

1995

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

LIVE-STOCK EXPORT CHARGE AMENDMENT BILL 1995

EXPLANATORY MEMORANDUM

(Circulated by authority of the Minister for Primary Industries and Energy, Senator the
Honourable Bob Collins)



LIVE-STOCK EXPORT CHARGE AMENDMENT BILL 1995**OUTLINE**

1. The *Live-stock Export Charge Act 1977* imposes a charge on the export from Australia of sheep, lambs, buffalo, and goats, on a per head basis. This Bill amends the *Live-stock Export Charge Act 1977* by introducing a component of the levy which is to fund the Meat Industry Council, which is to be offset by a reduction in the marketing component. In relation to this, the Meat Industry Council will take over the role for making recommendations on rates of this charge to the Minister from the Australian Meat and Live-stock Corporation and the Meat Research Corporation.
2. This Bill also amends the *Live-stock Export Charge Act 1977* by paying moneys equal to the marketing and research components of the levy on the export of buffalo to the Rural Industries Research and Development Corporation (RIRDC). The Australian Meat and Live-stock Corporation and the Meat Research Corporation have previously been paid these moneys, but the buffalo industry, being a relatively small industry in Australia, believes that RIRDC would be better able to meet its needs.

FINANCIAL IMPACT STATEMENT

3. The new component of the levy to fund the Meat Industry Council will be drawn from the Australian Meat and Live-stock Corporation's existing levy component such that the net increase to revenue is neutral.
4. Since the introduction of cost recovery for levy and charge collection in 1988 the Commonwealth has been reimbursed for expenses incurred. Consequently there will be no net effect to revenue in the implementation of this legislation. The Meat Industry Council's new component is expected to reflect the expenditure on functions that the Meat Industry Council is taking over from the Australian Meat and Live-stock Corporation and Meat Research Corporation.

NOTES ON CLAUSES

Clause 1 - Short Title

5. Provides for the Act to be called the *Live-stock Export Charges Amendment Act 1995* and defines the "**Principal Act**" as the *Live-stock Export Charge Act 1977*.

Clause 2 - Commencement

6. Provides for this Act to commence on 1 July 1995.

Clause 3 - Amendments

7. Provides for the *Live-stock Export Charge Act 1977* to be amended by the Schedule.

SCHEDULE - AMENDMENTS OF THE PRINCIPAL ACT

Live-stock Export Charge Act 1977

Items 1, 2 and 3: Section 4 - Interpretation

8. Deletes definition "**cattle**" and reference to cattle in "**live-stock**" as they relate to a section to be removed from the Act because there will no longer be scope to include this species under this Act (see Section 7A).
9. Deletes definition "**Corporation**", inserting in its place a more specific definition "**Australian Meat and Live-stock Corporation**" for clarity. Adds definitions "**Meat Industry Council**" and "**Meat Research Corporation**" which update references in the Act in respect to these statutory meat industry authorities.

Item 4: Section 7 - Rate of charge on export of cattle/ Section 7A - Minister may declare that amendments are taken not to have been made/ Sections 8 to 11 - Rate of charge on the export of sheep, lambs, buffaloes and goats

10. This amendment to Section 7 provides for the removal of the rate for cattle exported as it is no longer operative (see Section 7A).
11. This amendment to Section 7A provides for the removal of the mechanism to revert to the earlier arrangement where cattle, calves and bobby calves exported were also covered by this Act.
12. Amendments to Sections 8 to 11 provide the introduction of a component of the levy on sheep, lambs and goats, which is to fund the Meat Industry Council. Subsections 8(b) and (c), 9(b) and (c), 10(b), (c) and 11(b) and (c) are all amended to update references to the names of the relevant statutory meat authorities, the Australian Meat and Live-stock Corporation and Meat Research Corporation.

13. Amendments to these Sections also provide for marketing and research components of the charge on the export of buffalo to now be paid to the Rural Industries Research and Development Corporation.

Item 5: Section 13 - Regulations

14. Amendment to this Section provides, in respect of making regulations, for the Meat Industry Council to take over the role for making recommendations on rates of the levy to the Minister from the Australian Meat and Live-stock Corporation and the Meat Research Corporation. Regulations may only be made for Meat Industry Council, AMLC or MRC purposes if there is a Meat Industry Council recommendation on the rate of levy.

Item 6: Application

15. This provides for amendments made by the Schedule to apply to charges incurred after 30 June 1995.