

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 65

Division/Agency: Biosecurity Plant Division

Topic: Citrus Growers Submission into Unshu Mandarins from Japan

Proof Hansard page: 42

Senator RUSTON asked:

Senator RUSTON: What was your response to the then citrus organisation, which I assume would still would have been under the guise of Australian Citrus Growers, in terms of their submission, when they said that they were seriously concerned about the exposure to the Australian citrus industry from the potential import of this product into Australia?

Ms Findlay: I will go back and have a look at the submission that they put in in 2009. It is four years ago now, so I would like to refresh my memory of that one.

Answer:

The import risk analysis for fresh unshu mandarin fruit from Shizuoka Prefecture in Japan was conducted and concluded in July 2009 in accordance with Australia's method for pest risk analysis. DAFF considered all stakeholder comments including those submitted by the Australian Citrus Growers (ACG).

In respect of the ACG's concern that there was a possibility for the pathogen causing citrus canker to be present in the export areas, the final report recommended conservative pest risk management measures. At the time when this risk analysis was conducted, there had been no detection of citrus canker symptoms in the specified export areas over a 40-year survey period. The recommendations for the import conditions required that these surveys be continued. The export program will cease in the event that any single citrus canker symptom is detected in the specified areas.

Apart from these ongoing surveys, mandatory sprays, restrictions on movement of host materials into the export areas and post-harvest chemical treatment are also required.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 66

Division/Agency: Biosecurity Plant Division

Topic: IER in the Horticulture Sector

Proof Hansard page: 44

Senator COLBECK: Can you tell me where the IER sits in relation to the horticulture sector?

Ms Calhoun: As at 1 July 2012, the IER was reverted back to zero, and we are running back on a cost recovery track, so the IER will be calculated out at the end of this financial year. So, at 1 July last year, part of the \$6.5 million that was provided by the government to support the horticulture sector was used to wipe out the deficit sitting in that IER. So it is currently sitting at zero dollars.

Senator COLBECK: What was the deficit?

Ms Calhoun: \$1.658 million.

Senator COLBECK: What is the target level for the IER?

Ms Calhoun: Projected for this year?

Senator COLBECK: No. We talked before about how there was a target of having it at, I think, 10 per cent—I think that was the number we were talking about before.

Ms Calhoun: The target would be 10 per cent—deficit or revenue—where we would be looking at whether we needed to readjust the fees.

Senator COLBECK: So, what is the annual expenditure that that 10 per cent would be set off?

Ms Calhoun: It is approximately \$1 million.

Senator COLBECK: And that is the annual operating costs?

Ms Calhoun: Plus or minus 10 per cent.

Senator COLBECK: Or, is that the level that the IER would be set at?

Ms Calhoun: That is the level of the IER.

Senator COLBECK: So, your \$10 million programs set the IER at \$1 million?

Ms Calhoun: Yes.

Senator COLBECK: In questions 182 and 184, there was some discussion about several models being developed to support the impact assessment process. Is it possible to get access to the various models that were considered?

Ms Calhoun: That was throughout the consultation through the horticultural ministerial task force. They were papers that were provided.

Ms Mellor: They were provided to the ministerial task force, and we can provide those on notice.

Answer:

Horticulture exporters through the Horticulture Ministerial Taskforce had numerous opportunities over the last three years to identify efficiencies for their industry and to develop new export fees and charges. They were presented with a number of models throughout this process which are provided at Attachment A.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 66 (continued)

The final cost recovery arrangement presented reflects the option put forward by the Department of Agriculture Fisheries and Forestry (DAFF), which has the support of some industry sectors. DAFF has implemented this option on the basis that it:

- represents the most equitable distribution of costs across all horticulture exporters;
- is financially stable and will be able to respond to changes in the demand for those services; and,
- complies with the requirements of the Australian Government Cost Recovery Guidelines.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 66 (continued)

ATTACHMENT A

Horticulture Ministerial Taskforce Meeting – 26 May 2011 – Agenda Item 3: History of Horticulture Fees and Charges models

Model 1 : Model as presented in the first fees paper presented on 24th March

2011/12 calculated fees and charges									
Description	11/12 modelled expenditure	Sale Unit	Current Charge	Proposed Charge	Variance \$	Variance %	Projected Units for 11/12	Projected Revenue	Surplus / Deficit
REGISTRATION	\$ 3,509,189							\$ 3,509,189	\$ -
Base Registration charge		per reg estab	\$ 550	\$ 5,195	\$ 4,645	845%	483	\$ 2,509,189	
Additional Reg Charge		per import country	\$ 1.90	\$ 2,000			500	\$ 1,000,000	
FEE FOR SERVICE	\$ 3,130,067							\$ 3,130,067	\$ -
Fee for Service		1/4 hr units	\$ 68	\$ 66.97	\$ (1)	-2%	46,736	\$ 3,130,067	
CERTIFICATION	\$ 616,886.67							\$ 616,887	\$ -
Manual Permit		Permit	\$ 51	\$ 100	\$ 74	285%	374	\$ 37,365	
Manual Certificate		Certificate	\$ 51	\$ 100	\$ 49	96%	377	\$ 37,665	
Manual Other Documentation		Other Doc	\$ 51	\$ 100	\$ 50	100%		\$ -	
Electronic Permit		Permit	\$ 26	\$ 20.16	\$ (6)	-22%	13,192	\$ 265,903	
Electronic Certificate		Certificate	\$ 26	\$ 20.16			13,192	\$ 265,903	
Electronic Other Documentation		Other Doc	\$ 26	\$ 20.16				\$ -	
Replacement Certificate		Certificate	\$ 50	\$ 500			20	\$ 10,050	
Total	\$ 7,256,143							\$ 7,256,143	\$ -

Significant data supplied to AHEA on 1st April 2011 by Jacinta

Additional info supplied to AHEA on 18th April 2011 in response to queries in following picture

Cost	Amt	Overhead	Inspections	Audits	Documentation
Central Office					
wages	\$ 1,074,573.00				
telcom	\$ 10,520.00				
IT	\$ 31,728.00				
office services	\$ 100.00				
travel	\$ 56,500.00				
vehicles	\$ 900.00				
general office	\$ 6,500.00				
fin admin	\$ 6,600.00				
depn	\$ 3,800.00				
interest	\$ 500.00				
TOTAL	\$ 1,191,721.00				
Regional office					
wages	\$ 2,773,682.00				
telecom	\$ 47,488.00				
IT	\$ 119,878.00				
services	\$ 4,900.00				
conferences	\$ 700.00				
travel	\$ 91,000.00				
vehicles	\$ 338,052.00				
general	\$ 20,404.00				
governance	\$ 5,400.00				
fin admin	\$ 85,100.00				
depn	\$ 16,900.00				
depn	\$ 95,400.00				
fit exp	\$ 4,300.00				
TOTAL	\$ 3,603,204.00				
Export program					
Services					
Exec Mgr	\$ 77,869.00				
GM	\$ 136,006.00				
Exr register	\$ 21,732.00				
Ex Doc	\$ 191,828.00				
Doc services Gp	\$ 12,793.00				
AMS	\$ 141,529.00				
TOTAL	\$ 581,757.00				
Overheads					
BSG	\$ 334,197.00				
DAFF	\$ 1,545,263.00				
TOTAL	\$ 1,879,460.00				
TOTAL	\$ 7,256,142.00				

PLEASE ADVISE THE % OF EACH BUDGET ITEM HERE THAT IS APPLICABLE TO AQIS STAFF THAT DO THE ACTUAL PHYSICAL QUARANTINE PHYTO INSPECTIONS, PACKING EST AND FARM AUDITS AND OTHER FIELD AUDITS AND THE % THAT WOULD COVER REGIONAL MANAGEMENT AND GENERAL ADMINISTRATION STAFF.

AMS - WHAT DOES THIS COVER

PLEASE PROVIDE DETAIL AS TO WHAT THIS COVERS

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 66 (continued)

ATTACHMENT A

Horticulture Ministerial Taskforce Meeting – 26 May 2011 – Agenda Item 3: History of Horticulture Fees and Charges models

Model 2 : AHEA modelling supplied on 20th April and discussed via teleconference at 9:00am 21st April.

AHEA AQIS ALTERNATIVE CHARGING COST MODEL COMPARISONS

description	Unit	Projected Units	AQIS Current Charge 2010-11		AQIS proposed for 2011-12		AHEA Proposed for 2011-12	
			Charge	Projected Revenue	Charge	Project Revenue	Charge	Project Revenue
OVERHEADS								
REGISTRATION								
Packing Shed- AQIS	1	483	\$ 550.00	\$ 265,650.00	\$ 5,195.00	\$ 2,509,185.00		\$ -
Packing Shed- AHEA	1	518					\$ 550.00	\$ 284,900.00
Import Country Charge	1	500			\$ 2,000.00	\$ 1,000,000.00		
Grower	1	674					\$ 550.00	\$ 370,700.00
Treatment facility	1	80					\$ 550.00	\$ 44,000.00
Exporter	1	221					\$ 550.00	\$ 121,550.00
Volume Charge	per kg/tonne	325,000,000kg	\$1.90/tonne	\$ 617,500.00			\$ 0.00895	\$ 2,908,750.00
TOTAL OVERHEADS		\$ 3,728,244.50		\$ 883,150.00		\$ 3,509,185.00		\$ 3,729,900.00
VARIABLE COSTS								
INSPECTION COSTS								
FFS - inspection time	1/4hr units	46,736	\$ 68.00	\$ 3,178,048.00	\$ 66.97	\$ 3,129,909.92	\$ 26.15	\$ 1,222,146.40
FFS- travel time	1/4hr units	44,426					\$ 26.15	\$ 1,161,739.90
FFS- km charge		296,635	\$ 0.85	\$ 252,139.75			\$ 0.85	\$ 252,139.75
TOTAL INSPECT COSTS		\$ 2,635,169.88		\$ 3,430,187.75		\$ 3,129,909.92		\$ 2,636,026.05
AUDIT COSTS								
FFS- Audit time	1/4hr units	2,191	\$ 68.00	\$ 148,988.00			\$ 21.57	\$ 47,259.87
FFS - travel time	1/4hr units	2,000					\$ 21.57	\$ 43,140.00
FFS - Km charge		21,973	\$ 0.85	\$ 18,677.05			\$ 0.85	\$ 18,677.05
TOTAL AUDIT COST		\$ 109,071.36		\$ 167,665.05				\$ 109,076.92
DOCUMENTATION								
Manual Permit		374	\$ 51.00	\$ 19,074.00	\$ 100.00	\$ 37,400.00	\$ 51.00	\$ 19,074.00
Manual certificate		377	\$ 51.00	\$ 19,227.00	\$ 100.00	\$ 37,700.00	\$ 51.00	\$ 19,227.00
Manual other doc			\$ 51.00		\$ 100.00		\$ 51.00	
Electronic Permit		13192	\$ 26.00	\$ 342,992.00	\$ 20.16	\$ 265,950.72	\$ 26.00	\$ 342,992.00
Electronic Certificate		13192	\$ 26.00	\$ 342,992.00	\$ 20.16	\$ 265,950.72	\$ 30.43	\$ 401,432.56
Electronic other doc			\$ 26.00		\$ 20.16		\$ 26.00	
Replacement Certificate		20	\$ 50.00	\$ 1,000.00	\$ 500.00	\$ 10,000.00	\$ 50.00	\$ 1,000.00
TOTAL DOCUMENTATION		\$ 783,656.26		\$ 725,285.00		\$ 617,001.44		\$ 783,725.56
TOTAL VARIABLE COSTS		\$ 3,527,897.50		\$ 3,597,852.80		\$ 3,129,909.92		\$ 3,528,828.53
TOTAL BUDGET COSTS		\$ 7,256,142.00		\$ 4,481,002.80		\$ 6,639,094.92		\$ 7,258,728.53

