



Wool Legislation Amendment Act 1990

No. 96 of 1990

**An Act to amend the *Wool Marketing Act 1987* and the
Wool Tax (Administration) Act 1964, and for related
purposes**

[Assented to 29 November 1990]

The Parliament of Australia enacts:

PART 1—PRELIMINARY

Short title

1. This Act may be cited as the *Wool Legislation Amendment Act 1990*.

Commencement

2. (1) Except for the provisions specified in subsection (2), this Act commences on the day on which it receives the Royal Assent.

(2) Sections 4, 7, 8, 9, 13 and 15 to 19 are to be taken to have commenced on 4 October 1990.

**PART 2—AMENDMENTS OF THE WOOL MARKETING ACT
1987**

Principal Act

3. In this Part, “**Principal Act**” means the *Wool Marketing Act 1987*¹.

Interpretation

4. Section 3 of the Principal Act is amended by inserting in subsection (1) the following definition:

“‘**carpet wool**’ has the same meaning as in the Administration Act;”.

Meetings of Corporation

5. Section 25 of the Principal Act is amended by omitting subsection (10).

6. After section 25 of the Principal Act the following section is inserted:

Conduct of meetings

“25A. (1) Subject to this Division, the Corporation may regulate its proceedings as it considers appropriate.

“(2) Without limiting subsection (1), the Corporation Chairperson may permit directors to participate in a particular meeting, or all meetings:

- (a) by telephone; or
- (b) by closed-circuit television; or
- (c) by any other means of communication.

“(3) A director who participates in a meeting of the Corporation in accordance with subsection (2) is to be taken to be present at the meeting.”.

Determination of apportionment of wool tax

7. Section 46 of the Principal Act is amended:

- (a) by inserting in paragraph (1) (a) “, other than carpet wool,” after “shorn wool”;
- (b) by omitting from paragraph (1) (b) “that value” and substituting “the sale value of shorn wool”;
- (c) by omitting from paragraph (1) (c) “that value” and substituting “the sale value of shorn wool”;
- (d) by omitting subsection (2) and substituting the following subsections:

“(1A) The Wool Council may, at any time after it has determined percentages under subsection (1) but before the end of the financial year to which the percentages relate, vary any

percentage or any percentage resulting from an earlier variation of a percentage.

“(2) The percentages determined, or those percentages as varied, must be such that:

- (a) in the case of shorn wool other than carpet wool—neither of the percentages applicable under paragraphs (1) (a) and (b) is less than 2.5%; and
 - (b) in the case of carpet wool—the percentage applicable under paragraph (1) (b) is not less than 2.5%; and
 - (c) the percentage applicable under paragraph (1) (c) is not less than 0.25%; and
 - (d) the sum of the percentages applicable in relation to particular shorn wool is equal to the percentage specified in the rate of tax imposed by a Wool Tax Act that is the rate of tax, other than additional tax, that applied to that wool.”;
- (e) by inserting “or varying” in subsection (3) after “determining”;
- (f) by omitting subsections (4) and (5) and substituting the following subsections:

“(4) As soon as practicable after determining or varying percentages, the Wool Council must give the Minister and the Corporation details of the determination or variation.

“(5) As soon as practicable after receiving details of a determination or variation of percentages, the Minister must cause those details to be published in the *Gazette*.

“(6) A variation of a percentage takes effect on the day (which may be a day before the day of the variation) fixed by the Minister by notice published in the *Gazette* and continues in effect:

- (a) until the end of the financial year; or
- (b) if, during the financial year, the percentage is again varied, until the next variation takes effect.”

Payments to Corporation

8. Section 47 of the Principal Act is amended by omitting subsection (1) and substituting the following subsection:

“(1) Where all the tax and additional tax imposed on particular shorn wool by Wool Tax Acts has been received by the Commonwealth, the following amounts are payable to the Corporation:

- (a) in the case of shorn wool, other than carpet wool, an amount equal to the percentage of the sale value of that shorn wool applicable under paragraph 46 (1) (a) at the time when the tax was imposed on the wool;

- (b) an amount equal to the percentage of the sale value of the shorn wool applicable under paragraph 46 (1) (b) at that time;
- (c) an amount equal to the percentage of the sale value of the shorn wool applicable under paragraph 46 (1) (c) at that time;
- (d) where additional tax was imposed on the shorn wool, an amount equal to the percentage of the sale value of the shorn wool that represents the rate at which that additional tax was imposed.”.

