## EXPLANATORY STATEMENT

## STATUTORY RULES 1990 NO.61

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

## PRIMARY INDUSTRIES AND ENERGY RESEARCH AND DEVELOPMENT ACT 1989

EGG INDUSTRY RESEARCH AND DEVELOPMENT COUNCIL REGULATIONS

The proposed Regulations provide for the establishment of the Egg Industry Research and Development Council.

Section 92 of the Primary Industries and Energy Research and Development Act 1989 (the Act) provides for the establishment by regulation of Research and Development Councils in respect of primary industries or classes of primary industries and for the Councils to be known by the names specified in the regulations.

Where, as a result of making regulations, an R&D Council is established on a particular day, under subsection 107(1) of the Act, a Research and Development Fund, to be known by the name specified in the regulations, is established in respect of the Council on that day. The R&D Fund established in respect of the Egg Industry Research and Development Council is to be known as the Egg Industry R&D Fund.

Section 5 of the Act provides for a declaration by the regulations as to the levy to be attached to the Egg Industry R&D Fund. The research levy imposed by paragraph 7(a) of the Laying Chicken Levy Act 1988 is attached by the regulations to the Fund under this provision.

Subsection 32(2) of the Act provides for a statement in the regulations as to the manner in which the Minister is to determine the amount of the gross value of production of goods that are the produce of the industry to which the levy relate, for a financial year. This is important in that subsection 32(1) of the Act limits the Commonwealth's matching payments to the Corporation in a particular financial year to a maximum amount equal to 0.5% of the gross value of production of goods, as determined by the Minister, for that financial year.

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Subsection 136(1) of the Act allows the Minister to appoint a Presiding Member of the RIR&D Corporation Selection Committees if the regulations have been made but are not yet in force. Appointment of a Presiding Member initiates the process of selecting persons suitable for appointment as Members of the proposed Council and it is important that this process be completed before the Council is established. It is therefore necessary that the regulations be made well in advance of their commencement date.

The regulations will commence on 2 July 1990.