



Australian Government
Australian Maritime Safety Authority

Annual Report 2019–20



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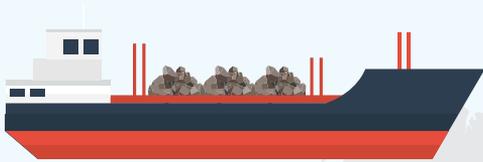
Australian Government

Australian Maritime Safety Authority

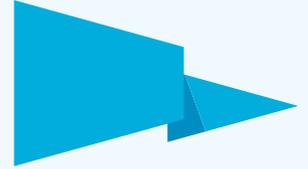
Annual Report 2019–20

Australian shipping at a glance

Australia is the **second largest exporter** of aluminium ores, and the **third largest exporter** of copper and zinc ores



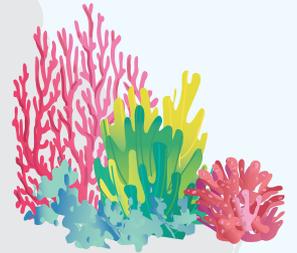
5,981 foreign-flagged ships made **28,584 calls** to Australian ports in 2019



Australia is the **leading exporter** of iron ore, coal and unwrought lead



There has been a **20% increase** in port calls over the past **six years** in the Great Barrier Reef region



Almost **80%** (by value) of Australia's imports and exports are carried by sea



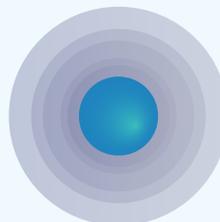
Over the past 20 years, the size of container ships has almost **doubled**



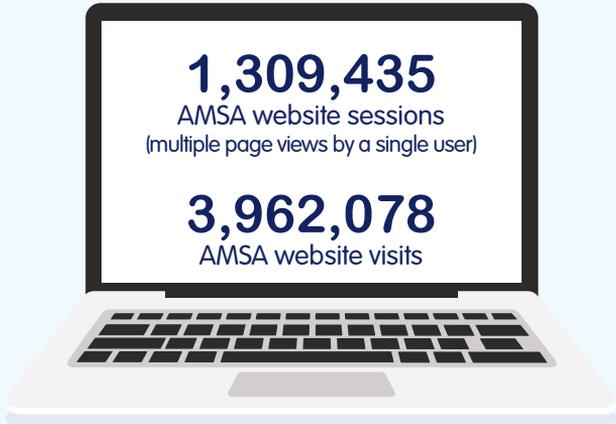
10% of the world's sea trade passes through Australian ports



Over the past 20 years, bulk carriers have increased in size by more than **50%**



Australia is the **fifth largest** user of shipping services in the world



1,309,435
AMSA website sessions
(multiple page views by a single user)

3,962,078
AMSA website visits

Most viewed page

National Standard for Domestic Commercial Vessels (NSCV)



Total followers on social media

93,640



People reached
7,787,512



Number of messages received

14,243



Minutes watched (videos)

798,303



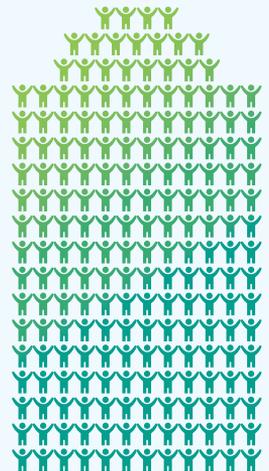
22,000

Domestic Commercial Vessels



66,000

Domestic seafarers



199

Lives saved

International Qualifications

AMSA general enquiries

Beacons

Total customer interactions
174,937
(phone, website, face-to-face)



DCVs & Qualifications
(i.e. National System)



Median time search and rescue asset on-scene:

94 minutes day

123 minutes night



7,806

Alerts received



Responded to

390

incidents

Contents

Purpose: Vision, Mission, Role, Values	vi
Plan on a page	vii
Transmittal letter.....	2
Reporting requirements and responsible minister.....	3
Chair’s foreword.....	4
Financial summary.....	6
Annual performance statements.....	11
Statement by the accountable authority	14
Snapshot summary – Qualitative.....	15
Snapshot summary – Quantitative	16
Strategic challenge 1: Managing risks to safety and the environment	19
Demonstrating performance	20
Focus area 1.1: Ensuring regulated vessels are operated safely and meet standards.....	26
Focus area 1.2: Preventing pollution from shipping	26
Focus area 1.3: Supporting safe navigation.....	27
Focus area 1.4: Contributing to and implementing international conventions	28
Regulatory performance	29
Strategic challenge 2: Delivering the national system for domestic commercial vessel safety	31
Demonstrating performance	32
Focus area 2.1: Education, compliance and enforcement.....	33
Focus area 2.2: Service delivery	36
Focus area 2.3: Regulatory framework	36
Focus area 2.4: Information technology and funding arrangements.....	37
Capability programs	37
Strategic challenge 3: Providing incident preparedness and response	39
Demonstrating performance	40
Focus area 3.1: Pre-emptively intervening to assure vessel safety.....	43
Focus area 3.2: Saving lives daily through search and rescue.....	43
Focus area 3.3: Delivering an effective incident response capability.....	46
Focus area 3.4: Delivering an effective marine pollution response capability	46
Capability programs	48
Strategic challenge 4: Ensuring a vibrant and progressive organisation	49
Demonstrating performance	51
Focus area 4.1: Workforce engagement, development and safety	52
Focus area 4.2: Good governance	53
Focus area 4.3: Sound financial management.....	54
Focus area 4.4: Reliable and responsive information technology	54
Capability programs	56

Strategic enabler: Collaborating with our community	59
Demonstrating performance	60
Focus area E1: Working with international organisations and other nations	62
Focus area E2: Working with partner organisations	64
Focus area E3: Developing stakeholder relationships	65
Focus area E4: Community education	66
Capability programs	67
Governance	69
Organisational profile	70
Enabling legislation	70
Workforce planning	70
Significant activities and changes affecting the operations or structure of the entity during the period	70
Governance.....	74
Main governance practices	74
Accountable Authority	74
Arrangements.....	74
Planning	76
Board and Committees	77
Board Audit Committee	79
Remuneration Committee.....	79
Risk management.....	80
Performance reporting	81
Related entity transactions.....	82
Public interest disclosure	82
Disability report	82
Advertising and market research	82
Statement of significant non-compliance issues	83
Judicial decisions and reviews by outside bodies	83
Reports (Auditor-General, Parliament, Ombudsman)	83
Judicial decisions / decisions of administrative bodies.....	84
Coronial inquests	84
Ministerial decisions, and government policy orders.....	87
Work health safety and environment.....	87
Appendices	91
Appendix 1: Financial Statements	92
Appendix 2: Details of Accountable Authority during the reporting period (2019–20)	121
Appendix 3: Management of Human Resources	132
Appendix 4: Executive remuneration.....	136
Appendix 5: Implementation of findings from the ANAO audit: Application of Cost Recovery Principles	140
Appendix 6: Coronial inquiries 2015–16 to 2018–19	144
Appendix 7: Our functions and powers.....	146
References.....	149
Compliance index	150
Index.....	153



Purpose

As Australia's national maritime regulatory body, we promote the safety and protection of our marine environment and combat ship-sourced pollution. We provide the infrastructure for safety of navigation in Australian waters, and maintain a national search and rescue service for the maritime and aviation sectors.

Vision

Safe and clean seas, saving lives.

Mission

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

Role

AMSA is a statutory authority 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 safe navigation in Australian waters
- provide a national search and rescue service to the maritime and aviation sectors

Plan on a page

An abridged version of AMSA's Plan on a Page is detailed on the following page. AMSA's 2019–20 Corporate Plan has a full version, available at: [amsa.gov.au/about-us/ corporate-publications](https://amsa.gov.au/about-us/corporate-publications)

Everything AMSA does—as described in this annual report—is in response to our strategic challenges.

Plan on a page

| Strategic challenge 1: Managing risks to safety and the environment

Focus areas

- Ensuring regulated vessels are operated safely and meet standards
- Preventing pollution from shipping
- Supporting safe navigation
- Contributing to and implementing international conventions
- Ensuring seafarer standards and welfare

| Strategic challenge 2: Delivering the national system for domestic commercial vessel safety

Focus areas

- Education, compliance and enforcement
- Service delivery
- Regulatory framework
- Information technology and funding arrangements

| Strategic challenge 3: Providing incident preparedness and response

Focus areas

- Pre-emptively intervening to assure vessel safety
- Saving lives daily through search and rescue
- Delivering an effective incident response capability
- Delivering an effective marine pollution response capability

| Strategic challenge 4: Ensuring a vibrant and progressive organisation

Focus areas

- Workforce engagement, development and safety
- Good governance
- Sound financial management
- Reliable and responsive information technology

| Strategic enabler: Collaborating with our community

Focus areas

- Working with international organisations and other nations
- Working with partner organisations
- Developing stakeholder relationships
- Community education

Transmittal letter



Australian Government
Australian Maritime Safety Authority



CHAIRMAN

The Hon Michael McCormack MP
Deputy Prime Minister
Minister for Infrastructure, Transport 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 2019 to 30 June 2020.

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. This report has been prepared in accordance with the requirements set out in the *Public Governance, Performance and Accountability Act 2013*, the *Public Governance, Performance and Accountability Rule 2014*, and in accordance with the *Australian Maritime Safety Authority Act 1990*.

The report is made in accordance with a resolution on 24 September 2020 of the Directors who are responsible, under section 46(1) of the *Public Governance, Performance and Accountability Act 2013* for its preparation and content.

Yours sincerely

Stuart Richey AM
Chairman

23 September 2020

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E s.richey@bipond.net.au



Reporting requirements and responsible minister

The *Public Governance, Performance and Accountability Act 2013* (PGPA Act) requires that corporate Commonwealth entities prepare an annual report in accordance with the relevant rule.

The AMSA Annual Report 2019–20 is presented in accordance with the Public Governance, Performance and Accountability Rule 2014 and the *Australian Maritime Safety Authority Act 1990* (AMSA Act).

The report is to be presented to the responsible minister by 15 October and requires the minister to table the report in both Houses of the Parliament as soon as practicable after receiving it. It is the government's preferred policy that the reports be tabled by 31 October. AMSA will also publish its annual report on the Transparency Portal using the digital reporting tool (section 17BCA of the PGPA Rule).

You can find the digital report here: transparency.gov.au

AMSA reports to the Australian Parliament and Government through the Deputy Prime Minister and Minister for Infrastructure, Transport and Regional Development the Hon Michael McCormack MP.

Under the PGPA and AMSA Acts, members of the AMSA Board, as the accountable authority, are responsible for this annual report.

This report provides a review of activities undertaken in 2019–20, using the reporting arrangements set out in the Portfolio Budget Statements 2019–20 and the AMSA Corporate Plan 2019–20 (covering the period 2019–20 to 2022–23).



The Hon Michael McCormack MP, Deputy Prime Minister and Minister for Infrastructure, Transport and Regional Development



Stuart Richey, AM
Chair

Chair's foreword

The Australian Maritime Safety Authority (AMSA), and indeed all government agencies, their stakeholders and the public at large, saw unprecedented challenges in 2019–20.

Bushfires ravaged Australia over summer, destroying homes and businesses, disrupting travel and necessitating large scale, sometimes maritime, emergency evacuations. AMSA was able to assist in response actions, and continued its regulatory actions without significant disruption. Thankfully, damage to Australia's aids to navigation network was minimal.

The COVID-19 pandemic saw a fundamental change to the way we live and work. Social distancing, lock downs, border closures (and the associated impacts on international crew repatriation), health and safety considerations for seafarers, coastal pilots and ship inspectors, had to be managed while maintaining our focus on safety. Our attendance and influence at international fora was tackled via teleconference and telephone. Our offices closed to the public as we looked for ways to deliver services remotely, and a significant proportion of AMSA staff worked from home. Despite the disruption, AMSA continued to deliver on our priorities (see Snap Shot — qualitative on page 15).

At the time of writing it is unclear how long the impacts of the pandemic will continue to be felt, and indeed what the 'new normal' may look like. AMSA continues to look for ways that we can deliver our core business of safe and clean seas, saving lives in this fluid, uncertain environment.

In my foreword in last years' report I thanked the CEO and his executive team for the leadership that they had shown through changing and challenging times. Little did I know that the challenges would be compounded by a global pandemic! On behalf of the Board, I would like to thank the entire AMSA team for their continued professionalism and resilience.

A handwritten signature in black ink, appearing to read 'Stuart Richey'. The signature is fluid and cursive, with a large, sweeping flourish at the end.

Stuart Richey AM
23 September 2019



Financial summary

AMSA reported an operating surplus of \$3.0 million in 2019–20. Compared to 2018–19 deficit of \$20.5 million, this result represents a net movement of \$23.5 million, reflective of an increase in revenue of \$10.2 million, and reduction in operating expenses of \$13.3 million.

A significant reason for the difference was the one-off recognition of a provision in 2018–19 of \$27.1 million for a pollution incident clean-up operation. Against this provision, during the current year AMSA spent \$15.7 million. The excess provision of \$11.4 million was reversed and recognised as one-off own-source revenue in 2019–20.

Figure 1 shows the net movements in revenue and operating expenses for the 2019–20 financial year against the 2018–19 deficit. It shows the cumulative and sequential effect for each of the movements in revenue and expenses, separately reporting the one-off provision for pollution incident and impact of new accounting standard changes for leases (right of use).



Figure 1: Waterfall diagram of movements for 2019–20 (AUD \$,000)

| Comprehensive income

Revenue

Revenue for 2019–20 was \$245.4 million, compared to \$235.2 million for 2018–19, an increase of \$10.2 million.

This increase was mainly from the reversal of a pollution incident provision of \$11.4 million recognised in 2018–19. Other movements in revenue include increases in departmental appropriations (by \$5.5 million), and a rise in levy revenue (by \$3.2 million), partially offset by reductions in insurance recoveries (by \$4.5 million), reduced contributions to the national system for domestic commercial vessel safety from jurisdictions (by \$2.7 million), and lower fee-based revenue as a result of COVID-19 pandemic impacts on industry (by \$2.5 million).

Figure 2 shows the sources of revenue for 2019–20, with levy revenue broken down into the main vessel classification drivers. In 2019–20, approximately 33.7 per cent of total revenue was levy revenue from iron ore and coal bulk cargo vessels, with 33.4 per cent from departmental appropriations.

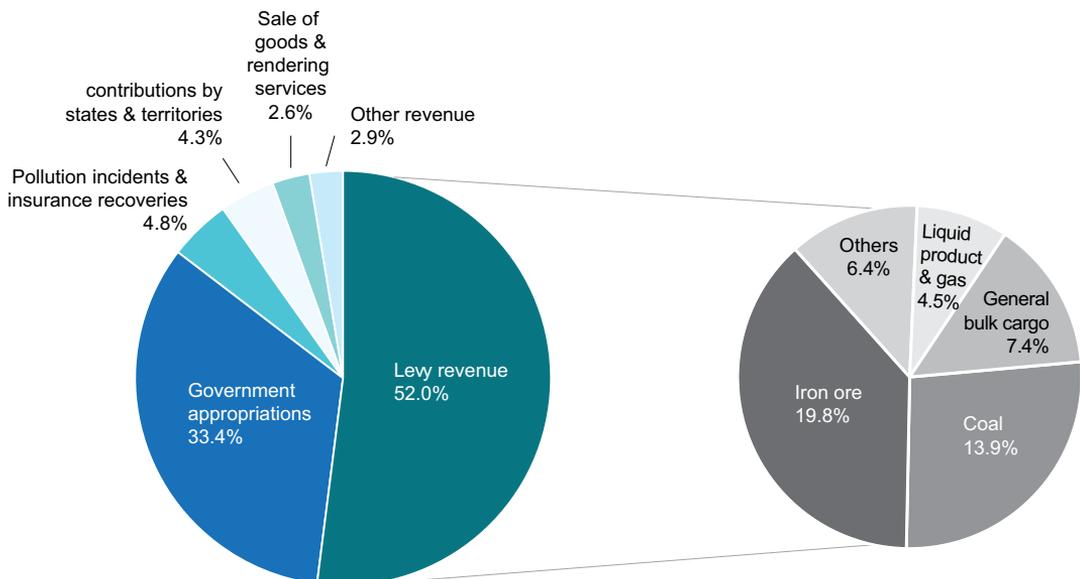


Figure 2: Source of revenue for 2019–20

Levy revenue volumes

Figure 3 shows the total net registered tonnage of vessels contributing to levy revenue from 2015–16 to 2019–20, and the quantity (number of times vessels are liable for levies).

As illustrated, net tonnage has risen consistently from 290.8 million tonnes in 2015–16 to 323.2 million tonnes in 2019–20 (11.2% increase). Over this same period, the number of vessel visits liable for levies has also risen from 9,965 in 2015–16 to 10,529 in 2019–20, but at a lower rate (5.7%).

This is indicative that the size of vessels visiting Australian ports is increasing—the average net registered tonnage per vessel has risen from 29,792 tonnes in 2015–16 to 31,126 tonnes in 2019–20.

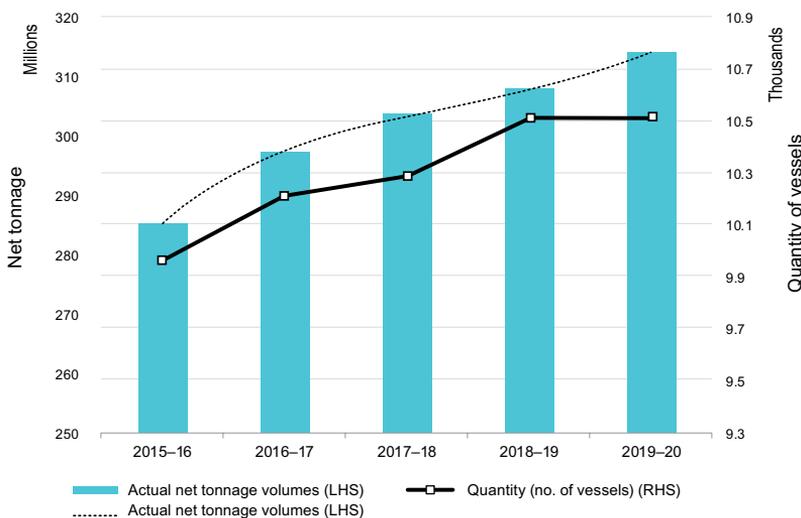


Figure 3: Levy revenue volumetric data

Operating expenses

Operating expenditure for 2019–20 was \$242.4 million, compared to \$255.7 million in 2018–19, a reduction of \$13.3 million.

Figure 4 shows changes to suppliers, employee benefits, depreciation, and other expenses for 2019–20 actual, 2019–20 budget, and 2018–19 actual results.

Supplier expense in the current year were \$124.5 million compared to \$140.6 million in 2018–19 (net of one-off provision of \$27.1 million recognised in 2018–19). This decrease of \$16.1 million mainly represents the shift in rent expenditure (suppliers) to depreciation under the new accounting standard for leases.

Employee expenses increased by \$5.1 million, corresponding to an increase in the number of staff and salary increments.

Depreciation increased by \$22.5 million, driven by the shift of rent expenditure from supplier expenses.

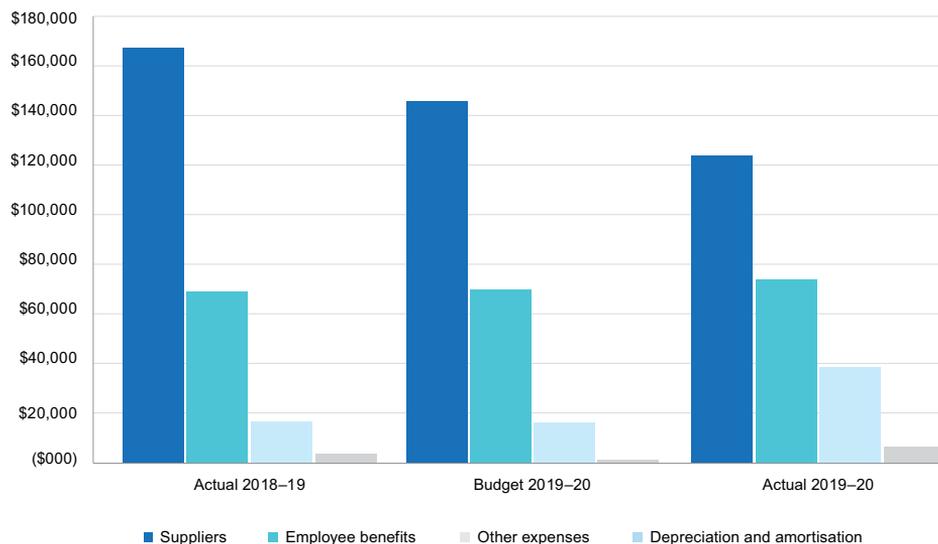


Figure 4: Breakdown of operating expenses (AUD \$,000)

| Cash position

AMSA's net cash position (including investments) as at 30 June 2020 was \$89.7 million (2018-19: \$109.7 million). This decrease of \$20.0 million was mainly due to pollution clean-up operation expenditure of \$15.7 million, with other operating and financing activities contributing \$4.1 million.

| Financial outlook

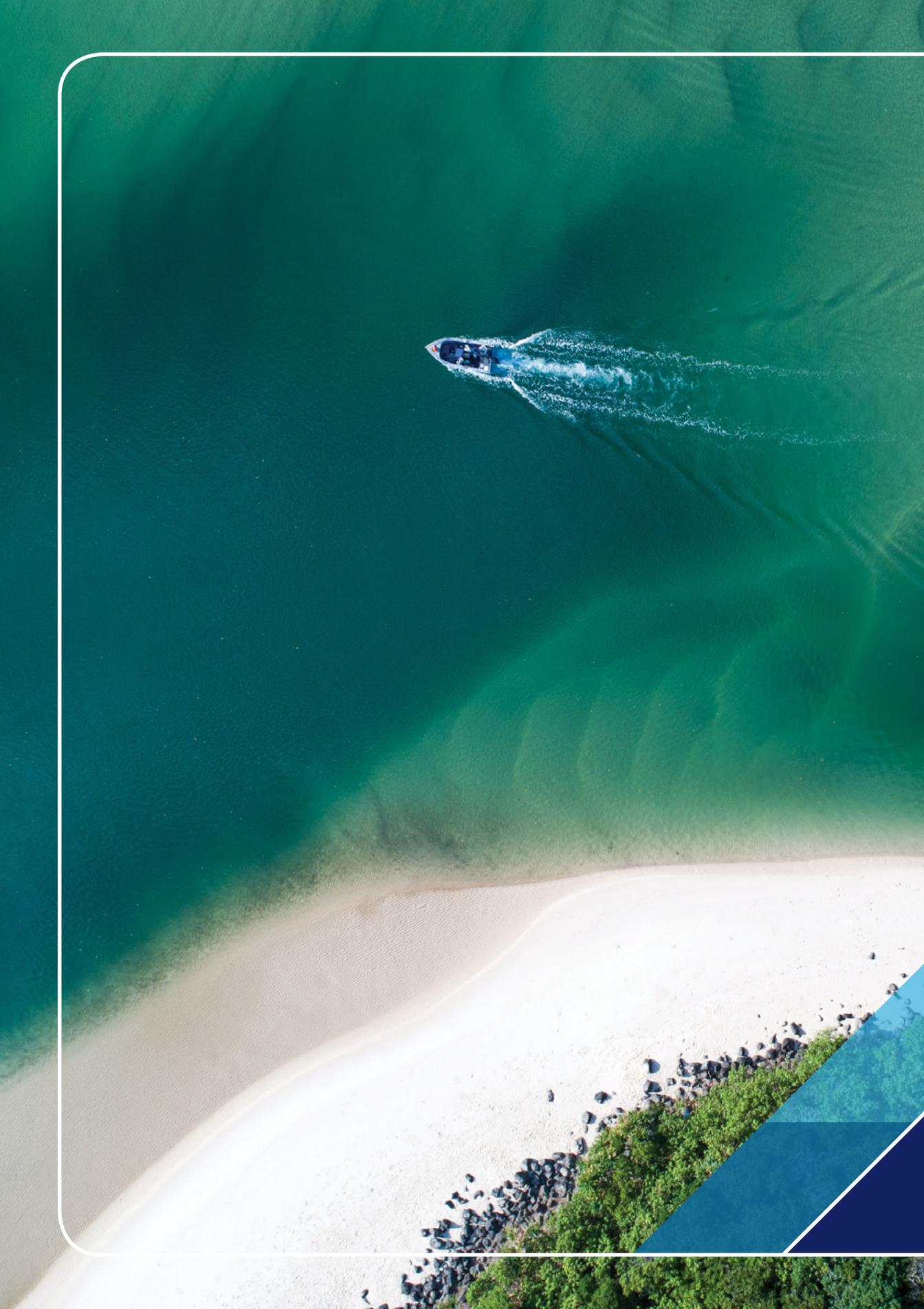
AMSA is budgeting for a marginal surplus in 2020-21 and break-even positions for the next two forward years (2022-23 and 2023-24). AMSA's cash position is expected to decrease marginally as the provision for lead paint and asbestos remediation work is undertaken on our aids to navigation network during the next few financial years.

A rebuild of the strategic asset management framework is underway to ensure AMSA's asset portfolio is managed with an optimal and efficient mix of assets to meet AMSA's policy outcomes. This will provide insights into cash flow impacts for the asset replacement program for the next 20 years.

Risks in 2020-21

As Australia is officially in a recession, discretionary consumer spending is very likely to remain flat or contract in 2020-21, accompanied by a reduction in the quantity of imports and related vessels visiting Australian ports. This will likely result in a heavier reliance on bulk cargo vessels, in particular iron ore exports, to generate AMSA's levy revenue.

AMSA will be working within the framework of the larger Commonwealth budgeting strategy to ensure that its regulatory services are delivered as efficiently and effectively as required to ensure compliance with maritime safety standards.



The image is a cover page for an annual performance report. It features an aerial photograph of a beach and the ocean. The top half shows the ocean with visible sandbars and ripples. The bottom half shows a sandy beach with some rocks and a line of trees. A diagonal design element runs from the bottom-left corner to the top-right corner. This element consists of a dark blue triangle at the bottom-left, a medium green trapezoidal shape in the middle, and a light green trapezoidal shape at the top-right. The text 'Annual performance Statements' is centered in the dark blue area.

Annual performance Statements

Annual performance statements

The PGPA Rule section 16F requires corporate Commonwealth entities to provide annual performance statements as part of their annual report.

The annual performance statements describe how AMSA performed against the non-financial performance measures set out in the relevant Corporate Plan (2019–20) and Portfolio Budget Statements for the reporting period (2019–20), including a summary of progress for the key projects listed in the Corporate Plan. These documents are available on our website (amsa.gov.au). Essentially, the annual performance statements are the ‘bookend’ to the Corporate Plan.

The 2019–20 annual performance statements of AMSA, as required under subsections 39(1) and 39(2) of the PGPA Act and the AMSA Act, are presented in tables by strategic challenge and by focus area as they appear in the 2019–20 Corporate Plan.

| Purpose

AMSA’s purpose, vision and mission are described on page vi. All performance criteria are attributed and aligned to the key elements of our vision—*safe and clean seas, saving lives*—and with our strategic enabler, collaborating with our community. The rationale statements for each measure link the detailed measure with AMSA’s purpose.

| Reading the AMSA 2019–20 annual performance statements

AMSA has a rich and detailed performance story, evidenced by the number and breadth of non-financial measures detailed in our annual performance statements.

The annual performance statements are introduced by two summary snapshots. The first snapshot is a qualitative commentary on AMSA’s overall performance. The second is a ‘traffic light’ summary of performance against our quantitative measures.

Organised under the five strategic challenges outlined in our 2019–20 Corporate Plan, next are:

- table/s describing performance against each of our detailed qualitative measures (see next page for how to read the tables)
- a description of progress against our focus areas (activity subsections in the Corporate Plan)
- where appropriate, case studies that bring the detailed measures to life and show how AMSA delivers its vision
- where relevant, progress reports on our major capability projects and programs

| How to read the performance tables

X.X.X	PERFORMANCE MEASURE	TARGET	RESULTS ¹			
			2016–17	2017–18	2018–19	2019–20
<i>Name of measure</i>			●	●	●	●
RATIONALE:						
ANALYSIS OF PERFORMANCE: ²						
CASE STUDY: ³		SOURCE: ⁴ 2019–20 Corporate Plan: page 29				RPF KPI: ⁵ X,X
FOOTNOTE:						

- ¹ Sets out the annual result for the measure. For comparative purposes, the past three year's results are also provided. The 'traffic light' indicates:
- Green: Met or exceeded
 - Amber: Minor negative variance
 - Red: Major negative variance
 - Grey: New or revised measure, insufficient evidence for result
- ² Contextual commentary for the result. If the result is 'green', then this section may be omitted
- ³ Case studies that help illustrate the impact of the measure (where appropriate)
- ⁴ The page number from either the 2019–20 Corporate Plan or Portfolio Budget Statements where the measure is described
- ⁵ The measure's relationship to the Regulator Performance Framework requirements. See page 25 and page 29 for details

Statement by the accountable authority

As the accountable authority of the Australian Maritime Safety Authority (AMSA), the Board presents AMSA's 2019–20 annual performance statements, as required under sub-sections 39(1)(a) and 39(1)(b) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). In the opinion of the Board, based on advice from AMSA management and the Board Audit Committee, the annual performance statements accurately reflect AMSA's performance and comply with subsections 39(1) and 39(2) of the PGPA Act.

A handwritten signature in black ink, appearing to read 'Stuart Richey', with a stylized flourish at the end.

Stuart Richey AM
Chair

23 September 2020

Snapshot summary – Qualitative

This year has been challenging (see Chair’s forward on page 4). As demonstrated in the following pages, despite the challenges, AMSA has largely delivered on its performance targets for the year, and in doing so, continued to deliver on its vision of *‘safe and clean seas, saving lives’*.

The year started positively. In August 2019 the Deputy Prime Minister, and Minister for Infrastructure, Transport and Regional Development opened a large office in Coffs Harbour—demonstrating our commitment to improve domestic vessel safety, and to regional Australia.

The standard of foreign flagged-ships visiting Australia was consistent with previous years, with no significant trends or concerns identified.

For the domestic commercial fleet, there were two fatalities during the year—down from nine in 2018–19. While two fatalities constitute a tragedy, AMSA is encouraged by the decrease—but at the same time acknowledges that several more years of data is needed to identify a trend. We remain committed to a target of zero fatalities.

For operators and seafarers that found themselves unable to comply with the *Marine Safety (Domestic Commercial Vessel) National Law Act 2012* (National Law) due to the COVID-19 pandemic, AMSA offered a range of National Law Act Exemptions to assist. Additionally, an automatic six-month extension on the renewal of certificates of competency was provided to eligible seafarers.

Prior to the emergence of the COVID-19 pandemic, AMSA held a number of workshops and education sessions on topics including the *YM Efficiency* clean-up, dory safety workshops (see case study, page 34), and safety management system workshops (see case study, page 35). Consultation with industry was also undertaken on proposed changes to a range of marine orders (including 47, 21, 63, 58 and 504), and the final AMSA/Maritime Industry Australia Limited (MIAL) roundtable in October 2019 which provided stakeholders with updates about the IMO’s work on implementing the 1 January 2020 sulphur cap (see case study page 28).

We have invited feedback on numerous heritage management plans and our 2020–21 Cost Recovery Implementation Statement. Details of past and open consultations can be found on our website [amsa.gov.au/news-community/consultations]. We encourage you to continue to have your say about the future of our industry.

From a clean seas/pollution response perspective, the *YM Efficiency* clean-up was a stand-out. In April 2020 the *MV Pride* docked in Newcastle Port to begin the clean-up of the containers lost from the *YM Efficiency*. Ardent Oceania, the successful tenderer for the job, spent 34 days removing 63 containers from the sea floor. Avcon Projects Australasia managed the processing and disposal of the recovered waste (see case study, page 26).

