

EXPLANATORY STATEMENT

Select Legislative Instrument No. 104, 2014

Issued by Authority of the Minister for Agriculture

Primary Industries (Customs) Charges Act 1999

Primary Industries (Customs) Charges Amendment (Bees) Regulation 2014

Legislative Authority

Section 8 of the *Primary Industries (Customs) Charges Act 1999* (the Charges Act) provides that the Governor-General may make regulations prescribing matters required or permitted by the Act to be prescribed for carrying out or giving effect to the Act. The Act provides for the ability to impose charges, payable by the producer of queen bees being exported from Australia.

Purpose

The purpose of the Regulation is to amend the statutory export charge, payable by the producer of the on queen bees, to:

- decrease the research and development (R&D) charge on each queen bee sold for \$20 or less from 0.5% of the sale price to zero; and
- decrease the R&D charge on each queen bee sold for more than \$20 from 10 cents to zero.

Background

Levies and charges are introduced, administered and collected by the Australian Government at the request of industry. The Department of Agriculture disburses the funds collected from the levy/charge on queen bees to the Rural Industries Research and Development Corporation (RIRDC) for queen bee breeding R&D.

The peak industry body for queen bees, the Australian Honey Bee Industry Council (AHBIC), has lodged a submission requesting to decrease the operative rate for the levy/charge on queen bees to zero.

The annual revenue raised by the levy/charge has decreased to the point where the cost of collecting the levy/charge now exceeds revenue. If the levy/charge continues to be collected it will result in a net loss to RIRDC's Honeybee Research and Development Program.

A separate Regulation has been made to amend the *Primary Industries (Excise) Levies Regulations 1999* to reduce the statutory levy on queen bees to nil.

Impact and Effect

Setting the rate to zero will prevent any further loss of R&D funds from RIRDC's Honeybee Research and Development Program.

Rather than removing the levy/charge in its entirety, setting the rate to zero will provide the industry with the flexibility to consider activating the levy/charge again under current

arrangements (for example, who pays the levy/charge, and how the levy/charge is collected) in the future.

Consultation

AHBIC consulted queen bee breeders who pay the charge about the change. The Department consulted the departments of the Prime Minister and Cabinet and Treasury in preparing the Regulation. The Office of Best Practice Regulation has agreed that a Regulation Impact Statement is not required for this proposal (ID 17034).

Details/ Operation

Details of the Regulation are set out in the Attachment A.

The Regulation is compatible with the human rights and freedoms recognised or declared under section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*. A full statement of compatibility is set out in the Attachment B.

The Regulation is a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.

The Regulation is to commence on 1 August 2014.

Details of the *Primary Industries (Customs) Charges Amendment (Bees) Regulation 2014*

Regulation 1 – Name of Regulation

This regulation provides for the title of the Regulation to be the *Primary Industries (Customs) Charges Amendment (Bees) Regulation 2014*.

Regulation 2 – Commencement

This regulation provides for the Regulation to commence on 1 August 2014.

Regulation 3 – Authority

This regulation provides for the legislative authority for making the Regulation as the *Primary Industries (Customs) Charges Act 1999*.

Regulation 4 – Schedule

This regulation provides for the *Primary Industries (Customs) Charges Regulations 2000* to be amended as set out in Schedule 1.

Schedule 1 – Amendments

Item 1 amends the rate of charge, payable by the producer of queen bees being exported, to nil.

Statement of Compatibility with Human Rights

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

Primary Industries (Customs) Charges Amendment (Bees) Regulation 2014

This Legislative Instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

Overview of the Legislative Instrument

The purpose of the Regulation is to amend the statutory charge on queen bees.

Human rights implications

This Legislative Instrument does not engage any of the applicable rights or freedoms.

Conclusion

This Legislative Instrument is compatible with human rights as it does not raise any human rights issues.

**The Hon. Barnaby Joyce MP
Minister for Agriculture**