



## COVERSHEET

<b>Minister</b>	Hon Dr David Clark	<b>Portfolio</b>	Commerce and Consumer Affairs
<b>Title of Cabinet paper</b>	Plant Variety Rights Regime Fees Review 2022: release of discussion document and reprioritisation of funding	<b>Date to be published</b>	11 May 2022

### List of documents that have been proactively released

<b>Date</b>	<b>Title</b>	<b>Author</b>
April 2022	Plant Variety Rights Regime Fees Review 2022: release of discussion document and reprioritisation of funding	Office of the Minister of Commerce and Consumer Affairs
April 2022	Review of Plant Variety Rights Fees Discussion Document	MBIE
6 April 2022	Plant Variety Rights Regime Fees Review 2022: release of discussion document and reprioritisation of funding DEV-22-MIN-0078 Minute	Cabinet Office

### Information redacted

**NO**

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

## In Confidence

Office of the Minister of Commerce and Consumer Affairs

Cabinet Economic Development Committee

## Plant Variety Rights Regime Fees Review 2022: release of discussion document and reprioritisation of funding

### Proposal

- 1 This paper seeks Cabinet's approval to release the *Review of Plant Variety Rights (PVR) Fees* discussion document (provided in Appendix One) to allow public consultation on the proposed adjustments to the fees.
- 2 This paper also seeks Cabinet's approval to reprioritise a portion of the underspend within the Official Assignee – Covid-19 Response and Recovery Fund (CRRF) to support the PVR regime's partial cost recovery of services, mitigating the impact of fee increases on businesses.

### Relation to government priorities

- 3 The release of a discussion document to consult on adjustments to existing fees and a request for funding reprioritisation are routine operational matters that require Cabinet approval.

### Executive Summary

- 4 PVRs are granted under the *Plant Varieties Act 1987* (the Act). They are intellectual property rights which give breeders and growers exclusive rights over new varieties of plants for a limited time. The Plant Variety Rights Office (PVR Office) administers, evaluates, and grants PVRs. The current fees structure for the regime has not been reviewed since 2002.
- 5 The PVR regime in New Zealand has been reviewed, and the PVR Bill was recently introduced to Parliament to align the scheme with international developments so that New Zealand can satisfy its obligations under trade agreements.
- 6 The Ministry of Business, Innovation and Employment (MBIE) has also reviewed the costs of running the PVR regime and developed a new fee structure and fee levels based on current costs and volumes. The proposed new fee structure and levels in the attached discussion document are necessary to:
  - 6.1 better ensure that third parties (users) are paying for the costs of the services given the benefits they receive from a PVR, and

- 6.2 sustainably fund services provided by the PVR Office (the deficit is currently being managed through the surplus position of the memorandum account from fees charged for other intellectual property regimes).
- 7 Cabinet approval is sought to release the attached discussion document for public consultation, to obtain feedback from stakeholders on the proposed adjustments to fees and the revised fee structure. Consultation will support further analysis of the proposals based on what is preferred by stakeholders and why (where options are given), and the ways that the proposals may impact their operations.
- 8 MBIE's proposed new fee structure does not adjust fee levels to recover the full cost of the regime, to mitigate the impact of fee increases on businesses. Crown funding has been identified to provide a level of funding from 2022/23 to 2026/27 following which time MBIE will seek to set costs at full cost recovery levels, if appropriate.
- 9 The Crown funding which has been identified is forecast underspend from within the Commerce and Consumer Affairs: Official Assignee Functions departmental appropriation 2021/22 COVID-19 Response and Recovery Fund (CRRF). Since Cabinet decided that CRRF underspends should be returned to the centre [CAB-20-MIN-0328 refers], approval is sought to utilise \$2.000 million of the forecast \$4.627 million underspend instead. This funding will balance the level of fee increases with the policy objectives of the PVR regime and mitigate the risk of using the surplus position of the memorandum account.
- 10 Following the close of public consultation on the discussion document, officials will provide advice on the appropriate new structure and levels for the fees.
- 11 I propose that the adjustments to the PVR fees be implemented from 30 November 2022.

