
The Parliament of the Commonwealth of Australia

Advisory Report on the Excise Tariff Amendment (Condensate) Bill 2011 and the Excise Legislation Amendment (Condensate) Bill 2011

House of Representatives
Standing Committee on Agriculture, Resources, Fisheries and Forestry

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Contents

Foreword	v
Membership of the Committee	vii
Terms of reference	ix
List of abbreviations	x
List of recommendations	xi

THE REPORT

1 The Excise Tariff Amendment (Condensate) Bill 2011 and the Excise Legislation Amendment (Condensate) Bill 2011.....	1
Introduction	1
The inquiry process	2
Purpose and overview of the Bills.....	2
Policy history	2
Excise Tariff Amendment (Condensate) Bill 2011	5
Excise Legislation Amendment (Condensate) Bill 2011	6
Committee conclusion.....	7

APPENDICES

Appendix A – Submissions	9
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LIST OF TABLES

Figure 1	Comparison of key features of new law and current law	6
Figure 2	Comparison of key features of new law and current law	7



Foreword

These Bills refine the excise regime that applies to condensate from the North West Shelf. They seek to ensure that the Crude Oil Excise regime applies to condensate production from the North West Shelf project area as intended following the removal of the excise exemption in May 2008.

The Excise Tariff Amendment (Condensate) Bill 2011 amends the *Excise Tariff Act 1921*, to clarify the area encompassed by the Rankin Trend condensate production area of the North West Shelf.

The Excise Legislation Amendment (Condensate) Bill 2011 amends the *Petroleum Excise (Prices) Act 1987*, to confirm that failure to provide petroleum producers with written notification setting out the terms of a Volume Weighted Average of Realised price determination does not affect the validity of the determination.

The Committee welcomes the opportunity to consider legislation, especially where a review is relevant and may assist in the timely development of improved legislation. However, in order to improve the operation of Bills inquiries generally, it is suggested that the Selection Committee considers providing some context with the referral to each Committee in order to clarify what concerns may relate to the Bill under investigation and why the Selection Committee considered an inquiry appropriate.

The desire to improve the process of Bills inquiries has motivated the Committee to recommend that submissions from agencies and departments to future Bills inquiries contain details of the development of the Bill including consultation undertaken and concerns that were raised. This will assist future Committees to more fully understand the context of the issues at hand and hence to improve the scrutiny of legislation.

Nevertheless, the Committee welcomes efforts to provide clarity around legislation, and therefore to provide certainty to industry.

Therefore we commend the Bills to the House.

Hon Dick Adams MP

Chair



Membership of the Committee

Chair Hon Dick Adams MP

Deputy Chair Mr Alby Schultz MP

Members	Mr Darren Cheeseman MP	Mr Geoff Lyons MP
	Mr George Christensen MP	Mr Rob Mitchell MP
	Mr Tony Crook MP	Mr Dan Tehan MP

Committee Secretariat

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Terms of reference

On 6 July 2011 the Selection Committee referred the following bills to the Committee for inquiry and report:

- Excise Tariff Amendment (Condensate) Bill 2011
- Excise Legislation Amendment (Condensate) Bill 2011

Under Standing Order 222(e), the House is taken to have adopted Selection Committee reports when they are presented.



List of abbreviations

ACT	Australian Capital Territory
APPEA	Australian Petroleum Production and Exploration Association
NWSJV	North West Shelf Joint Venture
Rankin Trend	‘Rankin Trend’ condensate production area
VOLWARE	Volume Weighted Average of Realised prices



List of recommendations

1 The Excise Tariff Amendment (Condensate) Bill 2011 and the Excise Legislation Amendment (Condensate) Bill 2011

Recommendation 1

The Committee recommends that submissions from lead departments to future Bills inquiries detail the process by which the Bill was developed including the consultation that has occurred and concerns that have been raised in relation to the Bill.

Recommendation 2

The Committee recommends that the House of Representatives pass the Bills.

