CANNED AND FROZEN VEGETABLES (EXPORT INSPECTION CHARGE)  
BILLS DIGEST INFORMATION SERVICE

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

Purpose

To impose a charge for the export inspection of canned and frozen vegetables, including fruit and fruit salad, pursuant to a policy of 50 per cent cost recovery in respect of these inspection services.

Background

Export inspection services for canned and frozen fruit and vegetables are provided by the Commonwealth Department of Primary Industry. In contrast, export inspection of fresh vegetables and fruit is conducted by State Government authorities and the costs of the operation are refunded by the Commonwealth.

The Bill implements a policy of recovery of 50 per cent of the cost of providing export inspection services. Revised inspection procedures are expected to lower the cost of inspection services, to an estimated full year cost in 1983/84 of $519,000 had they applied throughout the year. The Bill makes provision for a maximum rate which the export inspection charge, at a rate to be prescribed by regulation, is not to exceed.

The Industries Assistance Commission (IAC) investigated the canning fruit industry following problems faced by growers and canners of peaches and pears in the 1982 season. Canning fruits are grown principally in four regions: the Goulburn Valley in Victoria, the Murrumbidgee Irrigation Area in New South Wales, the Riverland in South Australia and near Manjimup in Western Australia. The IAC reported that estimates from the Bureau of Agricultural Economics indicated a possible fall by more than half in export sales of Australian canned deciduous fruits over the succeeding five years. Exports in 1976-1981 accounted for
almost 60 per cent of total sales of canned pears, peaches and apricots, principally to the UK and Europe[1].

Total production of vegetables for human consumption in 1981-82 was worth approximately $529.3 million, of which exports comprised $28.7 million (f.o.b)[2]. This export component includes exported fresh vegetables, in respect of which export inspection charge is to be levied by the Fresh Vegetables (Export Inspection Charge) Bill 1984 and associated collection Bill.

Main Provisions

Clause 2 provides for commencement on a date fixed by Proclamation.

Clause 3 provides for the Canned and Frozen Vegetables (Export Inspection Charge) Collection Bill 1984 to be read as one with the present Bill. The collection Bill defines "vegetables" to include fruit and fruit salad, and "can" to include glass or other immediate container.

The maximum charge, specified in subclause 6(3) is 0.6 cents per kilogram. Clause 8 authorizes regulations specifying a rate of inspection charge, not to exceed this maximum rate. A rate of 0.3 cents per kilogram is intended to be introduced, to apply from 1 April 1984.

Clause 7 provides that the exporter to whom the export permit is granted, is liable to pay the charge.

For further information, if required, contact:

Economics and Commerce Group
21 March 1984
LEGISLATIVE RESEARCH SERVICE

References