EXPLANATORY STATEMENT

Select Legislative Instrument 2010 No. 308

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

Primary Industries (Customs) Charges Act 1999

Primary Industries (Customs) Charges Amendment Regulations 2010 (No. 5)

Section 8 of the Primary Industries (Customs) Charges Act 1999 (the Act) provides that the Governor-General may make regulations prescribing matters required or permitted by the Act to be prescribed or necessary or convenient to be prescribed for carrying out or giving effect to the Act.

Schedule 12 of the Act imposes a charge in relation to the export of live goats. Funds corresponding with the amounts of revenue raised under the Schedule are appropriated for Meat & Livestock Australia Ltd (MLA) for marketing and research and development (R&D) activities, for Australian Animal Health Council Ltd to ensure that Australia’s national animal health system delivers competitive advantage for Australia’s livestock, and for National Residue Survey for recovery of costs incurred in monitoring and testing residues and contaminants in food production.

The purpose of the Regulations is to allow for the R&D export charge rate to increase from 10.5 to 16.7 cents a head, with a corresponding reduction in the marketing levy rate from 16.7 to 10.5 cents a head. The total charge of 37.7 cents a head will not change. The total charge also includes 4.5 cents a head for Australian Animal Health Council (trading as Animal Health Australia) and 6 cents a head for the National Residue Survey.

The changed rates between the marketing and R&D components of the charge will enable the goat industry to fund R&D investment programs to address identified development issues. The changes were proposed by the Goat Industry Council of Australia, which is the prescribed body responsible for goat transaction levies, at its annual general meeting in November 2009. Industry-wide consultation included producer groups (an estimated 70 per cent of producers responsible for around 80 per cent of production), processors, goat depots and live exporters. Widespread support for the reapporitionment was registered.

Separate industry consultation for the changes to the export charge is not required. The export charge operates where there has been no domestic sale of cattle where the levy would be payable; such as a producer exporting direct. The export charge only applies to a small number of goats sold that fall under this category to remove any levy leakage. Any change to the transaction levy automatically applies to the export charge.

The Office of Best Practice Regulation has been consulted in the preparation of these Regulations and a Regulation Impact Statement is not required (reference number ID 11287).

Details of the amending provisions are:

Primary Industries (Customs) Charges Amendment Regulations 2010 (No. 5)
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 – Application

This regulation provides for the amendments made by Schedule 1 to apply in relation to transactions involving goats entered into on and after 1 January 2011.

Regulation 4 – Amendment of Primary Industries (Customs) Charges Regulations 2000

This regulation would provide that the Primary Industries (Customs) Charges Regulations 2000 are amended as set out in Schedule 1.

Schedule 1 – Amendment

Item [1] – Schedule 12, clause 4(1)

*omit* 
16.7 cents

*insert* 
10.5 cents

Item [2] – Schedule 12, clause 4(2)

*omit* 
10.5 cents

*insert* 
16.7 cents