HONEY (EXPORT INSPECTION CHARGE) BILL 1984

Date Introduced: 29 February 1984
House: House of Representatives
Presented by: Hon. John Kerin, M.P., Minister for Primary Industry

Short Digest of Bill

Purpose

To impose a charge for export inspection of honey exports at a rate, of not more than $24 per tonne, to be prescribed.

Background

Australia's honey industry is relatively small, producing 24,794 tonnes in 1981-82. Production fluctuates significantly from year to year. In 1981-82, 50.4 per cent of production was exported, worth $10.6 million. New South Wales is the most important beekeeping State, accounting for over half the number of beekeepers and honey production in Australia.

Charges imposed on the honey industry comprise a levy on honey produced and sold in Australia or used in the manufacture of other goods, imposed by the *Honey Levy Acts (Nos. 1 and 2)* 1962, and an export charge on honey exports, imposed by the *Honey Export Charge Act* 1973.

These levies and export charges finance the Australian Honey Board established by the *Honey Industry Act* 1962. World honey prices fluctuate considerably. Domestic honey prices have fallen in real terms in recent years, principally because of static consumption and rising production. The low returns on the domestic market have prompted an inquiry by the Industries Assistance Commission, for report in May 1984, to include stabilisation scheme proposals.

The former Government's Review of Commonwealth Functions employed the "user pays" principle for government services. Fifty per cent cost recovery for honey exports inspection was announced on 30 April 1981. The *Honey (Export Inspection Charge) Bill* 1982 was introduced to the
House of Representatives on 18 February 1982 and later referred to the Senate Standing Committee on Finance and Government Operations. It was eventually not proceeded with. The Bill would have proposed a statutory maximum charge of $14 per tonne. An actual rate of $6.75 per tonne for 1981-82 was intended to be prescribed.

The present Bill is intended to permit 50 per cent cost recovery. It establishes a maximum charge of $24 per tonne and permits varying rates, less than this amount, to be prescribed for different classes of honey or various export establishments.

It is intended that from 1 October 1984, export inspection services will be of three types: reduced inspection, normal inspection and tightened inspection, with corresponding prescribed charges of $2-3, $4-5 and $11-12 respectively. In the interim, a $4.70 per tonne charge will apply from 1 April 1984.

Main Provisions

The Bill would commence on a date fixed by proclamation.

An export inspection charge, at a rate to be prescribed under clause 6, which may not exceed $24 per tonne in any case, is imposed by clause 5. The charge is imposed on honey in respect of which an export permit has been granted. Under clause 7 the exporter is liable for payment.

For further information, if required, contact:

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