1990

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

CATTLE INDUSTRY LEGISLATION (CONSEQUENTIAL PROVISIONS) BILL 1990

EXPLANATORY MEMORANDUM

(Circulated by authority of the Minister for Primary Industries and Energy, the Honourable John Kerin MP)

CATTLE INDUSTRY LEGISLATION (CONSEQUENTIAL PROVISIONS) BILL 1990

OUTLINE

The Cattle Industry Legislation (Consequential Provisions) Bill amends several Acts as a consequence of the revised levy and charge arrangements for the cattle and beef industry. These revised arrangements are imposed under the Cattle Transaction Levy Bill 1990, the Beef Production Levy Bill 1990 and the Cattle Export Charge Bill 1990.

The effects of the amendments to the <u>Australian Meat and Live-stock Corporation Act 1977</u> and the <u>Australian Meat and Live-stock Research and Development Corporation Act 1985</u> are to allow the Corporations to make recommendations to the Minister on the rates of levy and charge under the new arrangements, to allow payment to the Corporations of revenue collected under the revised arrangements and to divide the register of livestock producers, which determines voting rights at the industry's annual general meeting, into a cattle producers' register and a register of producers of livestock other than cattle. The amendments also provide for an annual payment to the Commonwealth by the Australian Meat and Live-stock Corporation of the cattle industry's contribution under the <u>Exotic Animal Disease</u> Control Act 1989.

The amendments to the <u>Exotic Animal Disease Control Act 1989</u> provide for the payment by the Australian Meat and Live-stock Corporation of the cattle industry's contribution into the Exotic Animal Disease Preparedness Trust Account.

The amendments to the <u>Live-stock Slaughter Levy</u>
<u>Collection Act 1964</u> provide for the payment into the
National Cattle Disease Eradication Trust Account of
revenue collected under the <u>Cattle Transaction Levy Bill</u>
1990 for that purpose.

FINANCIAL IMPACT STATEMENT

The total revenue collected under the new arrangements will be approximately equal to that collected under the current arrangements.

Since the introduction of cost recovery for levy and charge collection in 1988, the Commonwealth is reimbursed for expenses incurred. Consequently there will be no net effect to revenue in the implementation of this legislation.

NOTES ON CLAUSES

Clause 1: Short title

1. The Act will be called the <u>Cattle Industry</u> <u>Legislation (Consequential Provisions) Act 1990</u>.

Clause 2: Commencement

2. Provides for commencement of the legislation on 1 January 1991.

Clause 3: Consequential amendments of cattle industry legislation

3. Provides that the Australian Meat and Live-stock Corporation Act 1977, Australian Meat and Live-stock Research and Development Corporation Act 1985, Exotic Animal Disease Control Act 1989, and Live-stock Slaughter Levy Collection Act 1964 are to be amended as set out in the Schedule.

SCHEDULE - CONSEQUENTIAL AMENDMENTS OF CATTLE INDUSTRY LEGISLATION ACTS

Australian Meat and Live-stock Corporation Act 1977

Subsection 5(1)

4. Amends the definition of "register" to take account of the amendment to section 30J, which divides the producer register into a cattle producers' register and a register of producers of livestock other than cattle, and adds a definition of "cattle producer" to the Act.

Paragraph 7(e)

5. Amends the functions of the Corporation to include the making of recommendations to the Minister with respect to the making of regulations prescribing rates of levy or charge for AMLC purposes under the <u>Cattle</u> <u>Transaction Levy Bill 1990</u>, the <u>Beef Production Levy Bill 1990</u> and the <u>Cattle Export Charge Bill 1990</u>.

Paragraph 30B(2)(b)

6. Adds recommendations concerning the <u>Cattle Transaction Levy Bill 1990</u>, the <u>Beef Production Levy Bill 1990</u> and the <u>Cattle Export Charge Bill 1990</u> to the requirement that the Corporation shall, not less than 70 days before an annual general meeting of the industry is to be held, publish in the <u>Gazette</u> particulars of any recommendations the Corporation proposes to make to the Minister concerning rates of levy or charge.

Subparagraph 30B(4)(d)(i)

7. Provides that motions at the industry annual general meeting relating to the rate of levy or charge under the Cattle Transaction Levy Bill 1990, the Beef Production Levy Bill 1990 and the Cattle Export Charge Bill 1990 are dealt with in the same manner as existing levy and charge matters. All levy and charge recommendations must be debated and voted upon at the meeting.

