

1982

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

Tobacco Charge Amendment Bills (No. 1-3) 1982

EXPLANATORY MEMORANDUM

(Circulated by authority of the Minister for Primary Industry,
the Hon. Peter Nixon, M.P.)

OUTLINE

Amendments proposed to be made to the Tobacco Charge Acts (Nos 1-3) 1955 are designed to provide additional funds for tobacco research. The rates of charge paid by tobacco growers will be increased and equalised and future changes in rates may be effected by regulation.

The three Bills are cognate. No. 1 establishes a rate of charge to be paid by growers on tobacco leaf sold. No. 2 applies that charge to manufacturers' purchases of Australian leaf. No. 3 applies the same charge to any leaf that may be grown and used by a manufacturer.

At present growers pay 1.1 cents per kilogram on all leaf sold and manufacturers pay 2.2 cents per kilogram on their purchases of Australian leaf. It is proposed that a common rate of 2.5 cents per kilogram be applicable from 1 March 1982 and that any future changes in the common rate be effected by regulation.

The initial purpose of the three Acts was to impose a charge for partial financing of tobacco leaf research through the Tobacco Industry Trust Account established by the Tobacco Industry Act 1955.

A further purpose was added in 1965 when the rates of charge were increased and provision made for part of the proceeds to be appropriated to meet the costs of operation of the Australian Tobacco Board established under the Tobacco Marketing Act 1965. The remainder of the proceeds of the charge have continued to be appropriated to the Tobacco Industry Trust Account.

NO OF
CLAUSE

EXPLANATION

Tobacco Charge Amendment Bill (No. 1) 1982

1. Citation.
- 2 Operative on date of Royal Assent.
- 3 Repeals the section of the Principal Act which establishes a rate of charge (on tobacco leaf sold to a manufacturer) of 1.1 cents per kilogram, or such lower rate as may be prescribed and sets a rate of 2.5 cents per kilogram or such higher or lower rate as may be prescribed.
- 4 Amendments the Principal Act, which provides that a lower rate of charge may be prescribed by regulation, so that a higher or lower rate may be so prescribed.
- 5 Provides that the increased common rate of charge will apply from 1 March 1982. It will therefore be applicable to all leaf traded in the 1982 selling season, as requested by the industry.

Tobacco Charge Amendment Bill (No. 2) 1982

1. Citation.
2. Operative on date of Royal Assent.
- 3 Amends the Principal Act so that the rate of charge paid by manufacturers on purchases of Australian leaf, currently 2.2 cents per kilogram, becomes the same as that to be paid by growers under Bill No. 1. As from 1 March 1982 it will be 2.5 cents per kilogram.

Tobacco Charge Amendment Bill (no. 3) 1982

1. Citation.
2. Operative Date of Royal Assent.
3. Amends the Principal Act to apply the rate of charge from time to time applicable under Bill No. 1 to tobacco leaf grown and used by a manufacturer As from 1 March 1982 it will be 2 5 cents per kilogram

