



Australian Government

Department of Agriculture, Fisheries and Forestry

Meat Export Program – AEMIS Cost Recovery Arrangements

New Meat Export Fees and Charges

The new Australian Export Meat Inspection System (AEMIS) will be implemented from 1 October 2011. The implementation of AEMIS requires the introduction of a new cost recovery arrangement for the AQIS Meat Export Program to ensure that the costs of services remain appropriately recovered from the beneficiaries of services under an AEMIS model.

A new cost recovery arrangement has been developed in consultation with the Ministerial Taskforce for Meat Exports (MTF) and through consultation with other affected parties not directly represented at the MTF.

The new cost recovery arrangement includes a new schedule of fees and charges and charging policy which will apply from 1 October 2011 to complement the introduction of AEMIS.

The proposed fee model delivers the following key outcomes:

- Allows the program to fully recover the cost of its operations from the date of implementation, and allows the collection of revenues to respond to changes in the demand for program services
- Provides an equitable distribution of the \$22m in benefits that are to be achieved from the introduction of the AEMIS service delivery model
- Includes a charging arrangement that facilitates choice in the delivery of services. The model includes an arrangement that will fully recover the cost of services where an establishment chooses to continue with government inspection instead of AQIS Authorised Officers (AAOs)
- Provides a fees structure and charging arrangement that is shaped to target risk, providing a model that is performance based and allows costs to be reduced for high performing operators
- Replaces a single base registration charge with tiered registration charges to more appropriately reflect the cost attracted by various classes of establishments in the maintenance and administration of the Australian Export Meat Inspection System
- Removes the 'per capita' charging arrangement currently levied against the number of AQIS staff present at an export establishment
- Introduces a tiered throughput charge levied against the number of animals processed through an export abattoir. This arrangement replaces the existing per capita charging arrangement
- Adjusts rates for existing fees and charges to reflect the current costs of those services
- Remains consistent with the principles of the Australian Government Cost Recovery Guidelines and reinforces the core principle of beneficiary pays

Transitional arrangements

On 5 September 2011 Senator the Hon. Joe Ludwig announced a \$25.8m package to support the meat export industry's return to full cost recovery.

This assistance package affords a 40% rebate to be applied against the cost of all services provided between 1 July 2011 and 30 September 2011. The remaining funding is applied to discount the cost of verification activities at export abattoirs through to 31 December 2013. The verification activity discount will be applied so that the Annual and Monthly Food Safety Meat Assessor Rate (Table 1) will be discounted by \$5,874 per month. For those establishments that do not require the presence of a Food Safety Meat Assessor the Annual and Monthly Veterinary Rate (Table 1) will be discounted by \$2,937 per month. The discount does not apply to Additional Food Safety Meat Assessor positions provided at the request of particular establishments.

As the transitional support package is a fixed amount the discount applied in 2011/2012 may need to be adjusted following periods to take into account variations in amounts drawn from the package. If required, these adjustments **may** result in an either an increase or decrease to the discount depending on the number of Food Safety Meat Assessor positions discounted in the prior period.

The \$25.8m transitional support package is contingent on the successful implementation of the new fees and charges through the Parliament. No transitional support package is available if the fees and charges are disallowed.

Table 1 – Schedule of Fees and Charges for the Meat Export Program from 1 October 2011

Registration

Fee/Charge Type	Unit	Charge	Rebate
Registration Application	Application	\$600.00	
Abattoir (inc Game, Pork & Tier1)	Monthly	\$840.00	
Through Put – Full Unit	Each	\$0.70	
Through Put – Pig	Each	\$0.24	
Through Put – Sheep/Goat/Lamb	Each	\$0.18	
Through Put – Deer/Game Deer	Each	\$0.14	
Through Put – Emu/Ostrich	Each	\$0.10	
Through Put – Calf	Each	\$0.07	
Through Put – Kangaroo/Wild Boar	Each	\$0.05	
Through Put – Rabbit/Possum/Hare	Each	\$0.02	
Casings	Monthly	\$840.00	
Storage & Transportation	Monthly	\$840.00	
Poultry	Monthly	\$1,250.00	
Further Processing	Monthly	\$1,250.00	
Independent Boning rooms	Monthly	\$1,250.00	

Fee-For-Service – FSMA*

Fee/Charge Type	Unit	Charge	Rebate
FSMA – Annual	Annual	\$117,489.00	-\$70,488.00

