



Australian Government

Australian Maritime Safety Authority

# CONSULTATION

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## Cost recovery for services under the National System for Domestic Commercial Vessel Safety

August — October 2016

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# **AMSA WELCOMES YOUR FEEDBACK**

The Australian Maritime Safety Authority (AMSA) is wholly funded by industry for its regulatory, aids to navigation and pollution prevention and response functions. This funding is currently provided through three levies largely paid by the international shipping industry in accordance with the Australian Government Cost Recovery Guidelines.

Consistent with Australian Government policy and the Cost Recovery Guidelines, State, Northern Territory and Commonwealth governments agreed to make AMSA the National Regulator for domestic commercial vessels [DCVs], and that regulatory and service delivery functions are to be funded by the domestic industry.

AMSA invites you to take part in consultation on the models proposed to recover the costs associated with AMSA delivering services to industry under the *National System for Domestic Commercial Vessel Safety* (the National System). The levy covers the costs of administering the National System and the fees cover the costs for delivering certification and accreditation services.

The proposed implementation date for the levy and fees is 1 July 2017, to coincide with when AMSA commences full service delivery under the National System.

## The consultation process

AMSA is considering two different models for the introduction of a levy and fees for services.

AMSA is seeking your views on the proposed models from August until October 2016. During this time you will be asked to consider the impact of both models and provide your feedback. Your response through the consultation process will provide valuable information that will help AMSA to implement the most appropriate cost-recovery system.

AMSA will collect information during the consultation period that will inform government decisions on a standardised levy and fees for services. Any information received will be used only for that purpose.

## Have your say

You can provide feedback on the proposed levy models and fees through the following channels:

- **Online** — formal submissions can be made via the consultation page on the AMSA website [www.amsa.gov.au](http://www.amsa.gov.au) (Home > Community > Consultation).
- **Hard copy** — you can print a hard copy form, or phone AMSA Connect to have a form mailed to you. Provide your written comments and post it to: Consultation on cost recovery, GPO Box 2181, Canberra ACT 2601

The feedback must be directly relevant to the proposed levy and fees consultation process to assist government in its decision making process.

## Ask a question

If you have a question about the proposed fees and the models for the levy:

- Call **AMSA Connect 02 6279 5000**
- Send an email with your questions to [engagement@amsa.gov.au](mailto:engagement@amsa.gov.au)
- Attend a question session at your nearest location. These are listed on the AMSA website [www.amsa.gov.au](http://www.amsa.gov.au) (Home > Community > Events and Conferences). You must register your interest in attending via the AMSA website or by calling AMSA Connect. These sessions will be held subject to a minimum number of advance registrations.

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# **THE NATIONAL SYSTEM**

AMSA is the National Regulator for the 27,000 vessels and 66,000 seafarers carrying out domestic commercial operations in Australia.

### National System background

On 2 July 2009 and 19 August 2011 the Council of Australian Governments (COAG) reached consensus that AMSA would become Australia's sole maritime safety regulator of a single national regulatory framework. On 4 November 2011 the Standing Council on Transport and Infrastructure agreed that AMSA is to be established as the national maritime regulator for the safe design, construction, operation and equipping of the DCV fleet by 1 July 2013.

Since this date, AMSA has been the National Regulator for safety, with state and Northern Territory marine safety agencies delivering services (including certification and compliance services) on behalf of AMSA.

In 2014, a review of the effectiveness of the National System reforms found that this chosen service-delivery model limited the potential benefits of the National System due to inconsistencies in service delivery, regulatory and cost-recovery arrangements between jurisdictions.

In November 2014, Commonwealth, state and territory transport and infrastructure ministers agreed that AMSA be positioned to take up service delivery on a cost-recovery basis by 1 July 2017.

### National System approach

As the National Regulator, AMSA is committed to reviewing the regulatory framework, to find ways of streamlining requirements and reducing regulatory burden on industry, without compromising on safety.

The process of streamlining the regulatory framework is ongoing and AMSA recognises the importance of working with industry to identify areas of regulation that can work better to support productivity.

We also know that regulation alone cannot eliminate every risk. AMSA appreciates that it is the owners, operators and crew who are best placed to manage the risks faced in a particular operation.

The National System also encompasses safety education and support to encourage individuals to actively promote safety, by fulfilling their regulatory responsibilities and fostering a culture of safety in their industry.

AMSA will align its compliance and enforcement approach on a 'trust-and-verify' model, with a focus on high-risk, lower-compliance sectors and operators. In parallel, AMSA will be allowing operators who have demonstrated that they take responsibility for safe operations to get on with their business with minimal dealings with the regulator.

From 1 July 2017 AMSA will also deliver certification and accreditation services directly to industry. The rules and standards will be consistent across Australia and the way these services are delivered (and the fees for these services) will also be the same.

## Key features

### **Seamless operations across state and territory borders**

- Vessels are able to transit around Australia without the previous need to meet the regulatory requirements in each state and territory.

### **Streamlining of processes**

- Proposed streamlining of survey regimes will reduce regulatory and financial burden for some vessel and operation types
- Standardised certification across Australia
- As AMSA works more closely with industry, it will be able to further identify areas for targeted streamlining and development of resources to assist industry.

### **Consistent costs**

- Levy and fees will be applied consistently across Australia
- Operators travelling across borders don't have to pay the required fees associated with services in each jurisdiction they work across.

