Date Introduced: 16 August 1978
House: House of Representatives
Presented by: Rt. Hon. Ian Sinclair, M.P.,
Minister for Primary Industry

Short Digest of Bill

Purpose

To amend the Wheat Research Act 1957, to provide for a change in the legislative machinery for the appropriation of the Commonwealth's contribution to expenditure on wheat research.

Background

Comments in the 'Background' of the Digest of the Wheat Tax Amendment Bill 1978 are relevant to this Digest.

The Principal Act (the Wheat Research Act 1957), together with the Wheat Tax Act 1957, provide for the Wheat Research Scheme. The scheme is funded jointly by the Commonwealth and a levy on wheat growers and provides for research into the wheat industry. The Principal Act established the Wheat Research Trust Account (WRTA) into which are paid funds for the scheme contributed by the Commonwealth and the levy on wheat growers. A separate account is kept in the WRTA for the Commonwealth's contribution which is to be spent on research programs of Australia-wide interest, conducted by CSIRO, State Departments of Agriculture and Australian universities. Such programs are recommended by the Wheat Industry Research Council (established by the Principal Act) and approved by the Minister. Separate accounts are also kept in the Account, on a State basis, for wheat grower contributions. Funds in these accounts are allocated by State Wheat Research Industry Committees for research into problems of particular interest to the wheat industry in their respective States.

The levy or tax on wheat growers is imposed by the Wheat Tax Act 1957 on wheat delivered to the Australian Wheat Board (AWB) and is payable by the Board to the Government. The Board deducts the tax from its price for wheat to growers. Government receipts for the tax are paid into the Consolidated Revenue Fund (CRF). An equal amount is then paid from the CRF to the WRTA by special
appropriation under the Principal Act. The Commonwealth's contribution to the WRTA is paid by an annual appropriation under the Appropriation Bill (No. 1). This Wheat Research Amendment Bill will amend the Principal Act to provide for future Commonwealth contributions to the WRTA to be made by a special appropriation under the Principal Act. This machinery change will make arrangements for wheat research funding consistent with provisions in more recently established rural research schemes.

The Government has accepted the recommendation of the Industries Assistance Commission that: the Commonwealth Government continue to provide annual grants to statutory rural industry research funds, on a $1 : $1 Commonwealth-producer levy basis (I.A.C., Financing Rural Research, 25 June 1976). This Bill will amend the Principal Act to ensure that the Commonwealth's contribution to the Wheat Research Trust Account cannot exceed the wheatgrowers' contributions by way of the levy or tax.

Provisions

Paragraph 3(a) amends sub-section 5(1) of the Principal Act so that the Commonwealth's contribution to the Wheat Research Trust Account will be provided for by a special appropriation under paragraph 5(1)(b) of the Principal Act (instead of by an annual appropriation in Appropriation Bill (No. 1)) and secondly, that such a contribution must not exceed the wheatgrowers' contribution by way of the levy under the Wheat Tax Act 1957. Paragraph 3(b) amends sub-section 5(2) to provide for such special appropriations of the CRF.

Clause 4 amends the Principal Act, in accordance with the Schedule to the Bill, by altering certain expressions to make them consistent with current drafting practice.