In May 2020, the changes to requirements for passenger safety contained in *Marine Order 504—Certificates of operation and operation requirement – national law) Amendment 2020*

came into effect. The measures were introduced with the aim of improving passenger safety and are in response to recent fatal and serious incidents involving missing passengers.

With the crucial assistance of our partner agencies at all levels of government, AMSA saved 199 lives this year through its search and rescue activities. We strive to save all lives (100%) at risk during an incident, but practically the circumstances of each incident—for instance, severe weather, time taken for the initial notification to emergency services, location of the incident—make this target incredibly difficult to achieve. The 199 lives saved represents a 99 per cent result.

Snapshot summary – Quantitative

Key:	Target met or exceeded	Minor negative variance to target	Major negative variance to target	Not applicable
SNAPSHOT SUMMARY				Page
1.1.1	The inspection rate of risk assessed eligible foreign-flagged ships under the port State control (PSC) program meets the following targets:			
	Priority one ships			20
	Priority two ships			20
	Priority three ships			20
	Priority four ships			20
1.1.2	Extent to which inspections of high risk ships are within targeted timeframes			20
1.1.3	The annual number of port State, flag State control (FSC) and domestic commercial vessel (DCV) inspections meets the following targets:			
	All inspections			21
1.1.4	Improvement in the standard of foreign-flagged ships and Australian-flagged ships (under the <i>Navigation Act 2012</i>) operating in Australian waters is demonstrated through the:			
1.1.4.1	Average number of deficiencies per inspection compared to a rolling 10-year average			21
1.1.4.2	Percentage of ships detained as a proportion of all PSC inspections			21
1.1.4.3	Proportion of serious incidents to total port arrivals			21
1.1.4.4	The age of ships coming to Australia relative to the age of ships in the worldwide fleet			21

SNAPSHOT SUMMARY <i>continued</i>		Page
1.1.5	Improvement in the standard of domestic commercial vessels is demonstrated through:	
1.1.5.1	Fatalities in domestic vessel seafarers trend towards zero	22
1.1.5.2	Fatalities in domestic vessel passengers trend towards zero	22
1.1.5.3	The number of very serious and serious incident reports as a percentage of the total number of incidents reported, decreasing and trending towards zero	22
1.2.1	Number of significant pollution incidents caused by shipping in Australian waters	23
1.3.1	The marine aids to navigation network's availability complies with the targets set out in the International Association of Marine Aids to Navigation and Lighthouse Authorities (IALA) guidelines.	23
1.4.1	Regulatory measures are introduced consistent with international effect dates.	24
1.5.1	Improvement in the standard of foreign-flagged ships and Australian-flagged ships (under the <i>Navigation Act 2012</i>) operating in Australian waters is demonstrated through the:	
1.5.1.1	Average number of Maritime Labour Convention deficiencies per inspection	24
1.5.1.2	Onshore complaints made under the Maritime Labour Convention are investigated	24
R Monitor overall regulatory performance through:		
R.1	Regular formal and informal feedback:	25
R1.1	National System satisfaction	25
R1.2	Regulator Stakeholder Survey	25
R1.3	Email campaigns from AMSA	25
2.3.1	Regulatory instrument reviews are introduced consistent with the planned dates of effect set out in AMSA's regulatory plan	32
3.2.1	Save as many lives as possible from those at risk	40
3.2.2	Median time (minutes) for AMSA to receive, assess and, if required, to initiate a response	41
3.2.3	For incidents that AMSA has search and rescue (SAR) coordination responsibility, the median time (minutes) for an asset to be on-scene (day and night)	41
3.4.1	Maritime environmental response assets are available for immediate deployment to a significant pollution incident	42
3.4.2	Sufficient numbers of trained maritime environmental emergency response personnel are available nationally to deploy and support incident management and response operations	42
E1.1	Acceptance of proposals/input either sponsored directly or supported by Australia at the International Maritime Organization (IMO), International Civil Aviation Organization (ICAO), International Association of Marine Aids to Navigation and Lighthouse Authorities (IALA), International Labour Organization (ILO), International Trade Organization (ITO) and other organisations	60





Strategic challenge 1
Managing risks to safety
and the environment

Strategic challenge 1: Managing risks to safety and the environment

As a regulator, we

- develop maritime safety and environment protection standards
- make regulations to give effect to those standards
- monitor compliance with and enforce those standards.

Demonstrating performance

1.1.1	PERFORMANCE MEASURE	TARGET	RESULTS							
			2016–17		2017–18		2018–19		2019–20	
<i>The inspection rate of risk assessed eligible foreign-flagged ships under the port State control (PSC) program meets the following targets:</i>										
<i>Priority one ships (P1)</i>		80%	93%	●	91%	●	93.2%	●	86.3%	●
<i>Priority two ships (P2)</i>		60%	80%	●	69%	●	64.7%	●	66.4%	●
<i>Priority three ships (P3)</i>		40%	57%	●	38%	●	41.4%	●	38.9%	●
<i>Priority four ships (P4)</i>		20%	36%	●	19%	●	27.8%	●	22.3%	●
<p>RATIONALE: Using the risk profile (P1=high, P4=low) of individual ships as a basis, our inspection regime—as a preventative measure—ensures we concentrate our resources on those ships that pose the greatest threat to safety and the environment.</p>										
<p>ANALYSIS OF PERFORMANCE: The decision to suspend P3 and P4 inspections due to the COVID-19 pandemic had a marginal detrimental impact on the annual result for P3 ships (-1.1%). Whilst the result for P4 ships was above target, it was down 5.5% from the previous year.</p>										
CASE STUDY: N/A		SOURCE: 2019–20 Corporate Plan: Page 31						RPF KPI: 3,4		

1.1.2	PERFORMANCE MEASURE	TARGET	RESULTS							
			2016–17		2017–18		2018–19		2019–20	
<i>Extent to which inspections of high risk ships are within targeted timeframes</i>		100%	100%	●	100%	●	100%	●	100%	●
<p>RATIONALE: All eligible ships (P1–P4) are targeted for inspection every six months. Timely inspections of high-risk ships in particular, including passenger vessels, improves safety by identifying and rectifying faults (operator responsibility), and encouraging owners to operate vessels safely.</p>										
CASE STUDY: N/A		SOURCE: 2019–20 Corporate Plan: Page 31						RPF KPI: 3,4		

1.1.3	PERFORMANCE MEASURE	TARGET	RESULTS							
			2016–17		2017–18		2018–19		2019–20	
<i>The annual number of port State control (PSC), flag State control (FSC) and domestic commercial vessel (DCV) inspections meet the following targets:</i>										
<i>All inspections</i>		7460	9403	●	7368	●	8023	●	9646	●
RATIONALE: By establishing representative samples by ship inspection type, we can monitor the quality of ships in Australian waters with some certainty, and determine whether trends are emerging that may pose a risk to safety and the environment.										
ANALYSIS OF PERFORMANCE: The total number of inspections includes domestic commercial vessel, port and flag State inspections. The figures include follow-up inspections, as well as inspections for a specific purpose, such as preloading inspections. The Australian bushfires, and the COVID-19 pandemic had an impact on the number of inspections conducted. AMSA did, however, implement different methods for conducting inspections, such as remote inspection techniques. This ensured that AMSA continued to maintain safety through our inspection regimes even when challenged by significant events. In the first and second quarters, AMSA inspection rates were higher than normal, which meant that there was only a minor reduction in the total inspections conducted over the year. The conditions created by bushfires, and the global pandemic meant that AMSA used different ways to exercise our responsibilities. AMSA will use the lessons learned from our COVID-19 pandemic response to inform our future approach to ship inspections.										
CASE STUDY: N/A		SOURCE: 2019–20 Corporate Plan: Page 31						RPF KPI: 1		

1.1.4	PERFORMANCE MEASURE	TARGET	RESULTS							
			2016–17		2017–18		2018–19		2019–20	
<i>Improvement in the standard of foreign-flagged ships and Australian-flagged ships (under the Navigation Act 2012) operating in Australian waters is demonstrated through the:</i>										
<i>1.1.4.1 Average number of deficiencies per inspection compared to a rolling 10-year average</i>		<3.25	2.4	●	2.2	●	1.48	●	2.03	●
<i>1.1.4.2 Percentage of ships detained as a proportion of all PSC inspections</i>		<7.5%	5.5%	●	6.5%	●	4.49%	●	5.73%	●
<i>1.1.4.3 Proportion of serious incidents to total port arrivals</i>		<0.5%	0.3%	●	0.3%	●	0.42%	●	0.19%	●
<i>1.1.4.4. The age of ships coming to Australia relative to the age of ships in the worldwide fleet</i>		At least 50% below the average age of the worldwide fleet (years)	9.6	●	10	●	10.3	●	11	●
RATIONALE: Overall: monitoring trends on vessel standards allows us to gauge the effectiveness of our inspection and regulatory regime, identify emerging trends, and determine whether action needs to be taken. 1.1.4.1 Indicates whether the standard of ships operating in Australian waters is improving/worsening.										

<p>1.1.4.2 Indicates the quality of the foreign-flagged ship fleet visiting Australia.</p> <p>1.1.4.3 Indicates whether safety in the shipping industry is improving/worsening.</p> <p>1.1.4.4 Indicates: (1) the overall quality of the foreign flag ship fleet visiting Australia. (2) increasing/decreasing risk of the foreign flag fleet coming to Australia, e.g. younger vessels = lower risk, older = higher risk (lead indicator), (3) how successful we've been influencing ship owner/operators not to send older/higher risk ships to Australia (lag indicator). The average age of the worldwide fleet in 2019–20 was 26.9 years.</p>		
CASE STUDY: N/A	SOURCE: 2019–20 Corporate Plan: Page 32 2019–20 PBS: Page 83	RPF KPI: 1.1.4.2: 1
<p>FOOTNOTE: 1. Measure 1.1.4.3: Several factors are considered by AMSA to determine whether an incident is deemed serious, including the cause of the incident; WHS considerations; impacts on the environment; other vessels, and the community; and potential impacts. Incidents are graded on a case-by-case basis.</p>		

1.1.5	PERFORMANCE MEASURE	TARGET	RESULTS							
			2016–17		2017–18		2018–19		2019–20	
<i>Improvement in the standard of domestic commercial vessels is demonstrated through:</i>										
1.1.5.1 Fatalities in domestic vessel seafarers trend towards zero	0	Not reported		Not reported		9	●	2	●	
1.1.5.2 Fatalities in domestic vessel passengers trend towards zero	0	Not reported		Not reported		Not reported		0	●	
1.1.5.3 The number of very serious and serious incident reports as a percentage of the total number of incidents reported, decreasing and trending towards zero	0%	Not reported		Not reported		12.31%	●	20.5%	●	
<p>RATIONALE:</p> <p>1.1.5.1 and 1.1.5.2 Indicate whether domestic vessel safety is improving or worsening, and prompts further investigation/action.</p> <p>1.1.5.3 As the industry's safety culture matures, operators are more likely to report incidents. An overall increase in incident reporting is a positive as it indicates increasing levels of safety awareness. Further, as the regulatory system matures the number of very serious and serious incidents should decrease.</p>										
CASE STUDY: N/A			SOURCE: 2019–20 Corporate Plan: Page 33					RPF KPI: No		
<p>ANALYSIS OF PERFORMANCE: While two fatalities constitute a tragedy, AMSA is encouraged by the decrease and is committed to a target of zero fatalities. Results from the last two years indicate a downwards trend in the number of fatalities. However, a larger data set over several years will provide statistically significant data. AMSA continues to strive for no vessel/operation related fatalities in the domestic commercial vessel industry. The higher percentage for 1.1.5.3 reflects the impact of Cyclone Damian in Western Australia in early February 2020 which resulted in a higher than normal number of serious/very serious incidents.</p>										
<p>FOOTNOTES:</p> <p>1. Measure 1.1.5.1: Measure is related to deaths associated directly with the operation of the vessel. For example, fatalities from a vessel sinking are included, but deaths from natural causes (eg heart attack) are not.</p> <p>2. Measure 1.1.5.2: New measure. Including DCV passenger fatalities recognises the total loss of life impact of DCV incidents, and assists with investigation and analysis.</p> <p>3. Measure 1.1.5.3: Measure captures regulated Australian vessels (RAVs) and foreign vessels.</p>										

1.2.1	PERFORMANCE MEASURE	TARGET	RESULTS							
			2016–17		2017–18		2018–19		2019–20	
<i>Number of significant pollution incidents caused by shipping in Australian waters.</i>		0	0%	●	0%	●	0%	●	0	●
RATIONALE: A low number of significant pollution incidents is a measure of AMSA's success in preventing marine pollution.										
ANALYSIS OF PERFORMANCE: No significant pollution incidents were reported during the year.										
CASE STUDY: Page 26		SOURCE: 2019–20 Corporate Plan: Page 33 2019–20 PBS: Page 83							RPF KPI: No	
FOOTNOTES: Measure has been simplified and the target has changed. A significant pollution incident is an oil spill discharge of over 50,000 litres/50 tonnes. There have been three discharges in Australian waters of this scale in the last 20 years, and AMSA has reported a 0% result for more than five years against this target. In keeping with our vision of clean seas, in January 2019 AMSA committed to a new target of zero incidents.										

1.3.1	PERFORMANCE MEASURE	TARGET	RESULTS							
			2016–17		2017–18		2018–19		2019–20	
<i>The marine aids to navigation network's availability complies with the targets set out in the IALA guidelines.</i>		99%	99.90%	●	99.96%	●	99.6%	●	99.88%	●
RATIONALE: A high rate of reliability and availability across our aids to navigation network has a direct, positive relationship with vessels operating safely. Also measures the extent to which our aids to navigation contractor is meeting KPIs.										
CASE STUDY: Page 27		SOURCE: 2019–20 Corporate Plan: Page 34							RPF KPI: No	

1.4.1	PERFORMANCE MEASURE	TARGET	RESULTS							
			2016–17		2017–18		2018–19		2019–20	
<i>Regulatory measures are introduced consistent with international effect dates</i>		100%	85%	●	71%	●	100%	●	100%	●
RATIONALE: A current, up-to-date regulatory framework influences the way ships are operated, and promotes safe shipping.										
ANALYSIS OF PERFORMANCE: A total of 36 International Maritime Organization (IMO) resolutions were given effect in the 2019–20 financial year. Further detail can be found on AMSA's website— https://www.amsa.gov.au/about/regulations-and-standards/marine-order-changes-commencing-january-2020 One resolution, MEPC.305(73), amended Marine Order 97—to remove outdated sulphur fuel oil limits; prescribe matters in relation to the use of exhaust gas cleaning systems or other technological methods which can be used under the <i>Protection of the Sea (Prevention of Pollution from Ships) Act 1983</i> (Pollution Prevention Act); prescribe emission levels for sulphur oxides; and prescribe matters for the Pollution Prevention Act about compulsory reporting of the non-availability of low sulphur fuel oil. The amended Order also clarifies that all vessels must comply with Annex VI of the International Convention for the Prevention of Pollution from Ships (MARPOL) and makes provision for the Register of Local Suppliers of Fuel Oil.										
CASE STUDY: Page 28		SOURCE: 2019–20 Corporate Plan: Page 34						RPF KPI: No		

1.5.1	PERFORMANCE MEASURE	TARGET	RESULTS							
			2016–17		2017–18		2018–19		2019–20	
<i>Improvement in the standard of foreign-flagged ships and Australian-flagged ships (under the Navigation Act 2012) operating in Australian waters is demonstrated through the:</i>										
1.5.1.1 Average number of Maritime Labour Convention deficiencies per inspection		<0.5	0.31	●	0.31	●	0.19	●	0.27	●
1.5.1.2 Onshore complaints made under the Maritime Labour Convention investigated		100%	85%	●	77%	●	100%	●	96%	●
RATIONALE: Monitoring vessel standards trends allows us to gauge the effectiveness of our inspection and regulatory regime, identify emerging trends, and determine whether action needs to be taken. 1.5.1.1 Indicates whether seafarer working and living conditions are improving or worsening, and prompts further investigation/action. 1.5.1.2. Timely investigation and resolution of complaints improves seafarer working and living conditions immediately, and sends a clear message to vessel owners/operators that poor treatment will not be tolerated.										
ANALYSIS OF PERFORMANCE: AMSA investigates all MLC complaints. 96% result is due to several investigations that are open which may be referred to the vessel's flag State.										
CASE STUDY: N/A		SOURCE: 2019–20 Corporate Plan: Page 34						RPF KPI: No		

R	PERFORMANCE MEASURE	TARGET	RESULTS							
			2016–17		2017–18		2018–19		2019–20	
<i>Monitor overall regulatory performance through:</i>										
<i>R.1 Regular formal and informal feedback:</i>										
<i>R.1.1: National System Customer Service</i>										
		90%	90%	●	90.5%	●	85%	●	89.3%	●
<i>R.1.2: Regulator Stakeholder Survey¹</i>										
	Average greater than or equal to 3	3.73	●	3.38	●	4.1	●	3.75	●	
<i>R.1.3: Email campaigns from AMSA</i>										
	30% (open rate)	34%	●	34%	●	39%	●	39.3%	●	
<p>RATIONALE: Monitoring how stakeholders perceive AMSA's performance on a regular basis is central to improving the services we deliver, and preventing issues from escalating.</p> <p>R.1.1 Indicates the level of customer satisfaction with the service delivered by our call centre, and whether their issue was resolved satisfactorily. Helps us to improve our services, and identify potential issues which may prompt further investigation/action.</p> <p>R.1.2 Online survey that provides stakeholders with the opportunity to rate our interaction as a regulator with them across six key performance areas on a scale of 1–6 (see footnote below).</p> <p>R.1.3 Indicates how successful our email campaigns have been in reaching target audiences.</p>										
<p>ANALYSIS OF PERFORMANCE: R.1.1 AMSA has set an ambitious target for measure R.1.1 of 90% satisfaction with our call centre. Our results this year falls just short of our target, but are still well above the industry average (70%). The transition arrangements for full service delivery of the national system resulting in changes as to how industry accessed services contributed to this dip in satisfaction levels.</p>										
CASE STUDY: N/A		SOURCE: 2019–20 Corporate Plan: Page 35							RPF KPI: 1,2,3,4,5,6	
<p>FOOTNOTES:</p> <p>1. R1.2 regulator stakeholder survey:</p> <ul style="list-style-type: none"> To streamline reporting the six individual key performance areas have been consolidated into an average overall score. For comparison an average score for the past three years is provided. The six contributing key performance areas—aligned to the six Regulator Performance Framework key performance areas—are (1) AMSA helps vessel owners and seafarers safely operate or work on a vessel without getting in the way, (2) Communications I get from AMSA are clear and useful (3) Given the risks involved in what I do, the level of regulation is about right, (4) AMSA's compliance and monitoring arrangements are well organised and efficient (5) AMSA explains its decisions well, (6) AMSA is always trying to improve maritime regulations to create a safer and more efficient industry. Scale: 1 = strongly disagree, 2 = disagree, 3 = somewhat disagree, 4 = somewhat agree, 5 = agree, 6 = strongly agree. 										

Focus area 1.1:

Ensuring regulated vessels are operated safely and meet standards

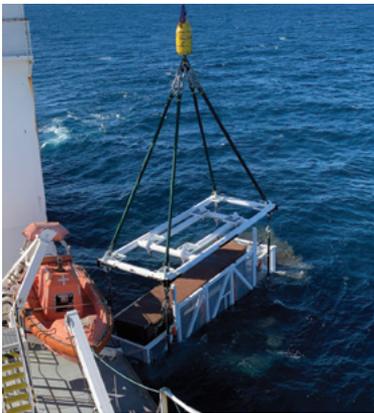
See performance tables 1.1.1, 1.1.2, 1.1.3, 1.1.4, 1.1.5 (page 20)

Focus area 1.2:

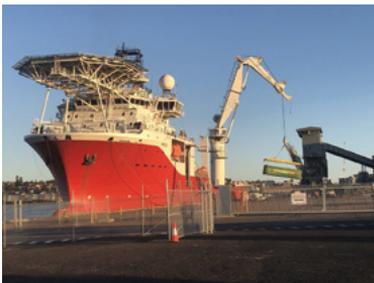
Preventing pollution from shipping

See performance table 1.2.1 (page 23)

Case study: *YM Efficiency* clean-up operation



First container recovered by *MV Pride*



MV Pride

At about 0035 on 1 June 2018, the *YM Efficiency*, a container ship en-route to Sydney, lost 81 containers overboard, with a further 62 damaged. The ship also sustained structural damage to its lashing bridges, superstructure and accommodation ladder. Following the incident, substantial amounts of debris released from the containers washed ashore on the central coast of NSW. A protracted clean-up operation collected over 1000 m³ of material.

Of the 81 containers lost overboard, five stranded on the coastline and a further 60 were located on the seabed (see case study 'Using remote drones to locate debris from the *YM Efficiency*' in the 2018–19 annual report for how AMSA located the containers). The removal of the containers was in the long-term interests of the community and fishing industry, as they posed unacceptable environmental and safety risks. Widespread coastline pollution has the potential to cause loss of amenity for the community and a reduction of life quality for people using these areas and containers on the sea bed increased safety risks from hook ups with fishing gear.

The main environmental hazard associated with the containers and their contents was plastic. Much of the cargo content was made of a wide range of plastic, as was the wrapping and packaging. Micro plastics are a particularly persistent and pervasive pollution problem in world oceans. Plastics leach and accumulate toxins, choke and disable animals, and create opportunities for biosecurity incursions.

AMSA contracted Ardent Oceania in December 2019 to recover the 60 containers on the seafloor. For the work to be conducted safely and to minimise further environmental damage, a subsea basket was designed by Ardent and produced in Newcastle. Supported by remotely operated vessels, the basket eliminated the requirement to lift the containers directly.

The *MV Pride*, a 130 metre vessel with a 250 tonne heave compensated crane, docked in Newcastle Port on 3 April 2020 to begin the container recovery with the loading of the subsea basket, Australian seafarers, project staff and equipment. On 6 April, the *MV Pride* deployed the subsea basket for the first container recovery. An additional three containers were located and recovered during the operation, and the final container was recovered at 0940 on 8 May 2020. A total of 63 containers were removed over 34 days.

Avcon Projects Australasia (a NSW Environmental Protection Agency-licensed company) managed the processing and disposal of the recovered pollution/waste. The materials were segregated for reuse or recycling, with only the residue going to landfill. Waste management was completed on 11 May 2020. The operation was highly successful with more than 700 tonnes of potential pollution removed from the marine environment.

AMSA has documented the clean-up operation here: www.amsa.gov.au/news-community/campaigns/operational-updates-ym-efficiency

Focus area 1.3: Supporting safe navigation

See performance table 1.3.1 (page 23)

Case study: Continual improvement of AMSA's AIS network



Palfrey Islet – Completed AIS base station installation

The automatic identification system (AIS) is a maritime communication device that assists in the effective navigation of ships. AIS helps improve navigation safety and environmental protection by facilitating the transfer of data between AIS-equipped vessels and shore-based stations.

AMSA operates a national AIS network for the purpose of tracking vessels to assist in their safe navigation. The network also provides data to the Under Keel Clearance Management (UKCM) system in the Torres Strait and the Great Barrier Reef and Torres Strait Vessel Traffic Service (REEFVTS). Both enhance the safety of shipping in these environmentally sensitive marine areas.

The network is continually reviewed to ensure coverage remains effective and complements AMSA's traditional aids to navigation network.

A recent review recommended the relocation of an AIS base station from Cape Flattery to Palfrey Islet in the Great Barrier Reef Marine Park, 270 kilometres north of Cairns. Palfrey Islet was selected because of the site's location, elevation and the presence of existing AMSA infrastructure.

Following a procurement process, a contract was awarded for the decommissioning of the existing AIS base station at Cape Flattery and establishing an AIS base station at Palfrey Islet. The relocation works were completed in June 2020.

Through technologies like AIS, AMSA is able to provide a comprehensive marine aids to navigation network that improves the safe navigation of vessels, whilst protecting environmentally sensitive marine areas.

Focus area 1.4: Contributing to and implementing international conventions

See performance table 1.4.1 (page 24)

Case study: Sulphur 2020

On 1 January 2020 the global limit on the sulphur content of fuel oil used by ships was reduced from 3.50 per cent to 0.50 per cent. Reduced sulphur emissions from ships benefits human health, by reducing cardiovascular and respiratory disease, and the environment, through improved air quality and reduced risk of acid rain.

AMSA has worked with the Australian maritime industry over several years to prepare for the change to low sulphur fuel oil. In conjunction with Maritime Industry Australia Limited, AMSA co-hosted nine stakeholder roundtable meetings from 2017 to 2020. These discussions kept industry informed on the IMO measures and guidance being developed to support consistent implementation of the limit globally. Importantly, these discussions also informed AMSA's views when representing Australia in the IMO meetings that developed these measures.

To give effect to the new regulatory requirements, AMSA worked with the Department of Infrastructure, Transport, Regional Development and Communications and the Office of Parliamentary Counsel to develop the necessary amendments to the *Protection of the Seas (Prevention of Pollution from Ships) Act 1983* and amended Marine Order 97 (air pollution). AMSA also updated the register of local fuel oil suppliers to identify the location of suppliers providing low sulphur fuel and to provide information on the Quality Management System used by suppliers, where available.

While there were concerns raised that there may not be enough low sulphur fuel to meet industry needs, the low rate of ship detentions and deficiencies seen in Australia and the limited number of Fuel Oil Non-Availability Reports (FONARs) submitted to AMSA suggests effective implementation and a relatively smooth industry transition to the new limit.

As an alternative to using low sulphur fuel oil, the use of an Exhaust Gas Cleaning System (EGCS) is permitted. AMSA continues to engage in discussions at the IMO to develop rules and guidance on the use of EGCS and to analyse the potential impacts of EGCS wash water discharges on the environment.

AMSA is commissioning research on possible long-term cumulative effects of EGCS discharges in Australian waters. To inform this work, AMSA has been collecting data from ships arriving in Australia that are using EGCS, including results from the sampling and analysis of EGCS wash water discharges. The outcomes of this research will inform whether any future restrictions on the use of EGCS in Australian waters may be required.

Focus area 1.5: Seafarer competency and welfare

See performance table 1.5.1 (page 24)

| Regulatory performance

See performance table R (page 25)

As a regulator AMSA is subject to the Commonwealth Regulator Performance Framework (RPF). The RPF encourages regulators to undertake their functions with the minimum impact necessary to achieve regulatory objectives and to effect positive ongoing and lasting cultural change.

The RPF framework consists of six outcomes-based key performance indicators (KPI):

- KPI 1: Regulators do not unnecessarily impede the efficient operations of regulated entities
- KPI 2: Communication with regulated entities is clear, targeted and efficient
- KPI 3: Actions undertaken by regulators are proportionate to the regulatory risk being managed
- KPI 4: Compliance and monitoring approaches are streamlined and coordinated
- KPI 5: Regulators are open and transparent in the dealings with regulated entities
- KPI 6: Regulators actively contribute to the continuous improvement of regulatory frameworks

More information on the RPF can be found at:

www.pmc.gov.au/resource-centre/regulation/regulator-performance-framework

Previous AMSA RPF reporting can be found at:

www.amsa.gov.au/about-us/corporate-publications





Strategic challenge 2
Delivering the national
system for domestic
commercial vessel safety

Strategic challenge 2: Delivering the national system for domestic commercial vessel safety

The maritime industry in Australia has undergone one of the most significant periods of regulatory change in 100 years with the creation of a single national system for domestic commercial vessel safety as part of the ‘Seamless National Economy’ agenda.

In July 2013, AMSA became responsible for maritime safety regulation for approximately 22,000 domestic commercial vessels and 66,000 domestic seafarers. From 2013 to June 2018, service delivery was performed by states and territories on AMSA’s behalf under delegated arrangements. In July 2018, AMSA assumed this service delivery role.

In 2018–19 AMSA took on the significant task of data management, consolidating the various state-based data sets into a national data set. Our focus was also on lifting safety standards across the industry in general.

Demonstrating performance

2.3.1	PERFORMANCE CRITERION	TARGET	RESULTS							
			2016–17		2017–18		2018–19		2019–20	
	<i>Regulatory instrument reviews are introduced consistent with the planned dates of effect set out in AMSA’s regulatory plan</i>	100%	not reported		not reported		not reported		N/A	●
RATIONALE: Timely delivery of the regulatory plan leads to better safety outcomes.										
ANALYSIS OF PERFORMANCE: This measure relates to the amendment of Marine Orders under the National Law Act only. Two marine orders (503 and 505) were included in the draft plan however, neither fall within the reporting parameters for this measure. Marine Order 504 was amended, however, was not included in the regulatory plan. The amendment arose from the 2019 Senate Inquiry into the performance of AMSA to prescribe measures to account for passengers, including headcounts. The order was made on 28 February 2020 and commenced on 1 May 2020.										
CASE STUDY: N/A		SOURCE: 2019–20 Corporate Plan: Page 45						RPF KPI: No		

Focus area 2.1: Education, compliance and enforcement

Our safety education, compliance and enforcement activities seek to improve safety outcomes and support a safety culture. Some of our safety campaigns were initiated as a direct response to safety issues identified following fatalities in the domestic commercial vessel sector since the National System for Domestic Commercial Vessel Safety began in 2013. We are now in the process of utilising a suit of safety data to identify that will provide a more data driven approach to our safety education and compliance activities. This will ensure a more proactive approach of identifying safety issues.

AMSA has established eight Regional Safety Committees (RSC) set up in each region (New South Wales, Victoria, Tasmania, South Australia, Western Australia, the Northern Territory and two covering Queensland). These are chaired by the AMSA Liaison Officers and are a forum for AMSA to engage with a broad range of stakeholders on vessel, operational and workplace safety to improve safety outcomes for the domestic commercial vessel industry. Additionally, AMSA established a Maritime Work, Health and Safety Regulators Forum with the aim of working to influence better safety outcomes in the maritime industry.

During 2019–20 AMSA held 62 regional safety management system workshops for commercial fishers attended by over 595 operators (see case study 'Safety Management System workshops', page 35). AMSA has also developed a suite of guidance material to help owners, operators and crew in developing and revising their safety management systems.

In response to a number of incidents, AMSA ran a joint safety campaign with a number of Queensland agencies to improve and maintain safety for Queensland reef fisheries (see case study 'Fishing dory safety campaign' on page 34).

AMSA addressed the issue of trawl-net hook-ups, which have caused a number of serious incidents, by developing a suite of guidance material including education video clips, a succinct guidance booklet and stickers outlining the basic principles and steps needed to resolve a hook-up situation. This material has been distributed through meetings and visits to local trawl operators.

AMSA also released a number of maritime safety alerts to domestic commercial vessel operators in response to known safety concerns and incidents, including the risk of explosion associated with petrol vapours, safe access to vessels, and dangerous marine fauna. These alerts can be accessed via amsa.gov.au/news-community/newsletters

To raise awareness of identified safety issues, AMSA published maritime safety awareness bulletins on safe vessel access and fire prevention on vessels.

Prior to the COVID-19 pandemic, AMSA attended a wide range of local boating and safety events to engage directly with the maritime industry and help recreational boating users better understand the requirements for fitment and use of emergency position indication radio beacons (EPIRBs) and the benefits of maintaining up-to-date information in the beacon registration system. In the absence of direct engagement, AMSA has increased its use of social media

to remind maritime industry and recreational boaters of the benefits of beacons as part of Australia’s search and rescue system.

AMSA continued to build its compliance capability. Through strong inter-agency partnerships, AMSA has been able to expand its ‘reach’ into the diverse domestic maritime sector to target finite resources to highest risk. AMSA staff are being trained to deliver AMSA’s compliance functions, including investigation and enforcement.