### **Compliance focuses on collaboration & education**

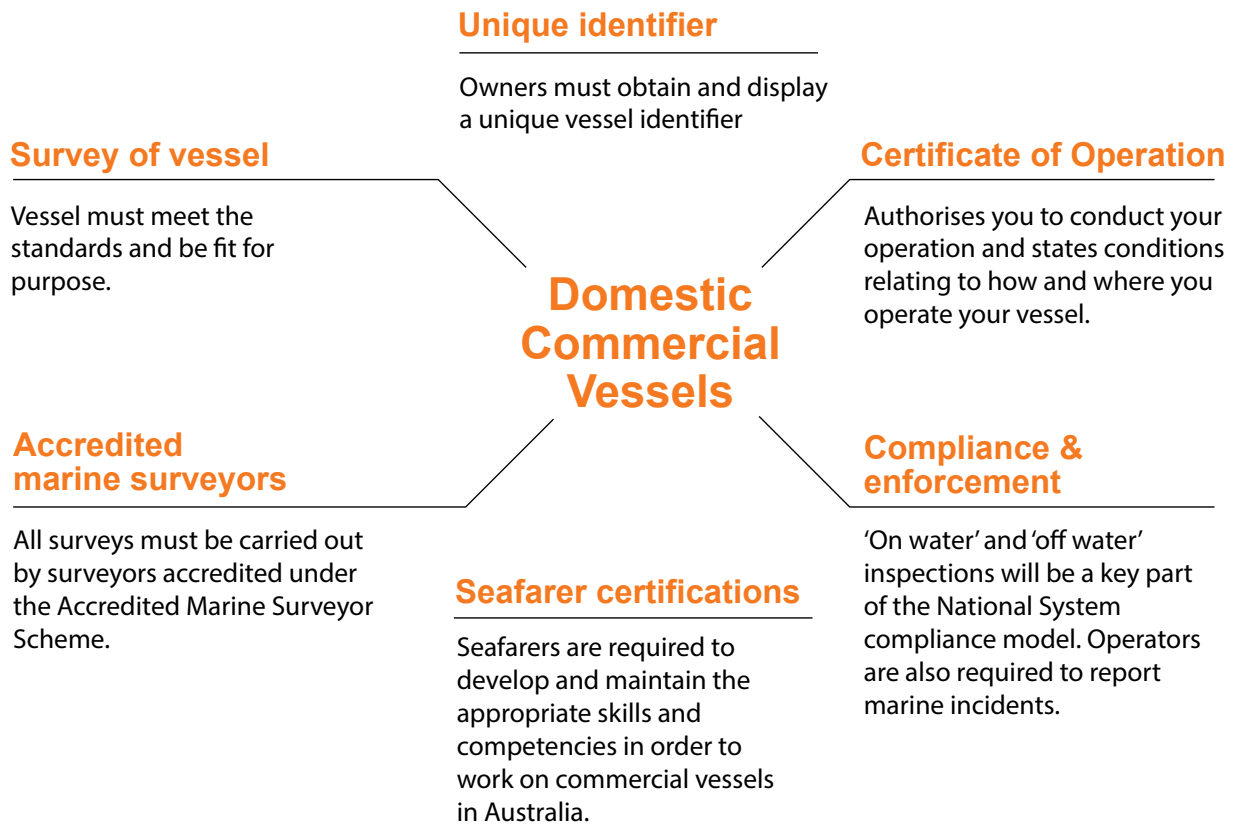
- Support for operators and sectors to achieve compliance outcomes
- Compliance focus on high-risk, lower-compliance sectors
- National Standard for Commercial Vessels (NSCV) equivalent solutions allow greater compliance flexibility without compromising safety.

### **Access to services**

- AMSA Connect model for the management of customer enquiries
- Guidance material and tools developed by AMSA will be applicable to industry all around Australia
- Access to the operational and technical expertise of AMSA and self-help tools.



## National System requirements



## Why is AMSA taking over the delivery of services?

Under current arrangements implemented in 2013 with states and territories delivering services, many of the benefits that a truly national system could deliver are not being realised because service delivery is not centralised.

As a result, Commonwealth, state and territory transport and infrastructure ministers unanimously agreed in 2014 that AMSA be positioned to take up service delivery from 1 July 2017 under the 'one system, one process and one decision-maker' principle.

Centralising service delivery will simplify how the regulatory framework is applied consistently, across Australia. Fees will also be standardised across Australia.

## Leading up to 1 July 2017

As 1 July 2017 approaches, AMSA will communicate what will change.

Until then, it's business as usual. Services will continue to be delivered by individual state and territory marine safety agencies on behalf of AMSA. They will also continue to set the fees for these services until 1 July 2017.

Your local marine safety agency may make changes to services beforehand, but will let you know as this occurs.

The state and territory marine safety agencies are (with ACT managed by AMSA):

- Roads and Maritime Services (NSW)
- Maritime Safety Queensland
- Transport Safety Victoria
- Marine and Safety Tasmania
- Department of Planning, Transport and Infrastructure (SA)
- Department of Transport (WA)
- Department of Transport (NT).

## From 1 July 2017

From 1 July 2017 services will be made available via the following channels:

### **AMSA Website** [www.amsa.gov.au](http://www.amsa.gov.au)



A range of information and services will be available through the AMSA website, including:

- National System services
- legislation
- standards
- guides, technical information and tools
- news and publications
- application forms
- listings of authorised partners and third-party providers
- payment portals.

### **AMSA Connect** **02 6279 5000** For all enquiries



AMSA Connect will provide direct support to industry by:

- serving as a single point of contact, avoiding the need for enquiries to be handled by multiple people
- directing enquiries to appropriate subject-matter experts
- receiving payments over the phone
- providing assistance to people making applications for any of the services or certificates offered by AMSA
- providing assistance to AMSA website users.

AMSA Connect's operating hours are currently 8am – 5pm Eastern Standard Time on weekdays. Times will be extended to encompass these business hours across Australia, including Western Australia.

### **Face to face** Selected AMSA locations and Australia Post



Face-to-face services will be supplied by AMSA regional staff based in AMSA offices, as well as those who travel around the regions providing support. In addition, AMSA partners, such as Australia Post, will also provide face-to-face services.

These services broadly include:

- provision of technical advice
- provision of safety education and support
- final assessments of higher-level seafarer qualifications
- Marine Safety Inspectors (MSIs) undertaking compliance and enforcement activities 'on water' or 'alongside'
- Australia Post outlets for lodging Certificate of Competency applications and making payments.

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# **COST RECOVERY**

In accordance with Australian Government policy AMSA must recover from industry, the costs of providing services under the National System. Commonwealth, state and territory transport and infrastructure ministers also agreed in 2014 that AMSA must be positioned to recover costs of service delivery from 1 July 2017.

The estimated cost of AMSA delivering the National System is approximately \$23 million, which will increase with CPI annually from 1 July 2017. Currently, it costs the states and territories a total of \$40 million each year to deliver these services as delegates of AMSA. The reduction in cost to deliver services to industry is due to the streamlining of the administrative processes behind the delivery of services.

Currently, each state and territory recovers the cost of delivering their services to varying degrees. For example, some jurisdictions recover less than 15 per cent of costs, with the rest subsidised by taxpayers. This means that the introduction of the National System levy will affect you differently, depending on your location and type of operation.

### Who does this affect?

The National System levy and fees will affect DCV owners, operators and seafarers. This includes business owners and employees, vessel operators and seafarers working with DCVs such as:

- **passenger vessels** including tourism, diving and fishing charters, ferries (car and passenger), water taxis, inland operations, steam and sail vessels
- **trading vessels** including research, emergency response and rescue, freight and cargo vessels, tugs, barges, dredges and workboats
- **fishing vessels** including trawl, long line, pot/trap, netting, diving and aquaculture vessels that catch or farm prawns, barramundi, crab, lobster, abalone, oysters, mackerel, scallops, tuna, whiting, coral trout, king fish and bêche-de-mer
- **hire-and-drive vessels** including houseboats, jet skis and sailing vessels.

