## **Independent Review Secretariat**

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Dear Independent Review Secretariat

## Submission into the Independent Review of the Shipping Registration Act 1981

The Australian Maritime Safety Authority (AMSA) welcomes the Independent Review of *Shipping Registration Act 1981* (the Act) and is pleased to provide this submission to support this important review.

AMSA is Australia's national agency responsible for maritime safety, the protection of the marine environment, and maritime aviation search and rescue. As part of its role AMSA is responsible for administering the Act.

Shipping registration plays an important role in domestic and international shipping. It provides the primary mechanism for establishing a ship's nationality.

Australia's arrangements for shipping registration are set out in the Act and its supporting regulations. This Act provides the mechanism to grant nationality to Australian commercial and recreational vessels operating domestically, and to all Australian vessels undertaking an international voyage.

AMSA's experience in administering the Act for over three decades has informed this submission, including our view that the core processes underpinning shipping registration in Australia, require significant amendment to be fit-for-purpose and contemporary.

In particular, AMSA considers the proposed amendments will deliver efficiencies for both the shipping community and AMSA, by modernising several areas of the Act. AMSA would also welcome amendments to the Act which place a greater focus on risk and overall benefits of registration—informed by the new objects of the Act—and noting existing safety and pollution prevention requirements under other maritime laws.

There are several potentially significant benefits that would flow from modernising shipping registration in Australia, which are outlined in AMSA's submission. These include:

- efficiencies with the administration of ship registration, by amending legislation to enable electronic registration and reducing the regulatory burden on the shipping community imposed by outdated legislative arrangements.
- a more effective enforcement and compliance regime that is commensurate to risk and community expectations.

- greater flexibility so that registration processes and requirements can keep pace with modern transacting practices.
- exemptions from the requirement to be registered, and associated requirements to be registered, being underpinned by risk.

**Attachment 1** to this submission provides AMSA's responses to the questions raised in the consultation paper, based on AMSA's experience in administering the Act.

Thank you again for the opportunity to make a submission to this important review.

Yours sincerely

1 November 2024

## **ATTACHMENT 1**

# 1 Objects of the Act

## **CONSULTATION QUESTIONS**

- 1) Feedback is invited on whether you agree the elements of an object stated above are aligned with your expectations.
- 2) If you are not in agreement, state what an alternative might be.

#### **AMSA'S RESPONSE**

The consultation paper identifies the following as elements that may inform the development of the object of an amended Shipping Registration Act:

- To provide owners of Australian vessels with an internationally recognised record of ownership and grant of Australian nationality to their vessels.
- To provide an accurate record of all Australian registered vessels.
- To facilitate participation in domestic and international trade for Australian vessel owners and operators.
- To be competitive with other ship registries and encourage growth of the Australian commercial fleet.

AMSA **agrees** that it would be useful for the Act to include a clear set of objectives to bring the Act more in line with modern legislative drafting practices, and broadly agrees with the proposed new objectives.

AMSA notes the original intent of the current Act is to "... fix the conditions for registration of ships in Australia and to grant ships Australian nationality. It also provides for Australian ships to fly the Australian National Flag or the Australian Red Ensign in accordance with Australia's obligations under the Geneva Convention on the High Seas 1958, to which Australis is a party." <sup>1</sup>

In line with this purpose, AMSA considers that proposed elements 1 and 2 of the objects align with both the intent of the Act and stakeholders' expectations of shipping registration. Further, these elements give effect to Australia's international law obligations under UNCLOS.

## However, regarding:

- element 1, AMSA notes that the register is not currently a register of title. Including this aspect in this
  element is likely to result in additional regulatory burden and costs to the shipping community, which
  may disincentivise registration. AMSA is not aware of any policy reason why a Commonwealth register
  of title is required.
- element 2, AMSA notes there is a significant sector of the Australian maritime fleet that would not be registered, meaning the register will not be accurate, as it is not complete. Including this element in

 $<sup>^1</sup>$  (1981) Explanatory Memorandum to the Shipping Registration Bill 1981, Flags Amendment Bill, and Navigation Amendment Bill 1981.

the objects may have limited value. AMSA notes that a possible reframing of the object, would be to 'provide an accurate record of all Australian-flagged ships'.

Proposed element 3 of the objects is:

To facilitate participation in domestic and international trade for Australian vessel owners and operators.

