Pasture Seed Levy Bill 1989

Date Introduced: 4 October 1989
House: House of Representatives
Portfolio: Primary Industries and Energy

Digest of Bill

Purpose
To impose a levy on certain pasture seed produced in Australia to support research into the industry.

Background
Each year Australia's specialist seed producers sow and harvest approximately 90,000 hectares specifically for pasture seed production. More than half of the output comes from Western and South Australia. The annual harvest of pasture seeds is around 21,000 tonnes, and has a value of $30 - $40 million.¹ The principal pasture seed species produced are lucerne, subterranean clover, white and red clovers, barrel medic, cocksfoot, carpet grass, phalaris, Rhodes grass, ryegrasses, vetches, serradella and kikuya.

Subterranean clover is the most widely produced pasture seed crop, accounting for approximately one quarter of national production at 5000 tonnes a year. The second largest seed crop is ryegrass, accounting for approximately one fifth of national output or 4000 tonnes. South Australia is the leading pasture seed producing state, accounting for 33% of annual production, followed by Victoria (29%), Western Australia (25%), New South Wales (8%), Tasmania and Queensland (5%).²

Australia is a minor exporter of seed, mainly exporting pasture seed to Africa, parts of Europe, parts of Asia and South and Central America. However, there has been a significant increase in pasture seed exports in recent years. In 1986, Australia exported 8568 tonnes of pasture seed, this compares with 3530 tonnes in 1982. The value of exported pasture seed in 1986 was $14.696 million.³

With the exception of controls exercised through federal quarantine legislation, pasture seed regulation is a matter for the States. Each State has legislation which protects seed buyers by requiring sellers to provide, usually on a label attached to each bag of seed, a minimum guaranteed level of quality. This label usually includes the seed's minimum germination and pure seed content and its maximum level of contamination with other seeds.
Main Provisions

'Leviable seed' is defined to be seed of a plant listed in the Schedule (clause 4).

A levy will be imposed on leviable seed harvested in Australia, and certified under a certification scheme, other than seed belonging to a State (clause 6).

The rate of levy will be the amount per tonne listed in the Schedule, and will be payable by the grower (clauses 7 and 8).

Clause 9 provides that the Minister may amend the Schedule, but not so as to set a rate of levy higher than $50 per tonne. Amendments to the Schedule will be subject to disallowance by Parliament.

References

2. Ibid.
3. Ibid., p. 330.

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

25 October 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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