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THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

EXPORT INSPECTION (SERVICE CHARGE) AMENDMENT BILL 1988

EXPORT INSPECTION CHARGES COLLECTION AMENDMENT BILL 1988

EXPLANATORY MEMORANDUM

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

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EXPORT INSPECTION (SERVICE CHARGE) AMENDMENT BILL 1988

EXPORT INSPECTION CHARGES COLLECTION AMENDMENT BILL 1988

OUTLINE

These Bills amend the <u>Export Inspection</u> (Service Charge) <u>Act 1985</u> and the <u>Export Inspection Charges Collection Act 1985</u> to provide greater flexibility for the recovery of costs incurred in providing export inspection services.

2. The Export Inspection (Service Charge) Act 1985 imposes a charge on the provision of an export inspection service at an establishment which is registered for the preparation of food and primary produce for export. Increasingly inspection services are provided at places that are not registered ('an external export inspection service'). The Export Inspection (Service Charge) Amendment Bill will allow effective recovery of the costs of these external export inspection requirements upon the exporter. External export inspection services would normally be performed to assist the exporter by providing certification required by the importing country, rather than to ensure compliance with Australian export controls.

3. The principal purpose of the Export Inspection Charges Collection Amendment Bill is to enable charge to be imposed in relation to export inspection of fruit, vegetables, live animals and animal reproductive material. This will allow the Government to use the most effective legislative means to recoup inspection costs. The Bill also makes other amendments, consequential to the Export Inspection (Service Charge) Amendment Bill outlined above.

FINANCIAL IMPLICATIONS

4. The Bills will have a minor financial impact upon the cost to industry and the Commonwealth's recoupment of inspection costs, but in the main any charges introduced will simply replace cost recovery measures that currently apply. EXPORT INSPECTION (SERVICE CHARGE) AMENDMENT BILL 1988

Notes on Clauses

Clause 1 - Short title etc

5. Subclause 1(1) gives the name of the amending Act. Subclause 1(2) identifies the Act being amended as the <u>Export Inspection (Service Charge) Act 1985</u>, to be referred to as the "Principal Act".

Clause 2 - Commencement

6. Commencement will be by Proclamation.

Clause 3 - Imposition of charge

7. This clause inserts new subsections (3) and (4) in section 6 of the Principal Act. Subsection (3) imposes charge on the provision of an external export inspection service in relation to a prescribed commodity specified in the regulations. Subsection (4) allows regulations to exempt a person or class of persons requesting an external inspection service from charge imposed by subsection (3).

Clause 4 - Rates of charge

8. This clause inserts in section 7 of the Principal Act a new subsection (2), which provides for the rate of charge in relation to an external export inspection service to be specified by regulation, (calculated by reference to the time spent providing the service in relation to the prescribed commodity).

Clause 5 - By whom charge payable

9. This clause inserts a new subsection (2) in section 8 of the Principal Act, which provides that charge for the provision of an external export inspection service is payable by the person who requests the inspection service. Notes on Clauses

Clause 1 - Short title etc

10. Subclause 1(1) gives the name of the amending Act. Subclause 1(2) identifies the Act being amended as the Export Inspection Charges Collection Act 1985, to be referred to as the "Principal Act".

Clause 2 - Commencement

11. Commencement will be when the Export Inspection (Service Charge) Amendment Bill 1988 is proclaimed to commence.

Clause 3 - Interpretation

- 12. The definition of "prescribed commodity" in section 3 of the Principal Act is amended to allow the imposition of export inspection charges on fruit, vegetables, live animals and animal reproductive material.
- 13. Two new definitions have been included as a consequence of amendments made to the <u>Export Inspection (Service Charge)</u> <u>Act 1985</u> by the Export Inspection (Service Charge) <u>Amendment Bill 1988:</u>

"external export inspection service" is an export inspection service provided at a place which is not an registered export establishment; and

"requester" is the person who requests an external export inspection service.

Clause 4 - Provision of export inspection services

14. This clause repeals section 3A of the Principal Act and inserts a new section 3A, revising the description of when an export inspection service has been provided. Under the old section 3A, an export inspection service is provided when an authorized officer attends an export registered establishment for the purposes of the Export Control Act 1982 or export control orders made pursuant to that Act. New section 3A provides that an export inspection service is also provided when an authorized officer attends another place in response to a request for a person for the purposes of the Export Control Act 1982 or export control orders made pursuant to that Act.

Clause 5 - Returns in respect of service charge

15. This clause inserts a new subsection 6A(2) in the Principal Act, which provides that where an external export inspection service is provided during any month, the person who requested the service is required to submit a return to the Secretary which contains the particulars required by the regulations.

Clause 6 - Records to be kept

- 16. Paragraph (a) of this clause replaces subsection 9(1A) of the Principal Act with a new subsection which requires a person to keep such records as are necessary to enable the person to prepare the returns required by section 6A.
- 17. Paragraph (6) amends subsection 9(2) of the Principal Act to require, as appropriate, the exporter, the registered occupier of establishment or the person requesting an export inspection service to keep records from which returns are prepared for at least 3 years.

Clause 7 - Saving of Regulations

18. This clause saves existing regulations made for the purposes of section 3A by deeming them to have effect as if they had been made for the purposes of the new section 3A inserted in the Principal Act by clause 4 of the Bill.





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