Currently, all Australian vessels that wish to make international voyages – including for the purposes of trade – must be registered. Australian vessels that do not trade internationally (and meet other exemption criteria considered later in this submission) are not required to be registered under the Act.

AMSA notes that most government and commercial vessels that only operate within Australian waters are subject to the *Marine Safety (Domestic Commercial Vessel) National Law Act in 2012*. This Act requires, among other things, a domestic commercial vessel to have a unique vessel identifier number and be certified for the vessel's operations. Requiring these vessels to also be registered, notwithstanding they may never operate internationally, is not reflective of risk and results in unnecessary regulatory burden. Accordingly, AMSA's view is there is opportunity to limit registration to vessels undertaking international voyages, and this should be reflected in the objects of the Act.

AMSA also notes that the phrase 'facilitate' suggests that the agency that administers the registry would provide an active role in domestic and international trade. This would be a new regulatory function that the responsible agency would require authority and resources to deliver.

Proposed element 4 of the objects is:

To be competitive with other ship registries and encourage growth of the Australian commercial fleet.

Shipping registries are generally either 'open' or 'closed' registers. 'Closed' registers are those that only allow a ship to register where that ship has a genuine link to the flag State. Both of Australia's shipping registers are considered 'closed' registers, given the requirement for an Australian owner or operator.

AMSA notes that, internationally, the largest registries are 'open' registries. To further incentivise their uptake, these registries offer or leverage conditions that incentivise foreign vessel owners to register, including competitive taxation arrangements.

AMSA notes that a similar theme was raised in the *Strategic Fleet Taskforce Final Report* and articulated in Recommendation 1 of that report. In response, the Australian Government Response noted (emphasis added):<sup>2</sup>

The Government acknowledges that Australian flagged vessels have higher operating costs relative to foreign flagged vessels and the cost gap is a significant reason for the decline in the number of Australian flagged vessels. The Government agrees this cost gap will need to be overcome to grow the size of the Australian fleet. Australia has a strong workplace health and safety regime, high wages, and good working conditions, factors upon which the Government will not compromise to lower the cost of Australian ships.

<sup>&</sup>lt;sup>2</sup> (2023) Australian Government Response to the Strategic Fleet Taskforce Final Report.

Given the above, AMSA considers that a stated object to be 'competitive with other ship registries' does not align with Australia's broader stated policy positions and is unlikely to be a meaningful objective.

# 2 Modernising the vessel registration system

### **CONSULTATION QUESTIONS**

- 3) Indicate your agreement or otherwise to the proposed changes listed above.
- 4) If you are not in agreement, please state the reasons why.
- 5) Provide any suggestions as to alternative ways or enhancements to the proposed changes that will improve the operation of vessel registration.
- 6) Do you have any additional comments or suggestions for other improvements to the registration system?

### **AMSA'S RESPONSE**

The consultation paper observes that "[t]he Act is dated in its drafting, unclear on its objectives and overly prescriptive", and notes specific problems including:

- the Act also does not allow for temporary or provisional registration in a range of circumstances, including vessels under construction and vessels that are not undertaking a voyage to a foreign port; and
- the difficulty of ensuring the information in the register is accurate and up-to-date, with rigid requirements for closure of registrations; not having an expiry on registrations; and a compliance toolbox that has limited tools, can be overly burdensome, is inefficient, and has tools that are often ineffective.

The consultation paper further notes that "[t]he Reviewers believe that significant improvements could be achieved through changes to the system of registration, and are considering" a range of proposals (included in line, below).

AMSA's primary observation in administering the Act is that a failure to keep pace with modern regulatory and legislative design has resulted in several inefficiencies and administrative challenges, for both the shipping community and AMSA.

**AMSA agrees** with the proposed changes listed in the consultation paper, and that these changes would deliver further efficiencies that would benefit the shipping community. Specifically:

1) A single vessel register that caters to the complexity of the maritime industry by including different requirements for different types of vessels or vessel uses, for example, recreational, commercial, demise charter and internationally trading vessels; and include marking requirements that suit the size and type of vessel being registered.

**AMSA agrees** with the proposal for a single vessel register. AMSA notes that the current one-size-fits-all approach to registration under the current Act does not cater for the diversity of vessels that may be registered. AMSA's view is that the registration requirements and associated processes should be determined based on the objects of the Act and on risk and overall benefits of registration. For example, the requirements for registering a small recreational craft could be less extensive than registering a large commercial ship trading internationally.

2) Providing a mechanism for the registration of vessels under construction.

