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Marine Navigation Levy Bill 1989

Date Introduced: 1 November 1989
House: House of Representatives
Portfolio: Transport and Communications

Digest of Bill

Purpose

To revise the cost recovery arrangements for marine navigational aids (NAVAIDS) by imposing a sliding scale of levy rates on certain commercial ships.

Background

Under section 51(vii) of the Constitution, the Commonwealth has power with respect to NAVAIIDS. The *Lighthouses Act 1911* provides for the lighting and marking of the Australian coast; allows the acquisition by negotiation, or compulsion, of lighthouses or marine marks owned by a State; and provides for the imposition and collection of light dues. On 1 July 1915, the Commonwealth under its Constitutional acquisition power (section 51(xxii)) took over control of all State navigation aids outside harbours and ports. This comprised 104 attended lighthouses, 18 automatic lights, 1 lightbuoy, 16 unlit buoys, and 40 unlit beacons and obelisks.¹ All inner lighthouses and other marine marks, e.g. those marking port channels, harbours and rivers remained under the control of the various States and local port authorities.

In 1988-89, the Department of Transport and Communications managed a network of 386 NAVAIIDS, comprising 28 attended lighthouses, 277 unattended lightvessels, 2 lighted buoys, 16 unlit beacons, 8 radio beacons, 1 Decca Navigator Chain, 4 radio reporting tide gauges, 25 radar beacons, 1 Omega transmitting facility, and 14 auxiliary aids.²

The *Lighthouses Act 1911* and Lighthouses and Light Dues Regulations provide for commercial ship operators to be charged a fee in the form of light dues. Light dues are charged on the net registered tonnage of a vessel on a quarterly basis. The present rate is \$0.53 per net registered ton per quarter. The regulations exempt certain vessels from the payment of light dues, including ships belonging to naval, military or air forces; ships wholly engaged in fishing; and pleasure craft. Moneys recovered from light dues are used to meet costs associated with establishing, operating, and maintaining NAVAIIDS. In 1988-89, the cost of operating, maintaining, and establishing NAVAIIDS was \$35.789 million and were fully recovered. Income from light dues in 1988-89 was \$39.811 million.³

The revised cost recovery arrangements proposed by the Bill were announced by the Minister for Transport and Communications on 1 July 1989 as part of a Ministerial Statement titled 'Reform of the Shipping and Waterfront Industries'. The Minister announced that following representations from certain sectors of the shipping industry, the Government had reviewed the basis for the payment of light dues and the formula used to set the rate for individual ships and decided that a new formula should be substituted. The proposed formula would provide for a sliding scale of charges by tonnage ranging from \$0.63 to \$0.33 per net registered ton.

Main Provisions

Expressions used in the Bill will have the same meaning as in the Marine Navigation Levy Collection Bill 1989 (clause 4).

A levy will be imposed on sea-going ships by clause 6.

The rates of levy for sea-going ships will be set by clause 7. The rates of the levy will be set at:

- \$0.63, or a prescribed amount, per tonne below 5000 tonnes;
- \$0.53, or a prescribed amount, per tonne over 5000 and up to 20 000 tonnes;
- \$0.43, or a prescribed amount, per tonne over 20 000 and up to 50 000 tonnes;
- \$0.33, or a prescribed amount, per tonne over 50 000 tonnes.

Clause 8 provides that the Governor-General may make regulations prescribing rates of levy and that the regulations are not to increase a rate of levy by more than 15% per annum.

References

1. G. Reid and M. Foote, *From Dusk Till Dawn - A History of Australian Lighthouses*, 1988, p. 135.
2. Department of Transport and Communications, *Annual Report 1988-89*, p. 170.
3. *Ibid.*, p. 306.

For further information, if required, contact the Economics and Commerce Group.

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