## Background

- 12 The PVR Act provides for the granting of intellectual property rights known as PVRs. PVRs give plant breeders exclusive rights over their new plant varieties for a limited time.
- 13 The grant of a PVR is intended to act as an incentive for domestic plant breeders to develop new varieties of plants, and for foreign plant breeders to permit availability of their new plant varieties in New Zealand.
- 14 The PVR regime established under the PVR Act is administered by the Intellectual Property Office of New Zealand (IPONZ), a business unit of MBIE. IPONZ also administers legislation in relation to other registered intellectual property rights, including the *Patents Act 2013*, *Trade Marks Act 2002* and *Designs Act 1953*.

- 15 New Zealand is required by its international obligations to provide a regime for providing intellectual property rights for new plant varieties<sup>1</sup>. The recently introduced PVR Bill extends these rights and aligns the regime with the International Convention for the Protection of New Varieties of Plants (UPOV 91).<sup>2</sup>

### **The cost of running the PVR regime has changed over time**

- 16 The cost to maintain a viable PVR regime in New Zealand is \$1.300 million annually, based on current volumes and a minimum viable staffing level. As part of the current review of the PVR Act, the PVR Office commenced a review of the fees charged under the PVR regime.
- 17 The fees have not been adjusted since 2002. At that point, the scheme was over-recovering and when Cabinet reviewed and reduced the fees, the Cabinet acknowledged that if volumes were to decline the regime would likely under recover its costs.
- 18 Due to the changing nature of the regime, volumes of applications have declined by 20 per cent since the mid-2000s, and charges by suppliers providing testing services to the PVR Office have increased. The impact is that the current fees only recover on average \$0.400 million per year, resulting in an annual deficit of \$0.900 million.
- 19 The PVR expenditure is allocated within the Commerce and Consumer Affairs: Registration and Granting of Intellectual Property Rights departmental appropriation. The PVR deficits are offset by the surplus position of the Registration and Granting of Intellectual Property Rights memorandum account. This memorandum account includes revenue recovered from the fees of other intellectual property (IP) regimes, such as patents and trademarks. An arrangement by which applicants for other IP rights are essentially cross subsidising the costs of the PVR regime is unsustainable.
- 20 Not all costs of the PVR regime are met through fees. The PVR regime currently receives a small portion of Crown funding (\$0.085 million) for payment of New Zealand's membership to UPOV 91.
- 21 Expenditure for the regime has steadily increased for two reasons:
- 21.1 An expectation by users and service providers has developed that the PVR Office should be responsible for all or most of the cost of testing varieties including contracting external third parties' services for variety testing. This aligns with the practice of overseas PVR regimes.

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<sup>1</sup> World Trade Organization Agreement on Trade Related Aspects of Intellectual Property Rights.

<sup>2</sup>Ministry of Business, Innovation and Employment (2022, January 18), *Background to the Plant Variety Rights Act review*, <https://www.mbie.govt.nz/business-and-employment/business/intellectual-property/plant-variety-rights/plant-variety-rights-act-review/background-to-the-plant-variety-rights-act-review/>. The International Union for the Protection of New Varieties of Plants (UPOV) is an intergovernmental organisation based in Geneva, Switzerland. UPOV was established in 1961 by the International Convention for the Protection of New Varieties of Plants. UPOV 91 strengthens plant breeders' rights with the aim of increasing innovation in plant breeding.

- 21.2 The cost of these services has increased. In the past, third parties provided a portion of these services for free or with minimal charges as they viewed this a public good across the industry. However, this practice has changed significantly over the past 15 years, resulting in the PVR Office having to absorb the increased cost with limited ability to pass these charges on to applicants.

### *Current Plant Variety Rights Fees*

- 22 The Plant Variety Rights Act 1987 gives the power to make regulations to prescribe fees and charges (section 38(1)(k)) by Order in Council. The PVR fees are set out in regulations Plant Variety Rights (Fees) Order 1999 (Fees Order). This permits the PVR Office to charge four main types of fees based on the stages of an application for a PVR grant (Application, Examination, Growing Trial, and Annual Grant Renewal fees). Several of the fees are based on the category of plant variety. The Fees Order and an explanation of these fees are set out in Appendix Two.
- 23 The Fees Order also sets out a fee for an application for a compulsory licence and enables the PVR Office to charge an hourly rate fee for searching and photocopying services, and for costs incurred in arranging an overseas test trial. However, these processes are rarely used.

