

## PART I

**ALL PORTFOLIOS 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 Portfolio

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

<i>Financial Management and Accountability Act 1997</i>	YES	NO	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<i>Commonwealth Authorities and Companies Act 1997</i>	YES	NO	
	<input type="checkbox"/>	<input type="checkbox"/>	

Other

1.3 Contact Officer

Position

Phone

Fax

Email

Address

**This section asks about your portfolio’s total revenues, charges and expenses (but not including the revenues, charges and expenses of agencies that will be completing separate responses to this questionnaire - see Attachment A). All portfolios should complete this section, whether or not you consider you undertake cost recovery.**

**Section 2: Portfolio revenues, charges and expenses**

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

2.1 Has your portfolio 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 portfolio, and which are collected by your portfolio, 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 portfolio 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 portfolio or by another agency on your behalf).

YES	NO
	X

2.3 Has your portfolio 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 portfolio 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: Portfolio 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 Does your portfolio 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 portfolio classifies revenues and expenses as 'agency' and 'administered' then please fill in both tables below. If your portfolio does not classify revenues and expenses as 'agency' and 'administered' then please put all revenues and expenses in the 'agency' table below.**

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

	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 portfolio	Nil	Nil	Nil	Nil	Nil
3.3 Cost recovery revenue paid to CRF and appropriated to your portfolio (or another agency for a specific purpose (ie. annotated, hypothecated or earmarked revenues)	Nil	Nil	Nil	Nil	Nil
3.4 Cost recovery revenue paid to CRF and not specifically appropriated to your portfolio (or another agency)	1,324	1,987	792	1,064	3,615
<b>3.5 Total agency revenue from cost recovery</b>	<b>1324</b>	<b>1987</b>	<b>792</b>	<b>1064</b>	<b>3615</b>
<b>Agency revenue from other sources</b>					
3.6 Other appropriations	Nil	Nil	Nil	Nil	Nil
3.7 Other sources (eg. asset sales, dividends, interest, funding from other government agencies)	Nil	Nil	Nil	Nil	Nil
<b>3.8 Total agency revenue from other sources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>3.9 Total portfolio agency revenue</b>	<b>1324</b>	<b>1987</b>	<b>792</b>	<b>1064</b>	<b>3615</b>
<b>3.10 Total agency expenses</b>	<b>33,512</b>	<b>\$24,744.00</b>	<b>\$24,336.00</b>	<b>32,043</b>	<b>46,917</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 portfolio, and which is paid to your portfolio, to another agency or to the Consolidated Revenue Fund.

**ADMINISTERED portfolio 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 portfolio					
3.12 Cost recovery revenue paid to CRF and appropriated to your portfolio (or another agency for a specific purpose (ie. annotated,	61676	53013	48208	62236	111385
3.13 Cost recovery revenue paid to CRF and not specifically appropriated to your portfolio (or another agency)					
<b>3.14 Total administered revenue from cost recovery</b>	<b>61676</b>	<b>53013</b>	<b>48208</b>	<b>62236</b>	<b>111385</b>
<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>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>3.18 Total portfolio administered revenue</b>	<b>61676</b>	<b>53013</b>	<b>48208</b>	<b>62236</b>	<b>111385</b>
<b>3.19 Total administered expenses</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</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 portfolio, and which is paid to your portfolio, 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 portfolio 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 Royal Australian Mint

**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) Seigniorage difference between the face value of circulating coins and their cost of production. Numismatic (collector coins) sales generates royalties to Department of Treasury. Profits from sales of medallions, tokens and other products generates all other revenues to the Mint and are paid to CRF
4.2	Basic description of arrangements: (Please attach any relevant documents.) Seigniorage is collected when circulation coin is sold to the Reserve Bank. Numismatic Royalty is collected when actual sales of collector coins are despatched from the Mint. Other product sales when despatched from the Mint
4.3	Who pays the cost recovery charges? Seigniorage is included within the face value of circulating coin which is paid by the Reserve Bank of Australia. All other sales are to the public of Australia
4.4	Who benefits from the program or activity, output or outcome? The Commonwealth Government benefits directly from the seigniorage of circulation coin sales and all other profits generated from the Mint activities
4.5	Do you attempt to measure these benefits? If YES, how? yes: the Mint is expected to make an economic return on gross assets with the exclusion of CSO's which is presented in the audited financial statements.
4.6	Are there alternate providers or substitutes for this program or activity, output or outcome? (Please describe) The Royal Australian Mint is currently the sole supplier of Australian circulating coin. Collector coin is produced by both RAM and the Perth Mint and competes in the same market place. All other products such as tokens and medallions can be commercially produced and sold by any competitor in the market place.
4.7	When was this cost recovery arrangement introduced? The Royal Australian Mint was created for the supply of decimal coinage currency released in February 1966. Numismatic coin followed a year later

