

Wool International Regulations (Amendment) 1997 No. 78

EXPLANATORY STATEMENT

STATUTORY RULES 1997 No. 78

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, amongst other things, the disposal management of the wool stockpile and elimination of the debt associated with the stockpile.

Until 30 June 1996, the Act provided for a wool tax of 4.5 per cent of the value of shorn wool (except carpet wool), imposed on wool tax payers to assist in the repayment of the debt associated with the stockpile. This rate was amended to be set by regulation, which currently sets the tax rate at zero.

Section 45 of the Act related to additional contributions by wool-tax payers, over and above the mandatory debt component of the wool tax requirements for the sale value of shorn wool, other than carpet wool.

The Government decided that provision for voluntary contributions to be made to repay debt associated with the stockpile could be removed in light of the removal of that component of the wool tax relating to repayment of the debt. This was achieved first by repealing section 45 by an amendment to the Primary Industries and Energy Legislation Amendment Act (No. 1) 1996 (the PIELA Act). Second, these Wool International Regulations repeal the relevant Regulations providing for payment of additional contributions.

These Regulations therefore remove any reference in the Wool International Regulations (1993) to additional contributions following the repeal of the relevant section of the Act.

The Wool Council of Australia supports the removal of this provision.

Details of the Regulations are set out below:

Regulation 1 provides for the Wool International Regulations to be amended as set out in these Regulations.

Regulation 2 repeals Regulation 5 which makes provision for additional contributions.

Regulation 3 repeals Sub-regulation 6(2)(b) relating to statements of additional contributions made under section 45 of the Act.

Regulation 4 removes Regulations providing for information about wool tax payers who have made additional contributions to be recorded on the wool tax register.

The Regulations commenced on gazettal.