**AMSA agrees** with the proposal for a mechanism for vessels under construction. Australia's approach to ships under construction is inconsistent with the practices of other ship registries. The current approach requires that vessels – including those that, due to the nature of their intended operational use and ownership, will not be required to be registered when in operation – be registered through a complete registration process during the construction and sea trials phase. This is administratively burdensome and inefficient for the shipping community and AMSA.

3) Expansion of the circumstances where a temporary registration can be issued to provide more flexibility to account for future changes in the maritime landscape.

**AMSA agrees** with the proposal to expand the circumstances for temporary registration. The Australian maritime landscape has changed significantly over the past 40 years, and the prescriptive approach to registration in the Act does not have the scope to accommodate changing circumstances and is difficult to administer.

**AMSA notes** that this proposed amendment could be coupled with a simplified registration process and greater flexibility in the legislation, which would reduce administrative burden and reliance on temporary applications.

4) Flexibility in the registration process allowing it to remain contemporary, for example, the introduction of a digital registration process in the future.

**AMSA strongly agrees** with the proposal to improve the registration process, in particular through the introduction of a digital registration process, and removal of the exemption from the *Electronics Transactions Act 1999*. AMSA consistently receives feedback from stakeholders that the current paper-based approach to shipping registration is administratively burdensome, time consuming and out of step with modern day transactions. As a modern shipping register, it is appropriate that Australian shipping registration is supported by modern transacting practices.

AMSA further considers that the inclusion of a digital registration process will enable significant cost savings and administrative efficiencies for both ship owners and AMSA, after substantial initial establishment costs to move to an electronic transaction environment.

5) Simplification of the process for closure of a registration, for example, where an owner no longer wants the vessel in the register or where the vessel is no longer entitled to be Australian registered.

**AMSA agrees** with the proposal to simplify the process to close a registration and believes it will address current inefficiencies. Under the Act, there are limited circumstances under which a registration may be closed, resulting in entries of ships that are no-longer active on the Australian General Shipping Register (AGSR). This undermines the integrity and accuracy of the register, due to vessels still being registered even though they are no longer entitled or required to be. Suitable safeguards to protect against inappropriate de-registration would be required.

**AMSA further notes** that under the Act, the Registrar's powers to inquire into registration – and whether it is appropriate to close a registration – are limited. AMSA considers that any amendments to simplify the closure of ship registration should consider the roles of ship owners and the Registrar of Ships in maintaining the currency and accuracy of the register.

6) That the requirement to provide supporting documentation such as builder's certificates, alteration certificates and statutory declarations be replaced with a single declaration.

**AMSA** agrees with the proposal to streamline documentation requirements. AMSA's experience in administering shipping registration indicates that ship owners can struggle with the volume of documentation required for comparatively simple administrative actions and the requirement that documents are paper-based.

**AMSA notes** that this proposed change should be considered in concert with the previous proposals to include differing registration requirements for differing vessel types.

7) That the documents that can be accepted as proof of ownership are expanded beyond the requirement for a Bill of Sale, as currently defined under the Act.

**AMSA agrees** with the proposal to expand what documentation is accepted as proof of ownership. While the current Bill of Sale is a relatively simple document, it is not widely known, resulting in instances of ships being sold or transferred on alternate paperwork. This in turn, can require extensive, time consuming correspondence with previous owners to reissue documentation. Limiting evidence of ownership to only the Bill of Sale, when there are several other kinds of suitable alternative documentation, may be disproportionate for this kind of transaction.

While expanding the documentation accepted as proof will address this problem, AMSA suggests that clear criteria on what is acceptable proof should be developed, for transparency.

8) Retaining the requirement for home ports but removing the requirement for Gazettal of a home port and instead allowing selection from an existing (but wider and more flexible) list of recognised place names.

AMSA considers the concept of a home port has limited practical purpose or value in modern shipping practices and creates additional inefficiencies for AMSA. However, if it is retained **AMSA agrees** with the proposal to remove the requirement for gazettal.

**AMSA further notes** that the concept of the home port has been considered as part of previous reviews<sup>3</sup>, where it was subject to mixed opinion. AMSA considers that any changes to the home port concept should be coupled with an explanation that is clear on its relevance.

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<sup>&</sup>lt;sup>3</sup> See for example The Review of the Shipping Registration Act 1981 Report, 1997.

9) A registration term to help keep the register current, with a simple but low-cost renewal process that provides owners with a prompt to confirm or update their information.

