

PART I

ALL AGENCIES ARE REQUESTED TO COMPLETE PART I.

If you cannot answer a question, please indicate whether the question is NOT APPLICABLE or if INFORMATION IS NOT AVAILABLE.

Section 1: Contact details

1.1 Agency

1.2 Reporting and financial arrangements are governed by:
(Please indicate with a 'X' whether one or more of the following Acts apply)

Financial Management and Accountability Act 1997

YES NO

Commonwealth Authorities and Companies Act 1997

YES NO

Other

1.3 Contact Officer

Position

Phone

Fax

Email

Address

This section asks about your agency's total revenues, charges and expenses. All agencies should complete this section, whether or not you consider you undertake cost recovery.

Section 2: Agency revenues, charges and expenses

(Please indicate with a 'X' which response applies)

2.1 Has your agency charged any cost recovery fees, levies or other charges in the last five financial years?

YES	NO
X	

Relevant charges include any fees, levies, taxes (including some customs and excise duties earmarked for specific purposes) or other charges which arise from the services, programs or business activities of your agency, and which are collected by your agency, or by another agency on your behalf. For example, application fees, processing charges, consultancy fees, publication sales, special industry duties, excises or levies other than general taxation.

2.2 Were any of the appropriations allocated to your agency in the last five financial years linked (hypothecated) to revenue collected from fees, levies or charges (for example, levies paid to the Consolidated Revenue Fund but earmarked for allocation to your portfolio)? (Whether the revenue was collected by your agency or by another agency on your behalf).

YES	NO
	X

2.3 Has your agency considered introducing any cost recovery arrangements in the past that were not implemented?
(Please attach any relevant reviews, analysis or other information.)

YES	NO
	X

2.4 Is your agency considering introducing any cost recovery arrangements in the future?
(Please attach any relevant reviews, analysis or other information.)

YES	NO
	X

If you answered NO to questions 2.1 and 2.2, you need not answer any further questions. Thank you for your cooperation. Please return the questionnaire to the Commission (see front sheet for instructions).

If you answered YES to EITHER question 2.1 OR question 2.2 OR both, please complete section 3 below, and Part II on the following worksheet.

Section 3: Agency revenues and expenses

Please do not include the revenues and expenses in this section of agencies that will be completing separate responses to this questionnaire (see Attachment A).

3.1

Agency revenues and expenses are those controlled by the department/agency (for example, employee and administrative expenses). Administered revenues and expenses are those which are controlled by Government and managed or oversighted by the department/a

YES	NO
X	

If your agency classifies revenues and expenses as 'agency' and 'administered' then please fill in both tables below. If your agency does not classify revenues and expenses as 'agency' and 'administered' then please put all revenues and expenses in the 'a

Productivity Commission Cost Recovery Inquiry: Questionnaire

AGENCY revenues and expenses (Please use \$'000)

		1995-96	1996-97	1997-98	1998-99	1999-2000
Agency revenue from cost recovery (a)						
3.2	Cost recovery revenue retained by your agency	69	138	174	228	330
3.3	Cost recovery revenue paid to CRF and appropriated to your agency (or another agency for a specific purpose (ie. annotated, hypothecated or earmarked revenues)					
3.4	Cost recovery revenue paid to CRF and not specifically appropriated to your agency (or another agency)					
3.5	Total agency revenue from cost recovery	69	138	174	228	330
Agency revenue from other sources						
3.6	Other appropriations	27026	27806	24264	24976	23115
3.7	Other sources (eg. asset sales, dividends, interest, funding from other government agencies)					
3.8	Total agency revenue from other sources	27026	27806	24264	24976	23115
3.9	Total agency revenue	27095	27944	24438	25204	23445
3.10	Total agency expenses	27025	26747	25387	23958	22758

CRF Consolidated Revenue Fund

(a) Include all revenue from fees, levies, excises and other charges which arise from the services or activities of your agency, and which is paid to your agency, to another agency or to the Consolidated Revenue Fund.

