
1991

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

RICE LEVY BILL 1991

EXPLANATORY MEMORANDUM

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

RICE LEVY BILL 1991GENERAL OUTLINE

The Rice Levy Bill 1991 gives effect to the establishment of funding for a rice research scheme. The Government established a policy of encouraging increased contributions by primary industry for rural research. The Government made a commitment to continue matching expenditure of approved industry levies on a dollar for dollar basis. This was reaffirmed in the May 1989 Government statement, "Research Innovation and Competitiveness". The Bill provides for the imposition of a levy on rice produced in Australia and delivered to a processor to finance the industry's contribution to the scheme. Regulations under the aegis of the Primary Industries Levies and Charges Collection Act 1991 will provide for collection of the levy. Other regulations, under the Primary Industries and Energy Research and Development Act 1989 will attach the levy to the Rural Industries Research and Development Corporation and provide the administrative infrastructure for the scheme. The legislation is similar in content to Levy Acts already in operation for other rural industries.

2. The levy will apply to rice produced in Australia and delivered to a processor of rice. The levy will take effect after the Bill receives Royal Assent. The varieties of rice to which the levy applies are specified in the Schedule attached to the legislation. There is provision to alter the varieties of rice covered by the scheme by regulations authorised by the Governor-General having regard to recommendations made to the Minister for Primary Industries and Energy by a rice industry body.

3. The rate of the levy for each variety and the season to which the levy applies will be specified by the Minister by instrument published in the Gazette. The Minister must accept recommendations on rates of levy made by the State Rice Marketing Boards.

4. The maximum rate for any leviabale rice variety is \$2 per tonne, based on a recommendation by rice industry bodies. This can only be amended by Parliament.

5. The levy is payable by the producer.

Financial Impact Statement

6. Research expenditure under the scheme is expected to begin soon after the payment into the Fund of industry moneys. The Commonwealth will match expenditure of industry moneys from the Fund dollar for dollar up to a limit of 0.5% of the Gross Value of Production of leviabale rice. It is estimated that implications for the Budget, in terms of Commonwealth matching expenditure, are \$0.57m in 1992-93 to 1994-95. This represents the maximum amount payable by the Commonwealth Government.

NOTES ON INDIVIDUAL CLAUSESClause 1: Short Title

7. This clause provides the mode of citation of the Act.

Clause 2: Commencement

8. Clause 2 provides for the Act to commence on Royal Assent.

Clause 3: Interpretation

9. This clause provides a definition and interpretation of the terms "leviable rice", "rice industry body", "season", and "state marketing authority". Words or expressions not defined in this bill but which are defined in the Primary Industries Levies and Charges Collection Act 1991 (PILCC), covering the collection of the rice levy, have the meaning as defined in PILCC.

Clause 4: Act to bind Crown

10. This clause provides that this Bill binds the Crown in right of each of the States, Northern Territory and Australian Capital Territory.

Clause 5: Imposition of levy

11. Subclause 5(a) provides for a levy to be imposed on the varieties of rice specified in the Schedule attached to the Bill and which are produced in Australia.
12. Subclause 5(b) further specifies that the levy is imposed on the varieties of rice listed in the Schedule to the Bill which are delivered to a processor of rice, ie a levy is imposed once the two actions of being produced in Australia and being delivered to a processor occur. Subclause 5(b) also signals that levy imposition commences after the Bill receives Royal Assent.

Clause 6: Rate of levy

13. Clause 6 sets out the procedure to be followed by the Minister in setting a levy rate.
14. Subclause 6(1) provides, subject to subclause 6(6), for the rate of levy, on an amount per tonne for each variety, to be set by an instrument by the Minister.
15. Subclause 6(2) establishes a maximum levy rate.

16. Subclause 6(3) specifies two variables in the instrument, namely different rates to apply to different varieties of rice listed in the Schedule and different rates for rice harvested in different seasons.
17. Subclause 6(4) requires that the Minister accepts recommendations put forward by State Statutory Marketing Authorities.
18. Subclause 6(5) requires that a joint recommendation by relevant State Marketing Authorities for a single rate of levy is required for that rate to be set on a variety grown in more than one State, whether the variety is new to a State or all States.
19. Subclause 6(6) provides that once a levy rate has been set for a variety, the rate applies for subsequent seasons unless another rate has been specified by the Minister.
20. Subclause 6(7) specifies that recommendations may be made by agents of State Marketing Authorities.
21. Subclause 6(8) gives Parliament the right to disallow the Ministerial instrument under clause 46A of the Acts Interpretation Act 1901.

Clause 7: By whom levy payable

22. This clause establishes the liability for payment of the levy.

Clause 8: Regulations

23. Subclause 8(1) provides for the Governor-General to make Regulations under the Bill for the purposes of clause 3.
24. Subclause 8(2) provides for the Governor-General to take into consideration recommendations made to the Minister by a rice industry body, prior to making any Regulations.

Schedule to the Act

25. The schedule sets out rice varieties to which the Bill applies.

