



Ms Kerry Markoulli
Assistant Secretary
Resource Management Branch
Department of Finance and Deregulation
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9 August 2013

Dear Kerry Markoulli

Review of the Cost Recovery Guidelines

Thank you for the opportunity to comment on the Review of the Cost Recovery Guidelines led by your Department. AusBiotech is Australia's biotechnology organisation and national body for the biotechnology and life sciences industry, representing more than 3,000 members. AusBiotech has been involved in the stakeholder consultation via the workshop that was held with non-government stakeholders on 24 July 2013 and would like to contribute the following comments.

The development of such guidelines is expected to provide a policy and processes to be used for all Federal Government's entities that recover costs. AusBiotech commends the work that has been done to provide quality guidance in consultation with industry and other key stakeholders. AusBiotech urges the Government to mandate these guidelines once complete and to ensure that all Government entities that recover costs use and publish the 'Cost Recovery Implementation Statement - Guidance'.

AusBiotech suggests that you consider adding a section to the 'Cost Recovery Implementation Statement - Guidance' either to Section 4 (assessment) or 7 (performance) where entities must articulate what they will do if the performance of the entity in regard to its key performance indicators (collectively) is poor or not met. For example, the provider of train services in Melbourne (Metro) provides compensation to customers when it fails to meet monthly performance targets, made up of numerous measures.

The extra section suggested above may also articulate what the entity would do if it recovers more than its costs for a reasonable period. For example, recovery of 10% more than costs, for more than two years, may trigger a review and adjustment to recovery activities.

Please contact me if you wish to discuss this in any further detail (gcross@ausbiotech.org or 03 9828 1400).

Yours sincerely

A handwritten signature in black ink, appearing to read "Glenn Cross".

Mr Glenn Cross
Acting Chief Executive Officer