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28th May 2010

The Infrastructure Coordinator
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Draft National Ports Strategy

This submission is made on behalf of the Curtin-Monash Accident Research Centre in response to the Draft National Ports Strategy.

From a safety perspective the draft National Ports Strategy is disappointing due to its inadequate treatment of safety. Consequently, the National Ports Strategy is at risk of increasing loss of life and injuries in order to improve economic efficiency and therefore government and private financial returns.

To address this shortcoming the following are recommended:

- **The National Ports Strategy includes strong policy to ensure safety.**
- **All occupational, transport and community safety issues be comprehensively analysed.**
- **The strategy includes policy to ensure safety in any area which affects ports, or which affected by ports.**
- **All ports be required to ensure occupational, transport and community safety, in any area for which the port is responsible or can influence.**
- **Government activities be required to ensure occupational, transport and community safety, in any area which affect ports or are affected by ports.**
- **Safety strategies be developed which are integrated holistic and comprehensive.**
- **A comprehensive research program investigates safety issues and improvements.**

C-MARC would be pleased to work with ports, governments and Infrastructure Australia to address these issues. Please do not hesitate to contact me on (08) 9266 9591 or Brett.Hughes@Curtin.edu.au if C-MARC can assist you further.

Yours sincerely,



Brett Hughes
Associate Professor
Director C-MARC

Introduction

Human safety and health is a fundamental human right. Therefore maximising safety is essential for workers and the community at large. Moreover industry regards good safety simply as good business. Therefore safety must be integrated in the National Ports Strategy.

The following key points describe improvements to the Draft National Ports Strategy to address unresolved safety policy issues.

1. The lack of recognition of safety as a key issue in the strategy

Safety is a core government objective, but it is not reflected in the National Ports Strategy reports. The Australian Transport Council's key objectives specifically include safety:

“To provide a safe transport system that meets Australia’s mobility, social and economic objectives with maximum safety for its user.”¹

The '*economic focus of the Strategy*' is recognised and valid, but safety must never be compromised in the interest of cutting costs, or maximising profits. Demand, capacity and productivity are clearly the serious challenges for port related transport. At the same time, links between these important parameters and safety outcomes must not be ignored. Assessments of various utilities illustrate that performance indicators invariably deteriorate as demand approaches capacity, which occurs at a greater rate than the increases (i.e. the consequences are non-linear). Therefore improving capacity and productivity will often improve safety, which needs to be considered and accounted for.

The Draft National Ports Strategy reports hardly mentions safety. Background Paper 1 only discusses safety in terms of regulatory frameworks and safety responsibilities which are generally very limited. It is completely inadequate that neither Background Paper 2 "*Port Planning*", nor Background Paper 3 mention safety at all. All planning, design, operations and maintenance of any major industrial facility simply cannot ignore safety. In these papers there are no principles, frameworks, structure, criteria or assessment. It is not acceptable that any other considerations take precedence over protecting human life.

The draft strategy has been the subject of extensive development, including considerable discussion with industry. It is a sad reflection that safety is such a low priority that it is either not recognised or else ignored by such a wide cross section of industry. Sadly, safety is generally recognised by leading industrial companies as an economic benefit when it is well managed. Safety is an important economic issue for communities as a whole and therefore governments. For example, road crashes alone cost Australia approximately 29.6bn every year. If the focus of the strategy is economics, then the strategy must investigate the economic costs of safety in ports and the wider maritime and land transport systems which they influence.

The National Ports Strategy must include strong policy to ensure safety.

¹ Australian Transport Council, www.atcouncil.gov.au

2. There is no strategic analysis of safety in the strategy

The strategy documents do not contain any statistics, identification of issues or risks, or consideration and assessment of benefits. Safety needs to consider harbourside, in-port, and land side safety issues. The reports neglect to mention that rail safety regulation still applies to rail operations in ports.

