

ATTACHMENT 2

Impacts from proposed changes to: Marine Order 505 (Certificates of competency – national law) 2013

Estimated Annual Regulatory Costs & Savings

AMSA is required under the Australian Government Regulatory Burden Measurement framework to give consideration to the compliance costs imposed on businesses, community organisations and individuals as a result of proposed regulatory changes.

The Regulatory Burden Measurement framework considers the regulatory costs and savings resulting from regulations on businesses, community organisations and individuals. Costs are measured over a 10-year time frame against business as usual costs. Costs include administrative, operational, time and delay costs. Some costs are excluded, such as fees paid to government and the costs of international treaty obligations. Further details about the framework and costing methodology are provided at: <http://www.dpmc.gov.au/office-best-practice-regulation/publication/regulatory-burden-measurement-framework-guidance-note>

This regulatory costing has been prepared consistent with the requirements of the framework. It shows each compliance cost covered by the framework and explains the cost calculations, including the assumptions and data sources used. Stakeholder comments are invited on the regulatory costing.

The regulatory costing includes the following information:

Table A - provides a summary table showing the outcomes of this regulatory costing for each stakeholder group.

Table B - details the estimated additional regulatory costs or savings incurred by businesses as a result of the proposed changes to regulations.

Table C - details the estimated additional regulatory costs or savings incurred by individuals as a result of the proposed changes to regulations.

Table A: Summary of Estimated Total Annual Net Regulatory Costs from this proposal

Stakeholder Group	Total Annual Net Costs (\$000)
Businesses	\$ -
Community Organisations	\$ -
Individuals	\$ 185.88
TOTAL	\$ 185.88

Table B: Estimated Annual Regulatory Costs & Savings to Businesses

No.	Proposed new or changed requirement	Cost category	Number of affected businesses per year	Average annual cost or saving per business	Total annual net cost	Comments
1	RTO final assessments of low complexity certificates	Education	0	\$ -	\$ -	This item is shown as a 'Nil cost' as this change only seeks to formalise existing assessment arrangements with RTOs. There will be no change to existing arrangements and no compliance cost impacts for RTOs as they already conduct final assessments for these certificates.
	Registered Training Organisations (RTOs) will be required to conduct the final assessments of seafarers seeking to attain low-complexity certificates.					
2	RTO training course for Coxswain Grade 3	Education	0	\$ -	\$ -	This item is shown as a 'Nil cost' as the increased take-up of existing RTO courses for Coxswain Grade 3 certificates is expected to be moderate, so it is assumed that these courses can continue to be provided by RTOs using existing resources.
	RTOs will be expected to provide training for new seafarers seeking to attain Coxswain Grade 3 certificates.					

Total Annual Net Cost \$ -

Table C: Estimated Annual Regulatory Costs & Savings to Individuals

No.	Proposed new or changed requirement	Cost category	Number of affected individuals per year	Average annual cost or saving per individual	Total annual net cost	Comments
1	Certificate administration - expired certificates	Enforcement	0	\$ -	\$ -	This costing item is shown as a 'Nil cost' as these changes relate to normal AMSA regulatory compliance and enforcement action for existing requirements. Enforcement costs are excluded from costing under the government's Regulatory Burden Measurement (RBM) framework.
	Seafarers with certificates that have expired for a period of more than five years will now be required to apply for a new certificate, rather than being allowed to renew the expired certificate. This change will enforce current certificate requirements.					
2	Certificate administration - compliance action	Enforcement	0	\$ -	\$ -	This costing item is shown as a 'Nil cost' as these changes relate to normal AMSA regulatory compliance and enforcement action for existing requirements. Enforcement costs are excluded from costing under the government's RBM framework.
	AMSA will now be able to provide information on certificate status (e.g. valid, revoked, suspended, etc.) to a vessel owner or a foreign administration, when requested. Certificate holders who have regulatory action imposed on them by AMSA may be required to complete appropriate training to meet certificate requirements. Certificate holders who have their certificate revoked by AMSA as a result of regulatory action will have to return it to AMSA by mail or at a local office.					

