PARLIAMENT OF AUSTRALIA  
DEPARTMENT OF THE PARLIAMENTARY LIBRARY

**PIG SLAUGHTER LEVY AMENDMENT BILL 1978**

Date Introduced: 10 May 1978  
House: House of Representatives  
Presented by: Rt. Hon. I.M. Sinclair, M.P., Minister for Primary Industry

**Short Digest of Bill**

**Purpose**

To amend the *Pig Slaughter Levy Act 1971*, as amended in 1975, to raise the maximum rate of the slaughter levy payable by the pig industry, from a total of 15 cents per head (10 for research and 5 for promotion) to a total of 40 cents per head (20 for research and 20 for promotion).

**Background**

During 1971, Commonwealth legislation was passed, in response to a request from pig producers, to provide for the establishment of a joint Commonwealth/Industry Research Scheme for the pig industry. The legislation, consisting of three Acts, was assented to on 17 May 1971 and commenced operating on 1 August 1971.

The *Pig Industry Research Act 1971* established the Pig Industry Research Trust Account from which moneys are applied for pig industry research. Moneys are paid into the Account from the Consolidated Revenue Fund (CRF). Such payments consist of amounts equal to funds received by the Commonwealth from industry slaughter levies (for research) plus amounts equal to half of those payments made from the Account. Hence, the Commonwealth matches industry contributions for research, dollar for dollar, by reimbursing the Account 50% of its expenditure. This Act also established the Pig Industry Research Committee whose functions are to recommend to the Minister the rate of slaughter levy to be prescribed and also, how funds in the Account should be expended on pig industry research. Contributions to the Account in 1976-77 included $179,412 by way of industry levies and $227,981 from the Commonwealth. Payments from the Account in 1976-77 for research totalled $450,329.

The *Pig Slaughter Levy Act 1971* imposed a levy on the slaughter at an abattoir of pigs for sale for human consumption (section 5). The operative rate of the levy is determined by regulation and is not to exceed 10 cents per slaughtered pig (section 6). The levy is
payable by the owner of the pig at the time of slaughter (section 7). Whether the producer is the owner or not, he would, in effect, pay the levy. The operative rate applying from 1 September 1971 (when the levy for research first became operative) has been 5 cents. However, continuing inflation and reduced pig slaughtering lowered the real amount available for research considerably. After consultation with the Australian Commercial Pig Producers' Federation, the Committee recommended a rise in the operative rate of the levy for research from 5 to 8 cents per head, which was approved by the Minister, and took effect from 1 April 1977.

The Pig Slaughter Levy Collection Act 1971 provides the legislative machinery for the collection of the levy.

Further Commonwealth legislation in 1975 established an industry promotion scheme for pig meat. The Pig Meat Promotion Act 1975 established the Pig Meat Promotion Trust Account from which moneys are applied for promoting pig meat and determining consumer preferences. Moneys are paid into the Account from the CRF being equal in amount to funds received by the Commonwealth from the portion of industry slaughter levies for promotion. Unlike funds for research, the Commonwealth makes no contribution to funds for promotion. This Act also established the Pig Meat Promotion Advisory Committee whose functions are to recommend to the Minister the rate of slaughter levy (for promotion purposes) to be prescribed and also, how funds in the Account should be expended. Contributions to the Account from the industry levy in 1976-77 were $172,095 with payments from the Account for promotion being $30,411.

The Pig Slaughter Levy Act 1975 amended the Pig Slaughter Levy Act 1971 so as to increase the maximum rate of the industry slaughter levy from 10 cents (for research only) to a total of 15 cents (10 cents for research and 5 cents for promotion) per head, to provide industry funds for promotion purposes, in addition to research. The operative promotion component is also determined by regulation and is not to exceed 5 cents per head. It has been prescribed at 5 cents since 1 July 1975, when the extra levy component for promotion commenced.

**Provisions**

This Bill will amend the Principal Act by raising the maximum slaughter levy component for research from 10 cents per head to 20 cents per head (paragraph 3(a)) and that for promotion from 5 cents per head to 20 cents per head (paragraph 3(b)). Operative levy components will continue to be determined by regulation.

17 May 1978

Finance, Industries, Trade and Development Group

LEGISLATIVE RESEARCH SERVICE