



The Australasian Marine Pilots Institute

Letter to the editor - the DCN

28th February 2018

Author: Captain Neil Farmer - President, Australasian Marine Pilots Institute

I AM compelled to respond to [Rod Nairn's letter to DCN](#) (20 February, 2018), regarding pilotage competition in Melbourne. I am pleased that Shipping Australia has a commitment to the maintenance of safety standards, AMPI shares this philosophy. However, competition in pilotage is not in itself a means of improving safety in Australian ports.

The innovations he mentions such as: adoption of in-house simulation training systems, helicopter transfer of pilots and enhanced fatigue management systems have been in place in most Australian pilotage organisations for decades and are not the result of the pressures of competition. These and many other innovations have been driven by a profession that is focused on its core responsibilities without the distraction by organisations with conflicting priorities.

Shipping Australia's support for competition in Victoria is understandable; Mr Nairn would be under pressure from the foreign shipping companies he represents. The notion that one sector of the maritime industry should change its structure, reduce costs and increase risk to fund another sector is somewhat flawed. AMPI does not support any change that has the potential to compromise safety, and neither should shipowners, especially when the net result has no benefit to the Australian consumer.

In principle, we all know competition is generally healthy for our economy; however in a safety critical / essential public service such as marine pilotage, most people can see competition can lead to undesirable outcomes. Any reduction in standards through cost cutting and under-utilisation of resources can lead to an increase in accidents and ironically, a potential cost increase in the long term.

In Denmark competition was introduced in 2006. Since then the market has been unable to sustain two operators and pilotage rates increased by 50%. The Danish Government has now bought out the private operator in a 49/51 share. Pilotage will revert to a single operator in 2020. A similar situation occurred in Argentina in 2002 and Alaska before that.

I refer readers to the [IMPA position paper on competition in Marine Pilotage](#).

Mr Nairn also made reference to the Great Barrier Reef as a good example of successful competition. I refer readers to the ATSB report on the grounding of *Atlantic Blue* in 2009, which identified systemic issues with the pilot service providers at the time, which resulted in "the devolution of responsibility for managing the most safety critical aspects of pilotage to the pilot", suggesting inadequate regulation. Action has been taken to address these regulatory issues by AMSA.

While a pilotage service provider must always be mindful of its costs, it has other factors to consider in the provision of its service.

Pilot services around Australia take on many different models, but they all have a common responsibility to protect not only the ship under pilotage, but also the environment, port infrastructure, other port users and the public. These factors are also critical to the well-being of the State and its economy.



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To fully achieve this, pilots must be able to operate independently of commercial pressure.

The current system of regulation in Victoria allows a service provider to determine the level of service they provide based on 'safety case' principles. In doing so, any pilot service provider should give consideration to the IMO resolution A.960, which makes recommendations on training and certification and operational procedures for marine pilots. A pilotage service provider would then work within a Safety Management System, which includes these and other elements such as:

- **Recruitment** – to ensure appropriate people are selected for the role;
- **Licence levels** – to ensure progressive competency on a range of different ship types, size and tonnage;
- **Initial training** – to ensure new recruits are equipped with the skills and knowledge required to undertake pilotage at entry level;
- **Ongoing training** – to provide continuous professional development and emergency response training to maintain skills and knowledge;
- **Auditing** – to ensure continuous competency assessment for marine pilots and the assessment of the pilotage service ensuring that it meets its responsibilities;
- **Fitness for duty** – to ensure the health and wellbeing of the marine pilots mind and body, including fatigue management and drug and alcohol policy;
- **Absence from pilotage** – if a pilot has been absent from duty for an extended period he undertake familiarisation trips, additional training and auditing to ensure his / her skills are at an acceptable level;
- **Towage guidelines** – to ensure appropriate towage is utilised for all ships in various conditions;
- **Weather parameters** – to ensure that pilotage is conducted within safe and manageable conditions;
- **Pilot transfer** – to ensure that pilots are transferred to vessels in a safe manner by boat or helicopter and that all statutory requirements are complied with.

Port Philip Sea Pilots have demonstrated a commitment to this process with the provision of a world class pilotage service for 179 years. The regulator should expect any pilotage service to be operating within a robust safety management system.

If competition is to be accepted in Victoria, it is the state regulator's responsibility to set the benchmark for minimum operating standards for all elements of pilotage in its jurisdiction. This then provides the Harbour Master with the authority to enforce the maintenance of the quality and safety standards of all operators. In doing so it provides assurance to the state, the public, ship owners, their insurers and other stakeholders that their interests are being served by the provision of a quality pilotage service.

In the unfortunate event of an accident, investigators will consider the role of all stakeholders, including the regulator, the port, the service provider, the ship owner and the pilot, to determine if due diligence and best practice have been applied in their area of responsibility. Shipping Australia on the other hand would conveniently escape scrutiny.

Being a responsible regulator, we are confident the Victorian Transport Safety (Maritime), Victorian Ports Corporation (Melbourne) and the Harbour Master have undertaken their due diligence and considered the net cost benefit to the state.



The Australasian Marine Pilots Institute

The Australasian Marine Pilots Institute (AMPI) is a professional organisation that works closely with industry and regulators and is committed to the promotion of the highest standards of marine pilotage, pilot transfer and pilot service delivery in all ports around Australia. Australian marine pilots are recognised internationally as being at the forefront of the profession and we all strive to ensure this reputation can be maintained in all Australian ports.

Captain Neil Farmer
President
Australasian Marine Pilots Institute

AMPI is a not for profit organisation, run by volunteering Marine Pilots from around Australia, serving the professional interests of Marine Pilots in the Australasian region.

New members and associate members are most welcome to join our organisation.

The next AMPI regional workshop will be held in Darwin Q3 2018.

*AMPI is also actively planning the **2019 AMPI Pilotage and Port Logistics Conference**, to be held in Sydney over 4 days, event sponsorship enquiries are welcomed.*

For further information please contact president@ampi.org.au

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