

EXPLANATORY STATEMENT

STATUTORY RULES 1983 NO. 210

Issued by the Authority of the Minister for Primary Industry

HONEY LEVY (AMOUNT OF LEVY) (NO. 2) REGULATIONS

Section 7 of the Honey Levy Act (No. 2) 1962 (the Act) provides that the Governor-General may make regulations for the purposes of carrying out or giving effect to the Act.

The Act imposes a levy on honey produced in Australia and used in the production of other goods. Section 23 of the Honey Industry Act 1962 provides that amounts equal to the amounts received from payments of levies and collected by the Commonwealth are to be appropriated to the Australian Honey Board to finance that Board's operations.

Section 5 of the Act provides that Regulations may vary the rate of levy from time to time up to a maximum of two and two-tenths (2.2) cents per kilogram and that before making such Regulation the Governor-General shall take into consideration any recommendation with respect to the rate made by the Board to the Minister.

The Honey Levy (Amount of Levy) (No. 2) Regulations prescribe the current operative rate of levy of 1.8 cents per kilogram. This rate has been operative since 1 December 1978.

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The Honey Board has recommended that the rate of levy be increased by 0.4 of a cent to 2.2 cents per kilogram. In support of its recommendation the Board stated that a substantial deficit will be incurred in the 1983/84 financial year, due particularly to rising administrative costs, and the position would become worse in subsequent years without increased income.

Additional finance is required for the Board to offset rises in administrative and operating costs in order to maintain the level of its domestic and overseas promotion expenditure and the other services which it provides for the honey industry.

The Minister supports the Board's views and the proposed Regulations would implement its recommendations.

S.R. No. 201/83