Other industry stakeholders that may be impacted by the levy and fees are those industries that support the DCV sector such as equipment suppliers, maintenance providers, insurers, legal advisors, auditors, surveyors, vessel builders and training providers.

The following vessels will be subject to National System fees for services, but it is proposed to exempt them from the National System levy:

- unpowered class 4 hire-and-drive vessels (such as kayaks, canoes, dragon boats and small sailing vessels)
- heritage vessels — as defined in Exemption 11 (*Marine Safety — Heritage Vessel — Exemption 2013*)
- volunteer marine rescue (VMR) vessels.

The proposal to make these vessels exempt is on a number of grounds. Class 4 unpowered hire-and-drive vessels are typically used in low-revenue operations and require little regulatory effort. Heritage and VMR vessels are generally run by organisations with charitable or volunteer status, and their lowered ability to pay the levy is offset by the cultural contribution of heritage vessels, and the essential public services provided by VMR.

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**LEVY**

## What are the proposed levy models?

Two levy models have been developed to recover the costs associated with the Commonwealth delivery of the National System. The first model is a flat charge per metre and the second is a progressive approach, based on a combination of vessel class and measured length.

States and territories will provide transitional funding during 2017–19 for both models, to enable a gradual increase of the levy across the country. The subsidisation rates from the states and territories to be applied are 32.68 per cent in 2017 and 12.8 per cent in 2018.

More detailed modelling and further information is available in the Cost Recovery Implementation Statement (CRIS) on the AMSA website at [Home > Community > Consultation](#).

### Model One — Proportional (flat charge per metre)

This model calculates your levy rate based on the measured length of your vessel (a rate to be applied per metre).

The key advantages of this model are its simplicity and familiarity. You can easily apply the rate to the measured length of your vessel to calculate the levy payable. Many jurisdictions already use length as the basis of calculating their own fees and charges, so this method is familiar to parts of industry.

The key disadvantages of this model stem from the fact that larger vessels are charged more, based on the assumption that these vessels consume more regulatory resources and have a higher capacity to pay the levy. However, this model doesn't take into account that the consumption of regulatory services is not strictly determined by vessel size. Smaller vessels may also have more regulatory interactions where they are involved in higher-risk operations.

Using this approach, and applying jurisdictional subsidies, a flat rate per metre from 1 July 2017 is calculated, as shown in Table 1 on the next page.

### Model Two — Progressive (fixed charge, plus incremental rate per metre)

This is a progressive model similar to the way in which income tax is paid within Australia. The levy charged under this model is determined by both the vessel class and measured length, combining a fixed charge per vessel with an incremental metre rate.

Despite the fact this model is more complicated than the proportional model proposed above, the key advantages of this model come from its attempt to distinguish different classes of vessel within the fleet (according to the risk profile of each vessel class). It eliminates the 'blanket' assumption underlying Model One, that all vessels present an equal risk, except for their length.

The progressive model is based upon the understanding that Class 1 vessels require higher regulatory resources and effort, followed by Class 2 and 3, which require less resources and effort and Class 4 vessels, which are considered to require the lowest regulatory resources and effort.

The current risk profile of the vessel fleet has been used for modelling purposes and may change over time.

Using this approach, and assuming jurisdictional subsidies, a fixed charge plus incremental rate per metre from 1 July 2017 is calculated, as shown in Table 2 on page 17.

**Table 1: Figures for Model One — Proportional (flat charge per metre)**

	1 July 2017	1 July 2018	1 July 2019
	\$69 per metre	\$90 per metre	\$105 per metre
Metres	All Classes	All Classes	All Classes
1	\$69	\$90	\$105
2	\$138	\$181	\$211
3	\$207	\$271	\$316
4	\$276	\$362	\$421
5	\$345	\$452	\$527
6	\$414	\$543	\$632
7	\$484	\$633	\$737
7.5	\$518	\$679	\$790
7.51	\$519	\$680	\$791
8	\$553	\$724	\$843
9	\$622	\$814	\$948
10	\$691	\$905	\$1,053
11	\$760	\$995	\$1,159
12	\$829	\$1,086	\$1,264
12.01	\$830	\$1,087	\$1,265
13	\$898	\$1,176	\$1,369
14	\$967	\$1,267	\$1,475
15	\$1,036	\$1,357	\$1,580
16	\$1,105	\$1,448	\$1,685
17	\$1,174	\$1,538	\$1,791
18	\$1,243	\$1,629	\$1,896
19	\$1,313	\$1,719	\$2,001
20	\$1,382	\$1,810	\$2,107
21	\$1,451	\$1,900	\$2,212
22	\$1,520	\$1,991	\$2,317
23	\$1,589	\$2,081	\$2,423
24	\$1,658	\$2,172	\$2,528
24.01	\$1,659	\$2,172	\$2,529
25	\$1,727	\$2,262	\$2,633
26	\$1,796	\$2,353	\$2,739
27	\$1,865	\$2,443	\$2,844
28	\$1,934	\$2,533	\$2,949
29	\$2,003	\$2,624	\$3,055
30	\$2,072	\$2,714	\$3,160
31	\$2,141	\$2,805	\$3,265
32	\$2,211	\$2,895	\$3,371
33	\$2,280	\$2,986	\$3,476
34	\$2,349	\$3,076	\$3,581
35	\$2,418	\$3,167	\$3,687
35.01	\$2,419	\$3,168	\$3,688
36	\$2,487	\$3,257	\$3,792
37	\$2,556	\$3,348	\$3,897
38	\$2,625	\$3,438	\$4,003
39	\$2,694	\$3,529	\$4,108
40	\$2,763	\$3,619	\$4,213



**Table 2: Figures for Model Two — Progressive (fixed charge, plus incremental rate per metre)**

Pricing schedule for 2017								
	Class 1		Class 2		Class 3		Class 4	
	Fixed amount	Per metre rate **	Fixed amount	Per metre rate **	Fixed amount	Per metre rate **	Fixed amount	Per metre rate **
Less than 7.5m	\$209	\$64	\$135	\$44	\$135	\$44	\$64	\$37
7.51m to 12m	\$688	\$77	\$463	\$64	\$463	\$64	\$342	\$44
12.01m to 24m	\$1037	\$81	\$751	\$77	\$751	\$77	\$539	\$50
24.01m to 35m	\$2,006	\$88	\$1,680	\$84	\$1,680	\$84	\$1,144	\$57
Greater than 35m	\$2,969	\$94	\$2,605	\$88	\$2,605	\$88	\$1,774	\$61