Rural and Regional Affairs and Transport Committee
ANSWERS TO QUESTIONS ON NOTICE
 Additional Estimates February 2013
Agriculture, Fisheries and Forestry

Question: 66 (continued)

ATTACHMENT A

Horticulture Ministerial Taskforce Meeting – 26 May 2011 – Agenda Item 3: History of Horticulture Fees and Charges models

Cost of a typical 2 hour Export Inspection and Certification to a Phyto/ non phyto market

	units/ type	CURRENT MODEL		AQIS PROPOSED MODEL		AHEA PROPOSED MODEL	
		AQIS					
Packing Shed Registration	Fixed	\$ 550.00		\$ 5,195.00		\$ 550.00	
Import Country charge				\$ 2,000.00			
Grower	Fixed					\$ 550.00	
Treatment facility	Fixed					\$ 550.00	
Exporter	Fixed					\$ 550.00	
Volume charge/ tonne/kg	22000	\$ 1.90	\$ 41.80			\$ 0.00895	\$ 196.90
Inspection cost							
FFS- Inspection time	8 x 1/4hr	\$ 68.00	\$ 544.00	\$ 66.97	\$ 535.76	\$ 26.15	\$ 209.20
FFS - travel time	8 X ¼ hr					\$ 26.15	
FFS- km charge	100	\$ 0.85	\$ 85.00			\$ 0.85	\$ 85.00
Ex Doc Permit	1	\$ 26.00	\$ 26.00	\$ 20.16	\$ 20.16	\$ 26.00	\$ 26.00
Ex Doc Certificate	1	\$ 26.00	\$ 26.00	\$ 20.16	\$ 20.16	\$ 30.43	\$ 30.43
TOTAL COST OF INSPECTION		\$ 122.75					

Total Inspection & Certification costs

Non Phyto Market	\$ 67.80	\$ 20.16	\$ 222.90
Phyto Market	\$ 722.80	\$ 576.08	\$ 547.53

analysis of AQIS budget costs 2001/12

Central office	amt	overhead	inspections	audits	documentation
wages	\$ 1,074,573.00				
telcom	\$ 10,520.00				
IT	\$ 31,728.00				
office services	\$ 100.00				
travel	\$ 56,500.00				
vehicles	\$ 900.00				
general office	\$ 6,500.00				
fin admin	\$ 6,600.00				
deprn	\$ 3,800.00				
interest	\$ 500.00				
	\$ 1,191,721.00	\$ 1,191,721.00			
Regional office					
wages	\$ 2,773,682.00	\$ 180,289.33	\$ 2,146,829.87	\$ 88,757.82	\$ 357,804.98
telecon	\$ 47,488.00	\$ 3,086.72	\$ 36,755.71	\$ 1,519.62	\$ 6,125.95
IT	\$ 119,878.00	\$ 7,792.07	\$ 92,785.57	\$ 3,836.10	\$ 15,464.26
services	\$ 4,900.00		\$ 4,263.00	\$ 196.00	\$ 441.00
conferences	\$ 700.00	\$ 700.00			
travel	\$ 91,000.00	\$ 5,915.00	\$ 70,434.00	\$ 2,912.00	\$ 11,739.00
vehicles	\$ 338,052.00	\$ 21,973.38	\$ 261,652.25	\$ 10,817.66	\$ 43,608.71
general	\$ 20,404.00		\$ 17,751.48	\$ 816.16	\$ 1,836.36
governance	\$ 5,400.00		\$ 4,698.00	\$ 216.00	\$ 486.00
fin admin	\$ 85,100.00	\$ 85,100.00			
deprn	\$ 16,900.00	\$ 16,900.00			
deprn	\$ 95,400.00	\$ 95,400.00			
int exp	\$ 4,300.00	\$ 4,300.00			
	\$ 3,603,204.00	\$ 421,456.50	\$ 2,635,169.88	\$ 109,071.36	\$ 437,506.26
Export program Services					
Exec Mgr	\$ 77,869.00	\$ 77,869.00			
GM	\$ 136,006.00	\$ 136,006.00			
Esr register	\$ 21,732.00	\$ 21,732.00			
Ex Doc	\$ 191,828.00				\$ 191,828.00
Doc services Gp	\$ 12,793.00				\$ 12,793.00
AMS	\$ 141,529.00				\$ 141,529.00
	\$ 581,757.00	\$ 235,607.00			\$ 346,150.00
Overheads					
BSG	\$ 334,197.00				
DAFF	\$ 1,545,263.00				
	\$ 1,879,460.00	\$ 1,879,460.00			
TOTAL	\$ 7,256,142.00	\$ 3,728,244.50	\$ 2,635,169.88	\$ 109,071.36	\$ 783,656.26

Model 3 : Consolidated AHEA model emailed to industry on 27th April and presented at 5th May MTF meeting

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 66 (continued)

ATTACHMENT A

Horticulture Ministerial Taskforce Meeting – 26 May 2011 – Agenda Item 3: History of Horticulture Fees and Charges models

2011/12 AHEA Fees and Charges

Agenda Item 3a i

Description	11/12 modelled expenditure	Sale Unit	Current Charge	Proposed Charge	Projected Units for 11/12	Projected Revenue	Surplus / Deficit
REGISTRATION	\$ 3,728,245					\$ 3,728,245	\$ -
Registered Establishment		per reg estab	\$ 550	\$ 1,582	518	\$ 819,495	
Volume Charge		per kg	\$ 0.00190	\$ 0.00895	325,000,000	\$ 2,908,750	
FFS - Inspection	\$ 2,635,169					\$ 2,635,544	\$ 375
Fee for Service 1/4 hour		1/4 hr units	\$ 68.00	\$ 27.80	45,707	\$ 1,270,655	
Travel Time		Hours		\$ 27.80	41,094	\$ 1,142,413	
Km Charge		Kilometres	\$ 0.85	\$ 0.75	296,635	\$ 222,476	
FFS - Audit	\$ 109,071					\$ 109,096	\$ 25
Fee for Service 1/4 hour		1/4 hr units	\$ 68.00	\$ 13.38	3,590	\$ 48,034	
Travel Time		Hours		\$ 13.38	3,332	\$ 44,582	
Km Charge		Kilometres	\$ 0.85	\$ 0.75	21,973	\$ 16,480	
CERTIFICATION	\$ 783,657					\$ 783,726	\$ 69
Manual Permit		Permit	\$ 51.00	\$ 51.00	374	\$ 19,074	
Manual Certificate		Certificate	\$ 51.00	\$ 51.00	377	\$ 19,227	
Manual Other Docs		Other Doc	\$ 51.00	\$ 51.00		\$ -	
Electronic Permit		Permit	\$ 26.00	\$ 26.00	13,192	\$ 342,992	
Electronic Certificate		Certificate	\$ 26.00	\$ 30.43	13,192	\$ 401,433	
Electronic Other Docs		Other Doc	\$ 26.00	\$ 26.00		\$ -	
Replacement Certificate		Certificate	\$ 50.00	\$ 50.00	20	\$ 1,000	
Total	\$ 7,256,143					\$ 7,256,611	\$ 468

Accompanying advice to Model 3

AQIS has run the principles AHEA put forward through the AQIS model and come up with the revised version (see attached).

This will be distributed as a paper on Friday for next week's meeting

If you have any questions on any of the changes please don't hesitate to contact me.

Regarding the email sent to Kylie last Thursday we are working through the comments at the moment and will reply to you tomorrow.

Please note:

1. This model is an updated representation of the AHEA model with amendments made to comply with legislation and to update the model for volume data (the table below describes some of the pros and cons with the proposed model based on Department of Finance and Deregulation principles.
2. Changes include:
 - a. Volumes for inspection time and inspection travel hours, and audit time and audit travel hours have been updated on Hort Program advice
 - b. Fee's for inspection, inspection travel, audit and audit travel have been updated to reflect the changes in volumes
 - c. Per kilometre rate - ATO rate of \$0.75 per kilometre has been used
 - d. The range of Registration charges have been consolidated into a single registered establishment charge.

The following table discusses some of the Pros and Cons of the AHEA suggested model.

