DATE INTRODUCED: 11 September 1985

HOUSE: House of Representatives

PRESENTED BY: Hon. John Kerin, M.P., Minister for Primary Industry

DIGEST OF BILL

Purpose

To correct drafting and administrative difficulties in the Dairy Produce Act 1924 (the Principal Act).

Background

As part of the Government's plans to restructure the dairy industry, a comprehensive review of the Principal Act and other dairy legislation was undertaken (refer to Bills Digest for the Dairy Legislation Amendment Bill 1985, No. 85/62). As a result of the rejection of the Government's dairy legislation in the Senate and the failure to reach agreement with the industry on the new structure of the industry, the Government has decided to introduce amendments to the Principal Act to correct problems found by the review.

Outline

The Bill will make it clear that advances may be made from the export pooling scheme. Such advances have been made since 1977, though recent legal advice has put the power to make advances in doubt. In addition the Bill will give the Australian Dairy Corporation (ADC) wider power to enter into contracts without Ministerial consent.

Main Provisions

The amendments contained in clause 3 will be deemed to have taken effect from 1 July 1978, the date when previous amendments to section 20AB came into force. The rest of the Bill will have effect on the day it receives the Royal Assent (clause 2).
Clause 3 will amend section 20AB of the Principal Act to make it clear that advances can be made from the export pooling scheme.

Clause 4 widens the range of contracts that the ADC may enter without Ministerial approval by substituting a new section 25 into the Principal Act. In addition to contracts for the sale of dairy produce, futures contracts for the sale of dairy produce, and contracts entered into under the Dairy Produce Sales Promotion Act 1958 will no longer require Ministerial approval. As well, the threshold after which other contracts require Ministerial approval is to be increased from $100,000 to $500,000 or a higher, prescribed amount.

For further information, if required, contact the Economics and Commerce Group.

18 October 1985

Bills Digest Service
LEGISLATIVE RESEARCH SERVICE

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