DATE INTRODUCED: 16 March 1978
HOUSE: House of Representatives
PRESENTED BY: Rt. Hon. I.M. Sinclair, M.P., Minister for Primary Industry

**Short Digest of Bill**

**Purpose**

To extend the Australian Apple and Pear Corporation's borrowing powers to cover its promotion of apples and pears and also to allow for legislative machinery changes.

**Background**

The Australian Apple and Pear Board was established under the Apple and Pear Organisation Act 1938 as a statutory authority controlling the export and the sale and distribution after export of Australian apples and pears. In December 1973, this Act was repealed by the Australian Apple and Pear Corporation Act 1973, which established the Australian Apple and Pear Corporation. The Corporation assumed all the powers of the Board, together with some important additional functions covering the affairs of the industry as a whole including promotion of domestic sales of fresh and processed apples and pears and research. The functions and powers of the Corporation are set out in sections 6 and 7 respectively of the Australian Apple and Pear Corporation Act 1973 as amended (the Principal Act). The Corporation is financed under the Apple and Pear Levy Act 1976 (imposes a levy on domestic sales of apples and pears), the Apple and Pear Levy Collection Act 1976 (provides for the collection of the levy imposed by the above Act), the Apple and Pear Export Charge Act 1976 (imposes a charge on export sales of apples and pears), the Apple and Pear Export Charge Collection Act 1976 (provides for the collection of the charge imposed by the above Act). The Principal Act authorises payment of funds raised by the levy and export charge to the Corporation.

The Principal Act gives the Corporation the power to engage in trade in apples and pears (para. 7(1)(g)) and provides for the Corporation to borrow money in the exercise of this power (para. 30(1)(a)) but not for any other function (sub-section 30(2)). Since private exporters are considered to be handling trading functions adequately, the Corporation does not exercise its power to trade. Hence, it is unable to borrow for the purpose of financing any of its current
promotional activities. The flow of funds to the Corporation from the levy and export charge is seasonal and hence restricts the timing of expenditure by the Corporation on promotion. To overcome this problem, this Bill will allow the Corporation to borrow for promotional activities in addition to borrowing to engage in trade.

Provisions

Clause 4 amends section 30 of the Principal Act by extending the Corporation's power to borrow money to cover the promotion of both domestic and export sales of apples and pears. Sub-section 30(3) of the Principal Act (as amended) provides for the guarantee by the Commonwealth of loan repayments and interest payments of all Corporation borrowings.

Sub-clause 5(2) ensures that there is no doubt that the Government will still be represented on the Corporation given that the wording 'Australian Government' in para. 13(1)(c) of the Principal Act is now termed 'Commonwealth' (sub-clause 5(1), clause (1) of Schedule).

Under the Principal Act, remuneration and allowances of Corporation members were set by Parliament (section 18). This Bill will provide for such remuneration and allowances to be determined by the Remuneration Tribunal (clause 3).