Dealings with Market Fund

9. Section 49 of the Principal Act is amended:

- (a) by omitting from paragraph (1) (a) “paragraph 47 (1) (a)” and substituting “paragraphs 47 (1) (a) and (d)”;
- (b) by inserting in paragraph (2) (a) after subparagraph (iiia) the following subparagraph:
 - “(iiib) for the implementation of schemes for the disposal of sheep;”;
- (c) by adding at the end of paragraph (2) (a) the following subparagraph:
 - “(vi) with the agreement of the Wool Council, in the implementation of a scheme for the making of payments to woolgrowers in respect of wool the marketing of which was delayed until after 30 June 1990 by the flooding that occurred in New South Wales and Queensland in April and May 1990; or”;
- (d) by adding at the end the following subsections:

“(5) The Corporation is not authorised to provide from the Market Fund, in a particular financial year, more money for the implementation of schemes referred to in subparagraph (2) (a) (iiib) than the amount approved by the Minister in writing for such schemes in that year.

“(6) Subparagraph (2) (a) (vi) only applies to wool produced during the financial year that commenced on 1 July 1989 and which, in the opinion of the Corporation, could reasonably have been expected to be offered for sale at an auction during that financial year but for the flooding referred to in that subparagraph.”.

Refund periods

10. Section 50 of the Principal Act is amended:

- (a) by omitting from subsection (1) “financial year or 2 or more financial years that constitute a continuous”;
- (b) by omitting from subsection (1) “that year or those years” and substituting “that period”;
- (c) by omitting from subsection (2) “financial year or 2 or more financial years that constitute a continuous”;

- (d) by omitting from paragraph (2) (b) all words after “declare” and substituting “the period that is to be the refund period”;
- (e) by adding at the end the following subsections:

“(3) Refund periods declared under subsection (1) or (2) relate to amounts in the Market Fund representing money paid to the Corporation under paragraph 47 (1) (a) of this Act or section 84A of the repealed Act.

“(4) The Minister may, by notice published in the *Gazette*, declare a period to be a refund period in relation to amounts in the Market Fund representing money paid to the Corporation under paragraph 47 (1) (d).

“(5) Before making a declaration under subsection (4), the Minister must take into consideration any recommendation made to the Minister by the Corporation in relation to the making of a declaration under subsection (4).”.

Copy of Registers under Administration Act to be given to Corporation

11. Section 51A of the Principal Act is amended by omitting from subsection (1) “15 and 16” and substituting “15, 16 and 16A”.

Information relating to wool tax to be given to Corporation

12. Section 51B of the Principal Act is amended by omitting from paragraph (b) “section 5 of”.

13. The Principal Act is amended by inserting the following section in Division 2 of Part 4 before section 66:

Special provision regarding carpet wool

“65A. Nothing in this Division obliges the Corporation to buy, or to tender for, carpet wool at a time when the rate at which tax, other than additional tax, is imposed by a Wool Tax Act in relation to carpet wool is lower than the rate at which tax, other than additional tax, is imposed in relation to shorn wool other than carpet wool.”.

Deferral of sales

14. Section 71 of the Principal Act is amended by inserting “section” in subsection (2) after “comply with”.

PART 3—AMENDMENTS OF THE WOOL TAX (ADMINISTRATION) ACT 1964

Principal Act

15. In this Part, “Principal Act” means the *Wool Tax (Administration) Act 1964*².

Interpretation

16. Section 4 of the Principal Act is amended:

(a) by inserting in subsection (1) the following definitions:

“‘**carpet wool**’ means:

- (a) a quantity of shorn wool not less than one bale in relation to which a registered laboratory has, prior to the sale of the wool, issued a certificate stating the thickness of the wool, the thickness so stated being not less than 32.0 microns; or
- (b) shorn wool that is purchased, otherwise than at auction, by a registered carpet wool co-operative or a registered carpet yarn manufacturer for use exclusively in the manufacture of carpet yarn; or
- (c) shorn wool that is purchased, otherwise than at auction, by a registered wool-dealer for sale to a registered carpet wool co-operative or to a registered carpet yarn manufacturer;

“‘**registered carpet wool co-operative**’ means an organisation or body registered under section 16A as a carpet wool co-operative;

“‘**registered carpet yarn manufacturer**’ means a person registered under section 16A as a carpet yarn manufacturer;

“‘**registered laboratory**’ has the same meaning as in the *Wool Marketing Act 1987*”;

(b) by adding at the end the following subsections:

“(6) Wool is not to be taken to be purchased for use exclusively in the manufacture of carpet yarn unless the purchaser has given to the seller, at or before the time of purchase, a certificate signed by or on behalf of the purchaser stating either:

- (a) that the wool is purchased for use exclusively in the manufacture of carpet yarn; or
- (b) that the wool is purchased exclusively for processing for use in the manufacture of carpet yarn.

“(7) Wool purchased by a registered wool-dealer is not to be taken to be purchased for sale to a registered carpet wool co-operative or to a registered carpet yarn manufacturer unless the wool-dealer has given to the seller, at or before the time of purchase, a certificate signed by or on behalf of the wool-dealer stating that the wool is purchased for sale to a registered carpet wool co-operative or to a registered carpet yarn manufacturer.

“(8) Where two or more certificates have been issued by a registered laboratory in relation to wool, the reference in paragraph (a) of the definition of ‘carpet wool’ in subsection (1) is to the last such certificate stating the thickness of the wool that was issued prior to the sale of the wool.

