

EXPLANATORY STATEMENT

Select Legislative Instrument 2011 No. 43

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

Primary Industries and Energy Research and Development Act 1989

Rural Industries Research and Development Corporation Amendment Regulations 2011 (No. 1)

Section 149 of the *Primary Industries and Energy Research and Development Act 1989* (the PIERD Act) provides, in part, that the Governor-General may make regulations, not inconsistent with the PIERD Act, prescribing matters required or permitted by the PIERD Act to be prescribed, or necessary or convenient to be prescribed for carrying out or giving effect to the PIERD Act.

Subsection 5(1) of the PIERD Act provides for regulations to attach a levy (including an export charge) to a research and development (R&D) Corporation.

Section 40 of the PIERD Act provides for regulations to require an R&D Corporation to keep separate accounting records in relation to the funding of specified classes of R&D activities.

The purpose of the Regulations is to enable that any funds raised by the new Australian Government statutory R&D levy on ginger growers to be paid to the Rural Industries Research and Development Corporation (RIRDC) and that certain accounting records to be kept by RIRDC for the funding of R&D activities relating to the ginger industry.

From 1 April 2011, a statutory R&D levy on ginger growers will be paid to the Government.

RIRDC co-ordinates R&D programs for many agricultural industries. RIRDC is funded through Australian Government appropriations, by statutory levies and export charges, and by Australian Government matching funding for eligible R&D expenditure. This matching funding is provided under the *Primary Industries and Energy Research and Development Act 1989*.

Under the Regulations, RIRDC would be the body to manage moneys collected from the R&D levy imposed on ginger growers.

Details of the Regulations are set out in the Attachment.

The PIERD Act specifies no conditions that need to be met before the power to make the Regulations may be exercised.

The Regulations are legislative instruments for the purposes of the *Legislative Instruments Act 2003*.

The Office of Best Practise Regulation was consulted in the preparation of the Regulations and agreed that a Regulation Impact Statement was not required for this amendment (OBPR Ref. 12334).

The Regulations commence on the day after they are registered on the Federal Register of Legislative Instruments.

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ATTACHMENT**DETAILS OF THE RURAL INDUSTRIES RESEARCH AND DEVELOPMENT
CORPORATION AMENDMENT REGULATIONS 2011 (NO. 1)****Regulation 1 – Name of Regulations**

This regulation provides for the name of the Regulations to be the *Rural Industries Research and Development Corporation Amendment Regulations 2011 (No. 1)*.

Regulation 2 – Commencement

This regulation provides for the commencement date to be the day after they are registered.

Regulation 3 – Amendment of *Rural Industries Research and Development Corporation Regulations 2000*

This regulation provides that Schedule 1 amends the *Rural Industries Research and Development Corporation Regulations 2000* (the RIRDC Regulations).

Schedule 1 Amendments

Item [1] –inserts a new Division 12 relating to the ginger levy, including new regulations 40 to 42, into Part 2 of the RIRDC Regulations.

Part 2, Division 12

Regulation 40 provides for the definition of *ginger industry* as one of the primary industries in respect of which RIRDC is established.

Regulation 41 deals with the attachment of the ginger levy to RIRDC via section 5 of the PIERD Act, which requires certain aspects to be declared by regulation.

Regulation 42 provides for certain accounting records to be kept by RIRDC for the funding of R&D activities relating to the ginger industry in line with Section 40 of the PIERD Act.