

## 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
	X

*Commonwealth Authorities and Companies Act 1997*

YES	NO
X	

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**

3.1 Does your agency classify revenues and expenses as agency and administered?

*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/agency on behalf of the Government (for example, social security payments).*

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 'agency' table below.**

<b>AGENCY revenues and expenses (Please use \$'000)</b>					
	1995-96	1996-97	1997-98	1998-99	1999-2000
<b>Agency revenue from cost recovery (a)</b>					
3.2 Cost recovery revenue retained by your agency	971	1163	1341	1085	1429
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)					
<b>3.5 Total agency revenue from cost recovery</b>	<b>971</b>	<b>1163</b>	<b>1341</b>	<b>1085</b>	<b>1429</b>
<b>Agency revenue from other sources</b>					
3.6 Other appropriations	2001	1942	1916	1913	2508
3.7 Other sources (eg. asset sales, dividends, interest, funding from other government agencies)	77	40	43	34	48
<b>3.8 Total agency revenue from other sources</b>	<b>2078</b>	<b>1982</b>	<b>1959</b>	<b>1947</b>	<b>2556</b>
<b>3.9 Total agency revenue</b>	<b>3049</b>	<b>3145</b>	<b>3300</b>	<b>3032</b>	<b>3985</b>
<b>3.10 Total agency expenses</b>	<b>3009</b>	<b>2998</b>	<b>3140</b>	<b>3298</b>	<b>4098</b>

**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.

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

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

**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 Pattern Approval of instruments used for trade

**Section 4: Cost recovery arrangements in 1999-2000**

Descriptive material		
4.1	Nature of cost recovery arrangement (eg. licence fee, service charge, hypothecated excise tax or levy etc)	Fees for metrological testing services. Sale of related documentation. Fees for training courses.
4.2	Basic description of arrangements: (Please attach any relevant documents.)	All instruments used for trade must be approved. Testing is carried out in accordance with national or international legal metrology standards. Arrangements as per attached document. Price list available on website <a href="http://www.nsc.gov.au">www.nsc.gov.au</a> .
4.3	Who pays the cost recovery charges?	The manufacturer or importer of the instrument.
4.4	Who benefits from the program or activity, output or outcome?	Parties to the transaction benefit from market access. The community benefits from consumer protection and reduced transaction costs.
4.5	Do you attempt to measure these benefits? If YES, how?	No. However other countries have attempted to undertake studies.
4.6	Are there alternate providers or substitutes for this program or activity, output or outcome? (Please describe)	No
4.7	When was this cost recovery arrangement introduced?	Full cost recovery of laboratory and training activities was introduced as a result of the Inquiry into Commonwealth Laboratories (Ross Review) 1983

**PART II(b)**

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

Pattern Approval of instruments used for trade

**Program or activity, output or outcome cost recovery arrangements in 1999-2000 (continued)**  
**(Please use \$'000)**

**Program or activity, output or outcome revenues**

4.8	Cost recovery revenue paid to CRF earmarked for appropriation to same agency	\$		
4.9	Cost recovery revenue paid to CRF earmarked for appropriation to a third party	\$		
4.10	Cost recovery revenue paid to CRF and not earmarked for particular appropriation	\$		
4.11	Cost recovery revenue paid to CRF (subtotal)	\$	0	
4.12	Cost recovery not paid into CRF	\$		750
4.13	Total cost recovery revenue	\$		750
4.14	Appropriations not related to cost recovery			\$ 539
4.15	Other sources (please specify)			\$
<b>4.16</b>	<b>Total program or activity, output or outcome revenues</b>			<b>\$ 1289</b>

**Program or activity, output or outcome expenses**

4.17	Direct expenses	\$	429
4.18	Indirect expenses (including corporate overheads)	\$	976
4.19	Third party expenses (a)	\$	0
4.20	<b>Total program or activity, output or outcome expenses</b>	\$	<b>1405</b>

**Administration costs**

4.21	What costs are associated with administering the cost recovery arrangements?	\$	381
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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 activity a their costs are being recovered as part of the cost recovery arrangements.

