

1995

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

SENATE

LIVE-STOCK SLAUGHTER LEVY AMENDMENT BILL 1995

EXPLANATORY MEMORANDUM

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

THIS MEMORANDUM TAKES ACCOUNT OF AMENDMENTS MADE BY THE
HOUSE OF REPRESENTATIVES TO THE BILL AS INTRODUCED



LIVE-STOCK SLAUGHTER LEVY AMENDMENT BILL 1995

OUTLINE

1. The *Live-stock Slaughter Levy Act 1964* imposes a rate of levy on the slaughter of sheep, lambs, buffalo, and goats, on a per head basis. This Bill amends the *Live-stock Slaughter Levy Act 1964* by introducing a component of the levy which is to fund the Meat Industry Council, but which is to be offset by a reduction of 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 Slaughter Levy Act 1964* by paying moneys equal to the marketing and research components of the levy on the slaughter 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 Slaughter Levy Amendment Act 1995* and defines the "**Principal Act**" as the *Live-stock Slaughter Levy Act 1964*.

Clause 2 - Commencement

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

Clause 3 - Amendments

7. Provides for the *Live-stock Slaughter Levy Act 1964* to be amended by the Schedule.

SCHEDULE - AMENDMENTS OF THE PRINCIPAL ACT

Live-stock Slaughter Levy Act 1964

Items 1, 2, 3 and 4: Section 4 - Interpretation

8. Deletes definitions "**bobby calf**", "**bovine animal**", "**calf**" and "**cattle**" and reference to these 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 6G).
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.
10. Renumbers the second occurring subsection 4(2) to clear an earlier misnumbering.

Item 5: Section 6 - Rate of levy on slaughter of cattle

11. This amendment repeals this section, providing for the removal of the rate for cattle slaughtered as it is no longer operative (see Section 6G).

Item 6: Sections 6A to 6D - Rate of levy on slaughter of sheep, lambs, buffaloes and goats

12. Amendments to these Sections provide the introduction of a component of the levy on sheep, lambs and goats, which is to fund the Meat Industry Council. Subsections 6A(b) and (c), 6B(b) and (c), 6C(b), (c) and 6D(b) and (c) update reference to the Australian Meat and Live-stock Corporation and Meat Research Corporation.
13. Amendments to these Sections also provide for the research component of the levy on the slaughter of buffalo to now be paid to the Rural Industries Research and Development Corporation.

Item 7: Sections 6E and 6F - Rate of levy on slaughter of calves and bobby calves/ Section 6G - Minister may declare that amendments are taken not to have been made

14. These amendments repealling Sections 6E and 6F provide for the removal of the rates for calves and bobby calves slaughtered as it is no longer operative (see Section 6G).
15. This amendment repealling Section 6G provides for the removal of the mechanism to revert to the earlier arrangement where cattle, calves and bobby calves slaughtered were also covered by this Act.

Item 8: Section 8 - Regulations

16. 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 9: Section 9 - Cessation of operation of certain provisions

17. This amendment repeals this section, providing for the removal of the Exotic Animal Disease levy (EXANDIS) sunset provision from this Act, which becomes effective on 30 June 1995.

Item 10: Application

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