Fee/Charge Type	Unit	Charge	Rebate
FSMA – Monthly	Monthly	\$10,681.00	-\$5,874.00
FSMA – 1/4 Hour*	1/4 Hour	\$30.00	
FSMA – Annual (additional)	Annual	\$142,119.00	
FSMA – Monthly (additional)	Monthly	\$12,920.00	

***The FSMA rate applies to FSA services provided out of the AQIS regional offices.**

Fee-For-Service – Veterinary Officer

Fee/Charge Type	Unit	Charge	Rebate
VO – Annual	Annual	\$182,394.00	
VO – Annual (non-FSMA)	Annual	\$182,394.00	-\$35,244.00
VO – Monthly	Monthly	\$16,582.00	
VO – Monthly (non-FSMA)	Monthly	\$16,582.00	-\$2,937.00
VO – 1/4 Hour	1/4 Hour	\$39.00	

Fee-For-Service – Area Technical Manager

Fee/Charge Type	Unit	Charge	Rebate
ATM – 1/4 Hour	1/4 Hour	\$108.00	

Certification

Fee/Charge Type	Unit	Charge	Rebate
Certificate – Electronic	Certificate	\$49.00	
Certificate – Manual	Certificate	\$100.00	
Certificate – Replacement	Certificate	\$500.00	
Certificate – Other	Certificate	\$100.00	

Overtime and Shift – FSMA*

Fee/Charge Type	Unit	Charge	Rebate
FSMA O/T – Single time	1/4 Hour	\$10.43	
FSMA O/T – Time & half	1/4 Hour	\$15.64	
FSMA O/T – Double time	1/4 Hour	\$20.86	
FSMA O/T – Double time & half	1/4 Hour	\$26.07	

Fee/Charge Type	Unit	Charge	Rebate
FSMA O/T – Single time (non-cont)	Minimum	\$166.88	
FSMA O/T – Time & half (non-cont)	Minimum	\$250.24	
FSMA O/T – Double time (non-cont)	Minimum	\$333.76	
FSMA O/T – Double time&half (non-cont)	Minimum	\$417.12	
FSMA Shift – Weekday	1/4 Hour	\$1.57	
FSMA Shift – Saturday	1/4 Hour	\$5.22	
FSMA Shift – Sunday	1/4 Hour	\$10.43	
FSMA Shift – Public Holiday (ord)	1/4 Hour	\$15.65	

***The FSMA rate applies to FSA services provided out of the AQIS regional offices.**

Overtime & Shift – Veterinary Officer

Fee/Charge Type	Unit	Charge	Rebate
VO O/T – Time & half	1/4 Hour	\$24.26	
VO O/T – Double time	1/4 Hour	\$32.34	
VO O/T – Double time & half	1/4 Hour	\$40.43	
VO O/T – Time & half (non-cont)	Minimum	\$291.12	
VO O/T – Double time (non-cont)	Minimum	\$388.08	
VO O/T – Double time & half (non-cont)	Minimum	\$485.16	
VO Shift – Weekday	1/4 Hour	\$2.43	
VO Shift – Saturday	1/4 Hour	\$8.09	
VO Shift – Sunday	1/4 Hour	\$16.17	
VO Shift – Public holiday (ord)	1/4 Hour	\$24.26	

Application of the new fees and charges

Registration Charges

Under the new cost recovery arrangement a combination of registration charges and throughput charges will be applied to recover the cost of the Meat Export Program’s management, administrative and training activities.

Fee and Charge Type	Unit	Rate
Registration Charge – Abattoir (incl Game, Pork and Tier 1)	Monthly	\$840
Registration Charge – Casings	Monthly	\$840
Registration Charge – Storage and Transportation	Monthly	\$840
Registration Charge – Poultry	Monthly	\$1,250

Fee and Charge Type	Unit	Rate
Registration Charge – Further Processing	Monthly	\$1,250
Registration Charge – Independent Boning Rooms	Monthly	\$1,250
Throughput Charge – Abattoir (incl Game, Pork and Tier 1)	Cattle Equivalent	\$0.70

A Registration Charge will continue to apply to all establishments registered for operations associated with the production, preparation, handling and storage of meat and meat products for export. The single base registration charge currently applied to all establishments is replaced with a tiered charging structure that varies depending on the operations conducted at the establishment.

The new cost recovery arrangement replaces the current per capita charge with a "Throughput Charge". Under the AEMIS service delivery model, the number of AQIS staff present at an export establishment will no longer be a reflection of export activity at that establishment. As a result, the per capita charging arrangement will no longer tie the rate of charge to the establishment's export activity. The change to a throughput charge is necessary in order to maintain the calibration of charges against the level of export activity at the establishment.

