## Marine Navigation Levy Regulations (Amendment) 1993 No. 162

## **EXPLANATORY STATEMENT**

## STATUTORY RULES 1993 No. 162

Issued by authority of the Minister for Transport and communications

Marine Navigation Levy Act 1989

Marine Navigation Levy Regulations (Amendment)

Marine Navigation (Regulatory Functions) Levy Act 1991

Marine Navigation (Regulatory Functions) Levy Regulations (Amendment)

Subsection 8(1) of the <u>Marine Navigation Levy Act 1989</u> (the Levy Act) provides that the Governor-General may make regulations for the purposes of subsection 7(2) of the Levy Act.

Subsection 6(1) of the Marine Navigation Levy Collection Act 1989 provides that a levy is payable on the first day of each quarter in respect of a sea-going ship, other than a ship declared by the regulations to be exempt. The rate of the levy is set out in subsection 7(2) of the Levy Act which provides that the rate in relation to a ship is:

- (a) 63 cents, or such other amount (if any) as is from time to time prescribed, for each of the first 5,000 tons of the ship's tonnage;
- (b) 53 cents, or such other amount (if any) as is from time to time prescribed, for each ton by which the ship's tonnage is more than 5,000 tons but not more than 20,000 tons;
- (c) 43 cents, or such other amount (if any) as is from time to time prescribed, for each ton by which the ship's tonnage is more than 20,000 tons but not more than 50,000 tons;
- (d) 33 cents, or such other amount (if any) as is from time to time prescribed, for each ton by which the ship's tonnage is more than 50,000 tons.

The above rates of the levy were reduced to 59 and 54 cents, 50 and 43 cents, 40 and 30 cents and 31 and 19 cents, with effect from 1 July 1991 by Statutory Rules 1991, No 153 and 1 July 1992 by Statutory Rules 1992, No 199 respectively.

The amendments to the Marine Navigation Levy Regulations will further reduce the rates of the levy to 48 cents, 40 cents, 30 cents and 15 cents respectively. The reduced rates reflect the reduced costs of providing modern navigational services.

Subsection 8(1) of the <u>Marine Navigation (Regulatory Functions) Levy Act 1991</u> (the Regulatory Functions Act) provides that the Governor-General may make regulations for the purposes of subsection 7(2) of the Regulatory Functions Act.

Subsection 5(1) of the <u>Marine Navigation (Regulatory Functions) Levy Collection Act</u> 1991 provides that a levy is payable on the first day of each quarter in respect of a seagoing ship, other than a ship declared by the regulations to be exempt. The rate of the levy is set out in subsection 7(2) of the Regulatory Functions Act which provides that the rate in relation to a ship is:

- (a) 4 cents, or such other amount (if any) as is from time to time prescribed, for each of the first 5,000 tons of the ship's tonnage;
- (b) 3 cents, or such other amount (if any) as is from time to time prescribed, for each ton by which the ship's tonnage is more than 5,000 tons but not more than 20,000 tons;
- (c) 3 cents, or such other amount (if any) as is from time to time prescribed, for each ton by which the ship's tonnage is more than 20,000 tons but not more than 50,000 tons;
- (d) 2 cents, or such other amount (if any) as is from time to time prescribed, for each ton by which the ship's tonnage is more than 50,000 tons.

The above rates of the levy were increased to 9 cents, 7 cents, 7 cents and 6 cents with effect from 1 July 1992 by Statutory Rules 1991 No 152.

The Marine Navigation (Regulatory Functions) Levy Regulations will increase the rates of the levy to 13 cents, 13 cents, 12 cents and 11 cents respectively with effect from 30 June 1993. The increases will complete the phasing-in of cost recovery for the marine regulatory activities undertaken by the Australian Maritime safety Authority and will also provide additional revenue to fund increased inspections of foreign ships in Australian ports necessitated by the recent spate of shipping losses.

The combined effect of the changes to the two levies is:

- (a) the first 5,000 tons, down 2 cents;
- (b) for each ton between 5,000 and 20,000 tons an increase of 3 cents;
- (c) for each ton between 20,000 and 50,000 tons an increase of 5 cents;
- (d) for each ton over 50,000 tons an increase of 1 cent.