

# **Wool International Regulations (Amendment) 1994 No. 89**

## **EXPLANATORY STATEMENT**

### **STATUTORY RULES 1994 No. 89**

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

*WOOL INTERNATIONAL ACT 1993*

#### **WOOL INTERNATIONAL REGULATIONS (AMENDMENT)**

The *Wool International Act* 1993 (the Act) provides for the Governor-General to make regulations for the purpose of prescribing all matters required or permitted by this Act to be prescribed.

The Act provides for the establishment of Wool International and its functions, powers, membership and related matters. Wool International is responsible for management and disposal of the wool stockpile, reducing the debt over time, encouraging the development of marketing and risk management mechanisms and providing other wool marketing related services. Wool International was established when the relevant parts of the *Australian Wool Research and Promotion Organisation Act* 1993 commenced by Proclamation on 1 December 1993.

It is the Parliament's intention that Wool International be corporatised and then privatised by a target date of mid 1997. At the time of privatisation of Wool International, share rights are to be issued to wool-tax payers in proportion to their wool tax paid between 1 July 1993 and the time of privatisation. In addition, wool-tax payers may also make additional contributions of up to 5.5 per cent of the sale value of their wool over that same period in order to increase their share right allocation to Wool International.

To effect share right allocations at the time of privatisation, Wool International is to establish and maintain a register of wool-tax payers which is to record details of both wool tax and additional contributions paid by wool-tax payers. Upon privatisation the register will become the share register of Wool International.

The regulations, which are to commence on gazettal, correct provisions so that information associated with additional contributions is to be given only to the Commissioner of Taxation to ensure that the information remains with the contribution. The proposed regulations also correct internal references relating to such information if provided by, an intermediary and to the recording of such information on the register by Wool International.

Provision for regulations relating to additional contributions by wool-tax payers is made in section 45 of the Act and for the keeping of the register by Wool International, in section 66 of the Act.