Rural Industries Research Amendment Bill 1988

Date Introduced: 2 November 1988
House: House of Representatives
Presented by: Hon. John Kerin, M.P., Minister for Primary Industries and Energy

Digest of Bill

Purpose
To allow collection expenses to be recovered from Research Funds and provide for the creation, dissolution or amalgamation of Research Funds and Councils.

Background
The Rural Industries Research Act 1985 (the Principal Act) enables Research Councils and Trust Funds to be established without the need to provide separate legislation for each industry. The objects of the Principal Act are to provide for the funding and administration of research and development in respect of commodities covered by the research arrangements. The main aims of the agreements are to increase commercial returns to members of the industry and the general community by improving the production, processing, storage, transport and marketing of commodities. The Principal Act also seeks to improve accountability for expenditure on research and development.

Research Councils investigate and evaluate the requirements for research and development in respect of certain commodities, develop research and development plans, monitor and report to Parliament on research and development activities, and approve the payment of money from Research Funds. Research Councils and Trust Funds receive income from levies imposed on commodities and from Commonwealth matching contributions. The Principal Act provides that the Commonwealth's matching contribution must not exceed 0.5% of the annual gross value of production of the commodities to which a particular Research Fund relates. Commonwealth matching contributions for 1988-89 are budgeted at $65.4 million. The Principal Act established research arrangements for Barley, Chicken Meat, Cotton, Dairy, Dried Fruits, Honey, Oilseeds, Pigs, Poultry, Tobacco, Wheat and the Australian Special Research Council (ASRRC). Research Councils come into being when levies are prescribed under the regulations of the Principal Act.

Main Provisions
Regulations may be made to introduce an additional levy on existing Research Funds, Research Councils, or the Special Research Fund and Special Research Council. This provision will not apply to the Barley Research Trust Fund or the Wheat Research Trust Fund (clauses 6 and 7).
Clause 12 provides that expenditure and administrative costs of research and development activities must be approved by the relevant Research Council or State Research Committee. This will tighten the current rules.

Proposed sections 24A and 24B provide that Councils, the Barley and Wheat Research Council and State Committees, when seeking Ministerial approval for a variation to an existing research and development plan, may also request approval for the variation to apply for 5 years (clause 20).

Proposed section 39A provides that the Commonwealth’s contribution to a research fund is not to exceed the levy from the fund (clause 34).

Proposed section 39C provide that the Commonwealth may recover levy collection expenses from Research Funds. This provision will not apply to the Special Research Fund (clause 34).

Proposed section 39R provides that the regulations may wind up Research Councils and Research Funds to which no levy is attached (clause 34).

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

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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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