

Tour Operator Licences

Fact Sheet

July 2014

Tour Operator Licence Fees

Background

The *Crown Land Acts Amendment (Lease and Licence Terms) Act 2009* became effective in Victoria on 1 July 2011.

The Act amended the *National Parks Act 1975*, *Forests Act 1958*, *Crown Land (Reserves) Act 1978*, *Land Act 1958* and *Wildlife Act 1975*, establishing a consistent legislative framework for licensing commercial tourism and recreation activity on public land in Victoria. The provisions provide a licensing role for applicable public land managers under the relevant Acts.

Public land in this context includes land and waters managed by or on behalf of the Crown.

The legislation states:

- Public land managers may grant a tour operator licence for a period of up to 10 years
- Public land managers must charge regulated statewide fees for a tour operator licence
- Penalties apply for operating without a tour operator licence or for breach of conditions of a tour operator licence.

Public land managers under the relevant Acts include the Department of Environment and Primary Industries (DEPI), Parks Victoria, delegated committees of management under the *Crown Land (Reserves) Act 1978* (including councils) and Alpine Resort Management Boards.

Tour Operator Licence Fee Regulations

The Regulations prescribing fees for tour operator licences were made on the 28 June 2011 and consist of the:

- *Crown Land (Reserves) (Tour Operator Licence Fee) Regulations 2011*;
- *Forests (Tour Operator Licence Fee) Regulations 2011*;
- *Land (Tour Operator Licence Fee) Regulations 2011*;
- *National Parks (Tour Operator Licence Fee) Regulations 2011*; and the
- *Wildlife (Tour Operator Licence Fee) Regulations 2011*.

The Regulations ensure public land managers charge consistent state-wide fees rather than the widely differing fees which have been charged in the past and recover a reasonable proportion of licence administration costs.

The fees consist of a fixed component and a variable use component (based on visitor numbers). This allows the majority of the fees to be collected on a proportional use basis, thus reducing the financial burden for operators.

Tour Operator Licences

Fees for Standard Tour Operator Licenses

The fees for Standard Tour Operator Licences are to be phased in to reach 75% cost recovery by 30 June 2014, as shown in Table 1.

Table 1: Summary of Standard Tour Operator Licence Fees

Category	Fee from 1 July 2011 – 30 June 2013 (\$)	Fee from 1 July 2013 (\$)	Fee from 1 July 2014 (\$)
Annual fee – standard one year licence	\$110.00	\$255.00	\$275 (\$13.24 x 20.78 fee units)
Annual fee – standard licence greater than one year (per year)	\$110.00	\$200.00	\$215 (\$13.24 x 16.3 fee units)
Use fee – general visitor*	\$1.10	\$2.40	\$2.40
Use fee – school student and child*	\$0.75	\$1.60	\$1.60
Use fee cap	\$5,500.00	\$12,500.00	\$13,488 (\$13.24 x 1018.74 fee units)

* Per head per day

From 1 July 2014 the annual licence fee for standard tour operator licences will be set by the identified fee units in the Regulations. Fee units are indexed annually by a rate set by the Treasurer to ensure that the value of fees is not eroded by price increases over time. The value of the fee unit is published in the Government Gazette and major newspapers. Fees with an amount less than one fee unit are not indexed annually i.e. the use fees will not index.

From 1 July 2014, the annual licence fee for standard one year tour operator licences will amount to 20.78 fee units, or 16.3 fee units for longer term licences as expressed in the Regulations, by multiplying the fee units by the annual fee unit set by the Treasurer, you will end up with the annual standard licence fee for the relevant financial year.

The table below demonstrates the rates which the fee unit has been increased by since its inception. This information may be useful to operators when forward planning for possible annual increase in fee units.

Financial Year	Fee Unit	Percentage over previous year
2004/2005	\$10.23	not applicable
2005/2006	\$10.49	2.50%
2006/2007	\$10.75	2.50%
2007/2008	\$11.02	2.50%
2008/2009	\$11.35	3.00%
2009/2010	\$11.69	3.00%
2010/2011	\$11.95	2.25%
2011/2012	\$12.22	2.25%
2012/2013	\$12.53	2.50%
2013/2014	\$12.84	2.50%
2014/2015	\$13.24	3.00%

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Use Fee Cap

For standard tour operator licenses the Regulations prescribe an annual cap on the total amount of 'use' fees a tour operator is required to pay. If a licensee elects to pay the use fees quarterly, the licensee would be entitled to a refund of any excess paid over the Use Fee cap at the end of the financial year. Likewise, if a licensee elects to pay the use fees annually they will not be required to pay annual use fees in excess of the capped amount.

Trip Returns

Tour operators are required to maintain a daily record of the number of persons who participate in tours in the form provided by their land manager. A copy of this record is to be provided to the land manager on a quarterly or annual basis, for the purpose of calculating the use fees payable.

Fees for Longer-term Standard Tour Operator Licences

The Regulations include a discount for longer term licences, to recognise the extra costs for operators associated with the requirement to obtain industry accreditation for longer-term licences. The discount will apply from 1 July 2013 (see Table 1 above). Operators are still required to maintain a journal and submit trip return documentation and use fee payments.

Fees for Competitively Allocated Tour Operator Licences

The Regulations establishing tour operator licence fees provide that:

- Public land managers may set the annual fee for a competitively allocated licence, but must advertise the fee in a public Expression of Interest document before licence applications are made
- As a minimum the annual fee must be equivalent to the annual fee for standard tour operator licences
- Use fees for competitively allocated licences are the same as for standard tour operator licences
- No use fee cap applies to competitively allocated licences.

Table 2: Summary of Competitively Allocated Tour Operator Licence Fees

Category	Fee from 1 July 2013 (\$)	Fee from 1 July 2014 (\$)
Minimum annual fee	\$267	\$275
* Use fee – general visitor	\$2.40	\$2.40
** Use fee – school student and child	\$1.60	\$1.60

* Per head per day

** The annual fees for standard tour operator licences are set in fee units in the regulations and will be automatically indexed each year by adjusting the value of the fee units by an annual rate fixed by the Treasurer.

For more information on competitively allocated licences please refer to Fact Sheet: Competitively Allocated Tour Operator Licences.

Further assistance

For more information on the tour operator licence reform project visit, www.depi.vic.gov.au/forestry-and-land-use/visiting-parks-and-forests/tour-operators or call the DEPI Customer Service Centre on 136 186.

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