Fee / Charge item	Pros	Cons
Updated cost allocation %		<ul style="list-style-type: none"> • % allocations calculated on activity volumes are not consistent across expense lines • Not reallocating Regional Admin & Mgt allocations to Audit, Inspection and Documentation ties more expense to Registration charges and allows DAFF less flexibility in reducing regional administration expenses in line with the shift to the AAO model
Multiple	<ul style="list-style-type: none"> • Spreads Admin & Mgt 	<ul style="list-style-type: none"> • Is not enforceable under current legislation

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 66 (continued)

ATTACHMENT A

Horticulture Ministerial Taskforce Meeting – 26 May 2011 – Agenda Item 3: History of Horticulture Fees and Charges models

Registration charges	expense across a wider base	<ul style="list-style-type: none"> Confuses true costs to industry participants due to the potential for multiple layers of pass through costs to some participants
Tonnage Charge	<ul style="list-style-type: none"> Spreads Admin & Mgt expense across a wider base Provides a theoretical industry equalisation as larger participants incur greater charges 	<ul style="list-style-type: none"> Difficult to ensure certainty of recovery in the short term, due to the very variable nature of volumes in the Hort industry The tonnage charge recoups 78% of the Management & Administration expenses, compounding the effect of the very variable tonnage charge Potential for inequity across the industry due to high volume low value versus low volume high value commodities Has potential to exceed the 10% of total expense cap for the industry equalisation account (due to very variable volume) (ie. may not be able to carry the surplus or deficit to the following year)
Travel time charge	<ul style="list-style-type: none"> Ties the travel time cost (officer time spent driving) more closely to the participant who creates the cost 	<ul style="list-style-type: none"> Potential for inequity across the industry dependent on the distance at which the participant is located from the DAFF office and scheduling variances
Kilometre charge	<ul style="list-style-type: none"> Ties the vehicle cost more closely to the participant who creates the cost 	<ul style="list-style-type: none"> Potential for inequity across the industry dependent on the distance at which the participant is located from the DAFF office (ie. the location of the DAFF office determines who wins and who loses) Only recovers a small amount in relation to the whole program (administratively costly to implement and results in minimal recovery)
Maintenance of current Certification charges for most Certification categories	<ul style="list-style-type: none"> Simpler transfer to new fees structure, as less individual fees change compared to current fees 	<ul style="list-style-type: none"> Provides little incentive to move away from Manual and Replacement certificates. Demonstrates an imbalance in the true cost relationship between electronic versus manual versus replacement certificates.

Model 4 : DAFF updated model presented at 5th May MTF meeting

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 66 (continued)

ATTACHMENT A

Horticulture Ministerial Taskforce Meeting – 26 May 2011 – Agenda Item 3: History of Horticulture Fees and Charges models

2011/12 Revised AQIS Fees and Charges Model

Agenda Item 3a ii

Description	11/12 modelled expenditure	Sale Unit	Current Charge	Proposed Charge	Projected Units for 11/12	Projected Revenue
REGISTRATION	\$ 3,174,486					\$ 3,174,486
Base Registration charge		per reg estab	\$ 550	\$ 4,400	518	\$ 2,279,200
Exporter charge		per exporter		\$ 5,969	150	\$ 895,286
FEE FOR SERVICE	\$ 3,270,408					\$ 3,270,408
Fee for Service 1/4 hour		1/4 hr units	\$ 68	\$ 66.34	49,297	\$ 3,270,408
Fee for Service Annual		Annual		\$ 101,120	-	\$ -
CERTIFICATION	\$ 811,249					\$ 811,249
Manual Permit		Permit	\$ 51	\$ 100	374	\$ 37,365
Manual Certificate		Certificate	\$ 51	\$ 100	377	\$ 37,665
Manual Other Documentation		Other Doc	\$ 51	\$ 100		\$ -
Electronic Permit		Permit	\$ 26	\$ 27.52	13,192	\$ 363,085
Electronic Certificate		Certificate	\$ 26	\$ 27.52	13,192	\$ 363,085
Electronic Other Documentation		Other Doc	\$ 26	\$ 27.52		\$ -
Replacement Certificate		Certificate	\$ 50	\$ 500	20	\$ 10,050
Total	\$ 7,256,143					\$ 7,256,143

Meeting with Alastair Scott in Brisbane to work through modelling 19th May 2011

Model 5 : Updated Fee paper provided to MTF meeting on 26th May with following model

Rural and Regional Affairs and Transport Committee
ANSWERS TO QUESTIONS ON NOTICE
 Additional Estimates February 2013
Agriculture, Fisheries and Forestry

Question: 66 (continued)

ATTACHMENT A

Horticulture Ministerial Taskforce Meeting – 26 May 2011 – Agenda Item 3: History of Horticulture Fees and Charges models

11/12 calculated fees and charges

Description	11/12 modelled expenditure	Sale Unit	Ratio	Proposed Charge	Projected Units for 11/12	Projected Revenue	Surplus / Deficit
REGISTRATION	\$ 3,174,486					\$ 3,174,754	\$ 268
Order charge		per exporter		\$ 7,000	150	\$ 1,050,000	
1 - Basic phytos (no additional declarations)		per reg estab	1	\$ 1,428	98	\$ 139,944	
2 - Phytos with additional declarations		per reg estab	2	\$ 2,856	310	\$ 885,360	
3 - Protocol markets		per reg estab	7	\$ 9,995	110	\$ 1,099,450	
FEES FOR SERVICE	\$ 3,270,408					\$ 3,270,668	\$ 260
for Service 1/4 hour		1/4 hr units		54.90	59,575	\$ 3,270,668	
for Service Annual		Annual		\$ 101,120	-	\$ -	
CERTIFICATION	\$ 767,653					\$ 767,898	\$ 245
Annual Permit		Permit		\$ 100	374	\$ 37,365	
Annual Certificate		Certificate		\$ 100	377	\$ 37,665	
Annual Other Documentation		Other Doc		\$ 100		\$ -	
Electronic Permit		Permit		\$ 25.88	13,192	\$ 341,409	
Electronic Certificate		Certificate		\$ 25.88	13,192	\$ 341,409	
Electronic Other Documentation		Other Doc		\$ 25.88		\$ -	
Placement Certificate		Certificate		\$ 500	20	\$ 10,050	
Total	\$ 7,212,546					\$ 7,213,319	\$ 773

Model 6 : Peter Dellis & Anthony Kachenko model presented to MTF meeting on 26th May

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 66 (continued)

ATTACHMENT A

Horticulture Ministerial Taskforce Meeting – 26 May 2011 – Agenda Item 3: History of Horticulture Fees and Charges models

2011/12 calculated fees and charges				
Description	Sale Unit	Proposed Charge	Projected Units for 11/12	Projected Revenue
REGISTRATION				
	per reg estab	\$1,000	518	\$ 518,000
FEE FOR SERVICE				
Fee for Service 1/4 hour	1/4 hr units	54.9	59,575	\$ 3,270,668
Fee for Service Annual	Annual	\$101,120		\$ -
Daily charge		\$481.52	78	\$ 37,559
Weekly Charge		\$2,407.62	16	\$ 38,522
Overtime rate - Continuous	1/4 hr	\$16.00	587	\$ 9,392
Overtime rate - Non-Continuous (\$240 callout fee 3	1/4 hr	\$240.00	630	\$ 151,200
CERTIFICATION				
Manual Permit (EX28,EX222)	Permit	\$75	4,770	\$ 357,750
Manual Certificate (Phyto)	Certificate	\$75	4,070	\$ 305,250
Manual Other Documentation	Other Doc	\$200		\$ -
Electronic Permit (RFP)	Permit	\$55	30,000	\$ 1,650,000
Electronic Certificate(Phyto)	Certificate	\$55	18,700	\$ 1,028,500
Electronic Other Documentation	Other Doc	\$55		\$ -
Replacement Certificate	Certificate	\$200	20	\$ 4,000
Budget				\$ 7,213,319
Forecast				\$ 7,370,841
Variance				\$ 157,522

Model 7 : Updated Fee paper provided to MTF meeting as hard copy on 9th June

Horticulture 2011/12 calculated fees and charges								
Description	11/12 modelled expenditure	Sale Unit	Current Charge	Ratio	Proposed Charge	Projected Units for 11/12	Projected Revenue	Surplus / Defecit
REGISTRATION								
	\$ 1,936,436						\$ 1,936,530	\$ 94
Exporter charge		per exporter			\$ -	220	\$ -	
Tier 1 - Basic phytos (no additional declarations)		per reg estab	\$ 550	1	\$ 1,761	50	\$ 88,050	
Tier 2 - Phytos with additional declarations		per reg estab		2	\$ 3,521	210	\$ 739,410	
Tier 3 - Protocol markets		per reg estab		7	\$ 12,323	90	\$ 1,109,070	
FEE FOR SERVICE								
	\$ 3,270,408						\$ 3,306,780	\$ 36,373
Fee for Service 1/4 hour		1/4 hr units	\$ 68		\$ 36	91,855	\$ 3,306,780	
Fee for Service Annual		Annual			\$ 101,120	-	\$ -	
CERTIFICATION								
	\$ 2,005,702						\$ 2,018,258	\$ 12,556
Manual Permit		Permit	\$ 51		\$ 100	600	\$ 60,000	
Manual Certificate		Certificate	\$ 51		\$ 100	740	\$ 74,000	
Manual Other Documentation		Other Doc	\$ 51		\$ 100	22	\$ 2,200	
Electronic Permit		Permit	\$ 26		\$ 46.00	20,400	\$ 938,400	
Electronic Certificate		Certificate	\$ 26		\$ 46.00	19,660	\$ 904,360	
Electronic Other Documentation		Other Doc	\$ 26		\$ 46.00	463	\$ 21,298	
Replacement Certificate		Certificate	\$ 50		\$ 500	36	\$ 18,000	
Total	\$ 7,212,546						\$ 7,261,568	\$ 49,022

Model 8 : Electronic copy (of manual model presented to 9th May MTF meeting) emailed to MTF on 16th June

Rural and Regional Affairs and Transport Committee
ANSWERS TO QUESTIONS ON NOTICE
 Additional Estimates February 2013
Agriculture, Fisheries and Forestry

Question: 66 (continued)

ATTACHMENT A

Horticulture Ministerial Taskforce Meeting – 26 May 2011 – Agenda Item 3: History of Horticulture Fees and Charges models

Horticulture 2011/12 calculated fees and charges

Description	11/12 modelled expenditure	Sale Unit	Current Charge	Ratio	Proposed Charge	Projected Units for 11/12	Projected Revenue	Surplus / Deficit
REGISTRATION	\$ 1,936,436						\$ 1,936,530	\$ 94
Exporter charge		per exporter			\$ -	220	\$ -	
Tier 1 - Basic phytos (no additional decl's)		per reg estab	\$ 550	1	\$ 1,761	50	\$ 88,050	
Tier 2 - Phytos with additional decl's)		per reg estab		2	\$ 3,521	210	\$ 739,410	
Tier 3 - Protocol markets		per reg estab		7	\$ 12,323	90	\$ 1,109,070	
FEE FOR SERVICE	\$ 3,270,408						\$ 3,306,780	\$ 36,373
Fee for Service 1/4 hour		1/4 hr units	\$ 68		\$ 36.00	91,855	\$ 3,306,780	
Fee for Service Annual		Annual			\$101,120	-	\$ -	
CERTIFICATION	\$ 2,005,702						\$ 2,023,551	\$ 17,849
Manual Permit		Permit	\$ 51		\$ 100	600	\$ 60,000	
Manual Certificate		Certificate	\$ 51		\$ 100	740	\$ 74,000	
Manual Other Documentation		Other Doc	\$ 51		\$ 100	22	\$ 2,200	
Electronic Permit		Permit	\$ 26		\$ 37.00	20,400	\$ 938,400	
Electronic Certificate		Certificate	\$ 26		\$ 37.00	19,660	\$ 904,360	
Electronic Other Documentation		Other Doc	\$ 26		\$ 37.00	463	\$ 21,298	
Replacement Certificate		Certificate	\$ 50		\$ 500	36	\$ 18,000	
Total	\$ 7,212,546						\$ 7,266,861	\$ 54,315

