

## QUESTION TAKEN ON NOTICE

**ADDITIONAL ESTIMATES HEARING : 08 February 2016**

IMMIGRATION AND BORDER PROTECTION PORTFOLIO

**(AE16/131) - Fee for service - Internal Product (DIBP)**

Senator Ludwig, Joe (L&CA) written:

Since the change of Prime Minister on 14 September, 2015:

1. Have any existing services provided by the department / agency moved from being free to a user-pay service? Have any additional fees been placed on existing services? If yes please provide a list and include:
2. Name of the fee and a short description of what it covers.
3. How much is the fee (and is it a flat fee or a percentage of the service).
4. The date the fee came into place.
5. Were any reviews requested, commenced or complemented into the benefits and drawbacks of attaching the fee to the service? If yes, please detail and provide a copy of the review.
6. What consultation was carried out before the fee was put into place?
7. How was the fee put into place (e.g. through legislation, regulation changes etc)?
8. What justification is there for the fee?
9. test

*Answer:*

Three new charges came into effect from 1 January 2016 to implement the *Cost Recovery – licensing and import processing* Budget Measure which was announced as part of the 2015-16 Commonwealth Budget. These charges included a Warehouse variation charge, and the broker and warehouse licence application charge and further details are provided in the table below.

Fee/Charge Name	Fee/Charge Type	Status																				
Broker Licence Application Charge and Warehouse Licence Application Charge	Cost Recovery	<p><b><i>New Charges to implement 2015-16 budget measure</i></b> – previously, no application charge existed at the time of application lodgement for broker and warehouse licences. A grant fee was applied if the application was assessed as being successful. This meant that the costs incurred by the Department for assessing unsuccessful applications were not being recovered from that cohort of applicants.</p> <p>A decision was taken at the 2015-16 Commonwealth Budget to Introduce new application charges which would allow the Department to recover costs from all applicants, whether they are successful or not. Introducing these charges resulted in a restructuring of existing charges, which previously only applied to the granting and renewal of licences. These charges had not been reviewed for more than 10 years.</p> <p>The new charging structure came into effect from 1 January 2016 and is applied under the Australian Government Cost Recovery Guidelines (AGCRGs). Consultation was undertaken with industry as per the requirements set out in these guidelines. Detailed information on what the charges constitute, the changes made, and the consultation undertaken, is presented in the Departmental Cargo and Trade Related Activities Cost Recovery Impact Statement which is available at <a href="http://www.border.gov.au/costrecovery">www.border.gov.au/costrecovery</a></p> <p>The charges were given effect by amending the <i>Customs Act 1901</i> and <i>Customs Depot Licensing Act 2001</i></p> <table border="1" data-bbox="683 1149 1401 1395"> <thead> <tr> <th>Charge</th> <th>Old Charge</th> <th>New Charge</th> <th>Renewal Period</th> </tr> </thead> <tbody> <tr> <td>'Nominee' broker's licence application</td> <td>N/A</td> <td>\$130</td> <td></td> </tr> <tr> <td>'Sole trader' or 'Corporate' broker's licence application</td> <td>N/A</td> <td>\$1,300</td> <td></td> </tr> <tr> <td>'Nominee' broker's licence grant or renewal</td> <td>\$120</td> <td>\$240</td> <td>Every 3 Years</td> </tr> <tr> <td>'Sole trader' or 'Corporate' broker's licence grant or renewal</td> <td>\$1,200</td> <td>\$2,400</td> <td>Every 3 Years</td> </tr> </tbody> </table>	Charge	Old Charge	New Charge	Renewal Period	'Nominee' broker's licence application	N/A	\$130		'Sole trader' or 'Corporate' broker's licence application	N/A	\$1,300		'Nominee' broker's licence grant or renewal	\$120	\$240	Every 3 Years	'Sole trader' or 'Corporate' broker's licence grant or renewal	\$1,200	\$2,400	Every 3 Years
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Warehouse Variation Charge	Cost Recovery	<p><b><i>New Charges to implement 2015-16 budget measure</i></b> – The Department incurs a cost when it varies an existing warehouse licence. This is similar to the costs incurred by the Department when it varies an existing depot licence, for which a charge already exists. A charge for processing a warehouse variation did not exist previously and was introduced as part of the 2015-16 Commonwealth Budget to ensure consistency when dealing with warehouses and depots. The applicable charge is \$300 per licence variation and the charge became effective from 1 January 2016.</p> <p>The charge is applied under the AGCRGs and consultation was undertaken with industry as per the requirements set out in the guidelines. Detailed information on what the charges constitute, the changes made and the consultation undertaken is presented in the Departmental Cargo and Trade Related Activities Cost Recovery Impact Statement which is available at <a href="http://www.border.gov.au/costrecovery">www.border.gov.au/costrecovery</a></p> <p>The charges were given effect by amending the <i>Customs Act 1901</i> and <i>Customs Depot Licensing Act 2001</i></p>
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