

1996

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

DAIRY PRODUCE AMENDMENT BILL 1996

EXPLANATORY MEMORANDUM

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

DAIRY PRODUCE AMENDMENT BILL 1996

GENERAL OUTLINE

1. This Act amends the definitions of market milk and manufacturing milk to accord with those prescribed under the *Dairy Produce Levy (No.1) Amendment Act 1996* for the purpose of administering the dairy market support arrangements. The revised definitions reflect milk payment practices in the dairy industry and apply retrospectively from 1 July 1995, the date on which the current market support arrangements commenced.
2. This Act works in conjunction with the *Dairy Produce Levy (No.1) Act 1986*, the *Dairy Produce Levy (No.2) Act 1986* and the *Primary Industries Levies and Charges Collection Act 1991*.
3. The amendments set out in this Act and those of the *Dairy Produce Levy (No.1) Amendment Act 1996* provide the framework for the manner in which the dairy support arrangements are currently administered. These amendments are consistent with the original policy intention of the scheme.
4. This Act includes provisions which ensure that no manufacturer is legally disadvantaged by the retrospective provisions of this Act.
5. The changes to the market support arrangements constitute a minor legal correction and do not affect the administration of the scheme. Importantly, the market support arrangements remain consistent with Australia's commitments to the World Trade Organization Agreement.

FINANCIAL IMPACT STATEMENT

6. There are no direct financial implications of this Act for the Commonwealth as this legislation is designed to reflect current industry arrangements with respect to the imposition and collection of the market milk and manufacturing milk levies and the subsequent payment of domestic support.

NOTES ON INDIVIDUAL CLAUSES

Clause 1 - Short title

7. This Act will be called the *Dairy Produce Amendment Act 1996*.

Clause 2 - Commencement

8. The *Dairy Produce Amendment Act 1996* will apply retrospectively from 1 July 1995.

Clause 3 - Schedule 1

9. The *Dairy Produce Act 1986* is subsequently amended as set out in Schedule 1.

SCHEDULE 1

1. Section 103 (definition of manufacturing milk):

10. The definition of manufacturing milk is amended to include all milk either supplied to a dairy manufacturer or used on-farm to manufacture dairy produce other than that milk which receives a market milk payment.

2. Section 103:

11. Under Section 103, market milk is defined as milk supplied before 1 July 2000 for which a producer receives a market milk payment.

3. Subsection 108 (1):

12. This section of the Act applies only to manufacturing milk and does not apply to milk which receives a market milk payment.

4. Transitional:

13. If a manufacturer submits a return to the Australian Dairy Corporation before enactment of this Act and that return complies with the legislation prescribed under the *Dairy Produce Amendment Act 1995* but fails to comply with the legislation of this Act, then that manufacturer is not guilty of an offence under section 113 of the *Dairy Produce Act 1986*.

