

COMMODITY LEVIES AMENDMENT BILL

EXPLANATORY NOTE

THIS Bill amends the Commodity Levies Act 1990 (“the principal Act”), which enables the imposition on certain commodities of levies payable to organisations representing the interests of producers of those commodities.

Clause 1 relates to the Bill’s Short Title.

PART I

SUBSTANTIVE AMENDMENTS

Clause 2 amends section 2 (1) of the principal Act so as to put beyond doubt that places, premises, or sites used for the production of a commodity are “things” used in connection with the production of the commodity.

The principal Act at present provides that a levy may be imposed directly on quantities of a commodity, or indirectly by reference to some other matter (such as value, area of land devoted to its production, or some thing used in connection with its production). It has been proposed that a levy should be imposed on bee products, by reference to numbers of apiaries; but some doubt has arisen as to whether an apiary is a thing used in connection with the production of bee products.

Clause 3 amends section 6 of the principal Act so as to make it possible for an order to specify both—

- 1 or more situations where the persons ultimately responsible for paying the levy pay it directly themselves, and
- 1 or more situations where persons other than those ultimately responsible for the payment of the levy pay it, and then recover it from the persons ultimately responsible.

At present, the Act contemplates a single group who are to be ultimately responsible for paying a levy; and an order must provide either that all members of the group must pay it directly, or that all must pay it by refunding it to another group who must pay it initially.

Subclause (3) clarifies the status of levies already imposed, and referenda already held in relation to proposed levies, by providing that they are as valid and effectual as if the amendments made by *subclauses (1) and (2)* had been in force at the time.

PART II

REPEAL OF CERTAIN LEGISLATION IMPOSING LEVIES

Section 26 (1) of the principal Act repeals with effect on 1 January 1996 certain existing enactments relating to levies on commodities. *Clauses 4 and 5* extend the life of 2 of these enactments.

Clause 4 has the effect of postponing until a national pest management strategy for bovine tuberculosis has been put in place under the Biosecurity Act 1993 the repeal of section 44 (1) of the Meat Act 1981 (which enables a proportion of certain levies payable under that Act to be contributed to “schemes to assist the eradication of disease from cattle and deer”).

Clause 5 postpones until 1 January 1997 (or an earlier day fixed by an order under the principal Act imposing a levy on honey) the repeal of the Hive Levy Act 1978, which imposes on beehives a levy payable to the National Beekeepers' Association of New Zealand. Because of the doubt (referred to in the explanatory note to *clause 2*) as to whether an apiary is a “thing”, it has not been appropriate to hold a support referendum in relation to the proposal to make an order imposing a levy on bee products and repealing that Act. Once *clause 2* has been enacted, it will be possible to hold a referendum and (if it discloses the necessary support) make such an order.

Hon. Denis Marshall

COMMODITY LEVIES AMENDMENT

ANALYSIS

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A BILL INTITULED

An Act to amend the Commodity Levies Act 1990

BE IT ENACTED by the Parliament of New Zealand as follows:

- 5 **1. Short Title**—This Act may be cited as the Commodity Levies Amendment Act 1995, and shall be read together with and deemed part of the Commodity Levies Act 1990* (hereinafter referred to as the principal Act).

PART I

SUBSTANTIVE AMENDMENTS

- 10 **2. Interpretation**—Section 2 (1) of the principal Act is hereby amended by inserting, after the definition of the term “support referendum” (as inserted by section 2 (2) of the Commodity Levies Amendment Act 1993), the following definition:
- 15 “‘Thing’ includes any place, premises, or site, (for example an apiary):”.

3. Matters to be specified in levy orders—(1) Section 6 (1) of the principal Act is hereby amended by repealing paragraph (f), and substituting the following paragraph:

*1990, No. 127
Amendment: 1993, No. 151

“(f) That—

“(i) In all cases the levy is to be paid by the persons primarily responsible for paying it; or

“(ii) In all cases the levy is to be paid by persons other than those primarily responsible for paying it, but recoverable by them from those primarily responsible; or 5

“(iii) In some cases the levy is to be paid by the persons primarily responsible for paying it; and in some cases the levy is to be paid by persons other than those primarily responsible for paying it, but recoverable by them from those primarily responsible; and” 10

(2) Section 6 (1) (g) of the principal Act is hereby consequentially amended by omitting the words “If the levy is to be paid by persons not primarily responsible for paying it and recovered by them from the persons primarily responsible”, and substituting the words “To the extent that the levy is to be paid by persons other than those primarily responsible for paying it, but recoverable by them from those primarily responsible”. 15 20

(3) Every levy order made before the commencement of this Act, and every support referendum held before that commencement, is hereby declared to be as valid and effectual as if **subsections (1) and (2)** of this section had come into force on the commencement of the principal Act. 25

PART II

REPEAL OF CERTAIN LEGISLATION IMPOSING LEVIES

4. Meat Act 1981—(1) On the commencement of the first order imposing a levy for the purposes of wholly or partially funding the implementation of a national pest management strategy relating to bovine tuberculosis made after the commencement of this Act under section 90 of the Biosecurity Act 1993, — 30

(a) The following enactments shall be deemed to have been repealed: 35

(i) Sections 44 and 49 (1) of the Meat Act 1981:

(ii) Section 5 of the Meat Amendment Act 1985:

(iii) The Meat Amendment Act 1991:

(iv) Section 6 (1) of the Meat Amendment Act 1992; and 40

(b) Section 49 (1) (w) of the Meat Act 1981 shall be deemed to have been amended by omitting the words “and levies” from both places where they occur; and

5 (c) The following enactments shall be deemed to have been revoked:

(i) Regulations 4, 6, and 7 of, and the Second Schedule to, the Meat (Payments) Regulations 1990:

(ii) Regulation 3 of the Meat (Payments) Regulations 1990, Amendment No. 3:

10 (iii) The Meat (Payments) Regulations 1990, Amendment No. 5; and

(d) Regulation 5 of the Meat (Payments) Regulations 1990 shall be deemed to have been amended by omitting the words “and levies”.

15 (2) Section 26 of the principal Act is hereby consequentially amended—

(a) By repealing paragraphs (l), (ma), (mb), and (mc) of subsection (3); and

20 (b) By omitting from subsection (4) the expression “(other than section 44 (1) or section 44 (2) of the Meat Act 1981)”.

(3) Section 6 (2) of the Meat Amendment Act 1992 is hereby consequentially repealed.

25 (4) The Second Schedule to the Meat (Payments) Regulations 1990 (as substituted by regulation 2 of the Meat (Payments) Regulations 1990, Amendment No. 5) is hereby consequentially amended, with effect on the 1st day of January 1996, by omitting items 1 to 5, and substituting the following items:

30 “1. 979.88c
2. NIL
3. 979.88c
4. NIL
5. NIL”.

35 (5) The Meat (Payments) Regulations 1990 may be amended or revoked as if every amendment effected by **subsection (1) (d) or subsection (4)** of this section had been effected by Order in Council and not by that provision; and any Order in Council revoking those regulations in their entirety may also repeal
40 **paragraph (c) and paragraph (d) of subsection (1), and subsection (4),** of this section.

5. Hive Levy Act 1978—(1) The Hive Levy Act 1978 and the Hive Levy Amendment Act 1982 are hereby repealed with effect on the earlier of the following days:

- (a) The 1st day of January 1997:
 - (b) The commencement of a levy order imposing a levy on honey (or bee products that include honey).
- (2) Section 26 (3) of the principal Act is hereby consequentially amended by repealing paragraphs (i) and (n). 5