Pricing schedule for 2018								
	Class 1		Class 2		Class 3		Class 4	
	Fixed amount	Per metre rate **	Fixed amount	Per metre rate **	Fixed amount	Per metre rate **	Fixed amount	Per metre rate **
Less than 7.5m	\$275	\$84	\$178	\$58	\$178	\$58	\$84	\$49
7.51m to 12m	\$908	\$102	\$610	\$84	\$610	\$84	\$451	\$58
12.01m to 24m	\$1,367	\$107	\$990	\$102	\$990	\$102	\$710	\$67
24.01m to 35m	\$2,646	\$115	\$2,215	\$111	\$2,215	\$111	\$1,509	\$75
Greater than 35m	\$3,916	\$124	\$3,436	\$115	\$3,436	\$115	\$2,340	\$80

Pricing schedule for 2019								
	Class 1		Class 2		Class 3		Class 4	
	Fixed amount	Per metre rate **	Fixed amount	Per metre rate **	Fixed amount	Per metre rate **	Fixed amount	Per metre rate **
Less than 7.5m	\$321	\$98	\$207	\$67	\$207	\$67	\$98	\$57
7.51m to 12m	\$1,060	\$119	\$713	\$98	\$713	\$98	\$526	\$67
12.01m to 24m	\$1,597	\$124	\$1,156	\$119	\$1,156	\$119	\$829	\$78
24.01m to 35m	\$3,090	\$135	\$2,587	\$130	\$2,587	\$130	\$1,763	\$88
Greater than 35m	\$4,572	\$145	\$4,012	\$135	\$4,012	\$135	\$2,732	\$93

\*\* The per metre charge will only apply to the number of metres above the lower limit of vessel length category.

For example, in 2017 a 10 metre Class 1 vessel will attract a total annual levy of \$880.50.

This consists of:

- a fixed amount of \$688, plus
- \$77 per metre above 7.5 metres. As the vessel length is 10 metres, the additional cost per metre is \$192.50 (\$77 x 2.5 metres).

## How will the levy be charged?

The levy will be charged to the holder of the following vessel permissions:

- Certificate of Survey (CoS)
- Non-survey vessel (EX02)
- Restricted C (EX40), or
- A holder of another exemption that allows the vessel to operate.

The levy must be paid for any vessel permissions to remain valid.

Vessels that fall into more than one class (i.e. a vessel that falls into Class 2 for limited charter and also Class 3 as a fishing vessel), will pay the higher levy rate of the two Classes.

Levies can be paid annually or quarterly either online, via the AMSA website, over the phone through AMSA Connect or in person at Australia Post.

## What does the levy cover?

The annual levy will fund the National System activities outlined in Table 3 on the next page.

These services include:

- administration and maintenance of the regulatory framework
- initiatives to streamline the regulatory framework
- safety education and customer support services
- standards and policy development
- compliance and enforcement.

Services will be improved and evolve over time. Service-delivery timeframes will vary based on the nature of the application or enquiry.

AMSA will deliver these services within the considerable AMSA workforce across the country and will identify where it needs to expand its resources and skill sets.

**Table 3: National System activities funded by the levy**

Activity	2017 \$m	2018 \$m	2019 \$m
<ul style="list-style-type: none"> <li>• Responding to calls &amp; emails from operators, owners and seafarers.</li> <li>• Assisting completion of applications.</li> <li>• Provision of website assistance.</li> </ul>	\$4.28	\$4.37	\$4.46
<ul style="list-style-type: none"> <li>• Compliance, enforcement &amp; investigations.</li> <li>• Responding to accidents and incidents.</li> <li>• Provision of support for any coronial and other inquests.</li> <li>• Routine inspections.</li> <li>• 'On-water' and 'alongside' compliance.</li> <li>• Maintenance of agreements with jurisdictions.</li> </ul>	\$5.39	\$5.48	\$5.57
<ul style="list-style-type: none"> <li>• Providing safety and other advice to industry.</li> <li>• Delivery of safety training and workshops.</li> <li>• Acting as a conduit between DCV industry and AMSA.</li> </ul>	\$2.07	\$2.11	\$2.15
<ul style="list-style-type: none"> <li>• Policy and standards development related to Certificates of Operation.</li> <li>• Policy and standards development related to Certificates of Survey.</li> <li>• Technical assistance to industry.</li> </ul>	\$2.28	\$2.32	\$2.37
<ul style="list-style-type: none"> <li>• Corporate and administrative support.</li> <li>• Management of levies.</li> <li>• Business process improvement.</li> </ul>	\$1.44	\$1.47	\$1.50
<ul style="list-style-type: none"> <li>• General regulatory and policy advice.</li> <li>• Maintenance of the regulatory framework.</li> </ul>	\$1.15	\$1.17	\$1.19
<ul style="list-style-type: none"> <li>• Domestic vessels management and executive support.</li> </ul>	\$0.89	\$0.91	\$0.93
<ul style="list-style-type: none"> <li>• Safety Management System (SMS) verification.</li> <li>• Development and maintenance of the safety culture within the DCV industry.</li> <li>• Risk management and advice.</li> </ul>	\$0.87	\$0.88	\$0.90
<ul style="list-style-type: none"> <li>• Certification policy and standards development.</li> <li>• Answering technical queries in regard to certifications.</li> <li>• Approved Training Organisation audits and oversight.</li> <li>• Maintenance of service level agreement with ASQA.</li> </ul>	\$0.64	\$0.67	\$0.70
<b>Total</b>	<b>\$19.01</b>	<b>\$19.38</b>	<b>\$19.77</b>
<ul style="list-style-type: none"> <li>• National System IT infrastructure.</li> </ul>	\$1.78	\$1.78	\$1.78
<b>TOTAL FTE &amp; IT SYSTEM COSTS RELATED TO LEVY ACTIVITIES</b>	<b>\$20.79</b>	<b>\$21.16</b>	<b>\$21.55</b>

## How will these services be delivered?

### Administrative functions

The National System levy will fund the administrative functions underlying the delivery of the National System. This includes a wide range of tasks such as (but not limited to) the development of IT systems, development of safety standards and support resources, compliance and enforcement and communicating information to industry.