Additionally, an Enforcement and Inspector Support unit dedicated to investigating high risk, deliberate or repeated non-compliance is supporting AMSA’s investigations and those of our compliance partners. AMSA is applying the full force of the law to those who deliberately and intentionally do not comply.

Implementation of our compliance strategy is underway. AMSA, through improved data collection, process improvement and new capabilities, is increasingly able to target higher risks and identify non-compliance. By engaging with the CSIRO on a risk modelling collaboration project, we have enhanced our risk profiling capabilities.

In addition to the ongoing specialist training being delivered to staff in the regions, a dedicated team of has been deployed to support AMSA’s regional inspectorate and investigators with the aim of bolstering AMSA’s ‘on the ground’ capacity and capability.

Case study: Fishing dory safety campaign

Numerous commercial fishing operations in the Great Barrier Reef and Torres Strait use a parent vessel working with several 5 to 8 metre tender boats—known in the industry as dories. These operations include line fishing for reef fish and diving for lobsters, sea cucumbers, aquarium fish and coral.

In 2019, AMSA’s data indicated that incidents involving dories in Queensland were trending upwards and identified a number of safety issues unique to dory operations, including:

- lack of effective communication between the dories and parent vessel
- breakdowns caused by insufficient fuel or other mechanical issues.

Some of the issues resulted in search and rescue operations that were later identified as unnecessary. This included inadvertent activation or incorrect beacon disposal. Roughly two thirds of the distress beacons (15) were also non-GPS, which meant that search and rescue had to search a far larger area to locate the vessel in distress.

As a result AMSA decided to conduct a safety campaign for dory fishing, with a view to investigating other actions that can be taken to improve and maintain safety in the dory fishing sector. The safety campaign focused on:

- compliance with national law requirements
- safety education

The campaign was led by AMSA and run jointly with the Queensland Police Service (QPS), Queensland Fisheries and Boating Patrol (QFBP), Maritime Safety Queensland (MSQ) and the Great Barrier Reef Marine Park Authority (GBRMPA).

Operation Nemo

Between July and September 2019 in the lead up to the safety campaign, AMSA undertook ‘Operation Nemo’ in which 71 parent vessels were inspected (representing 70 per cent of the parent vessel population in Queensland). A further 88 dory fishing operations were inspected and directions and advice provided on required safety improvements. Eighteen dory vessels were found to be in breach of their safety requirements.

Safety education

Dory safety workshops were held in Cooktown, Cairns, Bowen, Mackay and Gladstone ports in November 2019. The three-hour workshops were delivered in collaboration with the Queensland Water Police and raised awareness of the safety needs of dory operations. These formed an integral part of the safety campaign and provided operators and crews with an opportunity to learn about the regulations that apply to their operations and how they can improve safety on their vessels.

Feedback from the workshops was very positive, with a number of attendees voicing their appreciation of AMSA's commitment to assist and meet with the industry.

AMSA has continued its dialogue with this industry sector and continues to assist individual operators with improving their safety management.

Case study: Safety Management System Workshops



Participants in the Queenscliff safety management system workshop

Improving uptake of safety management systems across the domestic commercial vessel fleet continues to be a focus for AMSA—particularly in terms of industry ownership of these systems—and the continued promotion of a safety culture. Based on AMSA's national study of safety management systems in 2017–18, we redesigned our safety management system educational material to improve engagement and accessibility. It was also tailored for fishing operations.

Three improvement areas were identified for the fishing sector:

1. effective risk assessment
2. follow-up on hazardous incidents, and
3. writing practical procedures.

To increase ownership of safety management systems, and safety culture, the revised material focused the theme: 'Making your safety management system work for you'. It was designed to generate engagement and learning. Real-world incidents and current safety statistics were included to provide realistic and relevant case studies.

AMSA held 62 workshops nationally between 8 July 2019 and 29 January 2020 with a total of 595 participants. On average, participants rated the workshops 4 out of 5 for relevance to their operation; and rated the degree that it helped them improve their safety management system as 4.5 out of 5.

The workshops successfully challenged the way safety management systems have been historically considered by industry; presenting them as systems for managing fishing businesses safely—not just regulatory red tape.

The campaign was reviewed as part of AMSA's continuous improvement activities. Lessons learnt from the workshops have been captured and incorporated into subsequent safety educational campaigns.

Focus area 2.2: Service delivery

AMSA continues to work to refine and enhance our service delivery arrangements for our stakeholders. During the 2019–20 financial year we:

- reviewed over 2,800 vessel permissions to ensure a high level of data quality in the domestic commercial vessel fleet
- continued to refine our suite of forms based on feedback received from stakeholders, with the aim of making them more user friendly and less time consuming to complete
- continued to enhance our customer relationship system to ensure that stakeholders receive timely and consistent advice
- reviewed our seafarer certification service processes to find efficiencies and improvement opportunities.

During the year we also reviewed our arrangements provide support for the industry during the COVID-19 pandemic. Actions taken by AMSA included providing Australian seafarers impacted by the COVID-19 pandemic with an automatic six-month extension on the renewal of certificates of competency and making available a range of exemptions for vessel operators.

Focus area 2.3: Regulatory framework

See performance table 2.3.1 (page 32)

In 2019–20 AMSA made one amendment to Marine Order 504 to AMSA to prescribe safety management system measures for accounting for passengers, including headcounts on domestic commercial vessels.

Focus area 2.4: Information technology and funding arrangements

In 2019–20 we continued to enhance our business systems to ensure they meet the needs of our stakeholders and support the efficient delivery of services. This included:

- enhancing the application software supporting national system regulation to include more efficient processes for internal and external users of the system, this involved expanding arrangements for access to the system for accredited marine surveyors
- improving our customer management system to ensure that stakeholders receive timely and consistent advice
- maintaining a range of payment options for clients including online, BPAY and through Australia Post.

Capability programs

2019–20 Corporate Plan: Page 45

Delivery of the following projects and programs is a major component of our response to strategic challenge 2:

For projects and programs, the ‘traffic light’ indicates:

- Green: On track
- Amber: Minor issues, but recoverable
- Red: Major issues, management intervention required
- Blue: Complete
- Grey: On hold

Project name	Description	Status	Summary
National System Transition Program	Finalise the development of systems and move them into a phase of support and maintenance with ongoing refinements to improve our service delivery to National System stakeholders	●	System development is complete. Moved to a refinement and continuous improvement approach.
Marine Safety (Domestic Commercial Vessel/National Law Regulation 2013) review	Working with our Department, as part of a new regulatory plan, identify issues with the current scope of the National Law including barriers to technological innovation, and opportunities to improve arrangements for accreditation and quality management of marine surveyors.	●	Review not complete by due date, AMSA continues to identify opportunities for regulatory reform for domestic commercial vessels since the commencement of the National Law Act.





Strategic challenge 3
Providing incident
preparedness and response

Strategic challenge 3: Providing incident preparedness and response

AMSA has key roles in intervening and responding to incidents. To do this we plan, prepare and are ready to respond 24 hours a day, 365 days of the year.

Our preparedness and response operations include:

- land, aviation and maritime search and rescue nationally
- maritime assistance services
- marine pollution response.

Demonstrating performance

3.2.1	PERFORMANCE CRITERION	TARGET	RESULTS							
			2016–17		2017–18		2018–19		2019–20	
	<i>Save as many lives as possible from those at risk</i>	100%	99%	●	94.8%	●	97%	●	99%	●
<p>RATIONALE: Measures the effectiveness of AMSA's overall search and rescue coordination capability and management of search and rescue assets to respond to persons who are at risk within the Australian search and rescue region.</p>										
<p>ANALYSIS OF PERFORMANCE: AMSA's intention is to save all lives at risk during distress incidents. In practice, the circumstances surrounding individual incidents affect the possibility of success of the search and rescue and achieving 100% is not expected.</p> <p>Circumstances such as severe medical conditions or a person overboard in the offshore environment without safety equipment, locating device and/or in poor sea and weather conditions who is not immediately recovered, significantly reduce timeframes for survivability.</p>										
CASE STUDY: Page 44			SOURCE: 2019–20 Corporate Plan: Page 50					RPF KPI: No		
<p>FOOTNOTE: The measure has been updated to better reflect the desired outcome and AMSA's responsibilities. Each search and rescue (SAR) incident reported to AMSA is triaged to assess the requirement to respond to a life at risk. Sometimes the assessment concludes that the life has already been lost, or AMSA is unable to determine if a life is actually at risk, i.e. inadvertent beacon activations. For those incidents which are assessed as requiring a rescue—i.e. a life is identified as being 'at risk'—it is important that AMSA measures the performance of resources available to AMSA to effect a rescue.</p>										

3.2.2	PERFORMANCE CRITERION	TARGET (min)	RESULTS							
			2016–17		2017–18		2018–19		2019–20	
	<i>Median time (minutes) for AMSA to receive, assess and, if required, to initiate a response.</i>	10 or less	27	●	26	●	24	●	2.6	●
RATIONALE: Measures the effectiveness and use of AMSA resources to apply a capability to assess actions required and initiate a response, if appropriate, for reportable incidents.										
ANALYSIS OF PERFORMANCE: Measure target reduced from 30 minutes to 10 minutes as response activities commence immediately upon receipt of notification and may not involve the tasking of assets.										
CASE STUDY: Page 44		SOURCE: 2019–20 Corporate Plan: Page 58						RPF KPI: No		

3.2.3	PERFORMANCE CRITERION	TARGET (min)	RESULTS							
			2016–17		2017–18		2018–19		2019–20	
	<i>For incidents that AMSA has SAR coordination responsibility, the median time (minutes) for an asset to be on-scene is:</i>									
	Day	150 or less	103	●	110	●	88	●	94	●
	Night	180 or less	135	●	141	●	120	●	123	●
RATIONALE: Demonstrates that assets are in the right place on time. Also reflects performance against international on-scene response time standards										
ANALYSIS OF PERFORMANCE: AMSA continues to perform within our target times for having assets on scene for a search and rescue incident.										
CASE STUDY: Page 44		SOURCE: 2019–20 Corporate Plan: Page 58						RPF KPI: No		

3.4.1	PERFORMANCE CRITERION	TARGET	RESULTS							
			2016–17		2017–18		2018–19		2019–20	
<i>Maritime environmental emergency response assets are available for immediate deployment to a significant pollution incident</i>		100%	99%	●	100%	●	100%	●	100%	●
RATIONALE: Demonstrates that environmental emergency response assets are available to be tasked and deployed in a timely, efficient and appropriate manner to combat marine pollution.										
CASE STUDY: N/A		SOURCE: 2019–20 Corporate Plan: Page 58						RPF KPI: No		
FOOTNOTE: Change to measure name, rationale and target. Acknowledges that response activities commence immediately on receipt of notification.										

3.4.2	PERFORMANCE CRITERION	TARGET	RESULTS							
			2016–17		2017–18		2018–19		2019–20	
<i>Sufficient numbers of trained maritime environmental emergency response personnel are available nationally to deploy and support incident management and response operations</i>		100%	not reported		not reported		not reported		100%	●
RATIONALE: Measures ability to provide appropriately trained State and Territory personnel to respond to environmental emergencies.										
ANALYSIS OF PERFORMANCE: Sufficient numbers of trained maritime environmental emergency response personnel were available nationally to deploy and support incident management and response operations during the year.										
CASE STUDY: N/A		SOURCE: 2019–20 Corporate Plan: Page 58						RPF KPI: No		
FOOTNOTE: New measure. Jurisdictional contributions for the National Response Team are agreed at nine appropriately trained personnel per jurisdiction.										

Focus area 3.1: Pre-emptively intervening to assure vessel safety

Response to a maritime casualty, and ultimate responsibility, rests with the ship's owner and operator. However Commonwealth, State and Territory governments have a key role in overseeing such incidents, as well as responding directly when the marine environment is at risk from actual or potential ship-sourced pollution.

The AMSA Response Centre is the central point for the reporting of incidents and accidents such as machinery failures, collisions, flooding, fires or groundings for commercial shipping. As such, we maintain an ever-changing awareness of our search and rescue area. We have continued to build our domain awareness capability leveraging our intelligence, triage and response capabilities. We aim to pre-empt incidents and anticipate trends likely to impact vessel safety or mitigate the grave and imminent threat of a significant pollution event.

To provide a robust first strike response capability, AMSA has a range of contracted Emergency Towing Vessels strategically located around Australia capable of deploying within a few hours to render not just marine towage, but also firefighting and salvage capabilities—a significant way we can ensure maritime casualties will not escalate to something more serious and assure vessel safety.

Focus area 3.2: Saving lives daily through search and rescue

See performance measure 3.2.1, 3.2.2 and 3.2.3 (pages 40–41)

During 2019–20, AMSA's Response Centre received 7806 alerts from beacons or other sources. Each alert was triaged and the median response time was less than the 10 minute target (2019–20 median time of 2.6 minutes, see performance measure 3.2.2 on page 41) for incident assessment triage.

We responded to 390 incidents. For those incidents for which AMSA had responsibility, the median time for an asset to arrive on-scene was better than our 150 minute target for day operations and 180 minute target for night operations (see performance measure 3.2.3 on page 41). With the crucial assistance of partners, AMSA successfully rescued 199 people during 2019–20. We also coordinated 90 medical evacuations from merchant and cruise ships.

Case study: Seven crew saved from overturned yacht *Showtime*



Recovery of SV Showtime source: Google

At 02:21AM on 5 January 2020, AMSA received an emergency position indicating radio beacon (EPIRB) alert, registered to the Sydney to Hobart 12 metre racing yacht *Showtime*. Within minutes, two personal locator beacons (PLB) activated in a similar position 12 nautical miles East of Bermagui, NSW.

Using the EPIRB registration details, the AMSA Response Centre contacted the owner, who advised the yacht was returning from Hobart with seven crew on-board. At the same time the Sydney Water Police advised us that a South Coast Volunteer Marine Rescue unit heard a VHF mayday call in a similar position to the EPIRB and PLB detections. NSW Police also advised us a *Showtime* crew member had called 000 also requesting urgent assistance. The Sydney Water Police launched a rescue vessel from Bermagui heading to the reported position.

AMSA issued a broadcast to ships in the area to respond, and sent the Challenger aircraft based in Essendon to the scene. AMSA identified the catamaran *Watermark* in the area of the incident, and diverted it to assist. The Challenger aircraft used its on-board electronic sensors to locate the *Showtime* life raft and directed the police vessel to the life raft's exact position.

Approximately 2 hours and 45 minutes after the initial EPIRB detection, the police vessel successfully recovered all seven crew from the life raft and transported them to Batemans Bay. The survivors later advised that the yacht had lost its keel and overturned.

Case study: Changes to EPIRB laws for domestic commercial vessels



An example of a float-free EPIRB.

To improve safety outcomes for smaller domestic commercial vessels, from 1 January 2021, new laws covering the carriage of emergency position indication radio beacons (EPIRBs) will apply to certain types of domestic commercial vessels.

Industry was consulted from October 2017 to February 2019. Although the changes to the requirement to carry a float-free EPIRB commenced on 1 January 2019, a 24 month transitional period was provided to allow industry adequate time to purchase, register and install float-free EPIRBs on their vessels.

A float free EPIRB is a water activated EPIRB fitted in a float-free bracket. It can activate itself and float free to the surface. It activates when a vessel is submerged between one and four metres underwater and seafarers are unable or do not have time to activate the beacon manually.

A float-free EPIRB can also be manually removed from its bracket and activated. Once activated, the float-free EPIRB will float to the surface where it will remain buoyant, transmitting a distress signal. This signal can then be detected in the same way other EPIRBs are detected, using the Cospas-Sarsat satellite system.

The requirement to carry float-free EPIRBs will improve safety for industry. Given the speed at which an incident can occur, a seafarer may not have the time nor means to manually activate an EPIRB. Installing a float-free EPIRB increases the likelihood of a successful search and rescue through better tracking following an incident.

These changes have been implemented through the National Standard for Commercial Vessels, with the changes applicable to new, existing and transitional survey and non-survey vessels meeting the following criteria:

- Class 1, 2 and 3 domestic commercial vessels (DCV) equal to or greater than 12 metres in length and operating beyond two nautical miles seaward from land
- Class 1, 2 and 3 DCVs less than 12 metres in length operating in B or C waters provided the vessel does not hold level flotation
- Class 4 vessels equal to or greater than 12 metres in length not holding level flotation
- Vessels less than 7.5 metres long have the option to carry a GPS-equipped EPIRB, instead of carrying a float-free EPIRB. If the operator chooses this option, all persons on board must wear a lifejacket or personal flotation device (PFD).

Focus area 3.3: Delivering an effective incident response capability

AMSA engagement with jurisdictional partners as part of an effective national incident response capability includes:

- maintaining response capabilities through incident management and team leader field training programs
- delivering the annual program of accredited incident management team training including specialist and leadership programs
- planning and participating in marine pollution exercises in Victoria and Queensland
- continuing to build and maintain incident intelligence and technical support through relationships, contracts and tools

AMSA effectively managed the removal of 62 containers and debris from the seabed off the Newcastle coast from the *YM Efficiency* incident (see case study: *YM Efficiency* clean-up operation' on page 26). AMSA also worked successfully in partnership with Transport NSW to recover 15 containers lost overboard from the *APL England*.

Focus area 3.4: Delivering an effective marine pollution response capability

See performance measure 3.4.1 and 3.4.2 (page 42)

AMSA has continued to maintain an effective pollution response capability for the 2019–20 financial year. This was achieved through:

- during the COVID-19 pandemic, establishing the Cooperative Working Agreement and Disease Management Plan with all jurisdictions and industry to ensure response capability was maintained
- establishing regular capability meetings with State partner agencies and industry
- regular correspondence with key contractors
- maintaining major marine pollution equipment stockpiles in nine locations across Australia ready for national use.

AMSA continues to develop and refine its marine incident response capability. Key activities that occurred in the past twelve months include:

- the Air Attack Supervisor role, a critical function in dispersant spraying operations previously conducted by State fire agencies, was assumed by AMSA as part of our Fixed Wing Aerial Dispersant Capability
- replacement of outdated equipment
- procurement of new equipment to fill capability gaps.

Case study: Fastwave Voyager buoys



Fastwave Voyager buoy

Planning an on water search and rescue requires an understanding of the water's movement. AMSA uses self-locating datum marker buoys dropped from aircraft to obtain real-time information on water movement, as well as water temperature, which can be critical for determining likely survival times. Buoys are most commonly dispatched from AMSA's Challenger jets and must withstand the rigours of being launched from an aircraft at 180 knots and the subsequent impact with the water, then transmit data through satellite links to the AMSA Response Centre in Canberra.

Following an open tender process, AMSA was pleased to add an Australian manufacturer to a panel to provide buoys for our SAR use. Fastwave Communications Pty Ltd, based in Perth, produces a range of technology for the maritime sector. Fastwave's Voyager buoys are a robust design and were put through a series of trials in early 2020 to ensure they met AMSA's requirements. The introduction into service of any new type of equipment in aviation can be a difficult process. In this case, being able to conduct trials in Perth with all of the interested parties on site and participating made the process smoother than usual.

AMSA now has units in service at all Challenger jet bases and has deployed them successfully on live incidents.

| Capability programs

2019–20 Corporate Plan: Page 57

Delivery of the following projects and programs is a major component of our response to strategic challenge 3:

For projects and programs, the ‘traffic light’ indicates:

- Green: On track
- Amber: Minor issues, but recoverable
- Red: Major issues, management intervention required
- Blue: Complete
- Grey: On hold

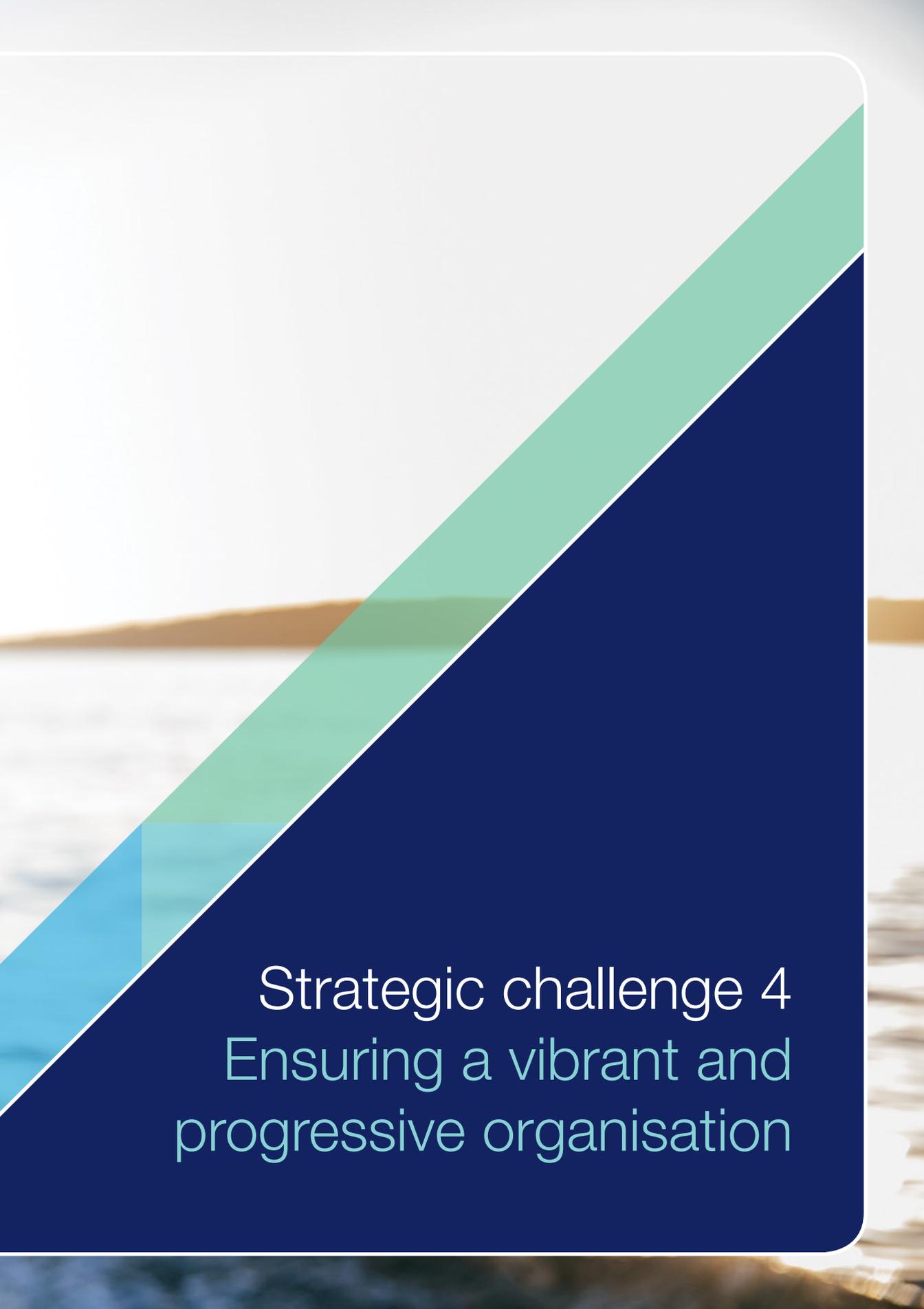
Project name	Description	Status	Summary
Beacons disposal	Develop and implement a plan to manage beacons disposal to make the process as efficient as possible for users, and minimise the risk of inadvertent beacon activation and consequent costs to the Australian taxpayer	Cancelled	This project has been cancelled. The beacons disposal initiative is being considered as part of a broader beacon system strategy designed to address existing challenges, and prepare for the advancement of beacon technology. This initiative will be progressed as part of the broader strategy in 2020–21.
Integrated Response	Analyse requirements and design a future business operating model and supporting systems which integrate our existing response management whilst also preparing AMSA to more broadly integrate operational functions across the business. This will improve how AMSA delivers its current and future responsibilities for SAR, pollution and Maritime Assistance Services. Future capability expansion will adopt an all hazards, organisational wide integrated operational capability	●	This project was designed to develop a future integrated core operating model to identify, manage and resolve different levels of incidents (e.g single incidents to major complex incidents/ events). A taskforce was established to identify and map pathways required to manage incidents and events, from point of entry into the AMSA Response Centre, through the triage process, intersections with other areas of AMSA and/or external agencies, through to resolution. This work will be used to continue our work on the new Integrated Response System and to inform future business processes within the Response Division and across the broader organisation.
Integrated Response System	Identify the requirements for the commissioning of a replacement incident management system to support AMSA's response activities, including search and rescue, maritime assistance and pollution response	●	The approach to market for a commercial off-the-shelf incident management system did not identify a suitable solution. This project is being re-scoped, with alternative options under consideration including enhancement of current systems
Consensus Drift Modelling Tool	Develop a drift modelling tool that will predict trajectories for search and rescue, maritime assistance and pollution response	Cancelled	The Consensus Drift Modelling Tool capability program was cancelled due to changed business requirements. Other options to deliver the capability are under consideration.





Bisley

AMSA



Strategic challenge 4
Ensuring a vibrant and
progressive organisation

Strategic challenge 4: Ensuring a vibrant and progressive organisation

AMSA's ability to respond to our operational challenges is heavily dependent on our people, processes and technology. In 2019–20, AMSA undertook to respond to this challenge through the following focus areas:

Focus area 4.1: Workforce engagement, development and safety

Employee engagement

Employee engagement is the extent to which employees feel passionate about their jobs, are committed to the organisation, and put discretionary effort into their work. Research indicates that employee engagement is a predictor of organisational performance. AMSA has conducted employee engagement surveys since 2008. In May 2020, AMSA recorded an overall engagement score of 71 per cent. This is eight percentage points higher than the previous year, and is 19 per cent higher than when AMSA first started measuring engagement using this collection method in 2017. It is also the highest overall engagement score recorded since AMSA started formally measuring engagement levels in 2008.

Systems

Our overall people capability is reliant on having contemporary and fit-for-purpose human resources (HR) systems that provide the foundation for the successful implementation of all other HR initiatives. In 2019–20 AMSA implemented a project to upgrade all HR systems to support the workforce. This project aligned with the AMSA Strategic Workforce Plan 2018–2021 theme 2 of 'Building new capabilities in our workforce'. The initiative under this item, 2.5 Modernise human resources technology and systems, was delivered through the scoping, sourcing and implementation of several new systems including payroll, performance management, recruitment and learning management.

Leadership

AMSA has been working in partnership with Melbourne Business School (MBS) for more than two years to design and deliver tailored leadership development programs for senior and developing managers. The strategic driver for these programs is detailed in the AMSA Strategic Workforce Plan 2018–2021—specifically supporting the delivery of theme 3 'Developing and empowering our leaders'. These programs have focused on developing and strengthening AMSA's leadership culture.

The two programs, Senior Leaders Program and the Leadership Development Program, delivered by MBS are now complete. The 2020 AMSA employee engagement survey results support the effectiveness of the program, showing an increase in employee satisfaction in areas of decision making, providing performance related feedback, communication, positive role modelling of culture from leaders, increased understanding of customers and leaders' ability to effectively manage change.

Focus area 4.2: Good governance

Recent inquiries and reviews—notably the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry—emphasised the importance of good governance to an organisation's ethical wellbeing and performance. During the year the AMSA Board commissioned an independent review of AMSA's governance, culture and accountability arrangements. Undertaken by AMSA's internal audit provider, EY, the review found that AMSA has *'well established and robust governance and accountability practices in place which should support:*

- *alignment with industry and public expectations, and*
- *a culture which promotes positive behaviours across the organisation as it delivers on its mission'.*

Notwithstanding the review's conclusions, there is always room for improvement. To that end, over the year we:

- updated our Fraud Control and Anti-Corruption Plan
- updated our risk management framework, including enhancement of our risk appetite and tolerance statements
- streamlined non-financial performance reporting
- improved the visibility of key public interest information, notably our response to coroner's findings—see page 84 and Appendix 5 for more detail
- updated our business continuity plans and pandemic plan to reflect lessons learned from our response to the COVID-19 pandemic.

Focus area 4.3: Sound financial management

AMSA recorded an operating surplus of \$3 million for the 2019–20 financial year after movements in exceptional items such as write-offs and reversals of provisions. The operating result is reasonably close to budget and forecasts developed, demonstrating sound financial management principles. The cash and investment balance as at 30 June 2020 is \$89.7 million, including an adjusted Pollution Response Reserve (PRR) of \$35 million set aside to fund future environmental pollution emergencies. During 2019–20, \$15.7 million was drawn from the PRR to fund the costs of a clean-up from the pollution incident caused by *YM Efficiency*. This cash and investment balance is sufficient to meet AMSA's foreseeable liability obligations and operational liquidity requirements.

Focus area 4.4: Reliable and responsive information technology

AMSA's focus in 2019–20 was to modernise our systems through implementing enterprise-wide solutions supporting response incident management, human resources, finance, and information technology service management business functions. This involved market approaches to replace ageing technologies currently delivering:

- asset management—approach finalised and is currently in the final stages of delivery
- human resource management / payroll—approach finalised and solution implemented with all staff transitioned to using these solutions
- performance management—approach finalised and solution implemented with all staff transitioned to using these solutions
- recruitment—approach finalised and solution implemented with all staff transitioned to using these solutions
- learning management—approach finalised and solution implemented with all staff transitioned to using these solutions
- incident management—responses reviewed. No off-the-shelf solution identified.

AMSA's digital media and geospatial analytics platforms have been upgraded providing an enterprise platform that will be used in the new incident management solution and all future geospatial business outcomes.

The market approach for the management of ICT services was completed and successfully transitioned to the new service provider, Digital61 Pty Ltd, in August 2019. At this time, Digital61

successfully performed a live disaster recovery failover and failback for the AMSA Response Centre as a key performance indicator of their readiness.

Core capabilities for the national system solution to support Marine Order 505 implementation have been completed, however, the final solution requires legislative changes with delivery expected in 2021.

As with many organisations, the COVID-19 pandemic presented challenges to AMSA with the need to quickly move the majority of staff to home-based work while maintaining access to critical systems. To support remote working and better collaboration across the workforce, Office 365 solutions (including Office Online, Microsoft SharePoint and Teams) were made available for all staff in addition to existing mobility solutions.

AMSA's maturity against Australian Cyber Security Centre's Essential Eight strategies to mitigate cyber security incidents has continued to develop. This has been through improving security policies and processes, implementation of solutions for identifying, reporting and patching vulnerabilities and hardening of desktop and server fleets.

| Capability programs

2019–20 Corporate Plan: Page 73

Delivery of the following projects and programs is a major component of our response to this strategic challenge:

For projects and programs, the ‘traffic light’ indicates:

- Green: On track
- Amber: Minor issues, but recoverable
- Red: Major issues, management intervention required
- Blue: Complete
- Grey: On hold

Project name	Description	Status	Summary
Human Resources System Rectification	Select and implement a contemporary human resources information technology system to allow AMSA to fully leverage the capability of its staff	●	Scoping, sourcing and implementation of four new systems was completed by project deadline of 30 June. New systems include payroll, performance, recruitment and learning management. Benefits of new functionality in these systems includes: <ul style="list-style-type: none"> • increased business process automation and approval workflows • reduced use of paper-based forms • improved employee self-service functionality • expanded access to online learning and development options • streamlined performance management system • integration between the recruitment and human resources systems.
AMSA Leadership Development Program	Build leadership capability in AMSA to respond to operational demands	●	Senior Leaders Program and Leadership Development Program delivered by the Melbourne Business School have both concluded. Positive results are evident in the staff engagement survey results.
Strategic Asset Management	Select and implement a single system to manage AMSA’s asset base, including aids to navigation, search and rescue, pollution response, property and information technology assets	●	The initial configuration design is close to complete. Work has commenced on the AMSA wide functional design, before the final configuration is completed and tested.
Invoice automation and expense management	Select and implement a cloud-based solution to automate supplier invoice processing and travel expense management to reduce the administrative burden on staff, increase accuracy, and processing speed	●	Phase 1 went ‘live’ on 15 July, and Phase 2 will commence in August 2020 and expected go live March 2021.
Information and Communications Technology (ICT) sourcing	Transition to a new vendor to deliver the following services: <ul style="list-style-type: none"> • service desk and desktop • infrastructure and data centre • network • project resource support as applicable 	●	The transition of information communication technology services from ASG Group Ltd to Digital61 Pty Ltd was successfully implemented in August 2019.