### **MBIE proposes making three changes to the current PVR fees regime**

- 24 MBIE's proposed changes have been based on the development of a modernised cost model and targeted engagement with the industry. They are:
- 24.1 updating the fee structure to equitably allocate the costs of services to users through appropriate fees;
- 24.2 increasing the fees charged to sustainably recover costs; and
- 24.3 increasing the level of Crown funding for the PVR regime for a short-term period to mitigate the impact of fee increases on businesses.

### *Updating the PVR regime's fee structure*

- 25 In July and August 2021, the PVR Office undertook targeted consultation with users of the PVR regime to understand how to more equitably allocate costs to users. Feedback was received from a variety of breeders/growers, industry bodies, and agents (such as intellectual property lawyers) through a workshop and written submissions.
- 26 This led to the development of the proposed modernised fee structure outlined in the discussion document. The discussion document outlines the issue, the costs of the PVR Office, and proposes changes to the fee structure and fee levels alongside key questions for submitters to help officials best understand the impacts of options on businesses and individuals.

27 The modernised fee structure seeks to increase transparency for users, certainty for potential applicants, and ensure costs of the scheme are equitably allocated to each service. This aligns with the principle that fees should be set and managed in a way that is administratively fair and equitable.<sup>3</sup> Appendix Three shows the difference between the existing and proposed fee structures as well as the proposed fee levels.

*PVR regime to move to a partial cost recovery model*

28 The PVR Office has an annual deficit of \$0.900 million and fees must be increased to recover this. The PVR Office has assessed its activities to ensure that it is operating efficiently and effectively. Based on current volumes, an operating cost of \$1.300 million per year is required to maintain a minimum viable regime.

29 As a monopoly supplier of the PVR services, it is appropriate for the PVR Office to recover costs from users who benefit from the service.<sup>4</sup> The PVR regime was introduced in 1987 on the basis where the costs were to be fully recovered from fees for services provided.<sup>5</sup> In 2002, the fees were reviewed and reduced as the scheme was over-recovering at the time. However, Cabinet acknowledged at the time that if volumes were to decline the regime would likely under-recover.

30 MBIE's proposed new fee levels for the PVR regime are based on partial cost recovery rather than full cost recovery in recognition of the fact that partial cost recovery is appropriate where:

30.1 full cost recovery undermines the policy objectives of the regime;

30.2 costs are not for services rendered directly to users of the regime; or

30.3 charges are being phased in.<sup>6</sup>

31 One of the policy objectives of the PVR regime is that it is accessible not just to professional breeders and growers, but also to small to medium-sized businesses who use the PVR regime. Fees set at full cost recovery may present a barrier to entry for users and undermine this policy objective.

32 The PVR regime has a wider public benefit because it supports New Zealand's domestic economy through export and the availability of international varieties for use in agricultural and horticultural sectors. It also enables New Zealand to meet its various trade agreements. These services are not ones which can be directly attributed to specific users.

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<sup>3</sup> Office of the Auditor General *Setting and administering fees and levies for cost recovery: Good practice guide*, p 8.

<sup>4</sup> Treasury (2017) *Guidelines for setting charges in the public sector*, p 9.

<sup>5</sup> The Crown funding of \$0.085 million is for an international membership fee to UPOV 91 rather than PVR granting activity.

<sup>6</sup> Treasury (2017) *Guidelines for setting charges in the public sector*, p 27.

- 33 Finally, PVR fees have not been adjusted in 20 years and increases to full cost recovery may have a significant impact on users who have already been impacted by COVID-19.
- 34 For these reasons, partial cost recovery is appropriate for a short period to mitigate the impact on users, and while further work is undertaken on the level of costs which can be attributed to wider public benefit rather than services to users. This work will be undertaken by officials prior to a full fees review of the Registration and Granting of Intellectual Property Rights memorandum account which is planned for the next three years.

