

Marine Navigation Levy Amendment Regulations 2003 (No. 1)

2003 No. 156

EXPLANATORY STATEMENT

STATUTORY RULES 2003 No. 156

Issued by the Authority of the Minister for Transport and Regional Services.

Marine Navigation Levy Act 1989

Marine Navigation Levy Amendment Regulations 2003 (No. 1)

The Marine Navigation Levy is imposed on trading ships using Australian ports to recover the costs of marine aids to navigation provided on behalf of the Commonwealth by the Australian Maritime Safety Authority (the Authority).

Subsection 8(1) of the *Marine Navigation Levy Act 1989* (the Act) provides that the Governor-General may make regulations for the purposes of subsection 7(2) of the Act, which provides for the amount of levy to be paid, calculated on a ship's tonnage. The amounts of levy set out in subsection 7(2) of the Act are all expressed such that they are superseded by whatever amount is prescribed by regulation, if any.

Regulation 4 of the *Marine Navigation Levy Regulations 1991* (the Principal Regulations) prescribes the following levy rates:

- (1) 29 cents for each of the first 5,000 tons of the ship's tonnage (paragraph 7(2)(a) of the Act);
- (2) 17 cents for each ton by which the ship's tonnage is more than 5,000 tons but not more than 20,000 tons (paragraph 7(2)(b) of the Act);
- (3) 7 cents for each ton by which the ship's tonnage is more than 20,000 tons but not more than 50,000 tons (paragraph 7(2)(c) of the Act);
- (4) 2.5 cents for each ton by which the ship's tonnage is more than 50,000 tons (paragraph 7(2)(d) of the Act).

The purpose of the regulations is to decrease the rates of levy prescribed in Regulations 4(1) and 4(2) of the Principal Regulations. The adjustment reflects efficiency gains primarily from the delivery of maintenance and shipping services involved with the Authority's aids to navigation function.

Schedule 1 provides for the amounts of levy in Regulation 4 to be decreased as follows:

- for the purposes of paragraph 7(2)(a) of the Act from 29 cents to 28 cents; and
- for the purposes of paragraph 7(2)(b) of the Act from 17 cents to 14 cents.

Subsection 8(2) of the Act provides that the regulations must not prescribe an amount, for the purposes of paragraph 7(2) (a), (b), (c) or (d), that increases the amount applicable under that paragraph by more than 15% in any period of 12 consecutive months.

The regulations provide for an overall reduction of 10 per cent in the Marine Navigation Levy charged on trading ships using Australian ports from 1 July 2003 and will save shippers an estimated \$2 million each year. This change is in keeping with subsection 8(2) of the Act.

The regulations commenced on 1 July 2003.