Section 30BA

8. Provides that a person may not move a motion at the annual general meeting relating to the making of regulations prescribing rates of levy or charge for cattle under the <u>Live-stock Slaughter Levy Act 1964</u> or the <u>Live-stock Export Charge Act 1977</u> while the new arrangements are operational, or to the making of regulations prescribing rates of levy or charge under the <u>Cattle Transaction Levy Bill 1990</u>, the <u>Beef Production Levy Bill 1990</u> or the <u>Cattle Export Charge Bill 1990</u> should the Minister make a declaration that these levies or charge are to be set to zero.

Paragraph 30C(3)(b)

9. Amends the paragraph to take account of the amendment to section 30J, which divides the producer register into a cattle producers' register and a register of producers of livestock other than cattle. The section relates to persons on the registers providing notice to the Corporation of motions proposed to be moved at an annual general meeting.

Subsection 30D(1)

10. Amends the subsection to take account of the amendment to section 30J, which divides the producer register into a cattle producers' register and a register of producers of livestock other than cattle. The subsection requires the Corporation to give notice of the annual general meeting to persons entered on the registers.

Subsection 30D(2)

11. Amends the subsection to take account of the amendment to section 30J, which divides the producer register into a cattle producers' register and a register of producers of livestock other than cattle. The subsection provides that the Corporation is not required to circulate particulars of motions which it has received under section 30C unless the Corporation is satisfied the person proposing to move the motion is entered on one or more registers and the motion has the support of at least 50 people entered on one or more registers.

Paragraph 30F(1)(b)

12. Amends the paragraph to take account of the amendment to section 30J, which divides the producer register into a cattle producers' register and a register of producers of livestock other than cattle. The section specifies those persons eligible to attend an annual general meeting.

Subsections 30G(1) and (1A)

13. Provides that, in the case of motions put at an annual general meeting relating to the adjustment of levy rates, those persons on the register of cattle producers may only vote on those motions relating to cattle, calves and bobby calves, and those on the register of producers of livestock other than cattle may only vote on those motions relating to livestock other than cattle, calves and bobby calves.

Subsection 30G(3)

14. Provides that a person registered on more than one register is entitled to vote on all matters relating to each of those registers.

Paragraph 30G(4)(a)

15. Provides that in respect of motions other than those relating to levy and charge rates or a motion of no confidence in the Board, the votes cast by persons on the register of cattle producers and those on the register of producers of livestock other than cattle will be combined to determine a result.

Paragraph 30G(5)(a)

16. Amends the paragraph, relating to voting on levy and charge motions, to allow for those persons on the register of cattle producers to vote on those motions relating to cattle, calves and bobby calves, and those on the register of producers of livestock other than cattle to vote on those motions relating to livestock other than cattle, calves and bobby calves.

Paragraph 30G(6)(a)

17. Provides that in a motion of no confidence in the Board, the votes cast by persons on the register of cattle producers and those on the register of producers of livestock other than cattle will be combined to determine a result.

Subsection 30H(4)

18. Corrects a typographical error in the Act.

Subsections 30J(1) and (1A)

19. Provides that the current register of livestock producers will be split into two registers, one for cattle producers and one for producers of livestock other than cattle.

Subsections 30J(3) and (3A)

20. Amends the subsection to take account of subsections (1) and (1A), which divide the producer register into a cattle producers' register and a register of producers of livestock other than cattle. The subsections provide that the classes of person entitled to be entered on the registers established under subsections 30J(1) and (1A) may be specified in the regulations.

Subsection 30J(8)

21. Amends the subsection to take account of subsections (1) and (1A), which divide the producer register into a cattle producers' register and a register of producers of livestock other than cattle. The subsection provides that entry of a person on one register does not prevent their entry on another register.

Subsection 30J(9)

22. Amends the subsection to take account of subsections (1) and (1A), which divide the producer register into a cattle producers' register and a register of producers of livestock other than cattle. The section provides that the Corporation may require a person entered on a register to provide information establishing that the person is still entitled to be entered on the register or information relating to the livestock owned by that person.

Subsections 30J(11) and (11A)

23. Amends the subsection to take account of subsections (1) and (1A), which divide the producer register into a cattle producers' register and a register of producers of livestock other than cattle. The subsections provide that where a notice is issued under subsection 30J(9) and the information is not furnished to the Corporation, the Corporation may record that no livestock is owned by the person.

