



SEPTEMBER 2011 - SHIPPING UPDATE  
PROPOSED LAW CHANGES AND REVIEWS

**Inquiry into international freight transport services**

The Government recently established the New Zealand Productivity Commission. The Commission has been asked to examine the international freight transport sector and to provide a report by 1 April 2012. In its paper of July 2011, the Commission stated that it will carry out its examination from the perspective of improving productivity in a way that supports the overall wellbeing of New Zealanders. Submissions closed on 31 August 2011. Among other tasks, the Commission has been asked to pay particular attention to the effectiveness of the current regulatory regime under the Shipping Act 1987 (which exempts international outwards shipping from the anti-competitive provisions of the Commerce Act 1986). The Commission has been asked to give attention to the potential costs and benefits of alternative regulatory arrangements, with international comparisons. See: <http://www.productivity.govt.nz/issues-paper-engagement/315>.

**Australia**

On 9 September 2011, the Australian Government announced 'the most far reaching overhaul of its shipping industry ever undertaken', with the aim to remove the disincentives that have made it uneconomic to operate Australian ships in a global environment and to create an environment that will encourage growth and productivity in the Australian shipping industry. The shipping reforms are due to commence on 1 July 2012. For an overview of the proposed plans for reform (which include tax reform, an international shipping register, a new licencing regime and workforce skills development), see the speech of the Minister of Infrastructure and Transport: [http://www.minister.infrastructure.gov.au/aa/speeches/2011/AS26\\_2011.aspx](http://www.minister.infrastructure.gov.au/aa/speeches/2011/AS26_2011.aspx).

**Proposed amendments to the Carriage of Goods Act 1979**

The Consumer Law Reform Bill was introduced to Parliament in April 2011. Subpart 5 of the Bill proposes changes to the Carriage of Goods Act 1979 ("COGA"). The COGA is a code covering all domestic carriage and incidental services in New Zealand. Section 6 of the COGA contains a bar to claims against carriers for loss and damage to goods other than in accordance with the contract and the COGA. The Bill proposes to allow claims against carriers by consumers under the Consumer Guarantees Act 1993 ("CGA"). Further, an obligation is introduced on carriers to offer either a contract "at limited carrier's risk" or "at declared value risk", depending on the value of the goods. Finally, the proposal raises the limit of the carrier's liability from \$1,500 to \$2,000 per unit. See Sub Part 5 of the Bill at: <http://www.legislation.govt.nz/bill/government/2011/0287/latest/DLM3672914.html>

**Maritime Rules regarding Operational Limits and Marine Qualifications to be amended**

On 1 June 2011, Maritime New Zealand ("MNZ") launched the final version of its Qualifications and Operational Limits Framework. See: <http://www.maritimenz.govt.nz/Commercial/Seafarer-licensing/Qualifications-Operational-Limits-review/documents/Qualifications-Operational-Limits-Framework-2011.pdf>. This framework will be used to draft rules under the Maritime Transport Act 1994 amending the requirements for marine qualifications and the operational limits. The aim is for the new rules to come into force by March 2013.

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