### Development of standards

In addition to administering and reviewing the National Law and its related standards, AMSA will continue to identify areas for improvement, and find ways of streamlining the regulations without compromising safety.

### Safety education and support

The purpose of the National System regulatory framework is to improve safety. AMSA also places a large focus on encouraging individuals to understand the importance of safety and to take an active role in promoting safety in their industry. For this reason, AMSA will continue to develop and provide safety guidance and technical assistance. Currently, this includes:

- AMSA Liaison Officers in each state and territory who can assist you with any queries you have about safety, including how to develop, implement and maintain your safety management system (SMS)
- Risk and Safety Management Workshops in regional locations delivered by AMSA Liaison Officers (upcoming workshops are listed on the AMSA website)
- sample SMSs for a variety of different operations
- guidance on how to identify and mitigate risks and include these on your SMS.

### General safety duties

Under the National Law, the general safety duties are a legal requirement for everyone working, travelling on, or servicing DCVs.

As a part of the general safety duties all DCV operations must have an SMS.

Your SMS is where you:

- identify the risks and hazards in your operation
- develop and implement processes and procedures that you, the master and crew plan to implement to manage those risks
- describe the processes by which you, the master and crew identify new risks
- describe what you, the master and crew plan to do if a risk turns into reality.

The vessel owner is responsible for developing, implementing and maintaining an SMS.

Each operation is different, which is why individual owners and their crew are best placed to identify the risks and hazards in their operation and how they can be managed.

## Compliance and enforcement activities

AMSA will continue to focus on education and collaboration as the preferred method to achieve compliance with the *Marine Safety (Domestic Commercial Vessel) National Law Act 2012* (National Law).

AMSA has monitoring and inspection activities both 'on water' and 'alongside'. This will be done in partnership with key agencies in each state and territory. Where required, this will be supported by a range of interventions and measures depending on the circumstances and risk.

### Inspection coverage

AMSA conducts 'on-water' and 'alongside' inspections in accordance with an annual operating plan. It is anticipated that the work equivalent to inspecting 25 per cent of the overall fleet will be undertaken. Inspections are intended to assist vessel operators with compliance.

The inspections may look at the effectiveness of your operation's SMS, in addition to the condition of your vessel, its safety equipment and certification requirements.

AMSA partners with a number of providers of 'on-water' inspection and surveillance across the country including:

- state and territory marine safety agencies
- police
- fisheries agencies.

These partners have the ability to issue notices as set out in the National Law.

In addition to these activities AMSA has its own inspectors located around the country. The inspectors are principally located in AMSA regional offices, but they can also be deployed to other areas as required.

## Compliance and enforcement tools

Marine Safety Inspectors (MSIs) can issue on-the-spot notices, including:

- **Improvement notices** — where a breach of the National Law has occurred, an improvement notice can be issued specifying a date by which compliance must be achieved
- **Direction notices** — where a direction is given specifying steps to be taken within a given time frame
- **Prohibition notices** — where there is a risk to the safety of a person or the environment, a prohibition notice can be issued to cease activity until the risk is mitigated
- **Detention notices** — where a vessel has been involved in a contravention of the law, it can be detained and brought to a port or other place.

In some circumstances, MSIs may recommend that AMSA take stronger action, including:

- **Infringement notices** — where a person has committed an offence or breach under the National Law, an infringement notice can be issued and paid as an alternative to prosecution
- **Prosecution** — Commonwealth has the power to prosecute continuing non-compliant behaviour or when non-compliance gives rise to extreme risk.

## Marine incident reporting

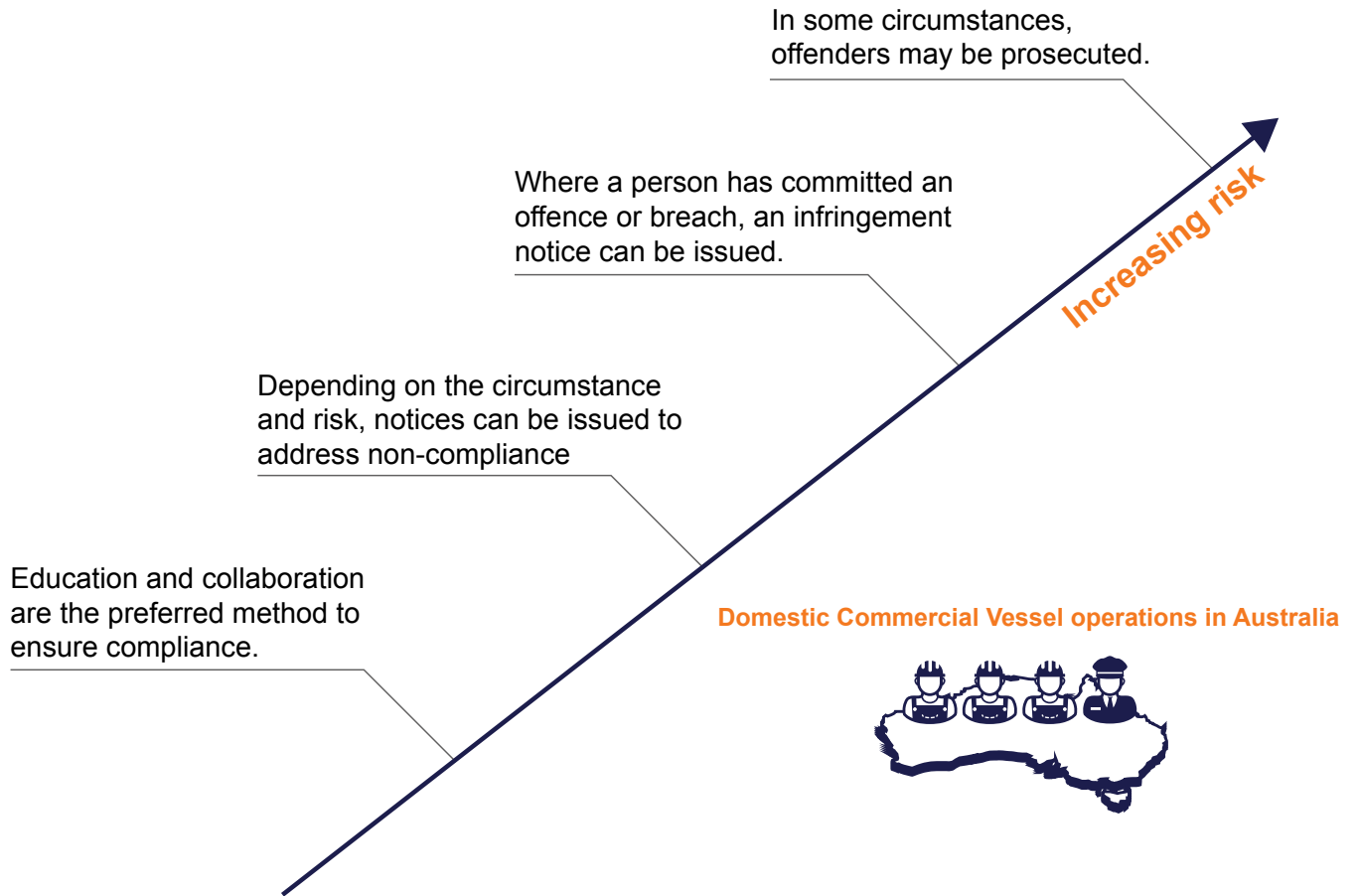
Under the National System, owners and masters of a vessel are obliged to report certain marine incidents to AMSA. Incidents can be anything from a close-quarters situation to an event that results in injury or death.

