



Export Council of Australia

The Voice for Australia's Exporters

Export Legislation Amendment Bill 2014

The Federal Government is proposing amendments to the Collection Act (*the Collection Act allows the Department of Agriculture to collect charges for regulatory services carried out under the Export Control Act. The Department of Agriculture has no legislative power to collect relevant charges for regulatory services unless the good is listed in the Collection Act*) and the three Imposition Acts (*the Imposition Act imposes the charges that can be collected from exporters for services carried out*) together with corresponding amendments to delegated legislation. These are part of a package of four Bills in relation to charges for certain export services. The amendments in the Bills are designed to enable the Department of Agriculture to recover the costs for the provision of export services, which are approximately \$1.9 Billion per annum.

The amendments in the Bills are consistent to amendments in other legislation to provide that costs for many of the services provided by Government agencies should be recovered from those using those services. A similar amendment to Customs legislation was recently put into effect to increase the charges for processing Import Declarations so that the cost of operating Government computer systems are borne by importers using the system.

The four Bills amend the following Acts:

The Australian Meat and Live-stock Industry Act 1997: to enable the recovery of costs relating to certain services, such as issuing quota certificates, for export quota administered by other countries

The Export Control Act 1982: to expedite warrants granted by telephone or other electronic means

The Export Inspection and Meat Charges Collection Act 1985: to: remove the definitions of all prescribed commodities and to replace the definition of "prescribed commodity" with "prescribed good" to provide for consistency with the Export Control Act 1982; require returns to be made for each month in which permits are granted or export inspection services are conducted; and remove references to the Australian Quarantine Inspection Service.

The Export Inspection (Quantity Charge) Act 1985

The Export Inspection (Service Charge) Act 1985

The Export Inspection (Establishment Registration Charges) Act 1985

The Imported Food Control Act 1992: to remove references to the Australian Quarantine Inspection Service



The Bills stated purpose is to remedy technical defects in the above mentioned Acts and, “facilitate appropriate and equitable cost recovery for the performance of export services by the Department of Agriculture.”

The Export Council understands that cost recovery is a prudent Government policy but stresses the importance of ensuring that the cost recovery fees and methods are, in fact, “appropriate and equitable” by exporter’s standards. The Export Council’s stated position is that all unnecessary red and green tape should be removed and it is concerned that these costs are able to be justified as an appropriate cost recovery exercise and do not represent an unnecessary an unreasonable impediment to the business of exporters.

Consequently, any increases in the costs imposed on exporters needs to be very carefully considered given the impact they will have, not only on their bottom line, but also on their ability to compete internationally. International competitiveness begins at home, as was clearly outlined in the Export Council of Australia’s Trade Policy Recommendations to government in 2013. Therefore, the Export Council urges the government to minimise the potential impact of these cost recovery measures, limiting the additional regulatory burden they will place on exporters.

From an international trade law perspective, it would be unwise for Australia to create “behind the border” barriers that are contrary to the rules set out by the World Trade Organisation.

The Export Council also expects that costs and processes that result from the Bills will be transparent and clearly communicated. Moreover, the Export Council would like assurance that exporters impacted will be entitled to clarity and certainty on service levels to be assured by the amounts being recovered. Furthermore, the Export Council believes that the Department of Agriculture should be required to openly report on the amounts recovered and where the proceeds have been allocated so that they are allocated to the relevant services rather than merely being allocated to Consolidated Revenue. That should also entail reporting on the levels of services being provided against current levels (which should at the least be maintained).

The Export Council would look forward to the opportunity to discuss these matters in more detail with the Government.

Comments and feedback on the Export Legislation Amendment Bill from Export Council members and members of the export community generally is welcomed. Please send these in writing to Stacey Mills-Smith at staceymills-smith@export.org.au.

Full details on the Export Legislation Amendment Bill can be found here: http://www.aph.gov.au/Parliamentary_Business/Bills_Legislation/Bills_Search_Results/Result?bld=r5217

Sincerely

A handwritten signature in black ink, appearing to read "Ian Murray". The signature is written in a cursive style with a large, looping initial "I".

Ian Murray
Executive Chairman
Export Council of Australia