Model 9A : Presented at Hort MTF meeting on 29th June

Horticulture 2011/12 calculated fees and charges

Description	11/12 modelled expenditure	Sale Unit	Current Charge	Ratio	Proposed Charge	Projected Units for 11/12	Projected Revenue	Surplus / Deficit
REGISTRATION	\$ 1,936,436						\$ 1,936,530	\$ 94
Exporter charge		per exporter			\$ -	220	\$ -	
Tier 1 - Basic phytos (no additional declarations)		per reg estab	\$ 550	1	\$ 2,142	50	\$ 107,100	
Tier 2 - Phytos with additional declarations		per reg estab		2	\$ 4,283	210	\$ 899,430	
Tier 3 - Protocol markets Base		per reg estab			\$ 7,000	90	\$ 630,000	
Tier 4 - Protocol markets Additional		Per prot country			\$ 2,000	150	\$ 300,000	
FEE FOR SERVICE	\$ 3,270,408						\$ 3,306,780	\$ 36,373
Fee for Service 1/4 hour		1/4 hr units	\$ 68		\$ 36	91,855	\$ 3,306,780	
Fee for Service Annual		Annual			\$ 101,120	-	\$ -	
CERTIFICATION	\$ 2,005,702						\$ 2,053,112	\$ 47,410
Manual Permit		Permit	\$ 51		\$ 100	948	\$ 94,840	
Manual Certificate		Certificate	\$ 51		\$ 100	831	\$ 83,140	
Manual Other Documentation		Other Doc	\$ 51		\$ 100	24	\$ 2,440	
Electronic Permit		Permit	\$ 26		\$ 33.00	33,788	\$ 1,114,991	
Electronic Certificate		Certificate	\$ 26		\$ 33.00	21,900	\$ 722,687	
Electronic Other Documentation		Other Doc	\$ 26		\$ 33.00	516	\$ 17,015	
Replacement Certificate		Certificate	\$ 50		\$ 500	36	\$ 18,000	
Total	\$ 7,212,546						\$ 7,296,423	\$ 83,877

Rural and Regional Affairs and Transport Committee
ANSWERS TO QUESTIONS ON NOTICE
 Additional Estimates February 2013
Agriculture, Fisheries and Forestry

Question: 66 (continued)

ATTACHMENT A

Horticulture Ministerial Taskforce Meeting – 26 May 2011 – Agenda Item 3: History of Horticulture Fees and Charges models

Model 9B : Presented at Hort MTF meeting on 29th June

Horticulture 2011/12 calculated fees and charges

Description	11/12 modelled expenditure	Sale Unit	Current Charge	Ratio	Proposed Charge	Projected Units for 11/12	Projected Revenue	Surplus / Deficit
REGISTRATION	\$ 1,936,436						\$ 1,936,530	\$ 94
Exporter charge		per exporter			\$ -	220	\$ -	
Tier 1 - Basic phytos (no additional declarations)		per reg estab	\$ 550	1	\$ 1,761	50	\$ 88,050	
Tier 2 - Phytos with additional declarations		per reg estab		2	\$ 3,521	210	\$ 739,410	
Tier 3 - Protocol markets		per reg estab		7	\$ 12,323	90	\$ 1,109,070	
FEE FOR SERVICE	\$ 3,270,408						\$ 3,306,780	\$ 36,373
Fee for Service 1/4 hour		1/4 hr units	\$ 68		\$ 36	91,855	\$ 3,306,780	
Fee for Service Annual		Annual			\$ 101,120	-	\$ -	
CERTIFICATION	\$ 2,005,702						\$ 2,053,112	\$ 47,410
Manual Permit		Permit	\$ 51		\$ 100	948	\$ 94,840	
Manual Certificate		Certificate	\$ 51		\$ 100	831	\$ 83,140	
Manual Other Documentation		Other Doc	\$ 51		\$ 100	24	\$ 2,440	
Electronic Permit		Permit	\$ 26		\$ 33.00	33,788	\$ 1,114,991	
Electronic Certificate		Certificate	\$ 26		\$ 33.00	21,900	\$ 722,687	
Electronic Other Documentation		Other Doc	\$ 26		\$ 33.00	516	\$ 17,015	
Replacement Certificate		Certificate	\$ 50		\$ 500	36	\$ 18,000	
Total	\$ 7,212,546						\$ 7,296,423	\$ 83,877

Model 9C: Presented at Hort MTF meeting on 29th June

Horticulture 2011/12 calculated fees and charges

Description	11/12 modelled expenditure	Sale Unit	Current Charge	Ratio	Proposed Charge	Projected Units for 11/12	Projected Revenue	Surplus / Deficit
REGISTRATION	\$ 1,936,436						\$ 1,936,550	\$ 114
Exporter charge		per exporter			\$ -	220	\$ -	
Registered Establishment		per reg estab	\$ 550	1	\$ 5,533	350	\$ 1,936,550	
					\$ -	-	\$ -	
					\$ -	-	\$ -	
FEE FOR SERVICE	\$ 3,270,408						\$ 3,306,780	\$ 36,373
Fee for Service 1/4 hour		1/4 hr units	\$ 68		\$ 36	91,855	\$ 3,306,780	
Fee for Service Annual		Annual			\$ 101,120	-	\$ -	
CERTIFICATION	\$ 2,005,702						\$ 2,053,112	\$ 47,410
Manual Permit		Permit	\$ 51		\$ 100	948	\$ 94,840	
Manual Certificate		Certificate	\$ 51		\$ 100	831	\$ 83,140	
Manual Other Documentation		Other Doc	\$ 51		\$ 100	24	\$ 2,440	
Electronic Permit		Permit	\$ 26		\$ 33.00	33,788	\$ 1,114,991	
Electronic Certificate		Certificate	\$ 26		\$ 33.00	21,900	\$ 722,687	
Electronic Other Documentation		Other Doc	\$ 26		\$ 33.00	516	\$ 17,015	
Replacement Certificate		Certificate	\$ 50		\$ 500	36	\$ 18,000	
Total	\$ 7,212,546						\$ 7,296,443	\$ 83,897

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 66 (continued)

ATTACHMENT A

Horticulture Ministerial Taskforce Meeting – 26 May 2011 – Agenda Item 3: History of Horticulture Fees and Charges models

Model 9D: Presented at Hort MTF meeting on 29th June

Horticulture 2011/12 calculated fees and charges								
Description	11/12 modelled expenditure	Sale Unit	Current Charge	Ratio	Proposed Charge	Projected Units for 11/12	Projected Revenue	Surplus / Deficit
Administration / Management	\$ -						\$ -	\$ -
Exporter charge		per exporter			\$ -	220	\$ -	
Tier 1 - Basic phytos (no additional declarations)		per reg estab	\$ 550	1	\$ -	50	\$ -	
Tier 2 - Phytos with additional declarations		per reg estab		2	\$ -	210	\$ -	
Tier 3 - Protocol markets		per reg estab		7	\$ -	90	\$ -	
FEE FOR SERVICE	\$ 5,841,410						\$ 5,878,721	\$ 37,311
Fee for Service 1/4 hour		1/4 hr units	\$ 68		\$ 64	91,855	\$ 5,878,721	
Fee for Service Annual		Annual			\$ 101,120	-	\$ -	
CERTIFICATION	\$ 1,371,136						\$ 1,378,679	\$ 7,543
Manual Permit		Permit	\$ 51		\$ 100	948	\$ 94,840	
Manual Certificate		Certificate	\$ 51		\$ 100	831	\$ 83,140	
Manual Other Documentation		Other Doc	\$ 51		\$ 100	24	\$ 2,440	
Electronic Permit		Permit	\$ 26	1	\$ 21.00	33,788	\$ 709,540	
Electronic Certificate		Certificate	\$ 26	1	\$ 21.00	21,900	\$ 459,892	
Electronic Other Documentation		Other Doc	\$ 26	1	\$ 21.00	516	\$ 10,828	
Replacement Certificate		Certificate	\$ 50		\$ 500	36	\$ 18,000	
Total	\$ 7,212,546						\$ 7,257,399	\$ 44,853

Model 10A: DAFF model to be presented to MTF meeting on 21st July 2011

Description	11/12 modelled expenditure	Sale Unit	Current Charge	Ratio	Proposed Charge	Projected Units for 11/12	Projected Revenue	Surplus / Deficit
REGISTRATION	\$ 2,222,140						\$ 2,222,503	\$ 363
Exporter charge		per exporter			\$ -	220	\$ -	
Tier 1 -		per reg estab	\$ 550	1	\$ 1,991	75	\$ 150,178	
Tier 2 -		per reg estab		2	\$ 3,982	317	\$ 1,261,498	
Tier 3 -		per reg estab		3	\$ 5,972	136	\$ 810,827	
FEE FOR SERVICE	\$ 3,270,408						\$ 3,306,780	\$ 36,373
Fee for Service 1/4 hour		1/4 hr units	\$ 68		\$ 36	91,855	\$ 3,306,780	
Fee for Service Annual		Annual			\$ 101,120	-	\$ -	
CERTIFICATION	\$ 1,719,998						\$ 1,729,847	\$ 9,849
Manual Permit		Permit	\$ 51		\$ 100	712	\$ 71,220	
Manual Certificate		Certificate	\$ 51		\$ 100	680	\$ 67,960	
Manual Other Documentation		Other Doc	\$ 51		\$ 100	18	\$ 1,780	
Electronic Permit		Permit	\$ 26		\$ 33.00	28,596	\$ 943,661	
Electronic Certificate		Certificate	\$ 26		\$ 33.00	18,855	\$ 622,228	
Electronic Other Documentation		Other Doc	\$ 26		\$ 33.00	127	\$ 4,198	
Replacement Certificate		Certificate	\$ 50		\$ 500	38	\$ 18,800	
Total	\$ 7,212,546						\$ 7,259,130	\$ 46,584