Background Paper 1 recommends:

"to review the enabling legislation of port authorities to ensure that ports have a clear mandate for taking the actions necessary to discharge their safety and environmental obligations, especially with regard to facilities under the management of third parties"

While this is a reasonable recommendation, it represents a regulatory response when ports should take all necessary to discharge their safety and environmental obligation as a matter of normal business. Ports are already required to operate safely, which must occur and be demonstrated immediately.

The safety practices which apply to Victorian ports *"to develop, certify, implement and audit a safety and environmental management plans which documents the port's safety and environmental management systems"*, should be routine throughout Australia.

It comes as no surprise that Background Paper 4 notes the Netherlands in terms of best practice. In this discussion, safety is mentioned numerous times as an essential criterion. The Netherlands (together with Sweden) leads the world in terms of road safety. Safety is recognised as a core value in this best practice example, but it is omitted in throughout the rest of the reports and the strategy. The messages are clear:

- safety is not a priority in Australian port and transport policy; and
- best practice dictates that safety must be an integral part of all aspects of ports activity and therefore this strategy and policy development.

<p>A comprehensive analysis must be undertaken to ensure the National Ports Strategy is soundly based with respect to all occupational, transport and community safety.</p>
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3. The draft strategy doesn't recognise the contribution that ports and maritime transport can make to land transport safety

Background Paper 1 rightly recognises that ports are critical nodes in a broader supply chain. However this section fails to recognise the valuable contribution that ports can make to safety in the broader supply chain.

In terms of fatalities, transport is the most dangerous industry in Australia. In particular, the *Compendium of Workers' Compensation Statistics Australia 2007-08* published by Safe Work Australia² shows that in terms of fatalities, transport is the most dangerous industry in Australia (p35). 68 people died in the transport and storage sector in 2007-08, while the next largest group had only 10 fatalities. Even in terms of exposure (per worker, or per working hours) transport is amongst the most dangerous.

Motor vehicle accidents were reported as the cause of 42% of work fatalities in Australia, resulting in 98 deaths in 2007-08. In addition there are many other work related vehicle accidents which are not recorded in this report. Uncompensated claims and other motor vehicle crashes would increase the total number of work related vehicle outcomes significantly.

This level of injury and loss of life is a serious national challenge. If such a large number of deaths and injuries occurred in mining, agriculture, tourism, other business or the public sector there would be strikes and industry operations would be suspended. Such trauma should not be accepted in transport.

With respect to the National Ports Strategy, it is possible to make decisions in isolation which are justifiable from the perspective of the port in isolation from broader supply chain considerations. Such decisions can have substantial negative safety consequences which must be accounted for.

For instance:

- a port can reasonably decide that rail access is not viable financially *for the port in isolation*, due to the cost;
- port facilities pricing can arbitrarily favour road transport over rail transport resulting in adverse safety outcomes outside the port;
- a port can choose to run a truck booking system which results in unsafe traffic congestion and queuing outside the port.

These situations occur when the benefits accrue to others outside the port and therefore cannot be internalised in the ports decision making. Incentives or requirements need to be put in place so that safety in the whole transport system is optimised and not optimised by one decision maker on the basis of internalised consequences.

The National Ports Strategy must include policy to ensure safety in any area which affects ports, or which affected by ports.

² Safe Work Australia, www.safeworkaustralia.gov.au

4. Complete port safety strategies are essential

Port safety strategy

It is essential that safety within the port and external to the port be adequately managed. This can only be achieved if every port develops a comprehensive safety strategy which identifies and assesses all risks and provide responses as to how they can be eliminated, reduced or otherwise managed.

The scope of risk reduction and management should cover:

- vessels, vehicles, logistics (eg stackers), storage systems, drivers and other operators, the physical environment and infrastructure;
- pre-incident, incident and post-incident situations;
- the economic and business environment, influences and policy; and
- corporate governance including culture, information, capacity, performance management, skills, documentation, systems and processes.

All ports must be required to ensure safety by development and implementation of a strategy for all aspect of occupational, transport and community safety, in any area for which the port is responsible or can influence.

