

1993

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

DOMESTIC MEAT PREMISES CHARGE BILL 1993

EXPLANATORY MEMORANDUM

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

DOMESTIC MEAT PREMISES CHARGE BILL 1993

GENERAL OUTLINE

The Domestic Meat Premises Charge Bill 1993 imposes an annual charge on domestic abattoirs, knackereries, meat processing plants and animal food processing plants in those States and Territories where the Commonwealth's meat inspection agency, the Australian Quarantine and Inspection Service (AQIS), is responsible for inspecting meat produced for domestic consumption under the Meat Inspection Act 1983.

2. An annual charge is payable each financial year. A charge, equivalent to half an annual charge, is payable for the six month period from 1 January 1994 to 30 June 1994.
3. The amount of charge may be prescribed in regulations. Different amounts of charge may be prescribed for different kinds of abattoirs, knackereries, meat processing plants or animal food processing plants. However, the amount of charge prescribed must not exceed \$40,000 for abattoirs (\$20,000 in 1993/94), \$5,000 for meat processing plants, \$1,000 for knackereries and \$1,000 for animal food processing plants.
4. Persons who become liable to pay a charge other than on 1 January 1994 or 1 July of any financial year pay a pro rata charge calculated on days remaining in the relevant financial period.
5. The accredited operator of the accredited killing or processing plant pays the charge. The accredited operator is the person in whose name the domestic meat establishment is licensed, registered or otherwise approved or authorised to operate by the State or Territory.
6. In the Australian Capital Territory and in other cases where there is no accredited operator, the owner of the abattoir, knackery, meat processing plant or animal food processing plant pays the charge.

FINANCIAL IMPACT STATEMENT

7. It is estimated by AQIS that the Domestic Meat Premises Charge Bill 1993 will raise revenue of \$1.1 million in the six month period from 1 January 1994 to 30 June 1994 and \$2.2 million in the 1994/95 financial year.
8. This Bill is part of a total package of measures aimed at reforming AQIS, introducing a uniform, three tier charging regime and reducing the cost of AQIS inspection to Australian industry.
9. From 1 January 1994 the base rate per inspector charge for domestic meat inspection is planned to decrease from \$69,169 to \$65,164. It is expected that the base rate will further decrease from \$65,164 to \$59,164 from 1 July 1994. Revenue from per inspector charges for domestic meat industry is expected to fall from \$12.3 million in 1993/94 to \$9.4 million in 1994/95.
10. The revenue collected from the domestic meat premises charge and a charge on throughput at domestic meat slaughter premises (proposed to be introduced from 1 July 1994) will be offset by the planned reduction in the per inspector charge for domestic meat inspection services.

NOTES ON INDIVIDUAL CLAUSES

Clause 1 : Short title

11. The Act will be called the Domestic Meat Premises Charge Act 1993.

Clause 2 : Commencement

12. Clause 2 provides for the Act to commence on 1 January 1994.

Clause 3 : Interpretation

13. Clause 3 sets out some definitions used in the Bill.

14. The expressions "abattoir", "animal food processing plant", "knackery" and "meat processing plant" are defined and have the same meaning as in the Meat Inspection Act 1983.

15. The expression "killing or processing plant" means an abattoir, knackery, meat processing plant or animal food processing plant.

16. The expression "accredited killing or processing plant" means: (a) a killing or processing plant located in a State or Territory (other than the Australian Capital Territory) that, under a law of the State or Territory, is registered, licensed or otherwise approved or authorised to operate; or (b) a killing or processing plant located in the Australian Capital Territory that is prescribed by the regulations for the purposes of the definition; or (c) any other premises prescribed for the purposes of the definition.

17. The statutory scheme regulating slaughter and processing of meat in the Australian Capital Territory, does not fit within the general criteria set out in paragraph (a) of the definition of "accredited killing or processing plant". Abattoirs are not licensed. Instead a slaughterer obtains a permit under the Meat Act 1931 and Meat Regulations (ACT). Licences issued under the Public Health (Meat) Regulations (ACT) cover all persons who sell meat and are not restricted to killing or processing plants. For these reasons each accredited killing or processing plant in the Australian Capital Territory will be prescribed in regulations.

