500	10,000	-	30,501	28,121	165,984	153,013

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

AUSTRALIAN MARITIME SAFETY AUTHORITY

Cash Flow Statement

for the period ended 30 June 2013

	Notes	2013 \$'000	2012 \$'000
OPERATING ACTIVITIES			
Cash received			
Receipts from Government		170,335	158,772
Goods and services		9,769	8,109
Interest		2,481	3,358
Net GST received		12,821	10,461
Other		1,847	1,547
Total cash received		<u>197,253</u>	<u>182,247</u>
Cash used			
Employees		50,588	42,159
Suppliers		130,717	115,058
Total cash used		<u>181,305</u>	<u>157,217</u>
Net cash from operating activities	10	<u>15,948</u>	<u>25,030</u>
INVESTING ACTIVITIES			
Cash received			
Proceeds from sales of property, plant and equipment		-	23
Total cash received		<u>-</u>	<u>23</u>
Cash used			
Purchase of property, plant and equipment		24,464	17,276
Total cash used		<u>24,464</u>	<u>17,276</u>
Net cash used by investing activities		<u>(24,464)</u>	<u>(17,253)</u>
FINANCING ACTIVITIES			
Cash received			
Contributed equity		2,380	-
Total cash received		<u>2,380</u>	<u>-</u>
Cash used			
Repayment of borrowings		214	198
Finance lease interest		27	43
Total cash used		<u>241</u>	<u>241</u>
Net cash from/(used by) financing activities		<u>2,139</u>	<u>(241)</u>
Net increase/(decrease) in cash held		<u>(6,377)</u>	<u>7,536</u>
Cash and cash equivalents at the beginning of the reporting period		61,590	54,054
Cash and cash equivalents at the end of the reporting period	5A	<u>55,213</u>	<u>61,590</u>

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

AUSTRALIAN MARITIME SAFETY AUTHORITY
SCHEDULE OF COMMITMENTS

as at 30 June 2013

	2013 \$'000	2012 \$'000
BY TYPE		
Commitments receivable		
Sublease rental income and lease incentive	(1,269)	(2,025)
Other commitments	<u>(19,615)</u>	<u>(23,988)</u>
Total commitments receivable	<u>(20,884)</u>	<u>(26,013)</u>
Commitments payable		
Capital commitments		
Land and buildings	-	1,773
Property, plant and equipment ¹	2,487	5,195
Intangibles ²	2,835	-
Total capital commitments	<u>5,322</u>	<u>6,968</u>
Other Commitments		
Operating leases ³	85,294	93,786
Goods services and contracts	115,716	133,782
Total other commitments	<u>201,010</u>	<u>227,568</u>
Net commitments by type	<u>185,448</u>	<u>208,523</u>
BY MATURITY		
Commitments receivable		
Operating lease income		
One year or less	(819)	(852)
From one to five years	(450)	(1,173)
Total operating lease income	<u>(1,269)</u>	<u>(2,025)</u>
Other commitments receivable		
One year or less	(6,996)	(9,210)
From one to five years	(9,114)	(10,965)
Over five years	(3,505)	(3,813)
Total other commitments receivable	<u>(19,615)</u>	<u>(23,988)</u>
Total commitments receivable	<u>(20,884)</u>	<u>(26,013)</u>
Commitments payable		
Capital commitments		
One year or less	4,882	6,968
From one to five years	440	-
Total capital commitments	<u>5,322</u>	<u>6,968</u>
Operating lease commitments		
One year or less	14,726	13,692
From one to five years	34,671	38,690
Over five years	35,897	41,404
Total operating lease commitments	<u>85,294</u>	<u>93,786</u>
Goods and services contracts commitments		
One year or less	48,328	52,368
From one to five years	64,731	80,871
Over five years	2,657	543
Total goods and services contracts commitments	<u>115,716</u>	<u>133,782</u>
Total commitments payable	<u>206,332</u>	<u>234,536</u>
Net commitments by maturity	<u>185,448</u>	<u>208,523</u>

See note on opposite page

NB: Commitments are GST inclusive where relevant.

**AUSTRALIAN MARITIME SAFETY AUTHORITY
SCHEDULE OF COMMITMENTS (Cont'd)**

as at 30 June 2013

Notes:

1. Capital commitment for property, plant and equipment is for pollution response equipment and aids to navigation.
2. Capital commitment for intangibles is for software systems redevelopment.
3. Operating leases included are effectively non-cancellable and comprise:

Nature of lease	General description of leasing arrangement
Occupancy Leases	AMSA's lease payments are subject to a variety of arrangements, including fixed percentage increases; increases/decreases in accordance with movements in the Consumer Price Index; and adjustment of rentals to current market levels. Some occupancy leases include renewal clauses. Lease payments, subject to varying arrangements as outlined above, and contingent rents have not been taken into account in determining commitments.
Motor Vehicles Leases	No contingent rentals exist. Any renewal or purchase options available are unlikely to be exercised by the Authority.
Contractual Arrangements - containing a lease	A portion of AMSA's contract payments are in respect of the exclusive use of specific assets. This portion is recognised as an operating lease in accordance with <i>Interpretation 4 - Determining Whether an Arrangement Contains a Lease</i> . Some payments are subject to increases/decreases in accordance with movements in the Consumer Price Index, and some of the arrangements include an option to renew/extend. Contingent rental amounts have not been taken into account in determining commitments.

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

**AUSTRALIAN MARITIME SAFETY AUTHORITY
SCHEDULE OF CONTINGENCIES**

as at 30 June 2013

	2013	2012
	\$'000	\$'000
Contingent assets		
Claims for damages or costs	14,052	9,113
Total contingent assets	<u>14,052</u>	<u>9,113</u>
Contingent liabilities		
Claims for damages or costs	5,000	600
Total contingent liabilities	<u>5,000</u>	<u>600</u>
Net contingent assets (liabilities)	<u>9,052</u>	<u>8,513</u>

Details of each class of contingent liabilities and contingent assets, including those not included above because they cannot be quantified, are disclosed in Note 11: Contingent Liabilities and Assets.

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 2013

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Notes to and forming part of the financial statements

Note 1: Summary of Significant Accounting Policies

1.1 Objective of the Australian Maritime Safety Authority

The Australian Maritime Safety Authority (AMSA) is a statutory authority, not for profit, established under the *Australian Maritime Safety Authority Act 1990* (AMSA Act), with the primary role to:

- Promote maritime safety and protection of the marine environment;
- Prevent and combat ship-sourced pollution in the marine environment;
- Provide infrastructure to support safety of navigation in Australian waters;
- Provide a national search and rescue service to the maritime and aviation sectors;
- Provide, on request, services to the maritime industry on a commercial basis; and
- Provide, on request, services of a maritime nature on a commercial basis to the Commonwealth and/or States and Territories.

AMSA's vision is *Safe shipping, clean seas and saving lives*.

AMSA's Outcome Statement is to *minimise the risk of shipping incidents and pollution in Australian waters through ship safety and environment protection regulation and services and maximise people saved from maritime and aviation incidents through search and rescue coordination*.

The continued existence of AMSA in its present form and with its present programs is dependent on Government policy and on continuing funding by Parliament for AMSA's administration and programs.

1.2 Basis of Preparation of the Financial Statements

The financial statements are general purpose financial statements and are required by clause 1(b) of Schedule 1 to the *Commonwealth Authorities and Companies Act 1997* (CAC Act). The financial statements have been prepared in accordance with:

- Finance Minister's Orders (or FMOs) for reporting periods ending on or after 1 July 2011; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

Unless an alternative treatment is specifically required by an accounting standard or the FMOs, assets and liabilities are recognised in the balance sheet when and only when it is probable that future economic benefits will flow to AMSA or a future sacrifice of economic benefits will be required and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under executor contracts are not recognised unless required by an accounting standard. Liabilities and assets that are unrecognised are reported in the schedule of commitments or the schedule of contingencies.

Unless alternative treatment is specifically required by an accounting standard, income and expenses are recognised in the statement of comprehensive income when and only when the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

Notes to and forming part of the financial statements

Note 1: Summary of Significant Accounting Policies

1.3 Significant Accounting Judgements and Estimates

In the process of applying the accounting policies listed in this note, AMSA has made the following judgements that have the most significant impact on the amounts recorded in the financial statements:

- Estimates relating to “certain on cost factors” applied in calculating long service leave entitlements, see 1.8 below;
- Any liabilities in relation to pollution incident costs, see 1.14 below; and
- Land, buildings and property, plant and equipment (exclusive of the sub category of aids to navigation assets) have been assessed under the principles of fair value as defined in AASB 116 *Property, Plant and Equipment* by AMSA's valuers. The same valuers have categorised all aids to navigation assets as specialised assets. On this basis, the fair value is assessed at the written down current cost being the lesser of the estimated depreciated replacement or reproduction cost. See note 1.18 below.

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next accounting period unless noted.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

No accounting standard has been adopted earlier than the application date as stated in the standard.

No new standards, revised standards, interpretations or amending standards that were issued prior to the signing of the Statement by the Chairman, Chief Executive Officer and Chief Financial Officer, and are applicable to the current reporting period, had a material financial impact and none are expected to have a future material financial impact on AMSA.

Future Australian Accounting Standard Requirements

No new standards, revised standards, interpretations or amending standards that were issued by the Australian Accounting Standards Board prior to the signing of the Statement by the Chairman, Chief Executive Officer and Chief Financial Officer, and are applicable to the future reporting period, are expected to have a future material financial impact on AMSA.

1.5 Revenue

Revenue from the sale of goods is recognised when:

- The risks and rewards of ownership have been transferred to the buyer;
- AMSA retains no managerial involvement or effective control over the goods;
- The revenue and transaction costs incurred can be reliably measured; and
- It is probable that the economic benefits associated with the transaction will flow to AMSA.

Revenue from rendering of services is recognised by reference to the stage of completion of contract at the reporting date. The revenue is recognised when:

- The amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- The probable economic benefits associated with the transaction will flow to AMSA.

The stage of completion of contracts at the reporting date is determined by reference to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at the end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*.

Notes to and forming part of the financial statements

Note 1: Summary of Significant Accounting Policies

Resources Received Free of Charge

Resources 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. AMSA did not receive any free of charge resources in 2012-13 (2011-12: Nil).

Contributions of assets at no cost of acquisition or for nominal consideration are recognised as gains at their fair value when the asset qualifies for recognition, unless received from another Government agency or authority as a consequence of a restructuring of administrative arrangements. AMSA had no such contributions in 2012-13 (2011-12: Nil).

Revenue from Government

Funding received or receivable from agencies (appropriated to the Department of Infrastructure and Transport as a CAC Act body payment item for payment to AMSA) is recognised as Revenue from Government unless they are in the nature of an equity injection or a loan.

1.6 Gains

Resources Received Free of Charge

Resources received free of charge are recognised as gains 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. AMSA did not receive any free of charge resources in 2012-13 (2011-12: Nil).

Contributions of assets at no cost of acquisition or for nominal consideration are recognised as gains at their fair value when the asset qualifies for recognition, unless received from another Government entity as a consequence of a restructuring of administrative arrangements. AMSA had no such contributions in 2012-13 (2011-12: Nil).

Sale of Assets

Gains from disposal of assets are recognised when control of the asset has passed to the buyer.

1.7 Transactions with the Government as Owner

In 2012-13, AMSA had one transaction with the Government as owner (2011-12: Nil). This transaction related to the Governments Capital Measure 'National Transport Regulatory reforms – implementation assistance' announced as part of the 2012-13 Portfolio Budget Statements. This funding (\$2,380,000 in 2012-13 and \$7,485,000 in 2013-14) was, and will be, recognised as an equity injection.

Amounts that are designated as equity injections for a year are recognised directly in contributed equity in that year.

1.8 Employee Benefits

Liabilities for 'short-term employee benefits' (as defined in AASB 119 *Employee Benefits*) and 'termination benefits' due within twelve months of the end of the reporting period are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other 'long-term employee benefits' are measured at the net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

Leave

The liability for employee benefits includes provision for annual leave, professional leave, surveyors 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 AMSA is estimated to be less than the annual entitlement for sick leave.

Notes to and forming part of the financial statements

Note 1: Summary of Significant Accounting Policies

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will apply at the time the leave is taken, including AMSA's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

AMSA used the shorthand method in accordance with FMOs to calculate the long service leave liability. The Australian Government's shorthand method is based on a standard profile developed by the Australian Government Actuary in the mid 1990s and was reviewed in July 2010. The standard profile shows the probability weights to be used for each band of years of service.

Separation and Redundancy

Provision is made for separation and redundancy benefit payments. AMSA recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

Superannuation

The majority of AMSA staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS) or the PSS Accumulation Plan (PSSap). Other schemes staff belong to are the Australian Government Employees Superannuation Trust (AGEST) and self managed super funds.

The CSS and PSS are defined benefit schemes for the Australian Government. All other schemes are defined contribution schemes.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance and Deregulation's administered schedules and notes.

AMSA makes employer contributions to the employee superannuation schemes at rates determined by an actuary to be sufficient to meet the current cost to the Government of the superannuation entitlements of AMSA's employees. AMSA accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June 2013 represents outstanding contributions for the final fortnight of the year.

1.9 Leases

A distinction is made between finance leases and operating leases. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of leased assets. An operating lease is a lease that is not a finance lease. In operating leases, the lessor effectively retains substantially all such risks and benefits.

Where an asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability is recognised at the same time and for the same amount.

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

1.10 Borrowing Costs

All borrowing costs are expensed as incurred.

1.11 Cash

Cash and cash equivalents include cash on hand and demand deposits in bank accounts that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value. Cash is recognised at its nominal amount.

Notes to and forming part of the financial statements

Note 1: Summary of Significant Accounting Policies

1.12 Financial Assets

AMSA classifies its financial assets in the following categories:

- Held-to-maturity investments; and
- Loans and receivables.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets are recognised and derecognised upon trade date.

Held-to-Maturity Investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity dates that AMSA has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective yield basis.

Loans and Receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate.

Impairment of Financial Assets

Financial assets are assessed for impairment at the end of each reporting period.

Financial assets carried at cost - If there is objective evidence that an impairment loss has been incurred, the amount of the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate for similar assets.

1.13 Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or 'other financial liabilities'. Financial liabilities are recognised and derecognised upon 'trade date'.