**AMSA strongly agrees** with the proposal to introduce a registration term. AMSA's experience in administering the Act is that the strict conditions by which a ship's registration can be closed or cancelled are limiting. As a result, several ships that are no longer active do not meet the conditions for closure.

Further, not having a natural end date to registration does not align with other authorisations, such as certificates issued under other maritime related legislation, and means that ship owners may 'set and forget' their registration. A periodic, renewal process will help ensure only vessels that should be registered remain on the register.

**AMSA further notes** that any consideration of registration terms and closure processes should interrogate the current provisions on registration, and offences for a failure to be registered, to ensure that term-registrations do not inadvertently lead ship owners to run afoul of their requirements.

AMSA considers that introducing a registration-term, in addition to simplifying the process for registration closure will have a broadly positive effect on the currency of the Australian registers.

10) Adding a broader suite of compliance tools (such as, including administrative action rather than solely criminal sanctions) to more effectively and appropriately ensure vessel registration requirements are met.

**AMSA strongly agrees** with the proposal to expand the suite of compliance tools available for contraventions of the Act. AMSA considers that when compared to modern maritime legislation, the Act has limited optionality in compliance and enforcement tools. This results in an Act with limited options for scalability for enforcement and regulation, which is out of step with the approach under other Commonwealth legislation – such as the *Regulatory Powers (Standard Provisions) Act 2014* – and other maritime legislation, including the *Navigation Act 2012*. This includes, for example, the ability for AMSA to suspend registration in circumstances, or to issue an infringement notice for an offence.

In accordance with the Regulator Performance Framework, and in order to make the best use of its regulatory resources, AMSA seeks to adopt a graduated approach to compliance and enforcement to ensure that actions taken are proportionate to the regulatory risk being managed. Limited optionality in the compliance tools of the Shipping Registration Act limits AMSA's ability to apply regulatory actions that are proportionate to the harm and wrongdoing that has occurred and considered of the broader resourcing demands on the justice system.

**AMSA further notes** that any consideration of broadening the suite of compliance tools should interrogate the suitability of existing criminal sanctions and whether they remain fit-for-purpose. These tools should be contained within the Shipping Registration Act. This will ensure the availability of suitable tools that support the objects and requirements of this Act, rather than continuing to use tools under the *Navigation Act 2012*, which were not designed for this purpose.

AMSA can provide further information on how the proposed changes (above) will address specific problems experienced by AMSA and by users of the shipping registration process, where it would be of assistance to the review.

## Other suggestions on enhancements to improve the operation of vessel registration

More broadly, AMSA notes that a common theme of the proposed changes is to move away from the rigid approach of the Act to a more flexible approach responsive to the risk and the requirements of a diverse shipping fleet. AMSA considers that one approach to realising this is to provide for a marine order power in the Act.

To account for changing operational requirements, modern maritime legislation – including the *Navigation Act 2012* and the *Marine Safety (Domestic Commercial Vessel) National Law Act 2012* – utilise marine orders. Marine orders are legislative instruments made by AMSA's Chief Executive Officer to ensure legislation keeps up to date with technical and operational advances in maritime safety and environment protection, and where appropriate, to implement international and national maritime standards. Marine orders are subject to government scrutiny processes, including the rules applied by the Office of Impact Analysis and disallowance. The Act does not currently provide for marine orders to be made under the Act, resulting in all requirements being set out in either the primary legislation or in regulations.

In addition to the above, AMSA considers that further improvements to the registration system could be realised by providing a broader range of discretionary powers to the Shipping Registrar. Under the Act, the Registrar of Ships is assigned responsibility for the management of the registration of Australian ships. The Registrar is a statutory appointment and is supported by the Deputy Registrar. The functions of the shipping registrar are largely prescribed in the Act.

In the course of maintaining the Registers, the Registrar of Ships has functions to:

- receive and record all information and documents required or permitted to be lodged with the Registrar under the Act
- grant, issue, vary or revoke such certificates and other documents as are required or permitted to be granted or issued under this Act, and
- issue copies of, and extracts from, any such certificates and other documents and entries in the registers.

The Registrar also has power to do all things necessary or convenient to be done for or in connection with, or as incidental to, the performance of their functions, including powers for requiring the furnishing of information and documents (such as the delivery of certificates and other documents granted or issued under this Act) as provided by the regulations.

