

1990

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

AUSTRALIAN MEAT AND LIVE-STOCK (QUOTAS) BILL 1990

EXPLANATORY MEMORANDUM

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

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OUTLINE

The Australian Meat and Live-stock (Quotas) Bill provides the Australian Meat and Live-stock Corporation (AMLC) with the power to implement and administer schemes to control the level of Australian meat and livestock exports to particular markets where the Board of the AMLC considers such arrangements to be in the best interests of the industry.

The AMLC already has the power to administer quota schemes for meat where limitations have been, or are considered likely to be imposed by the Australian or foreign Governments and may prohibit, either absolutely or unless specified conditions are complied with, the export of meat and livestock to particular countries.

This Bill also provides that the Corporation may allocate entitlement to quota amongst licensed exporters by auction, sale by tender, private sale or by allocation free of charge. This will allow the Corporation to recoup part of the price premium that can, at times, result when quotas are invoked.

FINANCIAL IMPACT STATEMENT

The AMLC is funded through statutory industry levies and any moneys raised by the Corporation from the sale of quota entitlement may be used by the Corporation only in ways specified in its Corporate Plan. Consequently there will be no net effect to Commonwealth revenue in the implementation of this legislation.

NOTES ON CLAUSES

Clause 1: Short title

1. The Act will be called the Australian Meat and Live-stock (Quotas) Act 1990.

Clause 2: Commencement

2. Provides for commencement of the legislation on the day on which it receives Royal Assent.

Clause 3: Definitions

3. Lists definitions of terms used in the Act and provides that unless the contrary intention appears, expressions used in this Act have the same meanings as in the Australian Meat and Live-stock Corporation Act 1977.

Clause 4: Object of this Act

4. Provides that the object of the Act is to enable the Australian Meat and Live-stock Corporation (AMLC) to establish quotas on the export of meat and livestock where

- a) restrictions are imposed, or in the opinion of the Corporation will be imposed, by an importing country or by Australia; or
- b) the Corporation considers it in the best interests of the industry to do so.

Clause 5: Limitation on exports

5. Empowers the AMLC to impose a limitation on the total quantity of meat and livestock, or classes of meat or livestock, that may be exported to a particular country. The limitation is imposed by notices in writing to licensees, and a licensee so notified may not export those goods to the country referred to in the notice except in accordance with a quota held by the licensee.

Clause 6: Quotas

6. Subclause 6(1) provides that where a limitation is imposed on exports to a particular country by the AMLC, the Corporation may grant quotas to persons to make all or part of the exports.

7. Subclause 6(2) provides that the Corporation may grant a quota by auction, sale by tender or private sale, or by allocation free of charge.

8. Subclause 6(3) provides that a quota has effect for a period not exceeding 2 years, as specified in the quota document, but this does not exclude the grant of other quotas. The period of 2 years has been specified to allow for quota regimes that are operative for more than a year.

9. Subclause 6(4) provides that a quota is subject to any conditions specified in the quota document.

Clause 7: Corporation not obliged to grant quota

10. Provides that the AMLC is not obliged to sell or allocate quota of a particular amount or kind or to sell or allocate quota to a particular person if it is satisfied that it is not in the best interests of the industry. An example of the circumstances in which this discretion could be applied is if for commercial or marketing reasons the Corporation believed that the best interests of the industry would be served by having a number of potential exporters to the particular market.

Clause 8: Act to have effect subject to Australian Meat and Live-stock Corporation Act

11. Provides that this Act has effect subject to Division 3 of Part II of the Australian Meat and Live-stock Corporation Act 1977, which will be inserted into the Act by the Australian Meat and Live-stock Corporation Amendment Bill 1990.