A throughput charge will apply to all establishments that slaughter or dress animals for export, including Tier 1 establishments. The rate of the throughput charge will be calculated against the number of cattle equivalent units processed through the establishment in the previous calendar month. These volumes will be derived from the Export Production and Condemnation Statistics (EPACS) database maintained in the Meat Export Program. The conversion rates applied to derive the cattle equivalent unit are provided in table 2.

Table 2 – Conversion rates for the calculation of the cattle equivalent unit

Cattle equivalent conversion table		
Species/type	Rate	Throughput \$ Per head
Per cow, Bull Heifer, Buffalo, Camel, Donkey, Horse or any other	1	0.70
Per pig	3	0.24
Per Sheep, Goat or Lamb	4	0.18
Per Deer or Game Deer	5	0.14
Per Emu or Ostrich	7	0.10
Per Calf	10	0.07
Per Kangaroo or Wild Bear	14	0.05
Per Rabbit, Possum or Hare	50	0.02

All registration charges will be invoiced on a monthly basis.

Fee-for-service

Food Safety Meat Assessors (FSMA)

Under the new cost recovery arrangement, fee-for-service charges apply to recover costs associated with the provision of Food Safety Meat Assessors services to export establishments. The rates for FSMA services are adjusted to reflect the increased costs of providing those services since the fees were last adjusted in December 2009.

Fee for service

Fee/Charge Type	Unit	Charge
FSMA – Annual	Annual	\$117,489.00
FSMA – Monthly	Monthly	\$10,681.00
FSMA – 1/4 Hour*	1/4 Hour	\$30.00
FSMA – Annual (additional)	Annual	\$142,119.00
FSMA – Monthly (additional)	Monthly	\$12,920.00

The FSMA fee is applied to the each government position present on the end of each chain at an establishment. The rate for FSMA services provided under an annual arrangement is increased from \$99,444 to \$117,489 per annum. The rate for Food Safety Meat Assessor services provided under a monthly arrangement is increased from \$9,041 to \$10,681 per month.

All Annual and Monthly FSMA fees will continue to be invoiced in equal monthly instalments; the monthly \$5,874 discount will be applied automatically to invoices issued for FSMA services. A pro-rata rate (and pro rata discount) will apply for additional FSMA positions (rovers) required at some establishments.

Under the AEMIS service delivery model a number of functions previously performed by government meat inspection positions can be undertaken by authorised non-government employees (or contractors). Where an establishment chooses to continue the utilisation government inspection services to undertake these functions, an Additional Food Safety Meat Assessor fee applies. This fee is set to reflect the full cost of the resource provided to the establishment¹ and is set at the rate of \$142,119 per annum, for services provided under an annual arrangement, or \$12,920 per month, for services provided under a monthly arrangement.

All Annual and Monthly Additional Food Safety Meat Assessor fees will be recovered in equal monthly instalments. No discount is applied to these services.

All other services provided by a Food Safety Meat Assessor will be recovered at the quarter hourly rate of \$30.00 (replacing the current hourly arrangements). Services will no longer be recovered on a Weekly or Daily basis. No discount is applied to these services.

Veterinary Officers

Fee-for-service will continue to recover all costs associated with the services provided by AQIS Veterinary Officers. The rates for Veterinary Services are adjusted to reflect the increased costs of providing those services since the fees were last adjusted in December 2009.

Veterinary Services		
Fee and Charge Type	Unit	Rate
Veterinary Officer	Annual	\$182,394
Veterinary Officer	Monthly	\$16,582
Veterinary Officer	Quarter Hour	\$39

The rate for Veterinary Services provided under an annual arrangement is increased from \$159,188 to \$182,394 per annum. The rate for Veterinary Services provided under a monthly arrangement is increased from \$14,472 to \$16,582 per month.

All Annual and Monthly Veterinary Services fees will continue to be recovered in equal monthly instalments. For eligible Pork and Game abattoirs the monthly \$2,937 discount will be applied automatically to invoices issued for Veterinary Services. No other discount is applied to these services.

All other services provided by a Veterinary Officer will be recovered at the quarter hourly rate of \$39.00. Services will no longer be recovered on a Weekly or Daily basis. No discount is applied to these services.

Area Technical Managers

Fee-for-service will recover all costs associated with the services provided by AQIS Area Technical Managers. The rates for ATM Services are adjusted to reflect the increased costs of providing those services since the fees were last adjusted in December 2009 and to take into account changes to the performance of ATM auditing under the AEMIS service delivery model.

