

# **Agriculture and Fisheries Legislation (Fees) Amendment Regulation 2018**

Explanatory Notes for SL 2018 No. 98

made under the

*Agricultural Chemicals Distribution Control Act 1966*

*Animal Care and Protection Act 2001*

*Animal Management (Cats and Dogs) Act 2008*

*Biosecurity Act 2014*

*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 2018*

### **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 503 of the *Biosecurity Act 2014*

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 2018-2019.

The main objective of the subordinate legislation 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*
- *Biosecurity Regulation 2016*
- *Brands Regulation 2012*
- *Chemical Usage (Agricultural and Veterinary) Control Regulation 2017*
- *Drugs Misuse Regulation 1987*
- *Fisheries Regulation 2008*
- *Food Production (Safety) Regulation 2014*
- *Veterinary Surgeons Regulation 2016.*

## Achievement of policy objectives

The subordinate legislation 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.

Fees for the Stocked Impoundment Permit Scheme (SIPS) in the *Fisheries Regulation 2008* will not increase. Government policy is to fix SIPS fees for five-year periods from 1 July 2016. The fees will increase every five years by the cumulative amount of the government indexation rate and then be rounded to the next highest dollar to increase efficiency at the point of collection. The next indexation will be in financial year 2021-22.

Various fees under the *Veterinary Surgeons Act 1936* will also increase by more than 3.5 per cent. A 45 per cent (modal average) fee increase to fees under the *Veterinary Surgeons Regulation 2016*, to achieve both full cost recovery and better service delivery by the Veterinary Surgeons Board of Queensland (the Board), is proposed along with changes to fee structures for specialist veterinarians, retired veterinarians and new graduates (indexed annually). The exemption for public servants from paying registration fees under section 28(2) of the *Veterinary Surgeons Regulation 2016* will be repealed, and a new, discounted fee for graduates will be created.

The Board is funded from the registration and renewal fees of veterinarians in Queensland. A range of factors are driving costs up, most particularly increased legal fees which are a product of disciplinary action to uphold the standing of the profession, and since 2013-14 the Board's revenue has not kept pace with expenditure. A 45 per cent increase in the most commonly occurring fees will allow for the Board to receive critical funds necessary for effectively continuing their work.

Increases to fees and charges in the *Food Production (Safety) Regulation 2014* will commence on 1 January 2019. Accreditations 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 2019.

The structure of the fees within the schedule contained in the *Food Production (Safety) Regulation 2014* list the payable fee amounts for fees under the *Food Production (Safety) Act 2000*. The *Food Production (Safety) Regulation 2014* will therefore be amended to prescribe the fee amounts for both 2018 and 2019 to remove any ambiguity about what fee is payable for services that are paid for in 2018, but have a start date of on or after 1 January 2019.

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 2018.

## **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 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.

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

## **Consistency with fundamental legislative principles**

The subordinate legislation is consistent with fundamental legislative principles.

## Consultation

In relation to fees under the *Veterinary Surgeons Act 1936*, a Consultation Regulatory Impact Statement (RIS) on the Review of regulatory fees for veterinary surgeons was released in August 2016 to address the adequacy of fee levels, with a view to recovering the full cost of services. Based on feedback following the RIS it was decided that increasing the most commonly occurring fees by 45 per cent would be the most effective way to recover full cost of services for the Board. The Queensland Productivity Commission has been consulted on the RIS process and advised that the Decision RIS summarises the key issues raised in submissions from stakeholders on the Consultation RIS and is adequate to support the decision maker's consideration of the regulatory proposal.

In accordance with the Queensland Government Guide to Better Regulation, the Office of Best Practice Regulation was not consulted in relation to the remaining amendments. The Department of Agriculture and Fisheries applied a self-assessable exclusion from undertaking further regulatory impact analysis (Category (h) - Regulatory proposals that put forward annual fee variations in line with or below a government endorsed indexation factor).