



The Hon. Scott Morrison MP
Minister for Immigration and Border Protection

MEDIA STATEMENT

Wednesday 17 September 2014

REVIEW OF BORDER FEES, CHARGES AND TAXES

The Australian Customs and Border Protection Service (ACBPS) has commenced a review into Australia's border-related fees, charges and taxes (Fees Review) on behalf of the Immigration and Border Protection Portfolio, Minister for Immigration and Border Protection, the Hon Scott Morrison said today.

"Each year border agencies collect around \$3 billion in revenue from border related fees and charges. This is in addition to the billions that are collected by border agencies in excises and other taxes," Minister Morrison said.

"Outside the Australian Taxation Office the Immigration and Border Protection portfolio is the biggest 'tax collector' in the country.

"At the same time it costs more than \$6 billion a year to protect and administer our borders. It is a core function of Government.

"Our border is a strategic national asset. We must manage it effectively to produce positive economic dividends from legitimate trade and travel, while delivering national security dividends by protecting Australia from those who seek to compromise our borders for criminal, terrorist or other corrupt purposes.

"A weak border is not only bad for national security, it is also bad for legitimate business.

"It is important that we have a far better policy and operational framework in place for how we set the fees and charges - and the taxes - we apply at the border. Border fees and charges need to be set and administered efficiently and effectively.

"We must ensure that border fees and charges do not provide a disincentive to trade and travel that adds value to our economy. However, we must equally ensure that wherever possible we recover the costs of facilitating the movement of goods and people, to avoid drawing further on the general taxpaying community.

"The review I have announced will focus on identifying where the Government's border charges can be consolidated and improved to better support Australia's future border operations.

"The Fees Review will be led by ACBPS in partnership with the Department of Agriculture and the Department of Immigration and Border Protection.

“The Fees Review will encompass charges at the border including major items such as the Import Processing and Passenger Movement Charges, a number of import related charges levied by Agriculture and the Visa Application Charges administered by the Department of Immigration and Border Protection. The review will not consider revenue items such as Duty or GST.

“The Fees Review will strive to find the right balance between supporting Australia’s international competitiveness, relieving the administrative burden on industry and ensuring the costs of maintaining the integrity of our border are appropriately shared with those who use it.

“In government, Labor consistently ram-raided visa fees to prop up their ailing budgets.

“Revenue from these border fees and charges increased by more than 120% over Labor’s time in office.

“Under Labor, import processing charges for sea and air consignments valued greater than \$10,000 increased nearly three-fold, sponsored skilled visa and working holiday visa charges more than doubled. Partner visas also doubled and the cost of skilled graduate visas increased by over 500%.

“There was no framework or policy context to their decisions to rip yet more funds from these charges, it was simply done to fill black holes created from Labor’s wasteful spending.

“The Coalition Government did not change any of the fees and charges settings we inherited from the previous Government. Instead we believe that before contemplating any changes in this area there must be a thorough and consultative review.

“The Government’s review is tasked to produce a budget neutral outcome, in terms of any cost to revenue, however, it does provide the opportunity to align the border fees, charges and taxes regimes with the practices of business resulting in more secure and efficient borders,” Minister Morrison said.

The review will include industry consultation with opportunities for interested parties to make their views known to the Australian Government.

Information on the Fees Review will be available at www.customs.gov.au/feesreview a dedicated webpage which will also provide an opportunity for public comments.

Organisations and individuals with peak body representation are encouraged to direct their ideas through their respective industry body.

“We want to hear from those who travel and trade across the border on how we could improve the current charging regime. This is an opportunity to contribute ideas about how we might better share the cost burden of managing our border with industry and the community to enhance trade growth and boost Australia’s economic prosperity,” Minister Morrison said.

The industry consultation process will commence with a request for written submissions, followed by targeted engagement with various industry groups over the coming months.

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