Despite what appears to be a wide range of powers, AMSA's experience in administering the Act indicates that the Registrar would benefit from a range of discretionary powers to correct and maintain the accuracy of the AGSR. These powers could be similarly structured to those exercised by other statutory office holders with responsibilities for maintaining official registries, for example, the Registrar of the:

 Personal Property Securities Register, who has powers to restore data to the register and preserve data integrity after it has been removed in error. Australian Business Register, who has powers to adjust details in the register where they are satisfied
that details entered about an entity are incorrect and has access to details that they believe to be the
correct.

# 3 How can we make Australian registration more attractive?

#### **CONSULTATION QUESTIONS**

- 7) Indicate if you think the current registration system is acting as a disincentive to registration. If so, in what way?
- 8) In what ways are foreign registers more attractive?
- 9) What would make Australian flagging of a vessel more attractive?

#### **AMSA'S RESPONSE**

As the consultation paper identifies, Australian commercial ship registration has declined over the past 20 years.

Ships that fly the Australian flag, must meet Australian standards. With rigorous and world-class safety, labour, and design requirements, Australian commercial ships have a reputation as being safe and secure workplaces.

**AMSA agrees** with the discussion paper that a distinction should be drawn between the registration system — as a process that a ship owner goes through to have the ship registered — and the registration conditions — conditions that apply to a ship that is registered on the AGSR. AMSA further agree that a distinction ought to be made between the incentives that apply to the registration of a ship for commercial and non-commercial purposes.

AMSA notes the most competitive international registries are 'open' registries. To further incentivise their growth, these registers offer a range of incentives to attract foreign vessel owners to register, including favourable taxation arrangements, labour conditions, and conditions relating to transport and pollution. These incentives sit at odds with factors that the Australian government has stated that they will not compromise on to lower the cost of Australian ships.

Several of these registries also offer concierge and self-service functions, depending upon a ship owner's registration and flagging needs. Registries such as the United Kingdom Ship Register (UKSR) also provide 24-hour technical support and advice support for flagged ships.

**AMSA notes** that the inclusion of self-service functions in Australian shipping registration could also facilitate more frequent updates to the register, improving its contemporaneity and reliability.

AMSA notes that for a section of the shipping community, there will be a direct link between the conditions of the general licencing system under the *Coastal Trading (Revitalising Australian Shipping) Act 2012* and their views on the attractiveness of Australian flagging. AMSA notes that initiatives to improve the licencing system, including transparency and clarity on application processes, may have an impact on shipping registration, but this is outside of AMSA's remit.

Finally, AMSA also notes that the Act does not currently include a mandate to promote or grow the shipping registers. Accordingly, AMSA does not undertake an active role in promoting the register. If this were to be instituted, AMSA, or another relevant agency, would need the authority and resources to perform this function.

AMSA considers that the registration system requires modernisation and *agrees* that a failure to keep pace with administrative developments – such as digitalisation – acts as an impediment to registration.

# 4 Australian International Shipping Register

### **CONSULTATION QUESTIONS**

- 10) Indicate what have been the main impediments to registering a vessel in the AISR.
- 11) What would remove the barriers to registration and improve the attractiveness of an international register for Australian owners and operators to increase the size of the Australian fleet?

#### **AMSA'S RESPONSE**

As the consultation paper notes, the AISR was introduced in 2012 to provide an alternative registration option for Australian ship owners intending to use a ship predominately for international trade.

Although ships on the AISR remain subject to the *Navigation Act 2012*, certain additional matters, including employment conditions, are established for seafarers serving on these ships by the Act. These conditions reflect the ability to adopt mixed crewing arrangements and international employment terms and conditions.

When assessing the suitability of the ship for the AISR, consideration will be given to:

- The age of the ship.
- The Port State Control history of the ship.
- The classification history of the ship.
- The outcome of any pre-registration inspection of the ship by an AMSA Surveyor.
- Any matters prescribed by the Shipping Registration Regulations 1981.

AMSA considers that questions on the attractiveness of the international register are best considered by ship owners and operators.

# 5 Are the current exemptions to the Act appropriate?

## **CONSULTATION QUESTIONS**

12) Indicate if you think it is appropriate to remove of any of the current exemptions, as noted above.

## 13) If you are not in agreement, please state the reasons why

### **AMSA'S RESPONSE**

The consultation paper considers whether the current exemptions in the Act remain appropriate and whether "removing the current exemptions under the Act for Government, fishing or recreational vessels could ensure consistency of requirements for commercial vessels and allow greater visibility of the Australian fleet".