Project name	Description	Status	Summary
National System Property Works (Phase 2)	Refurbish five offices—Sydney, Adelaide, Newcastle, Port Kembla and Canberra—to support AMSA's role as the national regulator for domestic commercial vessels	●	
Coffs Harbour Regional Office	Establish an office in Coffs Harbour and Airlie Beach for up to 50 staff (by 2022) to reinforce AMSA's regional footprint and customer service capability, and alleviate accommodation pressure in Canberra	●	





Strategic enabler
Collaborating with
our community

Strategic enabler: Collaborating with our community

We cannot achieve our vision and mission without the support of others. Collaborating with our community is a strategic enabler for us. Our collaboration spans both domestic—the domestic commercial vessel industry and its associated stakeholders, including individual seafarers—and international engagement with international operators, the IMO and other international maritime organisations.

Our interactions with people across industry, in formal and informal settings, helped to inform our work and contributed to the rigour of our planning and regulatory activity. Understanding how our customers experience our service and improving our services in response is crucial to our success.

Our stakeholders are summarised in figure 5 on the following page.

Demonstrating performance

E1.1	PERFORMANCE CRITERION	TARGET	RESULTS							
			2016–17		2017–18		2018–19		2019–20	
	<i>Acceptance of proposals/input either sponsored directly or supported by Australia at the IMO, ICAO, IALA, ILO, ITU and other organisations</i>	Achieved	Achieved	●	Achieved	●	Achieved	●	Achieved	●
RATIONALE: Influencing issues and decisions at international fora to reflect Australian and regional interests is a key outcome of our international engagement strategy.										
ANALYSIS OF PERFORMANCE: See Focus Area E1 on page 62.										
CASE STUDY: Page 63			SOURCE: 2019–20 Corporate Plan: Page 86						RPF KPI: No	

| AMSA's key cooperative arrangements

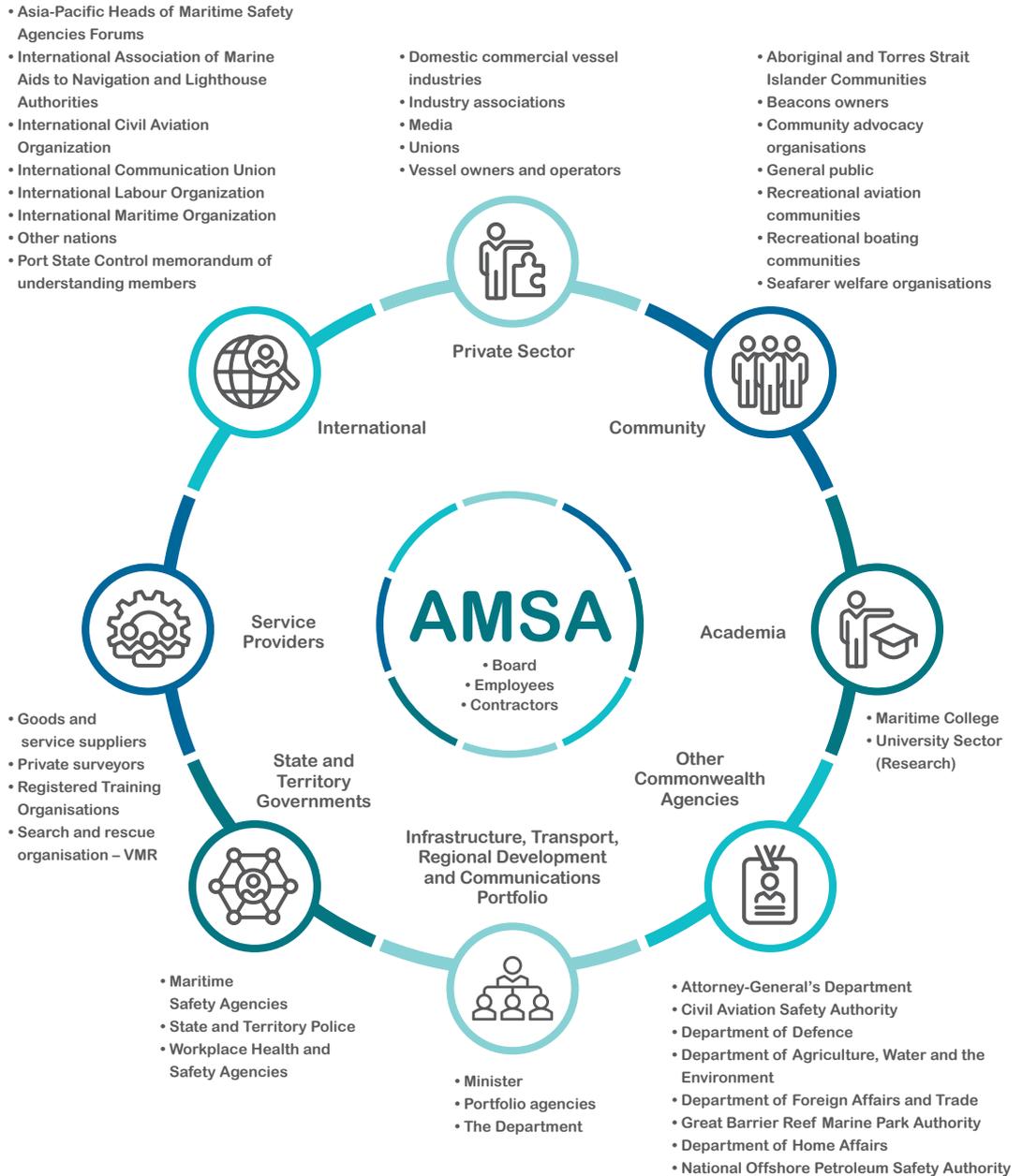


Figure 5: Summary of AMSA's stakeholders

Focus area E1:

Working with international organisations and other nations

See performance table E.1 (page 60)

AMSA continued to influence international standards through our work at the International Maritime Organization (IMO). Australian government agencies collectively made 21 submissions to the IMO during 2019–20. AMSA worked with government to make 14 submission to the following sessions:

- five submissions to the 7th Subcommittee on the Carriage of Cargoes and Containers relating to International Maritime Solid Bulk Cargoes code amendments and Australian industry's self-heating research project
- three submissions to the 7th Subcommittee on Navigation, Communication Search and Rescue on amendments to the existing two-way route in the Great Barrier Reef and Torres Strait, revised guideless for vessel traffic services and the introduction of additional Global Maritime Distress and Safety System (GMDSS) mobile satellite service providers
- one submission to the 7th Subcommittee on Human Element, Training and Watchkeeping announcing the publication of fatigue guidelines for the Australian industry.
- one submission to the 7th Marine Environment Pollution Committee to propose a new output concerning a review of the 2014 Guidelines for the reduction of underwater noise from commercial shipping
- two submissions to the 32nd extraordinary session of Council to advocate for reform at the IMO (see case study: IMO Category B re-election and Council Reform, page 63) and
- two submissions to the 16th Joint IMO/International Telecommunications Union (ITU) Experts Group on Maritime Radiocommunication Matters.

Due to the COVID-19 pandemic restrictions, in person sessions of the IMO were postponed; AMSA continued to lead Australia's participation in the virtual meetings held by the IMO. The 32nd extraordinary session of Council proceeded by virtual/remote means and is due to conclude in early August 2020. Key issues include the priority of meetings for the remainder of the biennium, a revised schedule for the IMO Member State Audit Scheme, options for remote meetings and facilitation issues during the COVID-19 pandemic.

The International Association of Marine Aids to Navigation and Lighthouse Authorities (IALA) Council met remotely on 3 and 4 June 2020 and Australia's country statement covered:

- the impact of the COVID-19 pandemic on Australia's aids to navigation maintenance
- the impact of climate change on Australia's aids to navigation network
- discontinuation of Differential Global Positioning Systems (DGPS)
- Australia / New Zealand Satellite Based Augmentation System (SBAS) Project
- Vessel Traffic Services (VTS) matters.

AMSA participated in the ICAO Global Aeronautical Distress Safety System (GADSS) Advisory Group web meeting on 4 June 2020, which focussed on Autonomous Distress Tracking (ADT) developments and submitted the annual review of Australia's aviation SAR self-assessment to the ICAO Regional Office.

Case study: IMO Category B re-election and Council Reform

On 29 November 2019 Australia was successfully re-elected to Category B of the International Maritime Organization (IMO), with the highest number of votes in the category. Category B of the IMO holds the 10 nations with the largest interest in seaborne trade, and reinforces Australia's position as a maritime nation—Australia is among the largest bulk commodities exporters globally.

The IMO is an international organisation operating under the United Nations, with responsibility for establishing global standards for maritime issues including safety, international shipping and environmental performance. Member states come together to create a regulatory framework for states to adopt to ensure fair and efficient shipping.

Australia currently chairs the Maritime Safety Committee, and successfully championed the creation of a working group with nations such as Antigua and Barbuda, Australia, Bahamas, Canada, Georgia, Guatemala, Islamic Republic of Iran, Jamaica, Spain, Ukraine, and United Arab Emirates to develop reforms to the IMO Council for the purpose of creating a progressive, transparent and inclusive organisation. Australia's reform proposal focus on four key areas:

- openness and transparency
- Council's involvement in policy and strategic direction of the organisation
- the size, framework and terms of Council
- streamline and focus the assessments of applications for consultative status.

In 2019 IMO adopted new media guidance to provide increased access to IMO meetings for accredited media bodies. This will ensure that the IMO is open and accountable to its stakeholders and maintains credibility and public confidence. The 31st session of the Assembly agreed to increase Council's size (from 40 to 52 members) and extend terms to four years. This will ensure that Council remains balanced and represents the full range of member state interests.

The reform process is ongoing and Australia's continued leadership will improve regional representation, and encourage an inclusive and democratic organisation well equipped to face the challenges of the 21st century.



The Australian delegation to IMO. L-R: Elisa Boughton; Brad Groves, AMSA GM Standards; Matthew McGregor, His Excellency The Honourable George Brandis QC, Australian High Commissioner to the United Kingdom; AMSA CEO Mick Kinley; Annalisse Sly; and Jess Hall, Executive Director Surface Transport Policy, Department of Infrastructure, Transport, Cities and Regional Development.

Focus area E2: Working with other partner organisations

AMSA continues to collaborate effectively with our international partners to improve the quality, safety and environmental performance of shipping in our region. During 2019–20 we successfully completed a number of projects under the Indonesia Transport Safety Assistance Program (ITSAP) and with the Papua New Guinea National Maritime Safety Authority (NMSA).

Through technical cooperation with the Indonesian Ministry of Transport and Directorate General of Sea Transportation the recently established Solid Bulk Cargo Testing and Training Facility and the Ship Safety Inspection Centre of Excellence continue to address international maritime solid bulk cargo (IMSBC), port State control issues and develop legislation to better manage and enforce international standards.

Key outcomes for our engagement with Papua New Guinea included a comprehensive review of their domestic maritime legislation to ensure it fully reflects the requirements of international maritime conventions. Upskilling port State control ship inspection officers under AMSA's annual Maritime Professional Development Program also remained a focus.

AMSA is the permanent secretariat for the Asia Pacific Heads of Maritime Safety Agencies (APHoMSA) forum. The forum, originally scheduled to be hosted by Transport Canada in May 2020, was cancelled due to the COVID-19 pandemic. AMSA continues to focus its efforts on positioning APHoMSA as a modern, progressive forum that can continue to bring together senior maritime officials to represent the regions interests of promoting safe, secure shipping and a clean marine environment.

We have also refined our technical cooperation strategy to ensure our capacity building programs remain consistent with national and regional priorities and that the programs continue to address the needs of our regional partners.

Australia worked closely with Maritime New Zealand and Pacific Island states on IMO reform, technical cooperation, and regulation to improve ship safety, marine environment protection and search and rescue outcomes in our region.

Focus area E3: Developing stakeholder relationships

Case study: Autonomous Vessel Forum

On 19–20 September 2019, AMSA, in partnership with the Trusted Autonomous Systems Defence Cooperative Research Centre (TAS DCRC), held the inaugural Autonomous Vessel Forum. This forum was the first of its kind in Australia, with 135 delegates representing a range of sectors including law, defence, science, design and technology.

The use of remotely operated and autonomous technology is on the rise in Australia, with autonomous vessels currently used in oceanography, hydrography, the off-shore oil and gas industry as well as scientific research. The increase in autonomous vessels presents new technology to regulate, and poses new opportunities as well as challenges to AMSA. The Autonomous Vessels Forum provided an excellent opportunity for both regulators and stakeholders to collaborate and provide input into the direction of autonomous technology use and regulation in Australia.

Captain Marko Rahikainen from the Finnish Transport and Communications Agency attended from Helsinki, Finland to deliver the keynote address and share insights into the Finnish intention to have a wholly sustainable transport system by 2030, with autonomous technology key to its realisation.

Presentations were delivered by government and industry stakeholders including ABB Marine & Ports, iXBlue, OCIUS Technology, NSW Ports, Royal Australian Navy, Guardian Geomatics, CSIRO Energy, Austal Ltd, Svitzer Australia, HamiltonJet, Woodside Energy, Department of Infrastructure, Transport, Cities and Regional Development, University of Queensland, TAS DCRC and AMSA. A range of topics were covered such as industry developments and innovation in Australia, regulating autonomous and remotely operated vessels in national waters and assurance in automation.

A key outcome of the Autonomous Vessels Forum was the signing of a Memorandum of Understanding (MOU) between AMSA and TAS DCRC to promote collaboration and trust in order to ensure assurance in maritime automation.



Delegates at the inaugural Autonomous Vessel Forum in Canberra

Focus area E4: Community education

AMSA has delivered a range of programs to raise operator and seafarer awareness of their obligations under the national system for domestic commercial vessels. This has included material through our social media channels, website and network of marine inspectors and liaison officers.

We have published a monthly *AMSA update* newsletter on topics such as regulations, safety, incidents and events. The newsletter has more than 22,000 subscribers. Through the year we delivered targeted safety campaigns such as a series of safety management system workshops and dory safety campaigns (see case study ‘Safety Management System workshops’, page 35 and ‘Fishing dory safety campaign’ on page 34).

We also engaged directly with the maritime industry and seafarers through our network of AMSA liaison officers who have attended local events across the country ranging from the Australian wooden boat festival in Hobart, to the Hervey Bay seafood festival.

| Capability programs

2019–20 Corporate Plan: Page 85

Delivery of the following projects and programs is a major component of our response to this challenge:

For projects and programs, the 'traffic light' indicates:

- Green: On track
- Amber: Minor issues, but recoverable
- Red: Major issues, management intervention required
- Blue: Complete

Project name	Description	Status	Summary
IMO category B elections	Campaign to retain Australia's position on Category B of the IMO Council so that we can continue to support Australia's international priorities and foreign policy objectives	●	On 29 November 2019 Australia was successfully re-elected to Category B of the International Maritime Organization (IMO), with the highest number of votes in the category. Refer case study on page 63
Indonesia Transport Safety Assistance Package (ITSAP)	Strengthening government to government partnerships to support priority transport safety reforms through the provision of technical expertise and capacity building	●	Three of the five streams on the ITSAP program are on track. Activities for the remaining two streams have either been postponed or cancelled due to COVID-19 restrictions. Revised work plans and budgets have been developed with an immediate focus on the COVID-19 pandemic response.
Assistance to Papua New Guinea National Maritime Safety Authority (NMSA)	Support PNG NMSA to deliver effective port State control, marine environment protection and search and rescue service through the provision of technical expertise and capacity building	●	This program successfully delivered two key projects in the period: <ul style="list-style-type: none"> • a review of PNG's domestic legislation, to identify gaps against the requirements of relevant international maritime conventions • PSC officer training capacity building





Governance

Organisational profile

| Enabling legislation

As Australia’s national maritime safety regulatory body, we are responsible for the maritime safety of international shipping and domestic commercial vessels, protection of the marine environment from ship-sourced pollution, and search and rescue nationally.

AMSA is a statutory authority established under the *Australian Maritime Safety Authority Act 1990* (AMSA Act), and as a corporate Commonwealth entity it is subject to the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Appendix 7 outlines AMSA’s functions and powers under the AMSA Act.

A list of enabling legislation for AMSA in the areas of vessel operations, registration, marine pollution and levies collection is available on our website: www.amsa.gov.au.

| Workforce planning

See focus area 4.1 page 52

| Significant activities and changes affecting the operations or structure of the entity during the period

Information Technology Services

See focus area 4.4, page 54

New regional office

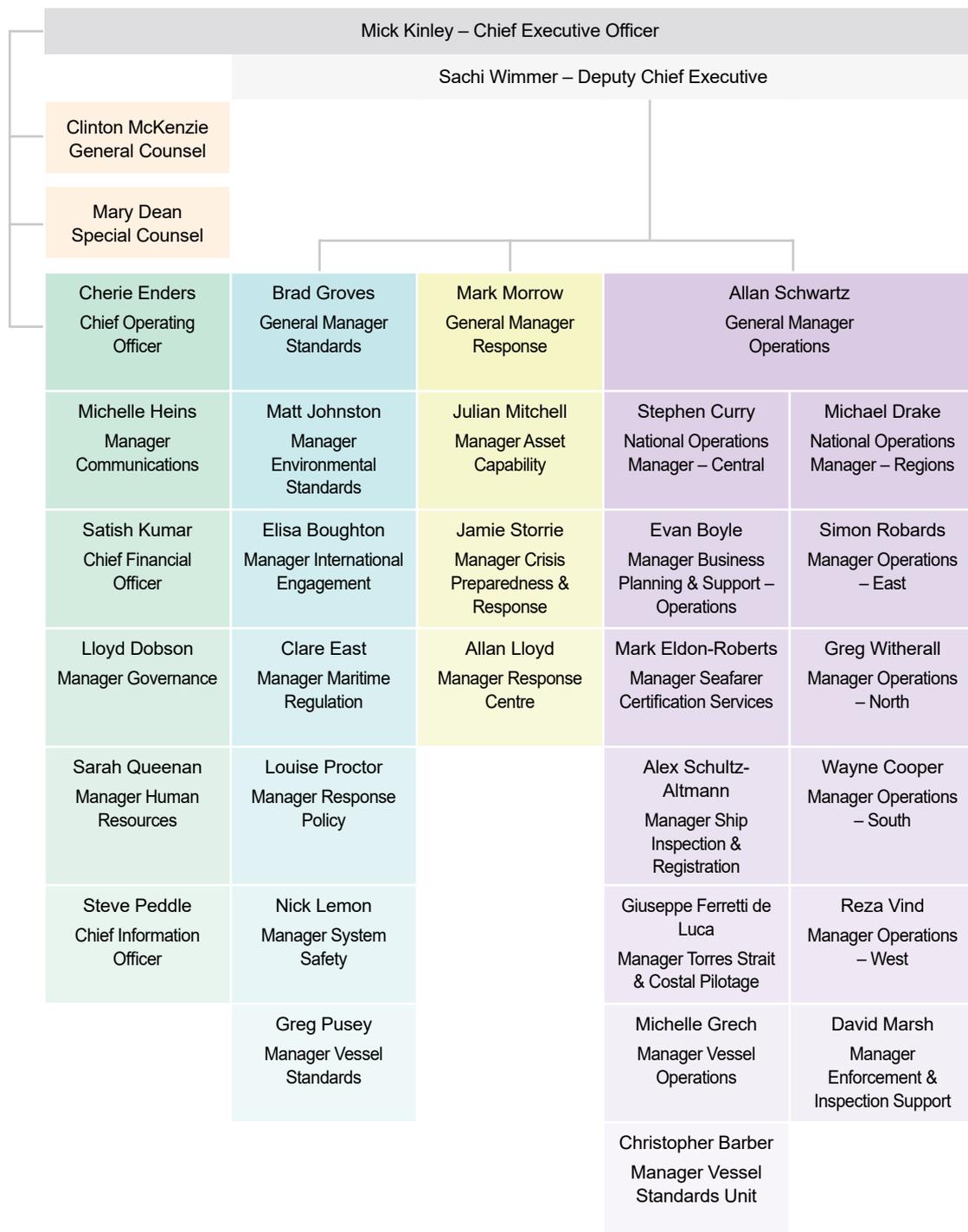
In August 2019, AMSA opened a new regional office in Coffs Harbour to deliver improved access to services for the maritime sector. The office was opened by the Deputy Prime Minister, and Minister for Infrastructure, Transport and Regional Development, The Hon Michael McCormack.

There are currently 32 AMSA staff based in the office, with capacity for 50. This compliments our network of regional offices around the country (see page 73 for details).

Structure and location

Following is AMSA’s organisational structure (as at 30 June 2020) and a map showing the agency’s national presence:

| AMSA's organisational structure



| Office locations

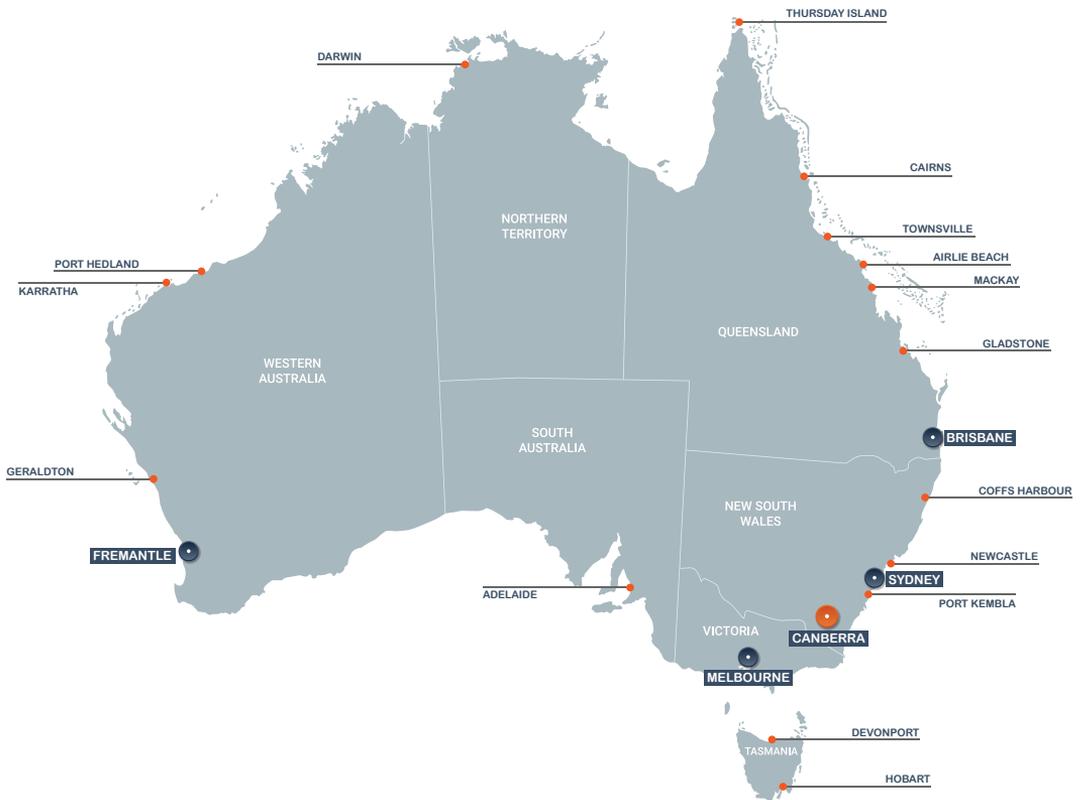


Figure 6: Map showing AMSA's presence in Australia

Australian Capital Territory		
Canberra	82 Northbourne Avenue	Braddon ACT 2612
New South Wales		
Sydney	Level 5, 260 Elizabeth Street	Surry Hills NSW 2010
Coffs Harbour	Level 2, 28 Gordon Street,	Coffs Harbour NSW 2450
Newcastle	8 Cowper Street South	Carrington NSW 2294
Port Kembla	Number 6 Jetty, Christy Drive Ground Floor, North Wing	Port Kembla Gateway NSW 2505
Northern Territory		
Darwin	Level 1, Unit C107 19 Kitchener Drive, Wharf One	Darwin Waterfront Precinct NT 0820
Queensland		
Brisbane	Level 9, 410 Ann Street	Brisbane QLD 4000
Airlie Beach	Level 1, Office 29 228–230 Shute Harbour Road	Cannonvale QLD 4802
Cairns	Suite 3, Level 2 88 Abbott Street	Cairns QLD 4870
Gladstone	Level 7, 21 Yarroon Street	Gladstone QLD 4680
Mackay	Canegrowers building Level 2, 120 Wood Street	Mackay QLD 4740
Thursday Island	Level 1, 80-82 Douglas Street	Thursday Island QLD 4875
Townsville	Mezzanine Level, Suncorp Tower 61–73 Sturt Street	Townsville QLD 4810
South Australia		
Adelaide	Level 2, Customs House 220 Commercial Road	Port Adelaide SA 5015
Tasmania		
Hobart	Level 4, 2–8 Kirksway Place Battery Point	Hobart TAS 7004
Devonport	Level 1, 35 Oldaker Street	Devonport TAS 7310
Victoria		
Melbourne	Level 3, 655 Collins Street	Docklands VIC 3008
Western Australia		
Fremantle	Level 3, 3 Cantonment Street	Fremantle WA 6959
Geraldton	Unit 2, 270 Foreshore Drive	Geraldton WA 6530
Karratha	The Quarter, Suite 1, Level 3 20 Sharpe Avenue	Karratha WA 6714
Port Hedland	74 Anderson Street	Port Headland WA 6721

Governance

| Main governance practices

The PGPA Act and the AMSA Act are the foundation of AMSA's governance practices.

Accountable Authority

Under the PGPA Act, the AMSA Board is the agency's Accountable Authority. The Board discharges its governance obligations through its involvement in AMSA's planning, performance reporting and risk management activities.

The Board provides clear direction on the operational application of relevant legislation by issuing Accountable Authority Instructions which must be followed by all AMSA staff.

More information on the Board, its committees and meetings can be found below and on our website.

Arrangements

Governance arrangements must be fit for purpose. The AMSA Board determines the precise nature of our governance arrangements and structures, including monitoring and reporting compliance.

AMSA has integrated planning, budgeting and performance reporting—informed by risk (figure 7).

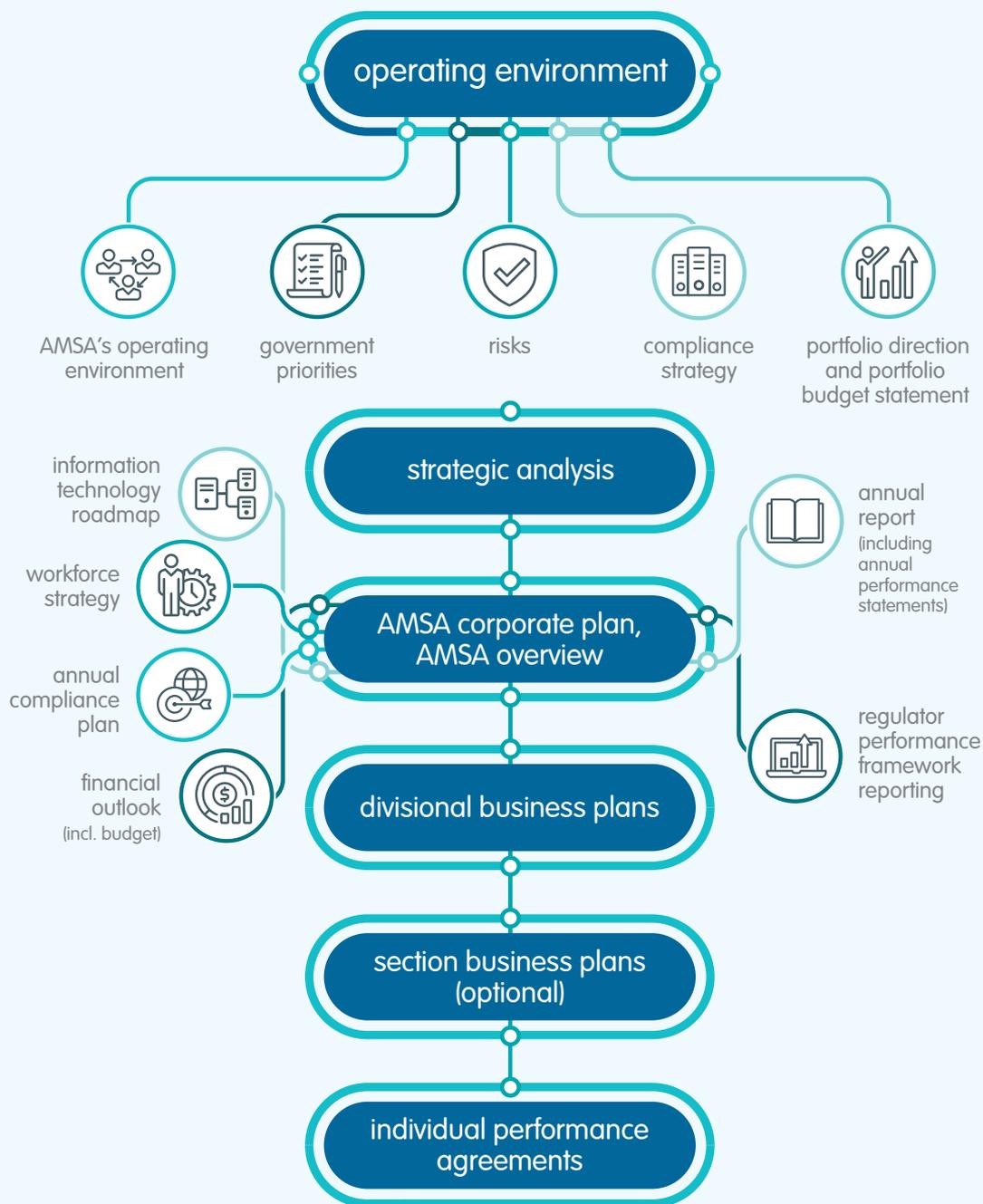


Figure 7: Integrated planning, budgeting and performance reporting.

Planning

There is a four-phase annual planning cycle at AMSA (figure 8). During phase one, strategic analysis, the operating environment is assessed using a structured ‘STEEPLED’ approach, which looks at social, technological, economic, environment, political, legal, ethical, and demographic factors.

This helps to identify new, or validate current strategic challenges, strategic risks and goals; and informs phases two to four, in which specific responses, resourcing, and performance measures are determined.

Planning culminates in the annual publication of AMSA’s:

- Budget/Portfolio Budget Statements (PBS), which set out resourcing arrangements and performance measures over the forward estimates (four years).
- Corporate plan, inclusive of the ‘plan on a page’ and non-financial performance measures for the same four year period.

The AMSA Board oversees this process, and is directly involved at key junctures.

