

## **Bounty and Capitalisation Grants (Textile Yarns) Regulations 1991 No. 29**

### **EXPLANATORY STATEMENT**

### **STATUTORY RULES 1991 No. 29**

#### BOUNTY AND CAPITALISATION GRANTS (TEXTILE YARNS) ACT 1981

#### BOUNTY AND CAPITALISATION GRANTS (TEXTILE YARNS) REGULATIONS

ISSUED BY THE AUTHORITY OF THE MINISTER OF STATE FOR SMALL  
BUSINESS AND CUSTOMS

Paragraph 23(a) of the Bounty and Capitalisation Grants (Textile Yarns) Act 1981  
(the Act) provides in part that:

"The Governor-General may make regulations, not inconsistent with this Act,  
prescribing all matters required or permitted by this Act to be prescribed, or necessary  
or convenient to be prescribed for carrying out or giving effect to this Act, and, in  
particular, prescribing:

(a) "the manner in which, and the time within which, applications for bounty are  
to be made; ..."

#### Background

Part 3 of the Act provides persons who are eligible for bounty assistance with an  
alternative assistance scheme in the form of a once-off capitalisation grant paid in lieu  
of possible future bounty receipts.

Under paragraph 21B(1)(b) of the Act, application by a person for a capitalisation  
grant must be lodged with the Textile, Clothing and Footwear Development Authority  
(the Authority) before the end of the bounty period or, if a lesser period is specified in  
the regulations, within that lesser period. The bounty period is currently defined in  
subsection 2(1) of the Act as extending until 30 June 1995.

It was anticipated in the Government's announcement of the capitalisation grants  
scheme on 30 January 1990 that applications for such grants would be made, and the  
grants would be available, within the first two years of the scheme. Hence, the facility  
is available, under paragraph 21B(1)(b), to prescribe an earlier date within which an  
application must be made, to effectively enable the capitalisation scheme to be  
brought to an end in circumstances where, for example, most of the 140 producers of  
bountiable yarn have availed themselves of the opportunity to seek a capitalisation  
grant.

The Government has decided that the lesser period which should be specified in the  
regulations is the period up until 31 December 1991.

Regulation 1: provides that the regulations may be cited as the Bounty and Capitalisation Grants (Textile Yarns) Regulations.

Regulation 2: provides that in the regulations, "the Act" means the Bounty and Capitalisation Grants (Textile Yarns) Act 1981.

Regulation 3: provides that the period during which an application may be lodged for a capitalisation grant is the period ending on 31 December 1991.