

# **Agriculture and Fisheries Legislation (Fees) Amendment Regulation (No. 1) 2016**

Explanatory notes for SL 2016 No. 99

made under the

*Agricultural Chemicals Distribution Control Act 1966*

*Animal Care and Protection Act 2001*

*Animal Management (Cats and Dogs) Act 2008*

*Brands Act 1915*

*Chemical Usage (Agricultural and Veterinary) Control Act 1988*

*Drugs Misuse Act 1986*

*Fisheries Act 1994*

*Food Production (Safety) Act 2000*

*Veterinary Surgeons Act 1936*

## **General Outline**

### **Short title**

*Agriculture and Fisheries Legislation (Fees) Amendment Regulation (No. 1) 2016*

### **Authorising law**

Section 48 of the *Agricultural Chemicals Distribution Control Act 1966*

Section 217 of the *Animal Care and Protection Act 2001*

Section 210 of the *Animal Management (Cats and Dogs) Act 2008*

Section 34 of the *Brands Act 1915*

Section 38 of the *Chemical Usage (Agricultural and Veterinary) Control Act 1988*

Section 134 of the *Drugs Misuse Act 1986*

Section 223 of the *Fisheries Act 1994*

Section 135 of the *Food Production (Safety) Act 2000*

Section 37 of the *Veterinary Surgeons Act 1936*

### **Policy objectives and the reasons for them**

Regulatory fees and charges are reviewed on an annual basis in line with Government policy on the indexation of fees and charges. Indexation seeks to maintain the value of the

regulatory fee or charge over time relative to the anticipated increase in associated costs. Queensland Treasury has advised that the annual indexation rate for fees and charges is 3.5 percent for 2016-2017.

The main objective of the amendment regulation is to amend certain regulatory fees and charges within the Agriculture and Fisheries portfolio by the indexation rate of 3.5 per cent. The fees and charges are prescribed in the following regulations:

- *Agricultural Chemicals Distribution Control Regulation 1998*
- *Animal Care and Protection Regulation 2012*
- *Animal Management (Cats and Dogs) Regulation 2009*
- *Brands Regulation 2012*
- *Chemical Usage (Agricultural and Veterinary) Control Regulation 1999*
- *Drugs Misuse Regulation 1987*
- *Fisheries Regulation 2008*
- *Food Production (Safety) Regulation 2014*
- *Veterinary Surgeons Regulation 2002.*

An exception to the indexation of fees by 3.5 per cent within the Agriculture and Fisheries portfolio is the proposed increase in fees for the Stocked Impoundment Permit Scheme (SIPS) in the *Fisheries Regulation 2008*.

In previous years, the small increases to SIPS fees that result from annual indexation have impacted many small businesses selling permits. These businesses have difficulties implementing annual changes efficiently because permit sales do not represent a significant proportion of their business and do not generate direct revenue for them.

Some businesses have chosen not to sell permits as a result of the fee complexities. This has directly impacted the revenue raised through SIPS and therefore the amount of funds available for stocking. Following public consultation, the Government has decided that SIPS fees should be fixed for five-year periods.

In the case of SIPS fees, the objective of the amendment regulation is to implement a new indexation arrangement for SIPS fees in the *Fisheries Regulation 2008* that see them indexed every five years by the cumulative amount of the government indexation rate and then rounded to the next highest dollar to increase efficiency at point of collection.

## **Achievement of policy objectives**

The amendment regulation will achieve its objectives by increasing most of the fees and charges under the regulations mentioned above by 3.5 per cent.

The amended fees have been rounded to the nearest coinable amount as per the *Queensland Government Principles for Fees and Charges 2012* published by Queensland Treasury. However, some fees have been charged per unit and these fees have not been rounded because payees would generally have a large number of units.

On 1 July 2016, the cost of a weekly SIPS permit will increase from \$8 to \$10 per week and the cost of a yearly permit will increase from \$41 to \$50. The cost of a yearly concession

permit (\$36) will not change, in order to avoid additional burden on concession card holders. These fees would then not increase for another five years.

There are certain fees in the *Fisheries Regulation 2008* that are not being amended. Fees contained in the *Fisheries Regulation 2008*, schedule 8, part 4 and schedule 8, part 5, column 3 are now redundant. Offset fees are now collected under the *Sustainable Planning Regulation 2009*. These fees, together with the other relevant provisions under the *Fisheries Act 1994* are proposed to be omitted in future.

The amendment regulation will also make a consequential change to the example in section 710 of the *Fisheries Regulation 2008*. This example references development fees in schedule 8 of the *Fisheries Regulation 2008*. The amounts in the example will be increased by 3.5 per cent consistent with the fee increases in schedule 8.

Increases to fees and charges in the *Food Production (Safety) Regulation 2014* will commence on 1 January 2017. Accreditation advices are effective for a calendar year, from 1 January to 31 December each year. Auditor approvals are effective from 1 October to 30 September each year so will generally have been renewed before the relevant fee increases commence. Hence, the increases to auditor approvals contained in this amendment regulation will not be fully implemented until the second half of 2017.

All other amendments to fees and charges in subordinate legislation within the Agriculture and Fisheries portfolio are effective for the financial year from 1 July 2016.

## **Consistency with policy objectives of authorising law**

The subordinate legislation is consistent with the policy objectives of the relevant Acts.

## **Inconsistency with policy objectives of other legislation**

The subordinate legislation is not inconsistent with the policy objectives of other legislation.

## **Benefits and costs of implementation**

The increase to SIPS fees every five years instead of annually is administratively efficient as it will remove further complexity around the current financial arrangements. Less frequent fee increases will reduce costs for businesses selling permits because they will need to implement changes less frequently.

The increase to SIPS fees every five years is reasonable given the small dollar value involved. The new fee structure will not significantly increase the costs of fishing in SIPS impoundments. Revenue raised by the SIPS fees flows back to stocking groups. The fees will no longer increase each year, but costs for these stocking groups (such as the price of fingerlings and other enhancements for recreational fishing) will generally continue to increase annually. DAF will work with stocking groups to ensure adequate provision is made for maintaining activities in years when fees will not increase.

The implementation costs for Government from the subordinate legislation are limited to adjusting systems, communication materials and forms that are relevant to the collection of the fees.

## **Consistency with fundamental legislative principles**

The subordinate legislation is consistent with fundamental legislative principles.

## **Consultation**

Queensland Treasury has advised that the annual indexation rate for fees and charges for 2016-2017 is 3.5 per cent.

A Consultation RIS was prepared in regard to a number of proposed changes to SIPS including the fee arrangements. A total of 294 responses to the Consultation RIS were made. There was very strong support for replacing the current system of annual indexation increases with the proposal of increasing fees by the cumulative five year indexation rounded up to the nearest whole dollar. More than 70 per cent of respondents supported this proposal.

The Office of Best Practice Regulation (OBPR) of the Queensland Productivity Commission was consulted regarding the need for a Regulatory Impact Statement (RIS). The OBPR has advised that no further analysis is required under the RIS guidelines because the proposed amendments are consistent with the Government endorsed indexation factor.