

1989

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

CUSTOMS TARIFF (URANIUM CONCENTRATE EXPORT DUTY)
AMENDMENT BILL 1989

EXPLANATORY MEMORANDUM

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

CUSTOMS TARIFF (URANIUM CONCENTRATE EXPORT DUTY)
AMENDMENT BILL 1989

OUTLINE

This Bill proposes to increase the duty on exported uranium concentrate mined in the Alligator Rivers Region, from \$1.02 per kilogram to \$1.15 per kilogram.

The duty, which has been imposed since 1980, is in recognition of the special costs incurred by the Commonwealth for 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 position that the costs associated with protecting the environment from the potential adverse effects of uranium mining should be borne, as far as is practicable, by the industry carrying out that mining activity, and not the ordinary tax payer.

Clause 4 provides an exemption from the increased levy for Alligator Rivers Region uranium concentrate which is loaded on to a vessel for export before the commencement date.

The proposal gives effect to the Government's Budget decision announced on 23 August 1988, and is effective from 8pm on that date.

Financial Impact Statement

The proposed increased duty is expected to raise an additional \$0.8 million during 1988-89.

Based on current projected imports the levy in total will recover \$4.5 million during the 1988-89 financial year, although yearly fluctuations in exports will cause the total amount raised by the levy to vary.

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 on 8pm on 23 August 1988, 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 \$1.02 per kilogram to \$1.15 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. 23 August 1988) (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)).