

Dairy Produce Amendment Regulations 2003 (No. 1) 2003 No. 135

EXPLANATORY STATEMENT

STATUTORY RULES 2003 No. 135

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

Primary Industries Levies and Charges Collection Act 1991

Primary Industries (Excise) Levies Act 1999

Dairy Produce Act 1986

Primary Industries Levies and Charges Collection Amendment Regulations 2003 (No. 3)

Primary Industries (Excise) Levies Amendment Regulations 2003 (No. 7)

Dairy Produce Amendment Regulations 2003 (No. 1)

Subsection 30(1) of the *Primary Industries Levies and Charges Collection Act 1991* (the Collection Act) and Section 8 of the *Primary Industries (Excise) Levies Act 1999* (the Excise Levies Act) provide that the Governor-General may make regulations necessary or convenient to be prescribed for carrying out or giving effect to the Acts. Subsection 6(5) of the *Dairy Produce Act 1986* as amended by the *Dairy Industry Service Reform Act 2003* provides that regulations may prescribe the manner in which the Minister is to determine the gross value of whole milk produced in Australia in a financial year (the gross value of production).

The purpose of the regulations is to amalgamate the Dairy Research Levy, Dairy Promotion Levy and the Dairy Corporation Levy into one levy to be known as the Dairy Service Levy, and to prescribe the manner in which the gross value of production is determined for this new levy. As part of its decision to reform the Australian Dairy Corporation and Dairy Research and Development Corporation, the Government decided that these three levies should be amalgamated. The *Primary Industries (Excise) Levies Amendment (Dairy) Act 2003* provides for this new levy. The amalgamation simplifies the administration of dairy levies. This change does not result in an increase in the amount of levy paid by dairy producers.

The regulations require individual levy payer details, such as the levy payer's name, address and Australian Business Number (ABN), and levy payment details to be collected by first purchasers, manufacturers, buyers or selling agents and passed onto Levies and Revenue Service (LRS). Under the Collection Act, an authorised person may provide this information to the industry services body (Dairy Australia Limited). Under the Dairy Produce Act, as amended, this information can be used for certain purposes related to determining membership of Dairy Australia and maintaining Dairy Australia's membership register. The recording of individual payment details is also of benefit to the allocation of voting rights for the purposes of levy polls which are required to be undertaken by the industry services body.

The *Primary Industries (Excise) Levies Amendment Regulations 2003 (No. 7)* provide for the imposition of the Dairy Service Levy to the extent that the levy is a duty of excise, and set the rate at which the Dairy Service Levy will apply. The *Primary Industries Levies and Charges Collection Amendment Regulations 2003 (No. 3)* provide for the collection of the levy and levy payer information from first purchasers, manufacturers, buyers or selling agents identified in the regulations. The *Dairy Produce Amendment Regulations 2003 (No. 1)* prescribe the manner in which the Minister must determine the gross value of production.

Details of the *Primary Industries Levies and Charges Collection Amendment Regulations 2003 (No. 3)* are at [Attachment A](#), the *Primary Industries (Excise) Levies Amendment Regulations 2003 (No. 7)* are at [Attachment B](#), and the *Dairy Produce Amendment Regulations 2003 (No. 1)* are at [Attachment C](#).

The regulations will commence at the date on which Schedule 1 to the *Dairy Industry Service Reform Act 2003* is proclaimed (expected to be 1 July 2003).

ATTACHMENT A

PRIMARY INDUSTRIES LEVIES AND CHARGES COLLECTION AMENDMENT REGULATIONS 2003 (No. 3)

Regulation 1 gives the name of the regulations as the Primary Industries Levies and Charges Collection Amendment Regulations 2003 (No. 3).

Regulation 2 provides for the regulations to commence at the same time as Schedule 1 to the *Dairy Industry Service Reform Act 2003*. That is, on a date to be fixed by Proclamation (expected to be 1 July 2003).

Regulation 3 states that Schedule 1 amends the *Primary Industries Levies and Charges Collection Regulations 1991*.

Schedule 1 Amendments

Item 1 inserts a new definition of "personal details" to Schedule 10, clause 2. These details include a person's name, business or residential address, ABN if any, and contact details.

Item 2 provides that a manufacturer can include a producer who transfers relevant dairy produce to his or her own manufacturing facility.

Item 3 provides that a person who buys or sells relevant dairy produce in a particular month or in a levy year must lodge a return no more than 28 days after the end of the month that follows the transaction month and levy year respectively.

Item 4 provides what information must be included in a return and what records must be kept by first purchasers, manufacturers, buying or selling agents.

ATTACHMENT B

PRIMARY INDUSTRIES (EXCISE) LEVIES AMENDMENT REGULATIONS 2003 (No. 7)

Regulation 1 gives the name of the regulations as the Primary Industries (Excise) Levies Amendment Regulations 2003 (No. 7).

Regulation 2 provides for the regulations to commence at the same time as Schedule 1 to the *Dairy Industry Service Reform Act 2003*. That is, on a date to be fixed by Proclamation (expected to be 1 July 2003).

Regulation 3 states that Schedule 1 amends the *Primary Industries (Excise) Levies Regulations 1999*.

Schedule 1 Amendments

Item 1 removes the definitions of corporations levy, promotion levy and research levy, and inserts a new definition of "dairy service levy" to Schedule 6, clause 1.

Item 2 prescribes the milk fat rates and protein rates for the dairy service levy and the Australian Animal Health Council levy under Schedule 6, clause 2.

ATTACHMENT C

DAIRY PRODUCE AMENDMENT REGULATIONS 2003 (No. 1)

Regulation 1 gives the name of the regulations as the Dairy Produce Amendment Regulations 2003 (No. 1).

Regulation 2 provides for the regulations to commence at the same time as Schedule 1 to the *Dairy Industry Service Reform Act 2003*. That is, on a date to be fixed by Proclamation (expected to be 1 July 2003).

Regulation 3 states that Schedule 1 amends the Dairy Produce Regulations.

Schedule 1 Amendments

Item 1 amends the name of the regulations to the Dairy Produce Regulations 1986.

Item 2 prescribes the manner in which the Minister is to determine the amount of the gross value of production of milk for a financial year. Subsection (2) provides that the value of milk produced or the estimated value of milk produced in a financial year is determined by the Australian Bureau of Agricultural and Resource Economics.