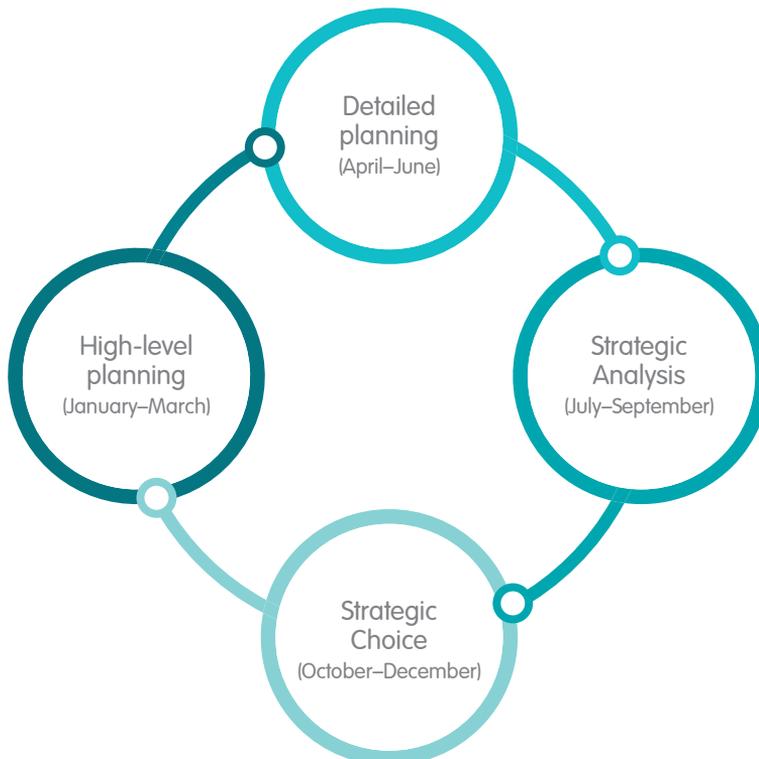


Figure 8: Planning Cycle

| Board and Committees

As the Accountable Authority, the Board's duties are to:

- govern AMSA in a way that:
 - promotes the proper use and management of public resources for which AMSA is responsible
 - promotes the achievement of AMSA's purpose
 - promotes AMSA's financial stability
- establish and maintain systems relating to risk and control including for preventing, detecting and dealing with fraud
- encourage cooperation with others to achieve common objectives
- keep the relevant minister informed.

The Board continues to:

- provide significant strategic oversight of AMSA's business by determining the overall manner in which various functions should be performed including through:
 - strategy setting and approval
 - embedding effective risk management
 - communication and stakeholder relationships
 - reviewing and evaluating the performance of the Chief Executive Officer and senior management
- take responsibility for AMSA's resources with the financial oversight of AMSA's budget and financial outlook, its financial statements and reporting, compliance, and approving major expenditure
- execute good governance by ensuring compliance with the PGPA Act, the PGPA Rule, the AMSA Act, and operational legislation with corporate governance implications, while promoting careful, diligent, transparent and ethical conduct throughout the organisation.

The Chair and Board members are appointed by the Minister for Infrastructure, Transport and Regional Development. Current Board members have been appointed with experience relevant to the maritime industry, financial management and government institutions. As required by the AMSA Act, at least one member must have knowledge of, or experience relevant to, the construction or operation of domestic commercial vessels.

All members work on a part-time basis, with the exception of the Chief Executive Officer.

In addition to formal Board meetings, Board members participate in presentations, risk workshops and site visits, and this year the Board again highlighted the importance of industry engagement with the opening of a Coffs Harbour office which involved stakeholders from both international shipping and domestic commercial vessel communities. The year has broadened the Board's knowledge of the maritime industry particularly in relation to domestic commercial vessels and strengthened directors' roles and Board practices. Due to the COVID-19 pandemic the Board has postponed their relevant stakeholder engagements scheduled for Port Lincoln, South Australia, Brisbane, Queensland and meeting with the Maritime New Zealand Board to share Trans-Tasman information relevant to the maritime industry. These have been placed on the 2021 Board program.

The Board undertook two independent reviews looking at:

- AMSA's culture, governance, and accountability with the objective to review the behaviours and frameworks which establish AMSA's culture, governance and accountability against the Australian Prudential Regulatory Authority (APRA) Prudential Inquiry into the Commonwealth Bank of Australia and the findings of the Royal Commission into the Financial Services Industry. The Review found AMSA has very well established and robust governance and accountability processes and practices in place which should support:
 - alignment with industry and public expectations
 - a culture which promotes positive behaviours across the organisation as it delivers on its mission.

- AMSA's Board and Board Audit Committee with the objective to review the collective effectiveness of the Board and Board Audit Committee; and assess whether there is the right mix of skills, capabilities and experience to deliver the right outcomes and effectively discharge responsibilities. The review found AMSA has a competent Board and Board Audit Committee in place to:
 - appropriately discharge their duties as per their respective charters and relevant legislation
 - lead a culture which promotes open and collaborative behaviours as the drivers to successfully deliver on AMSA's mission
 - in response to the review, and in recognition of the Committee's broad role, the committee was re-named the Board, Audit, Risk and Finance Committee with effect from August 2020.

Appendix 2 lists Board members, their qualifications and experience, and attendance at Board meetings.

| Board Audit Committee

The Board has established an audit committee in compliance with section 45 of the PGPA Act and section 17 of the PGPA Rule 2014. The Board Audit Committee assists the Board to fulfil its responsibilities under the AMSA Act and the PGPA Act. The functions of the Board Audit Committee include reviewing the appropriateness of AMSA's financial reporting, performance reporting, system of risk oversight and management, and the system of internal control. A copy of the Board Audit Committee Charter can be found on the AMSA website: www.amsa.gov.au/amsa-board-audit-committee-charter

The committee provides independent advice to the AMSA Board and is independent from management.

The present committee comprises of three people, the deputy Chair of the AMSA Board and two external members. All members have the appropriate qualifications knowledge, skills and experience to assist the committee to perform its functions. The Chair and members are appointed by the Board. The Australian National Audit Office and AMSA's internal auditors have been represented at all committee meetings and other Board members have attended committee meetings during the year as observers.

The Board Audit Committee conducted five meetings and one out-of-session video conference in 2019–20 and reported directly to the Board after each.

Appendix 2 lists Board Audit Committee members, their qualifications and experience, and attendance at Board Audit Committee meetings.

| Remuneration Committee

The Remuneration Committee assists the Board in considering senior executive remuneration matters and issues arising from the Remuneration Tribunal. The committee reports its findings and recommendations to the Board.

The Remuneration Committee conducted two meetings in 2019–20.

Risk management

AMSA has a well-established and mature risk management culture. Risk management is central to our purpose.

Our risk management policy, framework and guidelines are aligned with better practice methodologies and are consistent with the international standard of risk management (ISO 31000: 2018) and the Commonwealth Risk Management Policy 2014. Further, we revalidate our risk management practices yearly to ensure they support our obligations under the PGPA Act.

Our risk management program helps us to proactively manage our risks, reduce our exposure to financial and reputational harm, and optimise resource use.

Enterprise risk is a standing agenda item for our Board and Board Audit Committee. Additionally, during the year management conducted two formal reviews of AMSA's enterprise risks; maintained the currency of division risk registers; and conducted several operational and project risk assessments in support of AMSA's business.

AMSA's enterprise risks can be found in the current corporate plan at:
amsa.gov.au/about-us/corporate-publications

| Fraud control

In September 2019, following from our Fraud Risk Assessment, AMSA updated our Fraud and Anti-Corruption Control Plan. The Plan satisfies the requirements of section 10 of the PGPA Rule (2014) and the Commonwealth Fraud Control Framework (2017).

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 detected in AMSA during the reporting period
- There were no allegations of fraud reported to AMSA independent confidential reporting hotline
- AMSA has a policy of reporting all attempted bribes of any AMSA official to the Australian Federal Police or state police. During 2019–20 several attempts were made and reported according to our procedures.

All new AMSA employees are provided with fraud awareness training during their induction. Regular staff communications were provide on a range of ethical topics including: disclosing material interest, fraud control reporting processes, gifts and benefits and official hospitality.

Indemnities and insurance premiums

Insurance cover is provided to Board members and other officers in line with the PGPA Act. AMSA is required by the Australian Government to use Comcover for insurance coverage. Comcover's relevant insurance policy covers legal liability (including legal costs) for Board members and employees (directors and officers liability). Staff are indemnified from liability when acting in good faith (without recklessness or gross negligence) while employed by AMSA. AMSA's premium for Professional Indemnity was \$126,377 and for Directors' and Officer's Liability was \$35,151.

Performance reporting

AMSA's non-financial performance measures are detailed in both the Portfolio Budget Statements and the corporate plan. They include several measures that meet the agency's performance reporting obligations under the Regulator Performance Framework (see regulatory performance, page 30).

AMSA produces quarterly internal reports on its non-financial performance. These reports provide the Accountable Authority with assurance of progress towards our targets, and support the development of the annual performance statements. Each quarterly non-financial performance report is presented at the Board Audit Committee meeting following the end of the respective quarter.

Financial performance is reported separately through monthly internal finance reports to management, and to every Board meeting. AMSA's performance reporting culminates in the publication of the annual report—inclusive of the financial statements and annual performance statements—and the Regulator Performance Framework self-assessment report which is available from amsa.gov.au/about-us/corporate-publications.

Several other mechanisms assist the Board and management to monitor performance in a wider context:

- the Board Audit Committee annual rolling work program requires management to regularly provide evidence of performance against the mandatory elements of the PGPA Act and other relevant legislation
- AMSA's internal audit program, informed by risk and directed by the Board Audit Committee, has audits focused on compliance, and on our performance delivering operational outputs and outcomes
- AMSA's management system audit program, a crucial part of maintaining ISO certification, monitors performance against the requirements of the relevant standards captured in the documented management system.

Related entity transactions

During the reporting period there were no reportable related entity transactions.

Public interest disclosure

Under section 76 of the *Public Interest Disclosure Act 2013* (PID Act), the Commonwealth Ombudsman is required to prepare a report to Parliament each year on the operation of the PID Act. AMSA contributes to this report by completing the Ombudsman’s annual PID survey. AMSA received one PID Act disclosure in the reporting period.

Disability report

AMSA is committed to ensuring that policies and procedures comply with the *Disability Discrimination Act 1992* (Cth). Employees are encouraged to voluntarily disclose information about their disability status. When a disclosure is made, reasonable adjustments are made to the workplace as required. Various initiatives outlined in the *AMSA Diversity and Inclusion Plan 2019–2022* are being implemented to reduce barriers to workplace participation. One initiative is ensuring e-learning and web-based employee information is accessible to those with disabilities.

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 PGPA Act. In 2019–20, the following advertising or market research payments were made:

Organisation	Purpose	Expenditure
Media advertising organisations		
Universal McCann	Non-campaign advertising — <i>YM Efficiency</i> community consultation	\$3513
Universal McCann	Non-campaign advertising - Eddystone Point and Cape Leeuwin lighthouse heritage management plans public consultation	\$2620
Market research		
Colmar Brunton	2019 stakeholder survey	\$75,880
Queensland University of Technology	Research to better understand domestic commercial vessel industries	\$54,900

Figure 9: advertising and market research payments made in 2019–20

Statement of significant non-compliance issues

AMSA management acknowledges their responsibility for ensuring compliance with the provisions of the PGPA Act and requirements related to finance law.

The Authority has complied with the provisions and requirements of the:

- *Public Governance, Performance and Accountability Act 2013*
- Public Governance, Performance and Accountability Rule 2014
- Appropriation Acts
- any other instrument defined as finance law including relevant ministerial directions.

There were no significant non-compliance issues with finance law during the reporting period.

Where immaterial non-compliances were identified they were managed in accordance with AMSA's policies and procedures, including analysis to detect and rectify any breakdowns of internal controls.

Judicial decisions and reviews by outside bodies

| Reports (Auditor-General, Parliament or Ombudsman)

AMSA was not subject to any audits by the Auditor-General in the 2019–20 financial year. A number of recommendations from the 2018–19 performance audit on the Application of Cost Recovery Principles (tabled on 14 May 2019) are being implemented. Details of these recommendations and actions are at appendix 5.

In 2019–20 the Commonwealth Ombudsman commenced investigation of a complaint relating to the duration of a certificate issued by AMSA, but subsequently notified AMSA that no further investigation was warranted.

The Rural and Regional Affairs and Transport Legislation Committee published the report: *Performance of the Australian Maritime Safety Authority* on 17 June 2020. AMSA made submissions to the inquiry and attended public hearings during 2019–20. During the course of the inquiry, AMSA pursued a range of reforms to improve the safety of passengers on vessel charters.

The final report contains four recommendations, at the time of publication AMSA is working with our Department to support the Government's response to the Committee's report.

Judicial decisions / decisions of administrative bodies

In 2019–20 AMSA was party to matters before the Federal Court of Australia, the Supreme Court of Western Australia, and the Administrative Appeals Tribunal. These matters have not resulted in findings that have had a significant effect on operations.

| Coronial inquests

Coroners ensure that all sudden, unexpected or unexplained deaths, and suspected deaths are properly investigated. The cornerstone of coronial inquiry is to provide a thorough and impartial service to the community when investigating the circumstances in which people die. Coroners make recommendations that may prevent deaths and non-fatal injuries.

AMSA may be a party to the coronial hearing in its capacity as the regulator for the domestic commercial vessel sector. The coroner may hand down recommendations which deal with AMSA's administration of maritime safety regulations, and findings may be attributed directly to AMSA. AMSA participated in one coronial inquest which delivered findings in 2019–20 (see table below).

AMSA is committed to increased transparency in our response to coroner's findings. We have established a process for tracking the implementation of findings, which is monitored by the Executive. This is the first time that AMSA has reported our response to coronial findings publicly. Appendix 6 shows the numbers of coronial inquiries that involved AMSA in each year from 2014–15 to 2018–19.

Inquest	Loss of life arising from capsizing of two fishing vessels — causes of loss — recommendations as to safety improvements in fishing industry Joint Inquest into the presumed deaths of David Barry Chivers and Matthew Neil Roberts from the FV <i>Cassandra</i> and Adam Jeffrey Bidner and Zachary John Feeney and Christopher David Sammut and Eli Davey Tonks from the FV <i>Dianne</i> and the deaths of Adam Ross Hoffman and Benjamin Patrick Leahy from FV <i>Dianne</i> .
State	Queensland
Report	https://www.courts.qld.gov.au/_data/assets/pdf_file/0008/624176/cif-fvdianneandfvcassandra-20190829.pdf
Date of findings	29 August 2019

Recommendations for AMSA	Response	Status as at 30 June 2020
That the industry be encouraged to place an emergency Grab Bag of necessary basic equipment to assist crew to exist a capsized vessel, and that Grab Bags be located in the sleeping cabin and near the helm.	AMSA will prepare and distribute a DCV Bulletin to make operators aware of the incident and the Coronial recommendations and will, among other things, encourage operators to consider adopting the use of grab-bags on their vessels. This bulletin will also cover a number of other recommendations. AMSA will also prepare and publish a <i>Working Boats</i> article to raise awareness of the incident, the recommendations, and what operators can do.	In progress The safety alert promoting the recommendations has been finalised and will be released soon. A <i>Working Boats</i> article is planned to be published following the safety alert.

Continued from previous page

Recommendations for AMSA	Response	Status as at 30 June 2020
<p>That self-illuminating LED strip-lighting and emergency exit signs be encouraged to be installed in existing vessels within two years, and after two years the authorities consider it being mandated in all commercial fishing vessels</p>	<p>AMSA will encourage operators of new and existing vessels to install self-illuminating LED strip-lighting and Emergency Exit signs, through the above Bulletin and <i>Working Boats</i> article (in addition to other information and education channels such as workshops with industry). There are a number of low cost options available to industry.</p> <p>AMSA will also undertake a review of standards relating to these matters and will seek feedback from industry on the proposal to mandate the installation of self-illuminating LED strip-lighting and emergency exit signs (including on existing vessels). This includes NSCV Part C1.</p>	<p>In progress</p> <p>The safety alert promoting the recommendations has been finalised and will be released soon.</p> <p>A <i>Working Boats</i> article is planned to be published following the safety alert.</p> <p>The review of the relevant standards is underway.</p>
<p>That industry be encouraged to secure, by restraining straps or being bolted down, all bulky items in a wheelhouse to ensure those items cannot move in a capsizing event.</p>	<p>The specific DCV Bulletin (as above) will include recommendation that operators secure, by straps or bolts, all bulky items in the wheelhouse to ensure that they cannot move.</p> <p>AMSA will also provide communication to accredited marine surveyors to encourage operators to secure bulky items.</p> <p>AMSA inspectors will also focus on the issue of securing bulky items during compliance inspections.</p>	<p>In progress</p> <p>The safety alert promoting the recommendations has been finalised and will be released soon.</p> <p>A <i>Working Boats</i> article is planned to be published following the safety alert.</p>
<p>That fishermen be encouraged to wear an inflatable style personal flotation device vest whilst working on the decks of a vessel or whilst at the helm and that those personal flotation devices have a personal locator beacon.</p>	<p>AMSA will encourage the wearing of suitable personal flotation devices. This will be through industry forums, workshops and also the DCV Bulletin and <i>Working Boats</i>.</p> <p>AMSA will also give consideration to, and will consult with industry and other key stakeholders, on operations or circumstances where wearing of a lifejacket should be mandated (noting that the design and technical features of personal flotation devices have become less bulky and smaller, which address some barriers).</p> <p>The draft new regulatory plan for domestic commercial vessels includes consideration of mandating the wearing of personal flotation devices for high risk activities.</p> <p>Operations has run a trial on wearing various types of personal flotation devices and will draft a paper for Executive consideration.</p> <p>AMSA has already made changes to the standards which will enhance communication in emergency situations through mandating float-free EPIRBs on most fishing vessels.</p>	<p>In progress</p> <p>The safety alert promoting the recommendations has been finalised and will be released soon.</p> <p>A <i>Working Boats</i> article is planned to be published following the safety alert.</p> <p>Previous <i>Working Boats</i> articles have encouraged the wearing of life jackets.</p> <p>AMSA is considering, based on risk, how best to mandate the wearing of lifejackets on domestic commercial vessels for certain operations.</p>
<p>That regulatory authorities and industry investigate appropriate, workable, solutions to ensure doors on vessels are able to be opened against water pressure, whilst ensuring doors still retain their designed purposes</p>	<p>AMSA will shortly be reviewing standards with respect to weather tight and watertight integrity (NSCV Part C2) and will consider this issue as a part of this review.</p>	<p>AMSA is not aware of any technical solution which would give effect to this recommendation without jeopardising the integrity of the vessel. This issue will be further examined during the review of NSCV Part C2, and AMSA will determine if there is a safe technical solution available.</p>

Continued from previous page

Recommendations for AMSA	Response	Status as at 30 June 2020
<p>That regulatory authorities and industry review the use of quad gear in the Sandy Straits area for trawling</p>	<p>AMSA supports such a review being undertaken by Queensland Fisheries. AMSA is ready and willing to assist QLD Fisheries to advance this work.</p>	<p>In progress AMSA met with Queensland Fisheries in April 2020 to discuss this issue. They advised that a review into quad gear is outside the scope of fisheries legislation. Queensland Fisheries are providing a list of fishers who use quad gear in the Sandy Straits and AMSA will engage with those operators.</p>
<p>That regulatory authorities and industry investigate and proceed towards ensuring all vessels have in their safety management system (SMS) a copy of the original plans of the vessel, details of all modifications which had been carried out, and any stability test documentation, and that a duplicate copy of these documents be kept by the vessel owner in a secure place on land, and a copy also retained by regulatory authorities. Regulatory Authorities may also consider making mandatory at the time of sale, a report on the stability test report for vessels then without a current stability test report (if the vessel was changed from its original configuration when launched)</p>	<p>AMSA will encourage operators to have a copy of their safety management system on shore (via publications and workshops). AMSA is considering whether a regulatory amendment to Marine Order 504 is necessary. On the recommendation relating to original plans, details of modifications and stability test documentation being kept with the safety management system, AMSA will investigate the feasibility of implementing this recommendation. A significant challenge will exist for older vessels where original documentation may no longer be available. AMSA agrees that stability documentation needs to be addressed. This also includes consideration of various 'triggers' that would require an owner to undertake a stability assessment.</p>	<p>In progress These actions are being considered in the context of AMSA's regulatory plan.</p>
<p>The SMS should also include safe methods for retrieving a snagged net from a hook-up by use of a snatch block or leaving the net for later retrieval</p>	<p>AMSA agrees with the recommendation and AMSA has taken steps to action this recommendation. AMSA is of the view that an SMS for a class 3 operation should identify the risk of a hook-up and include procedures and training for this type of event. To promote this AMSA has:</p> <ul style="list-style-type: none"> • highlighted the risks and the need to address through guidance in various publications • run SMS workshops where hook-ups have been specifically emphasised to fishing vessel operators • provided information on our website • developed a short video aimed at the fishing sector to highlight the risk of hook-ups and action that can be taken. 	<p>AMSA developed a suite of specific guidance material including a short guidance booklet and stickers outlining the basic principles and steps needed to get out of a hook-up situation which have been distributed through regional offices and through meetings held with trawl specific industry bodies. Risks associated with snagged trawl nets were highlighted and discussed at relevant 2019 SMS workshops along with distribution of the guidance material.</p>

Figure 10: AMSA's response to coronial recommendations handed down in 2019–20.

Ministerial decisions, and government policy orders

Under section 8 of the AMSA Act, the Minister may give AMSA written direction with respect to the performance of our functions. The Minister did not issue any directions during 2019–20.

The Minister did not issue any notices about AMSA's strategic direction under section 9A of the AMSA Act, or any directions to give documents and information under section 9B.

The Finance Minister did not issue any government policy orders under section 22 of the PGPA Act during 2019–20.

Work health safety and environment

Work health, safety and environment management is an important component of compliance and workplace health, and is central to AMSA's commitment to the requirements of the *Work Health and Safety Act 2011* and the *Environment Protection and Biodiversity Conservation Act 1999*. These principles are maintained through the national and international accreditations AMSA holds, which represent its commitment to a healthy, safe and environmentally-responsible approach in all of actions, policies and procedures.

Day-to-day health and safety issues are addressed by managers with assistance and advice (if required) from AMSA's Health Safety and Environmental Committee, which comprises 18 health and safety representatives, four management representatives and four technical advisers. The committee met three times in 2019–20.

	2015–16	2016–17	2017–18	2018–19	2019–20
Size of workforce	382	377	407	413	449
Total incidents	55	39	36	41	30
Total incident (AMSA employees)	22	24	16	34	17
Total days lost to injury	330	5	70	6	152.1
Number of lost time incidents	3	2	3	2	3
Number of workers compensation claims	2	0	0	3	3
Number of notifiable Comcare incidents	0	1	0	2	3

Figure 11: time lost to injury

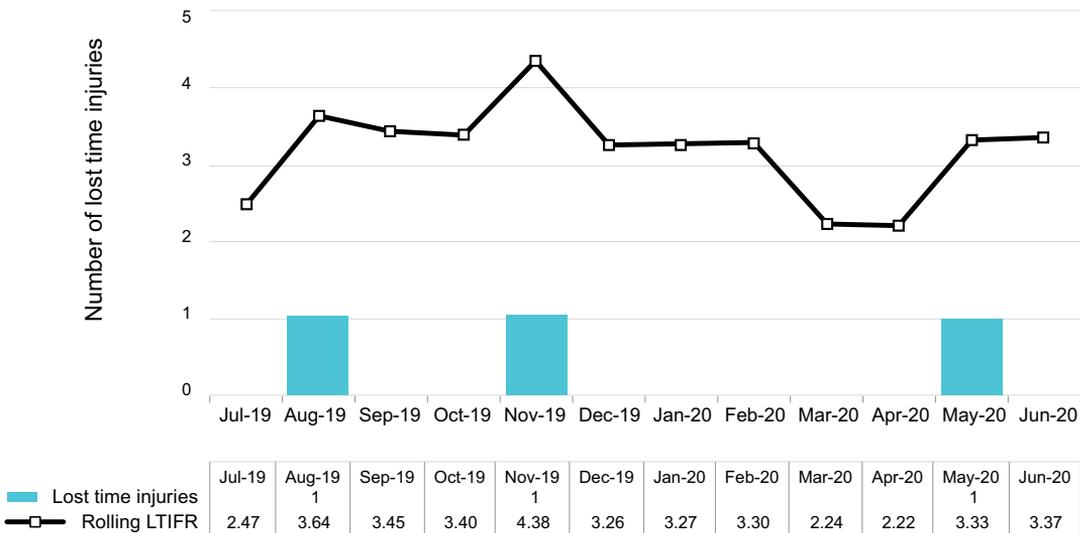


Figure 12: Number of lost time injuries

AMSA is also focused on preventing work health and safety incidents occurring, understanding the importance of preventative measures and applying timely and appropriate corrective actions when incidents or hazards do arise. During 2019–20, 40 incidents were reported—21 of which did not require any medical or first aid treatment. A total of 14 incidents related to contractors engaged by AMSA.

Workers compensation premium

AMSA’s workers’ compensation premium has decreased from \$184,987 in 2018–19 to \$182,798 in 2019–20. The premium rate of 0.34 per cent was lower than the overall scheme premium rate of 0.85 per cent. This is evidence of AMSA’s strong performance in comparison to other agencies with respect to workers compensation.

The overall payment for 2019–20 of \$222,902 includes the annual premium plus a penalty payment of \$40,104 being an adjustment of the 2018–2019 premium estimate. The main driver for this adjustment relates to a revised assessment of costs against a psychological injury claim from 2015–2016.

Health and wellbeing initiatives

In 2019–20, staff were encouraged to develop and maintain a fit and healthy lifestyle through AMSA’s Healthy Choices Program 2019–22. This program includes:

- \$300 financial reimbursement that can be put towards the cost of a fitness program or facility
- Free access to the Smiling Mind Mindfulness and Meditation app
- Discounted memberships at F45 Training studios
- Virgin Pulse Global Step Challenge which had 196 employees participating over 100 days
- Flu Vaccination program: which provided free H1N1 influenza and seasonal influenza vaccinations. This program was taken up by 176 employees in 2019–20
- National skin cancer checks for staff provided on-site or through reimbursement/referral.

Environmental performance

AMSA actively promotes the requirements of an internationally-recognised Environmental Management System (ISO 14001). Part of this process involves reviewing activities annually to identify any potential risks those activities may pose to the environment. In order to identify and evaluate environmental impacts of AMSA's activities, we also evaluate the requirements of relevant environmental legislation, including the *Environment Protection and Biodiversity Conservation Act 1999*.

AMSA's head office was reaccredited with a 4.5 NABERS rating. NABERS is a national rating system that measures the environmental performance of Australian buildings. More information on the NABERS rating system can be found here: www.nabers.gov.au. AMSA's head office is also fitted with a range of environmentally sound equipment and systems, including:

- live energy reporting through the building management system
- sensor lighting controls which detect levels of natural light and automatically adjust electric lighting
- coffee cup, can and battery disposal cans and separation stations
- multifunction devices which replace the need for separate printers and photocopiers
- water-saving bathroom devices; and
- energy-efficient appliances.

Data continues to be collected from a range of sources to help monitor the impact our activities may be having on the environment. This includes our consumption of electricity, and carbon emissions from flying and our fleet vehicles.





8

Appendices

Appendix 1: Financial Statements



INDEPENDENT AUDITOR'S REPORT

To the Minister for Infrastructure, Transport and Regional Development

Opinion

In my opinion, the financial statements of the Australian Maritime Safety Authority (the Entity) for the year ended 30 June 2020:

- (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2020 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2020 and for the year then ended:

- Statement by the Directors, Chief Executive Officer and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to the financial statements, comprising a summary of significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

The Accountable Authority is responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2020 but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Directors are responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Reduced Disclosure Requirements and the rules made under the Act.

The Directors are also responsible for such internal control as the Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Directors are also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

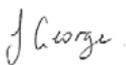
My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit 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 Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Jodi George

Delegate of the Auditor-General

Canberra

23 September 2020

Australian Maritime Safety Authority

Contents

Statement by the Directors, Chief Executive Officer and Chief Financial Officer

Financial Statements

Statement of Comprehensive Income
Statement of Financial Position
Statement of Changes in Equity
Cash Flow Statement

Budget Variances

Overview

Notes to the Financial Statements

1. Financial Performance

Note 1.1: Expenses
Note 1.2: Own-Source Income

2. Financial Position

Note 2.1: Financial Assets
Note 2.2: Non-Financial Assets
Note 2.3: Payables
Note 2.4: Interest Bearing Liabilities
Note 2.5: Other Provisions

3. Funding

Note 3.1: Regulatory Charging Summary

4. People and Relationships

Note 4.1: Employee Benefits
Note 4.2: Key Management Personnel Remuneration
Note 4.3: Related Party Disclosures

5. Managing Uncertainties

Note 5.1: Contingent Assets and Liabilities
Note 5.2: Financial Instruments

6. Other Information

Note 6.1: Aggregate Assets and Liabilities

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 2020 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

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

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



Stuart Richey AM
Chairman of the Board

23 September 2020



Michael Kinley
Chief Executive Officer

23 September 2020



Satish Kumar
Chief Financial Officer

23 September 2020

Australian Maritime Safety Authority
Statement of Comprehensive Income
 for the period ended 30 June 2020

	Notes	2020 \$'000	2019 \$'000	Original Budget 2020 \$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	4.1A	73,511	68,458	69,499
Suppliers	1.1A	124,522	167,652	146,170
Depreciation and amortisation	2.2A	38,482	16,067	15,803
Finance costs	1.1B	1,813	422	18
Impairment loss on financial instruments		18	70	-
Write-down and impairment of assets		4,028	3,006	-
Total expenses		242,374	255,675	231,490
Own-Source Income				
Own-source revenue				
Revenue from contracts with customers	1.2A	6,312	8,779	23,821
Interest		1,829	2,619	2,100
Rental income	1.2B	345	642	-
Recovery of pollution incident costs and insurance claims		326	4,866	-
Reversal of provision for pollution incidents		11,448	-	-
Contributions from states and territories		10,515	13,244	-
Other	1.2C	4,955	57	-
Total own-source revenue		35,730	30,207	25,921
Gains				
Gains from sale of assets		-	84	-
Reversal of impairment loss on financial instruments		66	84	-
Total gains		66	168	-
Total own-source income		35,796	30,375	25,921
Net cost of services		206,578	225,300	205,569
Revenue from Government	1.2D	209,603	204,763	207,669
Surplus / (Deficit) on continuing operations		3,025	(20,537)	2,100
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation surplus		(1,774)	(3,178)	-
Total other comprehensive income / (loss)		(1,774)	(3,178)	-
Total comprehensive income / (loss)		1,251	(23,715)	2,100

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

Please refer to the budget variances note for explanations of major variances between budgeted and actual amounts.

Australian Maritime Safety Authority
Statement of Financial Position
as at 30 June 2020

	Notes	2020 \$'000	2019 \$'000	Original Budget 2020 \$'000
ASSETS				
Financial Assets				
Cash and cash equivalents		18,774	19,773	15,701
Investments		71,000	90,000	70,000
Trade and other receivables	2.1A	9,857	11,046	8,160
Total financial assets		99,631	120,819	93,861
Non-Financial Assets				
Land ¹	2.2A	6,260	2,825	2,825
Buildings ¹	2.2A	44,634	10,974	9,818
Plant and equipment ¹	2.2A	204,088	119,122	123,776
Computer software	2.2A	21,332	23,023	40,133
Inventories	2.2B	4,157	4,123	4,726
Prepayments		4,219	4,553	5,850
Total non-financial assets		284,690	164,620	187,128
Total assets		384,321	285,439	280,989
LIABILITIES				
Payables				
Suppliers	2.3A	21,632	36,212	36,280
Other payables	2.3B	2,873	1,926	1,314
Total payables		24,505	38,138	37,594
Interest Bearing Liabilities				
Leases	2.4A	128,156	1,216	1,208
Total interest bearing liabilities		128,156	1,216	1,208
Provisions				
Employee provisions	4.1B	22,005	20,358	20,914
Other provisions	2.5A	25,143	48,818	17,774
Total provisions		47,148	69,176	38,688
Total liabilities		199,809	108,530	77,490
Net assets		184,512	176,909	203,499
EQUITY				
Contributed equity		37,986	37,986	37,986
Reserves		92,723	94,497	97,675
Retained earnings		53,803	44,426	67,838
Total equity		184,512	176,909	203,499

1. Right-of-use assets are included in land, buildings and plant and equipment.

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

Please refer to the budget variances note for explanations of major variances between budgeted and actual amounts.

