

1981

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

Apple and Pear Export Underwriting Bill 1981
Apple and Pear Stabilization Amendment Bill 1981
Australian Apple and Pear Corporation Amendment Bill 1981

EXPLANATORY MEMORANDUM

(Circulated by the authority of the Minister for
Primary Industry, the Hon. Peter Nixon, MP.)

OUTLINE

Apple and Pear Export Underwriting Bill 1981

Following an inquiry by the Industries Assistance Commission into the apple and pear industries the Government decided to introduce a scheme of assistance to underwrite all export returns for apples and pears for the five export seasons 1981 to 1985; to phase out assistance for apple exports under the existing Stabilization Scheme over the four seasons 1981 to 1984; and to terminate Stabilization assistance for pear exports after the 1980 season.

This Bill provides for implementation of the underwriting scheme. The main features of this Bill are:

- . establishment for each export season of a guaranteed minimum return to growers from exports of apples and pears to all export destinations
- . determination of the guaranteed minimum returns in each season on the basis of 95 per cent of the weighted average f.o.b. export returns for all apples and pears in the immediately preceding four seasons
- . underwriting payments by the Commonwealth equal to the shortfall in any season between average f.o.b. export returns and the relevant guaranteed minimum return
- . payment of the underwriting assistance to the owners of the fruit at the time of export in the case of fruit exported "at risk", and, in the case of fruit sold before export, to the owners of the fruit prior to that sale.

This Bill provides for no industry contributions to the underwriting scheme. The scheme is to be administered by the Australian Apple and Pear Corporation.

Apple and Pear Stabilization Amendment Bill 1981

This Bill gives effect to the Government's decision noted above concerning future operations of the Apple and Pear Stabilization Scheme. Operation of the Stabilization Scheme for apples is extended by this Bill to cover the 1981 to 1984 export seasons with reducing maximum price support levels as follows:

- . \$2.20 per box in 1981
- . \$1.65 per box in 1982
- . \$1.10 per box in 1983
- . \$0.55 per box in 1984

The maximum price support levels for apples will continue to be subject to a maximum export volume of 1.5 million boxes and the revised scheme will continue to apply only to "at risk" exports to Europe. Stabilization payments will be reduced on fruit exports eligible for an underwriting payment by an amount equal to that underwriting payment.

This Bill also provides for the termination of the industry "pay-in" provisions as from the end of the 1980 export season and for the winding up of the various varietal trust funds.

Australian Apple and Pear Corporation Amendment Bill 1981

This Bill amends the financial provisions of the Australian Apple and Pear Corporation Act 1973 to allow for the Corporation to administer the new export underwriting scheme. The opportunity is also taken to make a few technical amendments to the Corporation Act.

Apple and Pear Export Underwriting Bill 1981

<u>NO. OF CLAUSE</u>	<u>EXPLANATION</u>
5	This clause specifies that the guaranteed minimum export return rate is to be determined by calculating 95% of the weighted average per box free on board return for all apple (pear) exports over the immediately preceding four seasons.
6.	This clause provides for the average export return rate for a particular season to be determined as soon as practicable after the end of each relevant season by calculating the average per box free on board return for all apple (pear) exports in that season.
7.	This clause provides for the calculation of the amount of net proceeds of sale as the per box free on board return determined by subtracting from the proceeds of sale such costs and charges, as approved by the Minister, that were incurred after the fruit had been loaded on board the ship or aircraft.
8.	This clause specifies that an underwriting payment shall be paid to meet any shortfall between the average export return rate for a particular season and the guaranteed minimum export return rate for that season.
14.	This clause gives the Minister the power to direct at what price fruit can be sold overseas.
18.	This clause requires exporters to maintain proper books and accounts and to produce such books and accounts on demand by an authorised person.
19.	This clause provides for access of an authorised person to premises on which books, documents or other papers relating to export may be kept.
21.	This clause specifies that the Governor-General may make regulations not inconsistent with this Bill including the prescribing of penalties.

Apple and Pear Stabilization Amendment Bill 1980

<u>NO. OF CLAUSE</u>	<u>EXPLANATION</u>
5.	This clause extends the operation of the Act to cover the 1981 to 1984 export seasons.
8.	This clause confines the operation of the Scheme to apples exported to Europe on consignment.

9. This clause establishes the maximum rate of payments under the Scheme that can be made in each of the four export seasons 1981 to 1984. In 1981 the maximum rate of payment is to be \$2.20 per box, in 1982 \$1.65, 1983 \$1.10 and 1984 \$0.55; the rate to be payable on a maximum of 1.5 million boxes in each season. In the event that more than 1.5 million boxes of export apples are covered by the scheme in any year then the maximum rate of payment for that year is determined by multiplying the specified maximum rate for that year by 1.5 million and dividing the result by the number of boxes of apples to be covered.
10. This clause provides for Stabilization payments in a season to be reduced by an amount equivalent to any payment due in that season under the Apple and Pear Export Underwriting Act 1981.
12. This clause specifies that money standing to the credit of the various Stabilization funds shall not be used to make Stabilization payments in the 1981 to 1984 export seasons.
13. This clause provides for money standing to the credit of the various Stabilization funds to be paid out.
14. This clause removes the provision in the Stabilization Act for the Minister to be able to direct the price at which fruit may be sold overseas. (Note: This provision has been included in the Apple and Pear Export Underwriting Bill 1981). The level of penalties for offences against the Act is brought into line with those provided for in the Apple and Pear Export Underwriting Bill 1981.
17. This clause repeals the provisions for industry "pay-ins" into the various varietal trust funds.

Australian Apple and Pear Corporation Amendment Bill 1981

NO. OF
CLAUSE

EXPLANATION

4. This clause confirms control by the Corporation of exports of apples and pears from Australia by air.
6. This clause includes the new Apple and Pear Export Underwriting Act 1981 as one of the Acts for which purpose the moneys of the Corporation may be applied.
7. This clause removes the Corporation's immunity from taxation (other than income tax) under the laws of the Commonwealth and authorises the making of regulations to make the Corporation liable to State or Territory taxation laws.





