

EXPLANATORY STATEMENT

Select Legislative Instrument 2007 No. 149

Issued by Authority of the Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry

National Residue Survey (Excise) Levy Act 1998

Primary Industries Levies and Charges (National Residue Survey Levies) Amendment Regulations 2007 (No. 3)

Section 8 of the *National Residue Survey (Excise) Levy Act 1998* (the Act) provides that the Governor-General may make regulations prescribing matters required or permitted by the Act to be prescribed, or necessary or convenient to be prescribed for carrying out or giving effect to the Act.

The National Residue Survey (NRS) implements chemical residue monitoring programs and recovers the costs of the programs from participating industries. The purpose of the *Primary Industries Levies and Charges (National Residue Survey Levies) Amendment Regulations 2007 (No. 2)* which were made by the Governor-General in Council on 23 May 2007 was to include all tradable grains in the NRS Grains Residue Testing Program. However due to a drafting oversight, those Regulations did not allow the operative rate of 0.015% ad valorem levy to be collected on the grains that were added to the *Primary Industries Levies and Charges (National Residue Survey Levies) Regulations 1998*.

The purpose of the proposed Regulations is to correct that omission and provide for the operative rate of 0.015% ad valorem levy to be collected. This would allow all tradeable grain legumes, all tradeable oilseeds, maize and triticale to be included in the NRS Grains Residue Testing Program.

Background and consultation on the Regulations is in the [Attachment A](#) and details are in [Attachment B](#).

The Regulations are a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.

The Regulations will commence on 1 July 2007.

(0700888B-070604Z)

BACKGROUND ON THE REGULATIONS

National Residue Survey (NRS) Grains Levy and Grains Residue Testing Program

In 2004 the Grains Council of Australia (GCA) accepted requests by Pulse Australia, the Australian Oilseed Federation and the Maize Association of Australia for new grains to be included in the NRS Grains Residue Testing Program. This means participating in the GRDC and Plant Health Australia levies and the NRS levy for the new grains. Pulse Australia is the industry body that represents grain legumes growers in Australia. The words “pulse” and “grain legume” are inter-changeable.

The NRS Grains Residue Testing Program currently covers wheat, barley, oats, sorghum, canola, chickpeas, field peas and lupins and is funded through a 0.015 per cent ad valorem levy. The commodities that are currently not paying the NRS levy are other tradeable grain legumes (pulses), other tradeable oilseeds, maize, and triticale.

The purpose of the *Primary Industries Levies and Charges (National Residue Survey Levies) Amendment Regulations 2007 (No. 3)* is to include all tradable grains in the NRS Grains Residue Testing Program. The regulations do not alter the existing 0.015 per cent ad valorem levy.

Industry Consultation

Around mid-2005, the GCA made the first submission seeking approval of the change. However, following consultation between NRS, the Food and Agriculture Division and the Levies Revenue Service, the Department advised the GCA that there was insufficient consultation with growers. This second submission was prepared after satisfying this requirement. The consultation involved the distribution of information about the change. The NRS then followed this up with visits during the annual general meetings of farmers’ organisations where discussions and voting on the proposal took place. In addition, a Bulletin with a voting slip was prepared and circulated to farmers so those that could not attend the meetings could vote on the proposal.

On the basis of the information provided by GCA, there appears to be minimal or no opposition to including the new grains into the NRS Grains Residue Testing Program.

Consultation with the Office of Best Practice Regulation

The Office of Best Practice Regulation (OBPR) was consulted in the preparation of the Regulations. OBPR has advised that it is not necessary to prepare a Regulation Impact Statement on this matter (RIS 8875).

Consultation with the Department of Finance and Administration

The Department of Finance and Administration through the Financial Framework Policy Branch (FFPB) was consulted in the preparation of the Regulations. The FFPB advised that a cost recovery impact statement does not appear to be required at this time.

ATTACHMENT B

DETAILS OF THE *PRIMARY INDUSTRIES LEVIES AND CHARGES* (*NATIONAL RESIDUE SURVEY LEVIES*) AMENDMENT REGULATIONS 2007 (No. 3)

Regulation 1 gives the name of the Regulations as the *Primary Industries Levies and Charges (National Residue Survey Levies) Amendment Regulations 2007 (No. 3)*.

Regulation 2 provides for the Regulations to commence on 1 July 2007.

Regulation 3 provides that Schedule 1 amends the *Primary Industries Levies and Charges (National Residue Survey Levies) Regulations 1998*.

SCHEDULE 1 Amendments

Item 1 Omits note which specifies certain clauses which were not used and are no longer relevant.

Item 2 Inserts regulations that set the levy rate of eligible coarse grains at 0.015 percent ad valorem rate. Eligible coarse grains are triticale and maize.

Item 3 Omits note which specifies certain clauses which were not used and are no longer relevant.

Item 4 Inserts regulations that set the levy rate of eligible grain legumes at 0.015 percent ad valorem rate. Eligible grain legumes are cow pea, faba or broad bean, lentil, mung bean, navy bean, pigeon pea and vetch. A new note is also inserted to specify Regulation number 73 is intentionally not used.

Item 5 Omits note which specifies certain clauses which were not used and are no longer relevant.

Item 6 Inserts regulations that set the levy rate of eligible oilseeds at 0.015 percent ad valorem rate. Eligible oilseeds are linseed, safflower, soybean and sunflower.