



MEDIA RELEASE

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Biosecurity fee increases further evidence of industry beset by price hikes

Higher biosecurity charges for sea and air freight [announced by the Department of Agricultural](#) that take effect 1 January 2020, are the latest in a litany of fee increases the transport industry faces, which will inevitably lead to higher consumer price at the till, according to the Victorian Transport Association.

Yesterday, the Department of Agricultural confirmed its expansion of “cost-recovered import measures” that support Australia’s biosecurity system. The expansion amounts to an effective 15 per cent increase in biosecurity charges sea and air freight operators will pay which, like most fees and charges, will inevitably be passed on through the supply chain to road and rail freight forwarders, and eventually consumers.

The revised cost recovery fees and charges include an increase to the Full Import Declaration charge air to \$38; an increase to the Full Import Declaration charge sea to \$49; arrival charge increases on vessels greater than or equal to 25 metres to \$1054; and arrival charge increases on vessels less than 25 metres to \$120.

VTA CEO Peter Anderson said the higher fees, coming hot on the heels of an increase to infrastructure surcharges announced last week at Melbourne’s Webb Dock, is further evidence of the transport industry being beset by price hikes.

“It seems like rarely a week passes when statutory charges, fees and other costs transport operators have to pay aren’t increased, and typically exponentially higher than CPI,” Anderson said.

“We’ve seen stevedore infrastructure surcharges increase at the [Port of Melbourne by over 4000 per cent](#) and this latest increase in biosecurity charges will inevitably flow through the supply chain to road and rail freight forwarders, who we urge to pass it on to their customers, and eventually consumers.

“As we’ve long argued, transport operators cannot absorb higher supply chain costs because doing so makes it difficult to manage cash flow and stymies investment in people and equipment. Ultimately, costs will be passed on and consumers will pay more at the till if increases in fees and charges continue to be the new norm.”

Mr Anderson was also critical of the limited consultation by the Department with industry leading up to the announcement.

“It is disappointing that industry has been given only two weeks’ notice of these increases, and during the busiest time of the year for freight operators leading up to Christmas, severely limiting their ability to discuss the inevitable impacts higher prices will mean for their customers,” he said.

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