

1987

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

EGG INDUSTRY RESEARCH (HEN QUOTA) LEVY COLLECTION BILL 1987

EXPLANATORY MEMORANDUM

(Circulated by authority of the Minister
for Primary Industry the Honourable John Kerin MP)

EGG INDUSTRY RESEARCH (HEN QUOTA) LEVY COLLECTION BILL 1987

OUTLINE

This Bill provides for the collection of levy imposed by the Egg Industry Research (Hen Quota) Levy Bill 1987. It enables levy to be paid in two equal instalments by the levy payer.

To facilitate collection it provides for arrangements to be made between Commonwealth and State/Territory authorities for collection by State Egg Boards or the Northern Territory on the Commonwealth's behalf. Similar arrangements operate for the collection of the existing hen levy, which ceases to apply on 30 June 1987.

Since the new levy will be paid only twice a year instead of fortnightly as is the case with the existing egg research levy (collected as a component of the hen levy), there will be minor savings in clerical costs to the Commonwealth. Costs of collection incurred by State Egg Boards will be significantly lower than for the existing hen levy.

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NOTES ON CLAUSES

<u>NO. OF CLAUSE</u>	<u>EXPLANATION</u>
1	Short title of the Act.
2	Provides for the Act to come into operation on 1 July 1987.
3	Sub-clause (1) defines terms used in the Bill. Sub-clause (2) deems levy to have been duly collected if the levy-payer (ie an egg producer with a hen quota) has paid it to the collecting authorities (in the main, State Egg Boards), or if those authorities have deducted the levy from amounts they owed the levy-payer (eg proceeds of egg sales).
4	Provides for levy to be paid in two instalments in July and January each year. Payments in the first year have been deferred to September and March to enable collection arrangements to be put fully in place after passage of the Bill.
5	Sub-clause (1) enables the Commonwealth to enter into agreements with the States and the Northern Territory for collection of levy by State Egg Boards and the Northern Territory Government on the Commonwealth's behalf. Sub-clause (2) specifies the type of arrangement which the Commonwealth and States/Northern Territory may make in such agreements.
6	Sub-clause (1) provides that when specific agreements with the States/Northern Territory are in force, quota holders are required to pay levy to the collection authority and State Egg Boards may deduct levy from amounts which the Boards owe the quota-holders. Under sub-clause (2) a hen quota licence holder's liability to pay levy is discharged when he pays it to the State/Northern Territory collection authority or when the State Egg Board deducts it from amounts owing to him. Sub-clause (3) excludes collections by State/Northern Territory authorities from provisions of the Audit Act 1901. Collections made by them will be subject to audit under State or Territory legislation. Sub-clause (4) subjects collections to Commonwealth audit from the time they are paid to the Commonwealth.

- 7 Sub-clause (1) defines an "authorised person", who will have a limited authority to remit penalties for non-payment of levy.
- Sub-clause (2) applies a penalty to amounts of levy unpaid by the due date.
- Sub-clause (3) empowers the Minister or an authorised person to remit penalty in cases where this is warranted.
- Sub-clause (4) limits the amount of penalty an authorised person can remit.
- Sub-clauses (5), (6) and (7) provide for appeals to be made to the Administrative Appeals Tribunal on adverse decisions regarding remission of penalty.
- 8 This clause gives the Commonwealth the power to recover levy money, or penalty money for late payment, from licensed hen quota holders or collection authorities.
- 9 Provisions of the Rural Industries Research Act 1985 require that where a new research levy is introduced a Research Council and Trust Fund be established. In this case, a new levy merely replaces an old one, and use will be made of the existing Poultry Research Council and Trust Fund. The deeming provision made in this clause enables that to be done.
- 10 Normal provision for the making of regulations necessary for the administration of the legislation.