Shipping

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REFORMING AUSTRALIA'S COASTAL SHIPPING REGIME



The Australian Government has today released the Coastal Shipping Reforms Discussion Paper. The Minister's accompanying message is that the Australian Government is committed to coastal shipping reform and recognises that the current regulatory regime does not support the full potential coastal shipping has for Australia's economy.

Operators and agents of both Australian and foreign flagged ships have raised concerns about the unnecessary burdens created under the *Coastal Trading (Revitalising Australian Shipping) Act 2012.* The discussion paper seeks to address the issues raised and invites stakeholders' views on regime reform and ideas for further improvements. Submission are due by Friday 28 April 2017.

Proposed changes raised in the discussion paper, include:

Removing the five voyage minimum requirement for a temporary licence - thus allowing applications for a single voyage instead. This would allow a ship to conduct a single coastal voyage at the end of an international trip. Australian businesses could also use spot fixtures at short notice to transport passengers or cargo.

- Extending the geographic reach of the Coastal Trading Act, to include voyages to and from the mainland to other defined places in Australian waters, such as offshore installations. This would, for example, allow petroleum companies to obtain a licence enabling foreignflagged vessels to carry petroleum products from offshore installations within Australian waters to the mainland – potentially increasing the use of Australian refineries.
- Amending the definition of 'coastal trading' to include vessels in dry dock. This will potentially increase the use of Australian dry dock facilities.
- Streamlining the licencing process to remove administrative burdens such as the need to consult General Licence holders and other stakeholders where there is no GL holder who wishes to be consulted or able to carry the product.
- Introduction of seafarer training initiatives, in partnership with industry.

The full text of the Coastal Shipping Reforms Discussion Paper can be viewed **here.**





It is critical that effective reforms are achieved, to ensure the long term viability of the Australian shipping industry. With the right reforms, coastal shipping has the potential to play a significant role in Australia's transport network and have a dynamic effect on Australia's local business and the economy.

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