

EXPLANATORY STATEMENT

STATUTORY RULES 1982 No. 99

Issued by the Authority of the Minister for Primary Industry

DAIRY INDUSTRY STABILIZATION LEVY REGULATIONS

(AMENDMENT)

The Dairy Industry Stabilization Levy Act 1977, which forms an integral part of the marketing arrangements for the dairy industry, provides for levies to be imposed on the production of prescribed dairy products.

Section 11 of the Act provides that the Governor-General may make regulations, inter alia, for the purpose of:-

- (a) prescribing a date from which levy is to be imposed with respect to each kind of dairy product under sub-section 6(1) and 6(2);
- (b) fixing the operative rates of levy for each kind of dairy product under section 7.

Sub-section 11(3), however, requires the Governor-General to take into consideration any relevant recommendations made by the Australian Dairy Corporation, as provided for in sub-section 11 (2).

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The purpose of the levies is to protect the domestic price structure for prescribed dairy products and through their disbursement to provide each manufacturer with an equalised return from their domestic and export sales of such products.

The rate of levy for each prescribed product is based on the difference between the domestic bulk wholesale price and the assessed average export price for that product.

In accordance with sub-section 11(2) of the Dairy Industry Stabilization Levy Act 1977, the Australian Dairy Corporation, after consultation with the Australian Dairy Industry Advisory Committee, has made a recommendation for increases in levy rates.

The Minister has approved the levy rates recommended by the Australian Dairy Corporation.

The purpose of the proposed regulations is to impose from 1 May 1982 the following rates of levy:-

	<u>Rate</u>
	<u>\$ per tonne</u>
Butter	550
Butteroil	679
Casein	830

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The rates of levy for buttermilk powder, cheese, modified skimmilk powder, processed butteroil, processed cheese, skimmilk and buttermilk powder mixture, skimmilk powder and whole milk powder are not varied.

The rates of levy recommended provide for an increase in the domestic bulk wholesale prices of \$60 per tonne for butter; \$74 per tonne for butteroil; and \$90 per tonne for casein.

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