Other Financial Liabilities

'Other financial liabilities' are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

1.14 Pollution incident costs

Under *Australia's National Plan for Maritime Environmental Emergencies*, AMSA is responsible for reimbursing the direct clean up costs arising from an oil pollution incident that cannot be recovered from the polluter. AMSA makes these reimbursements on the basis of polluter (or potential polluter) pays, and may adjust the Protection of the Sea Levy accordingly to recover any reimbursements made or due to be made.

Where AMSA has such a reimbursement obligation, AMSA determines an estimate of that obligation in accordance with Australian Accounting Standard AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* by determining a range of possible outcomes from which a sufficiently reliable estimate of the obligation can be made.

Notes to and forming part of the financial statements

Note 1: Summary of Significant Accounting Policies

In determining an estimate of the obligation AMSA considers reliable available information, advice from independent experts, experience with similar incidents and AMSA's reasonable expectation of the probability of occurrence.

1.15 Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the balance sheet but are reported in the relevant schedules and notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

1.16 Financial Guarantee Contracts

Financial guarantee contracts are accounted for in accordance with AASB 139 *Financial Instruments: Recognition and Measurement*. They are not treated as a contingent liability, as they are regarded as financial instruments outside the scope of AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

1.17 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. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to the restructuring.

1.18 Property, Plant and Equipment

Asset Recognition Threshold

Purchases of property, plant and equipment are recognised initially at cost in the balance sheet, except for purchases costing less than \$3,000, 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 initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'make good' provisions in land, buildings, furniture and fittings and aids to navigation taken up by AMSA where there exists an obligation to make good at the end of any lease term. These costs are included in the value of AMSA's assets with a corresponding provision for the 'make good' recognised.

Revaluations

Fair values for each class of asset are determined as shown below:

Reportable Asset Class	Fair value measured at
Land	Market selling price
Buildings	Market selling price
Property, Plant and Equipment is made up of the following sub classes:	
- Furniture and Fittings (includes leasehold improvements)	Market selling price
- Office and Computer Equipment	Market selling price
- Plant and Equipment	Market selling price
- Aids to Navigation	Depreciated replacement cost
- Vessels and Amphibians	Market selling price
- Vehicles	Market selling price

Notes to and forming part of the financial statements

Note 1: Summary of Significant Accounting Policies

Following initial recognition at cost, property plant and equipment are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised in the operating result. Revaluation decrements for a class of assets are recognised directly in the operating result except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

The Australian Valuation Office (AVO) has reviewed the net book values of the asset classes owned by AMSA as at 30 June 2013 for financial reporting purposes. This review was undertaken in accordance with the current Finance Minister's Orders (Clause 33.4) and AASB 116 *Property, Plant and Equipment*. The AVO reviewed AMSA's assets utilising a representative desktop sample of assets within each class. These assets were then reviewed using knowledge of market movements (taking into consideration exchange rate changes for assets with international origins), relevant sales evidence, industry indices (where applicable), and the AVO's professional experience to ascertain whether they are in line with the current stated carrying amounts or net book values. After reviewing and undertaking a fair value assessment of the asset classes and reviewing their respective asset lives, the AVO were of the opinion that there is no material difference between the current carrying amount and the Fair Value as at 30 June 2013. Based on this opinion, AMSA did not make any changes to its asset register pertaining to revaluations.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives using, in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

Reportable Asset Class	2013	2012
Buildings on freehold land	20 to 40 years	20 to 40 years
Property, Plant and Equipment is made up of the following sub classes:		
- Furniture and Fittings (includes leasehold improvements)*	4 to 10 years	4 to 10 years
- Office and Computer Equipment	3 to 16 years	3 to 16 years
- Plant and Equipment	3 to 30 years	3 to 30 years
- Aids to Navigation	3 to 40 years	3 to 40 years
- Vessels and Amphibians	10 to 20 years	10 to 20 years
- Vehicles	5 to 8 years	5 to 8 years

* Leasehold improvements are depreciated over the life of the lease.

Notes to and forming part of the financial statements

Note 1: Summary of Significant Accounting Policies

Impairment

All assets were assessed for impairment at 30 June 2013. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if AMSA were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Heritage assets

Heritage assets held by AMSA are not brought to account. While a small number of these items are on display in AMSA's offices they are not considered to be held for public exhibition, education or research, nor are they used in the operational activities of AMSA. The economic benefit from the use of the items that would result if AMSA were deprived of these items is not material.

Certain aids to navigation assets (such as heritage lighthouses) are primarily held as operational assets rather than being held for cultural, environmental or historical significance value and are therefore accounted for in accordance with AASB 116 *Property, Plant and Equipment*. Other aids to navigation assets under finance leases are accounted for under AASB 117 *Leases*.

1.19 Capital Works Under Construction

Capital works under construction are carried at cost as 'Work In Progress' and capitalised when completed and ready for use.

1.20 Intangibles

AMSA's intangibles comprise of purchased or internally developed software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight-line basis over its anticipated useful life. The useful life of AMSA's software is 5 to 15 years (2011-12: 5 to 15 years).

All software assets were assessed for indications of impairment as at 30 June 2013.

1.21 Inventories

AMSA's inventory is largely for its own consumption or distribution at nil cost. While AMSA does not ordinarily hold inventory for sale, if sales are made they represent the distribution of inventory at a nominal value.

AMSA's inventories are valued at cost, adjusted for any loss of service potential. Inventories acquired at no cost or nominal considerations are initially measured at current replacement cost at the date of acquisition.

1.22 Taxation / Competitive Neutrality

AMSA is exempt from all forms of taxation except Fringe Benefits Tax (FBT), Goods and Services Tax (GST) and Customs Duties.

Revenues, expenses and assets are recognised net of GST except where the amount of GST incurred is not recoverable from the Australian Taxation Office, and for receivables and payables.

Notes to and forming part of the financial statements

Note 1: Summary of Significant Accounting Policies

1.23 Insurance

AMSA has insured for risks through the Government insurable risk fund, Comcover. Workers Compensation is insured through Comcare.

1.24 AMSA Levy Collection

The Marine Navigation Levy, the Marine Navigation (Regulatory Functions) Levy and the Protection of the Sea Levy are collected on behalf of the Government by the Australian Customs and Border Protection Service (Customs) and designated AMSA staff. Collected levies are transferred to the Department of Infrastructure and Transport for deposit to the Official Public Account. AMSA collected **\$105,721,178** of levies on behalf of the Government during 2012-13 (2011-12: \$79,059,378). The increase in the collections by AMSA are primarily attributable to full year financial effects of the AMSA on-line levy payment portal resulting in a greater amount of levies collections by AMSA as opposed to Customs.

1.25 Pollution Reserve

AMSA has established a Pollution Reserve to enable it to fund responses to pollution incidents while claims are being settled and as a contingency in the event that future pollution claims exceed the limited liability of any ship owner.

Notes to and forming part of the financial statements

Note 2: Events After the Reporting Period

There were no post balance date events that need to be disclosed in the financial statements for the year ended 30 June 2013.

Notes to and forming part of the financial statements

Note 3: Expenses

	2013 \$'000	2012 \$'000
Note 3A: Employee Benefits		
Wages and salaries	37,858	32,663
Superannuation:		
Defined contribution plans	3,144	3,006
Defined benefit plans	4,415	3,405
Leave and other entitlements	5,859	5,482
Separation and redundancies	445	221
Other employee benefits - Fringe Benefits Tax	583	403
Total employee benefits	52,304	45,180
Note 3B: Suppliers		
Goods and services		
Travel and transport	6,540	6,398
Material and services	77,514	82,062
Communications	6,372	5,972
Administration	5,882	6,306
Total goods and services	96,308	100,738
Goods and services are made up of:		
Provision of goods – related entities	3,129	1,599
Provision of goods – external parties	72,793	81,969
Rendering of services – external parties	20,386	17,170
Total goods and services	96,308	100,738
Other supplier expenses		
Operating lease rentals – related entities:		
Minimum lease payments	-	324
Operating lease rentals – external parties:		
Minimum lease payments	13,704	12,105
Workers compensation expenses	181	143
Total other supplier expenses	13,885	12,572
Total supplier expenses	110,193	113,310

Notes to and forming part of the financial statements

Note 3: Expenses (Cont'd)

	2013 \$'000	2012 \$'000
Note 3C: Depreciation and Amortisation		
Depreciation:		
Buildings	469	419
Property, plant and equipment	10,059	9,346
Total depreciation	<u>10,528</u>	<u>9,765</u>
Amortisation:		
Assets held under finance leases	121	136
Intangibles:		
Computer software	469	480
Total amortisation	<u>590</u>	<u>616</u>
Total depreciation and amortisation	<u>11,118</u>	<u>10,381</u>
Note 3D: Finance Costs		
Finance leases	27	43
Unwinding of discount	36	10
Total finance costs	<u>63</u>	<u>53</u>
Note 3E: Write-Down and Impairment of Assets		
Asset write-downs and impairments from:		
Impairment of property, plant and equipment	432	-
Write-down of inventory	193	56
Impairment of receivables	-	5
Total write-down and impairment of assets	<u>625</u>	<u>61</u>
Note 3F: Foreign Exchange Losses		
Non-speculative	-	1
Total foreign exchange losses	<u>-</u>	<u>1</u>
Note 3G: Losses from Asset Sales		
Property, plant and equipment:		
Proceeds from sale	-	(23)
Carrying value of assets sold	146	393
Total losses from asset sales	<u>146</u>	<u>370</u>

Notes to and forming part of the financial statements

Note 4: Income

	2013 \$'000	2012 \$'000
OWN-SOURCE REVENUE		
<u>Note 4A: Sale of Goods and Rendering of Services</u>		
Provision of goods - external parties	63	103
Rendering of services - related entities	4,081	3,945
Rendering of services - external parties	6,088	4,417
Total sale of goods and rendering of services	10,232	8,465
<u>Note 4B: Fees and Fines</u>		
Fees	7	16
Total fees and fines	7	16
<u>Note 4C: Interest</u>		
Deposits	2,378	3,462
Total interest	2,378	3,462
<u>Note 4D: Rental Income</u>		
Operating lease:		
Other sublease - related entities	485	358
Other sublease - external parties	512	498
Total rental income	997	856
<u>Note 4E: Other Revenue</u>		
Insurance recoveries	802	664
Total other revenue	802	664
<u>Note 4F: Revenue from Government</u>		
Department of Infrastructure and Transport		
CAC Act body payment items	170,624	158,009
Total revenue from government	170,624	158,009
Represented by:		
Levy Revenue: <i>Australian Maritime Safety Authority Act 1990. s48</i>		
Marine Navigation Levy	28,728	28,810
Marine Navigation (Regulatory Functions) Levy	41,826	37,032
Protection of the Sea Levy	35,446	32,766
Services provided on behalf of the government	63,323	58,543
Other	1,301	858
	170,624	158,009

Notes to and forming part of the financial statements

Note 5: Financial Assets

	2013 \$'000	2012 \$'000
Note 5A: Cash and Cash Equivalents		
Cash on hand or on deposit	11,213	15,573
Term deposits	44,000	46,017
Total cash and cash equivalents	55,213	61,590
Note 5B: Trade and Other Receivables		
Good and Services:		
Goods and services - related entities	166	252
Goods and services - external parties	439	1,012
Total receivables for goods and services	605	1,264
Department of Infrastructure and Transport		
Receivable	1,556	1,267
Total receivable from Department of Infrastructure and Transport	1,556	1,267
Other receivables:		
GST receivable from the Australian Taxation Office	3,654	3,532
Interest	248	351
Operating lease rentals - related entities	114	162
Other receivables - related entities	555	-
Other receivables - external entities	1,307	779
Total other receivables	5,878	4,824
Total trade and other receivables (gross)	8,039	7,355
Less impairment allowance account:		
Goods and services	(5)	(5)
Total impairment allowance account	(5)	(5)
Total trade and other receivables (net)	8,034	7,350
Receivables are expected to be recovered in:		
Less than 12 months	7,987	7,235
More than 12 months	47	115
Total trade and other receivables (net)	8,034	7,350

Notes to and forming part of the financial statements

Note 5: Financial Assets (cont'd)

	2013	2012
	\$'000	\$'000
Receivables are aged as follows:		
Not overdue	7,807	7,237
Overdue by:		
Less than 30 days	91	83
30 to 60 days	130	19
61 to 90 days	8	11
More than 90 days	3	5
Total receivables (gross)	8,039	7,355

The impairment allowance account is aged as follows:

Overdue by:		
More than 90 days	5	5
Total impairment allowance account	5	5

Reconciliation of the Impairment Allowance Account:

Movements in relation to 2013

	Goods and services \$'000	Other receivables \$'000	Total \$'000
Opening balance	5	-	5
Closing balance	5	-	5

Movements in relation to 2012

	Goods and services \$'000	Other receivables \$'000	Total \$'000
Opening balance	-	-	-
Amounts written off - Provision for impairment	5	-	5
Closing balance	5	-	5

Notes to and forming part of the financial statements

Note 6: Non-Financial Assets

	2013 \$'000	2012 \$'000
Note 6A: Land and Buildings		
Land:		
Land at fair value	4,360	4,070
Total land	4,360	4,070
Buildings on freehold land:		
Fair value	12,470	10,777
Accumulated depreciation	(476)	(7)
Total buildings on freehold land	11,994	10,770
Total land and buildings	16,354	14,840

No indicators of impairment were found for land and buildings.

No land or buildings are expected to be sold or disposed of within the next 12 months.

Note 6B: Property, Plant and Equipment

Leasehold improvements:

Fair value	7,838	8,005
Accumulated depreciation	(1,069)	(8)
Total leasehold improvements	6,769	7,997

Other property, plant and equipment:

Fair value	133,349	114,619
Accumulated depreciation	(12,137)	(3,181)
Accumulated impairment losses	(432)	-
Total other property, plant and equipment	120,780	111,438
Total property, plant and equipment	127,549	119,435

\$432,000 (2012: Nil) worth of property, plant and equipment were impaired during the year.

No property, plant and equipment are expected to be sold or disposed of within the next 12 months.

Revaluations of non-financial assets

The Australian Valuation Office (AVO) has reviewed the net book values of the asset classes owned by AMSA as at 30 June 2013 for financial reporting purposes, and they confirmed that the valuation carried out as of 30 June 2012 is still valid. This review was undertaken in accordance with the current Finance Minister's Order (Clause 33.4) and AASB 116 *Property Plant and Equipment*.

