

1988

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

CUSTOMS TARIFF (URANIUM CONCENTRATE EXPORT DUTY)
AMENDMENT BILL 1988

EXPLANATORY MEMORANDUM

(Circulated by Authority of the Minister for Industry,
Technology and Commerce, Senator the Honourable John N. Button)

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OUTLINE

This Bill proposes to increase the duty on exported uranium concentrate mined in the Alligator Rivers Region, from \$0.80 per kilogram to \$1.02 per kilogram.

The duty, which has been imposed since 1980, is in recognition of the special costs of environmental monitoring and research activities related to uranium mining in the Alligator Rivers Region. The increased rate of duty (clause 3) reflects the Government's decision, made within the 1987 Budgetary context, to move closer to recovery of the cost of this monitoring and research.

Clause 4 provides an exemption from the increased levy for Alligator River Region uranium concentrate which is loaded on to a vessel for export before the 15 September commencement date, or which forms a part of a consignment of uranium concentrate which commenced to be loaded on to a vessel for export before the commencement date.

The proposal gives effect to the Government's Budget decision announced on 15 September 1987, and is effective from 8 PM on that date.

Financial Impact Statement

The proposed increased duty is expected to raise an additional \$0.6 million during that part of the 1987-88 financial year to which it applies, and an additional \$0.9 million in a full year. At the proposed new rate, the total uranium export levy is expected to raise \$3.7 million in the 1987-88 financial year and \$4.0 in a full year. The proposed levy will now recover approximately 75% of the annual cost of the uranium related monitoring and research activities of the Office of the Supervising Scientist for the Alligator Rivers Region.

NOTES ON CLAUSES

Short Title

Clause 1 provides for the citation of the Act, and identifies the Customs Tariff (Uranium Concentrate Export Duty) Act 1980 as the principal Act being amended.

Commencement

Clause 2 provides for the Act to be deemed to have commenced at 8 PM on 15 September 1987, the time of the Government's announcement of its Budget decision to alter the rate of duty.

Rate of Duty

Clause 3 provides for the rate of duty to be increased from \$0.80 for each kilogram of uranium concentrate exported, to \$1.02 per kilogram.

Saving

Clause 4 is a standard transitional provision, and provides that the increased rate of duty will not apply to Alligator Rivers Region uranium concentrate in two instances:

- (i) where the uranium was loaded on to a vessel before the commencement of this Act (i.e. 15 September 1987) (paragraph 4(a)); and
- (ii) where the uranium was loaded on to a vessel after the commencement of the Act, but as part of a consignment which commenced to be loaded before the commencement of this Act. (paragraph 4(b))