

1991

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

CUSTOMS TARIFF (URANIUM CONCENTRATE EXPORT DUTY)
AMENDMENT BILL 1991

EXPLANATORY MEMORANDUM

(Circulated by the authority of the Minister for Industry,
Technology and Commerce, Senator the Honourable John N. Button)



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OUTLINE

This Bill proposes to increase the duty on exported uranium concentrate mined in the Alligator Rivers region, from \$1.15 per kilogram to \$1.30 per kilogram, as from 21 February 1990.

The duty, which has been imposed since 1980, is in recognition of the special costs incurred by the Commonwealth for environmental monitoring and research activities related to uranium mining in the Alligator Rivers Region. The increased rate of duty (Clause 3) reflects the Government's position that the costs associated with protecting the environment from the potential adverse effects of uranium mining should be borne, as far as is practicable, by the industry carrying out that mining activity, and not the ordinary taxpayer.

Clause 4 provides an exemption from the increased levy for Alligator Rivers Region uranium concentrate which is loaded on to a vessel for export prior to the 21 February 1990 commencement date.

The proposed rate increase incorporates into the Act a Customs Tariff (Uranium Concentrate Export Duty) Proposal which was tabled in the House of Representatives by the Minister for Small Business and Customs on 10 May 1990, and is effective from 21 February 1990, being the date of effect of the Proposal in accordance with section 273EA of the Customs Act 1901 (Clause 2).

Financial Impact Statement

The proposed increased duty raised an additional \$0.222 million during that part of the 1989/90 financial year to which it related, and is expected to raise an additional \$0.932 million over the full 1990/91 financial year.

In the 1989/90 financial year the levy raised \$4.007 million. Between July and February of the 1990/91 financial year \$6.146 million has been raised by the levy, and based on current projected exports it is expected that a further \$1.066 million will be raised during the March - June period, giving an estimated total amount to be raised during the 1990/91 financial year of \$7.212 million.

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NOTES ON CLAUSES

Short title etc.

Clause 1 provides for the citation of the Act, and identifies the Customs Tariff (Uranium Concentrate Export Duty) Act 1980 as the Principal Act being amended.

Commencement

Clause 2 provides for the Act to be taken to have commenced on 21 February 1990, being the date of effect of the Customs Tariff (Uranium Concentrate Export Duty) Proposal tabled in the Parliament in accordance with section 273EA of the Customs Act 1901.

. Section 273EA provides a legislative mechanism for the notification in the Gazette of a proposed rate alteration to a Customs Tariff Act when the House of Representatives is not sitting.

- In this instance the date of the Gazette which notified the proposed increase in duty from \$1.15 to \$1.30 per kilogram was 21 February 1990, and that notification was tabled in the Parliament in the form of a Customs Tariff Proposal pursuant to paragraph 273EA(1)(a) on 10 May 1990.

Rate of Duty

Clause 3 provides for the rate of duty on exported uranium concentrate to be increased from \$1.15 per kilogram to \$1.30 per kilogram.

Saving

Clause 4 is a standard transitional provision, and provides that the increased rate of duty will not apply to Alligator Rivers Region uranium concentrate in two instances:

- (i) where the uranium was loaded on to a vessel before the commencement of this Act (i.e. 21 February 1990) (paragraph 4(a)); and
- (ii) where the uranium was loaded on to a vessel after the commencement of the Act, but as part of a consignment which commenced to be loaded before the commencement of this Act. (paragraph 4(b)).