Productivity Commission Cost Recovery Inquiry: Questionnaire

ADMINISTERED revenues and expenses (Please use \$'000)

	1995-96	1996-97	1997-98	1998-99	1999-2000
Administered revenue from cost recovery (a)					
3.11 Cost recovery revenue retained by your agency	0	0	0	0	0
3.12 Cost recovery revenue paid to CRF and appropriated to your agency (or another agency for a specific purpose (ie. annotated,	0	0	0	0	0
3.13 Cost recovery revenue paid to CRF and not specifically appropriated to your agency (or another agency)	6931	12736	17284	21642	18420
3.14 Total administered revenue from cost recovery	6931	12736	17284	21642	18420
Administered revenue from other sources					
3.15 Other appropriations					
3.16 Other sources (eg. asset sales, dividends, interest, funding from other government agencies)					
3.17 Total administered revenue from other sources	0	0	0	0	0
3.18 Total administered revenue	6931	12736	17284	21642	18420
3.19 Total administered expenses	0	0	0	0	0

CRF Consolidated Revenue Fund

(a) Include all revenue from fees, levies, excises and other charges which arise from the services or activities of your agency, and which is paid to your agency, to another agency or to the Consolidated Revenue Fund.

End of Part I. Please complete Part II, which is on a separate worksheet.

PART II

If your agency operated any cost recovery arrangements in 1999-2000, please complete this part

Please fill out a separate form for each sub-unit, cost recovery program or activity, or output or outcome for which you are reporting. Similar cost recovery arrangements may be reported in groups.

PART II(a)

Name of sub-unit, agency, program or activity, output or outcome	Insolvency and Trustee Service Australia (ITSA) a new Executive Agency from 1 July 2000 with one outcome. ITSA has no separate cost recovery programs or units. ITSA's current
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Section 4: Cost recovery arrangements in 1999-2000

Descriptive material			
4.1	<table border="1"> <tr> <td style="width: 25%;">Nature of cost recovery arrangement (eg. licence fee, service charge, hypothecated)</td> <td>ITSA administers a broad range of cost recovery arrangements: lump sum fee for the issue of a Bankruptcy Notice, hourly rate fees for the exercise of Official Receiver powers under the Bankruptcy Act for the issuing of notices requiring property</td> </tr> </table>	Nature of cost recovery arrangement (eg. licence fee, service charge, hypothecated)	ITSA administers a broad range of cost recovery arrangements: lump sum fee for the issue of a Bankruptcy Notice, hourly rate fees for the exercise of Official Receiver powers under the Bankruptcy Act for the issuing of notices requiring property
Nature of cost recovery arrangement (eg. licence fee, service charge, hypothecated)	ITSA administers a broad range of cost recovery arrangements: lump sum fee for the issue of a Bankruptcy Notice, hourly rate fees for the exercise of Official Receiver powers under the Bankruptcy Act for the issuing of notices requiring property		
4.2	<table border="1"> <tr> <td style="width: 25%;">Basic description of arrangements: (Please attach any</td> <td>As briefly explained in 4.1 above</td> </tr> </table>	Basic description of arrangements: (Please attach any	As briefly explained in 4.1 above
Basic description of arrangements: (Please attach any	As briefly explained in 4.1 above		
4.3	<table border="1"> <tr> <td style="width: 25%;">Who pays the cost recovery charges?</td> <td>The cost recovery amounts are paid by the direct user of that service, primarily credit providers and creditors and also including the commercial community generally as regards</td> </tr> </table>	Who pays the cost recovery charges?	The cost recovery amounts are paid by the direct user of that service, primarily credit providers and creditors and also including the commercial community generally as regards
Who pays the cost recovery charges?	The cost recovery amounts are paid by the direct user of that service, primarily credit providers and creditors and also including the commercial community generally as regards		
4.4	<table border="1"> <tr> <td style="width: 25%;">Who benefits from the program or activity, output or outcome?</td> <td>The beneficiaries of these ITSA administered and regulated activities are creditors and the credit/finance community at large, who benefit from a credible and orderly means of debt</td> </tr> </table>	Who benefits from the program or activity, output or outcome?	The beneficiaries of these ITSA administered and regulated activities are creditors and the credit/finance community at large, who benefit from a credible and orderly means of debt
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4.5	<table border="1"> <tr> <td style="width: 25%;">Do you attempt to measure these</td> <td>Not directly. ITSA conducts regular client surveys on its service delivery generally.</td> </tr> </table>	Do you attempt to measure these	Not directly. ITSA conducts regular client surveys on its service delivery generally.
Do you attempt to measure these	Not directly. ITSA conducts regular client surveys on its service delivery generally.		
4.6	<table border="1"> <tr> <td style="width: 25%;">Are there alternate providers or substitutes for this program or activity, output or outcome?</td> <td>The alternative providers for relevant program activities and outputs are private registered trustees only in respect of the administration of bankruptcies and Part X estates and administrations in respect of Part IX debt agreements. Debtors or</td> </tr> </table>	Are there alternate providers or substitutes for this program or activity, output or outcome?	The alternative providers for relevant program activities and outputs are private registered trustees only in respect of the administration of bankruptcies and Part X estates and administrations in respect of Part IX debt agreements. Debtors or
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4.7	<table border="1"> <tr> <td style="width: 25%;">When was this cost recovery arrangement introduced?</td> <td>Cost recovery arrangements in respect of Official Trustee fees have been long standing. Amendments to the Bankruptcy Act in 1992 and related legislative initiatives in 1997 introduced a wider range of cost recovery</td> </tr> </table>	When was this cost recovery arrangement introduced?	Cost recovery arrangements in respect of Official Trustee fees have been long standing. Amendments to the Bankruptcy Act in 1992 and related legislative initiatives in 1997 introduced a wider range of cost recovery
When was this cost recovery arrangement introduced?	Cost recovery arrangements in respect of Official Trustee fees have been long standing. Amendments to the Bankruptcy Act in 1992 and related legislative initiatives in 1997 introduced a wider range of cost recovery		