*Increasing the level of Crown funding*

- 35 To support partial cost recovery for a short period, officials have identified a forecast underspend in the Commerce and Consumer Affairs: Official Assignee Functions appropriation. Reprioritising \$2.000 million of the forecast \$4.627 million will balance the impact of increasing fees to a sustainable level, while mitigating the impacts on users and ensuring the policy objectives of the scheme are not undermined. This is covered in paragraphs 38-41 below.
- 36 The proposed new fees outlined in Appendix Three assume a level of Crown funding of \$0.500 million per year for four years beginning 2022/23 (with no increase to overall appropriation). The proposed fee levels are based on the level of reprioritised funding, the annual forecast of transactions, and the unit cost per transaction. Should Cabinet not approve the funding re-prioritisation, the proposed new fee levels will increase further, and the draft discussion document will need to be amended accordingly. Appendix Four shows the difference between the fee level proposed and fees set at full cost-recovery.

**The release of the Review of Plant Variety Rights (PVR) Fees discussion document**

- 37 MBIE proposes to consult with the public and stakeholder groups for five weeks, using the indicative timeframe below. The aim is to implement the new fees by 30 November 2022.

<b>Due date</b>	<b>Action</b>
<b>Mid-April 2022</b>	Release of discussion documents
<b>20 May 2022</b>	Deadline for submissions to MBIE
<b>June 2022</b>	Report to Ministers on submissions and final proposals for changes to fees
<b>July 2022</b>	Seek approval from Cabinet for proposed changes
<b>September 2022</b>	LEG consideration of regulations
<b>October 2022</b>	Governor-General makes Order in Council to make the Regulations that set the fees
<b>November 2022</b>	Fees implemented

## Financial implications

- 38 The underspend in the Commerce and Consumer Affairs: Official Assignee Functions departmental appropriation which has been identified for reprioritisation is from the 2021/22 of the COVID-19 Response and Recovery Fund (CRRF). This appropriation funds the Official Assignee in New Zealand (through MBIE's Insolvency and Trustee Service business unit) to manage personal bankruptcies and corporate insolvencies.
- 39 In Budget 2020, the Official Assignee appropriation received \$9.820 million from the CRRF over four years to meet the cost of managing significant increase in personal bankruptcies forecasted to start in 2020/21 due to the COVID-19 pandemic. As a result of government subsidies and other economic factors, the rate of personal bankruptcies has not increased from pre-COVID-19 caseloads as projected. It is forecast that \$4.627 million provided from CRRF in 2021/22 will not be required and will be returned to the Crown as at 30 June 2022.
- 40 Reprioritising \$2.000 million from the appropriation will not impact the ability to provide existing services as the current caseload and forecast volumes is manageable within the existing baseline pre-COVID-19. The remaining underspend would be returned to centre [CAB-20-MIN-0328 refers].
- 41 Therefore, I am seeking Cabinet approval to reprioritise \$2.000 million of the forecast \$4.627 underspend to support partial cost recovery for the PVR regime for a period of four years. This will mitigate the impact to users, allowing for full cost recovery to be phased in, or continued Crown funding to be sought should partial cost recovery be appropriate for the PVR regime in the long term. Another PVR fees review is scheduled to occur by 2026.

## Legislative Implications

- 42 There are no legislative changes arising out of the release of the discussion document. Following feedback on the discussion document, officials will provide advice to Cabinet on the appropriate levels for the fees, which will require amendments to regulations.

## Impact Analysis

- 43 The Regulatory Impact Analysis panel at MBIE reviewed and confirmed that the discussion document partially meets the requirements and can substitute for an interim Regulatory Impact Statement. The discussion document will lead to effective consultation and support the eventual development of a quality Regulatory Impact Statement.

## Climate Implications of Policy Assessment

- 44 The discussion document has no climate implications.

## Population Implications

- 45 The discussion document has no population implications.



### **Human Rights**

46 The discussion document has no human rights implications.

### **Consultation**

47 The Treasury has been consulted during the preparation of this paper. The Department of Prime Minister and Cabinet has been informed.

### **Communications**

48 MBIE will publish the discussion document on their websites when it is released. MBIE will also send the discussion document to targeted industry groups.

