EXPLANATORY STATEMENT

Select Legislative Instrument 2010 No. 216

Issued by Authority of the Minister for Agriculture, Fisheries and Forestry

Australian Meat and Live-stock (Quotas) Act 1990

Australian Meat and Live-stock (Quotas) Amendment Regulations 2010 (No. 1)

Section 9 of the *Australian Meat and Live-stock (Quotas) Act 1990* (the Act) provides that the Governor-General may make regulations prescribing matters required or permitted to be prescribed by the Act, or necessary or convenient to be prescribed for carrying out or giving effect to the Act.

Section 6 of the Act provides that where a limitation has been imposed on goods exported to a specific country the Secretary of the Department of Agriculture, Fisheries and Forestry may grant quotas on application by a holder of an export licence and on payment of the prescribed fee.

Subsection 4(1) of the *Australian Meat and Live-stock (Quotas) Regulations 2000* (the Quota Regulations) prescribes the fee for the purposes of paragraph 6(2)(a) of the Act. The red meat industry has agreed to the increase in the fee from 0.05 of a cent to 0.2 of a cent a kilogram, to reflect revised costs associated with the administration of the quota. Consultation has included several meetings with the Australian Meat Industry Council and a formal letter of support for the increase has been received.

The Regulations amend the Quota Regulations to increase the rate of the prescribed fee from 0.05 of a cent per kilogram of quota allocated to 0.2 of a cent per kilogram to ensure continued full cost recovery for the management of the quota system. This increase is due to the exhaustion of surplus funds (fees collected) that were collected prior to the 2004. A nominal fee (0.05 cents) was set for the allocation of quota entitlement. It was agreed at the time that fees would be examined once this surplus had been depleted. The surplus was exhausted in June 2010.

The European Commission and the United States of America impose tariff rate quotas to control the access of meat imported from Australia. The Quota Administration and Statistics Unit of the Department of Agriculture, Fisheries and Forestry (the Quota Unit) manages the allocation, monitoring and reporting of Australia’s meat export quotas on a cost recovery basis. The Quota Unit also issues certificates of authenticity that provide the authority for exporters to have their product accepted by the importing countries at the concessional quota tariff rates.

The Regulations make minor amendments to the Quotas Regulations to update the definitions used in the Regulations; amend several headings; and update changes to the department’s name.

The Regulations specify that the increased fee apply from the day after they are registered on the Federal Register of Legislative Instruments.
**Australian Meat and Live-stock (Quotas) Amendment Regulations 2010 (No. 1)**

Regulation 1 – Name of Regulations

This regulation provides for the citation of the Regulations.

Regulation 2 – Commencement

This regulation provides for the Regulations to commence on the day after registration.

Regulation 3 – Amendment of *Australian Meat and Live-stock (Quotas) Regulations 2000*

This regulation provides that the *Australian Meat and Live-stock (Quotas) Regulations 2000* are amended as set out in Schedule 1 and apply to all quotas on and after commencement of these Regulations, except in the case of high quality beef to the European Union, which applies from 1 May 2011.

Schedule 1 – Amendments

**Item [1] – Regulation 3**

Item [1] inserts additional definitions for Regulation 3, to provide further clarity of terms used in the Regulations. The item also removes the definition of quota year as this term is no longer used in the Regulations.

**Item [2] – Regulation 4, heading**

Item [2] inserts a new heading for Regulation 4, to reflect that there is just one fee for each quota applied for.


Item [3] inserts a new paragraph to amend the fee payable for allocation of quota entitlement, from 0.05 of a cent to 0.2 of a cent for each kilogram of quota entitlement allocated.


Item [4] inserts the revised name for the Department of Agriculture, Fisheries and Forestry and removes the former name of Agriculture, Fisheries and Forestry Australia.