

POLICY STATEMENT NO. 39

FEES AND CHARGES

JANUARY 1991

1. OBJECTIVE

CALM prices, fees and administrative charges will be maintained at levels which at least cover costs; or at levels which maintain monetary values of existing charges and where possible they should achieve full market value.

2. BACKGROUND

The financial objective for CALM is to maximise effectiveness of expenditure and optimise revenues in the process of achieving the Department's mission in wildlife conservation and natural resource management.

In the process of optimising revenues it is necessary to review fees and charges regularly.

The Financial Administration and Audit Act requires under Section 53(b) that there be regular reviews, at least annually, of Departmental fees and charges.

It is possible to adjust most fees and charges annually, or more frequently, except where special arrangements apply under Special Agreement Acts and long term leases, licences and contracts. It may not be practical to annually adjust prices of publications, maps, some licences, entrance and camping fees which are priced in round figures.

There are a number of different mechanisms for changing fees and charges, which may be covered by the CALM Act, Wildlife Conservation Act, Special Agreement Acts or contracts. Some fees and charges are listed in Regulations which must be amended before changes can be implemented. Many fees and charges require the assent of the Minister.

For the annual budget compilation process it is necessary to know what the current fees and charges are and when they are likely to change during the year. With increasing financial stringency and promotion of the "user pays" principle, revenue budgets must receive similar attention to expenditure budgets.

3. POLICIES

The Department will:


- 3.1 Maintain prices of CALM services to the private sector at levels which provide an acceptable rate of return on the funds employed.
- 3.2 Maintain fees and charges for the provision of services to the community to at least cover costs, aiming to achieve full market value.
- 3.3 Obtain Government approval for all fees and charges.

4. STRATEGIES

- 4.1 The Finance and Budget Management Committee will oversee CALM's price review process, to an annual time table, pass recommendations on to the Corporate Executive, seek any supplementary approvals needed and ensure that the approved fees are implemented.
- 4.2 There will be major reviews of each class of fees and charges, at most three years apart, with annual reviews aimed at maintaining prices in real terms.
- 4.3 Subject to the required approvals and any necessary discussion with affected groups, adjusted administrative charges and prices for goods or services supplied on a unit basis will ideally apply from 1 October each year; adjusted rentals and charges under long term leases, licences and contracts will apply from the renewal date next following 1 October each year.
- 4.4 If necessary, at their next renewal, all contracts, long term leases and licences will be amended to include provision for three-yearly review and interim annual inflationary adjustment of relevant fees and charges. All future agreements of this kind will be subject to similar provisions.
- 4.5 Unless there are legal, practical or other compelling reasons for not raising prices, annual increases in fees and charges will be recommended. Alternatively, Ministerial approval will be sought for maintaining current prices.
- 4.6 The relevant Directors and Cost Centre Managers will be involved in price reviews, assisted by Finance and Economics Branches.
- 4.7 Directors and Branches responsible for reviewing various classes of fees and charges are as follows:

CLASS	DIRECTOR	BRANCH
Publications	Executive Director	Public Affairs
Mining, basic raw materials	Nature Conservation	Environmental Protection
Wildlife	Nature Conservation	Wildlife
National Parks and Recreation	National Parks	Policy and Extension
Nursery stock, seeds	Forests	Silviculture
Timber production and supply	Forests	Timber Production
Leases, administration, consultancies	Corporate Services	Land Administration
Rents	Corporate Services	Engineering Services
Maps	Information Resources	Land Information

- 4.8 Annual records of costs and outputs will be maintained to establish actual unit cost and yield data for activities of interest.
- 4.9 Annual reports will be compiled for all services involving fees and charges, to provide a comparison between costs and revenues for the various services provided. This will provide essential data for price reviews.
- 4.10 For activities of a commercial nature, target costs, outputs and prices necessary to achieve specified rates of return will be set annually by the Managers involved, with assistance from Economics and Finance Branches.
- 4.11 Finance Branch will maintain the Departmental Schedules of fees and charges, which will be sent out to the relevant cost centres with the annual call for revenue estimates.


 Syd Shea
 EXECUTIVE DIRECTOR

29 January 1991

Distribution: Lists A B D E & L