

1995

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

BEEF PRODUCTION LEVY AMENDMENT BILL 1995

EXPLANATORY MEMORANDUM

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



BEEF PRODUCTION LEVY AMENDMENT BILL 1995**OUTLINE**

1. The *Beef Production Levy Act 1990* imposes a levy on the production of beef, on a cents per kilogram basis of the carcass weight. This Bill will amend the *Beef Production Levy Act 1990* by introducing a component of the levy which is to fund the Meat Industry Council, which is to be offset by a reduction in the marketing component which funds the Australian Meat and Live-stock Corporation.
2. The levy imposed by the *Beef Production Levy Act 1990* has been an integral part of a package of arrangements for (red) meat and live-stock industry levies and charges developed by the industry. This package has been designed to provide a more visible and equitable division of levy and charge payments between industry sectors by clarifying the relative contributions paid by each sector.

FINANCIAL IMPACT STATEMENT

3. The new component of the levy to fund the Meat Industry Council will be drawn from the Australian Meat and Live-stock Corporation's existing levy component such that the net increase to revenue is neutral.
4. Since the introduction of cost recovery for levy and charge collection in 1988 the Commonwealth has been reimbursed for expenses incurred. Consequently there will be no net effect to revenue in the implementation of this legislation. The Meat Industry Council's new component is expected to reflect the expenditure on functions that the Meat Industry Council is taking over from the Australian Meat and Live-stock Corporation and Meat Research Corporation.

NOTES ON CLAUSES

Clause 1 - Short Title

5. Provides for the Act to be called the *Beef Production Levy Amendment Act 1995* and defines the "**Principal Act**" as the *Beef Production Levy Act 1990*.

Clause 2 - Commencement

6. Provides for this Act to commence on 1 July 1995.

Clause 3 - Amendments

7. Provides for the *Beef Production Levy Act 1990* to be amended by the Schedule.

SCHEDULE - AMENDMENTS OF THE PRINCIPAL ACT

Beef Production Levy Act 1990

Items 1 and 2: Section 4 - Interpretation

8. Deletes definition "**Corporation**", inserting in its place a more specific definition "**Australian Meat and Live-stock Corporation**" for clarity. Adds definitions "**Meat Industry Council**" and "**Meat Research Corporation**" which update references in the Act in respect to these statutory meat industry authorities.

Items 3 and 4: Section 6 - Rate of levy on slaughter of cattle

9. Amendments to this Section introduce a component of the levy which is to fund the Meat Industry Council. Paragraphs 6(1)(b) and(c) update reference to the names of the relevant statutory meat authorities, the Australian Meat and Live-stock Corporation and Meat Research Corporation, respectively.
10. The other amendment is to remove a non-operative provision relating to former levy arrangements for the cattle and beef industries.

Item 5: Section 8 - Regulations

11. This amendment provides, in respect of making regulations, for the Meat Industry Council to take over the role for making recommendations on rates of the levy to the Minister from the Australian Meat and Live-stock Corporation and the Meat Research Corporation.

Item 6: Application

12. This provides for amendments made by the Schedule to apply only to levies incurred after 30 June 1995.