Property, plant and equipment includes carrying amount of property, plant and equipment in the course of construction amounting to \$11,757,233 (2012 : \$3,738,321).

Notes to and forming part of the financial statements

Note 6: Non-Financial Assets (Cont'd)

Note 6C: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment 2013

	Notes	Land \$'000	Buildings \$'000	Total land and buildings \$'000	Other property, plant & equipment \$'000	Total \$'000
As at 1 July 2012						
Gross book value		4,070	10,777	14,847	122,624	137,471
Accumulated depreciation/amortisation and impairment		-	(7)	(7)	(3,189)	(3,196)
Net book value 1 July 2012		4,070	10,770	14,840	119,435	134,275
Additions						
By purchase		290	1,693	1,983	18,872	20,855
Depreciation/amortisation expense	3C	-	(469)	(469)	(10,180)	(10,649)
Other movement - impairment	3E	-	-	-	(432)	(432)
Disposals:						
Other	3G	-	-	-	(146)	(146)
Net book value 30 June 2013		4,360	11,994	16,354	127,549	143,903
Net book value as of 30 June 2013 represented by:						
Gross book value		4,360	12,470	16,830	141,187	158,017
Accumulated depreciation/amortisation		-	(476)	(476)	(13,206)	(13,682)
Accumulated impairment losses		-	-	-	(432)	(432)
Net book value 30 June 2013		4,360	11,994	16,354	127,549	143,903

Notes to and forming part of the financial statements

Note 6: Non-Financial Assets (Cont'd)

Note 6C (Cont'd): Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment 2012

	Notes	Land \$'000	Buildings \$'000	Total land and buildings \$'000	Other property, plant & equipment \$'000	Total \$'000
As at 1 July 2011						
Gross book value		4,250	10,717	14,967	112,506	127,473
Accumulated depreciation/amortisation and impairment		-	-	-	(2,157)	(2,157)
Net book value 1 July 2011		4,250	10,717	14,967	110,349	125,316
Additions						
By purchase		-	120	120	17,225	17,345
Revaluations and impairments recognised in other comprehensive income		(180)	352	172	1,736	1,908
Depreciation/amortisation expense	3C	-	(419)	(419)	(9,482)	(9,901)
Disposals:						
Other	3G	-	-	-	(393)	(393)
Net book value 30 June 2012		4,070	10,770	14,840	119,435	134,275
Net book value as of 30 June 2012 represented by:						
Gross book value		4,070	10,777	14,847	122,624	137,471
Accumulated depreciation/amortisation		-	(7)	(7)	(3,189)	(3,196)
Net book value 30 June 2012		4,070	10,770	14,840	119,435	134,275

Notes to and forming part of the financial statements

Note 6: Non-Financial Assets (Cont'd)

	2013 \$'000	2012 \$'000
Note 6D: Intangibles		
Computer software:		
Internally developed – in use	8,061	4,792
Purchased	1,267	534
Total computer software (gross)	9,328	5,326
Accumulated amortisation	(4,147)	(3,678)
Total intangibles	5,181	1,648

No indicators of impairment were found for intangible assets.

No intangibles are expected to be disposed of in the next 12 months.

Intangibles includes carrying amount of intangibles in the course of construction amounting to **\$3,510,524** (2012: \$241,711).

Note 6E: Reconciliation of the Opening and Closing Balances of Intangibles 2013

	Computer software \$'000	Total \$'000
As at 1 July 2012		
Gross book value	5,326	5,326
Accumulated depreciation/amortisation and impairment	(3,678)	(3,678)
Net book value 1 July 2012	1,648	1,648
Additions		
By purchase or internally developed	4,002	4,002
Amortisation	(469)	(469)
Net book value 30 June 2013	5,181	5,181
Net book value as of 30 June 2013 represented by:		
Gross book value	9,328	9,328
Accumulated depreciation/amortisation and impairment	(4,147)	(4,147)
Net book value 30 June 2013	5,181	5,181

Notes to and forming part of the financial statements

Note 6: Non-Financial Assets (Cont'd)

Note 6E (Cont'd): Reconciliation of the Opening and Closing Balances of Intangibles 2012

	Computer software \$'000	Total \$'000
As at 1 July 2011		
Gross book value	4,322	4,322
Accumulated depreciation/amortisation and impairment	(3,198)	(3,198)
Net book value 1 July 2011	1,124	1,124
Additions		
By purchase or internally developed	1,004	1,004
Amortisation	(480)	(480)
Net book value 30 June 2012	1,648	1,648
Net book value as of 30 June 2012 represented by:		
Gross book value	5,326	5,326
Accumulated depreciation/amortisation and impairment	(3,678)	(3,678)
Net book value 30 June 2012	1,648	1,648

2013 2012
\$'000 \$'000

Note 6F: Inventories

Inventories held for distribution	4,406	5,106
Total inventories	4,406	5,106

During 2012-13, **\$642,752** of inventory held for distribution was recognised as an expense (2011-12: \$661,168).

No items of inventory were recognised at fair value less cost to sell.

Note 6G: Other Non-Financial Assets

Prepayments	3,416	1,558
Total other non-financial assets	3,416	1,558

No indicators of impairment were found for other non-financial assets.

Total other non-financial assets - are expected to be recovered in:

Less than 12 months	1,833	1,363
More than 12 months	1,583	195
Total other non-financial assets	3,416	1,558

Notes to and forming part of the financial statements

Note 7: Payables

	2013 \$'000	2012 \$'000
Note 7A: Suppliers		
Trade creditors and accruals	20,085	27,038
Operating lease rentals	10,245	9,129
Total supplier payables	<u>30,330</u>	<u>36,167</u>

Supplier payables expected to be settled within 12 months:

Related entities	166	272
External parties	20,120	26,812
Total	<u>20,286</u>	<u>27,084</u>

Supplier payables expected to be settled in greater than 12 months:

External parties	10,044	9,083
Total	<u>10,044</u>	<u>9,083</u>
Total supplier payables	<u>30,330</u>	<u>36,167</u>

Settlement is usually made within 30 days.

Note 7B: Other Payables

Salaries and wages	1,894	1,706
Superannuation	242	170
Prepayments received/unearned income	375	421
Other	36	11
Total other payables	<u>2,547</u>	<u>2,308</u>

Total other payables are expected to be settled in:

Less than 12 months	2,547	2,308
Total other payables	<u>2,547</u>	<u>2,308</u>

Notes to and forming part of the financial statements

Note 8: Interest Bearing Liabilities

	2013	2012
	\$'000	\$'000
Note 8A: Finance Leases		
Finance leases	231	445
Total finance leases	231	445
Payable:		
Within one year:		
Minimum lease payments	241	241
Deduct: future finance charges	(10)	(27)
In one to five years:		
Minimum lease payments	-	241
Deduct: future finance charges	-	(10)
Finance leases recognised on the Balance Sheet	231	445

A Finance lease exists in relation to aids to navigation assets from Australian Maritime Services Ltd. The lease is non-cancellable and is for a fixed term of 8 years (ending in 2014). The interest rate implicit in the lease is 7.75%.

There are no contingent rentals.

Notes to and forming part of the financial statements

Note 9: Provisions

	2013	2012
	\$'000	\$'000
Note 9A: Employee Provisions		
Leave	16,090	14,659
Total employee provisions	16,090	14,659
Employee provisions are expected to be settled in:		
No more than 12 months	14,027	12,893
More than 12 months	2,063	1,766
Total employee provisions	16,090	14,659
Note 9B: Other Provisions		
Provision for restoration obligations	4,971	4,935
Total other provisions	4,971	4,935
Other provisions are expected to be settled in:		
No more than 12 months	57	180
More than 12 months	4,914	4,755
Total other provisions	4,971	4,935
	Provisions for	Total
	restoration	\$'000
	\$'000	\$'000
Carrying amount 1 July 2012	4,935	4,935
Unwinding of discount or change in discount rate	36	36
Closing balance 30 June 2013	4,971	4,971

AMSA has an obligation contained in leases or legislation for making good six property leases and 177 aids to navigation sites. AMSA has therefore made a provision to reflect the present value of this obligation.

Notes to and forming part of the financial statements

Note 10: Cash Flow Reconciliation

	2013 \$'000	2012 \$'000
Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement		
Cash and cash equivalents as per:		
Cash Flow Statement	55,213	61,590
Balance Sheet	55,213	61,590
Difference	<u>-</u>	<u>-</u>
Reconciliation of net cost of services to net cash from operating activities:		
Net cost of services	(160,033)	(155,893)
Add revenue from Government	170,624	158,009
Adjustment for non-cash items		
Depreciation / amortisation	11,118	10,381
Net write down of non-financial assets	432	-
Loss on disposal of assets	146	370
Finance costs	63	53
Changes in assets / liabilities		
(Increase) / decrease in net receivables	(684)	32
(Increase) / decrease in inventories	700	(456)
(Increase) / decrease in other non financial assets	(1,858)	28
Increase / (decrease) in employee provisions	1,431	2,507
Increase / (decrease) in supplier payables*	(6,230)	9,194
Increase / (decrease) in other payables	239	805
Net cash from operating activities	<u>15,948</u>	<u>25,030</u>

*This change is net of any non-financial asset accruals.

Notes to and forming part of the financial statements

Note 11: Contingent Liabilities and Assets

Contingent Assets	Claims for damages or costs		Total	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Balance from previous period	9,113	9,409	9,113	9,409
New contingent assets recognised	5,692	662	5,692	662
Re-measurement	429	(281)	429	(281)
Expired	(1,182)	(677)	(1,182)	(677)
Total Contingent Assets	14,052	9,113	14,052	9,113
Contingent Liabilities	Claims for damages or costs		Total	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Balance from previous period	600	5,470	600	5,470
New contingent liabilities recognised	5,000	600	5,000	600
Re-measurement	-	(532)	-	(532)
Obligations expired / payments made	(600)	(4,938)	(600)	(4,938)
Total Contingent Liabilities	5,000	600	5,000	600
Net Contingent Assets	9,052	8,513	9,052	8,513

Quantifiable Contingencies

The Schedule of Contingencies reports contingent liabilities in respect of cyclone damage to a number of Aids to Navigation of **\$0** (2012: Nil) and pollution incidents **\$5,000,000** (2012: \$600,000). The recovery of the amounts disclosed as contingent liabilities are included in the amounts disclosed as a contingent asset.

The Schedule also reports contingent assets in respect of insurance claims for cyclone damage to a number of Aids to Navigation of **\$258,000** (2012: \$586,161), pollution incidents **\$13,601,000** (2012: \$8,379,949) and others **\$193,000** (2012: \$147,409).

Unquantifiable Contingencies

In the normal course of operation, AMSA is responsible for the provision of funds necessary to meet the clean up costs arising from ship sourced marine pollution, and in all circumstances is responsible for making appropriate efforts to recover costs of any such incidents.

In accordance with the accounting policy in Note 1.14, where quantifying a reasonable estimate of the cost to remediate ship sourced marine pollution has not been possible, no amount has been included.

Significant Remote Contingencies

The entity had no significant remote contingencies.

Notes to and forming part of the financial statements

Note 12: Directors' Remuneration

	2013 No.	2012 No
The number of directors of the Authority included in these figures are shown below in the relevant remuneration bands:		
Less than \$14,999	3	4
\$15,000 to \$29,999	1	2
\$30,000 to \$44,999	3	-
\$45,000 to \$59,999	-	1
\$60,000 to \$74,999	1	1
Total	<u>8</u>	<u>8</u>
Total remuneration received or due and receivable by Directors of the Authority	<u>\$204,205</u>	<u>\$168,527</u>

Remuneration of executive directors is included in Note 14: Senior Executive Remuneration.

Note 13: Related Party Disclosures

No loans, grants or other transactions have been made to any related parties.

Notes to and forming part of the financial statements

Note 14: Senior Executive Remuneration

Note 14A: Senior Executive Remuneration Expense for the Reporting Period

	2013 \$	2012 \$
Short-term employee benefits:		
Salary	2,180,711	2,018,639
Annual leave accrued	190,985	191,841
Performance bonuses	311,987	287,496
Car Parking - Inclusive of FBT	43,416	41,843
Other expenses - Inclusive of FBT where applicable	164,662	102,979
Total short-term employee benefits	2,891,761	2,642,798
Post-employment benefits:		
Superannuation	375,375	296,709
Total post-employment benefits	375,375	296,709
Other long-term benefits:		
Long-service leave	9,303	142,963
Total other long-term benefits	9,303	142,963
Total senior executive remuneration expenses	3,276,439	3,082,470

Notes:

- Note 14A was prepared on an accrual basis (so the performance bonus expenses disclosed above differ from the cash 'Bonus paid' in Note 14B).
- Note 14A excludes acting arrangements and part-year service where total remuneration expensed for a senior executive was less than \$180,000.
- This note takes into account the full year effect of nine executives whereas last year there were only eight executives included in this note.

Notes to and forming part of the financial statements

Note 14: Senior Executive Remuneration (Cont'd)

Note 14B: Average Annual Reportable Remuneration Paid to Substantive Senior Executives During the Reporting Period

Average annual reportable remuneration paid to substantive senior executives in 2013

Average annual reportable remuneration ¹	Substantive Senior Executives No.	Reportable Salary ² \$	Contributed Superannuation ³ \$	Reportable Allowances ⁴ \$	Bonus paid ⁵ \$	Total reportable remuneration \$
Total remuneration (including part-time arrangement):						
less than \$180,000	1	109,648	16,940	-	-	126,588
\$270,000 to \$299,999	4	223,583	36,131	-	32,562	292,276
\$300,000 to \$329,999	2	234,889	46,767	-	31,820	313,476
\$360,000 to \$389,999	1	288,402	56,596	-	38,147	383,145
\$480,000 to \$509,999	1	372,355	63,780	-	47,485	483,620
Total	9					

Average annual reportable remuneration paid to substantive senior executives in 2012

Average annual reportable remuneration ¹	Substantive Senior Executives No.	Reportable Salary ² \$	Contributed Superannuation ³ \$	Reportable Allowances ⁴ \$	Bonus paid ⁵ \$	Total reportable remuneration \$
Total remuneration (including part-time arrangement):						
less than \$180,000	-	-	-	-	-	-
\$270,000 to \$299,999	4	214,871	34,492	-	29,554	278,917
\$300,000 to \$329,999	2	250,989	28,090	-	32,079	311,158
\$360,000 to \$389,999	1	285,925	44,013	-	39,388	369,326
\$420,000 to \$449,999	1	317,323	58,549	-	46,102	421,974
Total	8					

Notes:

- This table reports substantive senior executives who received remuneration during the reporting period. Each reportable remuneration band is an averaged figure based on headcount for individuals in the band.
- 'Reportable salary' includes the following:
 - gross payments (less any bonuses paid, which are separated out and disclosed in the 'bonus paid' column);
 - reportable fringe benefits (at the net amount prior to 'grossing up' to account for tax benefits);
 - exempt foreign employment income; and
 - salary sacrificed benefits.
- The 'contributed superannuation' amount is the average cost to the entity for the provision of superannuation benefits to senior executives in that reportable remuneration band during the reporting period.
- 'Reportable allowances' are the average actual allowances paid as per the 'total allowances' line on individuals' payment summaries.
- 'Bonus paid' represents average actual bonuses paid during the reporting period in that reportable remuneration band. The 'bonus paid' within a particular band may vary between financial years due to various factors such as individuals commencing with or leaving the entity during the financial year.
- Various salary sacrifice arrangements were available to senior executives including superannuation, motor vehicle and expense payment fringe benefits.

