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Primary Industries (Excise) Levies Amendment (Dairy) Bill 2003

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I N F O R M A T I O N A N D R E S E A R C H S E R V I C E S

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2003

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3 March 2003

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Primary Industries (Excise) Levies Amendment (Dairy) Bill 2003

Date Introduced: 12 February 2003

House: House of Representatives

Portfolio: Agriculture, Fisheries and Forestry

Commencement: The main provisions will commence on the same date as the Dairy Industry Services Reform Bill 2003.

Purpose

To:

- Amend the *Primary Industries (Excise) Levies Act 1999* to replace the current Dairy Promotion, Research and Corporation Levies with a single Dairy Service Levy.

Background

The amalgamation of the three existing levies into one accompanies the conversion of the Commonwealth owned Australian Dairy Corporation and Dairy Research and Development Corporation into the new privatised Dairy Australia Limited. Full background – including an explanation of the new combined levy – is set out in *Bills Digest No 117, 2002–03*.

In his Second Reading Speech, the Minister explained that:

The advantage of combining the three current levies into one is that Dairy Australia Limited...will have greater flexibility in determining its expenditure breakdown, but will remain accountable for this expenditure through a statutory funding agreement to be entered into with the Commonwealth. Combining these levies will also facilitate the conduct by Dairy Australia of future periodic polls of levy payers which will determine the rate of the dairy levy.¹

The Minister noted that amalgamation of the three levies will not alter the overall amount of levy that dairy farmers will pay.²

Warning:

This Digest was prepared for debate. It reflects the legislation as introduced and does not canvass subsequent amendments.

This Digest does not have any official legal status. Other sources should be consulted to determine the subsequent official status of the Bill.

This amendment is included in a separate Bill because it could be construed as imposing a tax, and the Constitution requires that such bills deal with no other matters.³

Main Provisions

Schedule 1 repeals the provisions in the *Primary Industries (Excise) Levies Act 1999* imposing the current Corporation, Promotion and Research Levy on dairy produce, replacing these with a single 'dairy service levy'.

Endnotes

- 1 Truss, Hon Warren, MP, 'Second Reading Speech', Dairy Industry Services Reform Bill 2003, House of Representatives, *Debates*, 12 February 2003, p. 658.
- 2 *ibid.*
- 3 Section 55.

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