Rural and Regional Affairs and Transport Committee
ANSWERS TO QUESTIONS ON NOTICE
 Additional Estimates February 2013
Agriculture, Fisheries and Forestry

Question: 66 (continued)

ATTACHMENT A

Horticulture Ministerial Taskforce Meeting – 26 May 2011 – Agenda Item 3: History of Horticulture Fees and Charges models

Model 10B: DAFF model to be presented to MTF meeting on 21st July 2011

Horticulture 2011/12 calculated fees and charges								
Description	11/12 modelled expenditure	Sale Unit	Current Charge	Ratio	Proposed Charge	Projected Units for 11/12	Projected Revenue	Surplus / Defecit
REGISTRATION	\$ 2,222,140						\$ 2,222,352	\$ 212
Exporter charge		per exporter			\$ -	220	\$ -	
Registered Establishment		per reg estab	\$ 550	1	\$ 4,209	528	\$ 2,222,352	
					\$ -	-	\$ -	
					\$ -	-	\$ -	
FEE FOR SERVICE	\$ 3,270,408						\$ 3,306,780	\$ 36,373
Fee for Service 1/4 hour		1/4 hr units	\$ 68		\$ 36	91,855	\$ 3,306,780	
Fee for Service Annual		Annual			\$ 101,120	-	\$ -	
CERTIFICATION	\$ 1,719,998						\$ 1,729,847	\$ 9,849
Manual Permit		Permit	\$ 51		\$ 100	712	\$ 71,220	
Manual Certificate		Certificate	\$ 51		\$ 100	680	\$ 67,960	
Manual Other Documentation		Other Doc	\$ 51		\$ 100	18	\$ 1,780	
Electronic Permit		Permit	\$ 26		\$ 33.00	28,596	\$ 943,661	
Electronic Certificate		Certificate	\$ 26		\$ 33.00	18,855	\$ 622,228	
Electronic Other Documentation		Other Doc	\$ 26		\$ 33.00	127	\$ 4,198	
Replacement Certificate		Certificate	\$ 50		\$ 500	38	\$ 18,800	
Total	\$ 7,212,546						\$ 7,258,979	\$ 46,433

Rural and Regional Affairs and Transport Committee
ANSWERS TO QUESTIONS ON NOTICE
 Additional Estimates February 2013
Agriculture, Fisheries and Forestry

Question: 66 (continued)

ATTACHMENT A

Horticulture Ministerial Taskforce Meeting – 26 May 2011 – Agenda Item 3: History of Horticulture Fees and Charges models

Summary of changes to model structure and data

Model 1 - DAFF	Expense	Structure	Volumes
Admin Mgt	<ul style="list-style-type: none"> Budget set assuming 30% reduction in regional staff. 	<ul style="list-style-type: none"> Base Registration charge Additional registration charge for each importing country accessed. 	<ul style="list-style-type: none"> 483 units based on 2010-11 year to date volumes to February 2011 extrapolated for 12 month effect. 500 additional based on Program estimate
Fee For Service	<ul style="list-style-type: none"> Budget set assuming 30% reduction in regional staff. 	<ul style="list-style-type: none"> Quarter hour fee for service charge 	<ul style="list-style-type: none"> 46,736 units based on 2010-11 year to date volumes to February 2011 extrapolated for 12 month effect
Certification	<ul style="list-style-type: none"> Budget set assuming 30% reduction in regional staff. 	<ul style="list-style-type: none"> Manual, Electronic and Replacement charges for both Permits and Certificates 	<ul style="list-style-type: none"> Electronic - 13,192 Program estimated volumes for 2011-12 Manual – Estimated 90% shift away from Manual certification and Replacement documents
Discussion	The 30% reduction in regional staffing was suggested by DAFF to alleviate industry concerns with the approx \$9 million budget presented at the previous MTF meeting		
Model 2 - AHEA	Expense	Structure	Volumes
Admin Mgt	<ul style="list-style-type: none"> Re-allocation of functional costings suggested by AHEA 	<ul style="list-style-type: none"> Expanded charging entities and Volume charge introduced 	<ul style="list-style-type: none"> Industry supplied volumes
Fee For Service	<ul style="list-style-type: none"> Re-allocation of functional costings suggested by AHEA 	<ul style="list-style-type: none"> Travel and Km charges added 	<ul style="list-style-type: none"> NO CHANGE FROM ORIGINAL PROPOSAL
Certification	<ul style="list-style-type: none"> Re-allocation of functional costings suggested by AHEA 	<ul style="list-style-type: none"> Use of historical rates for all fees with the exception of calculated electronic permit charge 	<ul style="list-style-type: none"> NO CHANGE FROM ORIGINAL PROPOSAL
Discussion	DAFF expressed some concern with the model proposed by AHEA. On early review DAFF: - advised that it was uncomfortable with the rationale behind the reallocation of functional costings against the Australian Government Cost		

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 66 (continued)

ATTACHMENT A

Horticulture Ministerial Taskforce Meeting – 26 May 2011 – Agenda Item 3: History of Horticulture Fees and Charges models

	Recovery Guidelines - expressed concern that the proposal could not be supported by the current legislative authority - expressed concern about the amount of fixed costs that were to be recovered over a variable volume DAFF agreed to review the AHEA model and rework it against the current legislative authority available to set fees and charges for the Program		
Model 3 - DAFF	Expense	Structure	Volumes
Admin Mgt	<ul style="list-style-type: none"> AHEA allocations used as per Model 2, for demonstration of structure 	<ul style="list-style-type: none"> DAFF amended AHEA structure to comply with legislative requirements 	<ul style="list-style-type: none"> AHEA volumes used as per Model 2, for demonstration of structure
Fee For Service	<ul style="list-style-type: none"> AHEA allocations used as per Model 2, for demonstration of structure 	<ul style="list-style-type: none"> Matched to Model 2 structure 	<ul style="list-style-type: none"> DAFF updated volumes based on more informed year to date extrapolated data
Certification	<ul style="list-style-type: none"> AHEA allocations used as per Model 2, for demonstration of structure 	<ul style="list-style-type: none"> Matched to Model 2 structure 	<ul style="list-style-type: none"> NO CHANGE FROM ORIGINAL PROPOSAL
Discussion	DAFF populated this model to demonstrate how model 2 could be adjusted to fit in with legislation governing the setting of Establishment Registration Charges. DAFF remained concerned with some remaining aspects of the model, as detailed in the “Pros and Cons” assessment offered by DAFF on distribution of the reworked model		
Model 4 - DAFF	Expense	Structure	Volumes
Admin Mgt	<ul style="list-style-type: none"> Review of cost allocation approach resulting in a revised functional costing outcome the more closely align costs to activities than the approach utilised in Model 1 	<ul style="list-style-type: none"> Introduction of Exporter charge 	<ul style="list-style-type: none"> AHEA volumes used for Base Reg charge DAFF estimated volumes for Exporters
Fee For	<ul style="list-style-type: none"> Review of cost allocation approach resulting in a 	<ul style="list-style-type: none"> Introduction of an Annual charge 	<ul style="list-style-type: none"> Volumes update to reflect reallocation of Program

Rural and Regional Affairs and Transport Committee
ANSWERS TO QUESTIONS ON NOTICE
 Additional Estimates February 2013
Agriculture, Fisheries and Forestry

Question: 66 (continued)

ATTACHMENT A

Horticulture Ministerial Taskforce Meeting – 26 May 2011 – Agenda Item 3: History of Horticulture Fees and Charges models

Service	revised functional costing outcome the more closely align costs to activities than the approach utilised in Model 1		expenses/effort
Certification	<ul style="list-style-type: none"> Review of cost allocation approach resulting in a revised functional costing outcome the more closely align costs to activities than the approach utilised in Model 1 	<ul style="list-style-type: none"> 	<ul style="list-style-type: none">
Discussion	DAFF made adjustments to Model 1 to more accurately reflect cost attributions. DAFF included an exporter charge in response to industry concerns with the impact that the original proposal presented for Registered Establishments.		
Model 5 - DAFF	Expense	Structure	Volumes
Admin Mgt	<ul style="list-style-type: none"> Allocation as per model 4 	<ul style="list-style-type: none"> Introduction of Tiered Registration charge 	<ul style="list-style-type: none"> As per model Model 4
Fee For Service	<ul style="list-style-type: none"> Allocation as per model 4 	<ul style="list-style-type: none"> Structure as per model 4 	<ul style="list-style-type: none"> DAFF updated volumes to reflect intended expansion of the application of fees to some service provided free of charge
Certification	<ul style="list-style-type: none"> EXCOC element of budget reduced 	<ul style="list-style-type: none"> NO CHANGE FROM ORIGINAL PROPOSAL 	<ul style="list-style-type: none"> NO CHANGE FROM ORIGINAL PROPOSAL
Discussion	DAFF reviewed model and refined certain aspects to align with more contemporary information		

Rural and Regional Affairs and Transport Committee
ANSWERS TO QUESTIONS ON NOTICE
 Additional Estimates February 2013
Agriculture, Fisheries and Forestry

Question: 66 (continued)

ATTACHMENT A

Horticulture Ministerial Taskforce Meeting – 26 May 2011 – Agenda Item 3: History of Horticulture Fees and Charges models