Notes to and forming part of the financial statements

Note 14: Senior Executive Remuneration (Cont'd)

Note 14C: Average Annual Reportable Remuneration Paid to Other Highly Paid Staff during the Reporting Period

Average annual reportable remuneration paid to other highly paid staff in 2013

Average annual reportable remuneration	Other highly paid staff No.	Reportable Salary ² \$	Contributed Superannuation ³ \$	Reportable Allowances ⁴ \$	Bonus paid ⁵ \$	Total reportable remuneration \$
Total remuneration (including part-time arrangement):						
\$180 000 to \$209 999	35	158,112	30,537	-	3,902	192,551
\$210 000 to \$239 999	12	177,868	37,709	-	9,838	225,415
\$240,000 to \$269,999	3	205,350	37,655	-	9,762	252,767
\$270,000 to \$299,999	1	237,394	31,572	-	12,600	281,566
Total	51					

Average annual reportable remuneration paid to other highly paid staff in 2012

Average annual reportable remuneration	Other highly paid staff No.	Reportable Salary ² \$	Contributed Superannuation ³ \$	Reportable Allowances ⁴ \$	Bonus paid ⁵ \$	Total reportable remuneration \$
Total remuneration (including part-time arrangement):						
\$180 000 to \$209 999	22	160,572	26,162	-	4,692	191,426
\$210 000 to \$239 999	9	180,774	32,035	-	11,236	224,045
\$240,000 to \$269,999	1	227,996	16,483	-	-	244,479
\$300,000 to \$329,999	1	294,365	18,877	-	6,142	319,384
Total	33					

Notes:

- This table reports staff:
 - who were employed by the entity during the reporting period;
 - whose reportable remuneration was \$180,000 or more for the reporting period; and
 - were not required to be disclosed in Note 14A, Tables in Note 14B or director disclosures Note 12.
 Each reportable remuneration band is an averaged figure based on headcount for individuals in the band.
- 'Reportable salary' includes the following:
 - gross payments (less any bonuses paid, which are separated out and disclosed in the 'bonus paid' column);
 - reportable fringe benefits (at the net amount prior to 'grossing up' to account for tax benefits);
 - exempt foreign employment income; and
 - salary sacrificed benefits.
- The 'contributed superannuation' amount is the average cost to the entity for the provision of superannuation benefits to other highly paid staff in that reportable remuneration band during the reporting period.
- 'Reportable allowances' are the average actual allowances paid as per the 'total allowances' line on individuals' payment summaries.
- 'Bonus paid' represents average actual bonuses paid during the reporting period in that reportable remuneration band. The 'bonus paid' within a particular band may vary between financial years due to various factors such as individuals commencing with or leaving the entity during the financial year.
- Various salary sacrifice arrangements were available to other highly paid staff including superannuation, motor vehicle and expense payment fringe benefits.
- The employer contribution rates for the three Commonwealth Superannuation Funds are 15.4%, 19.8% and 23.7%.
- Total Remuneration in the \$240,000 to \$269,999 and \$300,000 to \$329,999 in 2012 includes termination payments.
- Reportable remuneration includes operational staff entitled to payments for working overtime.

Notes to and forming part of the financial statements

Note 15: Remuneration of Auditors

	2013	2012
	\$'000	\$'000
Financial statement audit services were provided to AMSA by the Australian National Audit Office (ANAO)	87	85
Total	<u>87</u>	<u>85</u>

No other services were provided by the ANAO.

Notes to and forming part of the financial statements

Note 16: Financial Instruments

Note 16A: Categories of Financial Instruments

	Notes	2013 \$'000	2012 \$'000
Financial Assets			
Receivables:			
Cash and cash equivalents	5A	55,213	61,590
Receivables for goods and services	5B	600	1,259
Other receivables	5B	2,110	1,130
Total		57,923	63,979
Carrying amount of financial assets		57,923	63,979

Financial Liabilities

At amortised cost:

Finance leases	8	231	445
Trade creditors	7A	20,085	27,038
Total		20,316	27,483
Carrying amount of financial liabilities		20,316	27,483

Note 16B: Net Income and Expense from Financial Assets

Receivables

Exchange gains/(losses)	3F	-	(1)
Interest revenue	4C	2,378	3,462
Net gain from receivables		2,378	3,461
Net gain from financial assets		2,378	3,461

The net income from financial assets not at fair value through profit and loss was **\$2,377,900** (2012: \$3,461,143).

Note 16C: Net Income and Expense from Financial Liabilities

Financial liabilities - at amortised cost

Interest expense	3D	27	43
Net loss from financial liabilities - at amortised cost		27	43
Net loss from financial liabilities		27	43

The total interest expense from financial liabilities not at fair value through profit and loss was **\$26,996** (2012: \$42,898).

Notes to and forming part of the financial statements

Note 16: Financial Instruments (Cont'd)

Note 16D: Fair Value of Financial Instruments

	Carrying amount 2013 \$'000	Fair value 2013 \$'000	Carrying amount 2012 \$'000	Fair value 2012 \$'000
Financial Assets¹				
Cash and cash equivalents	55,213	55,213	61,590	61,590
Receivables for goods and services	600	600	1,259	1,259
Other receivables	2,110	2,110	1,130	1,130
Total	57,923	57,923	63,979	63,979
Financial Liabilities¹				
Finance leases	231	231	445	445
Trade creditors	20,085	20,085	27,038	27,038
Total	20,316	20,316	27,483	27,483

¹Fair value for both financial assets and liabilities, which is determined for disclosure purposes, is based on quoted prices (unadjusted) in active markets at the reporting date.

Notes to and forming part of the financial statements

Note 16: Financial Instruments (Cont'd)

Note 16E: Credit Risk

AMSA is exposed to minimal credit risk as the majority of receivables are for appropriations or amounts owed by the Australian Tax Office in the form of a Goods and Services Tax refund.

The maximum exposure to credit risk is the risk that arises from potential default of a debtor. This amount is equal to the total amount of trade, other receivables and interest 2013: **\$2,715,000** (2012: \$2,394,000). AMSA has assessed the risk of the default on payment and has allocated **\$5,000** in 2013 (2012: \$5,000) to an impairment allowance account.

In addition, the entity had policies and procedures that guided employees debt recovery techniques that were to be applied. The entity held no collateral to mitigate against credit risk.

The following table illustrates AMSA's gross exposure to credit risk, excluding any collateral or credit enhancements.

	2013 \$'000	2012 \$'000
Financial assets		
Cash and cash equivalents	55,213	61,590
Receivables for goods and services	600	1,259
Other receivables	2,110	1,130
Total	57,923	63,979
Financial liabilities		
Finance leases	231	445
Trade creditors	20,085	27,038
Total	20,316	27,483

Credit quality of financial instruments not past due or individually determined as impaired

	Not past due nor impaired 2013 \$'000	Not past due nor impaired 2012 \$'000	Past due or impaired 2013 \$'000	Past due or impaired 2012 \$'000
Financial assets				
Cash and cash equivalents	55,213	61,590	-	-
Receivables for goods and services	368	1,141	232	118
Other receivables	2,110	1,130	-	-
Total	57,691	63,861	232	118

Ageing of financial assets that were past due but not impaired for 2013

	0 to 30 days \$'000	31 to 60 days \$'000	61 to 90 days \$'000	90+ days \$'000	Total \$'000
Receivables for goods and services	91	130	6	-	227
Total	91	130	6	-	227

Ageing of financial assets that were past due but not impaired for 2012

	0 to 30 days \$'000	31 to 60 days \$'000	61 to 90 days \$'000	90+ days \$'000	Total \$'000
Receivables for goods and services	83	19	11	-	113
Total	83	19	11	-	113

Notes to and forming part of the financial statements

Note 16: Financial Instruments (Cont'd)

Note 16F: Liquidity Risk

AMSA's financial liabilities are trade creditors and finance leases. The exposure to liquidity risk is based on the notion that the Authority will encounter difficulty in meeting its obligations associated with financial liabilities. This is highly unlikely due to appropriation funding and mechanisms available to the entity and internal policies and procedures put in place to ensure that there are appropriate resources to meet its financial obligations.

Maturities for non-derivative financial liabilities 2013

	On demand \$'000	within 1 year \$'000	1 to 5 years \$'000	> 5 years \$'000	Total \$'000
Finance lease liabilities	-	231	-	-	231
Trade creditors	-	20,085	-	-	20,085
Total	-	20,316	-	-	20,316

Maturities for non-derivative financial liabilities 2012

	On demand \$'000	within 1 year \$'000	1 to 5 years \$'000	> 5 years \$'000	Total \$'000
Finance lease liabilities	-	214	231	-	445
Trade creditors	-	27,038	-	-	27,038
Total	-	27,252	231	-	27,483

AMSA has no derivative financial liabilities in both the current and prior year.

Notes to and forming part of the financial statements

Note 16: Financial Instruments (Cont'd)

Note 16G: Market Risk

Foreign currency risk

Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. AMSA is exposed to foreign exchange currency risk primarily through undertaking certain transactions denominated in foreign currency.

AMSA is exposed to foreign currency denominated in Papua New Guinea (PNG) Kina, Western Samoa Tala (WST) and United States Dollar (USD).

The following table details the effect on profit and equity as at the reporting date from a 15.7% favourable/unfavourable change in Australian dollars against the foreign currencies holding with all other variables held constant.

Sensitivity analysis of the risk that the entity is exposed to for 2013

Currency risks	Risk variable	Change in risk variable %	Effect on	
			Profit and loss \$'000	Equity \$'000
PNG Kina	Exposed currency	± 15.7%	-	-
Western Samoa Tala	Exposed currency	± 15.7%	-	-
United States Dollar	Exposed currency	± 15.7%	-	-

Sensitivity analysis of the risk that the entity is exposed to for 2012

Currency risks	Risk variable	Change in risk variable %	Effect on	
			Profit and loss \$'000	Equity \$'000
PNG Kina	Exposed currency	± 15%	-	-

The method used to arrive at the possible currency risk of 15.7% was based on both statistical and non-statistical analyses. The statistical analysis has been based on main currencies movement for the last five years. The currency AMSA has exposure to is the PNG Kina, Western Samoa Tala and the United States Dollar. This information is then revised and adjusted for reasonableness under the current economic circumstances.

Interest rate risk

To ensure sufficient liquidity to meet AMSA's working capital requirements, AMSA short term investments are set with certain parameters, namely Standard & Poors rating of A-1+ and/or Moody's P-1 for authorised deposit-taking institutions (ADIs).

Notes to and forming part of the financial statements

Note 17: Financial Assets Reconciliation

Note 17: Financial assets	Notes	2013 \$'000	2012 \$'000
Total financial assets as per Balance Sheet		63,247	68,940
Less: non financial instrument components			
Receivable from Department of Infrastructure and Transport	5B	1,556	1,267
Operating lease rentals - related entities	5B	114	162
GST receivable from the Australian Taxation Office	5B	3,654	3,532
Total non financial instrument components		5,324	4,961
Total financial assets as per financial instruments note	16A	57,923	63,979

Note 18: Reporting of Outcomes

AMSA has only one Outcome as disclosed in Note 1.1.

Note 18: Net Cost of Outcome Delivery

	Outcome 1		Total	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Expenses	174,449	169,356	174,449	169,356
Own-source income	14,416	13,463	14,416	13,463
Net cost of outcome delivery	160,033	155,893	160,033	155,893

Net costs shown include intra-government costs that are eliminated in calculating the actual Budget Outcome.

Note 19: Cost Recovery

Note 19: Receipts Subject to Cost Recovery Policy*	2013 \$'000	2012 \$'000
Significant cost recovery arrangements		
Marine Navigation Levy	28,663	29,037
Marine Navigation (Regulatory Functions) Levy	41,693	37,325
Protection of the Sea Levy	35,355	33,009
Other cost recovery arrangements		
Fee for service	3,245	3,549
Total receipts subject to cost recovery policy	108,956	102,920

*This note has been prepared on a cash basis and therefore differs to Note 4 prepared on an accrual basis.

Appendix 2

Representative sample of search and rescue incidents

Helicopter crash, Papua New Guinea 6 July 2012



On 6 July 2012, a Papua New Guinean-registered helicopter, with 3 persons on board, failed to arrive at Hou Creek from an oil rig, approximately 75 nautical miles south of Mount Hagen. A mayday call was received some 4 to 7 minutes after its departure but nothing further was heard. There were no satellite detections from any of the emergency beacons believed to be on board.

The Papua New Guinea Rescue Coordination Centre (RCC Port Moresby) coordinated the search and AMSA's Rescue Coordination Centre (RCC Australia) provided assistance. The operating company, Hevilift, conducted a comprehensive search utilising a number of their own assets. One of our dedicated search and rescue Dornier aircraft and two Australian military Blackhawk helicopters were also tasked. Wreckage was located on the seventh day near a river close to the departure point. The following day the helicopter's fuselage was located and ground parties confirmed there were no survivors.

