

factsheet

automatic indexation of fees and fines

Victorian Government Departments and agencies charge a range of:

- Fees for services and regulatory purposes, including licensing and registering certain activities; and
- Fines for improper conduct, and to discourage unlawful behaviour.

Revenue raised by fees and fines is a relatively small part of overall funding available for government services in Victoria - less than 3 per cent of the total. It is used to help ensure Victoria can afford to have more nurses in public hospitals, more investment in public schools, and more police to keep our streets safe and secure.

Fees and fines are officially set and revised by legislation relevant to their application, and applied and reviewed by Government Departments.

Why does Government automatically index fees and fines?

The Victorian Government has a policy of automatically indexing many fees and fines each year for inflation. This ensures the original intent for charging the fee or fine in the first place is maintained. It also avoids large one-off increases in the level of a fee or fine.

Indexing fines ensures the appropriate price signals continue to discourage unlawful behaviour. For example, failure to index fines for driving a vehicle which produces excessive smoke would work against the Victorian Government's continued push for a cleaner and less polluted environment.

The indexation of fees ensures the cost of a service provided is paid for by the user, rather than many taxpayers who may not use the service at all.

How are fees and fines automatically indexed?

The *Monetary Units Act 2004* governs the indexation of fees and fines set by various Departments. Fees and fines are automatically indexed through the value of a fee or fine unit being fixed by an 'annual rate', and applied from 1 July each year. When fixing the annual rate, the Treasurer takes into account the rate of inflation and the cost of delivering government services. The value of the fee or fine unit is subsequently published in the Government Gazette and major newspapers.

For the 2008-09 financial year the value of a penalty unit is \$113.42 and the value of a fee unit is \$11.35. For the 2007-08 financial year the value of a penalty unit was \$110.12 and the value of a fee unit was \$11.02.

Are all fees and fines automatically indexed?

The policy of automatically indexing fees and fines only applies to fees and fines paid to the public account.

In addition, some fees and fines are not indexed annually because they are subject to external price determination regimes and national agreements, or set by privatised, corporatised or self-funding statutory authorities and entities.

The new fees and fines disclosure commitment

The Victorian Government's New Fees & Fines Disclosure Commitment establishes an unprecedented level of openness and transparency in setting and charging fees and fines. To improve openness and transparency, the Victorian Government made a commitment that every Department will publish all fees and fines subject to the automatic indexation policy on their respective internet sites. The lists will be updated so they remain current.

Lists of government fees and fines

The quickest way to find a list of the Government's automatically indexed fees and fines is by visiting links from the Department of Treasury and Finance's website: www.dtf.vic.gov.au

What is provided in the new lists?

The lists provide an up-to-date account of:

- The types of fees and fines that are charged; and
- The amount payable for each fee and/or fine.

Although all Departments have sought to make the lists as accurate and complete as possible, updates and revisions may be necessary.

Where else does the Government publish fees and fines and the impact of indexation?

Responsible Departments or agencies publish the correct dollar values of fees and penalties on websites and brochures and through other avenues where appropriate. The Government also publicly advertises the value of fee units and fine units in the Government Gazette and major newspapers every year.

Other fees and fines information

What do I do if I cannot immediately afford to pay a fee or fine?

The Victorian Government has announced that from 1 July 2006, individuals experiencing financial hardship will be able to pay by installment when they receive a State Government issued fine. This will enable individuals experiencing financial difficulties to meet their required payment/s. For more details, visit <http://www.fines.vic.gov.au> or call the Civic Compliance Fine Helpline on 03 9200 8222. Callers from regional Victoria can contact the Civic Compliance Fine Helpline on 1300 369 819.

Are any concessions available for fees charged?

The Victorian Government provides concessions on certain fees. These concessions differ on eligibility and the rate of the discount applied. Any questions about concessions should be raised with the government authority responsible for the fee.

What do I do if I think a fee or charge is unfair?

If any person feels a fee or fine they have to pay is unfair, they should, in the first instance, raise his or her concerns with the responsible government authority.

Alternatively, individuals can take the matter to the Victorian Ombudsman, who has the power to investigate complaints about government authorities as long as the complaint:

- Is not more than 12 months old; and
- Could not be more appropriately decided by a court or tribunal.

You can contact Ombudsman Victoria on:

Telephone: (03) 9613 6222, Toll Free 1800 806 314

Email: ombudvic@ombudsman.vic.gov.au

For further information

For more information please contact the Department of Treasury and Finance:

Website: www.dtf.vic.gov.au

Email: information@dtf.vic.gov.au

Telephone: 03 9651 5111, Fax: 03 9654 7215

By Mail: 1 Treasury Place, Melbourne VIC 3002