

Coarse Grains Levy Regulations 1992 No. 299

EXPLANATORY STATEMENT

STATUTORY RULES 1992 No. 299

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

Coarse Grains Levy Act 1992

Coarse Grains Levy Regulations

The Coarse Grains Levy Act 1992 (the Act), which commences on 1 October 1992, incorporates the existing barley and triticale research levies and provides for new levies on oats and cereal rye.

The Barley Research Levy Act 1980 and the Triticale Levy Act 1988, which currently impose research levies on barley and triticale, will be repealed on 1 October 1992 under the coarse Grains Levy (Consequential Provisions Act 1992).

Section 9 of the Act imposes a levy on leviable coarse grain delivered by the producer to another person (other than for storage on behalf of the producer) or processed by the producer.

Sections 10 and 11 of the Act provide that the rates of levy may be prescribed but shall not exceed \$5.00 per tonne in the case of barley and triticale or 5 per cent of the value of the grain in the case of oats and cereal rye.

Subsection 15(1) of the Act provides that the Governor-General may make regulations for the purposes of the Act.

Subsection 15(2) of the Act provides that the Governor-General must take into consideration any recommendations by the growers' organisation before making regulations for the purposes of Section 10 or 11.

The currently prescribed rate of levy for barley, operative since 1 November 1990, is 75 cents per tonne. The current rate of levy under the Act for both oats and cereal rye is 0.5 per cent of the value of the grain.

The Grains Council of Australia (GCA), the growers' organisation, has requested increases in the rates of levy for barley (to \$1.10 per tonne) and oats and cereal rye (to 1 per cent of the value of the grain) commencing from 1 October 1992.

The industry's request to increase the various levies accords with the Government's objective of encouraging each rural industry to increase its contribution for research to at least 0.5 per cent of the industry's gross value of production (GVP).

Section 30 of the Primary Industries and Energy Research and Development Act 1989 provides for research levy money to be paid to R&D Corporations. The barley research levy has been attached to the Grains Research and Development Corporation (GRDC) since 1 October 1990 and regulations are being prepared to attach the oats and cereal rye.

The Commonwealth Government will contribute matching amounts to cover research expenditure recommended by the GRDC and approved by the Minister. The Commonwealth

contribution is currently limited to 0.5 per cent of GVP in any one financial year. Increased Commonwealth matching expenditure relating to the levy changes will not occur until 1993/94 for which provision will be made in the forward estimates.

It is proposed that the Coarse Grains Research Levy Regulations apply from 1 October 1992.

Details of the proposed Regulations are as follows:

Regulation 1 provides for the Regulations to be cited as the Coarse Grains Levy Regulations.

Regulation 2 provides that the Regulations shall commence on 1 October 1992.

Regulation 3 defines the meaning of the term "the Act" within the regulations.

Regulation 4 will increase the rate of levy applicable to leviable barley to \$1.10 per tonne.

Regulation 5 will increase the rates of levy applicable to leviable oats and cereal rye to 1 per cent of the value of the grain.