No.	Proposed new or changed requirement	Cost category	Number of affected individuals per year	Average annual cost or saving per individual	Total annual net cost	Comments
3	Certificate endorsements - Coxswain Grade 2 NC	Permission	32	-\$ 15.50	-\$ 496	Savings are based on an estimated average 30 minutes time saved by seafarers no longer having to complete an application for an endorsement. This change is expected to affect an estimated 32 seafarers each year (based on AMSA data). The application is assumed to be completed in the seafarer's own time. Time costs are based on the standard OBPR leisure time rate of \$31.00 per hour and include application completion and submission time. Application fees payable to AMSA are excluded from costing under the government's RBM framework. An endorsement application is assumed to be completed only once in 10 years.
	The Coxswain Grade 2 NC certificate will no longer require an endorsement to carry passengers. This change means certificate holders will no longer have to apply for the endorsement and pay the application fee to AMSA.					
4	Certificate endorsements - Master (inland waters)	Permission	110	-\$ 15.50	-\$ 1,705	Savings are based on an estimated average 30 minutes time saved by seafarers no longer having to complete an application for an endorsement. This change is expected to affect an estimated 110 seafarers each year (based on AMSA data). The application is assumed to be completed in the seafarer's own time. Time costs are based on the standard OBPR leisure time rate of \$31.00 per hour and include application completion and submission time. Application fees payable to AMSA are excluded from costing under the government's RBM framework. An endorsement application is assumed to be completed only once in 10 years.
	The vessel length limitation on the Master (Inland waters) certificate will be increased from <24m to <45m. This change means certificate holders will no longer have to apply for an endorsement for the increased vessel length and pay the application fee to AMSA.					

No.	Proposed new or changed requirement	Cost category	Number of affected individuals per year	Average annual cost or saving per individual	Total annual net cost	Comments
5	<p>New certificates - Coxswain Grade 3 NC, Sailing Master Coastal NC and Sailing Master Offshore NC</p> <p>New certificates will be created for Coxswain Grade 3 NC, Sailing Master Coastal NC and Sailing Master Offshore NC. These new certificates will cover existing provisions and endorsements in instruments that will be incorporated into Marine Order 505.</p>	Permission	395	\$ 4.65	\$ 1,837	<p>Additional costs are based on an estimated average of 1 hour to apply for a new Sailing Master Coastal NC or Sailing Master Offshore NC certificate, plus an average 30 minutes to apply for renewal of the certificate, once every 10 years. This change is expected to affect an estimated 395 seafarers (based on AMSA data). Time costs are calculated at the standard OBPR leisure time rate of \$31.00 per hour and include application completion and submission time. Application and renewal fees payable to AMSA are excluded from costing under the government's RBM framework. The new Coxswain Grade 3 certificate is included here as a 'Nil cost' because seafarers will be deemed to hold the certificate without having to apply for it and the training requirements to attain the certificate remain unchanged.</p>

No.	Proposed new or changed requirement	Cost category	Number of affected individuals per year	Average annual cost or saving per individual	Total annual net cost	Comments
6	Replacement certificates - Master <45m NC	Permission	110	-\$ 15.50	-\$ 1,705	Savings are based on an estimated average 30 minutes time saved by seafarers no longer having to complete an application for an endorsement. This change is expected to affect an estimated 110 seafarers each year (based on AMSA data). The application is assumed to be completed in the seafarer's own time. Time costs are based on the standard OBPR leisure time rate of \$31.00 per hour and include application completion and submission time. Application fees payable to AMSA are excluded from costing under the government's RBM framework. An endorsement application is assumed to be completed only once in 10 years.
	The new Master <45m NC certificate will replace the current Master <35m NC certificate. This change means certificate holders will no longer have to apply for an endorsement for the increased vessel length and pay the application fee to AMSA.					
7	Replacement certificates - Master <100m NC	Permission	22	-\$ 15.50	-\$ 341	Savings are based on an estimated average 30 minutes time saved by seafarers no longer having to complete an application for an endorsement. This change is expected to affect an estimated 22 seafarers each year (based on AMSA data). The application is assumed to be completed in the seafarer's own time. Time costs are based on the standard OBPR leisure time rate of \$31.00 per hour and include application completion and submission time. Application fees payable to AMSA are excluded from costing under the government's RBM framework. An endorsement application is assumed to be completed only once in 10 years.
	The new Master <100m NC certificate will replace the current Master <80m NC certificate. This change means certificate holders will no longer have to apply for an endorsement for the increased vessel length and pay the application fee to AMSA.					

