

Division 50: Chemistry Centre (WA) —

[Supplementary Information No A16.]

Question: Dr A.D. Buti asked: Will the minister provide further information about the reason for the reduction in other expenses from 2010–11 to 2011–12, and the further increase in the out years.

Answer: The principle reason for the decrease in “Other Expenses” for Budget year 2011-12 compared with 2010/11 Actual, is a reclassification of expenses previously recorded under Other Expenses in 2010/11 but now recorded under Supplies and Services in 2011/12 Budget. The out years revert to the original classification of expenses in 2010/11 actual. The classification of expenses is determined by the reporting program “Treasury Information Management System” (“TIMS”). The table attached shows which expenses reported under Other Expenses in 2010/11 were reported under Supplies and Services in 2011/12 Budget and the figures are restated to provide a comparison between the two years and the out years.

Following the reclassification of expenses for comparison purposes, Supplies and Services line shows an increase from \$2,819,000 in 2010/11 to \$3,128,000 in 2011/12 Budget, and Other Expenses shows an increase from \$1,394,000 in 2010/11 to \$1,899,000 in 2011/12 and inflationary increases in the out years. The budget increase in 2011/12 is mainly due to an expected increase in utility costs arising from a move to Chemistry Centre’s new premises in Bentley plus sundry other administration expenses. In addition in order to drive the revenue increases budgeted over the next 5 years, budget and estimated advertising and marketing expenses show a significant increase over 2010/11 actual marketing expenses.

	Actual 2010- 2011 \$000	Budget 2011- 2012 \$000	Estimated Actual 2011- 2012 \$000	Forward Estimate 2012- 2013 \$000	Forward Estimate 2013- 2014 \$000	Forward Estimate 2014- 2015 \$000	Forward Estimate 2015- 2016 \$000
Supplies and Services							
Communications	271	0	315	325	336	347	358
Laboratory Consumables	1,307	1,253	1,022	1,056	1,091	1,127	1,164
Services and Contract Expenses	1,241	3,254	1,382	1,428	1,475	1,524	1,607
TOTAL SUPPLIES AND SERVICES	2,819	4,507	2,719	2,809	2,902	2,998	3,129
Expenses reclassified to Other Expenses							
Loss on sale of Assets		(13)					
Administration expenses		(1,070)					
Operating Lease MVs		(111)					
Advertising and Promotion		(185)					
Expenses reclassified to Other Expenses		(1,379)					
REVISED TOTAL SUPPLIES AND SERVICES	2,819	3,128	2,719	2,809	2,902	2,998	3,129
Other Expenses							
Loss on disposal of assets	13	0	-	-	-	-	-
State taxes (Payroll Tax, Fid Bad etc)	508	520	558	600	645	693	745
Administration Expenses	747	0	1,055	1,090	1,126	1,163	1,201
Operating Lease MVs	81	0	109	109	109	110	110
Advertising and Promotion	45	0	172	178	184	190	196
TOTAL OTHER EXPENSES	1,394	520	1,894	1,977	2,064	2,156	2,252
Expenses reclassified from Supplies and Services		1,379					
REVISED TOTAL OTHER EXPENSES	1,394	1,899	1,894	1,977	2,064	2,156	2,252

[Supplementary Information No A17.]

Question: Dr A.D. Buti asked: Will the minister provide further information about the Chemistry Centre’s costs for drug testing?

Answer: ChemCentre has standard terms of analysis which are at Attachment 1. In its Scientific Services Division, the clientele of which includes most of ChemCentre's standard commercial clients, the minimum fee is \$200 inclusive of registration, set up, analysis and reporting. Within that context, prices are quoted depending on the complexity of the analysis and the batch size. Each section provides quotes direct to the client within its area of speciality such as residue analysis for organochlorine pesticides, heavy metals etc. An example of a quote for organochlorine pesticides is at Attachment 2.

Attachment 1: Terms of Analysis

Attachment 2: Proposal for Analysis Services

Attachment 1 – Terms of Analysis

Terms of Analysis

Authorised 20 March 2012

1. Definitions

'Agreement' means these Terms of Analysis together with the cover page and any attachments.

'Analysis' means the services to be performed by ChemCentre as described on the cover page.

'Confidential Information' means confidential information (in any form) that ChemCentre discloses to you or you disclose to ChemCentre. Information is not confidential if it is: (i) publicly available, (ii) rightfully known by ChemCentre before disclosure by you or rightfully known by you before disclosure by ChemCentre, or (iii) independently created by ChemCentre or by you without access to each other's confidential information.

'Deliverables' means the results of the requested Analysis which will be delivered in accordance with the quoted Reporting Method.

