

1988

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

HONEY LEVY (NO 1) AMENDMENT BILL 1988

HONEY LEVY (NO 2) AMENDMENT BILL 1988

EXPLANATORY MEMORANDUM

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

HONEY LEVY (NO.1) AMENDMENT BILL 1988
HONEY LEVY (NO.2) AMENDMENT BILL 1988

GENERAL OUTLINE

These Bills contain amendments to two Acts under which a levy is imposed on honey to finance the Australian Honey Board. The Acts are the Honey Levy Act (No 1) 1962, which applies to honey sold in Australia, and the Honey Levy Act (No 2) 1962, which applies to honey used in the production of other goods. The levy has a separate component for research funding.

2. Under the proposed amendments, the Honey Board will be required to consult with the federal organisations of honey producers and honey packers before recommending to the Minister any change in the rate of levy imposed to provide funds for the Board. At present, the Board is not obliged to do so. A further provision will preclude the Board from recommending a levy rate higher than that agreed to by the producers' organisation. The object is to enhance the Board's accountability to the industry which provides its funds through the levy and an export charge.

3. It is also proposed to increase the maximum levy that can be imposed under the Levy Acts for Board funding from 2.20 cents to 5 cents per kilogram of honey. The levy is already at its upper limit, and a higher levy maximum will provide scope for increased rates to be prescribed by regulation in the future if and when desired by the industry and the Board.

FINANCIAL IMPACT STATEMENT

4. While the Bills create scope for levy increases, any actual increase in levy payments by the honey industry will be a matter for the industry itself to decide in the first instance. No Government expenditure is involved.

HONEY LEVY (NO 1) AMENDMENT BILL 1988

NOTES ON INDIVIDUAL CLAUSES

Clause 1 : Short Title etc

5. Title of the Act for citation purposes; identification of the Principal Act.

Clause 2 : Commencement

6. The provisions of the Act will come into operation simultaneously with section 4 of the Honey Marketing Act 1988, that is, when a reconstituted Australian Honey Board comes into being. This is expected to occur not later than 1 January 1989; the actual date will be set by Proclamation.

Clause 3 : Interpretation

7. It is necessary to replace the present definitions of "Board" and "producers' organisation" in the Principal Act because they define the bodies in question by reference to legislation that has been, or will be, repealed (viz, Honey Research Act 1980 and Honey Industry Act 1962). The new definitions are the same as those used in the Honey Marketing Bill 1988.

8. A definition of "packers' organisation" has been added because honey packers will participate in the process of establishing levy rates.

Clause 4 : Rates of Levy

9. Paragraph 4(1)(a) increases the maximum levy that can be imposed to finance the Australian Honey Board from 2.20 cents to 5 cents per kilogram of honey.

10. Paragraph 4(1)(b) inserts new provisions which will require the Board to consult with the producers' and packers' organisations prior to making any recommendation to the Minister as to the rate of the levy, and preclude the Board from recommending a rate higher than that agreed to by the producers' organisation.

11. Subclause 4(2) is a saving provision to ensure that when the requirements referred to in paragraph 4(1)(b) become operative, this will not invalidate regulations by which levy rates were prescribed when those requirements did not exist.

HONEY LEVY (NO 2) AMENDMENT BILL 1988

NOTES ON INDIVIDUAL CLAUSES

Clause 1 : Short Title etc

12. Title of the Act for citation purposes; identification of the Principal Act.

Clause 2 : Commencement

13. The provisions of the Act will come into operation simultaneously with section 4 of the Honey Marketing Act 1988, that is, when a reconstituted Australian Honey Board comes into being. This is expected to occur not later than 1 January 1989; the actual date will be set by Proclamation.

Clause 3 : Interpretation

14. It is necessary to replace the present definitions of "Board" and "producers' organisation" in the Principal Act because they define the bodies in question by reference to legislation that has been, or will be, repealed (viz, Honey Research Act 1980 and Honey Industry Act 1962). The new definitions are the same as those used in the Honey Marketing Bill 1988.

15. A definition of "packers' organisation" has been added because honey packers will participate in the process of establishing levy rates.

Clause 4 : Rates of Levy

16. Paragraph 4(1)(a) increases the maximum levy that can be imposed to finance the Australian Honey Board from 2.20 cents to 5 cents per kilogram of honey.

17. Paragraph 4(1)(b) inserts new provisions which will require the Board to consult with the producers' and packers' organisations prior to making any recommendation to the Minister as to the rate of the levy, and preclude the Board from recommending a rate higher than that agreed to by the producers' organisation.

18. Subclause 4(2) is a saving provision to ensure that when the requirements referred to in paragraph 4(1)(b) become operative, this will not invalidate regulations by which levy rates were prescribed when those requirements did not exist.