No.	Proposed new or changed requirement	Cost category	Number of affected individuals per year	Average annual cost or saving per individual	Total annual net cost	Comments
8	Amended certificates - Master <24m NC The current Master <24m NC certificate will be amended to align with the new Master <45m and Master <100m certificates. The sheltered waters restriction will no longer apply in some cases.	Permission	0	\$ -	\$ -	This costing item is shown as a 'Nil cost' as these changes will not affect current requirements or compliance costs for seafarers.
9	Amended certificates - Coxswain Grade 2 Seafarers seeking to attain the Coxswain Grade 2 certificate will now need to hold a first-aid certificate. Seafarers will need to complete first-aid training.	Permission	300	\$ 240.00	\$ 72,000	Additional costs are based on an average \$150 cost for a training course to obtain a first-aid certificate (based on available industry data). This change is expected to affect an estimated 300 seafarers each year (based on AMSA data). Time costs are excluded as training is assumed to be undertaken during normal business hours. The first-aid training course is assumed to be paid for by seafarers and completed only once in 10 years.
10	Medical assessment for low complexity certificates All seafarers applying for low-complexity certificates will now be required to complete a medical assessment when first applying for the certificate. The medical assessment will need to be completed by their local doctor.	Permission	2100	\$ 50.00	\$ 105,000	Additional costs are based on an average \$50 doctor fee for the medical assessment paid by seafarers (based on available industry data). This change is expected to affect an estimated 2,100 seafarers each year (based on AMSA data). Time costs are excluded as the doctor appointment is assumed to occur during normal business hours. The medical assessment is assumed not to be a bulk-billed service and is completed only once in 10 years.

No.	Proposed new or changed requirement	Cost category	Number of affected individuals per year	Average annual cost or saving per individual	Total annual net cost	Comments
11	Task books	Record Keeping	500	\$ 22.58	\$ 11,292	Additional costs are based on seafarers buying a task book and paying for it themselves in their own time. This change is expected to affect an estimated 500 seafarers each year (based on AMSA data). Costs shown include the current \$20 retail price of the task book (including postage and handling), plus 5 minutes in time costs to purchase the task book online at the standard OBPR leisure time rate of \$31.00 per hour. Time costs for task book registration are excluded as operators already do this. Purchasing a task book is assumed to be undertaken only once in 10 years.
	The completion of a task book will become a mandatory component for certificate attainment. The sea service time requirements will be reduced accordingly. For most certificates, completion of a task book is currently an option for applicants seeking to reduce seagoing service time.					
12	Editorial and administrative changes	Other	0	\$ -	\$ -	This costing item is shown as a 'Nil cost' as these changes will not affect current requirements or compliance costs for seafarers.
	Relevant requirements from the National Standard for Commercial Vessels (NSCV) Part D, the National Regulator Endorsements Approval 2014 and other relevant instruments will be incorporated into Marine Order 505. Incorporated instruments or provisions will be repealed. Minor editorial amendments will also be made to clarify existing requirements, correct errors and remove redundant or unnecessary provisions in Marine Order 505.					

Total Annual Net Cost \$ 185,881