

Pig Slaughter Levy Regulations (Amendment) 1993 No. 116

EXPLANATORY STATEMENT

STATUTORY RULES 1993 No. 116

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

Pig Slaughter Levy Act 1971

Pig Slaughter Levy Regulations (Amendment)

Section 8 of the Pig Slaughter Levy Act 1971 (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 in respect of pigs slaughtered in Australia. The levy is used to fund the operations of the Pig Research and Development Corporation and the Australian Pork Corporation. By virtue of the Primary Industries and Energy Research and Development Act 1989 (the PIERD Act) and the Pig Industry Act 1986 (the PI Act) levies collected under paragraphs 6(1)(a) and 6(1)(b) of the Levy Act are designated for funding of research and development and marketing activities respectively.

Paragraph 6(1)(a) of the Levy Act provides that the rate of levy for research and development purposes may be varied by regulation up to a maximum of \$1.00 per pig slaughtered. Paragraph 6(1)(b) provides that the rate of levy for marketing purposes may be varied by regulation up to a maximum of \$2.50 per pig slaughtered. Regulations currently prescribe the operative rate of levy for research and development purposes at \$0.55 cents per pig slaughtered and \$1.50 for marketing purposes.

Subsections 6(2) and 6(3) of the Levy Act prescribe that the Governor-General shall take into consideration any recommendations made to the Minister by the Pig Research and Development Corporation (PRDC) and the Australian Pork Corporation (APC). The increases in the operative levy rates as requested by the PRDC and the APC have the full support of the Pork Council of Australia (PCA), the recognised industry representative body.

The PCA has recommended to the minister an increase in the operative rate of levy for research and development purposes from \$0.55 to \$0.70 cents per pig slaughtered and for marketing purposes from \$1.50 to \$1.60 per pig slaughtered.

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

No additional Commonwealth outlays will be required beyond the budgeted levels.

The purpose of the proposed Regulations is to increase the operative rate of levy, for research and development purposes from \$0.55 to \$0.70 cents per pig slaughtered and for marketing purposes from \$1.50 to \$1.60 per pig slaughtered. The increase is to come into effect from 1 July 1993.