

EXPLANATORY STATEMENT

Select Legislative Instrument 2006 (No. 95)

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

Subject: *Wheat Marketing Act 1989*
 Primary Industries (Customs) Charges Act 1999
 Primary Industries Levies and Charges Collection Act 1991

 Wheat Marketing Amendment Regulations 2006 (No. 1)
 Primary Industries (Customs) Charges Amendment Regulations 2006
 (No. 1)
 Primary Industries Levies and Charges Collection Amendment
 Regulations 2006 (No. 1)

Section 8 of the *Primary Industries (Customs) Charges Act 1999* (the Customs Charges Act), section 30 of the *Primary Industries Levies and Charges Collection Act 1991* (the Collection Act) and section 94 of the *Wheat Marketing Act 1989* (the Marketing Act), provide that the Governor-General may make regulations prescribing matters required or permitted by those Acts to be prescribed or necessary or convenient to be prescribed for carrying out or giving effect to those Acts.

The wheat export charge (WEC) was established on 1 October 2003 to fund the Wheat Export Authority (WEA) in the performance of its statutory obligations under the Marketing Act, including the control of the export of wheat from Australia and the performance monitoring and reporting on AWB(I)'s export performance and the resultant benefit to growers from its management of the National Pool.

The WEC imposes a charge of 22 cents per tonne on all exports of wheat from Australia. In establishing the WEC the Australian Government decided it appropriate that the wheat industry, rather than the taxpayer should fund the WEA. The WEC is currently due to cease on 30 June 2006.

The 2004 Wheat Marketing Review (the 2004 Review) was conducted by an independent panel established under the Marketing Act. The Australian Government's response to the recommendations from the 2004 Review agreed that the framework for the current wheat marketing arrangements be maintained. Consistent with the decision to continue the WEA and its functions, the Government committed to removing the 30 June 2006 sunset date for the WEC. The removal of the sunset provisions will ensure continuity of income for the WEA.

The purpose of the legislative amendments is to remove the sunset provisions for the WEC. The WEC is currently due to cease on 30 June 2006, unless action is taken to repeal the sunset provisions. The inclusion of the sunset provisions was agreed to during parliamentary debate on the *Wheat Marketing Amendment Bill 2002*, at which stage the requirement for the independent review of the arrangements in 2004 (referred to above) was also included in the Marketing Act. The change to the *Primary Industries (Customs) Charges Regulations 2000* led to consequential

amendments to the *Wheat Marketing Regulations 1990* and the *Primary Industries Levies and Charges Collection Regulations 1991* as these also contain references to the sunset provisions.

Details of the Regulations are set out in Attachments A, B and C.

The Regulations each commence on the day after registration.

ATTACHMENT A**Details of the *Primary Industries (Customs) Charges Amendment Regulations 2006 (No. 1)***

Section 1 provides for the name of the Regulations to be the *Primary Industries (Customs) Charges Amendment Regulations 2006 (No. 1)*.

Section 2 provides for the Regulations to commence on the day after they are registered.

Section 3 provides that Schedule 1 amends the *Primary Industries (Customs) Charges Regulations 2000*.

Schedule 1 - Amendment

Item 1 omits Schedule 14, clause 5.5 which refers to this part ceasing to have effect at the end of 30 June 2006.

ATTACHMENT B

Details of the Wheat Marketing Amendment Regulations 2006 (No. 1)

Section 1 provides for the name of the Regulations to be the *Wheat Marketing Amendment Regulations 2006 (No. 1)*.

Section 2 provides for the Regulations to commence on the day after they are registered.

Section 3 provides that Schedule 1 amends the *Wheat Marketing Regulations 1990*.

Schedule 1 - Amendment

Item 1 removes the reference to the sunset provisions ceasing to have effect at the end of 30 June 2006.

ATTACHMENT C

Details of the *Primary Industries Levies and Charges Collection Amendment Regulations 2006 (No. 1)*

Section 1 provides for the name of the Regulations to be the *Primary Industries Levies and Charges Collection Amendment Regulations 2006 (No. 1)*.

Section 2 provides for the Regulations to commence on the day after they are registered.

Section 3 provides that Schedule 1 amends the *Primary Industries levies and Charges Collection Regulations 1991*.

Schedule 1 - Amendment

Item 1 omits the reference to the charge ceasing to have effect at the end of 30 June 2006.