Model 6 – Dellis, Kachenko	Expense	Structure	Volumes
Admin Mgt	<ul style="list-style-type: none"> Unknown allocation methodology 	<ul style="list-style-type: none"> Single registration used 	<ul style="list-style-type: none"> Volumes as per model 2
Fee For Service	<ul style="list-style-type: none"> Unknown allocation methodology 	<ul style="list-style-type: none"> Addition of daily, weekly and Overtime fees. 	<ul style="list-style-type: none"> DAFF volumes used for quarter hour fee, unknown source of other volumes
Certification	<ul style="list-style-type: none"> Unknown allocation methodology 	<ul style="list-style-type: none"> NO CHANGE FROM ORIGINAL PROPOSAL 	<ul style="list-style-type: none"> Updated volumes from DAFF website
Discussion	<p>DAFF expressed some concern with the model proposed by AHEA. On early review DAFF:</p> <ul style="list-style-type: none"> advised that it was uncomfortable with the rationale behind the weighting of administrative and management costs to the certification function against the Australian Government Cost Recovery Guidelines expressed concern that the proposal could not be supported by the current legislative authority as the price for a certificate no longer reflected the cost for the service expressed concern about the amount of fixed costs that were to be recovered over a variable volume, though acknowledged that certificate volumes were more stable than tonnage volumes 		
Model 7 - DAFF	Expense	Structure	Volumes
Admin Mgt	<ul style="list-style-type: none"> Re- allocation of proportion of Admin Management expense to Certification to ensure certification users contribute to the Program infrastructure costs – in response to inability to support exporter registration charge. This reallocation is based on split of exporter versus registered establishments. 	<ul style="list-style-type: none"> Exporter charge unable to be supported under existing legislative authority Tiered Reg charge as per Model 5 	<ul style="list-style-type: none"> Volumes adjusted on industry advice that new prices will reduce the number of establishments who remain registered on the return to full cost recovery. Also includes reduction for Nursery etc.
Fee For Service	<ul style="list-style-type: none"> Allocation as per model 4 	<ul style="list-style-type: none"> Structure as per model 4 	<ul style="list-style-type: none"> Volumes increased to reflect the full chargeable capacity expected from AQIS officers. This is

Rural and Regional Affairs and Transport Committee
ANSWERS TO QUESTIONS ON NOTICE
 Additional Estimates February 2013
Agriculture, Fisheries and Forestry

Question: 66 (continued)

ATTACHMENT A

Horticulture Ministerial Taskforce Meeting – 26 May 2011 – Agenda Item 3: History of Horticulture Fees and Charges models

			necessary to ensure the setting of an efficient price for export services and deals with the current uncertainty regarding the scope of chargeable services that will remain under the new service delivery framework.
Certification	<ul style="list-style-type: none"> • Re- allocation of proportion of Admin Management expense to Certification to ensure certification users contribute to the Program infrastructure costs – in response to inability to support exporter registration charge. This reallocation is based on split of exporter versus registered establishments. 	<ul style="list-style-type: none"> • NO CHANGE FROM ORIGINAL PROPOSAL 	<ul style="list-style-type: none"> • Updated estimation of electronic volumes based on historical data following industry advice that volumes should be reviewed as they appeared exceptional low. Volumes for Certificates were then further reduced to reflect contemplation that some markets would be de-prescribed • Manual volumes adjusted for 80% shift away from Manual certificates and replacement documents
Discussion	This model was prepared in an attempt to give effect to the proposal presented by AHEA (model 6) within the current legislative authority.		
Model 8 - DAFF	Expense	Structure	Volumes
	<ul style="list-style-type: none"> • Was intended to be an electronic copy of model presented at MTF meeting on 9th. DAFF made errors in translation from Excel model to Word table. Please refer to Model 7 in this document (as per hard copy presented at 9th June meeting) for correct values. 		
Discussion	Model should be disregarded due to errors in translation to Word format.		
Model 9A - DAFF	Expense	Structure	Volumes
Admin Mgt	<ul style="list-style-type: none"> • Allocation as per model 7 	<ul style="list-style-type: none"> • Highest Tier of Protocol markets has been split to a fixed base charge, and fixed variable charge to apply to each market accessed. 	<ul style="list-style-type: none"> • Volumes as per model 7
Fee For	<ul style="list-style-type: none"> • Allocation as per model 4 	<ul style="list-style-type: none"> • Structure as per model 4 	<ul style="list-style-type: none"> • Volumes as per model 7

Rural and Regional Affairs and Transport Committee
ANSWERS TO QUESTIONS ON NOTICE
 Additional Estimates February 2013
Agriculture, Fisheries and Forestry

Question: 66 (continued)

ATTACHMENT A

Horticulture Ministerial Taskforce Meeting – 26 May 2011 – Agenda Item 3: History of Horticulture Fees and Charges models

Service			
Certification	• Allocation as per model 7	• NO CHANGE FROM ORIGINAL PROPOSAL	• Updated Volumes based on Forecast 11-12 volumes.
Discussion	This model was prepared in an attempt to provide greater equity to those entities accessing Protocol markets, so that those accessing a greater number of markets contribute a greater share of the cost recovery.		
Model 9B - DAFF	Expense	Structure	Volumes
Admin Mgt	• Structure as per model 7	• Structure as per model 7	• Volumes as per model 7
Fee For Service	• Structure as per model 4	• Structure as per model 4	• Volumes as per model 7
Certification	• Structure as per model 7	• NO CHANGE FROM ORIGINAL PROPOSAL	• Updated Volumes based on Forecast 11-12 volumes.
Discussion	This model was prepared in an attempt to give effect to the proposal presented by AHEA (model 6) within the current legislative authority, and to update the volumes for documentation activities.		
Model 9C- DAFF	Expense	Structure	Volumes
Admin Mgt	• Allocation as per model 7	• Tiered approach replaced by flat Registration charge applied to all Registered Establishments, as per suggestion in model 6	• Volumes as per model 7
Fee For Service	• Allocation as per model 4	• Structure as per model 4	• Volumes as per model 7
Certification	• Allocation as per model 7	• NO CHANGE FROM ORIGINAL PROPOSAL	• Updated Volumes based on Forecast 11-12 volumes.
Discussion	This model was prepared in an attempt to provide greater equity to those entities accessing Protocol markets, so that those accessing a greater number of		

Rural and Regional Affairs and Transport Committee
ANSWERS TO QUESTIONS ON NOTICE
 Additional Estimates February 2013
Agriculture, Fisheries and Forestry

Question: 66 (continued)

ATTACHMENT A

Horticulture Ministerial Taskforce Meeting – 26 May 2011 – Agenda Item 3: History of Horticulture Fees and Charges models

markets contribute a greater share of the cost recovery.			
Model 9D - DAFF	Expense	Structure	Volumes
Admin Mgt	<ul style="list-style-type: none"> All Administration and Management allocated to Fee For Service and Certification based on Pro-Rata of direct expenses. 	<ul style="list-style-type: none"> No Registration / Administration and Management charges. 	<ul style="list-style-type: none"> Volumes not required.
Fee For Service	<ul style="list-style-type: none"> Fee For Service receives pro-rate allocation of Administration and Management expenses. 	<ul style="list-style-type: none"> Structure as per model 4 	<ul style="list-style-type: none"> Volumes as per model 7
Certification	<ul style="list-style-type: none"> Certification receives pro-rate allocation of Administration and Management expenses. 	<ul style="list-style-type: none"> NO CHANGE FROM ORIGINAL PROPOSAL 	<ul style="list-style-type: none"> Updated Volumes based on Forecast 11-12 volumes.
Discussion	This model was prepared to demonstrate how Fees would be structured under a full allocation of Management and Administration expenses to Fee For Service and Certification. It was not a model that DAFF supported or that DAFF believed Department of Finance would support from a Cost Recovery perspective, as costs are not aligned closely to activity, which increases the potential for under or over recovery.		
Model 10A- DAFF	Expense	Structure	Volumes
Admin Mgt	<ul style="list-style-type: none"> Expense methodology same as model 7. Expense shift due to changing Exporter versus Registered establishment ratio. 	<ul style="list-style-type: none"> Tier ratios have been re-set based on the updated Tier volumes. See attachment A 	<ul style="list-style-type: none"> Volumes re-set to charge all establishments registered for Horticulture including all multi-commodity establishments. Ratio is drawn from previous % allocation to each Tier and requires validation with regional staff. See attachment A
Fee For Service	<ul style="list-style-type: none"> Expense methodology same as model 7. Expense shift due to changing Exporter versus Registered establishment ratio. 	<ul style="list-style-type: none"> Structure as per model 7 	<ul style="list-style-type: none"> Volumes as per model 7
Certification	<ul style="list-style-type: none"> Expense methodology same as model 7. Expense shift due to changing Exporter versus Registered establishment ratio. 	<ul style="list-style-type: none"> NO CHANGE FROM ORIGINAL PROPOSAL 	<ul style="list-style-type: none"> Volumes updated to reflect 2010-11 full year actual values.

Rural and Regional Affairs and Transport Committee
ANSWERS TO QUESTIONS ON NOTICE
 Additional Estimates February 2013
Agriculture, Fisheries and Forestry

Question: 66 (continued)

ATTACHMENT A

Horticulture Ministerial Taskforce Meeting – 26 May 2011 – Agenda Item 3: History of Horticulture Fees and Charges models

Discussion	This model is re-presented (as per model 7) with updated volumes to provide the tiered Registration charge requested by industry. DAFF has re-set the Tier structure based on a Commodity by Country matrix.		
Model 10B - DAFF	Expense	Structure	Volumes
Admin Mgt	<ul style="list-style-type: none"> Expense methodology same as model 7. Expense shift due to changing Exporter versus Registered establishment ratio. 	<ul style="list-style-type: none"> Single Registration charge for demonstration purposes 	<ul style="list-style-type: none"> Volumes not required.
Fee For Service	<ul style="list-style-type: none"> Expense methodology same as model 7. Expense shift due to changing Exporter versus Registered establishment ratio. 	<ul style="list-style-type: none"> Structure as per model 4 	<ul style="list-style-type: none"> Volumes as per model 7
Certification	<ul style="list-style-type: none"> Expense methodology same as model 7. Expense shift due to changing Exporter versus Registered establishment ratio. 	<ul style="list-style-type: none"> NO CHANGE FROM ORIGINAL PROPOSAL 	<ul style="list-style-type: none"> Volumes updated to reflect 2010-11 full year actual values.
Discussion	This model is re-presented (as per model 7) with a single registration charge for demonstration purposes, allowing industry to determine an appropriate Tiered registration charge.		

Horticulture Volumes in Model 10A and 10B

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 66 (continued)

ATTACHMENT A

Horticulture Ministerial Taskforce Meeting – 26 May 2011 – Agenda Item 3: History of Horticulture Fees and Charges models

Administration & Management – Volumes have been updated to represent all Registered Establishments who are registered for Horticulture, regardless of whether they are multi-commodity. The Tiered Ratio is drawn from previous % allocation to each Tier and requires validation with regional staff (this requires manual validation for many clients who do not use electronic documentation). The total volume has been drawn from the DAFF charging system (financial system) and has been cross-checked against individual client charging data.

Fee For Service – Based upon capacity of Regional FTE's, as previously discussed with industry.

Certification – Volumes have been re-set to be actuals for the full 2010-11 financial year. They have been drawn from the DAFF charging system (financial system) and have been cross-checked against individual client charging data and EXDOC documentation issuance data.



