THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

AUSTRALIAN WINE AND BRANDY CORPORATION AMENDMENT BILL
(No.1) 2007

EXPLANATORY MEMORANDUM

(Circulated by Authority of the Minister for Agriculture, Fisheries and Forestry,
the Hon Peter McGauran MP)
AUSTRALIAN WINE AND BRANDY CORPORATION AMENDMENT BILL (No.1) 2007

GENERAL OUTLINE

The purpose of the amendments to the Australian Wine and Brandy Corporation Act 1980 (the Act) is to implement the outcome of the assessment of the Australian Wine and Brandy Corporation against the Uhrig templates.

FINANCIAL IMPACT STATEMENT

The proposed amendments to the Australian Wine and Brandy Corporation Act 1980 have no financial impact.
NOTES ON CLAUSES

Clause 1: Short title
This clause provides for the Act to be called the *Australian Wine and Brandy Corporation Amendment Act (No.1) 2007.*

Clause 2: Commencement
This clause provides for the Act to come into effect on Royal Assent.

Clause 3: Schedule(s)
This clause advises that the amendments being made to the *Australian Wine and Brandy Corporation Act 1980.*

Item 1 –
At the end of paragraph 13(1)(a) an “and” will be added as a consequence of repealing paragraph 13(1)(b)—Item 2.

Item 2 –
Repeal the paragraph. This is item relates to the Uhrig Review recommending that the Corporation Government member specific position should be abolished. This amendment reflects the Government’s endorsement of the assessment of the AWBC against the Uhrig Report that the current practice of appointing a Government member, typically a public servant, on the Australian Wine and Brandy Corporation (AWBC) Board is not consistent with a skills based approach and should be discontinued. This amendment removes the potential for conflict of interest.

Item 3 –
This item allows the Corporation to replace the specific Government member position that has been repealed by Item 2 and create another Corporation member. The Corporation members are increased from six to seven.

Item 4 –
As the Corporation’s specific Government member position is being repealed by Item 2, the knowledge and experience set that that a Corporation member is to have one or more of is being extended to include government policy processes and public administration.

Item 5 –
Subsection 14(2) is repealed as the specific Government member position is repealed and therefore subsection 14(2) is no longer applicable.
**Item 6 –**

Given that the specific Government member position of the Corporation is repealed, the “or the other member referred to in paragraph 13(1)(b)” is not necessary and will be omitted from subsection 15(1).

**Item 7 –**

This item adds a requirement for the AWBC Selection Committee to prepare and give to the Minister an annual report of the operations of the Committee (if any) during the immediately preceding financial year. A report on the Selection Committee’s operations is an important accountability measure providing transparency to Government and industry stakeholders on the process and costs associated with the selection and appointment of the Corporation’s members.

This item also allows for the Selection Committee’s report to be included as a discrete part of the AWBC’s Annual Report to avoid the need for separate tabling in Parliament. A formal covering letter of transmittal for the Presiding Member of the Selection Committee to the Minister is included with the report. As the legislation requires the Selection Committee to prepare a report every year, where no business is considered by the Selection Committee for that reporting year, the transmittal letter to the Minister would only need to state that no business was considered.

**Item 8 –**

Application of amendment made by Item 7 apply to the operations of the Committee during the 2007-08 financial year and subsequent financial years.