

EXPLANATORY STATEMENT

Issued by Authority of the Deputy Prime Minister and Minister for Agriculture and Water Resources

Primary Industries Levies and Charges Collection Act 1991

Primary Industries Levies and Charges Collection Amendment (Deer Velvet) Regulation 2016

Legislative Authority

Section 30 of the *Primary Industries Levies and Charges Collection Act 1991* (the Collection Act) provides that the Governor-General may make regulations: prescribing matters required or permitted by the Collection Act; or necessary or convenient to be prescribed for carrying out or giving effect to the Collection Act.

Purpose

The purpose of the *Primary Industries Levies and Charges Collection Amendment (Deer Velvet) Regulation 2016* (the Regulation) is to cease the requirement for keeping records of deer velvet characteristics and the amount of levy or charge paid by deer velvet levy or charge collection agents for deer velvet on which no levy or charge is paid. This aligns with amendments to other regulations that reduce the rate of levy and charge on deer velvet to zero, so that all requirements associated with the deer velvet levy and charge will cease. The other regulations amend the *Primary Industries (Customs) Charges Regulations 2000* and the *Primary Industries (Excise) Levies Regulations 1999*.

Background

At the request of the deer industry, the Department of Agriculture and Water Resources (the department) collects levies on the production of deer velvet. Levies collected from the deer industry are matched by the Australian Government and disbursed to the Rural Industries Research and Development Corporation (RIRDC) to fund research and development related to deer farming.

The representative organisation for the deer industry, the Deer Industry Association of Australia Limited (DIAA), lodged a submission on 24 April 2015 with the then Minister for Agriculture requesting to cease the collection of the deer velvet levy and export charge, the live deer export charge and the associated administrative requirements. The amount of funds collected is relatively small and a large proportion is used to cover collection administration costs.

Impact and Effect

The Regulation amends the *Primary Industries Levies and Charges Collection Regulations 1991* to cease the requirement to retain records for the domestic sale and use of deer velvet on which no levy or charge is paid.

Amending the record keeping requirements so that they apply only to chargeable or leviable deer velvet ceases the record keeping requirements for deer velvet on which no levy or charge applies. This Regulation will benefit industry by removing the administrative burden imposed

by the regulation, while also providing the industry with the flexibility to consider activating the levy again under current arrangements if it wished to do so in the future.

Consultation

The DIAA consulted with deer velvet levy payers on the proposed amendments via a ballot among active industry participants. The DIAA also published advertisements in three major rural newspapers and the deer industry journal. The department has consulted with the Department of Finance, the Treasury and RIRDC on the proposal. The Office of Best Practice Regulation was also consulted in the preparation of the Regulation (ID 20057).

Details/ Operation

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

Other

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 Attachment B.

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

Details of the *Primary Industries Levies and Charges Collection Amendment (Deer Velvet) Regulation 2016*

Section 1 – Name

This section provides that the name of the Regulation is the *Primary Industries Levies and Charges Collection Amendment (Deer Velvet) Regulation 2016*.

Section 2 – Commencement

This section provides for the Regulation to commence on 1 July 2016.

Section 3 – Authority

This section provides that the Regulation is made under the *Primary Industries Levies and Charges Collection Act 1991*.

Section 4 – Schedules

This section provides that the Regulation is amended as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

Schedule 1 – Amendments

Primary Industries Levies and Charges Collection Regulations 1991

Item 1 amends Regulation 12 so that the requirement to keep records of levies or charges paid previously still applies.

Item 2 substitutes references to ‘deer velvet’ with ‘chargeable deer velvet or leviable deer velvet’ so that deer velvet producers are not required to keep records on deer velvet for which no levy or charge is paid.

Item 3 substitutes ‘deer velvet’ for ‘the deer velvet’ to reference the subject of the regulation being ‘chargeable deer velvet or leviable deer velvet.’

Item 4 substitutes ‘deer velvet’ for ‘leviable deer velvet’ so that a proprietor of an abattoir that deals in deer is not required to keep the indicated records on deer velvet for which no levy is paid.

Item 5 substitutes ‘deer velvet’ for ‘the deer velvet’ to reference the subject of the regulation being ‘leviable deer velvet.’

Item 6 substitutes ‘exports deer velvet’ for ‘exports chargeable deer velvet’ so that a person who exports deer velvet is not be required to keep the indicated records on deer velvet for which no charge is paid.

Item 7 substitutes ‘deer velvet’ for ‘the deer velvet’ to reference the subject of the regulation being ‘chargeable deer velvet.’

Item 8 substitutes ‘for deer velvet’ for ‘of leviabile deer velvet’ so that a buying agent or first purchaser of deer velvet is not required to keep the indicated records on deer velvet for which no levy is paid.

Item 9 substitutes ‘for deer velvet’ for ‘the deer velvet’ to reference the subject of the regulation being ‘of leviabile deer velvet.’

Item 10 substitutes ‘for deer velvet’ for ‘of leviabile deer velvet’ so that a selling agent of deer velvet is not required to keep the indicated records on deer velvet for which no levy is paid.

Item 11 substitutes ‘deer velvet’ for ‘the deer velvet’ velvet’ to reference the subject of the regulation being ‘of leviabile deer velvet.’

ATTACHMENT B

Statement of Compatibility with Human Rights

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

Primary Industries Levies and Charges Collection Amendment (Deer Velvet) Regulation 2016

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 *Primary Industries Levies and Charges Collection Amendment (Deer Velvet) Regulation 2016* is to cease the requirement to retain records on the production of deer velvet on which no levy or charge is paid.

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
Deputy Prime Minister and Minister for Agriculture and Water Resources