PART II(b)

Name of sub-unit, agency, program or activity, output or outcome Insolvency and Trustee Service Australia (ITSA) a new Executive Agency from 1 July 200 with one outcome. ITSA has no separate cost recovery programs or units. ITSA's current outcome is "public confidence in the personal insolvency system".

Program or activity, output or outcome cost recovery arrangements in 1999-2000 (continued)

(Please use \$'000)(Please use \$'000)

Program or activity, output or outcome revenues

4.8	Cost recovery revenue paid to CRF earmarked for appropriation to same agency	\$	330	
4.9	Cost recovery revenue paid to CRF earmarked for appropriation to a third party	\$	0	
4.10	Cost recovery revenue paid to CRF and not earmarked for particular appropriation	\$	18420	
4.11	Cost recovery revenue paid to CRF (subtotal)	\$	18750	
4.12	Cost recovery not paid into CRF	\$	0	
4.13	Total cost recovery revenue	\$	18750	
4.14	Appropriations not related to cost recovery			\$ style="border: 1px solid black; text-align: right;">23115
4.15	Other sources (please specify)			\$ style="border: 1px solid black; text-align: right;">0
4.16	Total program or activity, output or outcome revenue			\$ style="border: 1px solid black; text-align: right;">41865

Program or activity, output or outcome expense

4.17	Direct expenses	\$	20843	
4.18	Indirect expenses (including corporate overheads)	\$	1915	
4.19	Third party expenses (a)	\$	18420	* Note - amounts paid to CRF
4.20	Total program or activity, output or outcome expenses	\$	41178	

Administration costs

4.21	What costs are associated with administering the cost recovery arrangements?	\$	not available
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CRF Consolidated Revenue Fund. Direct costs are those directly related to a particular program. Indirect costs include indirect agency overheads and general running costs. (a) Include third party costs where third parties are involved in a program or acti

PART II(c)

Name of sub-unit, agency, program or activity, output or outcome	Insolvency and Trustee Service Australia (ITSA) a new Executive Agency from 1 July 200 with one outcome. ITSA has no separate cost recovery programs or units. ITSA's current outcome is "public confidence in the personal insolvency system".
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Section 5: Institutional arrangements

5.1	What was the rationale for introducing these cost recovery arrangements? (Please attach sources, eg. legislative objects clauses, press releases, second reading speeches.)	Amendments to the Bankruptcy Act introduced in 1992 providing for fees to be recovered from eg. Official Receiver Notices, making enquiries or recovering property on behalf of a bankruptcy trustee are based on broad user pays principles. The rationale...
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5.2	What was the legal basis for establishing these cost recovery arrangements: (Please	
	Legislation (eg. s.31 of the Financial Management and Accountability Act, tax or levy acts)	<i>Bankruptcy Act 1966</i> (as amended), <u>Bankruptcy Act (Estate Charges) Act 1997</u> and <u>Bankruptcy Act (Registration</u>
	Subordinate legislation (eg. regulations, standards)	
	Co-regulation or quasi-regulation	
	Commonwealth/State/Territory agreement	
	Voluntary arrangements (eg. codes of	
	Other	