Government safety policy and strategy

There are numerous Government activities which affect ports or are affected by ports. These include, but are not limited to, regulation, investment, planning, operations, subsidies and incentives. Many government agencies have responsibilities with respect to ports including departments of transport, planning occupational health and safety, environment, commerce and treasury. All levels of Government have responsibility, which is often narrowly considered as a State responsibility. Safety strategies must be integrated, holistic and comprehensive and not developed from a narrow perspective or inconsiderate of other effects. Governments must comprehensively include safety strategies in all aspects of their activities which affect ports or are affected by ports.

Government activities at all levels of government and by all relevant agencies, must be required to ensure safety by development and implementation of strategies for all aspects of occupational, transport and community safety, in any area which affect ports or are affected by ports.

Government and port strategies to improve safety with respect to ports must be integrated holistic and comprehensive.

5. The strategy must be based on sound information

Port policy is a strategic blind spot for transport policy in Australia, especially at the national level. Generally, ports are State controlled and also independent, operating without strategic direction. At the national level, transport policy is applied to ocean operations (maritime) and land operations (generally road and rail transport policy). This leaves ports as the interface in 'no man's land' without any strategic policy. This strategic gap is even more pronounced for port safety which consequently suffers from lack of data, analysis, strategy, direction or policy. This is evidenced by the paucity of data on Australian Government websites including the Australian Maritime Safety Authority and the Australian Transport Safety Bureau.

It is evident from the draft National Ports Strategy, the background papers and the limited amount of other material available that there is inadequate information about all aspects of safety in Australian ports. The number of fatalities, number and types of injuries and incidents and the mechanisms of incidents all need to be clearly understood.

Once initial information is available, the causes of fatalities and injuries need to be identified, so that appropriate management can occur to minimise the outcomes. Typical measures include risk elimination, harm minimisation and post incident response. While ports are managing safety to some extent already, the information is not available and it is not demonstrated. Without information and transparency, it is not evident that ports are managing safety completely or adequately. All aspects of all activities; including planning, design, operations and maintenance, for the site, moving vehicles and operators must be considered. In the event of insufficient information being available, sound research must occur to ensure the foundations and responses are valid. It is likely that research into all of these issues, phases and responses will be required. Therefore, a comprehensive research program must commence to ensure valuable and justifiable safety outcomes are achieved.

A comprehensive research program must commence into the extent, nature, consequences and management of safety in ports and any area for which the port is responsible or can influence.

Summary

The Draft National Ports Strategy is completely inadequate in terms of its treatment of safety:

1. Safety is all but ignored as a key issue.
2. Safety has not been strategically analysed.
3. The contribution that ports and maritime transport can make to land transport safety is not recognised.
4. Safety strategies are essential for ports and governments and must be implemented.
5. Safety strategies aren't currently based on sound information at the strategic level.

If the National Ports Strategy does not address safety comprehensively, decisions will be made on the basis of economic efficiency in order to maximise government and private financial returns. The consequence of this policy, practice and moral failure will be that lives will be lost and unnecessary injuries will occur within the ports, in other parts of the transport system and in the community.

To address these shortcomings it is recommended:

- **The National Ports Strategy must include strong policy to ensure safety.**
- **A comprehensive analysis must be undertaken to ensure the National Ports Strategy is soundly based with respect to all occupational, transport and community safety.**
- **The National Ports Strategy must include policy to ensure safety in any area which affects ports, or which affected by ports.**
- **All ports must be required to ensure safety by development and implementation of a strategy for all aspect of occupational, transport and community safety, in any area for which the port is responsible or can influence.**
- **Government activities must be required to ensure safety by development and implementation of strategies for all aspect of occupational, transport and community safety, in any area which affect ports or are affected by ports.**
- **Safety strategies must be integrated, holistic and comprehensive.**
- **A comprehensive research program must be developed to investigate safety issues and improvements.**