**EXPLANATORY STATEMENT**

Issued by Authority of the Minister for Agriculture and Water Resources

*Primary Industries (Excise) Levies Act 1999*

*Primary Industries (Excise) Levies (Designated Bodies) Amendment Declaration 2015*

**Legislative Authority**

The *Primary Industries (Excise) Levies Act 1999* (the Act) provides for the imposition of Plant Health Australia (PHA) levies on plant products.

Clause 13 of Schedule 27 to the Act provides that the Minister may declare that a specified body is to be a designated body for one or more specified products.

**Purpose**

The purpose of the *Primary Industries (Excise) Levies (Designated Bodies) Amendment Declaration 2015* (the Amendment Declaration) is to declare Wine Grape Growers Australia Incorporated (WGGA) as the designated body for two plant products: grapes and wine grapes.

**Background**

A Plant Health Australia (PHA) levy can be applied to a plant product to pay the annual membership contribution for the relevant plant industry body that represents that plant industry as a member of PHA (plant industry member). Where a plant industry member is the designated body for two or more plant products, the represented industries share the cost of the annual membership contribution, in determined proportions.

In these circumstances, subsection 10(3) of the PHA Funding Act requires that the Minister, having regard to PHA’s advice, determine for each relevant plant product what proportion of the annual membership contribution relates to each plant product for each financial year.

The Primary Industries (Excise) Levies (Designated Bodies) Declaration 2013 identifies two designated bodies: Grain Producers Australia (GPA) for 13 grain products and AUSVEG Limited (AUSVEG) for three vegetable or potato products.

**Impact and Effect**

The Amendment Declaration declares WGGA as the designated body for two plant products: grapes and wine grapes. This will allow the Minister to determine what proportion of the annual PHA membership contribution for grapes and wine grapes relates to each plant product. The effective outcome of the Amendment Declaration is to allow the PHA levy on both grapes and wine grapes to be used, proportionally, to discharge WGGA’s annual PHA membership contribution.

**Consultation**

WGGA and the Winemakers’ Federation of Australia Incorporated (WFA) requested that the Minister declare WGGA as the designated body for grapes and wine grapes.

The Office of Best Practice Regulation (OBPR) has been consulted (OBPR Reference Number 19592 refers).

The Amendment Declaration is compatible with 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.

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

**Details/Operation**

Details of the AmendmentDeclaration are set out below.

Section 1 – Name

This section provides that the name of the Amendment Declaration is the *Primary Industries (Excise) Levies (Designated Bodies) Amendment Declaration 2015.*

Section 2 – Commencement

This section provides that the Amendment Declaration commences on 1 January 2016.

Section 3 – Authority

This section provides that the Amendment Declaration is made under clause 13 of Schedule 27 to the *Primary Industries (Excise) Levies Act 1999*.

Section 4 – Schedules

This section provides that any instruments specified in a Schedule of the Amendment Declaration are amended or repealed as described in the Schedule.

Schedule 1 - Amendment

Item 1 inserts a new subsection (3) to declare Wine Grape Growers Australia Incorporated as the designated body in relation to:

 (a) prescribed goods on which a levy is imposed in accordance with Schedule 13 (Grapes) of the *Primary Industries (Excise) Levies Act 1999*; and

 (b) prescribed goods on which a levy is imposed in accordance with Schedule 26 (Wine Grapes) of the *Primary Industries (Excise) Levies Act 1999*.

Levies are imposed on grapes in accordance with Schedule 13 of the *Primary Industries (Excise) Levies Act 1999*. Grapes, being the prescribed goods, include fresh grapes, dried grapes and grape juice, whether single strength or concentrated, being grapes or grape juice produced in Australia.

Levies are imposed on wine grapes in accordance with Schedule 26 of the *Primary Industries (Excise) Levies Act 1999*. Wine grapes are grapes that that have been used in the manufacture of wine. Grapes, being the prescribed goods, include fresh grapes, dried grapes and grape juice, whether single strength or concentrated, being grapes or grape juice produced in Australia.

This allows PHA levies for both plant products to be applied by PHA to WGGA’s annual membership contribution.

**ATTACHMENT**

**Statement of Compatibility with Human Rights**

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

**Primary Industries(Excise) Levies (Designated Bodies) Amendment Declaration 2015**

This LegislativeInstrument 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**

This Legislative Instrument declares Wine Grape Growers Australia Incorporated as the designated body for grapes and wine grapes for the purposes of Part 4 of Schedule 27 to the *Primary Industries (Excise) Levies Act 1999*.

**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 and Water Resources**