Australian Maritime Safety Authority
Statement of Changes in Equity
 as at 30 June 2020

	Notes	2020 \$'000	2019 \$'000	Original Budget 2020 \$'000
CONTRIBUTED EQUITY				
Opening balance		37,986	37,986	37,986
Closing balance as at 30 June 2020		37,986	37,986	37,986
RETAINED EARNINGS				
Opening balance		44,426	64,963	65,738
Adjustment on initial application of AASB 15 / AASB 1058		(374)	-	-
Adjustment on initial application of AASB 16		6,726	-	-
Adjusted opening balance		50,778	64,963	65,738
Comprehensive income				
Surplus / (Deficit) for the period		3,025	(20,537)	2,100
Closing balance as at 30 June 2020		53,803	44,426	67,838
ASSET REVALUATION RESERVE				
Opening balance		94,497	97,675	97,675
Comprehensive income				
Non-financial asset revaluation increment / (decrement)		955	(1,691)	-
Provision for restoration assessment		(2,729)	(1,487)	-
Total comprehensive income		(1,774)	(3,178)	-
Closing balance as at 30 June 2020		92,723	94,497	97,675
TOTAL EQUITY				
Opening balance		176,909	200,624	201,399
Adjustment on initial application of AASB 15 / AASB 1058		(374)	-	-
Adjustment on initial application of AASB 16		6,726	-	-
Adjusted opening balance		183,261	200,624	201,399
Comprehensive income				
Surplus / (Deficit) for the period		3,025	(20,537)	2,100
Other comprehensive income		(1,774)	(3,178)	-
Total comprehensive income		1,251	(23,715)	2,100
Closing balance as at 30 June 2020		184,512	176,909	203,499

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

Please refer to the budget variances note for explanations of major variances between budgeted and actual amounts.

Australian Maritime Safety Authority
Cash Flow Statement
for the period ended 30 June 2020

	Notes	2020 \$'000	2019 \$'000	Original Budget 2020 \$'000
OPERATING ACTIVITIES				
Cash received				
Receipts from Government		207,144	203,538	207,629
Sale of goods and rendering of services		9,577	10,000	38,371
Interest		2,290	2,146	2,100
Net GST received		16,733	13,476	-
Other		16,141	17,241	-
Total cash received		251,885	246,401	248,100
Cash used				
Employees		71,681	66,387	68,865
Suppliers		162,753	156,202	162,961
Interest payments on lease liabilities		1,642	-	-
Total cash used		236,076	222,589	231,826
Net cash from operating activities		15,809	23,812	16,274
INVESTING ACTIVITIES				
Cash received				
Investments		19,000	-	-
Proceeds from sale of property, plant, equipment and intangibles		-	146	-
Total cash received		19,000	146	-
Cash used				
Investments		-	55,000	-
Purchase of property, plant, equipment and intangibles		15,961	14,439	23,730
Total cash used		15,961	69,439	23,730
Net cash from / (used by) investing activities		3,039	(69,293)	(23,730)
FINANCING ACTIVITIES				
Cash used				
Principal payments of lease liabilities		19,847	-	-
Repayment of borrowings		-	302	14
Finance lease interest		-	93	-
Total cash used		19,847	395	14
Net cash (used by) financing activities		(19,847)	(395)	(14)
Net increase / (decrease) in cash held		(999)	(45,876)	(7,470)
Cash and cash equivalents at the beginning of the reporting period		19,773	65,649	23,171
Cash and cash equivalents at the end of the reporting period		18,774	19,773	15,701

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

Please refer to the budget variances note for explanations of major variances between budgeted and actual amounts.

Australian Maritime Safety Authority

Budget Variances

The following high level commentary of major variances between budgeted information for the Australian Maritime Safety Authority (AMSA) published in the Infrastructure, Transport, Regional Development and Communications 2019-20 Portfolio Budget Statements (PBS) and the 2019-20 final outcome are presented in accordance with Australian Accounting Standards.

Major variances are those deemed relevant to the analysis of AMSA's performance and are not necessarily focused on numerical differences between budget and actual amounts.

Affected line item	Variance to budget \$'000	Explanation of variance
Statement of Comprehensive Income		
Employee benefits	4,012	This primarily relates to an increase in leave expenses resulting from the cumulative impact of changes to discount factors over the last two years and higher separation and redundancy costs due to minor organisational changes during the year.
Supplier expenses	(21,648)	This relates to lower supplier expenses due to the implementation of AASB 16 <i>Leases</i> from 1 July 2019. Accordingly there is a similar increase in depreciation expense and financing costs detailed below. The budget estimates were updated to reflect this standard in the subsequent budget rounds.
Depreciation and amortisation	22,679	This relates to higher depreciation expense on right-of-use assets due to the implementation of AASB 16 <i>Leases</i> from 1 July 2019. The budget estimates were updated to reflect this standard in the subsequent budget rounds.
Finance costs	1,795	This relates to interest expense on right-of-use assets due to the implementation of AASB 16 <i>Leases</i> from 1 July 2019. The budget estimates were updated to reflect this standard in the subsequent budget rounds.
Write-down and impairment of assets	4,028	This relates to the derecognition of assets due the shutdown of AMSA's differential global positioning system (DGPS) service and the write-down of computer software under development.
Revenue from contracts with customers	(17,509)	This relates to a difference in the classification of items between the financial statements and the PBS, including \$11 million for contributions from states and territories and \$5 million for other revenue. The residual variance of \$1 million relates to lower marine services revenue and the deferral of additional revenue due to the implementation of AASB 15 <i>Revenue from Contracts with Customers</i> from 1 July 2019.
Reversal of provision for pollution incidents	11,448	This relates to the unused amount of the provision for pollution incidents recognised in the prior year as the actual costs of the clean-up incurred by AMSA were lower than expected.
Contributions from states and territories	10,515	This relates to a difference in the classification of items between the financial statements and the PBS for contributions from states and territories. The actual amount received was in line with budget expectations.
Other revenue	4,955	This relates to a difference in the classification of items between the financial statements and PBS for other revenue. The actual amount received was in line with budget expectations.

Affected line item	Variance to budget \$'000	Explanation of variance
Statement of Financial Position		
Non-financial assets	97,562	This relates to the recognition of \$126 million of right-of-use assets due to the implementation of AASB 16 <i>Leases</i> from 1 July 2019, with the budget estimates updated to reflect this standard in subsequent budget rounds. This is offset by a residual variance of \$28 million which relates to the cumulative impact of the write-down of DGPS assets and computer software under development, the deferral of expenditure on computer software to future years and the impact of revaluation decrements.
Supplier payables	(14,648)	This relates to lower supplier payables of \$8 million at the end of the year and the transfer of operating lease rentals of \$7 million to retained earnings on transition to AASB 16 <i>Leases</i> on 1 July 2019.
Lease liabilities	126,948	This relates to the recognition of an additional \$127 million of lease liabilities due to the implementation of AASB 16 <i>Leases</i> from 1 July 2019, with the budget estimates updated to reflect this standard in subsequent budget rounds.
Other provisions	7,369	This relates to an increase in the estimated costs for lead paint removal and the decommissioning and restoration of sites, including sites relating to the shutdown of the DGPS service. The provision for pollution incidents was not recognised in the budget estimates.
Statement of Changes in Equity		
Retained earnings	(14,035)	This relates to the operating loss of \$21 million in 2018-19 as a result of the recognition of a provision for the clean-up of ship-sourced pollution, which is offset by an adjustment of \$6 million to retained earnings on transition to AASB 15 <i>Revenue from Contracts with Customers</i> and AASB 16 <i>Leases</i> on 1 July 2019.
Cash Flow Statement		
Sale of goods and rendering of services	(28,794)	This relates to a difference in the classification of items between the financial statements and the PBS, including \$11 million for contributions from states and territories, \$13 million for net GST receivable and \$5 million for other revenue. The actual cash received is in line with budget expectations.
Other cash received	16,141	This primarily relates to the difference in classification of contributions from states and territories and other revenues, which are budgeted for under sale of goods and rendering of services. The residual variance is in line with budget expectations.
Purchase of property, plant, equipment and intangibles	(7,769)	This primarily relates to the deferral of expenditure on software development to future years.
Principal payments of lease liabilities	19,847	This relates to the recognition of lease payments due to the implementation of AASB 16 <i>Leases</i> from 1 July 2019, with the budget estimates updated to reflect this standard in subsequent budget rounds.

Australian Maritime Safety Authority

Overview

The basis of preparation

The financial statements are general purpose financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). The financial statements have been prepared in accordance with:

- *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR)
- Australian Accounting Standards and Interpretations - Reduced Disclosure Requirements 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.

New accounting standards

All new, revised and amending standards or interpretations that were issued prior to the sign-off date and are applicable to the current reporting period that have a material effect on AMSA's financial statements are detailed in the table below.

Standard / Interpretation	Nature of change in accounting policy, transitional provisions, and adjustment to financial statements
<p>AASB 15 <i>Revenue from Contracts with Customers</i> / AASB 2016-8 <i>Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities</i> and AASB 1058 <i>Income of Not-for-Profit Entities</i></p>	<p>AASB 15, AASB 2016-8 and AASB 1058 became effective on 1 July 2019.</p> <p>AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised and replaces existing revenue recognition guidance in AASB 118 <i>Revenue</i>. The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.</p> <p>AASB 1058 is relevant in circumstances where AASB 15 does not apply. AASB 1058 replaces most of the not-for-profit (NFP) provisions of AASB 1004 <i>Contributions</i> and applies to transactions where the consideration to acquire an asset is significantly less than fair value principally to enable the entity to further its objectives.</p> <p>The details of the changes in accounting policies, transitional provisions and adjustments are disclosed below and in the relevant notes to the financial statements.</p>
<p>AASB 16 <i>Leases</i></p>	<p>AASB 16 became effective on 1 July 2019.</p> <p>This new standard has replaced AASB 117 <i>Leases</i>, Interpretation 4 <i>Determining whether an Arrangement contains a Lease</i>, Interpretation 115 <i>Operating Leases - Incentives</i> and Interpretation 127 <i>Evaluating the Substance of Transactions Involving the Legal Form of a Lease</i>.</p> <p>AASB 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, together with options to exclude leases where the lease term is 12 months or less, or where the underlying asset is of low value. AASB 16 substantially carries forward the lessor accounting in AASB 117, with the distinction between operating leases and finance leases being retained.</p> <p>The details of the changes in accounting policies, transitional provisions and adjustments are disclosed below and in the relevant notes to the financial statements.</p>

Application of AASB 15 Revenue from Contracts with Customers / AASB 1058 Income of Not-for-Profit Entities

AMSA adopted AASB 15 and AASB 1058 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 July 2019. Accordingly, the comparative information has not been restated and continues to be reported under AASB 118 and AASB 1004.

Under the new income recognition model AMSA shall first determine whether an enforceable agreement exists and whether the promises to transfer goods or services to the customer are 'sufficiently specific'. If an enforceable agreement exists and the promises are 'sufficiently specific' (to a transaction or part of a transaction), AMSA applies the general AASB 15 principles to determine the appropriate revenue recognition. If these criteria are not met, AMSA shall consider whether AASB 1058 applies.

In relation to AASB 15, AMSA elected to apply the new standard to all new and uncompleted contracts from the date of initial application. AMSA is required to aggregate the effect of all of the contract modifications that occur before the date of initial application.

Impact on transition

The impact on transition is summarised below:

	1 July 2019
	\$'000
Liabilities	
Contract liabilities	374
Total adjustment recognised in retained earnings	(374)

Set out below are the amounts by which each financial statement line item is affected as at, and for the year ended, 30 June 2020 as a result of the adoption of AASB 15 and AASB 1058. The first column shows amounts prepared under AASB 15 and AASB 1058 and the second column shows what the amounts would have been had AASB 15 and AASB 1058 not been adopted:

	AASB 15 / AASB 1058	Previous AAS	Increase / (Decrease)
	\$'000	\$'000	\$'000
Revenue			
Revenue from contracts with customers	6,312	6,647	(335)
Liabilities			
Contract liabilities	957	248	709
Retained earnings	53,803	54,512	(709)

The differences above are due to the change in the recognition of revenue by reference to the stage of completion under the previous standards from the recognition of revenue when goods and services are transferred to the customer under AASB 15.

Application of AASB 16 Leases

AMSA adopted AASB 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 July 2019. Accordingly, the comparative information presented for 2019 is not restated, that is, it is presented as previously reported under AASB 117 and related interpretations.

AMSA elected to apply the practical expedient to not reassess whether a contract is, or contains a lease at the date of initial application. Contracts entered into before the transition date that were not identified as leases under AASB 117 were not reassessed. The definition of a lease under AASB 16 was applied only to contracts entered into or changed on or after 1 July 2019.

AASB 16 provides for certain optional practical expedients, including those related to the initial adoption of the standard. AMSA did not apply these practical expedients when applying the standard.

As a lessee, AMSA previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. Under AASB 16, AMSA recognises right-of-use assets and lease liabilities for most leases. However, AMSA has elected not to recognise right-of-use assets and lease liabilities for some leases of low-value assets based on the value of the underlying asset when new or for short-term leases with a lease term of 12 months or less.

On adoption of AASB 16, AMSA recognised right-of-use assets and lease liabilities in relation to leases of office space, warehouse space, aids to navigation sites, search and rescue aircraft and equipment, emergency towage vessel and equipment and motor vehicles, which had previously been classified as operating leases.

The lease liabilities were measured at the present value of the remaining lease payments, discounted using AMSA's incremental borrowing rate as at 1 July 2019. AMSA's incremental borrowing rate is the rate at which a similar borrowing could be obtained from an independent creditor under comparable terms and conditions. The weighted-average rate applied was 1.2 per cent.

The right-of-use assets were measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

Impact on transition

On transition to AASB 16, AMSA recognised additional right-of-use assets and additional lease liabilities, recognising the difference in retained earnings. The impact on transition is summarised below:

	1 July 2019 \$'000
Assets	
Right-of-use assets	144,143
Liabilities	
Lease liabilities	144,375
Supplier payables (Operating lease rentals)	(6,958)
Total adjustment recognised in retained earnings	6,726

The following table reconciles the minimum lease commitments disclosed in AMSA's 2019 financial statements to the amount of lease liabilities recognised on 1 July 2019:

	1 July 2019 \$'000
Minimum operating lease commitments at 30 June 2019	161,764
Less: GST	(14,706)
Less: non-lease components not recognised under AASB 16	(661)
Less: other	(1,934)
Plus: effect of extension options reasonably certain to be exercised	6,532
Undiscounted lease payments	150,995
Less: effect of discounting using the incremental borrowing rate as at the date of initial application	(6,620)
Lease liabilities recognised at 1 July 2019	144,375

Taxation

AMSA is exempt from all forms of taxation except Fringe Benefits Tax (FBT), Goods and Services Tax (GST) and Customs Duties.

Impact of COVID-19

AMSA has considered the impact of COVID-19 on its 2019-20 financial statements, and its future financial performance and financial position, and concluded there is no significant impact as at the reporting date.

Notes to and forming part of the financial statements

Financial Performance

This section analyses the financial performance of AMSA for the financial year.

Note 1.1: Expenses

	2020 \$'000	2019 \$'000
Note 1.1A: Suppliers		
Goods and services supplied or rendered		
Travel and transport	3,965	6,052
Material and services	104,056	130,759
Communications	5,583	5,520
Administration	7,992	5,455
Total goods and services supplied or rendered	121,596	147,786
Goods supplied	109,810	135,252
Services rendered	11,786	12,534
Total goods and services supplied or rendered	121,596	147,786
Other suppliers		
Workers compensation expenses	256	216
Operating lease rentals ¹	-	19,650
Variable lease payments	2,670	-
Total other suppliers	2,926	19,866
Total suppliers	124,522	167,652

1. AMSA has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

The above lease disclosures should be read in conjunction with the accompanying notes 1.1B, 1.2B, 2.2A, 2.4A.

Accounting Policy

AMSA has elected not to recognise right-of-use assets and lease liabilities for short-term leases of assets that have a lease term of 12 months or less and leases of low-value assets less than \$10,000. AMSA recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Note 1.1B: Finance costs

Interest on lease liabilities	1,642	-
Finance leases ¹	-	93
Unwinding of discount	171	329
Total finance costs	1,813	422

1. AMSA has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

The above lease disclosures should be read in conjunction with the accompanying notes 1.1A, 1.2B, 2.2A, 2.4A.

Notes to and forming part of the financial statements

Note 1.2: Own-Source Income

	2020	2019
	\$'000	\$'000

Own-source revenue

Note 1.2A: Revenue from contracts with customers¹

Sale of publications	85	74
Regulatory services	5,945	7,121
Other	282	1,584
Total revenue from contracts with customers	6,312	8,779

1. AMSA has applied AASB 15 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 118.

Accounting Policy

Revenue from contracts with customers is recognised when control has been transferred to the buyer.

AMSA identifies that a contract is within the scope of AASB 15 when an enforceable agreement exists, including where enforceable rights and obligations arise through statutory requirements, where the performance obligations are sufficiently specific to enable AMSA to determine when they have been satisfied and where it is probable that AMSA will collect payment in exchange for the goods or services.

Where these criteria are not met and the consideration to acquire the asset is significantly less than fair value principally to enable AMSA to further its objectives it will be within the scope of AASB 1058 and revenue is recognised when AMSA has a right to receive payment.

AMSA principally generates its revenue from contracts with customers through the delivery of regulatory services, where the performance obligations are satisfied at a point in time when the regulatory process is finalised and the outcome is provided to the customer.

The transaction price is the total amount of consideration to which AMSA expects to be entitled in exchange for transferring promised goods or services to a customer. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. Consideration for regulatory services is primarily received up front and recognised as a contract liability until the performance obligations are satisfied by AMSA.

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.

Note 1.2B: Rental income

Operating lease		
Lease income	29	-
Other ¹	-	642
Subleasing right-of-use assets	316	-
Total rental income	345	642

1. AMSA has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

Operating leases

AMSA leases its residential properties to employees in remote regions and to external parties when not required by employees. AMSA subleases a small part of its warehouse and office space to its contractors and subleases car parking spaces to employees. AMSA manages the risks associated with any rights it retains in the underlying asset through the use of commercial arrangements to manage the lease and appropriate insurance coverage.

Notes to and forming part of the financial statements

Note 1.2: Own-Source Income (Continued)

	2020	2019
	\$'000	\$'000
Maturity analysis of operating lease receivables:		
Within 1 year	353	
1 to 2 years	96	
2 to 3 years	19	
3 to 4 years	19	
4 to 5 years	19	
More than 5 years	29	
Total undiscounted lease payments receivable	535	

Operating lease receivables are GST inclusive where relevant.

The above lease disclosures should be read in conjunction with the accompanying notes 1.1A, 1.1B, 2.2A, 2.4A.

Note 1.2C: Other revenue¹

Fines	115	57
Funding from other Commonwealth entities for the delivery of programs ²	3,283	-
Other	1,557	-
Total other revenue	4,955	57

1. AMSA has applied AASB 15 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 118 and AASB 1004.

2. The comparative amount was disclosed under Note 1.2D Revenue from Government in the prior year.

Note 1.2D Revenue from Government**Department of Infrastructure, Transport, Regional Development and Communications**

Corporate Commonwealth entity payment item

Levy revenue: *Section 48, Australian Maritime Safety Authority Act 1990*

Marine Navigation Levy	36,100	35,340
Marine Navigation (Regulatory Functions) Levy	54,949	53,470
Protection of the Sea Levy	36,568	35,567
Services provided on behalf of the Government	81,986	76,533
Other ¹	-	3,853

Total revenue from Government

209,603 204,763

1. Funding from other Commonwealth entities for the delivery of programs is disclosed under Note 1.2C Other Revenue this year.

Accounting Policy

Funding received or receivable from non-corporate Commonwealth entities (appropriated to the Department of Infrastructure, Transport, Regional Development and Communications as a corporate Commonwealth entity payment item for payment to AMSA) is recognised as revenue from government by AMSA unless the funding is in the nature of an equity injection or a loan.

Notes to and forming part of the financial statements

Financial Position

This section analyses AMSA's assets used to conduct its operations and the operating liabilities incurred as a result.

Note 2.1: Financial Assets

	2020 \$'000	2019 \$'000
Note 2.1A: Trade and other receivables		
Goods and services receivable	58	425
Department of Infrastructure, Transport, Regional Development and Communications - levies receivable	6,057	3,598
Other receivables		
GST receivable from the Australian Taxation Office	3,132	4,355
Interest	353	814
Other	270	1,940
Total trade and other receivables (gross)	9,870	11,132
Less impairment allowance for goods and services	(13)	(86)
Total trade and other receivables (net)	9,857	11,046

Accounting Policy

Trade receivables and other receivables that are held for the purpose of collecting the contractual cash flows where the cash flows are solely payments of principal and interest, that are not provided at below-market interest rates, are subsequently measured at amortised cost using the effective interest method adjusted for any loss allowance.

Notes to and forming part of the financial statements

Note 2.2: Non-Financial Assets**Note 2.2A: Reconciliation of the opening and closing balances of property, plant, equipment and intangibles**

	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Computer software ¹ \$'000	Total \$'000
As at 1 July 2019					
Gross book value	2,825	10,974	119,122	39,211	172,132
Accumulated depreciation, amortisation and impairment	-	-	-	(16,188)	(16,188)
Total 1 July 2019	2,825	10,974	119,122	23,023	155,944
Recognition of right-of-use assets on initial application of AASB 16	3,766	42,071	98,306	-	144,143
Adjusted total 1 July 2019	6,591	53,045	217,428	23,023	300,087
Additions					
By purchase	-	179	11,207	-	11,386
Internally developed	-	-	-	3,425	3,425
Right-of-use assets	23	692	691	-	1,406
Revaluations recognised in other comprehensive income	-	(73)	1,028	-	955
Depreciation					
Depreciation and amortisation	-	(657)	(12,573)	(4,004)	(17,234)
Depreciation on right-of-use assets	(356)	(8,420)	(12,472)	-	(21,248)
Other movements (reclassification)	-	-	(66)	66	-
Other movements of right-of-use assets	2	63	1,377	-	1,442
Write-down and disposal of assets	-	(195)	(2,532)	(1,178)	(3,905)
Total 30 June 2020	6,260	44,634	204,088	21,332	276,314
Total represented by:					
Gross book value	6,616	52,820	213,491	37,667	310,594
Accumulated depreciation, amortisation and impairment	(356)	(8,186)	(9,403)	(16,335)	(34,280)
Total 30 June 2020	6,260	44,634	204,088	21,332	276,314
Carrying amount of right-of-use assets included in total above	3,435	34,406	91,726	-	129,567

1. The carrying amount of computer software, which is held at cost, included \$888,000 (2019: \$466,000) purchased software and \$20,444,000 (2019: \$22,557,000) internally generated software.

The above lease disclosures should be read in conjunction with the accompanying notes 1.1A, 1.1B, 1.2B, 2.4A.

No indicators of impairment were found for property, plant and equipment and computer software.

No property, plant, equipment or intangibles are expected to be sold or disposed of within the next 12 months.

Revaluations of non-financial assets

An independent valuer has revalued the net book values of the property, plant and equipment owned by AMSA (excluding right-of-use assets) as at 30 June 2020 for financial reporting purposes.

Revaluation movement of \$Nil for land (2019: decrement of \$125,000), decrement of \$73,000 for buildings on freehold land (2019: decrement of \$317,000), and a increment of \$1,028,000 for plant and equipment (2019: decrement of \$1,249,000) were recognised in the asset revaluation reserve by asset class and included in the equity section of the statement of financial position.

Notes to and forming part of the financial statements

Note 2.2: Non-Financial Assets (Continued)

Contractual commitments for the acquisition of property, plant, equipment and computer software assets

	2020	2019
	\$'000	\$'000
Plant and equipment	4,167	2,737
Computer software	4,105	5,950
Total contractual commitments for the acquisition of property, plant, equipment and computer software	8,272	8,687

AMSA's capital commitments are predominantly for the purchase of aids to navigation, infrastructure requirements and the development of software systems. Commitments are GST inclusive where relevant.

Accounting Policy

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. Non-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.

Property, plant and equipment

Asset recognition threshold

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than \$3,000, 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.

Leased right-of-use assets

Leased right-of-use assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for as separate asset classes to corresponding assets owned outright, but included in the same column in the asset movement table where the corresponding underlying assets would be presented if they were owned.

An impairment review is undertaken for any right-of-use asset that shows indicators of impairment and an impairment loss is recognised against any right-of-use asset that is impaired. Right-of-use assets continue to be measured at cost after initial recognition.

Revaluations

Following initial recognition at cost, property, plant and equipment (excluding right-of-use assets) are carried at latest valuation less subsequent depreciation and 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. An independent valuation is undertaken annually, with a comprehensive valuation undertaken every three years and a desktop valuation undertaken in the other years.

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 reversed 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.

Valuations are performed in accordance with all aspects of the relevant accounting, insurance and valuation framework, which includes (but is not limited to) the FRR (Part 3, Section 17), AASB 13 *Fair Value Measurement* and AASB 116 *Property, Plant and Equipment*.

Note 2.2: Non-Financial Assets (Continued)**Accounting Policy (Continued)**Revaluations (continued)

The fair value of assets was measured by the approaches recognised by AASB 13 including the market approach, the current replacement cost approach, with inputs used including adjusted market transactions, current acquisition prices, replacement costs, consumed economic benefits and the obsolescence of the asset. These approaches are consistent with generally accepted valuation methodologies utilised by the valuation profession.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to AMSA, 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 type of depreciable asset are based on the following useful lives:

Asset type	2020	2019
Buildings on freehold land	10 to 40 years	10 to 40 years
Plant and equipment	2 to 70 years	2 to 70 years
Leasehold improvements (in plant and equipment)	Lease term (1 to 16 years)	Lease term (4 to 16 years)

The depreciation rates for right-of-use assets are based on the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Depreciation rates applying to each type of right-of-use asset are based on the following useful lives:

Right-of-use asset type	2020
Land	1 to 83 years
Buildings	1 to 10 years
Plant and equipment	1 to 14 years

Impairment

All assets were assessed for impairment at 30 June 2020. 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 of disposal 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 the entity were deprived of the asset, its value in use is taken to be its current 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

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 accounted for in accordance with AASB 116 *Property, Plant and Equipment*.

Intangibles

AMSA's intangibles comprise purchased and 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 3 to 13 years (2019: 3 to 15 years).

All software assets were assessed for indications of impairment as at 30 June 2020.

Accounting Judgements and Estimates

In the process of applying the accounting policies listed in this note, the revaluation of property, plant and equipment has been prepared on the basis of significant valuation uncertainty due to the impact of COVID-19.

Notes to and forming part of the financial statements
Note 2.2: Non-Financial Assets (Continued)

	2020 \$'000	2019 \$'000
Note 2.2B: Inventories		
Inventories held for distribution	4,157	4,123
Total inventories	4,157	4,123

\$351,000 of inventory held for distribution was recognised as an expense in 2020 (2019: \$203,000).

Accounting Policy

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.

Inventory is valued at cost, adjusted for any loss of service potential. Inventory acquired at no cost or at nominal consideration is initially measured at current replacement cost at the date of acquisition.

Note 2.3: Payables
Note 2.3A: Suppliers

Trade creditors and accruals	21,632	28,559
Operating lease rentals ¹	-	7,653
Total supplier payables	21,632	36,212

1. AMSA has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

Settlement was usually made within 30 days.

Note 2.3B: Other payables

Salaries and wages	991	1,135
Superannuation	145	433
Separations and redundancies	642	-
Contract liabilities	957	-
Unearned income ¹	-	193
Other	138	165
Total other payables	2,873	1,926

1. AMSA has applied AASB 15 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 118.

Note 2.4: Interest Bearing Liabilities
Note 2.4A: Leases

Finance leases ¹	-	1,216
Lease liabilities	128,156	-
Total leases	128,156	1,216

1. AMSA has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

Total cash outflow for leases for the year ended 30 June 2020 was \$21,490,000.

The above lease disclosures should be read in conjunction with the accompanying notes 1.1A, 1.1B, 1.2B, 2.2A.

Accounting Policy

Refer to Overview section for accounting policy on leases.

Notes to and forming part of the financial statements

Note 2.5: Other Provisions**Note 2.5A: Other provisions**

	Other provisions				
	Pollution incidents	Restoration	Lead paint	Asbestos	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2019	27,117	8,517	10,819	2,365	48,818
Additional provisions	-	2,927	2,943	277	6,147
Amounts used	(15,669)	(34)	(1,751)	(321)	(17,775)
Amounts reversed	(11,448)	(89)	(5)	(673)	(12,215)
Other movements	-	96	58	14	168
Total as at 30 June 2020	-	11,417	12,064	1,662	25,143

Provision for pollution incidents

Under Australia's National Plan for Maritime Environmental Emergencies, AMSA is responsible for reimbursement of the direct clean-up costs arising from an oil pollution incident that cannot be recovered from the polluter. AMSA makes these reimbursements to agencies that have incurred costs in relation to responding to ship-sourced pollution incidents. These payments are made from either reserve funds or by adjusting the Protection of the Sea Levy accordingly to recover any reimbursements made or due to be made.

In relation to the provision for ship-sourced pollution incident which was reported last year, AMSA completed the clean-up operation during 2019-20 with the remaining amount of the provision reversed. There was no further obligation in relation to this incident, however the recovery of the costs incurred by AMSA is reported in Note 5.2 as a contingent asset. AMSA does not have a constructive obligation in relation to any pollution incidents which have occurred during 2019-20.

Provision for restoration

AMSA has an obligation contained in leases or legislation for the making good to 16 property leases and 177 aids to navigation sites to their original condition at the conclusion of the lease. AMSA has therefore made a provision to reflect the present value of this obligation.

Provision for lead paint and asbestos removal

AMSA has a constructive obligation to undertake treatment and removal work in relation to lead paint and asbestos contaminants located at various aids to navigation sites. AMSA has therefore made a provision to reflect the present value of this obligation.

Accounting Policy

Where AMSA has a present obligation, either legal or constructive, it 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.

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.

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.

Provision for lead paint and asbestos removal

The uncertainty in determining the provision arises due to the number of assumptions used in determining estimates, the judgement required by management and the possibility of identifying new sites, or new areas within existing sites with lead paint or asbestos contamination.

Funding

This section identifies AMSA's funding structure.

Note 3.1: Regulatory Charging Summary

	2020 \$'000	2019 \$'000
Amounts applied		
Payments from Department of Infrastructure, Transport, Regional Development and Communications	125,158	123,152
Own-source revenue	17,716	12,058
Total amounts applied	142,874	135,210
Expenses		
Regulatory charging activities	135,435	146,136
Total expenses	135,435	146,136
External revenue		
Payments to Department of Infrastructure, Transport, Regional Development and Communications	127,617	124,377
Own-source revenue	17,716	12,058
Total external revenue	145,333	136,435
Total amounts written-off	5	-

Regulatory charging activities

Navigation infrastructure

Supporting the national network of integrated aids to navigation and traffic management measures in Australian waters to ensure safe, efficient, and effective coastal navigation for the commercial shipping industry.

Environmental marine protection

Resources the National Plan for Maritime Environmental Emergencies and preparedness to combat pollution by ensuring adequate capability to respond to incidents through: training of personnel in response techniques; acquisition, maintenance, and stockpiling of relevant equipment and supplies at key sites around Australia; and provision of emergency towage capability.