Incidents can be reported online via the AMSA website, by phone through AMSA Connect or in person at an AMSA office.

## Investigative function

AMSA undertakes investigations into reports of non-compliance and a wide range of incidents, to determine the contributing factors. Often these investigations are undertaken in collaboration with other agencies, with AMSA coordinating the investigation and providing specialist assistance.

## Application of compliance and enforcement tools



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# FEEES



## What are the proposed fees?

Consistent with the Australian Government Cost Recovery Guidelines, AMSA will be introducing a range of fees for services provided directly to an organisation or an individual.

From 1 July 2017, AMSA will be responsible for the administration of certificates and accreditation services relating to:

- Certificate of Survey (CoS) and other vessel permissions
- Certificate of Operation (CoO)
- Seafarer certifications through a Certificate of Competency (CoC)
- Marine surveyor accreditation
- Other services.

AMSA will implement a more streamlined, centralised service-delivery model that includes telephone and online service channels. These services and channels will be supported by our regional offices, liaison officers and service-delivery partners.

Service-delivery timeframes will vary based on the nature of the application or enquiry.

### Certificate of Survey and other vessel permissions

Apply for initial survey & load line certificate	\$334
Vary and renew a survey & load line certificate	\$151
Reinstate a suspended certificate	\$151
Application for Scheme NS (EX02) (Non Survey Vessels)	\$252
Application for a Restricted C (EX 40)	\$345
Application for Operation Beyond Survey Time (EX 06)	\$252
Issue replacement certificate	\$36

The CoS application fee covers all periodic notification and updates for the life of the certificates. The CoS is valid up to 5 years. An application is required after this period to renew your certificate.

### Certificate of Operation

Apply for certificate	\$295 <sup>1</sup>
Vary and renew a certificate	\$133
Reinstate a suspended certificate	\$133
Issue replacement certificate	\$36

The CoO is valid up to 5 years and subsequent certificates are applied for by following the same process to the initial application.

### Marine Surveyor Accreditation (effective 1 September 2016)

Tier 1 Marine Surveyor Accreditation application	\$1,390
Tier 2 Marine Surveyor Accreditation application	\$2,130
Tier 3 Marine Surveyor Accreditation application	\$2,870
Renewal of accreditation	\$254 <sup>2</sup>

### Marine Surveyor Accreditation (effective 1 July 2017)

Replace lost or stolen accreditation card	\$48
Vary an accreditation	\$260
Reinstate a suspended accreditation	\$65

## Certificate of Competency

Certificate type	Apply for a new certificate	Apply for a renewal or revalidation	Other Services			
			Remove restriction	Add endorsement	Replace a lost or stolen qualification	Vary the details on existing qualification
Master <24 m NC	\$147	\$134	\$134	\$134	\$134	\$134
Master <35 m NC	\$249	\$211	\$134	\$134	\$134	\$134
Master <80 m NC	\$249	\$211	\$134	\$134	\$134	\$134
Master (inland waters)	\$147	\$134	\$134	\$134	\$134	\$134
Coxswain Grade 1 NC	\$147	\$134	\$134	\$134	\$134	\$134
Coxswain Grade 2 NC	\$147	\$134	\$134	\$134	\$134	\$134
Mate <80 m NC	\$249	\$211	\$134	\$134	\$134	\$134
Marine Engine Driver Grade 1 NC	\$249	\$211	\$134	\$134	\$134	\$134
Marine Engine Driver Grade 2 NC	\$147	\$134	\$134	\$134	\$134	\$134
Marine Engine Driver Grade 3 NC	\$147	\$134	\$134	\$134	\$134	\$134
Engineer Class 3 NC	\$249	\$211	\$134	\$134	\$134	\$134
General Purpose Hand NC	\$147	\$134	\$134	\$134	\$134	\$134

**Note:** Oral examinations are an additional fee of \$340 where applicable.  
 Fee to apply for a new CoC includes the cost to assess sea service where applicable.

## General

Apply for a Unique Vessel Identifier & Intention to Build	\$106
Notify change of ownership	\$158
Application for Other Standing Exemptions	\$345
Application for Temporary Operations Permit (EX 07)	\$252
Inspection fee	\$185 per hour <sup>3</sup>

## Other Services (effective 1 September 2016)

Applications for Equivalent Means of Compliance (EMOCs) and Exemptions	\$230 per hour
Miscellaneous services and additional fee categories that arise from time to time	\$185 per hour <sup>3</sup>

Footnotes:

- <sup>1</sup> Fee applicable to a certificate containing up to 5 vessels. Processing of certificates with more than 5 vessels will be charged at the hourly rate of \$185 per hour.
- <sup>2</sup> Stated in 2016–17 dollars but will be subject to annual CPI adjustments until the fee comes into effect.
- <sup>3</sup> Travel and out-of-pocket expenses will be charged at the actual rates incurred by AMSA, where such expenses are applicable to a request. AMSA will only incur expenses that are necessary and reasonable.

## What do the fees cover?

### Fee-based activities of the National System

The activities associated with these fees are below.

Activity	2017 \$m	2018 \$m	2019 \$m
Managing and issuing Certificates of Operation, Certificate of Survey and other permissions	\$1.51	\$1.53	\$1.56
Managing Certificates of Competency and related matters	\$1.10	\$1.13	\$1.15
Total	\$2.61	\$2.66	\$2.71

AMSA will send notifications, reminding seafarers of upcoming renewals of their certificates.

Fees for certification and accreditation services will need to be paid in full prior to receiving your certificate or accreditation.