18. The expression "accredited operator", in relation to an accredited killing or processing plant located in a State or Territory (other than the Australian Capital Territory), means the person in whose name the plant is registered, licensed or otherwise approved or authorised under the law of the State or Territory concerned.

19. For killing or processing plants located in the Australian Capital Territory, there is no accredited operator. Clause 9(b) of the Bill applies.

20. The expression "charge criteria" has the meaning given by clause 5.

21. The expression "charge day" means the day in relation to which the charge is imposed in respect of a killing or processing plant under clause 6.

Clause 4 : Act to bind Crown

22. Clause 4 binds the Crown in right of each of the States, of the Australian Capital Territory, of the Northern Territory and of Norfolk Island.

Clause 5 : Charge criteria

23. Clause 5 describes which abattoirs, knackereries, meat processing plants and animal food processing plants on a particular day satisfy the charge criteria.

24. An abattoir, knackery, meat processing plant or animal food processing plant satisfies the charge criteria on a day if it is:

- (i) an accredited killing or processing plant; and
- (ii) located in a State or Territory to which the Meat Inspection Act 1983 extends (that is, located in a State or Territory where AQIS provides domestic meat inspection services under the Meat Inspection Act 1983); and
- (iii) not an establishment within the meaning of the Export Inspection and Meat Charges Collection Act 1985 (that is, not an export registered establishment which will pay a registration charge under the Export Inspection (Establishment Registration Charges) Act 1985).

Clause 6 : Imposition of charge

25. Clause 6 imposes a charge on abattoirs, knackereries, meat processing plants or animal food processing plants which satisfy, on a day in a financial year, the charge criteria.

26. After the 1993/94 financial year most killing or processing plant will satisfy the charge criteria on 1 July of a financial year. The charge is intended to be an annual charge.

Clause 7 : Amount of charge - financial years after 1993/4 financial year

27. Clause 7(1) provides for financial years after 1993/94 that, if the charge day is 1 July, the amount of the annual charge is the amount prescribed by the regulations.

28. Clause 7(2) sets out the amounts that the annual charge must not exceed in the case of abattoirs, meat processing plants, knackereries and animal food processing plants.

29. Clause 7(3) provides, if the charge day is any day other than 1 July, a formula for calculating the pro rata amount of the charge for the remainder of the financial year.

Clause 8 : Amount of charge - 1993/4 financial year

30. Clause 8(1) provides that, if the charge day is 1 January 1994, the amount of the half year charge is the amount prescribed by the regulations.

31. Clause 8(2) sets out the amounts that the half year charge must not exceed in the case of abattoirs, meat processing plants, knackereries and animal food processing plants.

32. Clause 8(3) provides, if the charge day is any day other than 1 January 1994, a formula for calculating the pro rata amount of the charge for the remainder of the 1993/94 financial year.

Clause 9 : By whom charge payable

33. Clause 9 provides that the charge is payable by: (a) the accredited operator of the killing or processing plant; or (b) if there is no accredited operator - the owner of the killing or processing plant.

Clause 10 : Regulations

34. Clause 10 provides power for the Governor-General to make regulations.

35. Clause 10(2)(a) will not limit paragraph 17(e) of the Export Inspection and Meat Charges Collection Act 1985 which provides power for the Governor-General to make regulations for the remission or refund of charge in specified circumstances.

36. Clause 10(2)(b) provides power to prescribe different amounts of charge for different kinds of abattoirs, knackereries, meat processing plants or animal food processing plants. Without limiting clause 10(2)(b), different amounts of charge may be prescribed for: different types of meat slaughter or processing operation carried on; different types of inspection system (including quality assurance arrangements); or on the number of units of inspection allocated by the Secretary, or requested or used by the plant.



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