### **Proactive Release**

49 This paper will be proactively released within 30 business days of decisions being confirmed by Cabinet.

**Recommendations:**

The Minister of Commerce and Consumer Affairs recommends that the Committee:

1. **note** that New Zealand is required by its international obligations to provide a regime for providing intellectual property rights for new plant varieties;
2. **note** that the Plant Variety Right (PVR) fees have not been adjusted since 2002 despite lower application volumes and an increase in charges by suppliers providing testing services;
3. **note** that resulting deficit is currently offset by the surplus position of the Registration and Granting of Intellectual Property Rights Memorandum account;
4. **note** MBIE proposes to publicly consult on the following proposed adjustments to fees for the PVR regime:
  - 4.1 updating the fee structure to equitably allocate the costs of services to users through the appropriate fees;
  - 4.2 increasing the fees charged to sustainably recovery costs; and
  - 4.3 increasing the level of Crown funding for the PVR regime for a short-term period to mitigate the impact of fee increases on businesses;
5. **approve** the release of the discussion document *Review of Plant Variety Rights Fees*, subject to any minor or technical changes that the Minister of Commerce and Consumer Affairs may approve prior to publication;
6. **note** that there will be public consultation with stakeholders over a period of approximately five weeks in April to May 2022;
7. **note** that partial cost recovery is necessary for an interim period to mitigate the impacts on users, recognise the wider benefit of the PVR regime, and support the scheme's policy objectives;
8. **note** that a long term solution will be finalised as part of a fees review of all Intellectual Property fees;
9. **agree** to the policy change to move the PVR regime from a full cost recovery model to a level of Crown funding of \$0.500 million per annum from 2022/23 to 2026/27, with no increase in appropriation;
10. **note** that the Cabinet agreed that Covid-19 Response and Recovery Funding (CRRF) underspends are to be returned to the centre [CAB-20-MIN-0328.03 refers]
11. **agree** that \$2.000 million from CRRF in the Commerce and Consumer Affairs: Official Assignee Functions be reprioritised to increase the level of Crown funding for the PVR scheme;

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12. **approve** the following changes to appropriations to give effect to the policy decisions in recommendation 10 with no corresponding impact on the operating balance and net core Crown debt;

<b>Vote Business, Science and Innovation Minister of Commerce and Consumer Affairs</b>	\$m – increase/(decrease)					
	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27 &amp; outyears</b>
Departmental Output Expenses: Commerce and Consumer Affairs: Official Assignee Functions (funded by revenue Crown)	(2.000)	-	-	-	-	-
Commerce and Consumer Affairs: Registration and Granting of Intellectual Property Rights (funded by revenue Crown)	-	0.500	0.500	0.500	0.500	-
Commerce and Consumer Affairs: Registration and Granting of Intellectual Property Rights (funded by revenue other)	-	(0.500)	(0.500)	(0.500)	(0.500)	-

13. **agree** that the proposed change to appropriations for 2021/22 above be included in the 2021/22 Supplementary Estimates;
14. **note** that if CRRF reprioritisation is not agreed, recommendations 9 to 13 will not be implemented and amendments will need to be made to the discussion document to increase the fee levels before it is released to the public; and
15. **delegate** to the Minister of Commerce and Consumer Affairs to release the revised discussion document if the CRRF reprioritisation in recommendation 8 is not approved by Cabinet.

Authorised for lodgement

**Hon Dr David Clark**

Minister of Commerce and  
Consumer Affairs

**Appendix One: Discussion Document – Review of Plant Variety Rights Fees**

## Appendix Two: Current PVR Fees

Fee Name	Description
<b>Application fee</b>	Payable when an application is submitted; it covers the acceptance of the application, a preliminary variety examination for newness and the denomination, document checks, and arrangements for testing and initial assessment.
<b>Testing process (Growing Trial or Examination fee) -</b>	
<b>Growing Trial</b>	Covers the collection and field observation as well as the cost of data assessment and review (examination fee) when a growing trial is carried out by the PVR Office. Currently, the organisation of, arrangement and type of growing trial will vary for different plant species and different procedures will apply; or
<b>Examination Fee</b>	Covers the cost of data assessment and review and is only paid when a growing trial is carried out by another party (including a foreign entity).
<b>Annual Grant Fee</b>	Charged annually to maintain the grant of a PVR for the upcoming year. This fee is paid the following year after a PVR has been granted to the rights holder. All plant varieties pay the same for an annual grant fee, no matter how long the grant has been active, and regardless of the plant variety

### Order

**1 Title and commencement**

- (1) This order may be cited as the Plant Variety Rights (Fees) Order 1999.
- (2) This order comes into force on 1 July 1999.

