BARRINGTON MARKETING BILL

Second reading.

The Hon. K.T. GRIFFIN secured the adjournment of the debate.

24 March 1993

LEGISLATIVE COUNCIL

The Hon. BARBARA WIESE (Minister of Transport and Development) in reply to the motion for leave to have the second reading explained, said—

This Bill will provide for the election of officials, certain sections maintain that the issue is ultimately resolved by taking a poll of all farmers only. A poll of such a sort, if it were to be imposed, would be contrary to the collective desire of the farmers that the Board should retain its control over the export of barley and oats from South Australia and barley from Victoria. Furthermore, the Bill establishes a pollution whereby barley processors will be more easily enabled to reduce grain direct from producers.

The provision of a common marketing cooperation to the Board, this facility will allow growers and processors to enter into mutually advantageous arrangements for the production and sale of barley. Specific interest in the Bill is that while the Board may not actively discourage such direct sales, it will retain an element of control over them.

In this regard, the agreement setting commercial and other conditions for the licensing of such sales had already been developed by the Australian Barley Board and major malting companies. However, difficulties have arisen in Victoria where two influentials members wanted the Bill to provide for automatic licensing before signing the agreements. The Board and growers organisations resisted this demand and stockings followed. The revised malter licensing provisions of Part 5 of the Bill simply and directly remove the impasse.

The Bill allows the Board to market, at its commercial discretion, a wide range of grain crops grown in South Australia and Victoria. Marketing of these crops (other than barley and oats) will be on a voluntary basis on the part of both the Board and the grower. Cash trading will be a further option available to the Board.

In a wider monetary context, the Board is entirely self-funding and no Government funds have been, or will be, required from any source. This provides that the Board’s borrowing activities will be governed by South Australian financial legislation under which the Board has operated for some years.

The Bill will also enable the Board to establish grain pools on a range of criteria and to set up financial reserves to facilitate the pooling and marketing operations of the Board. Honourable Members will note that under its proposed powers, the Board may carry out or fund research and development that assists in the marketing of grains in the interest of the grower. The reserves could also be put to that use.

On that note, a further initiative in the Bill is the establishment of a Consultative Committee. The major function of this committee is to provide a forum for the Board to discuss its general policies but particularly in regard to the Board’s use of financial reserves and possible joint venture arrangements with a commercial partner or partners. The joint fixing of the Minimum Guaranteed Reserve price would be based on recommendations by the Consultative Committee.

Having alluded to research, the South Australian Bill transfers the Wheat Marketing Act 1989, which provided for the deduction of voluntary research levies as they are commonly termed. It will be recalled that the Wheat Marketing Act 1989, has already been amendable to the Commonwealth and to deposit wheat levies in the South Australian Grain Industry Trust Fund. This Bill also provides for such procedures with barley.

The capability of the Australian Barley Board to market oats, barley and other grain crops in South Australia and Victoria will be strengthened, in addition to providing both Parliament and each grower organisation with an annual report detailing its operations and financial position, the Board will also be required to provide both Ministers with a rolling operational plan based on a five year time horizon.

The Government believes this legislation will put into place, for the next five years, markets which will make a significant contribution to the efficiency of the South Australian and Victorian barley industry. I commend the Bill to the House.

Part 1 of the Bill (comprising clauses 1 to 7) contains the preliminary provisions.

Clause 1 defines words and expressions used in the Bill.

Clause 2 provides that the Act, the Minister and the Victorian Minister may, by notice in the Gazette, declare the grains to which this Act applies.

Clause 3 provides that any oats or barley grown and oats harvested in the season commencing on 1 July 1993 and each of the next four seasons but do not apply to barley harvested in a later season. Proposed subclause (2) provides that the Minister must consult with the Victorian Minister before the end of the session commencing on 1 July 1996 about the arrangements for the marketing of barley grown in South Australia or Victoria.

Clause 6 provides that it is declared that it is the intention of the Parliament that this Act and the Victorian Act implement a joint South Australian and Victorian Scheme for marketing barley grown in South Australia and Victoria. Proposed subclause (2) provides that it is also declared that it is the intention of the Parliament that this Act not be amended in any manner that may affect the operation of the joint Scheme except on the joint recommendation of the Minister and the Victorian Minister.

Clause 7 provides that the Minister, in writing, delegate to any other person as his or her agent any power which is to be exercised jointly with the Victorian Minister or his or her power of delegation.