Seafarer and ship safety under Navigation Act 2012

Conducting a range of maritime safety and regulatory activities on international and domestic commercial shipping operations, consisting of: compliance inspections and audits undertaken on a risk based approach; port and flag state control inspections; marine surveys; cargo and handling inspections; marine qualification duties; accreditations and audits of registered training organisations; promotion of a culture of safety in the maritime industry; development of Australia's maritime regulations and standards; and participation in international and regional maritime forums.

Marine services and ship registration under Navigation Act 2012

Range of fee-based activities comprising: seafarer and coastal pilot qualifications, including approvals, issuing permits, authorisations, certifications, and licensing for domestic and international recognised marine qualifications; inspections and surveys requested by ship owners (or agents); shipping registration of Australian flagged vessels, including ensuring ships are maintained and crewed to a suitable standard; and other activities, such as determinations and exemptions.

Marine services under National System for domestic commercial vessel and seafarers

Range of fee-based activities, including: assessing applications and issuing approvals and certificates of operation, survey and competency of near coastal qualifications; administering, monitoring and maintaining network of accredited marine surveyors; and assessing applications for exemptions from applications of National Law and equivalent means of competency.

Documentation (Cost Recovery Implementation Statement) for the above activities is available on the AMSA website.

Notes to and forming part of the financial statements

People and Relationships

This section describes a range of employment and post employment benefits provided to our people and our relationships with other key people.

Note 4.1: Employee Benefits

	2020 \$'000	2019 \$'000
Note 4.1A: Employee expenses		
Wages and salaries	53,451	48,970
Superannuation		
Defined contribution plans	6,310	5,523
Defined benefit plans	3,109	3,521
Leave and other entitlements	8,108	8,495
Separations and redundancies	1,914	1,278
Other employee benefits - Fringe Benefits Tax	619	671
Total employee expenses	73,511	68,458
Note 4.1B: Employee provisions		
Leave	22,005	20,358
Total employee provisions	22,005	20,358

Accounting PolicyEmployee benefits

Liabilities for 'short-term employee benefits' (as defined in AASB 119 *Employee Benefits*) and 'termination benefits' due within 12 months of the end of the reporting period are measured at their nominal amounts.

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.

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 the Financial Reporting Rule (as per the Commonwealth Entities Financial Statements Guide) to calculate the long service leave liability.

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 affected employees that it will carry out the terminations.

Superannuation

AMSA staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS) or the PSS Accumulation Plan (PSSap), or other superannuation funds held outside the Australian Government.

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap and 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'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 represents outstanding contributions.

Notes to and forming part of the financial statements

Note 4.1: Employee Benefits (Continued)

Accounting Judgements and Estimates

In the process of applying the accounting policies listed in this note, AMSA has made judgements that have the most significant impact on the amounts recorded in the financial statements in relation to the use of estimates for on cost factors that are applied in calculating long service leave entitlements.

Note 4.2: Key Management Personnel Remuneration

	2020 \$'000	2019 \$'000
Short-term employee benefits	2,652	2,502
Post-employment benefits	365	349
Other long-term employee benefits	106	98
Termination benefits	48	307
Total key management personnel remuneration expenses	3,171	3,256

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of AMSA, directly or indirectly. AMSA has determined the key management personnel to be its Portfolio Minister, members of the AMSA Board and AMSA Executive.

The total number of key management personnel included in the table above is 16 (2019: 14). The figure does not include our Minister and one AMSA Board member as they did not receive payments from AMSA.

Note 4.3: Related Party Disclosures

Related party relationships

AMSA is an Australian Government controlled entity. Related parties are key management personnel, as defined above in Note 4.2, and other Australian Government entities.

Transactions with related parties

Given consideration to relationships with related parties, and transactions entered into during the reporting period by AMSA, it has been determined that there are no related party transactions to be separately disclosed.

Notes to and forming part of the financial statements

Managing Uncertainties

This section analyses how AMSA manages financial risks within its operating environment.

Note 5.1: Contingent Assets and Liabilities

	2020 \$'000	2019 \$'000
	Claims for damages or costs	
Contingent assets		
Balance from previous period	28,083	3,896
New contingent assets recognised	720	27,117
Re-measurement	(11,455)	(891)
Assets realised	(109)	(2,031)
Rights expired	-	(8)
Total contingent assets	17,239	28,083
Contingent liabilities		
Balance from previous period	-	-
New contingent liabilities recognised	27,200	-
Total contingent liabilities	27,200	-
Net contingent assets	(9,961)	28,083

Quantifiable contingencies

The contingent assets include insurance claims for cyclone damage to a number of aids to navigation of \$1,605,000 (2019: \$966,000) and pollution incidents of \$15,664,000 (2019: \$27,117,000). The estimate is based on the expected settlements for these claims.

The contingent liabilities include pollution incidents of \$27,200,000 (2019: Nil). The estimate is based on the expected clean-up costs of the pollution incidents.

Unquantifiable contingencies

In the normal course of operations, 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 on pollution incident costs, where quantifying a reasonable estimate of the cost to remediate ship sourced marine pollution has not been possible, no amount has been included.

Accounting Policy

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the 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.

Accounting Judgement and Estimates**Contingent liability for pollution incidents**

The contingent liability for pollution incidents represents a possible obligation whose existence will be confirmed only by the occurrence or non-occurrence of future uncertain events outside AMSA's control, resulting in significant uncertainty whether the contingent liability will crystallise into a provision in future years and result in the outflow of resources.

The uncertainty in estimating the contingent liability for pollution incidents results in a significant risk that a material adjustment to the contingent liability may be required in future years. The uncertainty arises due to the complex judgement required by management in the estimation of the clean-up costs for pollution incidents and limited experience with similar pollution incidents.

AMSA will seek to recover all costs incurred for pollution incidents.

Notes to and forming part of the financial statements

Note 5.2: Financial Instruments

	Notes	2020 \$'000	2019 \$'000
Note 5.2A: Categories of financial instruments			
Financial assets			
Financial assets at amortised cost			
Cash and cash equivalents		18,774	19,773
Investments		71,000	90,000
Receivables for goods and services	2.1A	45	339
Other receivables	2.1A	623	2,754
Total financial assets at amortised cost		90,442	112,866
Financial liabilities measured at amortised cost			
Trade creditors	2.3A	21,632	28,559
Finance leases	2.4A	-	1,216
Lease liability	2.4A	128,156	-
Total financial liabilities measured at amortised cost		149,788	29,775
Note 5.2B: Net gains or losses on financial assets			
Financial assets at amortised cost			
Interest revenue		1,829	2,619
Reversal of impairment loss		66	84
Impairment loss allowance		(18)	(70)
Net gain on financial assets at amortised cost		1,877	2,633

The total interest income from financial assets not at fair value through profit and loss was \$1,829,000 (2019: \$2,619,000).

Note 5.2C: Net gains or losses on financial liabilities

Financial liabilities measured at amortised cost			
Interest expense		1,642	93
Net loss on financial liabilities measured at amortised cost		1,642	93

The total interest expense from financial liabilities not at fair value through profit and loss was \$1,642,000 (2019: \$93,000).

Accounting Policy
Financial assets

AMSA classifies its financial assets as financial assets measured at amortised cost.

The classification depends on both AMSA's business model for managing the financial assets and contractual cash flow characteristics at the time of initial recognition. Financial assets are recognised when AMSA becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash and derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date.

Financial assets at amortised cost

Financial assets included in this category need to meet two criteria:

1. the financial asset is held in order to collect the contractual cash flows; and
2. the cash flows are solely payments of principal and interest (SPPI) on the principal outstanding amount.

Amortised cost is determined using the effective interest method.

Effective interest method

Income is recognised on an effective interest rate basis for financial assets that are recognised at amortised cost.

Notes to and forming part of the financial statements**Note 5.2: Financial Instruments (Continued)****Accounting Policy (Continued)****Impairment of financial assets**

Financial assets are assessed for impairment at the end of each reporting period based on expected credit losses, using the general approach which measures the loss allowance based on an amount equal to lifetime expected credit losses where risk has significantly increased, or an amount equal to 12-month expected credit losses if risk has not increased.

The simplified approach for trade, contract and lease receivables is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

A write-off constitutes a derecognition event where the write-off directly reduces the gross carrying amount of the financial asset.

Financial liabilities

Financial liabilities are classified as financial liabilities at amortised cost and are recognised and derecognised upon trade date.

Financial liabilities at amortised cost

Financial liabilities are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective interest basis.

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).

Notes to and forming part of the financial statements

Other Information

Note 6.1: Aggregate Assets and Liabilities

	2020 \$'000	2019 \$'000
Assets expected to be recovered in:		
No more than 12 months	102,235	123,622
More than 12 months	282,086	161,817
Total assets	384,321	285,439
Liabilities expected to be settled in:		
No more than 12 months	55,157	70,929
More than 12 months	144,652	37,601
Total liabilities	199,809	108,530

Appendix 2: Details of the Accountable Authority during the reporting period (2019–20)



Mr Stuart Richey AM (Chair)

Tasmanian commercial fisherman and offshore services operator, Mr Stuart Richey AM, was appointed Chair of the Board on 21 November 2014 for a period of five years. Since July 2013, Mr Richey had been serving as a Board member and since April 2014 as the Deputy Chair. Mr Richey brings a strong leadership style and many years' experience in marine policy and planning to the Board. Mr Richey was reappointed as Chair effective from 21 November for a three year term.

Between 1992 and 2001, Mr Richey served as foundation member and Deputy Chair on the Board of the Australian Fisheries Management Authority. From 2003 to 2012, he was Deputy Chair of the Fisheries Research and Development Corporation. Mr Richey currently Chairs several industry advisory bodies and associations.

As Managing Director of Richey Fishing Company and Richey Services, Mr Richey's business includes salmon, scallop, squid, and marine charter operations.

Mr Richey was made a Member of the Order of Australia in 2005 for his service to the commercial fishing industry. His focus on the promotion of sustainable use of Australian Government managed fishery resources and the development of new national marine polices and safety legislation has been particularly beneficial to the industry. Mr Richey is also a Fellow of the Australian Institute of Company Directors and holds current Master IV and MED qualifications.



Ms Jennifer Clark (Deputy Chair)

Ms Jennifer Clark was appointed Deputy Chair of the Board on 10 February 2015 and reappointed on 10 February 2020 for a further five years. Ms Clark was appointed to the Board on 8 May 2012 and was appointed Chair of the AMSA Board Audit Committee in February 2014.

Ms Clark is a Board Member of the Australian Payments Network Limited and is a member of its Audit Risk and Finance Committee and Chair of the Policy Experts Group. She is Chair of the Audit and Risk Committees of Services Australia; the Department of Defence; Australian Bureau of Statistics; Austrade; the Australian Sports Anti-Doping Authority; the Australian Commission on Safety and Quality in Health Care; the Australian Law Reform Commission; and is Chair of the Department of Defence Capability Acquisition and Sustainment Group Risk Advisory Committee. Ms Clark is also an independent member of the Audit and Risk Committees for the Department of Finance and the Parliamentary Budget Office. Ms Clark is also a member of the Department of Home Affairs Audit 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. In her banking career, Ms Clark provided advice to the Commonwealth Government and was responsible for funding major infrastructure projects and arranging finance for a large number of Australian companies. 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 26 years.



Mr Mick Kinley (Chief Executive Officer)

Mr Mick Kinley became AMSA's Chief Executive Officer on 26 August 2014 and was reappointed from 1 July 2020 for a further four year term. Mr Kinley was previously the Deputy Chief Executive Officer and held that position from October 2008. Mr Kinley joined AMSA in Cairns as a Marine Surveyor in 1994. He has since gained experience across all of our business areas with a focus on maritime safety and casualty response.

Prior to joining AMSA, Mr Kinley had an extensive career with BHP. He started as an engineer cadet with BHP Transport and sailed with the BHP fleet before serving in various shore-based roles, including fleet safety instructor and project engineer.

Mr Kinley holds an Australian Chief Engineer Class 1 Certificate, a Bachelor of Applied Science, a Bachelor of Engineering, and a Graduate Diploma in Legal Studies. Mr Kinley is a member of the Australian Institute of Company Directors.



Mr Peter Toohey

Mr Peter Toohey was appointed to the Australian Maritime Safety Authority (AMSA) Board on 17 June 2015 and reappointed on 21 November 2018 for a further three year term.

Mr Toohey is currently Chief Engineer, Brisbane Tugs with Svitzer Australia. He is Secretary for the Queensland branch of the Australian Institute of Marine and Power Engineers. He has participated in eighteen salvages with United Salvage and Svitzer Salvage as Salvage engineer since 1991 until 2015.

Mr Toohey began his career with Howard Smith Industries as an apprentice Fitter and Turner and Marine Engineer student in 1974 and became a seagoing marine engineer in 1978 working in all positions from 7th to Chief Engineer on tankers and bulk carriers with Howard Smith Shipping.

Ms Jane Cutler



Ms Jane Cutler was appointed to the Board on 10 September 2017 for a period of three years.

Ms Cutler is currently Director of the Southern Ports Authority and member of the Health, Safety and Environment Committee. She is Deputy President of the Institution of Chemical Engineers and a member of the Western Australian Division Council of the Australian Institute of Company Directors.

Ms Cutler has thirty years of board level and senior executive experience across the public, commercial and not for profit sectors. She has particular experience in the resources, oil and gas, financial services, maritime, environment and technology industries. She has actively served on a diverse range of board subcommittee's contributing both as a member and Chair including audit and risk, finance, investment, selection, diversity and events committee responsibilities. Most recently, Ms Cutler was Chief Executive Officer of the National Offshore Petroleum Safety and Environment Management Authority.

Ms Cutler has a Bachelor of Chemical and Materials Engineering (HONs), a Master of Environmental Studies, and a Master of Business Administration. She is a Fellow of the Australian Institute of Company Directors and the Institute of Chemical Engineers.

Mr Anthony Briggs



Mr Anthony (Tony) Briggs was appointed to the AMSA Board on 21 November 2018 for a three year term.

Mr Briggs is the founder and former Managing Director of Coral Princess Cruises. Mr Briggs founded the Cairns-based small ship company in 1984 and remained its Managing Director until 2014, when the company was sold. Mr Briggs has had experience as Master and/or engineer for Haman Island; Hayles Ferries; Pacific Tug and Westham Dredging.

Mr Briggs is a Director, of the Shipowners' Mutual Protection and Indemnity Association (Luxembourg) and a member of SMP Finance Committee. He is a former member of Queensland Marine Board Cooperative Research Centre for the Ecological Sustainability of the Great Barrier Reef. Mr Briggs has Master Class 3 (Trading) and Marine Engine Drive (Motor) Grade 1.



Dr Rosalie Balkin AO

Dr Rosalie Balkin was appointed to the AMSA Board on 21 November 2018 for a three year term. She is currently Secretary-General of the Comité Maritime International (CMI), (the first woman to be so elected in that NGO's 120 year history), Ethics Officer for the World Maritime University and member of the Seafarers Rights International Advisory Board.

From 1998 to 2013 Dr Balkin served as Director of Legal Affairs and External Relations at the International Maritime Organization (IMO). During that time she was Secretary of IMO's Legal Committee and Executive Secretary of IMO's Council and Assembly. From 2011 to her retirement she was promoted to IMO's Assistant Secretary-General. Prior to joining IMO, she held academic positions at universities in South Africa, Australia and the United Kingdom. After a period as Legal Adviser to the Commonwealth Ombudsman, Dr Balkin worked for some years in the Office of International Law in the Federal Attorney-General's Department.

Dr Balkin was awarded the Order of Australia (AO) in January 2018 for her distinguished service to maritime law through roles in a range of organisations, to the improvement of global shipping transport safety and standards and to education as an academic and author. Dr Balkin was the editor of the International Maritime Law Institute *Treatise on Global Ocean Governance* Vol III, published by Oxford University Press in 2018 and was a member of the Conciliation Commission established under the United Nations Convention on the Law of the Sea, which facilitated Timor Leste and Australia reaching agreement on their maritime boundaries in the Timor Sea.



Dr Ian Poiner

Dr Ian Poiner was appointed to the AMSA Board on 13 November 2019 for a period of three years.

Dr Poiner is the current Chairperson of the Great Barrier Reef Marine Park Authority and Chair of the Australian and New Zealand International Ocean Discovery Program Consortium. His recent roles include Chair of the Australia's Integrated Marine Observing System; Marine National Facility Steering Committee; CSIRO Oceans and Atmosphere Advisory Committee; and the Reef and Rainforest Research Centre.

Following a successful research career at CSIRO (1985–2004), Dr Poiner served as the Chief Executive Officer of the Australian Institute of Marine Science from 2004 to 2011. He was a member of the International Scientific Steering Committee of the Census of Marine Life from 2002 and its Chair from 2007 to 2013. From 2012 to 2016 he was Chair of the Gladstone Healthy Harbour Partnership Science Panel.

Dr Poiner holds a BSc Hons 1A Zoology and PhD Zoology from the University of Queensland and an Honorary Doctor of Science from James Cook University. Dr Poiner is a Fellow of the Australian Academy of Technological Sciences and Engineering.



Dr Rachel Bacon

Dr Rachel Bacon was appointed to the AMSA Board in an ex-officio capacity on 19 November 2018. Dr Bacon holds the position of Deputy Secretary responsible for Regional and Territories in the Department of Infrastructure, Transport, Regional Development and Communications.

Her 20 year career in the public service has included senior positions at the Departments of Environment and Energy, Prime Minister and Cabinet, and Attorney-General's. Dr Bacon also served for more than two years in the Northern Territory public service as Deputy CEO in the Department of the Chief Minister.

Dr Bacon is a graduate of the Australian Institute of Company Directors, and her PhD, awarded in 2005, focused on administrative law and organisational change.



Dr Russell Reichelt

Dr Russell Reichelt was appointed to the Board on 7 August 2007, reappointed in 2010, 2013, and then again in November 2016 until his departure on 11 November 2019. From December 2019, Dr Reichelt was appointed as an independent member on AMSA's Board Audit Committee.

Dr Reichelt is currently the Australian Prime Minister's representative for the High Level Panel for a Sustainable Ocean Economy: a 14-country consortium led by Norway and Palau; Chairman of NSW Marine Estate Management Authority; and a board member of the Climate Change Authority and the Great Barrier Reef Foundation Limited (pro bono).

Dr Reichelt has served as Chairman of the Great Barrier Reef Marine Park Authority, the Chief Executive Officer and board member of the Australian Institute of Marine Science and as Chairman of Australia's Fisheries Research and Development Corporation and Seafood Services Australia Limited. He has also been Chairman of the Commonwealth's National Oceans Advisory Group.

He holds a PhD in Marine Science (tropical marine science) 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.

Details of the AMSA Accountable Authority for the reporting period (2019–20)

Period as the accountable authority or member		Date of commencement	Date of cessation	Number of meetings of the board of the agency
Name	Qualifications of the Accountable Authority	Experience of the Accountable Authority	Position Title / Position held Executive / Non-Executive	
Mr Stuart Richey AM	Master Class IV MED 2 FAICD	Mr Richey AM is a Tasmanian commercial fisherman and offshore services operator. Mr Richey brings a strong leadership style and many years' experience in marine policy and planning to the Board. As Managing Director of Richey Fishing Company and Richey Services, Mr Richey's business includes salmon, scallop, squid, and marine charter operations.	Chair	6/6
Ms Jennifer Clark	FAICD	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 21 years. Ms Clark has been a Board and committee member of a number of companies and Commonwealth Government agencies over the past 28 years including in the maritime, defence and finance sectors.	Deputy chair / Chair, Board Audit Committee	6/6
Mr Mick Kinley	BAppSc BEng GradDip Leg Australian Chief Engineer Class 1 Certificate MAICD	Mr Kinley became AMSA's Chief Executive Officer on 27 August 2014 after joining the organisation as a marine surveyor in 1994. Prior to joining AMSA, Mr Kinley had an extensive career with BHP. He started as an engineer cadet with BHP Transport and sailed with the BHP fleet before serving in various shore-based roles, including fleet safety instructor and project engineer.	AMSA CEO Member (ex officio)	6/6
Mr Peter Toohey	GAICD. STCW III/2, Engineer Class 1 (Motor). Fitter & Turner Trade Certificate	Mr. Toohey was formerly Chief Engineer, Brisbane Tugs with Switzer Australia. He is Secretary for the Queensland branch of the Australian Institute of Marine and Power Engineers. He has participated in eighteen salvages with United Salvage and Switzer Salvage as Salvage engineer since 1991 until 2015.	Member	6/6
Ms Jane Cutler	BE Chem&Mat (Hons) MEnvSt MBA FAICD FIChemE	Ms Cutler is currently a Director of the Southern Ports Authority and member of the Health, Safety and Environment Committee. She is Deputy President of the Institution of Chemical Engineers and a member of the WA Division Council of Australian Institute of Company Directors. Ms Cutler has thirty years of Board level and senior executive experience across the public, commercial and not for profit sectors.	Member	6/6

Mr Anthony Briggs	Master Class 3 (Expired) Marine Engine Driver (MED) 1 (Expired)	Mr Briggs is the founder and former Managing Director of Coral Princess Cruises. Mr Briggs is a Director of the Shipowners' Mutual Protection and Indemnity Association (Luxembourg) and a member of SMP Finance Committee. He is a former member of Queensland Marine Board Cooperative Research Centre for the Ecological Sustainability of the Great Barrier Reef.	Member	21 November 2018	20 November 2021	5/6
Dr Rosalie Balkin AO	BA LLB Phd	Dr Balkin is currently Secretary-General of the Comité Maritime International (CMI), the first woman to be so elected in that NGO's 120 year history. From 1998 to 2013 Dr Balkin was Director of Legal Affairs and External Relations at the International Maritime Organization (IMO). Prior to joining IMO, she was Assistant Secretary in the Office of International Law, Attorney-General's Department and held academic positions at universities in South Africa, Australia and the United Kingdom.	Member	21 November 2018	20 November 2021	6/6
Dr Ian Poiner	BSc Hons 1A Zoology PhD Zoology	Dr Poiner is the current Chairperson of the Great Barrier Reef Marine Park Authority and Chair of the Australian and New Zealand International Ocean Discovery Program Consortium. His recent roles include Chair of the Australia's Integrated Marine Observing System; Marine National Facility Steering Committee; CSIRO Oceans and Atmosphere Advisory Committee, and the Reef and Rainforest Research Centre. He has served as the Chief Executive Officer of the Australian Institute of Marine Science from 2004 to 2011. He was a member of the International Scientific Steering Committee of the Census of Marine Life from 2002 and its Chair from 2007 to 2013. From 2012 to 2016 he was Chair of the Gladstone Healthy Harbour Partnership Science Panel.	Member	13 November 2019	13 November 2022	4/4
Dr Rachel Bacon	PhD BA (Hons); LLB (Hons) GAICD	Dr Bacon appointed to the AMSA Board in an ex-officio capacity as Deputy Secretary responsible for Regional and Territories in the Department of Infrastructure, Transport, Regional Development and Communications.	Member (ex officio)	19 November 2018	Ongoing	6/6
Dr Russell Reichelt	PhD Marine Science FTSE FMEST (UK) FAICD	Dr Reichelt is currently the Australian Prime Minister's representative for the High Level Panel for a Sustainable Ocean Economy; Chairman of NSW Marine Estate Management Authority; a Board member of the Climate Change Authority and the Great Barrier Reef Foundation Limited (pro-bono). He has served as Chairman of the Great Barrier Reef Marine Park Authority, the Chief Executive Officer and Board member of the Australian Institute of Marine Science and as Chairman of Australia's Fisheries Research and Development Corporation and Seafood Services Australia Limited; and Chairman of the Commonwealth's National Oceans Advisory Group.	Member	7 August 2007	11 November 2019	2/2

Board and Board Audit Committee meetings

Board meetings:

- 238 – 07 August 2019
- 239 – 18 September 2019
- Out of session teleconference – 07 November 2019
- 240 – 18 December 2019
- 241 – 18 March 2020
- 242 – 13 May 2020
- 243 – 24 June 2020

Board Audit Committee meetings:

- 146 – 28 August 2019
- 147 – 11 September 2019
- 148 – 04 December 2019
- 149 – 04 March 2020
- 150 – 30 April 2020
- Out of session Microsoft Teams meeting – 06 May 2020

Remuneration Committee meetings:

- 06 August 2019
- 18 September 2019

Board Audit Committee

Member name	Qualifications, knowledge, skills or experience (include formal and informal as relevant)	Number of meetings attended / total number of meetings	Total annual remuneration	Superannuation paid
Ms Jennifer Clark Chair	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 21 years. Ms Clark has been a Board member and Chair or member of a number of audit, finance and risk committees in Commonwealth Government agencies and private sector companies over the past 29 years including in the maritime, defence and finance sectors. She is a Fellow of the Australian Institute of Company Directors and is Deputy Chair of the AMSA Board.	1/1 (video conference) 5/5	\$16,350	\$2,513.28
Russell Reichelt	Dr Reichelt is currently the Australian Prime Minister's representative for the High Level Panel for a Sustainable Ocean Economy; Chairman of NSW Marine Estate Management Authority; a Board member of the Climate Change Authority and the Great Barrier Reef Foundation Limited (pro-bono). He has served as Chairman of the Great Barrier Reef Marine Park Authority, the Chief Executive Officer and Board member of the Australian Institute of Marine Science and as Chairman of Australia's Fisheries Research and Development Corporation and Seafood Services Australia Limited; and Chairman of the Commonwealth's National Oceans Advisory Group.	1/1 (video conference) 2/2 (Board representative) 3/3 (Independent member)	\$3,265 \$11,142.00	\$502.66 N/A
Mr David Lawler	Mr Lawler has an extensive career in financial services holding Executive positions in the Commonwealth Bank of Australia as Executive General Manager, Finance – Premium Financial Services, Financial Contoller – Institutional Banking and Group Auditor. He is the past Chairman on the National Board, Institute of Internal Auditors; Past member of the International Internal Auditing Standards Board of the Institute of Internal Auditors; past President, NSW Board of Governors, Institute of Internal Auditors; and fellow of the Australian Society of Certified Practising Accountants. Mr Lawler has also had non-executive roles as a Chair or Member of numerous Audit Committees in private and Commonwealth sectors over the past 19 years.	4/4	\$16,341.60	N/A
Ms Elizabeth Montano	Ms Montano holds the degrees of Bachelor of Arts and Bachelor of Laws (UNSW) and is a Fellow of the Australian Institute of Company Directors. She has over twenty years' experience as chair, deputy chair and member of boards and audit committees across a range of government and not for profit entities. She has broad ranging experience in governance and the machinery of government including in financial and performance reporting, risk, assurance and program and project management and oversight. She is a former Chief Executive Officer in the Commonwealth and senior financial services lawyer with King & Wood Mallesons.	1/1 (video conference) 2/2	\$8,170.80	N/A

Appendix 3: Management of Human Resources

All ongoing employees current report period (2019–20)

	Male			Female			Indeterminate			Total
	Full time	Part time	Total male	Full time	Part time	Total female	Full time	Part time	Total indeterminate	
NSW	27	-	27	11	-	11	-	-	-	38
QLD	32	-	32	10	1	11	-	-	-	43
SA	5	-	5	2	-	2	-	-	-	7
TAS	7	-	7	1	1	2	-	-	-	9
VIC	11	-	11	3	1	4	-	-	-	15
WA	22	-	22	4	1	5	-	-	-	27
NT	3	-	3	1	-	1	-	-	-	4
ACT	115	1	116	92	15	107	1	-	1	224
External Territories	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	1	-	1	-	-	-	1
Total	222	1	223	125	19	144	1	-	1	368

All non-ongoing employees current report period (2019–20)

	Male			Female			Indeterminate			Total
	Full time	Part time	Total male	Full time	Part time	Total female	Full time	Part time	Total indeterminate	
NSW	3	-	3	1	-	1	-	-	-	4
QLD	3	1	4	3	1	4	-	-	-	8
SA	1	-	1	-	-	-	-	-	-	1
TAS	-	-	-	-	-	-	-	-	-	-
VIC	1	-	1	1	-	1	-	-	-	2
WA	1	-	1	1	-	1	-	-	-	2
NT	-	-	-	1	-	1	-	-	-	1
ACT	31	5	36	20	7	27	-	-	-	63
External Territories	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-
Total	40	6	46	27	8	35	-	-	-	81

All ongoing employees previous report period (2018–19)

	Male			Female			Indeterminate			Total
	Full time	Part time	Total male	Full time	Part time	Total female	Full time	Part time	Total indeterminate	
NSW	17	-	17	2	-	2	-	-	-	19
QLD	28	-	28	6	1	7	-	-	-	35
SA	5	-	5	3	-	3	-	-	-	8
TAS	7	-	7	1	1	2	-	-	-	9
VIC	10	-	10	2	2	4	-	-	-	14
WA	22	-	22	3	1	4	-	-	-	26
NT	4	-	4	1	-	1	-	-	-	5
ACT	120	1	121	90	17	107	1	-	1	229
Overseas	-	-	-	-	-	-	-	-	-	-
Total	213	1	214	108	22	130	1	-	1	345

All non-ongoing employees previous report period (2018–19)

	Male			Female			Indeterminate			Total
	Full time	Part time	Total male	Full time	Part time	Total female	Full time	Part time	Total indeterminate	
NSW	2	-	2	-	-	-	-	-	-	2
QLD	3	1	4	3	1	4	-	-	-	8
SA	1	-	1	-	-	-	-	-	-	1
TAS	-	-	-	-	-	-	-	-	-	-
VIC	1	-	1	1	-	1	-	-	-	2
WA	2	-	2	-	-	-	-	-	-	2
NT	-	-	-	-	-	-	-	-	-	-
ACT	31	5	36	21	10	31	-	-	-	67
Overseas	1	-	1	-	-	-	-	-	-	1
Total	41	6	47	25	11	36	-	-	-	83

Appendix 4: Executive remuneration

Table 1: Key Management Personnel

Key management personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of AMSA. AMSA has determined the KMP to be the members of the AMSA Board and Executive.

Members of the AMSA Board and Executive were as follows:

Name	Position title	Short term benefits			Post employment benefits	Other long term benefits			Termination benefits	Total remuneration
		Base salary*	Bonuses	Other benefits and allowances		Long service leave	Other long term benefits			
Stuart Richey	Board Member (Chair)	119,713	–	–	18,439	–	–	–	138,152	
Jennifer Clark	Board Member (Deputy Chair)	106,183	–	–	16,374	–	–	–	122,557	
Jane Cutler	Board Member	59,857	–	–	9,219	–	–	–	69,076	
Russell Reichelt ¹	Board Member	24,935	–	–	3,522	–	–	–	28,457	
Peter Toohey	Board Member	59,857	–	–	9,219	–	–	–	69,076	
Anthony Briggs	Board Member	59,857	–	–	9,219	–	–	–	69,076	
Rosalie Balkin	Board Member	59,857	–	–	9,219	–	–	–	69,076	
Ian Polner ²	Board Member	37,696	–	–	6,122	–	–	–	43,818	
Michael Kinley	Board Member and Chief Executive Officer	473,523	68,866	4,995	66,567	44,698	–	–	658,649	

Name	Position title	Short term benefits				Post employment benefits			Other long term benefits			Total remuneration
		Base salary	Bonuses	Other benefits and allowances	Superannuation contributions	Long service leave	Other long term benefits	Termination benefits				
Gary Prosser ³	Deputy Chief Executive Officer	103,101	23,093	–	17,647	8,836	–	48,162				200,839
Sachi Wimmer ⁴	Deputy Chief Executive Officer	148,400	–	2,184	24,027	1,987	–	–				176,598
Allan Schwartz	General Manager Operations	294,422	24,822	4,995	52,864	15,058	–	–				392,161
Bradley Groves	General Manager Standards	296,713	20,685	4,995	53,023	16,943	–	–				392,359
Mark Morrow	General Manager Response	292,292	11,813	17,731	42,712	7,773	–	–				372,321
Cherie Enders	Chief Operating Officer	304,896	21,138	4,995	27,113	10,880	–	–				369,022
Total		2,441,302	170,417	39,895	365,286	106,175	–	48,162				3,171,237

1. Russell Reichelt ceased as a Board Member on 11 November 2019.

2. Ian Painer was appointed as a Board Member on 13 November 2019.

3. Gary Prosser ceased in the role as Deputy Chief Executive Officer on 21 October 2019.

4. Sachi Wimmer was appointed Deputy Chief Executive Officer on 23 January 2020.

* Base salary consists of the cash salary (as detailed in executive common law employment contracts), accrued annual leave and higher duties allowance (paid when executives are acting temporarily in a position with a higher base salary).