Australian Government

Department of Agriculture, Fisheries and Forestry

Report to the Horticulture Export Senior Advisory Group

Question: 66 (continued)

**Horticulture Export Program Financial Position
Cost Recovery Models**

PURPOSE

To provide: a comparison of existing and proposed cost recovery arrangements for the Horticulture Export Program (the Program).

PROPOSED FEE MODEL

Description	Forecast annual expenditure	Sale unit	Current rate	Proposed rate	Projected annual units	Forecast annual revenues	Surplus / Defecit
REGISTRATION	\$ 3,174,486					\$ 3,174,743	\$ 257
Tier 1 -		per reg estab	\$ 550.00	\$ 2,844.00	75	\$ 214,519	
Tier 2 -		per reg estab	\$ -	\$ 5,688.00	317	\$ 1,801,958	
Tier 3 -		per reg estab	\$ -	\$ 8,531.00	136	\$ 1,158,266	
FEE FOR SERVICE	\$ 3,230,047					\$ 3,306,780	\$ 76,733
Fee for Service 1/4 hour		1/4 hr units	\$ 68.00	\$ 36.00	91,855	\$ 3,306,780	
Fee for Service Annual		Annual	\$ -	\$ 101,119.83	-	\$ -	
CERTIFICATION	\$ 886,904					\$ 921,014	\$ 34,111
Manual Permit		Permit	\$ 51.00	\$ 100.00	712	\$ 71,220	
Manual Certificate		Certificate	\$ 51.00	\$ 100.00	680	\$ 67,960	
Manual Other Documentation		Other Doc	\$ 51.00	\$ 100.00	18	\$ 1,780	
Electronic Permit		Permit	\$ 26.00	\$ 16.00	28,596	\$ 457,533	
Electronic Certificate		Certificate	\$ 26.00	\$ 16.00	18,855	\$ 301,686	
Electronic Other Documentation		Other Doc	\$ 26.00	\$ 16.00	127	\$ 2,035	
Replacement Certificate		Certificate	\$ 50.00	\$ 500.00	38	\$ 18,800	
Total	\$ 7,291,436					\$ 7,402,538	\$ 111,102

CONTACT OFFICER	Duane Roberts	December 2011
		Page 22 of 23


Australian Government
Department of Agriculture, Fisheries and Forestry
Report to the Horticulture Export Senior Advisory Group
Question: 66 (continued)
EXISTING FEE MODEL

Description	11/12 budgeted expenditure	Sale unit	Current rate	Proposed rate	11/12 budgeted units	11/12 budgeted revenues	Surplus / Defecit
REGISTRATION	\$ 3,185,755					\$ 1,112,620	\$ (2,073,135)
Registered Establishment		application	\$ 550.00	\$ 550.00	792	\$ 435,787	
Tonnage exported (capped at 5,000 tonne per year)		tonne	\$ 1.90	\$ 1.90	356,228	\$ 676,833	
FEE FOR SERVICE	\$ 3,592,043					\$ 3,928,221	\$ 336,178
Audit – Field Inspection/Services (minimum 30 min)		1/4 hr units	\$ 68.00	\$ 68.00	1,520	\$ 103,380	
Audit – Daily rate		1/4 hr units	\$ 1,224.00	\$ 1,224.00	60	\$ 73,440	
Audit – In office		1/4 hr units	\$ 68.00	\$ 68.00	741	\$ 50,366	
FFS - In Office		1/4 hr units	\$ 68.00	\$ 68.00	4,844	\$ 329,376	
FFS - Field Inspection/Services (minimum 30 min)		1/4 hr units	\$ 68.00	\$ 68.00	42,724	\$ 2,905,200	
FFS - Daily rate		day	\$ 1,224.00	\$ 1,224.00	83	\$ 101,592	
FFS - Weekly rate		week	\$ 4,284.00	\$ 4,284.00	8	\$ 34,272	
FFS Travel Charge-per kilometre rate		kilometre	\$ 0.85	\$ 0.85	244,475	\$ 207,804	
Audit Travel - Unit travel cost		unit	\$ 0.85	\$ 0.85	18,894	\$ 16,060	
Overtime rate if services are performed continuously with ordinary duty		1/4 hr units	\$ 16.00	\$ 16.00	907	\$ 14,504	
Overtime rate if services are performed non-continuously with ordinary duty (min fee \$141.00 applies)		minimum	\$ 240.00	\$ 240.00	384	\$ 92,227	
CERTIFICATION	\$ 714,434					\$ 1,649,685	\$ 935,252
<i>Electronic Documentation</i>							
Export Permits (Electronic RFP)		Permit	\$ 26.00	\$ 26.00	25,354	\$ 659,215	
Certificate of Condition (Electronic Signature)		Certificate	\$ 25.00	\$ 25.00	78	\$ 1,950	
Phytosanitary Certificate - for clients who are NOT under a Approved arrangement		Certificate	\$ 26.00	\$ 26.00	11,468	\$ 298,164	
Phytosanitary Certificate - for clients who are under a Approved arrangement		Certificate	\$ 26.00	\$ 26.00	5,131	\$ 133,401	
<i>Manual Documentation</i>							
Certificate of Condition		Other Doc	\$ 51.00	\$ 51.00	259	\$ 13,209	
Export Permit (EX28 & EX222) - Manual signature		Permit	\$ 51.00	\$ 51.00	5,454	\$ 278,135	
Replacement documents		Certificate	\$ 50.00	\$ 50.00	115	\$ 5,750	
Phytosanitary Certificate - for clients who are NOT under a Approved arrangement		Certificate	\$ 51.00	\$ 51.00	4,724	\$ 240,941	
Phytosanitary Certificate - for clients who are under a Approved arrangement		Certificate	\$ 51.00	\$ 51.00	371	\$ 18,921	
Total	\$ 7,492,232					\$ 6,690,526	\$ (801,706)

CONTACT OFFICER	Duane Roberts	December 2011
		Page 23 of 23

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 67

Division/Agency: Biosecurity Plant Division

Topic: Import of New Zealand Apples

Proof Hansard page: 46

Senator BACK asked:

Senator BACK: Following the lifting of the ban last year or the year before on New Zealand apples coming to Australia, can you tell us what has been the history of imports of New Zealand apples into Australia? How many consignments have been successful; how many consignments have been knocked back and for what reasons, if any, have they been knocked back?

Ms van Meurs: To talk about the 2012 season, we have had five consignments of New Zealand apples come to Australia—about 57 tonnes. We have undertaken nine offshore inspections of those five consignments and there have been no rejections.

Senator BACK: Nine inspections of five consignments?

Ms van Meurs: That is correct.

Senator BACK: And all nine were done offshore?

Ms van Meurs: That is correct. There were no inspections specifically on arrival. The on-arrival inspections have been done offshore in New Zealand.

Senator BACK: By Australian officials.

Ms van Meurs: By Australian DAFF officials.

Senator BACK: How does that contrast with 2011?

Ms van Meurs: I will have to take that on notice but my recollection was that around 12 shipments. I would have to take that on notice. Again, there were fewer in 2012 than in 2011.

Senator BACK: In 2011 there were some rejections by DAFF officials offshore, weren't there? If you would provide that on notice I would be appreciative.

Answer:

Trade in fresh apples from New Zealand has been permitted since 2007. There was no “ban” lifted, as the question implies.

In 2011, eight consignments of New Zealand apples were imported into Australia. In 2011 there were three rejections by DAFF officials offshore (that is, in New Zealand).

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 68

Division/Agency: Biosecurity Plant Division

Topic: Consignments from New Zealand

Proof Hansard page: 47

Senator COLBECK asked:

Ms van Meurs: Yes. We are preparing for the 2013 season. It is likely to start around April 2013. We have had an initial request for a number of officers to go to New Zealand in April. We do not know the exact numbers yet. That will depend on the commercial arrangements that New Zealand have with their importers in Australia. At the moment we have five valid import permits as of 7 February 2013.

Senator COLBECK: Are there any more applications or increase in activity about registered establishments or import permits?

Ms van Meurs: My understanding is that they have not finalised their establishments for registration as yet. I think in 2012 they had eight. I do not think they have finalised their registrations to date.

Senator COLBECK: But we do not have any indications of what the numbers might be at this stage, just that there are five permits.

Ms van Meurs: Those are valid permits. The permits are valid for two years.

Senator COLBECK: Are there any further applications in process?

Ms van Meurs: Not that I am aware of, but I can take that on notice.

Answer:

As at 19 February 2013, there are four import permits for fresh apples from New Zealand and no pending applications.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 69

Division/Agency: Biosecurity Plant Division

Topic: Huanglongbing (HLB) & Asiatic Citrus Psyllid (ACP)

Proof Hansard page: Written

Senator RUSTON asked:

What arrangements are in place to provide regular revision of the plan?

Who will be providing input into the revisions and what is DAFF doing to ensure that the most experienced scientists are utilized?

Answer:

Revising a contingency plan is a shared responsibility between governments and industry, with the need for revision of a plan usually identified through the industry biosecurity planning process coordinated through Plant Health Australia. Relevant experts are consulted and engaged as needed when revising contingency plans to ensure technical accuracy. Department of Agriculture, Fisheries and Forestry continues to facilitate the maintenance of appropriate expertise through its national diagnostic and surveillance development programs, with technical experts engaged in these programs to form a significant part of the expertise which would be utilised in any further update of the plan.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 70

Division/Agency: Biosecurity Plant Division

Topic: Huanglongbing (HLB) & Asiatic Citrus Psyllid (ACP)

Proof Hansard page: Written

Senator RUSTON asked:

How will DAFF maintain expertise and resource to ensure the plan provides the best possible blue print in the event HLB and ACP are detected in Australia?

How is Australia's expertise and preparedness for incursion of HLB and ACP being maintained?

Answer:

Biosecurity preparedness is a shared responsibility between industry and governments (Commonwealth and State/Territory). With respect to Huanglongbing (HLB) and Asiatic citrus psyllid (ACP), Department of Agriculture, Fisheries and Forestry (DAFF) continues to monitor the international situation and to harness opportunities to enhance domestic capability to detect and respond to HLB/ACP.