**2 Fees**

- (1) The fees specified in the [Schedule](#) must be paid in respect of the things referred to in that schedule.
- (2) If, at the request of an applicant, the Commissioner arranges an overseas test trial of a variety, the applicant must pay to the Commissioner the costs incurred in relation to the trial.
- (3) If the Commissioner or any other employee of the Plant Variety Rights Office undertakes any search or photocopying for a person, the person must pay to the Commissioner a fee for the time spent in doing so calculated at the rate of \$50 per hour.

**3 Fees to be exclusive of GST**

The fees prescribed by [clause 2](#) are exclusive of goods and services tax (if any).

**4 Consequential revocations**

The following orders are revoked:

- (a) Plant Variety Rights (Fees) Order 1991 (SR 1991/37);
- (b) Plant Variety Rights (Fees) Order 1991, Amendment No 1 (SR 1995/88).

cl 2(1)

**Schedule**

**Fees payable under Plant Variety Rights Act 1987 (excluding GST)**

Schedule: substituted, on 1 January 2002, by [clause 3](#) of the Plant Variety Rights (Fees) Amendment Order 2001 (SR 2001/360).

Item	Herbage, agricultural crops, vegetables, fungi	Fruit or nut plants	Other plants
	Fee (\$)	Fee (\$)	Fee (\$)
Application for grant	500	500	350
Examination of data (including any material)	600	300	230
Test trial by Plant Variety Rights Office—	—	500	450
grasses and white clover (per year)	3,200	—	—
wheat, barley, oats, forage brassicas, ryecorn, triticale, and peas (per year)	2,300	—	—
grass endophytes	1,500	—	—
potatoes—	—	—	—
first year	1,600	—	—
each later year	500	—	—
Annual grant fee	160	160	160
Request under <a href="#">section 21(1)</a> of the Act (compulsory licences and sales)	600	600	600

### Appendix Three: Plant Variety Rights Proposed Fee Structure and Levels

Fee Area	Existing Fee Structure - Current	Modernised Fee Structure – Proposed
Application Fee	Two different application fees depending on the type of plant variety	One application fee to apply to all plant varieties
Trials (Field Evaluation) and Variety Examination Fees	Trial (Field Evaluation) Fee applied when PVR Office arranges growing trials (field evaluations) as part of an application. This includes costs associated with variety examination (and if this fee is charged then a variety examination one is not).	<ul style="list-style-type: none"> <li>Field Evaluation fee applied when the PVR Office arranges the growing trials (field evaluations) and collection of data for an application (no longer including variety examination costs).</li> <li>Change categories used for growing trials to reflect that trials may differ depending on whether a variety is an annual or perennial species, and the type of propagation.</li> </ul>
Variety Examination Fees	Fee applied only when the PVR Office examines the results of growing trials carried out by a third party	Apply single fee to all applicants to cover the cost of the PVR Office examining the results of a trial regardless of who undertakes the trial.
Annual Renewal Fees	Single renewal fee	Introduce a tiered renewal fee
Recouping Additional Costs	<ul style="list-style-type: none"> <li>Search or photocopying at \$50 per hours (GST exclusive)</li> <li>Direct charge of cost to obtain foreign test trial report</li> </ul>	<ul style="list-style-type: none"> <li>Enabling direct charging by the PVR Office for costs incurred during variety examination or growing trials</li> <li>Direct charge of costs to obtain a foreign test trial report</li> <li>Updating the rates and purpose of the hourly fee charged for time spent on</li> </ul>

**IN CONFIDENCE**

		additional work requested by applicants
Compulsory licence fee	Single compulsory licence fee	<ul style="list-style-type: none"> <li>• Single compulsory licence application fee</li> <li>• New hearing fees in line with PVR Bill and based on IPONZ hearing fees</li> </ul>