Services will improve and evolve over time.

## How will these services be delivered?

### Certificate of Survey

Services relating to your CoS include:

- considering an application for a CoS
- considering a variation of a CoS
- periodic surveys
- considering exemptions and equivalent means of compliance
- considering approval to operate (non-survey vessels and Restricted C)
- revocation of a CoS
- suspension of a CoS
- temporary operations permits
- operation beyond survey time.

From 1 July 2017, vessels that are required to have a CoS must be surveyed by an independent AMSA-accredited marine surveyor. The terms of engagement and survey fees will be agreed between the accredited marine surveyor and yourself.

The surveyor will ask you for any necessary relevant supporting information relating to the type of survey on your vessel.

If the accredited marine surveyor isn't satisfied that your vessel meets all the requirements, they have a duty to:

- tell you why your vessel does not satisfy the requirements and what you need to do to fix it, and
- notify AMSA.

When the surveyor lodges the survey report, AMSA will then confirm the currency of the CoS (with or without conditions) or tell you why a CoS cannot be issued.

To apply for a CoS (or any of the services relating to a CoS):

- Download an application form from the AMSA website or request a form be mailed to you via AMSA Connect. Then submit the application to AMSA via email or post.
- Pay for the application either online via a payment portal, over the phone via AMSA Connect, or at Australia Post.
- AMSA will then process the application.
- AMSA will notify you and either issue the certificate or permit, or let you know why your application has been unsuccessful.

## **Initial survey**

After 1 July 2017, a vessel will still require an initial survey before it is approved to enter commercial operation for the first time.

To get a CoS for a new vessel you will need to notify AMSA of your intention to build and obtain a unique vessel identifier (UVI), and satisfy a series of surveys and approvals at various stages before, during and after the vessel's construction. These will be carried out by accredited marine surveyors who are accredited in the relevant categories (see the AMSA website for descriptions).

Once your vessel has passed each stage of survey successfully with the required supporting evidence from your surveyor (if they haven't already provided the reports to AMSA), AMSA will then assess your application and issue your vessel with a CoS. Conditions may be applied to the approval.

## **Periodic survey**

Your vessel may need periodic survey(s) during the certificate's validity period to check that it is still fit for purpose and meets the standards.

When this is required, AMSA will notify you and advise you to contact an accredited marine surveyor to carry out the survey. The surveyor will then inform you and AMSA of the result. AMSA will then either confirm the currency of your CoS (with or without conditions), or tell you why your CoS is no longer current.

## **Renewals and variations**

A CoS is valid for up to five years. An application is required after this period to renew your certificate.

You will be able to revoke or suspend a CoS by applying directly to AMSA.

## Other vessel permissions (e.g. non-survey and Restricted C)

Certain vessels are classified as 'non-survey' or Restricted C.

An application will generally be required for a vessel to be approved as non-survey or Restricted C before it is approved to enter into commercial operation. This process involves answering a series of questions about your vessel and making a declaration, then AMSA will assess your application to grant you permission for your vessel to operate. Vessels applying for the Restricted C category will also need to undergo surveys as a part of the application process and every five years to retain their approval.

Non-survey vessels are required to comply with Part G of the National Standard for Commercial Vessels (NSCV). Vessels that fall into the Restricted C category must comply with the standards described in Exemption 40 (available on the AMSA website).

## Proposed reduced survey regime

AMSA is currently considering changing the periodic-survey schedule for DCVs that are in survey. The changes being considered would require fewer periodic surveys every five years for a large portion of the fleet.

The survey regime being considered may apply to vessels operating within the two years prior to 1 July 2013. Vessels that were 'non-survey' prior to this date are unlikely to be affected, unless they perform poorly during an inspection, audit or other compliance activity.

While it is proposed that these changes would commence on 1 July 2017, the details of the reduced-survey regime are still being considered, and further consultation with stakeholders will be conducted before it is finalised.

## Marine Surveyor Accreditation Scheme

Under the National System, vessel owners will engage private accredited marine surveyors to undertake a range of survey functions. In order for marine surveyors to perform surveys under the National System, they need to be accredited under the Marine Surveyor Accreditation Scheme, which has been in effect since 2 January 2015.

Under the accreditation system developed by AMSA, marine surveyors applying for accreditation must demonstrate:

- a minimum understanding of the National Law regulations and standards
- capability to obtain and maintain professional indemnity insurance
- capability to obtain and hold membership of a professional association
- capability to operate under the ISO 9000 or equivalent management system
- they have appropriate experience
- they hold appropriate qualifications.

The process of obtaining accreditation under the scheme involves submitting an application and undergoing a panel interview. An application fee must be paid when the application is lodged, in addition to an interview fee, which is determined by the number of categories the applicant has applied for.

Successful applicants are issued a certificate of accreditation by AMSA and an identity card.

Accreditation is valid for five years and can be renewed by following a similar process to the initial application. Surveyors can also apply directly to AMSA to vary, revoke or suspend their accreditation.

AMSA will regularly audit the work of surveyors to ensure continuity in survey standards.

In future, accredited marine surveyors will have access to upload survey results directly onto AMSA's system on behalf of their clients. Initially from 1 July 2017 they will submit results to AMSA via email or post.

The terms of engagement and survey fees will be agreed between the accredited marine surveyor and yourself, and are separate to the provision of AMSA services and permissions.

AMSA already has a network of accredited marine surveyors who service both city and regional locations around the country. Operators in remote locations can coordinate surveys to take place at the same time, which will allow those needing the services of the surveyor to share the travel costs of bringing the surveyor to the remote location.

## Unique identifiers

Under the National System all vessels must have a unique identifier.

### Existing vessels

Existing vessels can continue to use and display the unique identifier issued by state or territory marine safety agencies prior to 1 July 2013. Display requirements are set out in Marine Order 502.

AMSA will issue a corresponding national unique identifier (which is linked to the existing vessel identifier within AMSA's systems and processes). All correspondence from AMSA will reference the new AMSA-issued unique identifier. The unique identifier is the single point of identification in all vessel related interactions with AMSA.

### New vessels

Since 1 July 2013, new vessels going into commercial service for the first time must have the unique identifier issued by AMSA affixed to the vessel in accordance with the requirements of Marine Order 502.

## Certificate of Operation

A CoO authorises you to conduct your operation and describes conditions relating to how and where you operate your vessel. Owners and operators, including those who already hold a CoO, must implement and maintain an SMS that identifies and manages the risks in your operation. Your CoO may also include a range of conditions relating to aspects of your operation, including things like crewing.