Search for biplane, Queensland 1 October 2012



A De Havilland Dragon DH8 twin engine biplane departed Monto, Queensland on the morning of Monday 1 October 2012 for Caboolture with 6 persons on board. The aircraft contacted air traffic services in Brisbane at approximately 1:18 pm (Canberra time) requesting assistance as the aircraft was in cloud and unsure of its position.

RCC Australia was contacted by Airservices Australia's air traffic control centre in Brisbane and asked to arrange airborne assistance for the then inflight emergency response.

RCC Australia tasked the Action AGL helicopter to respond and also advised the pilot of the biplane to activate a distress beacon to assist in localising the aircraft's position. The Cospas-Sarsat satellite distress beacon system detected five scattered signals from the distress beacon.

At 2:03 pm air traffic control Brisbane had their last radio contact with the aircraft. The distress beacon signal being detected by the Action AGL rescue helicopter also ceased soon after. RCC Australia assumed coordination for the incident as no further reports from the aircraft were received and fuel expiry time for the aircraft was passed.

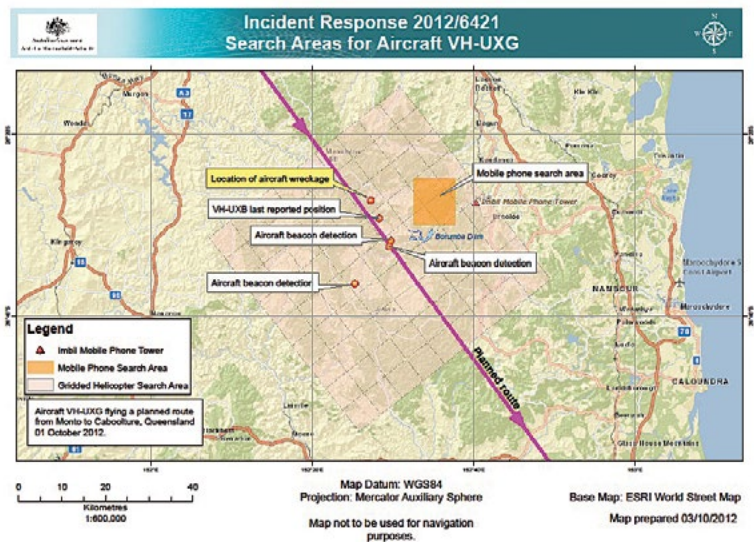
Search activities were conducted over the next 48 hours in a search area west of Nambour, Queensland, composed of densely vegetated mountainous terrain.

Appendix 2 - representative sample of search and rescue incidents

Weather conditions on the afternoon of Monday 1 October hampered search efforts. Forward field bases were set up at the Kenilworth show grounds and Maroochydore airport. Queensland Police assisted with the provision of ground search capabilities and next of kin liaison, providing hourly updates.

Assistance was sought from Telstra to undertake localisation of the mobile phones owned by the occupants of the aircraft. Consequently, a technician was flown from Melbourne to Maroochydore. Two flights involving the technician were undertaken. Information provided by reports from the public allowed the rescue coordination centre to refine the search area to the west of Burumba Dam.

Search aircraft located the wreckage of the aircraft at approximately 1:30 pm (Canberra time) on Wednesday 3 October and advised there were no survivors.



Assistance provided
to Papua New
Guinea
29 September 2012

On Saturday 29 September, a 'banana boat' carrying eleven people departed Long Island bound for Saidir, Papua New Guinea (PNG), a journey of around 40 nautical miles in open sea. While en route, the vessel was swamped by a large wave and subsequently sank. The vessel and its occupants were not carrying any safety equipment and their non-arrival would not have been noticed for several days.

The group decided that three young men (who were strong swimmers) should attempt to swim for the mainland, a task made extremely difficult due to the distance and strong currents. After swimming for about three hours the men were sighted and rescued by the merchant ship *Bougainville Coast*. The Master of the *Bougainville Coast* contacted the Maritime Rescue Coordination Centre (MRCC) Port Moresby to raise the alarm about the eight people still adrift at sea.

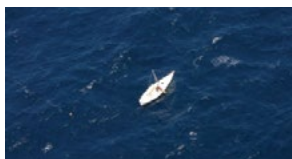
Due to a multitude of difficulties faced by the Papua New Guinean authorities, and the short timeframe for survival, it was decided that an aerial search would be coordinated by RCC Australia.

Appendix 2 - representative sample of search and rescue incidents

In the early hours of Sunday morning a Royal Australian Air Force (RAAF) AP-3C Orion long range maritime patrol aircraft departed Darwin for the search area. The aircraft was able to locate the eight survivors approximately eight nautical miles off the coast and drop life rafts to them. Two and a half hours later they were picked up by the vessel *Bougainville Coast* and taken to the mining port of Basamuk, and then on to Madang by helicopter for medical treatment.

Two AMSA staff members in Papua New Guinea undertaking a gap analysis of the Papua New Guinean search and rescue system assisted in the debrief sessions for the survivors at Madang. The survivors expressed their gratitude to the Australian Government.

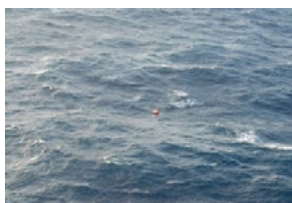
International rescue of stranded sailor, 290 nautical miles east of Sydney 16 October 2012



RCC Australia received a detection of a 406 MHz distress beacon in the Tasman Sea approximately 270 nautical miles east of Sydney on the morning of 16 October 2012. The registered beacon owner could not be contacted and no details of the vessel were held. With the assistance of a Canadian Airlines Boeing 777 and an Air New Zealand Boeing 737 aircraft, a yacht was located in the vicinity of the distress beacon signal.

AMSA's Essendon-based dedicated search and rescue Dornier aircraft was tasked to respond and with the assistance of the container ship ANL *Benalla* monitored the safety of the lone yachtsman until the arrival of the Sydney Water Police vessel, *Nemesis*. The *Nemesis* recovered the solo sailor, and returned to Sydney early the following day.

Sailing vessel *Tchouk Tchouk Nougat* 18 January 2013



During the morning of 18 January, RCC Australia was advised that the French sailing vessel *Tchouk Tchouk Nougat*, with one person on board, had been dismantled in the Southern Ocean 450 nautical miles south-west of Tasmania. RCC Australia made contact with the skipper by satellite phone who advised that he was not declaring a distress situation and would make for Hobart. Later the same day the sailing vessel's distress beacon was detected and RCC Australia was unable to re-establish communications with the yacht.

AMSA's Essendon-based dedicated search and rescue Dornier aircraft was tasked to the distress location and the passenger vessel MV *Orion*, 650 nautical miles to the south of the yacht's position, was diverted. The Dornier located the yacht's life raft and attempted to drop a second life raft to the yachtsman however was unsuccessful.



The following day the Dornier relocated the life raft and established limited radio communications with the sailor. A RAAF C130 Hercules aircraft, also tasked by RCC Australia, established further communications with the survivor later that morning and was advised that he had no food or water, low radio battery, and was suffering from the cold conditions. The RAAF aircraft made a number of attempts to drop life Air Sea Rescue Kits and other equipment, and was eventually able to successfully drop a survival suit, food, water, and two additional radios.

Search aircraft remained overhead for the remainder of the day, overnight, and throughout the day on Sunday 20 January. MV *Orion* arrived on scene prior to last light on the Sunday evening and rescued the survivor from the

Appendix 2 - representative sample of search and rescue incidents

life raft using an inflatable tender. A doctor on board MV *Orion* treated the survivor for bruising, superficial grazes and macerated skin on both hands from prolonged immersion. The sailor was later transferred ashore at Hobart.

Skyfox Gazelle aircraft crash 3 February 2013



The Chief Flying Instructor of a Caboolture flight training organisation advised RCC Australia that a Skyfox Gazelle had failed to return to the Caboolture training area. RCC Australia organised an extensive search with multiple helicopters and AMSA's Cairns-based dedicated search and rescue Dornier aircraft. Radar and radio data were examined and assisted in refining the search area, most of which was heavily timbered.

Wreckage of the aircraft was located the following morning by a search helicopter and the pilot was found deceased. Advice from the scene indicated that the crash had not been survivable.

Mellum Trader cargo shift 26 February 2013



M RCC Bremen (Germany) reported that the merchant vessel *Mellum Trader* had developed a heavy list whilst 190 nautical miles north-west of Broome WA and was requesting assistance with evacuation of its 13 crew members. RCC Australia was unable to communicate with the vessel and diverted a Customs aircraft to investigate. Following a distress broadcast from RCC Australia, tugs *Far Scimitar* and *Allison Tide*, and bulk carrier *NSS Confidence* were diverted to the distress location.

The Customs aircraft made contact with the *Mellum Trader* and established that the general cargo vessel had developed the list due to shifting cargo in heavy weather, but was adjusting ballast to reduce the list. They requested evacuation of eight crew members, however, due to weather conditions and nightfall this was assessed as too dangerous.

By first light the following day, the situation had stabilised and the vessel was able to maintain a safe course into the sea whilst waiting for weather conditions to abate. RCC Australia requested that the tug *Far Scimitar* remain with the vessel and deployed AMSA's Darwin-based Dornier to remain on standby at Broome. The *Mellum Trader* arrived safely in Broome on 1 March.

Life raft FV *D-Titan* 29 February 2013

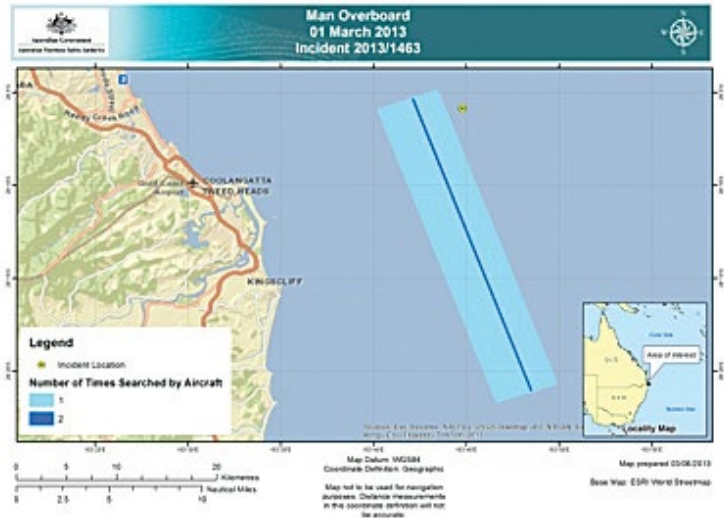
Multiple aircraft in the south-east Queensland area reported hearing a distress beacon on 121.5MHz on 29 February. RCC Australia tasked a rescue helicopter from the Sunshine Coast, however it was unable to acquire the distress beacon signal. Subsequently, Sydney Water Police reported that a boat's tender had been found overturned about 12 nautical miles to the east of Point Danger, near the Queensland border.

The rescue helicopter was tasked to the tender's location and, whilst en route, located a life raft in the water with one person on board. The survivor was winched on board and advised the helicopter crew that he had been on the 50 foot fishing trawler *D-Titan* with one other person when it had capsized around 2:00am that morning.

RCC Australia coordinated a search for the missing fisherman, who had last been seen at the time of the vessel's capsize. Three helicopters, police and Volunteer Marine Rescue (VMR) vessels, and merchant vessels were utilised during the first day of searching but the fisherman was not located.

Appendix 2 - representative sample of search and rescue incidents

Searching continued for a second day utilising six helicopters, and a fixed-wing aircraft, however weather conditions deteriorated and forced the grounding of all aircraft. A police vessel was able to remain in the search area and located a number of items of debris from the fishing vessel. On 2 March the search was suspended following expert medical advice.

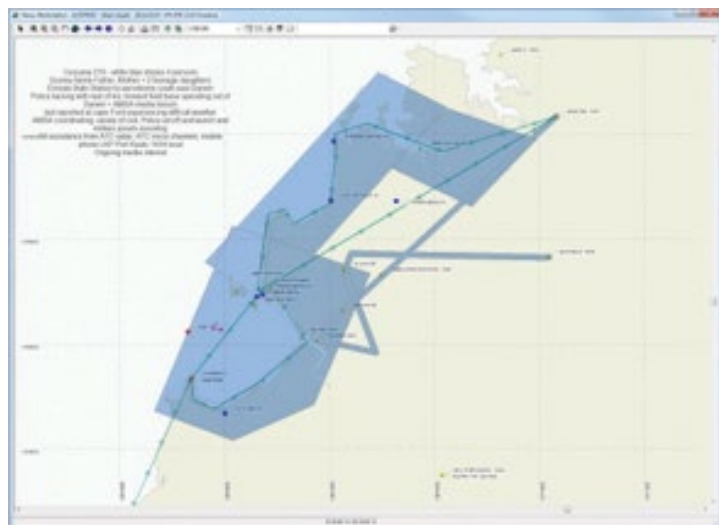


Light aircraft crash, Northern Territory 1 April 2013



On Monday 1 April 2013, a Cessna 210 light aircraft with four people on board was reported overdue on a flight from Bullo River Station to Emkaytee, Northern Territory. AMSA's Rescue Coordination Centre (RCC Australia) assumed coordination of the incident and tasked the Darwin-based Dornier aircraft and a Careflight helicopter to undertake an initial night search.

Further searches were conducted the following day in the vicinity of the aircraft's last known position at Cape Ford (160 kilometres south-west of Darwin). Late in the afternoon wreckage and three deceased persons were located by search helicopters ashore at Cape Forde.



Appendix 2 - representative sample of search and rescue incidents

Yacht *Valkiriya*,
180 km south-east
of Mallacoota
19 April 2013



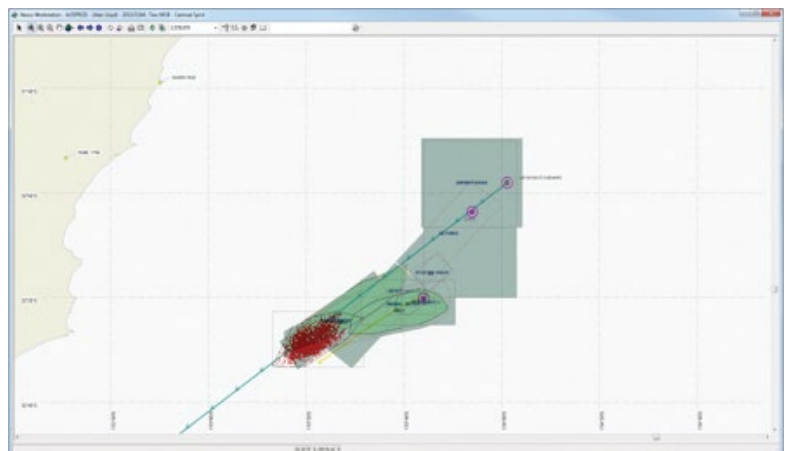
During the morning of Friday 19 April 2013 RCC Australia detected a 406 MHz distress beacon approximately 180 kilometres south-east of Mallacoota, the beacon was registered to the eight-metre yacht *Valkiriya* being sailed from Victoria to New Zealand by a Russian solo sailor. A broadcast to shipping was issued resulting in two merchant vessels being diverted as well as a Victorian Police vessel. However, the weather conditions proved too severe and all vessels were forced to turn back.

