



Dangerous Goods Reforms

Updated February 2012

FAQ Sheet

Q. Why are the fees changing?

A. In September 2009 the Minister for Mines and Petroleum announced the State Government's decision to reinvigorate safety regulation in the Western Australian resources industry by improving regulatory services in the mining, petroleum and dangerous goods sectors.

The Government also decided that the reforms will be funded by a series of levies, fees and charges supplemented by an ongoing contribution from Government. The proposed changes for dangerous goods were confirmed by Cabinet on 19 September 2011.

Q. Why can't the government fund the regulator?

A. It is Government policy to recover the cost of services provided from the recipients of those services. In the case of dangerous goods safety, there is a component of services and activities that cannot be attributed to licence holders and other fee payers, and this will continue to be funded by Government. Allowance has also been made for the capacity to pay by small business. However, some service recipients will pay close to the full cost of services.

Q. How much are the fees changing?

A. Overall, dangerous goods fee revenue will increase from about \$2m per annum to about \$5m per annum, representing about 60 per cent cost recovery overall. However there will be significant increases in some fees to better reflect the level of effort.

Q. How are the fees worked out?

A. Consistent with Treasury policy, the fees are set to reflect the effort involved in providing the service. This includes the administrative work to issue licences and store information, and the regulatory effort such as assessments, inspections and enforcement.

Q. How much will my approval fee change?

A. It depends on what type of licence or approval is involved. Many licence fees



will not change significantly, some will drop and others will rise to make the whole fee structure more equitable. The accompanying table sets out the indicative fees for all of the different approval types.

Q. Will there be any new fees?

A. Yes. Late fees will be introduced for a range of licence and permit fees to encourage applicants to pay their fees on time and avoid problems associated with operating without a licence or approval.

Q. Will any of the fee types change?

A. Yes. There will be two classes of dangerous goods storage licence instead of three. The thresholds for explosives storage licences will change, as will the criteria for setting fireworks event permit fees. All of these changes allow the fees to more closely reflect the relative amounts of effort involved in regulating different types of facilities or activities.

Q. Who will be affected by this?

A. About 3000 businesses hold dangerous goods, explosives or security risk substances site licences in Western Australia. The fees for most of these will not change appreciably.

More than 8000 persons hold individual licences (e.g. dangerous goods drivers, shotfirers). The fee increases for these are minor.

Fees for operators of major hazard facilities will be phased in over two financial years; moving to about 50% cost recovery in the 2011/12 financial year and near full cost recovery in 2012/13, as these facilities require considerable dedicated specialised regulatory resources.

Q. Are there any other changes?

A. The most important change is that any one site under the control of one entity will only need to hold one licence and pay one fee. At present some sites may have to apply and pay for up to three separate licences.

Q. Will I have to pay more because my business is remote from Perth?

A. No. It is government policy not to charge fees based on location.

Q. How long will a site licence be issued for and could I get a refund if I close part way through the period of the licence?

A. Site licences will be issued for longer periods (at least five years and possibly longer, subject to



Dangerous Goods Reforms

legal advice) but licence fees will be paid annually. Where a business closes or ceases to need a licence it will be entitled to a pro-rata rebate of fees paid. This option does not currently exist.

Q. Will I have to keep submitting detailed information every time my licence is renewed?

A. No. Licences will not need to be renewed. However, licencees will need to notify the department of changes in operations

Q. Will any fees be abolished?

A. Yes. Pipeline registration fees are being abolished. Most pipelines are associated with licenced sites and will be regulated as part of that site.

Also, dangerous goods vehicle licences will no longer be required for vehicles that are not specifically designed or intended to transport dangerous goods. This includes flat-top trucks and trailers.

Q. Will any fees be reduced?

A. The fee for explosives authorisations will be reduced where the explosive has already been authorised in another Australian state.

Q. What will happen at ports?

A. The Goods in Ports Regulations are to be repealed and the Dangerous Goods Storage and Handling Regulations applied at these sites. Berth operators handling above manifest quantities of dangerous goods will need to hold a site licence. Applicants for special berth declarations will pay a significantly increased fee to reflect the assessment effort involved in these approvals.

Q. Will site licence transfers be allowed?

A. Yes, this will be permitted in future.

Notes:

1. One fee unit = \$13 for all approvals except major hazard facilities where one fee unit = \$10.11
2. No fee for pipeline registration
3. A separate explosives or SRS licences is not required if a combined DG site licence is held
4. Fees subject to annual review.

Indicative Dangerous Goods Approval Fees – 2012

(Current fees reflect annual licence fees or one-off charges)

| Regulation | Approval type | Fee units | Current fee | 2012 fee | |
|-------------------------|---|-------------------------|-------------|----------|---------|
| Dangerous goods site | Licensed sites (DG or explosives) | 50 | \$638 | \$650 | |
| | Licensed sites (DG <50,000 kg/t) | 20 | \$192 | \$260 | |
| | Licensed sites - DG or explosives plus SRS | 60 | \$781 | \$780 | |
| | Licensed sites - DG plus explosives | 75 | \$965 | \$975 | |
| | Licence assess fee | 300 | \$510 | \$3,900 | |
| Explosives | Security card | 13 | \$159 | \$169 | |
| | Test permit | 150 | \$160 | \$1,950 | |
| | Explosive authorisation | 40 | \$138 | \$520 | |
| | Explosive authorisation (mutually recognised) | 10 | \$138 | \$130 | |
| | Event permit - ground fireworks | 10 | \$51 | \$130 | |
| | Event permit <3,000 aerial shells | 20 | \$102 | \$260 | |
| | Event permit >3,000 aerial shells | 300 | \$510 | \$3,900 | |
| | Import / export licence | 20 | \$163 | \$260 | |
| | Manufacturing | 120 | \$347 | \$1,560 | |
| | MPU licence | 50 | \$800 | \$650 | |
| | Explosives Storage < 100 kg | 10 | \$102 | \$130 | |
| | Transport licence | 50 | \$817 | \$650 | |
| | Driver licence | 2 | \$21 | \$26 | |
| | Supply | 20 | \$56 | \$260 | |
| | Shottfiring | 2 | \$21 | \$26 | |
| | Security risk substances (SRS) | Import / export licence | 20 | \$163 | \$260 |
| Manufacturing licence | | 20 | \$306 | \$260 | |
| Storage licence | | 20 | \$143 | \$260 | |
| Transport licence | | 20 | \$153 | \$260 | |
| Supply licence | | 20 | \$133 | \$260 | |
| Fertiliser licence | | 20 | \$51 | \$260 | |
| Transport | | Approvals | 150 | \$265 | \$1,950 |
| | | Driver licence | 2 | \$21 | \$26 |
| | | Vehicle licence | 10 | \$128 | \$130 |
| Goods in ports | | Special berth approval | 300 | \$511 | \$3,900 |
| Major hazard facilities | Class A facility | 8,000 | \$15,375 | \$80,000 | |
| | Class B facility | 4,000 | \$10,250 | \$40,000 | |
| | Class C facility | 4,000 | \$7,175 | \$40,000 | |
| | Class D facility | 2,000 | \$4,100 | \$20,000 | |
| | Class A facility assessment fee | 8,000 | \$58,503 | \$80,000 | |
| | Class B facility assessment fee | 4,000 | \$41,453 | \$40,000 | |
| | Class C facility assessment fee | 4,000 | \$23,381 | \$40,000 | |
| | Class D facility assessment fee | 2,000 | \$6,330 | \$20,000 | |