THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

SENATE

LIVE-STOCK EXPORT CHARGE AMENDMENT BILL 1990

EXPLANATORY MEMORANDUM

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

THIS MEMORANDUM TAKES ACCOUNT OF AMENDMENTS MADE BY THE HOUSE OF REPRESENTATIVES TO THE BILL AS INTRODUCED

9 780644 21866S

15640/90 Cat. No. 90 5164 0

LIVE-STOCK EXPORT CHARGE AMENDMENT BILL 1990

OUTLINE

The Live-stock Export Charge Amendment Bill sets the rate of charge for cattle under the <u>Live-stock Export Charge Act 1977</u> to zero to facilitate the introduction of revised levy and charge arrangements for the cattle and beef industry imposed under the <u>Cattle Transaction Levy Bill 1990</u>, the <u>Beef Production Levy Bill 1990</u> and the <u>Cattle Export Charge Bill 1990</u>.

Provision has also been made to revert to the previous arrangements should it be found that the new arrangements are not operating in a satisfactory manner.

The revised levy arrangements were developed by the industry to provide a more visible and equitable division of levy and charge payments by clarifying the relative contributions paid by each sector.

FINANCIAL IMPACT STATEMENT

The total revenue collected under the new arrangements will be approximately equal to that collected under the current arrangements.

Since the introduction of cost recovery for levy and charge collection in 1988, the Commonwealth is reimbursed for expenses incurred. Consequently there will be no net effect to revenue in the implementation of this legislation.

1

NOTES ON CLAUSES

Clause 1: Short title etc

1. The Act will be called the <u>Live-stock Export Charge Amendment Act 1990</u> and defines "Frincipal Act" as the <u>Live-stock Export Charge Act 1977</u>.

Clause 2: Commencement

2. Provides for commencement of the legislation on 1 January 1991.

Clause 3: Rate of charge on export of cattle

3. Sets the rate of charge on cattle exported after 31 December 1990 at zero. This is to allow for the introduction of new levy and charge arrangements for the cattle and beef industry through the levies and charge imposed by the <u>Cattle Transaction Levy Bill 1990</u>, <u>Beef Production Levy Bill 1990</u> and <u>Cattle Export Charge Bill 1990</u>.

Clause 4: Minister may declare that amendments are taken not to have been made

- 4. Provides that if the new arrangements under the Cattle Export Charge Bill 1990 are not operating in a satisfactory manner, the Minister may, after consulting with the Australian Meat and Live-stock Industry Policy Council, make a declaration to this effect. From the day the declaration comes into force, the rate of charge under the Cattle Export Charge Bill 1990 will be set at zero, and the rate of charge for cattle under the Live-stock Export Charge Act 1977 will be reinstated to the rate that was operative on 31 December 1990. Any such declaration must be made before 1 July 1994.
- 5. The Minister is required to table in each House of Parliament, within 15 sitting days of that House, a copy of any such declaration and a written statement of the reasons for making that decision.