Under the AEMIS service delivery model, the frequency of ATM audits will be reduced where establishments are able to demonstrate sustained high performance. This approach will provide high performing establishments with opportunities to reduce the costs of auditing services, while ensuring those who present the most risk pay for the costs of the increased level of servicing they require.

Area Technical Managers		
Fee and Charge Type	Unit	Rate
Area Technical Manager	Quarter Hour	\$108

Area Technical Manager fees-for-service apply to time spent at an establishment during the conduct of routine audits and where the ATM is required to attend the establishment to address or follow-through on non-compliance issues. Fees are not applied to time spend at an establishment where an Area Technical Manager is attending to staff supervision or staff performance issues.

Area Technical Manager fees-for-service may apply to some activities conducted 'off-site'. In these circumstances fees will apply where an activity is performed at the specific request of a company or individual for the benefit of that company or individual. The company or individual making the request will be notified that a fee will be applied prior to the performance of any services.

Certification Fees

Certification fees will continue to apply to the provision of export certificates, other export documentation and replacement certificates in accordance with the existing arrangements.

Fee and Charge Type	Unit	Rate
Electronic Certificate / Other Electronic Document	Certificate	\$49
Manual Certificate / Other Manual Document	Certificate	\$100
Replacement Certificate	Certificate	\$500

Under the proposed model, rates do not require adjustments and will continue to be provided at the rates of \$49 for an electronic export certificate, \$100 for a manual export certificate and \$500 for the replacement of an export certificate.

Overtime and Shift Fees

At the request of a company, or individual, AQIS may provide services outside normal working hours. The provision of services outside normal working hours requires AQIS to pay overtime and shift penalties, these additional costs are recovered through the imposition of overtime and shift fees.

Overtime and shift fees will continue to apply to the provision of Food Safety Meat Assessor and Veterinary Services in accordance with the existing arrangements. New rates are proposed to reflect the cost of services since the fees were last adjusted in December 2009.

Overtime and Shift

Meat Inspection Services Overtime		
Fee and Charge Type	Unit	Rate
Overtime – Single time – Continuous	Quarter Hour	\$10.43
Overtime – Time and half – Continuous	Quarter Hour	\$15.64
Overtime – Double time – Continuous	Quarter Hour	\$20.86
Overtime – Double time and half – Continuous	Quarter Hour	\$26.07
Overtime – Single time – Non-Continuous	Minimum	\$166.88
Overtime – Time and half – Non-Continuous	Minimum	\$250.24
Overtime – Double time – Non-Continuous	Minimum	\$333.76
Overtime – Double time and half – Non-Continuous	Minimum	\$417.12
Shiftloading – Weekday	Quarter Hour	\$1.57
Shiftloading – Saturday	Quarter Hour	\$5.22
Shiftloading – Sunday	Quarter Hour	\$10.43
Shiftloading – Public Holiday (ordinary)	Quarter Hour	\$15.65
Veterinary Services Overtime		
Fee and Charge Type	Unit	Rate
Overtime – Time and half	Quarter Hour	\$24.26
Overtime – Double time	Quarter Hour	\$32.34
Overtime – Double time and half	Quarter Hour	\$40.43
Overtime – Time and half – Non-Continuous	Minimum	\$291.12
Overtime – Double time – Non-Continuous	Minimum	\$388.08
Overtime – Double time and half – Non-Continuous	Minimum	\$485.16
Shiftloading – Weekday	Quarter Hour	\$2.43
Shiftloading – Saturday	Quarter Hour	\$8.09
Shiftloading – Sunday	Quarter Hour	\$16.17
Shiftloading – Public Holiday (ordinary)	Quarter Hour	\$24.26

Meat Inspection Services Overtime rates applies to extra-duty services provided by AQIS Food Safety Meat Assessors and AQIS Additional Food Safety Meat Assessors. Veterinary Services Overtime rates apply to extra-duty services provided by AQIS Veterinary Officers.

For on-plant services, overtime and shift fees apply where the officer is eligible to be paid the relevant extra-duty allowance.

For other services, overtime fees apply where the officer is requested to provide services outside of the span of hours of the local AQIS regional office². Quarter hourly rates apply where the services are provided continuously with services provided within the normal span of hours. Minimum charges apply where services are not provided continuously with the officer's normal duty³.

¹ For Food Safety Meat Assessor services some costs attracted by those positions, such as corporate overheads, are recovered through registration charges.

2 Local span of hours should be discussed with the local regional office.

3 Relevant fees-for-service also apply to time spent in the provision of the service.