PLANT VARIETY RIGHTS - PROPOSED FEES			
	Unit cost	Proposed fee	Current fee
<b>Applications</b>			
<i>All varieties</i>	\$626	\$625	
Herbage, agriculture, vegetable and fungi			\$500
Fruit and nut			\$500
All other plants			\$350
Applications made but later withdrawn (no refund)			\$500
<b>Examinations</b>			
<i>All varieties</i>	\$767	\$770	
Agriculture and vegetable crops			\$600
Fruits and nuts			\$300
All other plants (incl Ornamentals)			\$230
<b>Growing trials by PVRO</b>			
<b>Agriculture and vegetable crops</b>			
- seed propagated varieties (cereals, peas, forage)	\$4,209	\$4,210	\$2,300
- vegetatively propagated varieties (potatoes, hops )	\$2,419	\$2,400	\$1,600
<b>Fruit and nut</b>			
- strawberry varieties	\$124	\$125	\$500
- all other varieties- year 1	\$2,129	\$2,200	\$500
- all other varieties- subsequent year annual charge	\$807	\$800	\$500
<b>Ornamentals</b>			
- roses	\$104	\$105	\$450
- all other varieties- year 1	\$1,449	\$1,500	\$450
- all other varieties- subsequent year annual charge	\$699	\$700	\$450
<b>Grasses, white clover</b>	\$6,304	\$6,300	\$3,200
<b>Grass endophytes, fungi</b>	\$2,797	\$2,800	\$1,500
<b>Annual grant fee</b>			
<i>Single fee</i>	\$429	\$430	\$160
<i>Tiered fee structure</i>		OR	
<i>1-5 years</i>		\$270	
<i>6-10 years</i>		\$400	
<i>11-15 years</i>		\$530	
<i>16 years and over</i>		\$700	
<b>Other fees</b>			
Foreign test reports		at cost	at cost
Compulsory license application	\$1,000	\$1,000	\$600
Notices of opposition by opponent	\$350	\$350	New
Application for revocation	\$350	\$350	New
Request for hearing	\$850	\$850	New
Hourly rate - Commissioner	\$165	\$165	New
Hourly rate - Technical expert	\$100	\$100	New
Hourly rate - Administration	\$65	\$65	New
Hourly rate - searching/ photocopies		\$0	\$50



## Appendix Four: Comparison of proposed fees with and without increased crown funding

PLANT VARIETY RIGHTS - PROPOSED FEES			
	Full cost recovery	\$500,000 Crown	
	Proposed fee	Proposed fee	Difference
<b>Applications</b>			
<i>All varieties</i>	\$770	\$625	\$145
Herbage, agriculture, vegetable and fungi			
Fruit and nut			
All other plants			
Applications made but later withdrawn (no refund)			
<b>Examinations</b>			
<i>All varieties</i>	\$3,940	\$770	\$3,170
Agriculture and vegetable crops			
Fruits and nuts			
All other plants (incl ornamentals)			
<b>Growing trials by PVRO</b>			
<b>Agriculture and vegetable crops</b>			
- seed propagated varieties (cereals, peas, forage)	\$12,500	\$4,210	\$8,290
- vegetatively propagated varieties (potatoes, hops )	\$3,310	\$2,400	\$910
<b>Fruit and nut</b>			
- strawberry varieties	\$290	\$125	\$165
- all other varieties- year 1	\$4,530	\$2,200	\$2,330
- all other varieties- subsequent year annual charge	\$1,310	\$800	\$510
<b>Ornamentals</b>			
- roses	\$130	\$105	\$25
- all other varieties- year 1	\$3,600	\$1,500	\$2,100
- all other varieties- subsequent year annual charge	\$700	\$700	\$0
<b>Grasses, white clover</b>	\$11,200	\$6,300	\$4,900
<b>Grass endophytes, fungi</b>	\$5,400	\$2,800	\$2,600
<b>Annual grant fee</b>			
<i>Single fee OR</i>	\$430	\$430	\$0
<i>1-5 years</i>	\$325	\$270	\$55
<i>6-10 years</i>	\$475	\$400	\$75
<i>11-15 years</i>	\$650	\$530	\$120
<i>16 years and over</i>	\$875	\$700	\$175
<b>Other fees</b>			
Foreign test reports	at cost	at cost	
Compulsary license application		\$1,000	
Notices of opposition by opponent		\$350	
Application for revocation		\$350	
Request for hearing		\$850	
Hourly rate - Commissioner		\$165	
Hourly rate - Technical expert		\$100	
Hourly rate - Administration		\$65	