

**EXPLANATORY STATEMENT**

**STATUTORY RULES 1988      No. 252**

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

**HONEY LEVY (NO 2) REGULATIONS (AMENDMENT)**

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

The Levy Act imposes a levy on honey used in the manufacture of other goods. The levy has two components. The component referred to in paragraph 5(1)(b) of the Act is, by virtue of the Rural Industries Research Act 1985, designated for research funding.

Under paragraph 5(1)(b) of the Levy Act, the rate of levy for research purposes may be varied, by regulation, from 0.25 cent up to a maximum of 0.5 cent per kilogram of honey. The present prescribed rate is 0.40 cent.

Subsection 5(3) of the Levy Act provides that before making regulations for the purposes of paragraph 5(1)(b) the Governor-General shall take into consideration any recommendation made to the Minister by the Honey Research Council or by the producers' organisation.

Both the Honey Research Council 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 0.40 cent to 0.45 cent per kilogram of honey.

The recommendation is in accordance with the Government's objective of encouraging rural industries to increase their contributions for research.

The purpose of the proposed Regulations is to increase the rate of levy, for research purposes, to 0.45 cent per kilogram of honey. The increase is to come into effect from 1 November 1988.

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