

1985

THE PARLIAMENT OF THE COMMONWEALTH  
OF AUSTRALIA

HOUSE OF REPRESENTATIVES

BASS STRAIT FREIGHT ADJUSTMENT TRUST FUND  
AMENDMENT BILL 1985

EXPLANATORY MEMORANDUM

(Circulated by the Authority of the  
Minister Representing the Minister for  
Resources and Energy, the Hon Barry O. Jones, MP)

## BASS STRAIT FREIGHT ADJUSTMENT TRUST FUND AMENDMENT BILL 1985

### Purpose

This Bill provides for consequential amendments to the Bass Strait Freight Adjustment Trust Fund Act 1984 arising from parallel amendments being made to the Bass Strait Freight Adjustment Levy Act 1984. Those amendments increase the amount of adjustment levy on Bass Strait crude oil from 1 January and 1 March 1985 and thereafter express the amount of levy as a fixed 65 per cent of the special freight allowance component in the import parity price of Bass Strait crude oil. The present Bill provides for automatic transfer to the Trust Fund of levy collected and paid into consolidated revenue.

The Bill also provides for the reimbursement to crude oil producers of levy payments made in respect of domestic free market sales since 1 January 1985, when the Government's partial allocation scheme for Bass Strait crude oil came into operation. This maintains the position that only levy payments on domestic sales within the allocation system are disbursed among refiners.

The Bill further amends the procedures for calculating the percentage due to each refiner of monthly disbursements from the Trust Fund. These amendments are necessary because of the major change in the pattern of movements of allocated Bass Strait crude oil following the closure in February 1985 of BP's refinery at Westernport. They provide for disbursements from the Trust Fund to be calculated with reference to a base period of the most recent six months, instead of thirty months as previously. This will allow the changed pattern of movements to be reflected immediately in disbursements.

Additional minor amendments also give effect to the provisions of the Sex Discrimination Act 1984.

## NOTES ON THE CLAUSES OF THE BILL

### Clause 1

#### Short title

This clause provides for the short title of the legislation and refers to the Bass Strait Freight Adjustment Trust Fund Act 1984 as being the Principal Act.

### Clause 2

#### Commencement

This clause indicates the dates on which respective provisions of the legislation will come into operation.

### Clause 3

#### Interpretation

The Act is amended by clause 3 to provide for the calculation of disbursements from the Trust Fund to refiners with reference to the most recent six months instead of thirty months as previously.

### Clause 4

#### Application of Freight Adjustment Fund

Paragraph (ba) is incorporated in section 6 of the Act to provide reimbursement to oil producers of the amount of adjustment levy paid in respect of Bass Strait crude oil sold in Australia outside the Crude Oil Allocation Scheme.

## Clause 5

### Amounts payable to producers

Section 7 of the Act is amended by clause 5 to allow disbursement to producers in respect of specific crude oil sales, as defined in clause 4, at the rate relevant for a particular month.

## Clause 6

### Amounts payable to refiners

Clause 6 redefines the meaning of C in Section 8 of the Act, consequent to the amendment introduced by clause 4.

## Clause 7

### Calculation of refiners percentage of monthly payments

This clause amends section 9 of the Act so that full effect is given to the amendment outlined in clause 3 whereby the calculation of disbursements to refiners will be based on the most recent six months' crude oil movements as redetermined by the Minister for March 1985 and each successive month.

## Clause 8

### Formal amendments

This clause provides for minor drafting changes which give effect to provisions of the Sex Discrimination Act 1984.