Newsletter Date: May 2017

"Don't tell me what you value, show me your budget, and I'll tell you what you value."

— Joe Biden

CARGO NETWORK INTERNATIONAL PTY LTD

2017 Budget—Implications on Border Protection

The Turnbull Government has committed \$95.4 million in the 2017-18 Budget to support new technologies for the Department of Immigration and Border Protection (DIBP) to bolster the prosperity of the nation and to protect Australia into the future.

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In a world of mass mobility, Australia needs to modernise its visa processes to facilitate economic growth and strengthen intelligence measures at the border to counter security threats.

This work has begun with the abolition of the 457 visa programme and strengthening the requirements to attain Australian citizenship.

This Budget provides \$59.9 million over four years to enhance biometric storage and processing capabilities to contribute to a safer border and a safer Australia.

Australia is committed to being a world leader in innovative border measures to protect our community and facilitate trade and travel.

This funding will enable high volume biometric matching, storing, analysis and data sharing of facial image and fingerprint biometrics through the introduction of new technology.

Increased use of automation and technology is vital to facilitate rising numbers of travellers. Each week the Australian Border Force (ABF) processes more than 700,000 people arriving in or departing from Australia and this number is expected to increase by about 20 per cent over the next few years.

Regional Cooperation Arrangements to combat people smuggling and irregular migration will be allocated \$52.6 million for the International Organization for Migration's work in Indonesia.



DAWR (Quarantine) concerns...



Packing Declarations "a change is a coming 1 July 2017"

The Department of Agriculture and Water Resources is implementing a NEW Packing Declaration for FCL and LCL shipments with effect 1 July 2017. The new document was introduced mid last year on the basis of a phase-in approach to assist industry to slowly implement across their supply chain.

The NEW Declaration is a re-wording of the existing Packing Declaration to better reflect—the standards in international shipments HOWEVER, incorrect Packing Declarations identified after July 1 will be considered as a NON-COMFORMANCE breach.

If you would like to discuss or clarify your current processes, please contact our DAWR section.



Brown Stink Bug Season is over

The measures applied to target goods shipped from **all** ports in the United States from **1 September to 30 April** inclusive. Now that the season has completed DAWR will review all their information and start formulating conditions for next season.



Australian Border Force updates...

Two women charged for importing approximately 9kgs of meth.

Two dual Australian/Sierra Leone nationals were scheduled to appear in Perth Magistrates Court today for allegedly importing approximately nine kilograms of methamphetamine through Perth Airport last night.



After arriving on a flight from Qatar, a 20-year-old woman and 28-year-old woman were selected for baggage examination by Australian Border Force officers.

X-ray anomalies were detected in the lining of both suitcases and initial testing returned a positive result for methamphetamine. Further forensic testing will be conducted to determine the exact weight and purity of the substance.

Three men associated with an Outlaw Motorcycle Gang (OMCG) have been charged following a major multiagency drug operation resulting in the seizure of approximately 119 kilograms of crystal methamphetamine with an estimated street value of \$119 million*.

This operation, which has successfully disrupted an organised crime syndicate operating in Australia, involved the combined forces of the Australian Federal Police (AFP), South Australia Police (SA Police), the Australian Border Force (ABF) and Victoria Police.

Commencing earlier this month after ABF officers detected anomalies in a consignment which arrived into Melbourne from Malaysia, it will be alleged the 119kgs was concealed inside a purpose built transport stand, being used to secure commercial equipment.

Police enquiries revealed a similar consignment was due to be exported from Australia, and when examined, it will be alleged ABF officers located approximately \$1.5 million cash – weighing more than 23 kilograms - concealed within the transport stand.

LOW VALUE "THRESHOLD" IMPORTS

The Federal Government is pushing ahead with its plans to charge GST on low value goods. Currently, goods with an Australian dollar value less than \$1000.00 incurs no Import Duty and No Import GST.

There has been a number of studies over the past 5-6 years all showing the cost to collect the revenue far outweighs the revenue to be collected (a factor of about 3.25:1). This is based on the fact of all the collection being undertaken at the Australian Border.

The new provisions are intended to place the collection platform at the overseas level and reduce the cost of administration on Australian parties. How this is to implemented will be very interesting. How this will be policed within a practical Business Practice model will be even more interesting. Watch this space....



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Melbourne and Brisbane Inland Rail

As part of the 2017-18 Budget, the Australian Government <u>announced</u> its commitment to the full delivery of Inland Rail with an additional \$8.4 billion equity investment in the Australian Rail Track Corporation.

Inland Rail will provide a high-capacity freight link between Melbourne and Brisbane through regional Australia to better connect our cities, farms, and mines via ports to domestic and international markets.

Inland Rail is expected to boost Australia's GDP by \$16 billion over the next 50 years and reduce emissions by 750,000 tonnes.

The Inland Rail project takes advantage of 1,200km of existing rail corridor and will involve the construction of around 500km of new track.