In response to a request for military assistance, HMAS *Melbourne* was diverted toward the distress position from Sydney. A Royal Australian Navy (RAN) seahawk helicopter, which had been embarked on HMAS *Melbourne*, was then tasked to the beacon position in conjunction with a RAAF C130 Hercules aircraft. Victorian and Tasmanian police helicopters were placed on standby for rescue tasking from Mallacoota and Flinders Island respectively.

The RAAF aircraft arrived on scene and homed to the beacon, but was unable to locate the yacht. The RAN helicopter arrived a short time later and confirmed that the yacht was not in the vicinity of the active beacon. A parallel track search was commenced which located the yacht a short time later, dismasted and adrift about 11 nautical miles away from the distress beacon location. One of the police helicopters was then tasked with winching the yachtsman from the vessel. The yachtsman was successfully rescued in sea conditions which were described as 45 knot winds and 10-metre waves.

Two persons
overboard,
Carnival Spirit
8 May 2013

Two passengers were reported unaccounted for when the passenger vessel *Carnival Spirit* arrived in Sydney. Investigation of closed circuit television footage revealed that two persons had fallen from the vessel during the early evening of Wednesday 8 May 2013. New South Wales Police assumed coordination of the incident with AMSA assisting as air search coordinator. Search operations continued until last light on the 10 May without any sightings of the two missing persons.



Appendix 2 - representative sample of search and rescue incidents

Humo Challenger
ocean rower, 3870
km north-west of WA
30 May 2013



RCC Australia detected a Netherlands-registered 406 MHz distress beacon 3870 kilometres north-west of Western Australia. Information obtained from the Netherlands Coast Guard revealed a man was attempting to make an ocean row from Australia to Africa, and that during the night of 30 May had been involved in a collision with a merchant vessel.

A distress broadcast to shipping was issued. The merchant vessel LNG *Sokoto* responded to the broadcast and reported that during the hours before first light a mayday call had been heard and a torch light sighted in the vicinity. At first light on first light the rower was sighted on the upturned hull of his row boat and on a second attempt by the merchant vessel the rower was successfully rescued and the row boat was abandoned.

The survivor later reported his radar alarm has activated alerting him to a merchant vessel steaming towards him on a collision course. A VHF mayday call was made and a white flare fired. When a collision was imminent he locked himself in the cabin and shortly afterwards was struck on the port side and rolled five times. The rower then decided to abandon the cabin of the rowing vessel. Upon reaching the ocean surface his lifejacket failed to inflate, so he clung to the upturned hull and activated his distress beacon. An hour later the LNG *Sokoto* arrived on scene and performed the rescue.

Appendix 3

Environmental performance

In accordance with section 516A of the *Environmental Protection and Biodiversity Conservation Act 1999*, we are committed to an environmentally responsible approach in all of our actions, policies and procedures.

Reviewing our environmental performance

We actively promote the requirements of an internationally recognised Environmental Management System (ISO 14001). Part of this process involves the executive team reviewing our activities annually to identify any potential risks those activities may pose to the environment. Some examples of activities identified, as well as measures to minimise their impact on the environment, are outlined in the table below.

Table 3

Activities that pose a potential impact on the environment and measures to mitigate their impact

Activity	Potential impact on the environment	Measures to minimise the impact on the environment
Maintenance of aids to navigation equipment	Adverse impact on the local habitat, including land, wildlife and water sources	<ul style="list-style-type: none"> • Training AMSA staff in the identifying, handling and disposing of hazardous substances, such as asbestos • Replacing diesel generators with electric • Reviewing the options for removing mercury from sites
Response to an oil or chemical spill within AMSA's jurisdiction and supporting the states/Northern Territory during spills within their jurisdiction	Inappropriate response/advice may result in increased socio-economic or environmental costs/damage	<ul style="list-style-type: none"> • Managing Australia's National Plan, which includes: <ul style="list-style-type: none"> – oil and chemical spill contingency plans – equipment stockpile located strategically around the Australian coast – fixed-wing aerial dispersant contract – comprehensive national training program – National Response Team – support systems, including trajectory modelling and environmental resource atlases.
Managing waste generation	Potential to damage the environment through disposing of waste in an environmentally unfriendly way	<ul style="list-style-type: none"> • Recycle bins placed at employees desks, in the photocopy area and in the kitchen • 'Green' message reminder on the base of all AMSA emails • Environmental awareness posters in the kitchen, photocopy area and bathrooms • Waste generation procedure • Monitor waste generation and water consumption levels

Appendix 3 - environmental performance

Additional to the activities identified above, our head office is fitted with a range of environmentally sound equipment and systems, including:

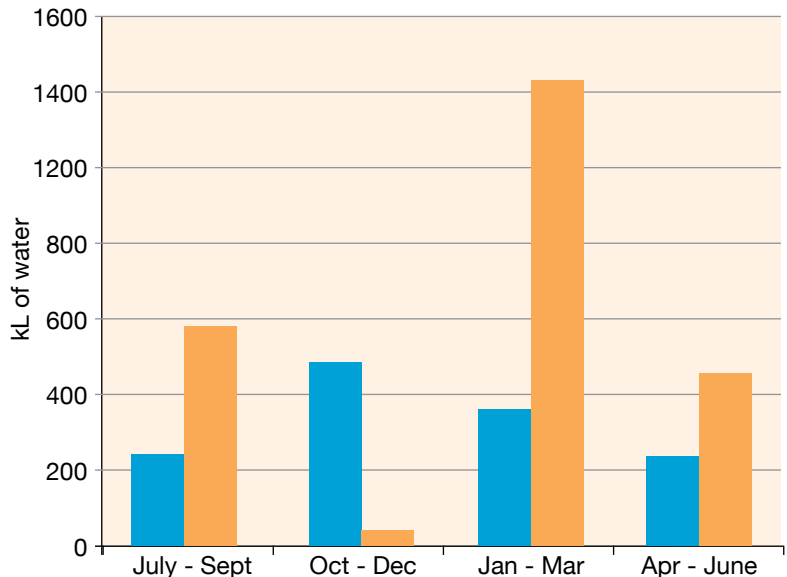
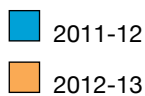
- a 50,000 litre rain/ground water tank, which is used in all toilets and air-conditioning systems
- sensor lighting controls which detect levels of natural light and automatically adjust electric lighting
- multifunction devices which replace the need for separate printers, photocopiers and fax machines
- teleconferencing facilities
- bathroom water saving devices
- energy efficient appliances.

Monitoring our environmental performance

During the year, we continued to collect data from a range of sources to help monitor the impact our activities may be having on the environment. These include activities such as our consumption of water, waste and electricity.

Water consumption in the Canberra office increased by 93 per cent, from 1304 kL in 2011-12 to 2525 kL in 2012-13. This increase in consumption is largely due to emptying and refilling of the rain/ground water tank which was necessary to allow for repairs of leaks which were discovered, and to undergo necessary maintenance. Additional irrigation of the building grounds also contributed to our increased consumption.

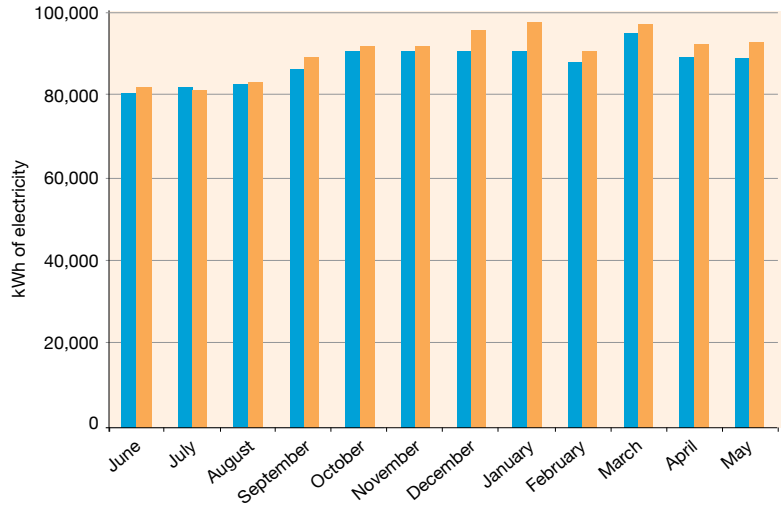
Figure 22
AMSA's water consumption by kilolitres (kL)



The electricity usage by AMSA in the Canberra office has increased by 4 per cent from 2011-12 to 2012-13.

Figure 23
AMSA's electricity usage by kilowatt hours (kWh)

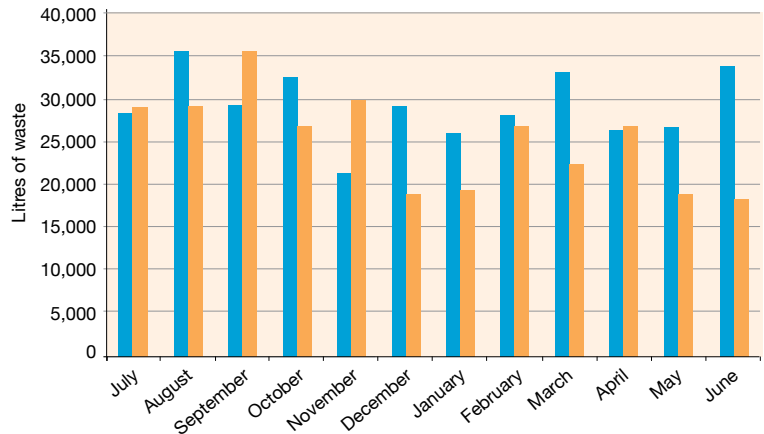
■ 2011-12
■ 2012-13



The waste generated by AMSA in the Canberra office has decreased by 15 per cent from 350,400 litres in 2011-12 to 303,120 litres in 2012-13.

Figure 24
AMSA's waste generation by litres (L)

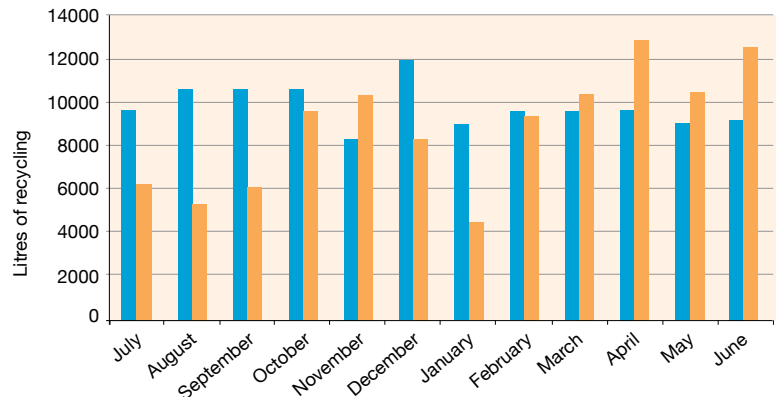
■ 2011-12
■ 2012-13



The amount of recycling by AMSA in the Canberra office has decreased by 10 per cent from 118,320 litres in 2011-12 to 106,800 litres 2012-13.

Figure 25
AMSA's recycling litres (L)

■ 2011-12
■ 2012-13



Appendix 4

Marine Orders made and amended during 2012-13

Marine Order	Name	Issue	Type	Made	Description
21	Safety of navigation and emergency procedures	8	reissue	2/11/12	Implements an annual test of the automatic identification system, update of pilot transfer arrangements and a general review of the Order
34	Solid bulk cargoes	6	amend	2/11/12	Updates the cargoes listed in the schedules of the International Maritime Solid Bulk Cargoes
50	Special purpose ships	6	reissue	2/11/12	Implements amendments for the Code of Safety for Special Purpose Ships
2	Australian International Shipping Register	2013	issue	24/12/12	Implements the Australian International Shipping Register
25	Equipment - lifesaving	7	amend	24/12/12	Give effect to amendments under the International Life-Saving Appliance Code
95	Marine pollution prevention — garbage	2013	issue	17/1/13	Implements the new Annex V (Garbage) regulations for the prevention of garbage pollution from ships under the <i>International Convention for the Prevention of Pollution From Ships</i>
2	Australian International Shipping Register	2013	issue	22/5/13	Modifies other Orders to the extent necessary for the operation of the Australian International Shipping Register
4	Transitional modifications	2013	issue	22/5/13	Modifies 43 Marine Orders to enable continued effect transitioning from the <i>Navigation Act 1912</i> to the <i>Navigation Act 2012</i>
11	Living and working conditions on vessels	2013	issue	22/5/13	Gives effect to <i>Maritime Labour Convention (MLC), 2006</i> and combines and replaces Marine Orders 10, 11, 14, 53

Appendix 4 - Marine Orders made and amended during 2012-13

Marine Order	Name	Issue	Type	Made	Description
63	MASTREP	2013	issue	22/5/13	Implement the transition from AUSREP to the Modernised Australian Ship Tracking and Reporting System (MASTREP)
501	Administration – national law	2013	issue	25/6/13	For the National Law, this is equivalent to Marine Order 1 and sets out standard terms and processes that are used in the other Orders
502	Vessel identifiers – national law	2013	issue	25/6/13	Provides for unique identifiers for domestic commercial vessels
503	Survey certificates – national law	2013	issue	25/6/13	Provides for certificates of survey for domestic commercial vessels
504	Operation certificates – national law	2013	issue	25/6/13	Provides for certificates of operation for domestic commercial vessels
505	Certificates of competency – national law	2013	issue	25/6/13	Provides for certificates of competency for seafarers on domestic commercial vessels
506	Approval of RTOs – national law	2013	issue	25/6/13	Provides for approval of registered training organisations for training of seafarers on domestic commercial vessels
507	Load line certificates – national law	2013	issue	25/6/13	Provides for the issue of load line certificates for domestic commercial vessels

Appendix 5

Our functions and powers

As discussed in the organisational profile our powers and functions are described in *Australian Maritime Safety Authority Act 1990*, under which AMSA was established.

