

1994

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

HORTICULTURAL LEVY AMENDMENT BILL 1994

EXPLANATORY MEMORANDUM

(Circulated by authority of the Minister for Primary Industries and Energy
Senator the Hon. Bob Collins)

HORTICULTURAL LEVY AMENDMENT BILL 1994

OUTLINE

1. The purpose of this Bill is to amend the Horticultural Levy Act 1987 to enable levy to be imposed on an amount of leviable horticultural products or a class of products that is presumed to be produced in Australia. The basis of the quantity or amount of leviable horticultural products is to be determined in accordance with the regulations.

2. The Bill also provides for the maximum rate of levy of a horticultural industry in the current year to be set so as not to exceed 5% of the average gross value of production (GVP) of the first 3 years of the immediate past 4 financial years.

FINANCIAL IMPACT STATEMENT

3. The amendments put forward by the Bill will not effect Government expenditure. The proposed amendments, by broadening the basis of levy imposition on presumed production, may encourage additional horticultural industries to become levy paying members of the Australian Horticultural Corporation and the Horticultural Research and Development Corporation (HRDC). The Government has a commitment to match levy contributions to the HRDC up to a maximum level of 0.5% of the GVP of the industry.

4. The draft amendments put forward will have no staffing implications for the Department of Primary Industries and Energy.

NOTES ON INDIVIDUAL CLAUSES

Clause 1: Short Title

5. This clause provides for the Act to be called the Horticultural Levy Amendment Act 1994.

Clause 2: Commencement

6. This clause provides for commencement of the Bill on a day to be fixed by Proclamation. If it is not proclaimed within 6 months of receiving the Royal Assent it will commence on the first day after that period.

Clause 3. Imposition of levy

7. This clause inserts a new subsection (2) in section 6 of the "Principal Act" to enable levy to be imposed on an amount of leviable horticultural products or a class of products that is presumed to be produced in Australia. The basis of quantity or amount of leviable horticultural products is to be determined by regulation. The current provisions for levy to be imposed on leviable horticultural products produced in Australia and sold by the producer or used by the producer in the production of other goods remain unchanged.

Clause 4. Rate of levy

8. This clause provides for the maximum rate of levy of a horticultural industry in the current year to be set so as not to exceed 5% of the average gross value of production (GVP) of the first 3 years of the immediate past 4 financial years.

9. The alterations to the imposition of levy under section 6 of the "Principal Act" are coupled with these amendments in relation to levy ceilings.

Clause 5. Regulations

10. This clause inserts a new subsection into section 14, and provides for regulations to be made to determine the presumed yield of leviable horticultural products or a class of products, presumed to be produced in Australia, by reference to several factors including:

the area under cultivation;

the number or quantity of trees, shrubs, plants, bulbs, corms or tubers used or to be used ;

the maturity of trees, shrubs or plants under cultivation for the production of those leviable horticultural products.



9 780644 301589