

EXPLANATORY STATEMENT

STATUTORY RULES 1990 No. 3.1 X

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

PRIMARY INDUSTRIES AND ENERGY RESEARCH AND
DEVELOPMENT ACT 1989

COTTON RESEARCH AND DEVELOPMENT REGULATIONS

The Primary Industries and Energy Research and Development Act 1989 (The Act) authorises the establishment of Research and Development (R&D) Corporations and R&D Councils, to provide for the undertaking of research and development relating to primary industries, energy and natural resources. In respect of rural industries, the R&D Corporations and R&D Councils are intended to replace the existing Research Councils established under the Rural Industries Research Act 1985. This is consistent with the conclusions of a study of portfolio research that the corporation model has advantages over the current Council structure.

The Cotton Research Council presently administers research funded from the Cotton Research Trust Fund. The Trust Fund receives industry levies from a charge imposed on cotton growers by section 5 of the Cotton Levy Act 1982.

The Australian Cotton Growers Research Association, which is considered by the Minister to represent the cotton industry, has requested that a Cotton Research and Development (R&D) Corporation be established under the Act. The R&D levy attached to the Cotton R&D Corporation is proposed to be the whole of the levy imposed by the Cotton Levy Act 1982 which remains in force. As in the past, levies paid into the new Fund will be matched by the Commonwealth on a dollar-for-dollar basis.

The Cotton R&D Corporation is proposed to commence operations on 1 October 1990.

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