WHEAT MARKETING AMENDMENT BILL 1984

Date Introduced: 13 September 1984
House: House of Representatives
Presented by: Hon. John Kerin, M.P., Minister for Primary Industry

Short Digest of Bill

Purpose

To amend the Wheat Marketing Act 1979 in order to change the calculation of the Government's liability in the event of a payout under the wheat guaranteed minimum price arrangements, and to wind up the Wheat Finance Fund.

Background

This Bill forms part of the package of Bills introducing the new Wheat Marketing Plan which is to commence on 1 October 1984. For information about the new plan, refer to the Bills digest for the Wheat Marketing Bill 1984.

The Wheat Finance Fund was established under the current Wheat Marketing Plan to refinance outstanding borrowings from the Rural Credits Department of the Reserve Bank. These borrowings, which were made to finance the advance payments to growers have been replaced by commercial borrowings. The Fund is financed by an industry levy of $2.50 per tonne on deliveries to the Australian Wheat Board (AWB) and is being maintained at a statutory maximum balance of $100m. Excess levy receipts and interest earnings are refunded to growers on a first-in, first-out basis. As the Fund is no longer required, it will be wound up, and remaining monies will be repaid to growers as soon as practicable after 30 June 1985.

Main Provisions

This Bill will come into operation immediately before the Wheat Marketing Bill 1984 is enacted (clause 2).

Clause 4 allows the Minister to determine the net pool return rate for wheat of the 1983/84 season as if all the wheat sold had been Australian Standard White.
By clause 5, any monies owed by growers for the adjustments to provisional allowances for quality will be deducted from future payments.

Clause 6 sets out the arrangements for the repayment of the Wheat Finance Fund. Growers' contributions collected in 1983/84 plus any interest earned will be paid out as soon as practicable after 1 October 1984. The remaining monies in the Fund, comprising the $100m plus outstanding interest, will be repaid to growers as soon as practicable after 30 June 1985.

By clause 7, any Government underwriting liability is calculated to equal that arising from the revised net pool return rate under clause 4.

For further information, if required, contact:

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