

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

PRIMARY INDUSTRIES AND ENERGY LEGISLATION  
AMENDMENT (NO.2) BILL 1995

EXPLANATORY MEMORANDUM

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

**PRIMARY INDUSTRIES AND ENERGY LEGISLATION AMENDMENT  
BILL (NO.2) 1995**

**GENERAL OUTLINE**

1. The purpose of this bill is to amend the *Export Inspection (Quantity Charge) Act 1985* to omit provisions which prevent charges being imposed under this Act and the *Export Inspection (Service Charge) Act 1985* for product in respect of which an export permit is granted. The amendments to the *Export Inspection (Quantity Charge) Act 1985* will also allow a quantity charge being imposed on fish exports.
2. These amendments will allow for a system of fees and charges to be instituted which are in accordance with industry wishes.
3. The amendments to the *Wool International Act 1993* make provision for the regulations to specify an amount below which Wool International is not required to automatically register wool tax payments. However, provision is made for a person to ask Wool International in writing to register their payments.
4. In addition, amendments will also provide that where Wool International has details about a person who has paid wool tax imposed on carpet wool, the Australian Wool Research and Promotion Organisation may, with the consent of the person, request Wool International to allow the Organisation access to that information, or a copy of, or an extract from that information. Wool International must comply with the request.
5. This bill will also amend the *Australian Wool Research and Promotion Organisation Act 1993* to delete the restriction on Board meetings of the Organisation being held only "within Australia". It is proposed that any meetings held outside Australia will be held in conjunction with meetings of the Board of the International Wool Secretariat which, in any case, the Board members would be attending.
6. The amendment to the *Australian Wool Research and Promotion Organisation Act 1993* also provides that the sum of the amounts paid to the Organisation by the Commonwealth as a matching payment for R&D expenditure must not exceed the total of the amounts paid to the Organisation under section 49 and subsections 55(2) and (4).
7. The amount paid to the Organisation in a financial year must not exceed 0.5% of the total amount that the Minister determines to be the gross value of shorn wool produced in Australia in the financial year.

**FINANCIAL IMPACT STATEMENT**

8. The amendments to the *Export Inspection (Quantity Charge) Act 1985* and the *Wool International Act 1993* will not impose any additional costs on the Commonwealth. There will not be any additional costs to the Commonwealth of allowing the Board of the Australian Wool Research and Promotion Organisation to meet outside Australia.
9. There will be minimal effect from the changes to enable the Commonwealth to match expenditure of wool-tax collections for research and development, without restricting the matching payments to collections that are made within the financial year. It is not expected to lead to any significant change to the existing level of expenditure but it will allow the Commonwealth to match expenditure of tax collections in a year subsequent to that in which the collection was made.

## **NOTES ON CLAUSES**

### **Clause 1 - Short title**

10. This clause provides for the Act to be called the Primary Industries and Energy Legislation Amendment Act (No. 2) 1995.

### **Clause 2 - Commencement**

11. This clause provides for the Act to come into effect on the day it receives Royal Assent.

### **Clause 3 - Amendments**

12. This clause provides that the Acts referred to in the Schedules are amended as set out in the Schedules and the other items in the Schedules have effect according to their terms.

## **SCHEDULE 1**

### **EXPORT INSPECTION (QUANTITY CHARGE) ACT 1985**

#### **Item 1: Subsections 6(1A), (1B) and (1C)**

13. This item omits subsections 6(1A), (1B) and (1C) of the *Export Inspection (Quantity Charge) Act 1985* which specify circumstances in which charges cannot be imposed under this Act if charges have been imposed under the *Export Inspection (Service Charge) Act 1985* for product in respect of which an export permit has been issued.

#### **Item 2: Paragraph 6(1E)(p)**

14. This item omits subsection 6(1E)(p) of the *Export Inspection (Quantity Charge) Act 1985* which lists fish as a product for which a charge cannot be imposed under the Act.

#### **Item 3: Application**

15. This item provides for the amendments to apply in relation to export permits granted after the commencement of this item.

**SCHEDULE 2****WOOL INTERNATIONAL ACT 1993****PART 1 - SMALL TAXPAYERS****Item 1: Subsection 64(1)**

16. Wool International currently must send a wool tax record to each person who has paid tax imposed by the Wool Tax Acts, subject to subsection 66(2) (see item 3). This item amends that requirement so that Wool International must send a record to each person whose name is in the register of wool-tax payers kept by Wool International at the time when the regulations require the record to be sent.

**Item 2: Subsection 64(4)**

17. This item omits the existing statement that "It is sufficient compliance with subsection (1) if wool tax records are sent to all persons whose names are in the register kept under section 66 at a time when the regulations require wool tax records to be sent". This will be covered by the amendment in Item 1.

**Item 3: Subsections 66(1) and (2)**

18. This item inserts a note to explain that the operation of these two subsections is modified by subsection (5) which deals with small taxpayers. The effect of this is covered in item 4.

**Item 4: Section 66**

19. This item inserts new subsections (5), (6) and (7) in section 66. The amendments allow a regulation to be made prescribing the value of a transaction below which Wool International will not have to automatically record the tax payment on the register.
20. However, if a person asks Wool International to include such a payment on the register, Wool International must do so. A request may relate to payments made between the date of the regulation and the time of the request.

**PART 2 - CARPET WOOL****Item 5: After section 66, Carpet wool-tax payers**

21. This clause provides that if Wool International has information about a person who has paid wool tax imposed on carpet wool, the Australian Wool Research and Promotion Organisation (AWRAP) may, with the consent of the person, request Wool International to allow the Organisation access to that information, or

provide the Organisation with a copy of, or an extract from, that information. Wool International must comply with the request. The information obtained may only be used to determine the tax-payer's eligibility to attend an AWRAP annual general meeting and to determine their voting rights.

### **SCHEDULE 3**

## **AUSTRALIAN WOOL RESEARCH AND PROMOTION ORGANISATION ACT 1993**

### **PART 1 - MEETINGS**

#### **Item 1: Subsection 35(1)**

22. This item omits "within Australia" in relation to the holding of Board meetings by the Australian Wool Research and Promotion Organisation (AWRAP). This will facilitate future Board meetings being held in conjunction with Board meetings of the International Wool Secretariat (IWS), whose operations are being combined with those of the Organisation. All AWRAP Board Members are Members of the IWS Board.

### **PART 2 - MATCHING COMMONWEALTH PAYMENTS**

#### **Item 2: Subsection 55(2)**

23. This item omits the existing provision relating to total Commonwealth payments to the Organisation within a financial year and replaces it with a provision that the sum of the amounts paid to the Organisation must not exceed the total of the amounts paid to the Organisation under section 49 and subsections 52(2) and (4). This will allow wool tax collected for research and development in one year, but not spent in that year, to be rolled over to later years and receive a matching Commonwealth contribution. The amount paid to the Organisation in a financial year must not exceed 0.5% of the total amount that the Minister determines to be the gross value of shorn wool produced in Australia in the financial year.





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