

SENATE STANDING COMMITTEE ON LEGAL AND CONSTITUTIONAL AFFAIRS
AUSTRALIAN CUSTOMS AND BORDER PROTECTION SERVICE

Question No. 67

Senator Brandis asked the following question at the hearing on 12 February 2013:

- a) What is the average cost associated with individual passenger facilitation at Australian international airports by the agency?
- b) On what basis was the workload growth funding of \$3.95 per passenger derived?

The answer to the honourable senator's question is as follows:

- a) The direct cost of primary and secondary clearance processes within airports is \$3.68 per passenger for 2011-12 and \$3.71 forecast for 2012-13.
- b) In 2004, the Passenger Processing Workload Growth Agreement was established, as a variable funding mechanism to compensate Customs and Border Protection for growth in passenger numbers over an agreed 2003-04 base level of funding. In effect the figure was an average marginal cost estimate. The cost per passenger was determined during the Customs' Financial Health Review in the 2003-04 year to be \$3.58. From 2004-05 onwards this cost has been adjusted through the application of the Wage Cost Index (WCI) and efficiency dividend. The WCI and efficiency dividend are periodically advised by the Department of Finance and Deregulation.