“(9) Where:

(a) wool becomes carpet wool for the purposes of this Act because of the operation of paragraph (b) or (c) of the definition of ‘carpet wool’ in subsection (1); and

(b) either:

(i) the wool is subjected to a process of manufacture for the purpose of the manufacture of goods other than carpet or carpet yarn; or

(ii) the wool is exported from Australia;

the wool is taken to have ceased to be carpet wool for the purposes of this Act immediately before it was subjected to the process of manufacture or was exported, as the case may be.”.

Person liable to pay tax

17. Section 11 of the Principal Act is amended by adding at the end the following subsection:

“(2) Where:

(a) tax is imposed on shorn wool by a Wool Tax Act; and

(b) as a result of the operation of subsection 4 (4A) of the *Wool Tax Act (No. 4) 1964* or subsection 4 (4A) of the *Wool Tax Act (No. 5) 1964*, further tax is payable in respect of the wool under one of those Acts;

the amount that a person is liable to pay in respect of the further tax imposed by an Act referred to in paragraph (b) is reduced by the amount of the tax referred to in paragraph (a).”.

18. After section 16 of the Principal Act, the following section is inserted in Part 4:

Registration of carpet wool co-operatives and manufacturers of carpet yarn

“16A. (1) An application for registration as a carpet wool co-operative or as a manufacturer of carpet yarn must:

(a) be in writing in accordance with a form approved by the Commissioner; and

(b) be made in the prescribed manner.

“(2) On receipt of an application under subsection (1), the Commissioner must:

(a) in the case of an application by a carpet wool co-operative—immediately register the co-operative by entering the name of the co-operative in a register kept by the Commissioner for the purpose; and

(b) in the case of an application by a manufacturer of carpet yarn—immediately register the manufacturer by entering the name of the manufacturer in a register kept by the Commissioner for the purpose.

“(3) Where a person, organisation or body has been registered under subsection (2), the Commissioner must give written notice of the registration to the person, organisation or body.

“(4) Where a registered carpet wool co-operative is dissolved, the registration of the co-operative immediately ceases to have effect and the Commissioner, on being notified of the dissolution of the co-operative, must remove the name of the co-operative from the register.

“(5) Where a registered manufacturer of carpet yarn dies or, in the case of a company, is dissolved, the registration of the manufacturer immediately ceases to have effect and the Commissioner, on being notified of the death or dissolution of the manufacturer, must remove the name of the manufacturer from the register.

“(6) Where a registered carpet wool co-operative or a registered carpet yarn manufacturer applies in writing to the Commissioner in the prescribed manner for cancellation of registration, the Commissioner must immediately cancel the registration of the applicant and give notice of the cancellation of the registration to the applicant.”.

19. The Principal Act is amended by inserting after section 22 the following sections:

Certificates by registered carpet wool co-operatives and registered carpet yarn manufacturers

“22A. (1) A registered carpet wool co-operative that authorises a person to sign certificates for the purposes of this Act on behalf of the co-operative must immediately notify the Commissioner of the authorisation and send to the Commissioner a specimen of the person’s signature.

“(2) A registered manufacturer of carpet yarn who authorises a person to sign certificates for the purposes of this Act on behalf of the manufacturer must immediately notify the Commissioner of the authorisation and send to the Commissioner a specimen of the person’s signature.

“(3) If a registered carpet wool co-operative or registered carpet yarn manufacturer cancels the authority of a person to sign certificates under this section, the co-operative or manufacturer must notify the Commissioner of the cancellation as soon as is reasonably practicable. Penalty: \$1,000.

Certificates by registered wool-dealers regarding carpet wool

“22B. (1) A registered wool-dealer who authorises a person to sign certificates for the purposes of subsection 4 (7) on behalf of the wool-dealer must immediately notify the Commissioner of the authorisation and send to the Commissioner a specimen of the person’s signature.

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“(2) If a registered wool-dealer cancels the authority of a person to sign certificates for the purposes of subsection 4 (7) on behalf of the wool-dealer, the wool-dealer must notify the Commissioner of the cancellation as soon as is reasonably practicable.

Penalty: \$1,000.”.

NOTES

1. No. 90, 1987, as amended. For previous amendments, see Nos. 51 and 111, 1988; Nos. 88 and 130, 1989; and Nos. 16 and 62, 1990.
2. No. 30, 1964, as amended. For previous amendments, see No. 93, 1966; No. 216, 1973; No. 37, 1976; No. 19, 1979; No. 134, 1980; No. 61, 1981; No. 122, 1982; No. 39, 1983; No. 123, 1984; Nos. 47, 65 and 123, 1985; Nos. 41 and 48, 1986; Nos. 62 and 145, 1987; No. 97, 1988; and No. 60, 1990.

[*Minister's second reading speech made in—
House of Representatives on 13 November 1990
Senate on 15 November 1990*]