The above KMP remuneration includes the remuneration and other benefits of the AMSA Board which is determined by the Remuneration Tribunal. Remuneration arrangements for the Chief Executive Officer (CEO) is shared between the Remuneration Tribunal and the Chairman of the AMSA Board.

The CEO determines remuneration and conditions for AMSA Executive having regard to the Government's Workplace Relations Bargaining Policy 2018 and relativity for comparable positions within AMSA, the APS and the wider employment market.

The AMSA Executive, apart from the CEO, are employed under common law contracts which set out the core conditions and terms of employment, including remuneration.

Table 2: Senior Executives

Senior Executives are defined as responsibility centre managers (Senior Managers) and are included below:

Total remuneration bands	Number of senior executives	Short term benefits			Post employment benefits	Other long term benefits		Termination benefits	Total remuneration
		Average base salary	Average bonuses	Average other benefits and allowances		Average long service leave	Average other long term benefits		
\$220,000 or less	11	70,504	2,942	2,493	14,579	2,499	–	–	93,017
\$220,001 – \$245,000	8	182,713	7,175	4,371	30,839	7,293	–	–	232,391
\$245,001 – \$270,000	4	198,558	12,246	4,995	34,768	10,172	–	–	260,739
\$270,001 – \$295,000	7	216,397	17,269	6,060	34,725	9,312	–	–	283,763
\$295,001 – \$320,000	3	242,801	13,068	5,737	35,220	9,630	–	–	306,456
\$320,001 – \$345,000	1	175,744	9,753	4,572	28,380	3,641	–	103,170	325,260
\$345,001 – \$370,000	1	254,742	20,747	4,995	47,756	18,015	–	–	346,255
\$420,001 – \$445,000	1	194,804	16,160	4,995	39,831	11,311	–	158,852	425,953
\$470,001 – \$495,000	1	208,769	–	4,750	39,023	3,490	–	220,244	476,275

Senior Executives (Senior Managers) are employed under common law contracts which set out the core conditions and terms of employment, including remuneration.

The AMSA Executive, in consultation with the CEO, determine remuneration and conditions for Senior Executives (Senior Managers) having regard to the Government’s Workplace Relations Bargaining Policy 2018 and relativity for comparable positions within AMSA, the APS and the wider employment market.

Table 3: Other Highly Paid Staff

Total remuneration bands	Number of other highly paid staff	Short term benefits			Post employment benefits	Other long term benefits		Termination benefits	Total remuneration
		Average base salary	Average bonuses	Average other benefits and allowances		Average long service leave	Average other long term benefits		
\$225,001 – \$245,000	9	178,600	460	10,094	26,781	7,576	–	7,824	231,336
\$245,001 – \$270,000	12	189,085	453	5,840	27,890	9,471	–	18,236	250,975
\$270,001 – \$295,000	1	224,569	–	–	33,969	19,308	–	–	277,846
\$295,001 – \$320,000	2	127,165	–	–	23,877	(1,254)	–	160,957	310,746
\$345,001 – \$370,000	2	155,364	–	–	20,578	(2,202)	–	180,480	354,220

Other highly paid staff are employed under the Australian Maritime Safety Authority Enterprise Agreement 2016–2019.

Notes in relation to information contained in Table 1, 2 and 3:

1. These tables were prepared on an accrual basis. Some of the amounts are impacted by the duration of service during the reporting period
2. The base salary amount includes salary, allowances, annual leave paid and the movement in annual leave provision during the reporting period.
3. The bonuses are payable within 12 months.
4. The other benefits and allowances amount includes car parking, housing benefits, other benefits and the associated fringe benefits tax amount where it is reportable.
5. The superannuation contributions amount includes employer contributions, including the productivity component.
6. The long service leave amount includes long service leave paid and the movement in the long service leave provision during the reporting period.
7. The termination benefits amount excludes annual leave and long service leave paid out on cessation of employment.

Appendix 5: Implementation of findings from the ANAO audit: Application of Cost Recovery Principles

The full report can be accessed here: <https://www.anao.gov.au/work/performance-audit/application-cost-recovery-principles>

	Recommendations	Details of findings	Progress
1	Cost recovery arrangements are transparent and promote accountability		
1.1	Ensure that our Cost Recovery Implementation Statement (CRIS) is fully compliant with Australian Government Cost Recovery Guidelines, including in relation to any updates.	<p>Main areas of non-compliance:</p> <ul style="list-style-type: none"> not published at the commencement of each financial year for the budget year, and updated progressively explanation of costing model for each activity stakeholder engagement strategy, including summary of the latest engagement round (refer to 3.1) financial estimate for the activity for the budget year and forward estimates performance reporting (refer to 1.2); and key forward dates and events. (Clauses 2.9, 2.10, 2.11, and 2.12) 	<p>Majority of these non-compliance issues were resolved with the publication of our 2019–20 CRIS in December 2019.</p> <p>Timeframe: Completed</p> <p>Compliance is an ongoing process and we will update and publish our 2020–21 CRIS applying Activity Based Costing-Zero Based Budgeting (ABC-ZBB) model results before the commencement of the financial year.</p> <p>Timeframe: June 2020 with publication of 2020–21 CRIS (originally May 2020).</p>
1.2	Report in our CRIS cost recovery performance at the regulatory activity level.	<p>AMSA's published CRIS's have not:</p> <ul style="list-style-type: none"> provided disaggregated historical financial performance information at the regulatory activity level (i.e. by levy type or fee grouping), rather only consolidated information has been provided; and limited provision of non-financial performance measures at the regulatory activity level. (Clauses 2.21 and 2.22) 	<p>AMSA's 2019–20 CRIS provided the level of disaggregation required for the current and forward years.</p> <p>Timeframe: Completed</p> <p>In relation to specific performance measures for fee-based activities (i.e. marine services and ship registration), we are currently developing/ assessing key performance indicators. We capture significant amount of data for internal reporting purpose and this is available for tracking performance.</p> <p>Timeframe: during 2020–21 (originally December 2020).</p>

Recommendations	Details of findings	Progress
<p>1.3 Implement effective governance and accountability arrangements.</p>	<p>Lack of internal documentation that specifically outlines its cost recovery process and procedures, stakeholder engagement, and rules underpinning the costing model. (Clause 2.30)</p>	<p>We have implemented a Cost Recovery Policy (effective from May 2019) and a cost recovery procedure document will be completed on conclusion of the ABC-ZBB exercise incorporating the experience within.</p> <p>Timeframe: June 2020 (originally December 2019).</p> <p>Change (delay) in timeframe is the result of the 2019–20 ABC-ZBB budget model development, approved in January 2020. We will now incorporate key assumptions and rules underpinning this model in the procedural and guidance material.</p>
<p>2 Cost recovery arrangements are efficient and effective</p>	<p><i>Australian Cost Recovery Guidelines</i> states that when designing a levy, the cost-driver should approximate the level of resources used to provide the activity and that differentiate levy rates may be used to more closely reflect resources used by different groups.</p> <p>The expectation is that we should be able to demonstrate a clear link between the level of effort and the charge (levy). However there appears to be no clear relationship between costs and provision of regulatory activities (using the mechanism of Net Registered Tonnage).</p> <p>The likely result is cross subsidisation of the owners of smaller vessels by the owners of larger vessels. Although, it is recognised that a tonnage based approach is industry practice, differential levy rates could be used to more closely reflect resources used by different users based on a risk based approach, size of vessels or other criteria. (Clause 3.6)</p>	<p>We have undertaken preliminary work to assess various variables in our risk-based approach of regulatory activities and linkages to a mechanism in which we may be able to charge industry. This has involved the potential of charging different types, sizes, flagged, and compliant vessels separately, as well as the reviewing the basis of payment (i.e. currently quarterly, could be per voyage or per port visit) and the rate bands.</p> <p>Any option to align the level of effort to the regulatory activities provided (and associated charging structures) must be weighed up against the ease of operation and associated costs of administration.</p> <p>Our initial conclusion is that tonnage is the most appropriate method in which to charge industry. In fact, it is the only internationally standardised measurement for ships (through the International Maritime Organization) with many international jurisdictions using a tonnage approach to charging industry. It also appears to be an indicator of the level of effort from our risk-based approach to regulatory activities.</p> <p>Nevertheless, we have yet to finalise our conclusions. Any decision will involve extensive consultation with a vast number of stakeholders, including the Department of Infrastructure and Department of Finance to seek guidance on the process. An opportune time to undertake this engagement may be at the time of the domestic commercial vessel review in 2020–21.</p> <p>Timeframe: 2021–22</p>
<p>2.1 Examine use of tonnage-based proxies for levies to enable charges to more closely link to the level of efficient regulatory effort expended for specific outputs.</p>	<p><i>Australian Cost Recovery Guidelines</i> states that when designing a levy, the cost-driver should approximate the level of resources used to provide the activity and that differentiate levy rates may be used to more closely reflect resources used by different groups.</p> <p>The expectation is that we should be able to demonstrate a clear link between the level of effort and the charge (levy). However there appears to be no clear relationship between costs and provision of regulatory activities (using the mechanism of Net Registered Tonnage).</p> <p>The likely result is cross subsidisation of the owners of smaller vessels by the owners of larger vessels. Although, it is recognised that a tonnage based approach is industry practice, differential levy rates could be used to more closely reflect resources used by different users based on a risk based approach, size of vessels or other criteria. (Clause 3.6)</p>	<p>We have undertaken preliminary work to assess various variables in our risk-based approach of regulatory activities and linkages to a mechanism in which we may be able to charge industry. This has involved the potential of charging different types, sizes, flagged, and compliant vessels separately, as well as the reviewing the basis of payment (i.e. currently quarterly, could be per voyage or per port visit) and the rate bands.</p> <p>Any option to align the level of effort to the regulatory activities provided (and associated charging structures) must be weighed up against the ease of operation and associated costs of administration.</p> <p>Our initial conclusion is that tonnage is the most appropriate method in which to charge industry. In fact, it is the only internationally standardised measurement for ships (through the International Maritime Organization) with many international jurisdictions using a tonnage approach to charging industry. It also appears to be an indicator of the level of effort from our risk-based approach to regulatory activities.</p> <p>Nevertheless, we have yet to finalise our conclusions. Any decision will involve extensive consultation with a vast number of stakeholders, including the Department of Infrastructure and Department of Finance to seek guidance on the process. An opportune time to undertake this engagement may be at the time of the domestic commercial vessel review in 2020–21.</p> <p>Timeframe: 2021–22</p>

Recommendations	Details of findings	Progress
<p>2.2 Develop a cost recovery model that aligns revenue of outputs with regulatory activities to the efficient cost of providing those outputs.</p>	<p>Alignment between expenses and revenue Our cost recovery financial performance from 2013-14 to 2017-18, indicate:</p> <ul style="list-style-type: none"> • over recovery of costs for all regulatory activities by \$28 million, • over recovery in each year for Regulatory Functions Levy (accumulated surplus of \$40 million), • over recovery for four out of five years for Protection of the Sea Levy (accumulated surplus of \$17 million), • under recovery for four out of five years for Marine Navigation Levy (accumulated deficit of \$14 million), and • under recovery of fees-based activities for all years (accumulated deficit of \$15 million). <p>Reserves As at 30 June 2018, our retained earnings is \$65 million, with a consistent trend of over recovering and building up retained earnings, which includes a Pollution Response Reserve of \$50 million. There is no agreed target level of reserves with industry, and is it not clear what investments we have made from surpluses.</p> <p>Update fee determination Our fees under the Fee Determination was last revised in 2015, with a need to update charge-out rates more regularly to assist in addressing under recovery of costs.</p> <p>Cost recovery model methodologies Although our costing model had a clear overall structure, it was not a fully functioning activity based cost model and required further work to:</p> <ul style="list-style-type: none"> • separately calculate costs for individual outputs (i.e. individual fees), • allocate corporate function costs accurately across all activities (previous model did not allocate to fee-based services or National System), • refine allocation of direct costs (noted Finance are engaging with operational areas to improve this), 	<p>Alignment between expenses and revenue A comprehensive holistic review for all AMSA's regulatory charging activities forms part of the ABC-ZBB analysis being undertaken now. Once this is completed, we will have an understanding of the resources associated with the provision of National System activities and consequences of joint workloads by personnel for both domestic and international shipping related activities.</p> <p>Timeframe: 2020–21</p> <p>Reserves We will work with both the Department of Infrastructure and Department of Finance, and consult with industry on the maintenance, utilisation, and agreement of regulatory charging reserves for specific agreed purposes. Expect that this will occur as part of the upcoming review.</p> <p>Timeframe: 2021–22</p> <p>Update fee determination Until we finalise our analysis of fee-based activities), we cannot measure whether costs are efficient, effective, and whether industry has the capability to fully fund our costs – after which we will engage with government on any funding shortfall (if required).</p> <p>Timeframe: 2021–22</p> <p>Cost recovery model methodologies During the development of the 2019-20 CRIS, improvements were implemented to our cost recovery modelling techniques, including alignment of costs to individual outputs, developing more accurate cost drivers for corporate functional costs, refined direct costs, and allocated corporate overheads methods across all activities based on normalised revenue estimates. These techniques have been further enhanced during ABC-ZBB 2020–21 budget model development, especially in relation to cost drivers for corporate functional costs. In relation to documenting processes and rules, we are currently working on a procedural document (refer to 1.3). Timeframe: June 2020 (publication of 2020–21 CRIS and governance documentation).</p>

Recommendations	Details of findings	Progress
2.3	<p>Review charges for regulatory activities covered by the Regulatory Functions Levy and Marine Navigation Levy.</p>	<p>Finance is exploring options for a holistic review of all AMSA's regulatory charging mechanisms and rates, not limited to the RFL and MNL.</p> <p>These discussions will occur as part of the upcoming review of regulatory charging activities, with potential for a revision in legislative instruments (tax acts and determinations) to occur in 2021–22.</p> <p>Timeframe: 2021–22</p>
2.4	<p>Examine ways to reduce costs in the provision of fee-based services, and seek a decision from government on how to fund any shortfall should we be unable to fully recover costs from industry.</p>	<p>Finance is assessing costs that underpin fee-based activities, as part of the 2020–21 ABC-ZBB budget model development.</p> <p>Further analysis, such as benchmarking our costs with entities that provide similar regulatory functions, is planned in 2020–21. This will provide evidence whether costs are efficient.</p> <p>Timeframe: 2021–22</p>
3	<p>Effective engagement with stakeholders in our cost recovery activities</p>	
3.1	<p>Develop and implement an ongoing stakeholder engagement strategy in consultation with stakeholders, specifically on cost recovery.</p>	<p>During the development of the 2019–20 CRIS, Finance undertook a three-week consultative exercise inviting specific industry participants to provide feedback of our cost recovery arrangements. The details were included in the 2019–20 CRIS published in December 2019.</p> <p>Options are being explored to implement a specific and ongoing cost recovery stakeholder engagement strategy.</p> <p>Timeframe: 2021–22</p>

Appendix 6: Coronial inquiries 2015–16 to 2018–19

Note: the following table is based on the date that the coroner's report was handed down, not the date of the incident.

Year report released	Case name	Description	Number of findings	Number of findings implemented
2015–16	Wilson	<p>On 26 July 2013 while fishing for coral trout from <i>Norlaus</i>, Glenn Wilson was found floating face down in the water near his overturned fishing dory. An autopsy revealed he died due to drowning.</p> <p>https://www.courts.qld.gov.au/__data/assets/pdf_file/0012/468759/cif-wilson-g-20160524.pdf</p>	6	<p>5</p> <p>The outstanding recommendation relates to grandfathering provisions</p>
2015–16	Donoghue	<p>Ryan Harry Donoghue died at 7.19 pm on 29 November 2013 aboard the fishing vessel <i>Newfish 1</i> situated in the Gulf of Carpentaria. The cause of death was ventricular defibrillation due to electrocution.</p> <p>https://justice.nt.gov.au/__data/assets/pdf_file/0005/281777/D02102013-Donoghue-including-attachment.pdf</p>	4	4
2016–17	Llanto & Collado (<i>Sage Sagittarius</i>)	<p>Cesar Llanto died on 30 August 2012 as a result of foul play, namely, that Mr Llanto was either thrown overboard or killed on the MV <i>Sage Sagittarius</i> and his body disposed of at a later time, by a person or persons unknown. Hector Collado died on 14 September 2012, in Newcastle Harbour aboard the MV <i>Sage Sagittarius</i>. The cause of his death was multiple injuries, which the coroner was satisfied he sustained as a result of being struck over the head by some kind of weapon or instrument by a person or persons unknown and then he was either thrown over the handrail outside the storeroom on the second deck or fell over the handrail to his death.</p> <p>http://www.coroners.justice.nsw.gov.au/Documents/Llanto%20and%20Collado%20Inquest%20-%20FINAL%20findings%20as%20at%2031%20May%202017.pdf</p>	1	No action required—finding addressed at a whole-of-government perspective

Year report released	Case name	Description	Number of findings	Number of findings implemented
2016–17	Munn	Brett Anthony Munn was aboard the <i>Seabring</i> when it capsized in November 2016.	8	3 The open recommendations require potential regulatory or legislative change
2016–17	Trott	Leila Michelle Trott, 38, went missing sometime around 1330 on 6 April 2016, whilst swimming to retrieve a tender (a dinghy) that had come loose from its mooring and drifted away from <i>Ocean Free</i> , a tourist sailing vessel Leila was skippering on the Great Barrier Reef near Green Island off Cairns. Leila was located in the water at 1418. https://www.courts.qld.gov.au/__data/assets/pdf_file/0010/514477/cif-trott-lm-20170316.pdf	1	1
2017–18	Turner, Carter & Fairley	The deceased were on board the <i>Returner</i> when it sank on 11 July 2015. The vessel had undergone major modifications that rendered the vessel less stable in water. https://www.coronerscourt.wa.gov.au/_files/Carter,%20Fairley%20and%20Turner%20finding.pdf	6	6
2017–18	Bradshaw	Mr Bradshaw was found deceased in the water between a wharf at Hudson Creek in Darwin and a landing barge, the <i>Sammy Express</i> https://justice.nt.gov.au/__data/assets/pdf_file/0019/482005/D00052017-Daniel-Bradshaw.pdf	3	3
2018–19	Russell	Allan Geoffrey Russel drowned after his dingy overturned https://www.magistratescourt.tas.gov.au/__data/assets/pdf_file/0006/466341/Russell,-Allan-Geoffrey-web-version.pdf	1	0

Appendix 7: Our functions and powers

AMSA's functions are set out in sections 6 and 7 of the AMSA Act, as follows:

6 Functions of Authority

1. The functions of the Authority are:
 - a) to combat pollution in the marine environment; and
 - b) to provide a search and rescue service; and
 - c) to provide, on request, services to the maritime industry on a commercial basis; and
 - ca) to provide on request services of a maritime nature, on a commercial basis, to:
 - I. the Commonwealth, a State, the Australian Capital Territory or the Northern Territory; or
 - II. an authority or agency of the Commonwealth, a State or either of those Territories; and
 - cb) to cooperate with the Australian Transport Safety Bureau in relation to investigations under the Transport Safety Investigation Act 2003 that relate to aircraft and ships; and
 - d) to perform such other functions as are conferred on it by or under any other Act; and
 - e) to provide consultancy and management services relating to any of the matters referred to in this subsection; and
 - f) to perform any other prescribed functions relating to any of the matters referred to in this subsection; and
 - g) to perform functions incidental to any of the previously described functions.
2. The Authority may provide its services both within and outside Australia.
3. Subject to section 8, the functions to provide services may be performed at the discretion of the Authority.
4. The Authority must not perform any of its functions otherwise than for a purpose in respect of which the Parliament has the power to make laws.
5. The provision of a search and rescue service must be in a manner that is consistent with Australia's obligations under:
 - a) the Chicago Convention; and
 - b) the Safety Convention; and
 - c) the International Convention on Maritime Search and Rescue 1979 done at Hamburg on 27 April 1979.

7 Functions to be performed in accordance with international agreements

1. The Authority must perform its functions in a manner consistent with the obligations of Australia under any agreement between Australia and another country.

8 Directions

1. The Minister may give the Authority written directions as to the performance of its functions.
2. Directions as to the performance of functions that are conferred on the Authority by or under another Act are to be only of a general nature.

9 Reimbursement of cost of complying with directions

1. Where the Authority satisfies the Minister that it has suffered financial detriment as a result of complying with a direction given by the Minister under section 8, the Authority is entitled to be reimbursed by the Commonwealth the amount that the Minister determines in writing to be the amount of that financial detriment.
2. The reference in subsection (1) to suffering financial detriment includes a reference to:
 - a) incurring costs that are greater than those that would otherwise have been incurred; and
 - b) forgoing revenue that would otherwise have been received.

9A Minister may give Authority notices about its strategic direction etc.

1. The Minister may, from time to time, by notice in writing to the Authority, advise the Authority of his or her views in relation to the following matters:
 - a) the appropriate strategic direction of the Authority;
 - b) the manner in which the Authority should perform its functions.
2. The Authority must, in performing its functions, take account of notices given to it under subsection (1).
3. The members must, in preparing each corporate plan, take account of notices given to the Authority under subsection (1).

9B Minister may direct Authority to give documents and information to nominee

1. In this section:

ministerial nominee means a person whose responsibilities or duties include advising the Minister about the performance and strategies of the Authority.
2. The Minister may direct the Authority to give to a specified ministerial nominee any documents or information relating to the operations of the Authority that the nominee requests.
3. The Authority must comply with a direction by the Minister under subsection (2).

9C Extra matters to be included in annual report

1. The annual report prepared by the members of the Authority and given to the Minister under section 46 of the Public Governance, Performance and Accountability Act 2013 for a period must include the following:
 - a) particulars of any directions given to the Authority under section 8 during the period;
 - b) a summary of notices given to the Authority under subsection 9A(1) during the period;
 - c) a summary of action taken during the period by the Authority because of notices given to the Authority under subsection 9A(1) in that or any other period;
 - d) particulars of any directions given to the Authority under subsection 9B(2) during the period.

References

Acronyms and abbreviations

Acronym/ Abbreviation	Meaning
AIS	Automatic Identification System
AMSA	Australian Maritime Safety Authority
AMSA Act	<i>Australian Maritime Safety Authority Act 1990</i>
ANAO	Australian National Audit Office
APHoMSA	Asia-Pacific Heads of Maritime Safety Agencies
ARC	AMSA Response Centre
AtoN	Aid(s) to navigation
CSIRO	Commonwealth Scientific and Industrial Research Organisation
DCV	Domestic Commercial Vessel
DFAT	Department of Foreign Affairs and Trade
DGPS	Differential Global Positioning System
EPIRB	Emergency position indicating radio beacon
FSC	Flag State control
FSM	Free surface movement
GPS	Global Positioning System
IALA	International Association of Marine Aids to Navigation and Lighthouse Authorities
ICAO	International Civil Aviation Organization
IMO	International Maritime Organization
ISO	International Standards Organization
KPI	Key performance indicator
MARPOL	International Convention for the Prevention of Pollution from Ships
National Law	<i>Marine Safety (Domestic Commercial Vessel) National Law Act 2012</i>
National plan	National Plan for Maritime Environmental Emergencies
National system	National System for Domestic Commercial Vessel Safety
PBS	Portfolio budget statements
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PID Act	<i>Public Interest Disclosure Act 2013</i>
PSC	Port State control
RPF	Regulator Performance Framework
SAR	Search and rescue

Compliance index

Requirement	PGPA Act Reference	Page Number / Comment
Timeframe for tabling in Parliament	PGPA Act 46(2)(a)	3
Compliance with requirements prescribed by the rules	PGPA Act 46(3)	3, 150
Inclusion of annual performance statements	PGPA Act 39(1)(b)	11–67
Inclusion of annual financial statements and Auditor General's report	PGPA Act 43(4)	92

Below is the table set out in Schedule 2A of the PGPA Rule. Section 17BE(u) requires this table be included in entities' annual reports.

Requirement	PGPA Rule Reference	Page Number / Comment
	17BE	
Details of the legislation establishing the body	17BE(a)	74
A summary of the objects and functions of the entity as set out in legislation	17BE(b)(i)	74
The purposes of the entity as included in the entity's corporate plan for the reporting period	17BE(b)(ii)	V
The names of the persons holding the position of responsible minister or responsible ministers during the reporting period, and the titles of those responsible ministers	17BE(c)	3
Any directions given to the entity by the minister under an Act or instrument during the reporting period	17BE(d)	87
Any government policy order that applied in relation to the entity during the reporting period under section 22 of the Act	17BE(e)	87
Particulars of non compliance with: a) a direction given to the entity by the minister under an Act or instrument during the reporting period; or b) a government policy order that applied in relation to the entity during the reporting period under section 22 of the Act	17BE(f)	N/A
Annual performance statements in accordance with paragraph 39(1)(b) of the Act and section 16F of the rule	17BE(g)	12–69
A statement of significant issues reported to the Minister under paragraph 19(1)(e) of the Act that relates to non compliance with finance law and action taken to remedy non compliance	17BE(h), 17BE(i)	83
Information on the accountable authority, or each member of the accountable authority, of the entity during the reporting period	17BE(j)	121

Requirement	PGPA Rule Reference	Page Number / Comment
Outline of the organisational structure of the entity (including any subsidiaries of the entity)	17BE(k)	71
Statistics on the entity's employees on an ongoing and non ongoing basis, including the following: a) statistics on full time employees; b) statistics on part time employees; c) statistics on gender; d) statistics on staff location	17BE(ka)	132–135
Outline of the location (whether or not in Australia) of major activities or facilities of the entity	17BE(l)	72
Information relating to the main corporate governance practices used by the entity during the reporting period	17BE(m)	70–89
For transactions with a related Commonwealth entity or related company where the value of the transaction, or if there is more than one transaction, the aggregate of those transactions, is more than \$10,000 (inclusive of GST): a) the decision making process undertaken by the accountable authority to approve the entity paying for a good or service from, or providing a grant to, the related Commonwealth entity or related company; and b) the value of the transaction, or if there is more than one transaction, the number of transactions and the aggregate of value of the transactions	17BE(n), 17BE(o)	82
Any significant activities and changes that affected the operation or structure of the entity during the reporting period	17BE(p)	71
Particulars of judicial decisions or decisions of administrative tribunals that may have a significant effect on the operations of the entity	17BE(q)	83
Particulars of any reports on the entity given by: a) the Auditor General (other than a report under section 43 of the Act); or b) a Parliamentary Committee; or c) the Commonwealth Ombudsman; or d) the Office of the Australian Information Commissioner	17BE(r)	83–84
An explanation of information not obtained from a subsidiary of the entity and the effect of not having the information on the annual report	17BE(s)	N/A
Details of any indemnity that applied during the reporting period to the accountable authority, any member of the accountable authority or officer of the entity against a liability (including premiums paid, or agreed to be paid, for insurance against the authority, member or officer's liability for legal costs)	17BE(t)	81

Requirement	PGPA Rule Reference	Page Number / Comment
The following information about the audit committee for the entity: a) a direct electronic address of the charter determining the functions of the audit committee b) the name of each member of the audit committee c) the qualifications, knowledge, skills or experience of each member of the audit committee d) information about each member's attendance at meetings of the audit committee e) the remuneration of each member of the audit committee		79, 131, 136
Information about executive remuneration	17BE(ta)	136
	17BF	N/A

The table below addresses the requirements set out at Section 9C of the AMSA Act

Requirement	AMSA Act Reference	Page Number / Comment
Particulars of any directions given to the Authority under section 8 during the period	AMSA Act 9C(a)	N/A
A summary of notices given to the Authority under subsection 9A(1) during the period	AMSA Act 9C(b)	N/A
A summary of action taken during the period by the Authority because of notices given to the Authority under subsection 9A(1) in that or any other period	AMSA Act 9C(c)	N/A
Particulars of any directions given to the Authority under subsection 9B(2) during the period	AMSA Act 9C(d)	N/A

Index

A

Accountable authority	3, 14, 74, 77, 121
Advertising and market research	82
Aids to navigation	4, 9, 23, 27, 56, 62
Annual Performance Statements	11–67
<i>Australian Maritime Safety Authority Act 1990 (AMSA Act)</i>	vi, 3, 12, 70, 74, 77, 79, 87, 89, 146

B

Board attendance	128–129
Board members	122–127
Board and committees	77, 121–130
Board Audit Committee	14, 79, 131
Board Audit Committee meetings	131

C

Chair's foreword	4
<i>Commonwealth Electoral Act 1918</i>	82
Coronial inquests	84–87, 144–145
COVID-19 pandemic	4, 7, 15, 20, 21, 33, 36, 46, 53, 55, 62, 64, 67, 78, 104, 111

D

Demonstrating performance	20, 32, 40, 51, 60
<i>Disability Discrimination Act 1992</i>	82
Disability report	82

E

Enabling legislation	70
Environmental performance	89
<i>Environment Protection and Biodiversity Conservation Act 1999</i>	89

F

Fatalities	15, 22
Financial statements	92–120
Financial summary	6–9
Fraud control	80

H

Health and wellbeing initiatives	88
----------------------------------	----

I

IALA	23, 60, 62
IMO	15, 24, 28, 60–64, 67
Inspection/s	20–21, 24, 64, 85
Incident preparedness and response	40–48
Indemnities and insurance premiums	81

J

Judicial decisions and reviews by outside bodies	83
--	----

M

Main governance practices	74–76
Ministerial decisions, and government policy orders	87

N

National System for Domestic Commercial Vessel Safety <i>Navigation Act 2012</i>	7, 25, 31–37, 55, 57, 66, 146 21, 24
---	---

P

Performance reporting	11–67, 81
Pollution/pollution response	6, 7, 9, 15, 23, 24, 26, 28, 40, 42, 43, 46, 48, 54, 56, 62, 70, 142, 146
<i>Public Governance, Performance and Accountability Act 2013</i> (PGPA Act)	3, 14, 70, 83
<i>Public Interest Disclosure Act 2013</i>	82
Purpose	vi, 12

R

Regional Safety Committee	33
Regulator Performance Framework	25, 29
Regulatory framework	24, 29, 36, 63
Regulatory plan	32, 37, 85–86
Related entity transactions	82
Remuneration Committee	79
Reporting requirements and responsible minister	3
Risk management	80–81

S

Safety campaign/s	33, 34, 66
Safety management system/s	15, 33, 35, 36, 66, 86
Search and rescue	34, 40–48, 56, 62, 64, 67, 70, 103, 146
Service delivery	25, 32, 36, 37
Significant activities and changes affecting the operations or structure of the entity	70
Snapshot summary — Qualitative	15
Snapshot summary — Quantitative	16–17
Statement of significant non-compliance issues	83
Strategic challenges	vi, 11–67
Structure and location	71–73
Sulphur cap / sulphur 2020	15, 24, 28

T

Transmittal letter	2
--------------------	---

W

Workforce engagement, development and safety	52
Workers' compensation premium	88
<i>Work Health and Safety Act 2011</i>	87
Working with international organisations and other nations	62, 67

Y

<i>YM Efficiency</i>	15, 26, 46, 54, 82
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