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National Residue Survey (Customs) Levy Amendment Bill 2002

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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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2002

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National Residue Survey (Customs) Levy Amendment Bill 2002

Date Introduced: 12 December 2002

House: House of Representatives

Portfolio: Agriculture, Fisheries and Forestry

Commencement: The day on which the Act receives Royal Assent

Purpose

To change the basis on which the national residue survey customs levy on apples and pears is imposed from a box basis to a weight basis.

Background

The [National Residue Survey](#) is a program that monitors chemical residues in food and fibre produced in Australia. Residue monitoring is part of the national strategy that seeks to minimise unwanted residues and environmental contaminants in food for health and other reasons. Monitoring activities are currently limited to chemical residues in raw food commodities. The Residues and Standards Branch in the Department of Agriculture, Fisheries and Forestry Australia implements the program.

The Survey is funded by levies on the participating industries under the [National Residue Survey \(Customs\) Levy Act 1998](#) (the Act), the [National Residue Survey \(Excise\) Levy Act 1998](#), and the [National Residue Survey Administration Act 1992](#). For example, in the case of apples and pears, the customs levy is imposed on a 'box' as defined in clause 1 of Schedule 4 of the Act, while clause 4 of Schedule 4 specifies the levy rates.

According to the Minister's second reading speech, the main purpose of the Bill is to change the basis on which the levy on apples and pears is imposed from a box to a weight (kilogram) basis to accord with industry practice. The decision to make the change is in response to representations from the Australian Apple and Pear Growers Association (now known as [Apple and Pear Australia Limited](#)).

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.

Main Provisions

The proposed amendments would do three main things:

- repeal the definition of 'box'
- replace the box rates with per kilogram rates, and
- abolish the distinction between 'operative' and 'maximum' rates
 - there are currently two rates for each of apples and pears, namely, the operative rate of 1 cent per box and the maximum rate of 1.1 cents per box.

Item 1 of Schedule 1 would amend clause 1 of Schedule 4 of the Act to repeal the definition of 'box'.

Items 2 and 4 respectively change the operative rate for apples and pears from one cent a box to 0.06 cents a kilogram.

Items 3 and 5 respectively change the maximum rate for apples and pears from one cent a box to 0.06 cents a kilogram.

Item 6 provides for the amendments to apply to exports on or after the first day of the month immediately after the month when the proposed amendments come into effect.

Concluding Comments

There is no explanation of why the Bill abolishes the distinction between operative and maximum rates. Nor is there any explanation of how the proposed rates were derived. In particular, it is not clear whether the new rate of 0.06 cents a kilogram is equivalent to the operative or maximum rates. However, as the Minister stated in his second reading speech, the Bill should make the calculation of the levy easier.

See also the companion Bills Digest for the National Residue Survey (Excise) Levy Amendment Bill 2002.

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