Subsection 30J(12)

24. Amends the subsection to take account of subsections (1) and (1A), which divide the producer register into a cattle producers' register and a register of producers of livestock other than cattle. The subsection provides that the taking of action by the Corporation under subsection 30J(10) or (11) does not imply that the Corporation may not also take action under the other subsection.

Section 30L

25. Amends the paragraph to take account of the amendment to section 30J, which divides the producer register into a cattle producers' register and a register of producers of livestock other than cattle. The section provides that the Corporation must calculate the cost incurred by the Corporation in establishing and maintaining the registers and inform the Australian Meat and Live-stock Research and Development Corporation (AMLRDC) of this cost. This is so the AMLRDC can share in the cost of establishing and maintaining the registers.

Subsection 34(1)

26. Amends the subsection to provide that the Corporation shall be paid out of the Consolidated Revenue Fund amounts equal to the amounts of levy and charge collected for AMLC purposes under the <u>Cattle Transaction Levy Bill 1990</u>, the <u>Beef Production Levy Bill 1990</u> and the <u>Cattle Export Charge Bill 1990</u>.

<u>Subsection 34(4), (5) and (6)</u>

27. Provides that amounts referred to in subsection 34(1) include amounts received from intermediaries described in section 6 of the <u>Cattle and Beef Levy Collection Bill 1990</u> and amounts payable by way of penalty under that Bill.

Section 34A

28. Provides that the Corporation shall pay a prescribed amount to the Commonwealth for the purposes of the Exotic Animal Disease Control Act 1989. This annual payment will replace the component collected from the cattle industry under the Live-stock Slaughter Levy Act 1964. The section specifies that the Commonwealth shall not prescribe an amount unless members of the Exotic Animal Disease Preparedness Consultative Council nominated by the National Farmers' Federation have made a recommendation to the Minister in this respect, and regulations shall not be made prescribing an amount greater than the amount last recommended.

Subparagraph 37(1)(aa)(i)

29. Amends the subparagraph to take into account the levy and charge mechanisms established under the <u>Cattle Transaction Levy Bill 1990</u>, the <u>Beef Production Levy Bill 1990</u> and the <u>Cattle Export Charge Bill 1990</u>. The subparagraph provides that the Commonwealth may recover the costs incurred in collecting the levies and charge.

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<u>Australian Meat and Live-stock Research and Development</u> Corporation Act 1985

Paragraph 6(e)

30. Amends the functions of the Research and Development Corporation to include the making of recommendations to the Minister with respect to the making of regulations prescribing rates of levy and charge for AMLRDC purposes under the <u>Cattle Transaction Levy Bill 1990</u>, the <u>Beef Production Levy Bill 1990</u> and the <u>Cattle Export Charge Bill 1990</u>.

Subsection 21(1)

31. Amends the definition of "register" to take account of the amendment to section 30J of the <u>Australian Meat and Live-stock Corporation Act 1977</u>, which divides the producer register into a cattle producers' register and a register of producers of livestock other than cattle.

Paragraph 22(2)(b)

32. Adds recommendations concerning the <u>Cattle</u> <u>Transaction Levy Bill 1990</u>, the <u>Beef Production Levy Bill 1990</u> and the <u>Cattle Export Charge Bill 1990</u> to the requirement that the Corporation shall, not less than 70 days before an annual general meeting of the industry is to be held, publish in the <u>Gazette</u> particulars of any recommendations the Corporation proposes to make to the Minister concerning rates of levy or charge.

Subparagraph 22(4)(d)(i)

33. Provides that motions at the industry annual general meeting relating to the rate of levy or charge under the Cattle Transaction Levy Bill 1990, the Beef Production Levy Bill 1990 and the Cattle Export Charge Bill 1990 are dealt with in the same manner as existing levy and charge matters. All levy and charge recommendations must be debated and voted upon at the meeting.

Section 22A

34. Provides that a person may not move a motion at the annual general meeting relating to the making of regulations prescribing rates of levy or charge for cattle under the <u>Live-stock Slaughter Levy Act 1964</u> or the <u>Live-stock Export Charge Act 1977</u> while the new arrangements are operational, or to the making of regulations prescribing rates of levy or charge under the <u>Cattle Transaction Levy Bill 1990</u>, the <u>Beef Production Levy Bill 1990</u> or the <u>Cattle Export Charge Bill 1990</u> should the Minister make a declaration that these levies or charge are to be set to zero.

Paragraph 23(3)(b)

35. Amends the paragraph to take account of the amendment to section 30J of the <u>Australian Meat and Livestock Corporation Act 1977</u>, which divides the producer register into a cattle producers' register and a register of producers of livestock other than cattle. The section relates to persons on the registers providing notice to the Corporation of motions proposed to be moved at an annual general meeting.

