

This Bill provides for the continuation of the provisions of the Sugar Agreement 1985 and contains amendments to the Act.

The Bill has been passed by the House of Representatives on 1 July 1985 and will become law on 1 July 1985.

1985

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

THE SENATE

SUGAR AGREEMENT BILL, 1985

EXPLANATORY MEMORANDUM

(Circulated by authority of the
Minister representing the
Minister for Primary Industry
Senator the Hon Peter Walsh)

OUTLINE

This Bill provides for the continuation, with certain exceptions, of the prohibition on the import of sugar and certain sugar products into Australia.

The Bill has as a Schedule the Sugar Agreement 1984. The new Agreement commenced on 1 July 1984 and will continue until 30 June 1989.

Clause 6 of the Agreement deals with new arrangements for fixing the domestic sugar price. The maximum price for bulk refined sugar of manufacturers grade will be adjusted every six months based on an objective formula which takes into account movements in the Consumer Price Index (CPI) and the world market price for sugar. The maximum price change between any two six monthly periods is limited to the movement in the CPI.

Clause 16 of the Agreement details the exceptions to the import embargo. Sugar may now be imported in packs of up to five kilograms or five litres, in consignments of up to one tonne or one thousand litres. This relaxation of the embargo will specifically allow the importation of restricted quantities of specialty sugars and has been introduced to streamline Customs procedures and to eliminate interpretation problems relating to specialty sugars that had earlier drawn adverse comment from the Commonwealth Ombudsman.

The provisions of the previous Sugar Agreement relating to the payment of a domestic sugar rebate have been discontinued following a review of the arrangement by Commonwealth and Queensland Governments.

The export sugar rebate system continues to operate through the Export Sugar Committee but with administration of the scheme passing to the Queensland Sugar Board. The option arrangement under which exporters could fix rebate levels for twelve months has been reduced to allow a maximum option period of six months.

There will be no financial impact resulting from passage of this Bill.

NOTES ON CLAUSES

SHORT TITLE

Clause 1 provides for the Act to be cited as the Sugar Agreement Act 1985.

COMMENCEMENT

Clause 2 relates to sub-section 5(1A) of the Acts Interpretation Act 1901 which provides that every Act shall come into operation on the 28th day after the day on which the Act receives Royal Assent unless the contrary intention appears in the Act, as with this Bill. The Act is to commence to operate from the date on which it receives Royal Assent. The Agreement itself operates from 1 July 1984 and extends to 30 June 1989.

REPEAL

Clause 3 provides for the repeal of the Sugar Agreement Act 1979.

PROHIBITION OF IMPORTATION OF SUGAR AND CERTAIN SUGAR PRODUCTS

Sub-section 4(1) specifies the Agreement made between the Commonwealth and Queensland Governments, a copy of which is set out in the Schedule.

Sub-section 4(2) provides that the importation of sugar and sugar products to which Clause 16 of the Agreement refers, is prohibited except with the consent in writing of the Minister or a Commonwealth officer authorised in writing by the Minister to give consents under this section.

Sub-section 4(3) extends the prohibition beyond the term of the Agreement, that is beyond 30 June 1989. There is no intention at this stage, to remove the import embargo on sugar.

Sub-section 4(4) provides that sugar and sugar products imported into the Commonwealth in contravention of sub-section (2) shall be deemed to be prohibited imports within the meaning of the Customs Act 1901 and for the provisions of that Act to apply to any imported sugar and sugar products.

THE SCHEDULE

The Schedule reproduces the Sugar Agreement 1984 as signed by authorised Ministers of both the Commonwealth and Queensland Governments and which commenced on 1 July 1984 and continues until 30 June 1989.

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CONCLUSIONS

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