

EXPLANATORY STATEMENT

STATUTORY RULES 1985

No. 247

Issued by the Authority of the Minister for Primary Industry

HONEY LEVY (NO. 2) REGULATIONS (AMENDMENT)

Section 7 of the Honey Levy Act (No 2) 1962 (the Act) provides that the Governor-General may make regulations for the purposes of carrying out or giving effect to the Act.

The Act imposes a levy on honey produced in Australia and used in the production of other goods.

Sub-section 5(1) of the Honey Research Act 1980 provides that amounts equal to the amounts received for payment and collected by the Commonwealth under paragraph 5(1)(b) of the Act are to be appropriated to the Honey Research Trust Account.

Sub-section 5(3) of the Act provides that regulations may vary the rate of levy from time to time up to a maximum of 0.5 cent per kilogram of honey and that before making, amending or repealing such regulations the Governor-General shall take into consideration any recommendation made to the Minister by the Honey Research Committee or by the producers' organisation.

Both the Honey Research Committee and the Federal Council of Australian Apiarists' Associations, the producers' organisation, have recommended to the Minister an increase in the operative rate of levy for research purposes from 0.25 cent to 0.35 cent per kilogram of honey.

The Minister supports the Honey Research Committee's recommendation which is in accord with the Government's objective of encouraging rural industries to increase their contributions for research over the next five years up to 0.5% of gross value of production (GVP) of the industry. The Government has undertaken to match the contributions of the individual industries to this percentage in the same time frame.

The Commonwealth matching contribution to honey research averaged, over the last three years, has been 0.24% of the GVP of honey. The result of increasing the rate of export charge to 0.35 cent per kilogram would be equivalent to raising the percentage to 0.32% of GVP.

The purpose of the proposed Regulations is to introduce from 1 November 1985 an operative rate of levy, for research purposes, of 0.35 cent per kilogram of honey.

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