Specifically:

- DAFF has assisted with the development of diagnostic protocols for HLB and ACP. These protocols are scheduled for review every 5 years or sooner if the science requires.
- DAFF hosted a workshop in Melbourne in 2012 for plant diagnosticians from Commonwealth, state and territory governments and industry representatives, with renowned psyllid taxonomist Dr Daniel Burckhardt from the Basel Natural History Museum in Switzerland. The workshop included lectures, field collection techniques, psyllid specimen preparation, and identification of psyllids with an emphasis on identifying exotic psyllids of concern to Australian biosecurity.
- In 2011, DAFF reviewed and updated relevant import protocols to reflect advances in scientific and technical knowledge.
- HLB and ACP are targeted in post-border surveillance activities under the National Plant Health Surveillance Program (NPHSP) administered by DAFF and delivered through state and territory jurisdictions.
- DAFF coordinates offshore plant health surveys in Papua New Guinea and Timor Leste every year—the target species include HLB and ACP.
- DAFF closely follows the spread of HLB and ACP within the USA, following recent confirmation of the presence of HLB and ACP in both Texas and California. Through direct contact with US government officers involved in those programs, Australia is also able to benefit from the response experiences encountered in the USA.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 71

Division/Agency: Biosecurity Plant Division

Topic: Huanglongbing (HLB) & Asiatic Citrus Psyllid (ACP)

Proof Hansard page: Written

Senator RUSTON asked:

What measures are being undertaken to maintain Australian expertise and preparedness for incursions of HLB and ACP through regional collaboration with Asian countries?

Answer:

Department of Agriculture, Fisheries and Forestry collaborates with other Asian countries to maintain Australian expertise and preparedness for incursions of Huanglongbing and Asiatic citrus psyllid through activities such as capacity building, preparedness workshops, training workshops, joint plant health surveys, mentoring and providing critical equipment items (such as microscopes).

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 72

Division/Agency: Biosecurity Plant Division

Topic: Huanglongbing (HLB) & Asiatic Citrus Psyllid (ACP)

Proof Hansard page: Written

Senator RUSTON asked:

Does DAFF have an up to date plan available for nursery industries which includes bud wood certification and nursery registration as part of Australia's preparedness?

Answer:

The contingency plan for Huanglongbing (HLB)/Asiatic citrus psyllid (ACP) covers aspects of a potential incursion response which would involve the nursery industry, including requirements for budwood certification and nursery registration in the event that HLB/ACP enters Australia.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 73

Division/Agency: Biosecurity Plant Division

Topic: Potatoes

Proof Hansard page: Written

Senator WILLIAMS asked:

I would like to thank Dr. Grant and Dr. Findlay for speaking with the Guyra potato growers after the October estimates and I know a lot of their concerns were alleviated by what you told them about the threat of zebra chip disease. Obviously no decision has been made on whether these potatoes will be imported from New Zealand – could you brief me on where this process is up to?

I think you mentioned in that phone hook-up that there were no premises in Australia that would meet the strict biosecurity that's needed – if that is the case, it would be up to importers to construct new premises?

Generally is the industry opposed to the import of New Zealand potatoes?

How long before a decision is made?

At this stage would you say the risk of the disease spreading into Australia if these potatoes are imported is low, negligible or none?

Is there anyone at the desk who can tell how much has been spent on this whole investigation process since it started?

Answer:

- a. In October, 2012, the department advised that in order to provide added assurance to stakeholders that the biosecurity measures being developed will appropriately manage the risks for the import of potatoes from New Zealand for processing, Department of Agriculture Fisheries and Forestry (DAFF) would be engaging an external subject matter expert to consider DAFF's review. DAFF is also carefully considering twenty seven (27) stakeholder submissions in developing a final report.
- b. The review is not yet finalised. However the draft conditions of import specify that an Australian importer would need to satisfy a range of strict biosecurity requirements including that the processing plant would be a Quarantine Approved Premises (QAP) facility which housed a quarantine approved method for waste disposal.
- c. There are often concerns in the community about new proposals to import food items. However, the department finds that where growers learn more about the review and the strict conditions of import that are proposed, their concern about the biosecurity risks associated with the trade dissipates markedly.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 73 (continued)

- d. A decision will be made once all stakeholder submissions have been considered and the department has had the chance to appropriately consider the external review, a final report will be tabled.
- e. DAFF has published a draft review which proposes strict conditions of trade aimed at managing the risk of the trade to meet Australia's Australia's Appropriate Level of Protection.
- f. Approximately 0.8 full time employees (FTEs) across 3 years (across a range of Australian Public Service levels) have been engaged in this review of policy and the associated consultation processes.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 74

Division/Agency: Biosecurity Plant Division

Topic: Citrus Canker

Proof Hansard page: Written

Senator RUSTON asked:

What is the amount of unshu mandarin from Japan that has been imported into Australia since access to Australia was agreed?

If unshu has been imported have there been any quarantine detection and what have they been? What information has been provided by Japan MAFF since approval was granted to confirm the 25 hectare area granted access is free from citrus canker?

Answer:

None.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 75

Division/Agency: Biosecurity Plant Division

Topic: Citrus Canker

Proof Hansard page: Written

Senator RUSTON asked:

Is DAFF aware of any other requests from other countries known to have citrus canker seeking access on the same or similar basis of low pest prevalence of canker similar to the Japan submission?

What were the specific reasons DAFF treated the request for Japan for access of unshu mandarins as a standard risk assessment rather than submitting it to the eminent scientist group given the overwhelming science based concerns raised by plant pathologists, entomologists and industry at the time?

Answer:

Australia has received requests for market access for fresh citrus fruit from a number of countries; citrus canker is present in some of these countries. Department of Agriculture Fisheries and Forestry is not currently conducting any risk analyses for the importation of citrus from any countries with citrus canker as there are other market access requests that are of higher priority.

Fruit is not regarded as a high risk pathway for citrus canker, unlike nursery stock which is outside the scope of this risk analysis. In addition, the scope of this risk analysis was restricted to unshu mandarin from a specified area in Shizuoka Prefecture, Honshu where citrus canker symptoms have never been detected during the 40-year survey period.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 76

Division/Agency: Biosecurity Plant Division

Topic: Huanglongbing (HLB) & Asiatic Citrus Psyllid (ACP)

Proof Hansard page: Written

Senator RUSTON asked:

What is the status of the HLB and ACP Contingency Plan (Incursion Management plan)?

Answer:

The Huanglongbing (HLB) & Asiatic citrus psyllid (ACP) Contingency Plan is available to support decision making and response in the event of HLB or ACP being detected in Australia. The contingency plan was developed and agreed by citrus pest and disease experts, government regulators and industry representatives in 2009.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 77

Division/Agency: Biosecurity Plant Division

Topic: Detection of Tomato Potato Psyllid

Proof Hansard page: Written

Senator HEFFERNAN asked:

The Operational Science Program Bulletin from May 2912, published on the DAFF Website states that **‘during a weekend inspection at Crewe Place...a live psyllid was intercepted in a consignment of loose tomatoes from New Zealand.’** The Minister previously stated that there has not been a detection or an incursion of the tomato potato psyllid in the Australian environment.

1. Please provide details of the intercept, where were the tomatoes grown in NZ?
2. Was this intercept of tomatoes from NZ a first for DAFF?
3. If so, how many similar cases from NZ have been detected since this interception?
Please provide details.
4. Can the Department please explain why the Ministers statement contradicts what has been published on the Department’s website?
5. Please provide details of other cases of live psyllid into Australia since 2010.

Answer:

1. On 20 May 2012, one live tomato-potato psyllid (TPP) was intercepted in Sydney during onshore inspections of loose tomatoes from New Zealand (NZ). The tomatoes were grown on New Zealand Ministry of Primary Industries registered production sites in the Auckland area.
2. Yes.
3. None.
4. The Senator’s question incorrectly implies the Minister has made a statement which he has not made.
5. On 1 April 2011, a live TPP was detected during onshore inspections of fresh capsicum from NZ in Sydney.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 78

Division/Agency: Biosecurity Plant Division

Topic: CRIS Horticulture – Demand Assumptions

Proof Hansard page: Written

Senator COLBECK asked:

1. Given the demand assumptions were based on a 20% reduction and the current reduction is 5%, will this result in greater revenue than expected this financial year?
2. How was the reduction to 5% determined?
3. Have all registered establishments received their registration fees for 2012-13?
4. If not, what is the delay?
5. Without this information how can the 5% reduction be determined?
6. Will this extra income be moved into the IER?
7. If so, will this in turn permit the \$1.68 million used to meet the existing deficit in the IER to be returned to industry or used for other purposes?
8. If so, where will that money be allocated?

Answer:

1. Yes, there would be an associated revenue increase if a greater number of establishments remain registered. The 5 per cent reduction is the initial estimate.
2. A 5 per cent reduction is an initial estimate based on the number of written responses from horticulture export establishments following a letter sent in November 2012. The letter outlined the annual charges for 2012–13 and requested establishments to notify the department if they no longer required horticulture export registration.
3. Invoices were issued in March 2013.
4. N/A
5. It is unclear what information and revenue the questions refer to.

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 79

Division/Agency: Biosecurity Plant Division

Topic: Horticultural Exporter's Assistance Package

Proof Hansard page: Written

Senator COLBECK asked:

Provide specific details of where and when the \$6.5 million assistance package for the horticultural industry has been spent.

Answer:

The allocation of the \$6.5 million transitional funding assistance package is scheduled to be applied as follows:

Financial Year	Transitional Assistance	Application
2011/12	\$1 658 000	Offset the 2011–12 operating deficit of the Horticulture Exports Program
2011/12	\$1 016 241	Rebate to all fees and charges collected in 2011–12
2012/13	\$2 225 759	Offset of Annual Charge for Registered Establishments in 2012–13
2013/14	\$1 100 000	Offset of Annual Charge for Registered Establishments in 2013–14
2012/13 & 2013/14	\$500 000	Market access activities
Total	\$6 500 000.00	

Rural and Regional Affairs and Transport Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2013

Agriculture, Fisheries and Forestry

Question: 80

Division/Agency: Biosecurity Plant Division

Topic: Rebate to all Fees and Charges Collected in 2011-12

Proof Hansard page: Written

Senator COLBECK asked:

1. When will the estimated 22% rebate to all fees and charges collected in 2011-12 be refunded?
2. Is it correct that an administrative issue with the rebate is holding up the rebate?
3. Will interest be paid on the refunds due given the refund is about half a year late?

Answer:

1. The rebate will be approximately 16.5 per cent of the total amount of export services billed to clients that received export services for horticulture products, between 1 July 2011 and 30 June 2012. The rebate will be distributed in March 2013.
2. No.
3. No.