Subsection 24(1)

36. Amends the subsection to take account of the amendment to section 30J of the <u>Australian Meat and Livestock Corporation Act 1977</u>, which divides the producer register into a cattle producers' register and a register of producers of livestock other than cattle. The subsection requires the Corporation to give notice of the annual general meeting to persons entered on the registers.

Subsection 24(2)

37. Amends the subsection to take account of the amendment to section 30J of the <u>Australian Meat and Livestock Corporation Act 1977</u>, which divides the producer register into a cattle producers' register and a register of producers of livestock other than cattle. The subsection provides that the Corporation is not required to circulate particulars of motions which it has received under section 23 unless the Corporation is satisfied the person proposing to move the motion is entered on one or more registers and the motion has the support of at least 50 people entered on one or more registers.

Paragraph 26(1)(b)

38. Amends the paragraph to take account of the amendment to section 30J of the <u>Australian Meat and Livestock Corporation Act 1977</u>, which divides the producer register into a cattle producers' register and a register of producers of livestock other than cattle. The section specifies those persons eligible to attend an annual general meeting.

Subsection 27(1) and (1A)

39. Provides that, in the case of motions put at an annual general meeting relating to the adjustment of levy rates, those persons on the register of cattle producers may only vote on those motions relating to cattle, calves and bobby calves, and those on the register of producers of livestock other than cattle may only vote on those motions relating to livestock other than cattle, calves and bobby calves.

Subsection 27(3)

40. Provides that a person registered on more than one register is entitled to vote on all matters relating to each of those registers.

Paragraph 27(4)(a)

41. Provides that in respect of motions other than those relating to levy or charge rates or a motion of no confidence in the Board, the votes cast by persons on the register of cattle producers and those on the register of producers of livestock other than cattle will be combined to determine a result.

Paragraph 27(5)(a)

42. Amends the paragraph, relating to voting on levy or charge motions, to allow for those persons on the register of cattle producers to vote on those motions relating to cattle, calves and bobby calves, and those on the register of producers of livestock other than cattle to vote on those motions relating to livestock other than cattle, calves and bobby calves.

Paragraph 27(6)(a)

43. Provides that in a motion of no confidence in the Board, the votes cast by persons on the register of cattle producers and those on the register of producers of livestock other than cattle will be combined to determine a result.

Subsections 42 (1), (2) and (3)

44. Amends the subsections to provide that the Corporation shall be paid out of the Consolidated Revenue Fund amounts equal to the amounts of levy and charge collected for AMLRDC purposes under the Cattle Transaction Levy Bill 1990, the Beef Production Levy Bill 1990 and the Cattle Export Charge Bill 1990. The subsections also provide that the Commonwealth may contribute to the Corporation an amount equal to half the amount payable by the Corporation in accordance with its Act.

Subsections 42(6), (7) and (8)

45. Provides that amounts referred to in subsection 42(1) include amounts received from intermediaries described in section 6 of the <u>Cattle and Beef Levy Collection Bill 1990</u> and amounts payable by way of penalty under that Bill.

Paragraph 44(ba)

46. Amends the paragraph to take into account the levy and charge mechanisms established under the <u>Cattle Transaction Levy Bill 1990</u>, the <u>Beef Production Levy Bill 1990</u> and the <u>Cattle Export Charge Bill 1990</u>. The paragraph provides that the Commonwealth may recover the costs incurred in collecting the levies and charge.

Exotic Animal Disease Control Act 1989

Section 22

47. Provides for the payment by the Australian Meat and Live-stock Corporation of the cattle industry contribution into the Exotic Animal Disease Preparedness Trust Account.

Section 24

48. Provides that on the closing of the Trust Account on 30 December 1995, the cattle industry's share of unspent funds will be paid to the Australian Meat and Live-stock Corporation.

Live-stock Slaughter Levy Collection Act 1964

Section 108

49. Amends the section to provide that the Commonwealth shall pay out of the Consolidated Revenue Fund amounts equal to the amounts of levy collected for National Cattle Disease Eradication purposes under the <u>Cattle Transaction Levy Bill 1990</u>.

Section 10C

50. Amends the paragraph to take into account the levy mechanism established under the <u>Cattle Transaction Levy Bill 1990</u>. The paragraph provides that the Commonwealth may recover the costs incurred in collecting the levy.





