POULTRY INDUSTRY ASSISTANCE AMENDMENT BILL (NO. 2) 1979

Date Introduced: 21 February 1979
House: House of Representatives
Presented by: Rt. Hon. Ian Sinclair, M.P.,
             Minister for Primary Industry

Purpose

To provide for the making of payments if required, from the Poultry Industry Trust Fund (PITF) to the Australian Capital Territory (ACT) and the Northern Territory (NT) for the assistance of the poultry industry.

Background

Under the Council of Egg Marketing Authorities of Australia (CEMAA) Stabilization Scheme, unit returns from domestic and (lower priced) export egg markets are equalized, within State boundaries. To enable this, the Commonwealth makes payments to the States from funds raised by a Commonwealth levy on the owners of hens imposed by the Poultry Industry Levy Act 1965. The levy applies in all States and in the A.C.T. but not in the N.T. The hen levy proceeds are paid into the PITF established by the Poultry Industry Assistance Act 1965 (the Principal Act). Moneys in the PITF are applied as re-imbursements to the States (but not to the ACT) for the raising of export returns from eggs and also for research into the Australian egg industry.

There is no counterpart to a State Egg Marketing Board (SEMB) in the ACT and although ACT producers pay the Commonwealth hen levy the ACT does not receive any PITF disbursements. In August 1977, the Australian Agricultural Council (AAC) rejected a request from the Minister for Capital Territory for exemption of ACT producers from payment of the Commonwealth hen levy. A proposal for PITF disbursements to the ACT on the same basis as to the States was rejected by CEMAA in June 1978 and by the AAC in August 1978. The States argued against such a request on the grounds that its granting would give the ACT an 'unfair advantage' over the States as producer returns for eggs in the ACT (which does not export eggs) are comparable with those in NSW and thus, a PITF disbursement to the ACT was not needed. ACT producers do not however, have to pay SEMB administration charges (which are several cents per dozen).
With the raising of the maximum rate of the Commonwealth hen levy from $1.00 to $2.00 (which will take effect upon the enactment of the Poultry Industry Levy Amendment Bill 1979) and the likely ensuing rise in the operative rate of the levy, the SEMBs are likely to receive extra PITF disbursements. Such extra disbursements are intended to replace the SEMB complementary 'pool levies'.

To ensure that ACT producers will not be disadvantaged relative to producers in the States by the proposed rise in the maximum rate of the Commonwealth hen levy, the Government has now decided to provide for the making of PITF disbursements to ACT producers, if required. Although NT producers are at present exempt from payment of the Commonwealth hen levy, provision has also been made for PITF disbursements to the NT, if necessary.

The Poultry Industry Assistance Amendment Bill 1979, introduced in the House of Representatives in the Budget Session of 1978, had not passed the Senate by the end of 1978 and will thus not receive Assent until 1979. This Bill provided for an increase in the maximum annual level of the Commonwealth's contribution to egg research from $100,000 to $150,000.

Provisions

The legislation will commence on 1 July 1979 (clause 2). The Principal Act is amended by providing for 'State' to include the NT (clause 3). Disbursements from the PITF for assistance to the poultry industry (meaning the raising of egg producer returns) in the ACT may be made from time to time after recommendations from CEMAA have been considered (clause 5).