

Horticulture Marketing and Research and Development Services Regulations 2001 2001 No. 151

EXPLANATORY STATEMENT

STATUTORY RULES 2001 No. 151

Issued by Authority of Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry.

Primary Industries and Energy Research and Development Act 1989.

Horticulture Marketing and Research and Development Services Act 2000.

Dried Fruits Research and Development (Repeal and Consequential Provisions) Regulations 2001.

Horticulture Marketing and Research and Development Services Regulations 2001.

Subsection 149(1) of the *Primary Industries and Energy Research and Development Act 1989* (the PIERD Act) and Section 34 of the *Horticulture Marketing and Research and Development Services Act 2000* (the Services Act) provide for the Governor-General to make regulations, not inconsistent with the PIERD Act and the Services Act to be prescribed for carrying out or giving effect to the Acts.

The purpose of the regulations is to:

- repeal the Dried Fruits Research and Development Regulations [Statutory Rules 1991 No.331] which, under Section 92 of the PIERD Act, provided for the establishment of the Dried Fruits Research and Development Council (DFRDC) and the Dried Fruits Research and Development Fund (the Fund). The DFRDC and the Fund currently operate under the auspices of the Rural Industries Research and Development Corporation (RIRDC); and
- provide for transitional arrangements and retention of the provision that referred to the method of determining the gross value of production for the dried fruit sector of the horticultural industry as a new regulation under the Services Act.

Following recent developments in the dried fruits industry, such as the reduced production levels and the abolishment of the Australian Dried Fruits Board and its integration into Horticulture Australia Limited (HAL) (as a result of the repeal of the *Australian Horticultural Corporation Act 1987*, and the *Horticultural Research and Development Corporation Act 1987*), the DFRDC wrote to Senator the Hon Judith Troeth, Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry, seeking to change its status from a council under the RIRDC to an industry advisory committee under HAL.

The regulations will facilitate the disbursement of the R&D levy amounts to HAL. HAL is the industry services body set up under the *Horticulture Marketing and Research and Development Services Act 2000*. It operates as a not-for-personal profit company, limited by guarantee under Corporations Law, to deliver marketing and research and development (R&D) services for the horticulture industry.

The DFRDC was established by separate regulations under the PIERD Act to conduct research and development activities on behalf of the dried fruits industry. The DFRDC operates autonomously and has its own board as well as separate reporting and accountability requirements under the PIERD Act.

Subsection 149(2) of the PIERD Act provides that before making a regulation for the purposes of section 92 of the PIERD Act the Governor-General is to take into consideration any relevant recommendation made to the Minister by the representative organisation for the primary industry. The Australian Dried Fruits Association Inc and the Australian Prune Industry Association Inc, as the recognised representative bodies for the dried fruits industry, wrote to the Parliamentary Secretary supporting the change in structure.

The arrangements offer a simplified structure under which the existing research and development program can be maintained along with existing levels of industry responsibility and involvement. It is expected that cost savings may be achieved under the arrangements by effectively maximising industry levy funds available for research and development activities. It is anticipated that this will have minimal effect on the level of Commonwealth funding to the industry, as existing ceilings for matching contributions have not been changed.

The Regulations provide transitional provisions to be applied to the imposition and collection of industry levies prior to 1 July 2001, and those amounts already paid to the DFRDC but not yet expended in accordance with the PIERD Act. These transitional arrangements require such industry levy amounts to be paid to, or forwarded to HAL after 1 July 2001.

There is also a consequential amendment requiring a final annual report for the year ending 30 June 2001 to be prepared and forwarded to the Minister by the DFRDC.

The Horticulture Marketing and Research and Development Services Regulations 2001 provide for a method of determining the gross value of production of the dried fruit sector of the horticultural industry. Although, the opportunity has been taken to update the language, this is the same method that was provided for in the Dried Fruits Research and Development Regulations [Statutory Rules 1991 No. 331], which are repealed.

The regulations commence on 1 July 2001

Details of the Regulations are included in [Attachments 1 and 2](#)

ATTACHMENT 1

DRIED FRUITS RESEARCH AND DEVELOPMENT (REPEAL AND CONSEQUENTIAL PROVISIONS) REGULATIONS 2001.

Details of the Regulations are as follows:

Regulation 1 gives the name of the regulations as the Dried Fruits Research and Development (Repeal and Consequential Provisions) Regulations 2001.

Regulation 2 provides for a commencement date of 1 July 2001.

Regulation 3 provides for the Dried Fruits Research and Development Regulations [Statutory Rules 1991 No.331] to be repealed.

Regulation 4 provides transitional provisions to allow for matching Commonwealth payments, levy and penalty imposed, or collected, or paid prior to 1 July 2001 to be paid or forwarded to the industry services body.

Regulation 5 provides for the final annual report of the Dried Fruits Research and Development Council to be prepared and presented to the Minister.

ATTACHMENT 2

HORTICULTURE MARKETING AND RESEARCH AND DEVELOPMENT SERVICES REGULATIONS 2001

Details of the Regulations are as follows:

Part 1 Preliminary

Regulation 1.1 gives the name of the regulations as the Horticulture Marketing and Research and Development Services Regulations 2001.

Regulation 1.2 provides for a commencement date of 1 July 2001.

Regulation 1.3 provides that Act means *the Horticulture Marketing and Research and Development Services Act 2000*.

Part 2 has been reserved.

Part 3 Expenditure and funding of the industry services body

Regulation 3.1 provides for a method of calculation of the gross value of production of the dried fruit sector of the horticultural industry. This is in the standard format for this type of provision.