

EXPLANATORY STATEMENT

STATUTORY RULES 1989 NO. 111

Issued by the Authority of the Minister for Primary Industries
and Energy

WHEAT INDUSTRY FUND LEVY ACT 1989

WHEAT INDUSTRY FUND LEVY REGULATIONS

Section 5 of the Wheat Industry Fund Levy Act 1989 imposes an ad valorem levy on all wheat sold or delivered by a grower or processed on a grower's behalf, from 1 July 1989.

The purpose of the levy is to enable the provision of funding for research purposes and for the operation of an Industry Fund. Apportionment of the levy between the Wheat Research Trust Fund established under the Rural Industries Research Act 1985 and the Industry Fund established under Part 6 of the Wheat Marketing Act 1989, which Part was proclaimed from 1 July 1989, will be determined by the Grains Council of Australia (GCA) in accordance with provisions contained in the Wheat Marketing Act.

Subsection 9(1) of the Act provides that the Governor-General may make Regulations, not inconsistent with this Act, prescribing matters:

(a) required or permitted by this Act to be prescribed; or

(b) necessary or convenient to be prescribed for carrying out or giving effect to this Act;

and in particular under subsection 9(2) for the purpose of prescribing a percentage for the purpose of paragraph 6(b).

Paragraph 6(b) of the Act provides that the Regulations may prescribe a lower operative rate of levy than the 5% otherwise automatically established under paragraph 6(a).

Subsection 8(1) of the Act provides that the Regulations may prescribe for a particular levy year a minimum amount of levy payable in respect of wheat delivered by or processed by or on behalf of a grower, below which payment of levy is exempt.

Subsection 9(4) provides that, in the making of Regulations under sections 6 or 8, the Governor-General shall take into consideration any relevant recommendation made to the Minister for Primary Industries and Energy by the Grains Council of Australia (GCA). This requirement has been complied with.

Details of the proposed Wheat Industry Fund Levy Regulations are:

Regulation 1 provides that the Regulations may be cited as the Wheat Industry Fund Levy Regulations.

Regulation 2 provides that the Act cited in the Regulations is the Wheat Industry Fund Levy Act 1989.

Regulation 3 fixes the operative rate of levy under paragraph 6(b) of the Act at 2.5%.

Regulation 4 fixes the minimum amount for exemption from levy payment at \$50.

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