The AGSR is open to all ships that satisfy the following requirements:

- Australian-owned ships
- small craft that are wholly owned by Australian residents, or by Australian residents and Australian nationals
- small craft that are operated solely by Australian residents, or by Australian nationals, or by both,
- ships that are on demise charter to Australian-based operators.

Registration on the AGSR is optional for ships less than 24 metres in tonnage length, Government ships, fishing vessels and pleasure craft.

When originally introduced, registration was<sup>4</sup>

... only obligatory in the case of commercial or [SIC] commercial ships of 12 metres or more in length.

This approach to exemptions was amended by the Shipping Registration Amendment Act 1984 to increase the number of Australian ships which are exempt from the requirement to register by providing that the<sup>5</sup>

... provision which exempts commercial ships under 12 metres in length, will be extended to 24 metres in length.

The explanatory memorandum goes on to explain:<sup>6</sup>

This means that commercial ships of between 12 metres and 24 metres will be brought into the group of ships not required to be compulsorily registered. Most of these ships operate close to shore, in ports and harbours or on inland waterways.

This rationale is further expanded in the second reading speeches, which highlights that:

<sup>6</sup> Ibid.

<sup>&</sup>lt;sup>4</sup> (1981) Explanatory Memorandum to the Shipping Registration Bill 1981, Flags Amendment Bill, and Navigation Amendment Bill 1981.

<sup>&</sup>lt;sup>5</sup> (1984) Explanatory Memorandum to the Shipping Registration Amendment Bill 1984.

<sup>&</sup>lt;sup>7</sup> (1984) Second Reading Speech of Senator Peter Rae, to the Shipping Registration Amendment Bill 1984 and Protection of the Sea (Shipping Levy) Amendment Bill 1984.

...the cost of registration will not be imposed upon the quite significant number of smaller commercial vessels operating in Australian waters.

This approach to exemptions broadly accords with the 1969 International Convention on Tonnage Measurement of Ships, to which Australia is a party.

**AMSA agrees** that the current exemptions should be revisited, based on the new objects of the Act and underpinned by risk.

AMSA notes the Act gives effect to UNCLOS for the purpose of identifying and regulating vessels beyond sovereign state jurisdiction. Requiring vessels that never operate internationally to be registered results in unnecessary regulatory burden. Accordingly, AMSA considers there is opportunity to limit registration to, initially, only those vessels undertaking international voyages. Consideration of any additional categories of vessels that should be registered should be based on risk and the new objects.

AMSA considers that, in addition to assessing the appropriateness of the categories of vessels that require registration and exemptions from those categories, further consideration should also be given to including a discretionary power to the Registrar to grant exemptions on a case-by-case basis. Similar to the exemption power in the *Navigation Act 2012*, this discretion should be consistent with Australia's international obligations and community expectations on safety.

AMSA recognises other Commonwealth legislation considers, or requires, registration on an Australian register. AMSA is not able to determine the effect on such legislation were the requirement to register vessels not leaving Australian waters to change.

## 6 Other relevant matters

### **CONSULTATION QUESTIONS**

14) Are there additional insights or comments you would like to offer as part of this review process?

# **AMSA'S RESPONSE**

Under the Act, a registered ship must have vessel markings to help identify the ship on water. Per Section 26(1) of the Act:

A ship shall not be registered until it has been marked in accordance with the regulations with marks directed by the Registrar by notice in writing served on the owner or once of the owners and evidence of a kind specified in the regulations of the ship's having been so marked has been lodged with the Registrar.

Under the Act, it is an offence not to maintain the markings or to engage in conduct that results in the markings being concealed, removed, altered, defaced, or obliterated.

Under current arrangements, large commercial vessels and recreational vessels are subject to the same marking requirements. In many cases, these requirements are not practical nor desirable for the marking of a

smaller vessel such as a sailing yacht and have been criticised by yacht owners and industry associations as being overly prescriptive and neglecting the changes in modern yacht design and construction methods.

AMSA's observation in administering the Act, is that as a result of strict marking requirements, many recreational vessel owners cannot and do not comply with existing marking requirements.

Finally, AMSA notes that the consultation paper starts from the assumption that the Act remains in force. AMSA notes that one alternative to amending the Act, would be to amend the *Navigation Act 2012* to incorporate the relevant functions. This approach would provide a more centralised legislative framework for ship-owners and simplify the broader maritime legislative landscape.