Ship operations

Marine Safety (Domestic Commercial Vessel) National Law Act 2012 and Marine Orders made under it

Navigation Act 2012 and Marine Orders made pursuant to that Act

Occupational Health and Safety (Maritime Industry) Act 1993, in relation to the discharge of inspectorate functions

Maritime Transport Security Act 2003, in relation to the appointment of AMSA marine surveyors as duly authorised officers.

Registration

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

Marine pollution

Protection of the Sea (Prevention of Pollution from Ships) Act 1983 and Marine Orders made under it

Protection of the Sea (Powers of Intervention) Act 1981

Protection of the Sea (Civil Liability) Act 1981

Protection of the Sea (Oil Pollution Compensation Fund) Act 1993

Protection of the Sea (Harmful Anti-Fouling Systems) Act 2006 and Marine Orders made under it

Protection of the Sea (Civil Liability of Bunker Oil Pollution Damage) Act 2008.

Levies – in role as 'Collector'

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

Protection of the Sea (Shipping Levy) Act 1981

Protection of the Sea (Shipping Levy Collection) Act 1981.

Appendix 6

AMSA Board members



Leo M. Zussino (Chairman)

Leo M. Zussino was appointed Chairman of the AMSA Board on 11 November 2008. He is currently the Chief Executive Officer of the Gladstone Ports Corporation Limited until the 30 August 2013, a position he has held since 22 October 2000 and an Executive Committee member of Queensland Ports Association¹.

Mr Zussino previously served as President of the Association of Australian Ports and Maritime Authority Inc. (now Ports Australia); Chairman of the Queensland Port Authorities Association and Chairman of the Gladstone Economic and Industry Development Board.

Mr Zussino has a Master's Degree of Business Administration from the University of Oregon, USA.



Ross Brewer (Deputy Chairman)

Ross Brewer retired in 2004 as Managing Director of P&O Maritime Services Pty Ltd after an extensive career with the P&O Group in senior management roles including ship owning, chartering, ship agency operations and freight management. His working life commenced at sea as an apprentice deck officer with P&O before he came ashore with the company.

Mr Brewer is a former member and Chairman of the AMSA Advisory Committee; former Chairman of Defence Maritime Services; former Director of P&O Australia Pty Ltd, Austen Maritime (Singapore) Pte and Australian Maritime Systems Limited; and former President of the Australian Mines and Metals Association.



Dr Russell Reichelt

Dr Russell Reichelt is currently Chairman and Chief Executive of the Great Barrier Reef Marine Park Authority and a non-executive director of the Great Barrier Reef Foundation Limited.

Previously, Dr Reichelt served as the Chief Executive Officer of the Australian Institute of Marine Science and as Chairman of Australia's Fisheries Research and Development Corporation and Seafood Services Australia Ltd. Other past roles include Chairman of the National Oceans Advisory Group, and company director of CRC Reef Research Centre Ltd and Reef and Rainforest Research Centre Ltd.

He has a PhD in Marine Science (tropical ecology) from the University of Queensland, and is a Fellow of the Australian Academy of Technological Sciences and Engineering, the Institute of Marine Engineering Science and Technology (UK), and the Australian Institute of Company Directors.

¹On 31 August 2013, Mr Zussino's tenure ended as Chief Executive Officer of Gladstone Ports Corporation Limited and Executive Committee member of Queensland Ports Association.



Captain Fred Ross₁

Captain Fred Ross resigned as Director Offshore Division of the Australian Maritime Officers Union a position held from 1995 to 2011. Previously Captain Ross held the position of President and Executive Member of the organisation from 1970.

Captain Ross has been a member of the Marine Industry Restructuring Agreement, Shipping Industry Reform Authority and held positions within the International Transport Workers Federation and the International Labour Organization. Captain Ross's sea-going career was on Australian vessels serving as Seaman to Master, holding command with Caltex from 1972 to 1992.

Captain Ross is currently Assistant to the Arbitrator North West Shelf Continuity of Operations.



Dr Sarah Derrington²

Dr Derrington commenced her legal career in litigation sections of Freehills in Canberra and then Minter Ellison in Brisbane before pursuing an academic career at the University of Queensland (UQ). Dr Derrington was Professor of Admiralty Law/Director Marine and Shipping Law Unit at the University of Queensland and has been a visiting Professor in maritime law at the University of Nottingham, the University of Nantes and the University of Aix-Marseilles and more recently was in full time practice as a Barrister-at-Law specialising in general commercial litigation, maritime, aviation and transport law, insurance law, bankruptcy and insolvency.

Dr Derrington is currently the Vice Chairman of the Australian Maritime and Transport Arbitration Commission; Chairman of Risk and Finance sub-committee Somerville House School Council; Director of the Australian Maritime College Board; and Member of the Admiralty Rules Committee for the Commonwealth of Australia.

Dr Derrington has a Bachelor of Arts in French and German (UQ); Bachelor of Laws with Honours (UQ); Master of Laws (UQ); and Doctor of Philosophy (UQ) in the field of marine insurance law. Dr Derrington is a member of the Chartered Institute of Arbitrators; Member of the Australian Institute of Company Directors; Member of the Nautical Institute; and Supporting Member of the London Maritime Arbitrators' Association.



Jennifer Clark

Jennifer Clark is currently a Non-Executive Director on the Board of National ICT Australia Ltd. She is Chair of the Defence Materiel Organisation Audit and Risk Committee; the Australian Sports Anti-Doping Authority Audit Committee; and the Australian Commission on Safety and Quality in Health Care Audit and Risk Committee. Ms Clark is also an independent member of the Australian Taxation Office Audit Committee; the Attorney-General's Department Audit and Risk Management Committee; the Austrade Audit and Risk Committee; and the Defence Audit and Risk Committee.

Ms Clark has an extensive background in business, finance and governance through a career as a Non-Executive Director since 1991 and as an Investment Banker for over 20 years. Her banking experience included financing and providing advice to companies across a broad range of industries and for major infrastructure projects, as well as undertaking advisory roles to the Commonwealth Government. Ms Clark is a Fellow of the Australian Institute of Company Directors and has been a Board member of a number of companies and Commonwealth Government agencies over the past 20 years.

²At 1 July 2013, Dr Sarah Derrington was appointed Professor Dean of Law at the University of Queensland.



Graham Peachey (Chief Executive Officer)

Graham Peachey was appointed as AMSA's Chief Executive Officer on 4 May 2007.

Prior to his appointment, Mr Peachey was the Chief Executive Officer of Food Standards Australia New Zealand. He has a strong record of achievement in several regulatory bodies in health and agricultural portfolios.

Mr Peachey is Chair of the Maritime Agencies Forum; a member of the Seafarers Safety, Rehabilitation and Compensation Authority; Australia's representative on the Council of the International Maritime Organization, and the Council of the International Association of Marine Aids to Navigation and Lighthouse Authorities; Director of the Australian Maritime College (AMC) and the AMC Search Board; and a member of the Australian Maritime Group, Australian National Centre for Ocean Resources and Security, National Marine Safety Committee, Marine National Facility Steering Committee, and the Lloyds Register Advisory Committee.

Mr Peachey has a Bachelor of Arts degree from the Australian National University and has undertaken further studies in economics and law.



Andrew Wilson

Andrew Wilson is the department member of the AMSA Board.

He currently holds the position of Deputy Secretary in the Department of Infrastructure and Transport

Mr Wilson has held a variety of positions within the Australian Public Service over his 29-year career, spending the past 27 years within the Department of Infrastructure and Transport. His career highlights involve the establishment of the Office of the Coordinator General, oversight of the Aviation White Paper, oversight of the stronger shipping for a stronger economy reform of the Australian Coastal Shipping Industry, participation in the Phase II Airport sales process, and the reform of the provision of services to the Indian Ocean Territories.

Mr Wilson has a Bachelor of Commerce degree from Deakin University.

Table 4
AMSA Board attendance

Member	Attendance at Meetings and Teleconferences	Terms of Office
Leo M. Zussino (Chairman)	6/6	Appointed Chairman 10 November 2008 and reappointed from 22 November 2011 to 21 November 2014
Ross Brewer	5/6	Appointed member from 4 September 2006 Appointed Deputy Chairman 1 March 2011 to 28 February 2014
Dr Russell Reichelt	5/6	Appointed member from 7 August 2007 to 8 April 2014
Capt. Fred Ross	5/6	Appointed member from 22 November 2011 to 21 November 2014
Professor Sarah Derrington	5/6	Appointed member from 8 May 2012 to 8 May 2015
Jennifer Clark	6/6	Appointed member from 8 May 2012 to 8 May 2015
Graham Peachey	6/6	Member ex-officio from 4 May 2007
Andrew Wilson	5/6	Member ex-officio from 1 August 2005
Observers	nil	N/A

Board meetings

195th – 2 August 2012

196th – 20 September 2012

197th – 12 December 2012

198th – 21 February 2013

199th – 18 April 2013

200th – 27 June 2013

*Table 5
AMSA Board Audit
Committee attendance*

Member	Attendance at Meetings
Ross Brewer (Chairman)	5/5
Dr Russell Reichelt	5/5
Jennifer Clark (appointed 8 May 2012)	5/5
Jeremy Chandler (contracted 22/12/10 to 9/1/13)	3/3
Diane Fielding (contracted 17/1/11 to 9/1/13)	3/3
Observers	
Leo M. Zussino	2/5
Graham Peachey	5/5
Professor Sarah Derrington	1/5
PwC representative (appointed 2 – S Baker, J Dalton)	5/5
Protiviti representative (appointed 2 – Mark Harrison, Shane Silva)	4/5
ANAO representative	5/5

Board Audit Committee meetings

- 111th – 31 August 2012
- 112th – 19 September 2012
- 113th – 11 December 2012
- 114th – 20 February 2013
- 115th – 17 April 2013

*Table 6
Remuneration Committee
attendance*

Member	Attendance at Meetings
Leo M. Zussino (Chair)	1/1
Dr Russell Reichelt	1/1
Professor Sarah Derrington	1/1

Remuneration Committee meetings

- 18th – 19 September 2012

Appendix 7

Current publications

All publications are available from the AMSA website (www.amsa.gov.au). Limited hard copies of certain publications can also be obtained by contacting:

AMSA Communication

Phone: (02) 6279 5000

Email: communication@amsa.gov.au

Corporate

Title	Description
AMSA Aboard	A quarterly maritime industry e-newsletter based on AMSA operations
AMSA annual reports (from 1999)	A report to the Australian Parliament on AMSA's activities for the year
AMSA Corporate Plan 2012-17	A plan outlining AMSA's planned activities and performance targets for the next three years
AMSA's Vision 2013-33	Sets AMSA's strategic vision to 2033
AMSA's Technical Cooperation Strategy 2010-2015	A report describing AMSA's Technical Cooperation Strategy for the Asia-Pacific region for 2010-2015
AMSA The Second Decade	The Second Decade provides an historical overview and highlights AMSA's achievements throughout its most recent decade (2001-11).

Search and rescue

Title	Description
Survival at Sea	A comprehensive guide on all distress situations and emergencies at sea
MASTREP and Australian Mandatory Reporting Guide	Ship reporting instructions for the Australian area
Australian search and rescue brochure	A summary of Australian search and rescue procedures, assets and distress alert systems and equipment
Aviation search and rescue brochure	What to do in the event of an aviation emergency
Distress Beacons FAQ brochure	A brochure answering many commonly asked questions relating to distress beacons

Shipping

Title	Description
Australian Global Maritime Distress and Safety System (GMDSS) Handbook	A guide for the GMDSS on Australian vessels in Australian waters
Cargo Record Book Part 1	A book which records cargo stored on ships visiting Australian ports
Automatic Identification System (AIS)	A brochure providing basic information on AIS
Code of Safe Working Practice for Australian Seafarers	A workplace safety guide for Australian ships
Code of Practice for the Safe Loading and Unloading of Bulk Carriers	Provides guidance for the safe carriage and handling of bulk (dry) cargoes
Dangerous, Hazardous and Harmful Cargoes Handbook	A guide for the safe carriage and handling of dangerous, hazardous and harmful cargo
Garbage Record Book	A book which records waste generated on ships visiting Australian Ports
Incident Reporting Service Charter	A Charter on receiving, monitoring and acting upon maritime incident reports
Maritime skills availability study	A study conducted by Thompson Clarke Shipping Pty Ltd into the availability of maritime skills within the Australian maritime industry
MASTREP and Australian Mandatory Reporting Guide	Ship reporting instructions for the Australian area
Medical examinations of seamen	Guidelines on how to obtain a certificate of medical fitness from an AMSA-approved medical inspector of seamen
Navigational Services In Australian Waters 2010-2025	This document is a collection of principles and strategies for the provision of navigational services by AMSA.
NWEA Guidelines for the Safe Management of Offshore Supply and Rig Movement Operations - Australian Supplement	This Australian Supplement is provided for guidance to owners, managers, marine superintendents, masters and crew of offshore support vessels when operating within the Australian exclusive economic zone (EEZ).
Occupational Health and Safety Memorandum of Understanding between AMSA and State OHS Regulators	A memorandum of understanding, in consultation with the state OHS regulators, to provide consistency in the management of OHS issues on the waterfront
OH&S Inspectorate Manual Tasks Information Brochure	Information sheet to promote OHS issues with manual handling to Australian operators
Oil Record Book Part 1	A book which records oil discharged on ships visiting Australian Ports
Port State control report	Fact sheet on port State control in Australia

Title	Description
Port State control annual reports	Annual port State control activity reports
REEFVTS user manual	This manual provides information to assist REEFVTS users in optimising the service provided. For vessels subject to the mandatory ship reporting system within the area, the manual aids the ship masters' reporting obligations.
Seacare Compliance and Enforcement Policy	Explains the Seafarers Safety, Rehabilitation and Compensation Authority (Seacare Authority) and the Australian Maritime Safety Authority's (AMSA) approach to workplace health and safety regulation under the <i>Occupational Health and Safety (Maritime Industry) Act 1993</i> (the OHS(MI) Act)
Ship Detention List Index	Index of detained vessels by month
Survival at Sea Manual	This manual describes how to equip your craft with survival gear and the basics of existing in a survival craft.
Tide tables—Torres Strait and Great Barrier Reef	A publication prepared with data from the Australian Bureau of Meteorology, providing tidal information in the Torres Strait and Great Barrier Reef

