

1992

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

COARSE GRAINS LEVY BILL 1992

EXPLANATORY MEMORANDUM

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

COARSE GRAINS LEVY BILL 1992GENERAL OUTLINE

This Bill provides for the imposition of levies on certain coarse grains to fund research. It introduces new levies for oats and cereal rye and maintains the existing levies on barley and triticale. Levy revenue will attract matching Commonwealth contributions to fund research programmes for each grain which will be administered by the Grains Research and Development Corporation (GRDC).

At present the barley and triticale research levies are imposed by separate Acts. These levy arrangements and those proposed for other coarse grains are generally only differentiated by product specific provisions. This Bill will repeal the levy Acts relating to barley and triticale and incorporate those levies in a single Act with the new levies with provision for other coarse grains to be included if recommended by the relevant growers' organisation.

Levies will be imposed on grains produced in Australia and be payable when the grain is delivered for processing. Grain used by the producer for domestic purposes, whether processed or not, will be exempt from levy.

Maximum and operative rates of each levy are specified in the Bill with provision for the operative rates to be increased by regulation on the recommendation of the relevant growers' organisation. The maximum rates may only be increased by Parliament amending the Act.

Regulations to be made under the Primary Industries Levies and Charges Collection Act 1991 will provide for collection of the levies. Other regulations under the Primary Industries and Energy Research and Development Act 1989 will attach the levies to the GRDC to enable the Corporation to administer the research programmes.

FINANCIAL IMPACT STATEMENT

Research expenditure under the new schemes for oats and cereal rye is not expected to commence until 1993/94. At the rates of levy proposed, matching Commonwealth expenditure is estimated at \$A250,000 for oats and \$A20,000 for cereal rye in a full financial year. Matching Commonwealth contributions for barley and triticale will continue at an estimated \$A3.1m and \$A90,000 respectively in 1992/93 and subsequent years.

NOTES ON INDIVIDUAL CLAUSESClause 1 : Short title

1. Provides for this Bill to be cited as the Coarse Grains Levy Act 1992.

Clause 2 : Commencement

2. Provides for the Act to commence on 1 October 1992.

Clause 3 : Interpretation

3. Provides interpretation of the terms "barley", "cereal rye", "growers' organisation", "leviable coarse grain", "leviable weight", "levy", "oats", "triticale" and "value".

Clause 4 : Interpretation - Delivery of grain

4. Defines the circumstances in which grain is taken to have been delivered by a producer and the person to whom it has been delivered.

Clause 5 : Interpretation - producer

5. Identifies the producer of grain in circumstances where ownership of the grain changes without the grain being delivered.

Clause 6 : Interpretation - words defined in the Primary Industries Levies and Charges Collection Act 1991

6. Provides that words or expressions not defined in this Bill, but which are defined in the Primary Industries Levies and Charges Collection (PILCC) Act 1991 have the same meaning as that defined in the PILCC Act.

Clause 7 : Application of regulations prescribing leviable coarse grain

7. Provides that where other grains are made subject to this Act by the making of regulations, the Act only applies to such grains delivered or processed from the date of commencement of the regulations.

Clause 8 : Act to bind Crown

8. Provides that the Act binds the Crown in right of each of the States, the Australian Capital Territory, the Northern Territory and Norfolk Island.

Clause 9 : Imposition of levy

9. Subclause 9(1) provides for imposition of levy on leviable coarse grain, (as defined in clause 3 of the Bill) produced in Australia.
10. Subclause 9(2) specifies that levy is not payable unless the producer delivers, other than for storage on behalf of the producer, or processes the grain.

Clause 10 : Rates of levy - barley and triticale

11. Continues the operative rates of levy for barley and triticale at \$0.75 and \$1.00 per tonne respectively. It also provides that these rates may be changed by regulations up to a maximum of \$5.00 per tonne.

Clause 11 : Rates of levy - other leviable coarse grain

12. Subclause 11(1) establishes the operative rates of levy for oats and cereal rye at 0.5 per cent of the value of the grain and provides that these rates may be changed by regulations up to a maximum of 5 per cent of the value of the grain.
13. Subclause 11(2) provides that where another coarse grain is added to the scheme by regulations, the rate of levy will be a percentage of the value of the grain up to a maximum of 5 per cent.

Clause 12 : By whom levy payable

14. Establishes that the producer is liable to pay the levy.

Clause 13 : Exemption from levy

15. Subclause 13(1) provides that leviable coarse grain is exempt from levy if it is processed by or for the producer and the resulting products are used by the producer for domestic purposes only.
16. Subclause 13(2) provides that regulations may exempt a specified class of a specified kind of leviable coarse grain from levy.

