



## COASTAL TRADING (REVITALISING AUSTRALIAN SHIPPING) AMENDMENT BILL 2017

On 13 September 2017, the Minister for Infrastructure and Transport, introduced the Coastal Trading (Revitalising Australian Shipping) Amendment Bill 2017 (Bill) into Parliament to amend to the *Coastal Trading Act 2012* (Cth) (Act). The stated purpose is to adjust the existing regime rather than a full scale restructure and follows initial consultation with the industry, in light of complaints about the onerous and cumbersome licensing procedures currently in place under the Act.

According to the Minister, the aim of the Bill is to reduce unnecessary red tape in the coastal shipping sector, by simplifying the temporary license application procedure to encourage the use of shipping for domestic freight.

Key changes proposed by the Bill are:

- Removal of the minimum requirement of five scheduled voyages for the issue of a temporary licence and replaces it with a single voyage requirement.
- Relaxation of the strict tolerance restrictions on voyage timing and cargo weight – currently temporary licenses only allow tolerances of five days before or after the approved loading date and loading of 20% more or less than the approved amount of cargo.
- Relaxation of the consultation requirements where no suitable vessel is on the general register.
- A vessel will not be deemed to be imported for the purposes of the *Customs Act 1901* while a vessel is “docked for service” under a temporary licence. “Docked for service” is a new definition which includes a vessel in dry dock, or a vessel that is docked for maintenance, repairs, cleaning or painting and not undertaking a voyage.
- Extension of the temporary licence regime to cover the carriage of cargoes from floating production storage and offloading units and floating storage unit (newly defined as “offshore facilities”) to ports in Australia.

Unsurprisingly, the industry response reported to date has been mixed, with maritime unions anticipating erosion of the Australian fleet in contrast to others in the industry that see potential benefit for Australian producers in getting their goods to domestic markets.

The second reading speech also took place on 13 September 2017 and the Bill will now be tabled in the Senate (Upper House) for approval. Given that the Government does not have a majority in the Senate and that the opposition has to date opposed any amendments to the Act, the Bill’s passage remains uncertain.

For more information, please contact the authors of this briefing:

**NIC VAN DER REYDEN**

Partner, Sydney

**T** +61 (0)2 9320 4618

**E** nic.vanderreyden@hfw.com

**HAZEL BREWER**

Partner, Perth

**T** +61 (0)8 9422 4702

**E** hazel.brewer@hfw.com

**AMBER ALBRECHT**

Associate, Sydney

**T** +61 (0)2 9320 4605

**E** amber.albrecht@hfw.com

**HFW has over 500 lawyers working in offices across Australia, Asia, the Middle East, Europe and the Americas. For further information about our shipping capabilities, please visit [hfw.com/shipping](http://hfw.com/shipping)**

**[hfw.com](http://hfw.com)**

© 2017 Holman Fenwick Willan LLP. All rights reserved.

Whilst every care has been taken to ensure the accuracy of this information at the time of publication, the information is intended as guidance only. It should not be considered as legal advice. Holman Fenwick Willan LLP is the Data Controller for any data that it holds about you. To correct your personal details or change your mailing preferences please contact Souhir Jemai on +44 (0)20 7264 8415 or email [souhir.jemai@hfw.com](mailto:souhir.jemai@hfw.com)

Beirut Brussels Dubai Geneva Hong Kong Houston Kuwait London Melbourne Paris Perth Piraeus Riyadh São Paulo Shanghai Singapore Sydney