Export Inspection (Quantity Charge) Amendment Bill 1989

Date Introduced: 2 March 1989
House: House of Representatives
Presented by: Hon. John Kerin, M.P., Minister for Primary Industries and Energy

Digest of Bill

Purpose
To remove the export inspection quantity charge on certain agricultural products and increase the rate of charge for certain dairy produce and grain intended for export.

Background
Since Federation the Commonwealth has considered it necessary that Australia's export trade in agricultural products be strictly supervised. The original purpose of export inspection was to overcome problems of dishonest trading, poor quality and the use of inaccurate trade descriptions by exporters which gave certain Australian agricultural products a reputation for poor and inconsistent quality. Statutory controls were gradually implemented to overcome these problems and to create confidence in quality standards, packaging and description of Australian goods, and thereby encourage exports. Export inspection charges were introduced for meat, grain and wool in 1979 and fish and dried fruits in 1981. The imposition of these charges followed the then Government's decision to recoup 50% of the costs borne by the Commonwealth for inspecting products for export. The Commonwealth also provides export inspection for fruit, dairy products and other products requiring export certification. The future direction of export inspections was outlined on 25 May 1988 when a Ministerial Statement, titled Primary Industries and Resources - Policies for Growth was tabled in the House of Representatives. The Statement noted the essential role of export inspection in maintaining Australia's competitive position in international markets for primary products, and that in recognition of the national benefit the Government would continue to meet a proportion of inspection costs. However, from 1 July 1988 the industry contribution to the cost of inspection of most primary products would rise from 50% to 60%.¹

The Export Inspection (Quantity Charge) Act 1985 (the Principal Act) was introduced to consolidate export inspection charging Acts for agricultural products other than meat, livestock and wool, where charges are imposed on the basis of an export permit. Although specific rates of charges for commodities are set by regulation, the Principal Act does provide for the maximum charge

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that may be levied against the various commodities covered by the Principal Act.
For example the charge is not to exceed $5 per tonne for dairy products, $24 per
 tonne for dried fruit and in the case of vegetable or fruit juices, 1 cent per
 litre or 1 cent per kilogram whichever would result in a lesser charge.

Main Provisions
Subsection 6(1E) of the Principal Act lists agricultural products in
respect of which export inspection quantity charges cannot be imposed. Clause 2
will provide that eggs, fruit (other than dried fruit), fruit juice, fruit
products, fish, vegetable, vegetable juice, and vegetable products are added to
that list.

Clause 3 will increase the rate of export inspection quantity charge for
dairy produce from $5 to $10 per tonne; for grain shipped for export in bulk
other than in a container from 33 cents to $1 per tonne; for grain shipped for
export in bags other than in a container from 40 cents to $1 per tonne; and for
grain shipped for export in a container from $1.46 to $5 per tonne.

References
1. Primary Industries and Resources – Policies for Growth, 25 May
1988, pp. 49 and 50.

For further information, if required, contact the Economics and Commerce
Group.

9 March 1989

Bills Digest Service
Legislative Research Service

This Digest does not have any official legal status. Other sources should be
consulted to determine the subsequent official status of the Bill.

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