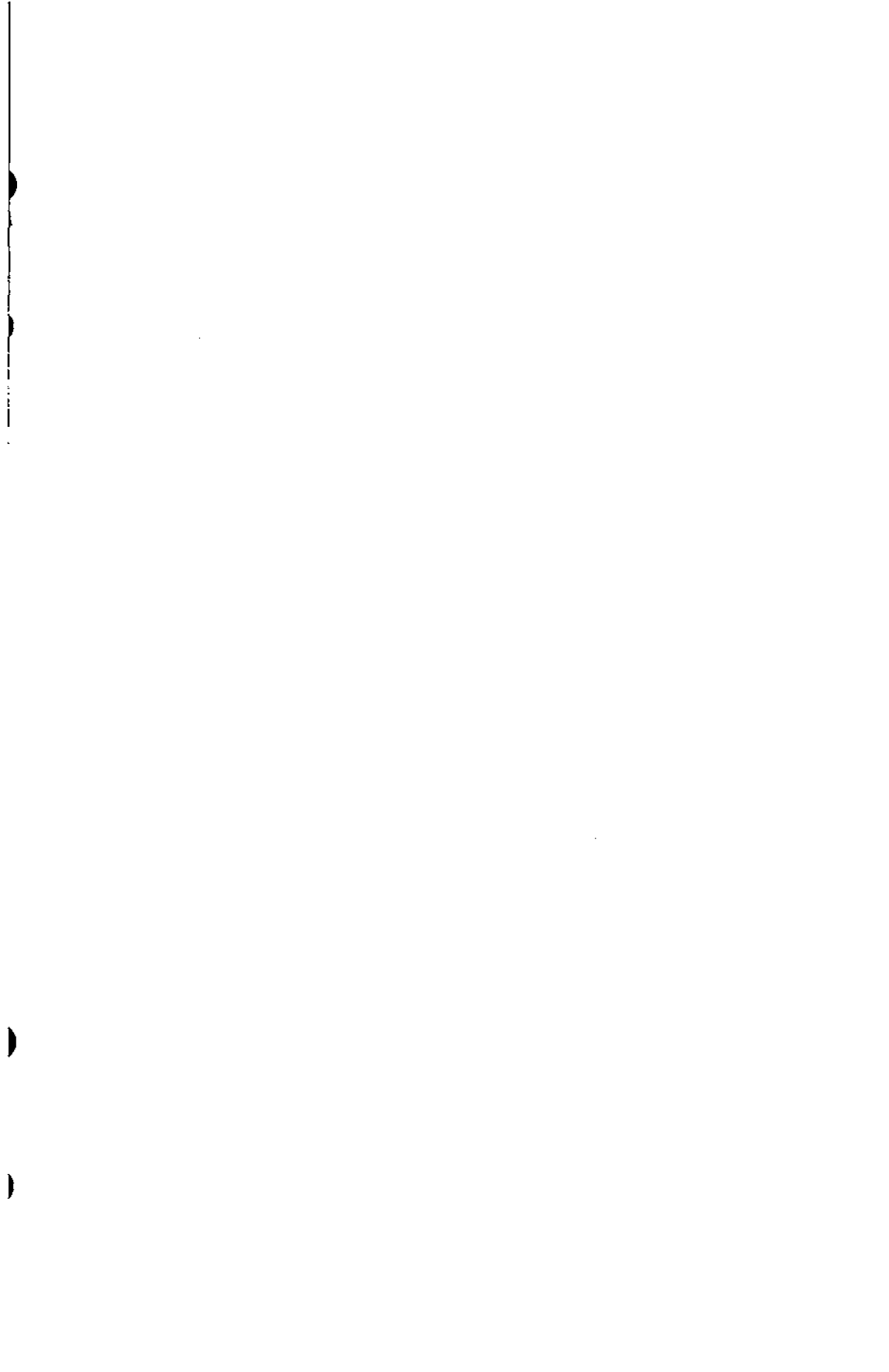
Clause 14 : Exemption from levy - triticale

17. Subclause 14(1) exempts from levy deliveries to a particular person of triticale totalling less than the leviable weight (ie. 15 tonnes as defined in clause 3).

18. Subclause 14(2) exempts from levy an amount of triticale processed in one year by the producer if it is less than the leviable weight (15 tonnes as defined in clause 3).

Clause 15 : Regulations

19. Subclause 15(1) provides a general regulation making power.
20. Subclause 15(2) requires the Governor-General to take into consideration any recommendation made to the Minister by the relevant growers' organisation before making regulations concerning certain definitions, rates of levy or exemptions from levy.





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