The CoO links the operators to vessels identified by their unique identifier and vessel survey. Multiple vessels can be listed on a CoO.

To apply for a CoO:

- The vessel operator submits an application to AMSA via email or post
- Applications will be paid for either online via a payment portal, over the phone via AMSA Connect, or in person at Australia Post
- Operators may also be required to supply a copy of the SMS, or have an onboard visit by AMSA
- AMSA will assess the application
- AMSA will issue a letter either approving the CoO (including a CoO), or refusing the CoO.

## Renewals and variations

The CoO is valid up to five years and subsequent certificates are applied for by following the same process as the initial application.

Vessel operators will also be able to apply directly to AMSA to vary, revoke or suspend a CoO.

## Equivalent means of compliance and exemptions for CoS and CoO

Under the National Law, an 'equivalent means of compliance' (EMOC) allows you to propose an alternate means of meeting a required outcome that is at least as effective as the requirement outlined in the standard. All applications for EMOC must be made to AMSA.

Exemption applications allow you to seek an exemption from any part of the National Law.

Some types of exemptions require you to submit an application, even though they may be 'standing exemptions'. A 'standing exemption' is where AMSA has made an exemption on its own initiative and it applies to sectors of industry.

All other exemptions require an application. These exemptions are used when a member of industry seeks an individual exemption for the vessel, operation or other circumstances.

Exemption applications must be made to AMSA.

The complexities of exemption applications can vary considerably. This means that the time and costs associated with assessing an application may also vary considerably. Upon receipt of the application, AMSA will provide an assessment of the time and cost estimated prior to any work being undertaken.

## Seafarer certification

From 1 July 2017 the process of obtaining a new certification will depend on the type of certification.

Those seeking to obtain any of the following certifications must follow the process outlined below:

- General Purpose Hand NC
- Coxswain Level 1 NC
- Coxswain Level 2 NC
- Marine Engine Driver Level 3 NC
- Marine Engine Driver Level 2 NC
- Master under 24 metres NC
- Master (inland waters).

To obtain any of these certificates you will complete the relevant training course through a Registered Training Organisation (RTO). The final practical assessment, where required, will be carried out by AMSA-approved assessors at the RTO.

You will then download an application form for a CoC (or AMSA Connect can mail one to you) and present the application form at an Australia Post outlet. Applications must be accompanied by supporting documentation, as outlined in the application form.

The application fees will need to be paid at the same time that the application is submitted at Australia Post. Australia Post will then forward your application form and payment to AMSA.

AMSA will then assess the application and issue a certificate, which will be mailed to your nominated address.

The application process for the following certificates is slightly different:

- Master less than 35 metres NC
- Master less than 80 metres NC
- Mate less than 80 metres NC
- Marine Engine Driver 1 NC
- Engineer Class 3 NC.

For these certifications you will complete the relevant training course through an RTO.

You will then download an application form for a CoC (or AMSA Connect can mail one to you) and present the application form at an Australia Post outlet. Applications must be accompanied by supporting documentation, as outlined on the application form.

The application fees will need to be paid at the same time that the application is submitted at Australia Post. Australia Post will then forward your application form and payment to AMSA, where the application will be assessed and processed.

AMSA will then invite you to book an appropriate time for you to undertake an oral examination. You will be able to book the oral examination by phone through AMSA Connect and you will also need to pay for the examination over the phone when you make the booking.

Following the successful completion of the oral exam, AMSA will issue a certificate, which will be mailed to your nominated address.



## Other services associated with the Certificate of Competency

AMSA also manages applications for the following CoC-related services:

- renewal
- revalidation
- variation
- revocation
- suspension
- additions of endorsements
- removal of restrictions
- equivalences
- certificates for applicants who started a training course prior to 1 July 2017 or who already held a qualification prior to 1 July 2017.

For these services, you will need to download an application form for a CoC (or AMSA Connect can mail one to you) and present the application form at an Australia Post outlet.

Applications must be accompanied by supporting documentation as outlined in the application form. The application fees will need to be paid at the same time that the application is submitted at Australia Post. Australia Post will then forward your application form and payment to AMSA. AMSA will then assess the application and issue a certificate, which will be mailed to your nominated address.

## Cost-recovery example

If you have a 15 metre Class 3 vessel you will pay:

- Under Model One: \$1,036 a year; or
- Under Model Two: \$983 a year.

Under Model Two, the levy you will pay is based on the vessel's measured length and the Class your vessel falls into. If your vessel falls into more than one Class, the levy is based on the highest Class (e.g. Class 1 is higher than Class 4). In addition you will pay application fees for the CoS and a CoO. These fees will generally be payable once, every five years.

## Certificate of Survey

An initial application for a CoS and a load-line certificate will be \$331. If you hold a current CoS or load-line certificate you do not need to reapply for an initial certificate. Renewals, generally after five years, will be charged at \$151.

The fees above include all required periodic survey updates. You will deal directly with an accredited marine surveyor for the cost of your physical surveys (including initial and periodic).

## Unique Identifiers

If your vessel is an existing vessel with a current unique identifier issued by a marine safety agency, you can continue to use this unique identifier. If you have a new vessel or an existing vessel without a unique identifier, an application can be made to obtain a new unique identifier from AMSA for \$106. This is a one-off fee.

## Certificate of operation

An initial CoO will cost \$295. Renewals, generally after five years, will be charged at \$133.

## Certificate of competency

A CoC revalidation fee is chargeable every five years. If you have an existing CoC you do not need to apply for a new one.

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# GOVERNANCE

## Responsibilities

These key groups are closely involved in the development and approval of the National System levy and fees:

**Australian Government Minister for Infrastructure and Transport:** The Minister for Infrastructure and Transport is responsible for seeking the Australian Government's approval of the National System levy and charges.

**Australian Government Department of Infrastructure and Regional Development:** The department provides policy advice to the Minister for Infrastructure and Transport and is responsible for the design of the Australian Government infrastructure, transport and regional development policies and programs.

**Australian Government Department of Finance:** The department is responsible for implementing the Australian Government Cost Recovery Guidelines, which provide the overarching framework under which AMSA must design, implement and review National System fees and levies on behalf of the Australian Government.

**The Australian Maritime Safety Authority (AMSA):** AMSA is the national marine safety regulator and is responsible for the overall preparation, implementation and administration of the National System levy and fees.



**CONSULTATION**

**COST RECOVERY FOR SERVICES UNDER THE  
NATIONAL SYSTEM FOR DOMESTIC COMMERCIAL VESSEL SAFETY**

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