

EXPLANATORY STATEMENT

STATUTORY RULES 1985 NO. 150

Issued by the Authority of the Minister of State

Primary Industry

DAIRY PRODUCE EXPORT CONTROL (LICENCES) REGULATIONS

(AMENDMENT)

The Dairy Produce Export Control (Licences) Regulations prohibit the exportation of dairy products from the Commonwealth except in accordance with such conditions and restrictions as are prescribed in the regulations.

Australia has entered into certain treaty obligations under the General Agreement on Tariffs and Trade (GATT) International Dairy Arrangement (IDA) and, as a result, has undertaken to observe the conditions for the export of dairy products as specified by the IDA. The IDA includes the Protocol Regarding Certain Milk Powders, the Protocol Regarding Milk Fat and the Protocol Regarding Certain Cheeses, which provide, inter alia, for minimum export prices for certain dairy products to be observed at the free on board level, ie net of freight and insurance charges subsequent to boarding.

On 31 May 1985 the Committees of Protocol of the IDA regarding Milk Fat and Certain Milk Powders decided to establish new lower minimum prices for butter, anhydrous milk fat and whole milk powder to apply from 5 June 1985.

The minimum prices applying from 5 June for the range of products covered by the IDA, along with the rates previously applying are as follows:

<u>Dairy Products</u>	<u>Rate prior to</u> <u>5 June 1985</u>	<u>Price applying</u> <u>from 5 June 1985</u>
	<u>\$US Per Tonne</u>	
Skimmed milk powder	600	600
Whole milk powder	950	830
Buttermilk powder	600	600
Anhydrous milk fat	1,440	1,200
Butter	1,200	1,000
Cheese	1,000	1,000

On 31 May 1985 the International Dairy Products Council (IDPC) of the IDA also rescinded its Resolution of 16 November 1984 which had provided for sales of butter by participants in the IDA other than the EC at prices below the minima specified in the Protocol Regarding Milk Fat.

To enable Australian exports at the new lower prices Regulation 8 of the Dairy Produce Export Control (Licences) Regulations was amended to replace the minimum prices per tonne currently specified for butter, anhydrous milk fat and whole milk powder with the new minimum prices. The date of effect of the amendment was 5 June 1985, the date of effect of the Resolution of the Protocol Committees establishing the lower prices.

Additionally, as the existing Regulation 8 defined the IDA as that in force at 1 December 1984 this was amended to redefine the IDA as that in force at noon on 5 June 1985. The opportunity was also taken to avoid any ambiguity in the application of the Regulations to circumstances permitted by or under the Arrangement.

S. R. No. 197/85