Export Inspection (Service Charge) Amendment Bill 1988

Date Introduced: 17 February 1988
House: House of Representatives
Presented by: The Hon. John Kerin, M.P., Minister for Primary Industries and Energy

Digest of Bill

Purpose
To allow a range of export inspection charges to be applied in respect of inspections at non-registered premises.

Background
The export inspection service inspects meat and livestock, wool, grains, fruits, dairy products, fish and other rural products prior to export. The inspection of goods prior to export aims to ensure that only products of a sufficient standard are exported. This is essential to maintain Australia’s reputation as an exporter and to prevent a decline in Australian export of rural products. The meat substitution affair in 1981 and, more recently, the discovery of chemicals in meat, showed how vulnerable exports are to problems concerning quality. In 1985, Bills were introduced to substantially change the method of charging for the export inspection services provided. Under the Export Inspection (Service Charge) Act 1985 (the Principal Act) and the Export Inspection (Establishment Registration Charge) Act 1985 a number of options are available for calculating the charge. These include a flat rate quantity charge, time based charges, registration charges and combinations of these charges. However, these options apply only for inspections at registered premises and the options available for cost recovery for inspections at unregistered premises are much more restricted.

Recently, there has been an increase in the number of inspections performed at unregistered premises. Many of these inspections concerned relatively small quantities and it was more efficient to have the inspections performed at unregistered premises than to transport the goods to registered premises. It is considered that requiring the unregistered premises to become registered would place an unnecessary burden on the owners of such premises. As a result, it has been decided to extend the options available under the Principal Act to unregistered premises so that the most efficient means of charging may be used in respect of inspections at unregistered premises.
The Government's current policy is to recover 50% of export inspection costs, other than overtime salary costs which are fully recovered. Costs of inspection that are recovered include operating costs, superannuation and long service leave costs. However, costs relating to surplus staff, research and development and other government activities are not included in recoverable costs. According to the Explanatory Memorandum of the Bill there will be a minor impact on the cost to industry and any charges introduced will 'simply replace cost recovery measures that currently apply'.

Main Provisions
Clause 3 will insert new sub-sections 6(3) and (4) into the Principal Act. The proposed sub-sections will impose a charge under the Principal Act for inspections performed outside registered establishments. The charge will not apply to requesters exempted by regulation.

The rate of charge will be determined by regulation (clause 4 which will amend section 7 of the Principal Act) and will be payable by the person requesting the service (clause 5 which will amend section 3 of the Principal Act).

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

25 February 1988
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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