'ChemCentre' means PO Box 1250, Bentley Delivery Centre, Western Australia 6983. ABN 40 991 885 705.

'you' or 'your' means the Client.

2. ChemCentre Analysis

2.1 The knowledge and skills that ChemCentre staff will use to perform the Analysis have been developed in the course of providing the same or similar analyses to other clients. ChemCentre may develop further knowledge and skills while performing the Analysis. ChemCentre can use such general knowledge and skills for other clients.

2.2 ChemCentre will retain ownership of any intellectual property rights in any new analytical techniques or procedures ChemCentre develops in the course of carrying out the Analysis.

2.3 ChemCentre will keep copies of any reports or data that form part of the Deliverables and may reproduce and use such reports or data for its own research and record keeping purposes.

2.4 ChemCentre will make reasonable efforts to deliver the Deliverables to you by the Delivery Date. If ChemCentre is unable to meet the Delivery Date then you will be told of any delay and of the revised delivery date.

3. Your Samples

3.1 At your expense, you must provide the Samples on time, ensure they are safely transported to and from ChemCentre and are suitable for ChemCentre to perform the Analysis.

3.2 You must ensure that any Samples you provide to ChemCentre are: (i) suitably packaged; (ii) labelled with your name and contact details, the contents and the name of ChemCentre Technical Contact; (iii) labelled with appropriate safety warnings (MSDS if applicable) or instructions for their handling, testing, storage, transportation and disposal; and (iv) labelled with either: ChemCentre's postal address, if being mailed (PO Box 1250, Bentley DC WA 6983) or ChemCentre's delivery address (corner Manning Road and Townsing Drive, Bentley WA 6102).

3.3 If you do not comply with clauses 3.2 (i) and (iii) and ChemCentre has to take measures to safeguard the health and safety of ChemCentre staff, ChemCentre laboratories or the public, then ChemCentre will charge you for the cost of taking these measures.

3.4 After analysis, any sample deemed by ChemCentre to contain hazardous materials will be returned to the client, at the client's expense.

3.5 Samples requested to be retained for a period after analysis may attract a fee.

3.6 Samples can only be received by ChemCentre at corner Manning Road and Townsing Drive, Bentley WA 6102 between the hours of 8.00am and 4.30pm local time, Monday to Friday. No responsibility will be taken for any samples delivered outside of these hours.

3.7 ChemCentre is located on the Curtin University Bentley campus but is not affiliated with the University. ChemCentre will not accept responsibility for samples delivered or mailed to Curtin University.

4. Invoicing

4.1 The person submitting the sample is considered to be the client and is responsible for payment. It is not acceptable to ChemCentre for a third party to be made responsible for payment.

4.2 Payment terms are strictly 30 days from the invoice date. Amounts outstanding after 30 days will be subject to interest charges based on the RBA rate plus 5% effective from the invoice date.

4.3 For GST purposes the cover page and any receipts issued by ChemCentre are tax invoices. Any additional invoices issued by ChemCentre will be in the form of a tax invoice.

4.4 If your company does not pay invoices without a purchase order then a valid purchase order number MUST be provided before or at the time of sample delivery. ChemCentre cannot re-invoice retrospectively with a purchase order number provided after analysis is complete.

5. Your Use of Deliverables

5.1 The Deliverables are for your use in your business operations unless otherwise stated in the description of the Analysis. ChemCentre accepts no responsibility if you use the Deliverables for any other purpose.

5.2 If the Analysis is to verify that the Samples conform to a standard published by a recognised standards body and the Analysis verifies such conformity, then you may use the Deliverables to demonstrate such conformity to other people. Any statement made, under this clause 4.2, by you to any person that ChemCentre has analysed the Samples must set out the relevant reports of analysis in full and the relevant standard against which ChemCentre conducted the Analysis.

If you publish excerpts from the reports, then those excerpts must be an accurate representation of the Analysis results. You must note on the excerpts that they are from a larger report held by you and where the report can be inspected.

6. Confidential Information

Confidential Information is to be kept confidential for a period of 5 years commencing on the date you sign this Agreement.

7. Limitation of Liability

7.1 All terms, conditions and warranties (including any warranty as to merchantable quality or fitness for purpose) implied by common law or by statute ('implied warranties') as to the manner, quality and timing of the Analysis are excluded unless the exclusion of any such implied warranties would contravene the law or cause any part of this Agreement to be void.

7.2 ChemCentre's liability to you for breach of any term of the Agreement or of any implied warranties is limited, at ChemCentre's option, to either re-performing the Analysis or refunding the Fee paid in respect of that part of the Analysis.

7.3 ChemCentre will not be liable to you for any indirect or consequential damage suffered by you in any way arising from the Analysis or your use of the Deliverables.