Section 13 of the Bill (comprising clauses 8 to 26) provides for the establishment of the Australian Barley Board and its powers and functions.

Clause 8 provides that the Australian Barley Board is established as a body corporate with perpetual succession with all of the consequences at law with going on being a body corporate.

Clause 9 provides that the Board does not represent, 4.

Clause 10 provides that the common seal of the Board must be kept in such custody as the Board directs and may be used only as authorised by the Board.

Clause 11 provides that the Board consists of eight members appointed jointly by the Minister and the Victorian Minister, of whom one will be a person nominated by the South Australian Minister, one will be a person nominated by the Victorian Minister, two will be growers in South Australia (who will be selected by the Minister) and one will be a person nominated by the Selection Committee, two will be persons with knowledge of the barley industry (one of whom is resident in Victoria) nominated by the Selection Committee, and one will be a person nominated by the Selection Committee with particular expertise. A person who is a member of the Selection Committee is not eligible for appointment as a member of the Board.

Clause 12 provides that the Selection Committee is to consist of five persons appointed jointly by the Minister and the Victorian Minister from a panel nominated by the South Australian Farmers Federation Incorporation, two will be persons appointed from a panel nominated by the South Australian Farmers Federation Incorporation.
Clause 23 provides that the Board may, in writing, delegate to any member of the Board the power to act in the name of the Board on its behalf. Clause 24 provides that the Board may employ staff (including a chief executive) on such terms and conditions as it thinks fit and may make arrangements for the services of any officers and employees of the Board for public authorities.

Clause 25 provides that the Board is not bound to do anything in relation to the Board, or in respect of any officer or employee, any of its powers under this Act, other than this power of delegation. Clause 26 provides that for the purposes of this Act, the Board shall be deemed to have been served on the person to whom it is addressed, require the person to give to the Board, in writing, any information required by it, and to make any application to the Board.

Clause 27 provides that the Board shall not be bound by any requirement under this Act to give any information that is false or misleading in any particular. The Board may refuse to answer any question that it considers is irrelevant to this clause.

Part 4 of the Bill (comprising clauses 33 to 41) deals with marketing.

Clause 30 provides that the Board may, in writing, delegate to any member of the Board the power to act in the name of the Board on its behalf. Clause 31 provides that the Board may employ staff (including a chief executive) on such terms and conditions as it thinks fit and may make arrangements for the services of any officers and employees of the Board for public authorities.

Clause 32 provides that the Board shall be deemed to have been served on the person to whom it is addressed, require the person to give to the Board, in writing, any information required by it, and to make any application to the Board. Clause 33 provides that the Board shall not be bound by any requirement under this Act to give any information that is false or misleading in any particular. The Board may refuse to answer any question that it considers is irrelevant to this clause.

Part 5 of the Bill (comprising clauses 42 and 43) deals with stockregistered and stockholders' licences.

Clause 34 provides that a person who applies to the Board for a permit to purchase barley or oats must be a natural or a person or a corporation and that the permit is in the nature of a personal or a body corporate and if it is a personal.
24 March 1993

LEGISLATIVE COUNCIL

scheme and defraying any other costs of the Board. This clause further provides that if the Board may pay into the reserve fund an amount not exceeding five per cent of the net proceeds derived from the sale of property or other real or personal property and that the balance of the reserve fund must not exceed the amount set by the Minister and the Victorian Minister.

Clauses 47 to 50 provide that any of the functions of the Board may be exercised by the Board, or by an Affiliate of the Board or the Board or an Affiliate (or both) in a partnership, joint venture or otherwise between the Board and another person or bodies. This clause further provides that for the purpose of exercising its functions, the Board may join in the formation of a corporation to be incoporated by reference to a company limited by shares, or by dealing or entering into any agreement with or sharing in, or subscribing to the issue of shares by, a corporation, provided the Board acts in accordance with such guidelines if any as are determined by the Minister and the Victorian Minister.

Provisional subsection (4) provides that an affiliate of the Board must not, except with the written agreement of the Victorian Minister, engage in any activity which the Board may not engage in.

Clause 47 provides that if the Board is a member of, or forms or participates in the formation of, a limited company within the meaning of the Corporations Law and the Board has a controlling interest in the company, the Board must include in its annual report a copy of the accounts of the company in respect of the financial year ended during the period to which the Board's annual report relates and within 14 days after lodging any report, statement or return in respect of the company with the Australian Securities and Investments Commission under the Corporations Law, submit a copy of the report, statement or return with the Treasurer.

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