

SENATE LEGAL AND CONSTITUTIONAL LEGISLATION COMMITTEE  
AUSTRALIAN CUSTOMS SERVICE

**Question No. 65**

**Senator Bishop asked the following question at the hearing on 16 February 2004:**

You gave me the figures for the build of the ICS, \$35 million; the CCF; 20 million; the old user mainframe extended usage, \$15 million for a whole year. Can you now convert those to the subcomponents of \$43 million equity injection?

**The answer to the honourable senator's question is as follows:**

No. It should be noted that a significant portion of Customs appropriations funding is 'general' funding and is not explicitly tied or itemised against specific activities. Given that and also the scope and complexity of Customs activities it is not possible to identify the increases in expenditure relative to the available funds to specific activities.

The additional funding provided by the Government of \$43m in the 2003-04 financial year represents an overall additional funding requirement to enable Customs to meet its financial obligations in the current financial year. The funding shortfall was determined by assessing the total funding requirements of Customs for the 2003-04 year and comparing that with the funds available to Customs through approved appropriations, section 31 revenues received by Customs (principally from ATO and DIMIA) and available cash resources at the start of the year. Based on this assessment the total expenditure commitments of Customs totalled \$737m and the total funding available to Customs totalled \$694m – indicating a \$43m funding shortfall.

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**Question No. 66**

**Senator Bishop asked the following question at the hearing on 16 February 2004:**

Will any funds be allocated to Coastwatch?

**The answer to the honourable senator's question is as follows:**

Coastwatch will not be allocated any funds specifically from the \$43m additional funding although the provision of this funding will enable Customs to meet its commitments in respect of Coastwatch as with all other operational commitments of Customs.

SENATE LEGAL AND CONSTITUTIONAL LEGISLATION COMMITTEE  
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**Question No. 67**

**Senator Bishop asked the following question at the hearing on 16 February 2004:**

Is Customs proposing to increase the cost recovery charges for the logistical component of sea cargo examination facilities? If so, what is the proposed increase? Given that there is currently a cost recovery shortfall of around \$6 - 7million per annum, what increase would be required per entry to fully recover costs?

**The answer to the honourable senator's question is as follows:**

No, the Government is not proposing to increase the cost recovery charges for the logistical component of sea cargo examination facilities.

Full cost recovery of the logistical component of sea cargo examination facilities would require an increase of around \$5.00 per entry.