8. Dispute Resolution

If there is a dispute between you and ChemCentre that cannot be resolved then the matter must be referred to the Australian Commercial Disputes Centre for arbitration in accordance with the Centre's Guidelines on Arbitration. The decision of the arbitrator (including any award as to costs) will be final and binding.

9. Termination

This Agreement can be terminated at any time by either ChemCentre or you giving written notice if there is a breach and that breach is not remedied within 30 days after written notice is received.

10. Use of ChemCentre Name

You must not use ChemCentre's name or trademarks in a manner that suggests that ChemCentre endorses, or is associated with, your business, products or services.

11. General

11.1 This Agreement records our entire agreement and supersedes all earlier agreements and representations that may have been made by ChemCentre to you about the Analysis.

11.2 The terms in this Agreement override any contrary terms contained in any invoice, purchase order or other documentation issued by you to ChemCentre for the Analysis.

11.3 This Agreement is governed by the laws applicable to Western Australia.

Attachment 2 – Proposal for Analytical Services

Building 500, Resources and Chemistry Precinct
Manning Road
BENTLEY
Western Australia 6102
Fax: +61 8 9422 9987

To:	From:
Company:	Date:
Email:	Email:
Quote Ref:	Pages

Proposal for Analytical Services – Scientific Services Division

We are pleased to provide this quotation for analytical services. If we can be of further assistance please contact the undersigned.

Project Estimate	All prices quoted exclude GST. Note ChemCentre has a minimum charge of \$200 plus GST that applies to each batch of samples received	
	A batch fee of \$40 per batch plus \$ 1 per sample applies	NA
	Est. based on indicated samples (n/a), requested analytes and report	TBC
	Estimated total project cost including analysis and batch fees	TBC

Sampling Requirements	ChemCentre will provide all sample containers, eskies and ice bricks needed for sampling. Advice on appropriate sampling methodology and preservation prior to analysis can also be provided upon request. Courier costs are the responsibility of the client.
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Turnaround and Reporting	Standard turnaround time is ten working days to allow full quality control practices to be conducted. Projects or large sample batches will take longer. Requests for urgent analysis will be dependent on the analysis required and laboratory workload at the time. A 50% surcharge or \$200 fee (whichever is greater) will apply for results within 3 working days. Reports will be issued in the form of hardcopy, PDF and spreadsheet format with our chemists able to provide basic interpretation as required.
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Invoicing:	<p>Clients with established credit accounts must pay by the end of the next month after receiving an invoice; all other clients must pay on receipt of an invoice. Amounts outstanding after 30 days will attract a management fee of \$50 in the first instance.</p> <p>The party submitting the sample is considered to be the client and is responsible for payment. No third party is responsible for payment.</p> <p>For GST purposes the cover page and any receipts issued by ChemCentre are tax invoices. Any additional invoices issued will be in the form of a tax invoice.</p> <p>If your company does not pay invoices without a purchase order then a valid purchase order number MUST be provided before or at the time of sample delivery. ChemCentre cannot re-invoice retrospectively with a purchase order number provided after analysis is complete.</p>
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Extract from Hansard
 [ASSEMBLY — Thursday, 31 May 2012]
 p624b-629a
 Dr Tony Buti

Quote Validity:	Expiry: 30/6/2012
	Unless specified above, this quotation remains valid for 30 days from the date of issue.

Schedule of Tests and Price per test.

ANALYTE	\$ Cost/Sample			Method
	Batch Size 1 st	Batch Size 2-9	Batch Size >9	
Organochlorine Pesticides	150.00	120.00	60.00	RCS-OM
Organophosphate Pesticides	150.00	120.00	60.00	RCS-OM

Analytical Services –Forensic Science Laboratory

Forensic Toxicology

Price Schedule 2011-12

Registration	\$90	see Note
Hourly rate - analyst	\$185	
Standard Proforma Interpretations	\$90	
Consultation / Interpretations		Hourly rate

Note A registration /handling fee of \$90 applies where samples are received and no work is proceeded with.

Workplace Oral Fluids and Urinalysis

Alcohol	\$50
Confirmation per analyte – oral fluid	\$90
Confirmation per analyte – urinalysis	\$90

Other

Hazfreight to ASDTL	\$300
Return of Exhibits (usually half-hour)	\$90 or hourly rate \$185
Court Appearance	hourly rate \$185
Instrumental rate per injection	\$90
All Urgent requests	hourly rate \$280

Summary:

Note In general the above prices are based upon the following instrumental costs:

Alcohol	\$190	
ELISA	\$10 for one to two analytes;	\$20 for three to four analytes
HPLC A/N; Bases	\$100 each	
GCMS Bases	\$120	
LCMS Screen	\$120	
Hourly rate	\$185	