Shipping registration

Title	Description
Australian Register of Ships	Information on how to register a ship
Yachts, cruisers and fishing boats: who owns what?	Information regarding the benefits of ship registration

Marine
environment
protection

Title	Description
MARPOL—Current Texts	The text of the MARPOL Convention, including the latest amendments
Report by Det Norske Veritas: Risk assessment of emergency towing and salvage	Examines availability of towage and salvage capacity in Australia
National Marine Chemical Spill Contingency Plan	Arrangements for responding to chemical spills under Australia's National Plan
National Marine Oil Spill Contingency Plan	Arrangements for responding oil spills under Australia's National Plan
The National Plan to Combat Pollution of the Sea by Oil and Other Noxious and Hazardous Substances	Information on Australia's National Plan
National Plan annual reports	The annual reports for Australia's National Plan
Protection of the Sea—Conventions and legislation in Australia	Lists the conventions and legislation relevant to AMSA's environment protection role
Stow it, don't throw it	Information on garbage disposal regulations applicable to shipping
Waste reception facilities in Australian and New Zealand ports	Contact details for waste reception facilities in Australian and New Zealand ports
Fixed Wing Aerial Dispersant Capability	
The National Plan – On Scene Newsletters	Biannual magazine for Australia's National Plan
Incident and exercise reports	
Response to Montara Well Platform Incident	Provides a report into the Montara Well Platform oil spill incident
<i>Global Peace</i> oil spill response—report of the incident analysis team	A report of the incident analysis following the oil spill from the bulk carrier <i>Global Peace</i>
Grounding—Response to the <i>Pasha Bulker</i>	Report by the incident analysis team into the response to the grounding of the <i>Pasha Bulker</i> off Newcastle, NSW
Response to the <i>Pacific Adventurer</i> Incident	Report by the incident analysis team into the response to the container loss and oil spill from the <i>Pacific Adventurer</i> off the coast of Brisbane
Discussion papers	
Comparison of single and double hull tankers	A discussion paper on the merits and disadvantages of single and double hull tankers

Fact
sheets

Title	Description
Dornier 328 Search and Rescue Aircraft	Information on the operational capabilities and specification of AMSA's dedicated search and rescue aircraft
Emergency Response Centre	Useful information about our Emergency Response Centre
Emergency Towing Vessel ETV <i>Pacific Responder</i>	Information on the capabilities and build specifications of ETV <i>Pacific Responder</i>
VHF digital selective calling radio communications—frequently asked questions	Information about digital selective calling
Automatic Identification System (AIS) Classes A and B	Information on the AIS
Differential Global Positioning System (DGPS)	Describes the purpose, technical details and location of AMSA's 16 differential global positioning systems
Long range identification and tracking	Information on the LRIT system
Positions and horizontal datums on paper and electronic charts	Describes the relationship between latitude and longitude and the various datums used in charting
Helicopter Operations Frequently asked Questions	A guide that contains general information about new issue 3 of MO 57, that came into effect on August 1 2010
REEFVTS – Important Changes to Vessel Traffic Services System	A comprehensive guide that explains the changes to REEFVTS that came into effect on July 1 2011
Approval of new oil spill response products for use in Australia	Information on how to approve new oil spill response products for use in Australia
Disposal of dry bulk cargo residues in Australian waters	A comprehensive fact sheet that describes the process for disposing of dry bulk cargo residues in Australian waters
How Australia responds to oil and chemical spills in the marine environment	Describes how Australian governments respond to marine oil and chemical spills under the National Plan arrangements
National Maritime Emergency Response Arrangements (NEMERA)	Describes Australia's National Maritime Emergency Response Arrangements
Oil spill from ships— who pays?	Summarises how the costs of oil spills are recovered
Particularly Sensitive Sea Areas	Summarises the areas that have been designated by the IMO as Particularly Sensitive Sea Areas
Ship pollution regulations	Summarises the regulations aimed at preventing pollution from ships
Port State control in Australia	Background to the port State control program in Australia

Fact
sheets

Title	Description
Transferring ownership of an Australian ship	Describes how to transfer ownership of an Australian ship
Continuous Synopsis Record	A fact sheet that explains why it is a necessary requirement to have a CSR
Distress Beacons - Frequently Asked Questions	A fact sheet that addresses frequently asked questions on distress beacons
Photochromic Lenses, Polarised Lenses and Dark Adaption	This fact sheet advises operators, masters/skippers and seafarers on precautions to be taken by those with lookout duties, particularly at night.
Strengthening the Protection of the Great Barrier Reef	A fact sheet that addresses the measures to strengthen the protection of the Great Barrier Reef
Adoption of an Energy Efficient Design Index for international shipping	A fact sheet that addresses how ships provide the most energy efficient means for transporting goods
Garbage Management Plan	Describes international regulations requiring vessels and fixed or floating platforms to carry a Garbage Management Plan

Discussion
papers

Title	Description
Comparison of single and double hull tankers	A discussion paper on the merits and disadvantages of single and double hull tankers

References

Acronyms and abbreviations

AAC	AMSA Advisory Committee
AASB	Australian Accounting Standards Board
AGS	Australian Government Solicitor
AHS	Australian Hydrographic Service
AIS	Automatic Identification System
AMSA	Australian Maritime Safety Authority
AMSA Act	Australian Maritime Safety Act 1990
ANAO	Australian National Audit Office
APHoMSA	Asia-Pacific Heads of Maritime Safety Agencies forum
ASA	Australian Shipowners Association
ATSB	Australian Transport Safety Bureau
AusAID	Australian Agency for International Development
AUSREP	Australian ship reporting system (MASTREP as of 1 July 2013)
AWA	Australian Workplace Agreement
BASARNAS	Badan SAR National (Indonesian search and rescue agency)
CAC Act	<i>Commonwealth Authorities and Companies Act 1997</i>
CEO	Chief Executive Officer
China MSA	China Maritime Safety Administration
COAG	Council of Australian Governments
CRD	Corporate Relations Division (AMSA)
CSD	Corporate Services Division (AMSA)
Customs and Border Protection	Australian Customs and Border Protection Service
DGPS	differential global positioning system
DIAC	Department of Immigration and Citizenship
DVD	Domestic Vessel Division
EEZ	Exclusive Economic Zone
ECDIS	Electronic Chart Display and Information System
ERD	Emergency Response Division (AMSA)
ETV	emergency towage vessel
the Executive	AMSA's executive
FSC	flag State control
GBR	Great Barrier Reef
GBRMPA	Great Barrier Reef Marine Park Authority
GIS	Geographic Information System
GMDSS	Global Maritime Distress and Safety System
GPS	global positioning system
HF	high frequency

Acronyms and abbreviations

HSE Committee	Health, Safety and Environmental Committee (AMSA)
IALA	International Association of Marine Aids to Navigation and Lighthouse Authorities
IGA	Intergovernmental Agreement
ILO	International Labour Organization
IMDG	International Maritime Dangerous Goods Code
IMO	International Maritime Organization
IOPC	International Oil Pollution Compensation Funds
IT	information technology
ITS	Information Technology Services (AMSA)
ITSAP	Indonesian Transport Safety Assistance Package
ITU	International Telecommunications Union
LEOSAR	Low-altitude Earth Orbiting Search and Rescue system
LRIT	long-range identification and tracking
MARPOL	<i>International Convention for the Prevention of Pollution From Ships</i>
MASTREP	Modernised Australian Ship Tracking and Reporting system
MED	Marine Environment Division (AMSA)
MEOSAR	Medium-altitude Earth Orbiting Search and Rescue system
MEPC	Marine Environment Protection Committee (IMO)
MERCOM	Maritime Emergency Response Commander
MHS	Medibank Health Solutions
MLC/MLC, 2006	<i>Maritime Labour Convention, 2006</i>
MO	Marine Orders
MOU	memorandum of understanding
MSC	Maritime Safety Committee (IMO)
MSQ	Maritime Safety Queensland
National Plan	National Plan for Maritime Environmental Emergencies
National Regulator	National Marine Safety Regulator
National System	National System for Domestic Commercial Vessel Safety
NMERA	National Maritime Emergency Response Arrangements
NMSC	National Marine Safety Committee
NSCV	National Standard for Commercial Vessels
NS&ID	Navigation Services and International Division (AMSA)
OH&S	Occupational Health and Safety
OOWG	Oil Operations Working Group
OSRA	Oil Spill Response Atlas
OPRC	<i>International Convention on Oil Pollution Preparedness, Response and Cooperation</i>
PACSAR	Pacific Regional Maritime Search and Rescue Workshop
PSC	port State control

RCC	rescue coordination centre
RCC Australia	AMSA's Rescue Coordination Centre
REEFREP	Great Barrier Reef and Torres Strait mandatory ship reporting system
REEFVTS	Great Barrier Reef and Torres Strait Vessel Traffic Service
RTO	Registered Training Organisation
SAR	search and rescue
SARO	search and rescue officer
SCWG	Staff Consultative Working Group (AMSA)
SEWPaC	Department of Sustainability, Environment, Water, Population and Communities
SOLAS	<i>International Convention for the Safety of Life at Sea</i>
SPC	Secretariat of the Pacific Community
SPREP	South Pacific Regional Environment Program
SSD	Ship Safety Division
STCW	<i>International Convention on Standards of Training, Certification and Watchkeeping</i>
UKCM	under keel clearance management
VHF	very high frequency
VTS	Vessel Traffic Services
WADoT	Western Australia's Department of Transport
WHS	work health and safety

Compliance index

This is a guide to our annual report's compliance with the requirements of the *Australian Maritime Safety Act 1990*, the *Commonwealth Authorities and Companies Act 1997* and the *Commonwealth Authorities (Annual Reporting) Orders 2011*. Additional legislative requirements are also contained in the tables below.

*Legislative reference
CAC Act 1997*

Summary of requirements	Legislative reference CAC Act 1997	Page No./ comment
Timeframe for tabling in Parliament ¹	Section 9(2)	1

*Legislative reference
CAC Act 1997,
Schedule 1 -
Reporting
Requirements*

Summary of requirements	Legislative reference CAC Act 1997, Schedule 1 - Reporting Requirements	Page No./ comment
Report of operations	Clause 1(a)	22-109
Financial Statements	Clause 1(b)	113-157
Auditor General's report	Clause 1(c)	111-112
Financial Statements certification: statement signed by the directors	Clause 2(3)	113

*Legislative reference
Commonwealth
Authorities (Annual
Reporting)
Orders 2011*

Summary of requirements	Legislative reference Commonwealth Authorities (Annual Reporting) Orders 2011	Page No./ comment
Approval by directors (Letter of Transmittal)	Clause 6	iii
Exemptions (a written exemption from any requirement granted by the Finance Minister)	Clause 7	N/A
Parliamentary standards of presentation	Clause 8	Complies
Plain English and clear design	Clause 9	Complies
Enabling legislation and summary of objectives and functions	Clause 10	5
Responsible minister	Clause 11	1
Ministerial directions	Clause 12	95
Other statutory requirements	Clause 12	See table on page 186
Information about directors: <ul style="list-style-type: none"> names, qualifications, experience number and attendance of board meetings executive or non-executive 	Clause 13	171-173
Organisational structure: <ul style="list-style-type: none"> organisational structure location, in Australia or elsewhere, of major activities and facilities 	Clause 14	14 13

¹The timeframe for tabling in Parliament is the 15th day of the 4th month after the end of the financial year – i.e., the deadline will be 15 October if the financial year ends on the 30 June (unless an extension has been granted).

Legislative reference
Commonwealth
Authorities (Annual
Reporting)
Orders 2011
(continued)

Summary of requirements	Legislative reference Commonwealth Authorities (Annual Reporting) Orders 2011	Page No./ comment
<p>Statement on governance:</p> <ul style="list-style-type: none"> main corporate governance practices Board committees and their main responsibilities education and performance review process for directors ethics and risk management policies 		<p>86-95</p> <p>5-6</p> <p>5-6</p> <p>88-92</p>
Related entity transactions	Clause 15	Nil
<p>Key activities and changes affecting the authority:</p> <ul style="list-style-type: none"> Factors and events influencing performance, including risks and opportunities Significant events under section 15 of CAC Act Financial results Operational results Significant changes in AMSA's state of affairs or principle activities Amendments to AMSA's enabling legislation and to any other legislation directly relevant to its operation 	Clause 16	<p>91</p> <p>Nil</p> <p>9-11, 93, 114-157, 22, 38, 44, 50, 74, 78, 84, 86, 96</p> <p>12-14</p> <p>Amendments to enabling legislation came into effect from 1 July 2013</p>
<p>Judicial decisions and reviews by outside bodies:</p> <ul style="list-style-type: none"> judicial decisions / decisions of administrative bodies report by the Auditor-General reports by a Parliamentary Committee, Commonwealth Ombudsman or Office of the Australian Information Commissioner 	Clause 17	<p>95</p> <p>111-112</p> <p>95</p>
Obtaining information from subsidiaries	Clause 18	N/A
<p>Indemnities and insurance premiums:</p> <ul style="list-style-type: none"> Indemnities given to current or former officers Premiums paid, or agreed to be paid, for insurance against officers liability for legal costs 	Clause 19	<p>95</p> <p>95</p>
Disclosure requirements for GBEs	Clause 20	N/A
Index of Annual Report requirements	Clause 21	187-193

Other legislative
references

Requirement	Other legislative references	Page No./ comment
<p>Other statutory requirements:</p> <ul style="list-style-type: none"> Commonwealth Disability Strategy Advertising and Market Research Occupational Health and Safety Report Environmental Performance Report 	<p>Commonwealth Disability Strategy</p> <p><i>Commonwealth Electoral Act 1918</i> (section 311A)</p> <p><i>Work Health and Safety Act 2011</i></p> <p><i>Environment Protection and Biodiversity Conservation Act 1999</i> (section 516A)</p>	<p>109</p> <p>85</p> <p>106</p> <p>165</p>

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