

EXPLANATORY STATEMENT

Issued by Authority of the Minister for Agriculture and Water Resources

National Residue Survey (Customs) Levy Act 1998

National Residue Survey (Excise) Levy Act 1998

*Primary Industries Levies and Charges (National Residue Survey Levies)
Amendment (Honey) Regulations 2018*

The *National Residue Survey (Customs) Levy Act 1998* (the Customs Levy Act) provides for the imposition of a National Residue Survey (NRS) levy, as a duty of customs, on a variety of products, including honey.

The *National Residue Survey (Excise) Levy Act 1998* (the Excise Levy Act) provides for the imposition of a NRS levy, as a duty of excise, on a variety of products, including honey.

Section 8 of the Customs Levy Act provides that the Governor-General may make regulations prescribing matters required or permitted by this Act to be prescribed or that are necessary or convenient to be prescribed for carrying out or giving effect to this Act.

Section 8 of the Excise Levy Act provides that the Governor-General may make regulations prescribing matters required or permitted by this Act to be prescribed or that are necessary or convenient to be prescribed for carrying out or giving effect to this Act.

The *Primary Industries Levies and Charges (National Residue Survey Levies) Amendment (Honey) Regulations 2018* (the Regulations) increases the rate of the NRS on both the excise and customs levies on honey from 0.1 cents per kilogram of honey to 0.3 cents per kilogram of honey.

In addition to the Regulations, a further package of regulations amend the *Primary Industries (Excise) Levies Regulations 1999* and the *Primary Industries (Customs) Charges Regulations 2000* to reduce the Emergency Plant Pest Response (EPPR) levy and charge, to offset the increase of the Regulations. This enables the honey industry to build up reserves in the NRS program without increasing the total amount payable by honey levy payers.

On 21 July 2017, the Australian Honey Bee Industry Council Inc (AHBIC) wrote to the Minister for Agriculture and Water Resources seeking to increase the rate of the National Residue Survey (NRS) excise and customs levies by 0.2 cents per kilogram of honey and to decrease the rate of the EPPR levy and charge by 0.2 cents per kilogram of honey.

AHBIC is the designated body for honey under the *Primary Industries (Customs) Charges Act 1999* and the *Primary Industries (Excise) Levies Act 1999* and is made up of the beekeeping associations in New South Wales, Queensland, Victoria, South Australia, Western Australia and Tasmania; pollinators; queen bee breeders and other relevant industry members. AHBIC also represent honey producers as a member of Plant Health Australia (PHA) and as a signatory to the Emergency Plant Pest Response Deed (EPPRD).

NRS excise and customs levies funds provide for the testing of Australian honey for chemical residue and environmental contaminants, which is a requirement of some export regulations. Specifically, all honey exported to the European Union must be monitored for residues in

compliance with European Commission directives. Sufficient funds to support NRS testing are required to assist Australian honey producers to export honey to the European Union. Without the increase to the NRS excise and customs levies rate, honey industry reserves would be expended by the 2019-20 financial year. AHBIC's proposal was focussed on restoring NRS reserves.

AHBIC consulted widely with levy payers and potential levy payers through its state chapters, amateur beekeeping associations, and public notifications of the changes through print and electronic media. The proposal had majority industry support. No objections were raised during the six week objection period from 21 August 2017 to 2 October 2017. The Department of Agriculture and Water Resources assessed AHBIC's proposal and considered that it met the Australian Government's *Levy Principles and Guidelines*.

There is no financial impact on honey producers from the Regulations as the total amount of all the levies paid by honey levy payers does not change.

Details of the Regulations are set out in [Attachment A](#).

The Acts specify no conditions that need to be satisfied before the power to make the Regulations may be exercised.

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

Details of the *Primary Industries Levies and Charges (National Residue Survey Levies) Amendment (Honey) Regulations 2018*

Section 1 – Name

This section provides that the name of the instrument is the *Primary Industries Levies and Charges (National Residue Survey Levies) Amendment (Honey) Regulations 2018*.

Section 2 – Commencement

This section provides for the instrument to commence on 1 July 2018.

Section 3 – Authority

This section provides that the instrument is made under the *National Residue Survey (Customs) Levy Act 1998* and the *National Residue Survey (Excise) Levy Act 1998*.

Section 4 – Schedules

This section provides that the instrument is amended as set out in the Schedule 1.

Schedule 1 – Amendments

Item 1 Regulation 79

The item omits the figure “0.1” and substitutes the figure “0.3” to reflect the increase to the rate of the NRS customs levy on honey.

Item 2 Subregulations 80(1) and (2)

This item omits the figure “0.1” and substitutes the figure “0.3” to reflect the increase to the rate of the NRS excise levy on honey.

Statement of Compatibility with Human Rights

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

Primary Industries (Excise) Levies Amendment (Honey) Regulations 2018

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 *Primary Industries Levies and Charges (National Residue Survey Levies) Regulations 1998* (the Regulation) would increase the rates of the National Residue Survey customs and excise levies on honey from 0.1 cents per kilogram of honey to 0.3 cents per kilogram of honey.

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. David Littleproud MP
Minister for Agriculture and Water Resources**