

1997

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

CATTLE (PRODUCERS) EXPORT CHARGES BILL 1997

REPLACEMENT EXPLANATORY MEMORANDUM

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

CATTLE (PRODUCERS) EXPORT CHARGE BILL 1997

GENERAL OUTLINE

1. The purpose of this Bill is to impose charges payable by beef cattle producers on the export of cattle. The Bill will not result in any overall change in the total charge paid by producers of cattle for export under the outgoing meat and live-stock industry arrangements. The charges imposed by this Bill are complementary to levy imposed by the *Cattle Transaction Levy Bill 1997*. The Bill is one of a package of Bills which will give effect to the Government's decision on meat and live-stock industry reform.
2. Under the Bill, a charge is payable on export of cattle, but only where transaction levy has not been paid, or where expeditious export is not undertaken. The charge is payable by the producer, who is the owner of the cattle immediately prior to the export of the cattle. The charge will be collected under the provisions of the *Primary Industries Levies and Charges Collection Act 1991*.
3. The charge payments are to support the cattle producers' contribution to the new declared marketing and research bodies, also to provide continued funding to the National Cattle Disease Eradication Account (NCDEA) and the Australian Animal Health Council (AAHC) Limited.
4. The Bill allows for the operational rate of charge payable for each component to be increased or decreased by regulation. Where a body has been declared by the Minister to be the representative body for the cattle industry for a component of the charge, regulations changing that component may only be made after considering recommendations made to the Minister by that body. While the operational rates of charge may be varied by regulation, they cannot be increased beyond the maximum rate for each component set in the Bill.
5. The regulatory impact consequences for this Bill are not considered to be significant and have been covered in the Explanatory Memorandum prepared for the *Australian Meat and Live-stock Industry Bill 1997*.

FINANCIAL IMPACT STATEMENT

6. The intent of the Bill is to provide a new legislative basis for the imposition of existing cattle export charges paid by producers of cattle for export following the repeal of the *Cattle Export Charges Act 1990*. The Bill will therefore have no financial impact on either Government or the cattle industry. It takes account of the requirement for clear sectoral differentiation in industry levy collections that are a basis of the Government meat industry reforms.

NOTES ON CLAUSES

Clause 1 - Short Title

7. This clause provides for the Act to be called the *Cattle (Producers) Export Charges Act 1997*.

Clause 2 - Commencement

8. This clause provides for the Act to come into effect on the same day as Part 3 of the *Australian Meat and Live-stock Industry Act 1997* commences, which will also be the day on which the *Cattle Export Charges Act 1990* will be repealed under the provisions of the *Australian Meat and Live-stock Industry (Repeals and Consequential Provisions) Act 1997*.

Clause 3 - Definitions

9. This clause provides definitions that will assist in the interpretation of the Act.

Clause 4 - Imposition of charge

10. This clause provides for the imposition of a charge on the export of cattle (other than dairy cattle) from Australia, if cattle transaction levy under the *Cattle Transaction Levy Act 1995* has not been paid and is not payable.
11. It also provides for the imposition of a charge where cattle are held for periods in excess of those reasonably required for Australian or foreign quarantine requirements.
12. No charge is payable under this Act if cattle transaction levy has been paid, and the cattle are exported within the prescribed period.

Clause 5 - Rate of charges imposed by section 4 on export of cattle

13. This clause permits setting of prescribed operational rates, and sets maximum rates of charge payable for the specified purposes. The operational charge rate may be increased or decreased by regulation, provided the proposed amount of charge does not exceed the maximum rate, but the maximum rate can only be changed through primary legislation.

14. The reason for allowing the operational rate to be changed by regulation is to avoid imposing an unreasonable burden on the Parliament as the operational rate is open to frequent changes. In addition, delays in amending legislation can hamper industry programs.
15. Any changes to operational or maximum rates can only be made after consideration of recommendations from the prescribed industry organisation following full consultation with industry. The charge is payable on the export of each head of cattle or chargeable bobby calf.

Clause 6 - Charge payable by producer

16. This clause provides that the cattle export charge will be paid by the producer of the cattle.

Clause 7 - Regulations

17. This clause provides for the making of regulations that are authorised by the Act or needed to allow the Act to operate. It also empowers the Minister to declare a body as the representative body for the industry for the purpose of making recommendations to the Minister on the operational charge rates to be prescribed by the regulations.
18. To make such a declaration, the Minister must publish a written notice in the Gazette.
19. This clause also limits the power of the Governor-General to make regulations prescribing the operational charge rate payable. If a declaration is in place, the Governor-General may only exercise this power when acting on the advice of the Executive Council, following its consideration of recommendations made to the Minister by a body declared to be the body representing the industry for that component of the charge.