**PART II(c)**

Name of sub-unit, agency, program or activity, output or outcome Pattern Approval of instruments used for trade

**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.) Finding of the Ross Review and direction from the Department of Finance to achieve full cost recovery of laboratory testing and training activities.

5.2 What was the legal basis for establishing these cost recovery arrangements: (Please name and attach relevant documents.)

Legislation (eg. s.31 of the Financial Management and Accountability Act, tax or levy acts)	National Measurement Act (1960) Patterns of instruments s. 19A (3)
Subordinate legislation (eg. regulations, standards)	
Co-regulation or quasi-regulation	
Commonwealth/State/Territory agreement	Commonwealth
Voluntary arrangements (eg. codes of practice)	
Other	

5.3 Who was consulted about introducing these cost recovery arrangements? (Please name relevant bodies and describe the consultation arrangements.)

Commonwealth government (DOFA etc)	DOFA
Other governments (state, territory, local)	
Industry	
Consumers	
Other	



<p>5.4 What guidelines were consulted when establishing these cost recovery arrangements? (Please attach source of information, guidelines etc.)</p>	<p>Nil. However as a result of the Ross Review an external revenue target of 30 to 35% of total expenditure was adopted.</p>
<p>5.5 Which agency is responsible for the following activities? (Please name relevant agency)</p> <p>Policy setting</p> <p>Price setting</p> <p>Administration</p> <p>Revenue collection</p>	<p>National Standards Commission</p> <p>National Standards Commission</p> <p>National Standards Commission</p> <p>National Standards Commission</p>
<p>5.6 Is there any ongoing consultation about these cost recovery arrangements? With whom? (Please name relevant bodies.)</p> <p>Commonwealth government (DOFA etc)</p> <p>Other governments (state, territory, local)</p> <p>Industry</p> <p>Consumers</p> <p>Other</p>	<p>DOFA</p> <p></p> <p>Industry</p> <p></p> <p></p>
<p>5.7 Please describe these consultation arrangements.</p>	<p>Industry liaison meeting are conducted quarterly to consider time taken for pattern approval, and cost</p>
<p>5.8 Have the cost recovery arrangements been formally reviewed? What was the outcome? (Please attach copy of review)</p>	<p>A Program Evaluation of the NSC, conducted by Foley in 1992, recommended replacing the 35% target with a formula whereby Government would meet the fixed costs and industry would meet variable costs. The proposal was rejected</p>

**PART II(d)**

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

Pattern Approval of instruments used for trade

**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')	Based on cost model. However the prices have been held at the 1996 level to match fees charged by laboratories in Europe and USA
(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)	Directly related to cost.
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)	Full Cost is the aim set by DOFA.
(ii) What proportion of these costs do charges aim to recover? (%)	100%
(iii) Does the charging regime require assets to be valued? (eg. to allow the calculation of user cost of capital or return on assets)	Yes
(iv) If 'YES' to (iii), on what basis are assets valued? (eg. historic, replacement, deprival or replacement cost)	Deprival
(v) Do charges include a user cost of capital?	No
(vi) If 'YES' to (iv), how is it calculated?	
(vii) Do charges include return on assets? (eg. profit)	No
(viii) If 'YES' to (vii), on what basis?	
(ix) Do charges discriminate between types of users?	No
(x) If 'YES' to (ix), on what basis?	

(xi)	Do charges allow for access and equity considerations (eg. waivers, discounts)?	N/A
(xii)	If 'YES' to (xi), on what basis?	
(xiii)	Other (Please describe other significant features)	Regulations provide a target time within which pattern approval should be completed.
6.3	How are indirect costs allocated for cost recovery arrangements? (eg. activity based costing, according to share of direct costs or other rule.)	Pro-rata on the average staffing level for the laboratory compared to the total staff.
6.4	Are there any price controls on these charges?	Prices set by other countries set a benchmark.
6.5	How often is the level of charges changed?	Normally annually but fees have been frozen by the Commission since 1996 in recognition of the changing international and national environment.
6.6	What happens if revenue recovered is greater than costs incurred?	This has not happened, as the Commission has consistently failed to achieve the revenue target and has been forced to seek additional revenue from project

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