

Honey Levy (No. 2) Regulations (Amendment) 1993 No. 333

EXPLANATORY STATEMENT

STATUTORY RULES 1993 No. 333

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

Honey Levy Act (No. 2) 1962

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 paragraph 5(1)(a) of the Primary Industries and Energy Research and Development Act 1989, designated for research and development funding.

Under paragraph 5(1)(b) of the Act, the rate of levy for research and development purposes may be varied, by regulation, from 0.25 cent up to a maximum of 0.75 cent per kilogram of honey. The present prescribed rate is 0.52 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 Honeybee Research and Development Council or by the producers' organisation.

The Federal Council of Australian Apiarists' Associations, the producers' organisation, has recommended to the Minister a three staged increase in the operative rate of levy for research and development purposes, from 0.52 cent to 0.57 cent per kilogram of honey produced effective from 1 January 1994; from 0.57 cent to 0.61 cent per kilogram of honey produced effective from 1 January 1995; and, from 0.61 cent to 0.65 cent per kilogram of honey produced effective from 1 January 1996.

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

The purpose of the proposed Regulations is to increase the rate of levy, for research and development purposes, to 0.57 cent per kilogram of honey effective from 1 January 1994; to 0.61 cent per kilogram of honey effective from 1 January 1995; and to 0.65 cent per kilogram of honey effective from 1 January 1996.