5.3	Who was consulted about introducing these cost recovery arrangements? (Please name relevant bodies and describe the consultation arrangements.)	Consultation on the 1997 revenue measures involved informing the private registered trustees who would be responsible for collecting a realisations charge under the <i>Bankruptcy (Estate Charges) Act</i> of its purpose and operating requirements. Those
	Commonwealth government (DOFA etc)	
	Other governments (state, territory, local)	
	Industry	
	Consumers	
	Other	

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5.4	What guidelines were consulted when establishing these cost recovery arrangements? (Please attach source of information, guidelines etc.)	No guidelines - the objective was to find means of raising an amount of revenue as contained in the Government's "meeting our commitments" policy statement.
5.5	Which agency is responsible for the following activities? (Please name relevant agency)	
Policy setting	ITSA	
Price setting	Parliament - fees and charges set by Act or Regulation.	
Administration	ITSA	
Revenue collection	ITSA	
5.6	Is there any ongoing consultation about these cost recovery arrangements? With whom? (Please name relevant bodies.)	
Commonwealth government (DOF	There is no ongoing consultation.	
Other governments (state, territory, local)		
Industry		
Consumers		
Other		
5.7	Please describe these consultation arrangements.	Not applicable.
5.8	Have the cost recovery arrangements been formally reviewed? What was the outcome? (Please attach copy of review)	There has been no formal review of the 1997 cost recovery arrangements, other than to ascertain that the original target (\$15M over three years, additional recoveries) was achieved within that time frame.

PART II(d)

Name of sub-unit, agency, program or activity, output or outcome

Insolvency and Trustee Service Australia (ITSA) a new Executive Agency from 1 July 200 with one outcome. ITSA has no separate cost recovery programs or units. ITSA's current outcome is "public confidence in the personal insolvency system"

Section 6: Price setting arrangements

6.1 How are these cost recovery charges determined? (Please attach any relevant documents)

(i) How are charges set? (eg. by formula in legislation or based on 'market prices')	Official Trustee and Official Receiver hourly rates have, to date, been determined by reference to the hourly rates that were charged by comparable classification levels in the Australian Government Solicitor's office.
(ii) Are charges directly related to the costs of particular activities, outcomes or outputs, or charged on some other basis? (eg. levies on users' turnover, profits or assets)	No direct relationship.

6.2 If charges are directly related to the costs of particular activities, outputs or outcomes:

(i) What costs do charges aim to recover? (eg. only direct costs or indirect costs such as overheads)	Does not apply.
(ii) What proportion of these costs do charges aim to recover? (%)	
(iii) Does the charging regime require assets to be valued? (eg. to allow the calculation of user cost of capital or return on assets)	
(iv) If 'YES' to (iii), on what basis are assets valued? (eg. historic, replacement, deprival or replacement cost)	
(v) Do charges include a user cost of capital?	
(vi) If 'YES' to (iv), how is it calculated?	
(vii) Do charges include return on assets? (eg. pro	
(viii) If 'YES' to (vii), on what basis?	

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(ix)	Do charges discriminate between types of users?	
(x)	If 'YES' to (ix), on what basis?	
(xi)	Do charges allow for access and equity considerations (eg. waivers, discounts)?	
(xii)	If 'YES' to (xi), on what basis?	
(xiii)	Other (Please describe other significant features)	
6.3	How are indirect costs allocated for cost recovery arrangements? (eg. activity based costing, according to share of direct costs or other rule.)	All revenue / cost recovery is paid to Consolidated Revenue.
6.4	Are there any price controls on these charges?	No.
6.5	How often is the level of charges changed?	No.
6.6	What happens if revenue recovered is greater than costs incurred?	Has not occurred.

End of Part II. Thank you for your cooperation. Please return the questionnaire and attachments to the Commission (see front sheet for instructions)