**PART II(b)**

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

**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 portfolio	\$	<input type="text"/>		
4.9	Cost recovery revenue paid to CRF earmarked for appropriation to a third party	\$	<input type="text"/>		
4.10	Cost recovery revenue paid to CRF and not earmarked for particular appropriation	\$	<input type="text" value="115,000"/>		
4.11	Cost recovery revenue paid to CRF (subtotal)	\$	<input type="text" value="115,000"/>		
4.12	Cost recovery not paid into CRF	\$	<input type="text"/>		
4.13	Total cost recovery revenue	\$	<input type="text" value="115,000"/>		
4.14	Appropriations not related to cost recovery			\$	<input type="text"/>
4.15	Other sources (please specify)			\$	<input type="text"/>
<b>4.16</b>	<b>Total program or activity, output or outcome revenues</b>			\$	<input type="text" value="115,000"/>

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

4.17	Direct expenses	\$	<input type="text" value="45,917"/>
4.18	Indirect expenses (including corporate overheads)	\$	<input type="text" value="1,000"/>
4.19	Third party expenses (a)	\$	<input type="text" value="n/a"/>
4.20	<b>Total program or activity, output or outcome expenses</b>	\$	<input type="text" value="46,917"/>

**Administration costs**

4.21	What costs are associated with administering the cost recovery arrangements?	\$	<input type="text" value="500"/>
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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 Royal Australian Mint

**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.) The separation of Seigniorage from the business accounts was introduced in 1993-94. The Mint makes an economic return on gross assets less CSO's (ie Coin Museum). This economic return in 1999-00 was 24%, and in the previous year 10.22%

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)	
Subordinate legislation (eg. regulations, standards)	
Co-regulation or quasi-regulation	
Commonwealth/State/Territory agreement	
Voluntary arrangements (eg. codes of practice)	Agreed pricing model between the Treasury and the Mint for circulation coin and Ministerial approval for pricing of collector coin. On non coinage product
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)	Commonwealth Government including both DOFA and the Treasury
Other governments (state, territory, local)	The process was by modelling and only paying costs to the Mint which were
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>Economic modelling based on Australia having a world class Mint</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>	<table border="1"> <tr> <td data-bbox="904 611 1285 643">The Treasury and the Parliament</td> </tr> <tr> <td data-bbox="904 643 1285 675">Minister</td> </tr> <tr> <td data-bbox="904 675 1285 707">The Mint Advisory Board</td> </tr> <tr> <td data-bbox="904 707 1798 738">The Mint through the coinage trust account and paid to DOFA</td> </tr> </table>	The Treasury and the Parliament	Minister	The Mint Advisory Board	The Mint through the coinage trust account and paid to DOFA	
The Treasury and the Parliament						
Minister						
The Mint Advisory Board						
The Mint through the coinage trust account and paid to DOFA						
<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>	<table border="1"> <tr> <td data-bbox="904 802 1525 834">Commonwealth Government and Treasury and DOFA</td> </tr> <tr> <td data-bbox="904 834 1798 866"> </td> </tr> <tr> <td data-bbox="904 866 1798 898"> </td> </tr> <tr> <td data-bbox="904 898 1798 930"> </td> </tr> <tr> <td data-bbox="904 930 1798 962"> </td> </tr> </table>	Commonwealth Government and Treasury and DOFA				
Commonwealth Government and Treasury and DOFA						
<p>5.7 Please describe these consultation arrangements.</p>	<p>The Royal Australian mint has monthly advisory board meetings chaired by the Treasury</p>					
<p>5.8 Have the cost recovery arrangements been formally reviewed? What was the outcome? (Please attach copy of review)</p>	<p>Arrangements have not changed significantly since 1993. Currently being reviewed by the Treasury and the Minister</p>					

**PART II(d)**

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

Royal Australian Mint

**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 agreed price for circulating coin with the Treasury. Numismatic coin is priced to historical costs and what the market can bear all regulated by coinage determination approval by the Minister |
| (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) | All charges are directly related to the costs of maintaining a viable minting business in the National Capital   |

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)                                  | All costs are recovered               |
| (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 every 3 years revalued            |
| (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 ( no working capital)              |
| (vi) If 'YES' to (iv), how is it calculated?   | n/a                                   |
| (vii) Do charges include return on assets? (eg. profit)  | Yes                                   |
| (viii) If 'YES' to (vii), on what basis?   | Gross assets less CSO's (coin museum) |
| (ix) Do charges discriminate between types of users?   | No (only one user )                   |
| (x) If 'YES' to (ix), on what basis?   |                                       |

(xi) Do charges allow for access and equity considerations (eg. waivers, discounts)?	No
(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.)	Indirect costs such as overheads are proportioned in regard to share of nett profit of individual coinage products after reducing agreed fixed overheads for circulating coin.
6.4 Are there any price controls on these charges?	Controlled Treasury Price
6.5 How often is the level of charges changed?	only for CPI
6.6 What happens if revenue recovered is greater than costs incurred?	All profits of the Mint are paid to Government

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