

1986

THE PARLIAMENT OF THE COMMONWEALTH
OF AUSTRALIA

HOUSE OF REPRESENTATIVES

AUSTRALIAN APPLE AND PEAR CORPORATION

AMENDMENT BILL 1986

EXPLANATORY MEMORANDUM

(Circulated by authority of the
Minister for Primary Industry,
the Hon. John Kerin, MP)

AUSTRALIAN APPLE AND PEAR CORPORATION
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OUTLINE

The Australian Apple and Pear Corporation Amendment Bill 1986 provides for a change to the Corporation's export powers and a number of changes of a lesser and more machinery nature. Under the existing provisions all exporters of apples and pears must be licensed and conform to certain conditions laid down in the regulations. Licences are issued by the Minister on the recommendation of the Corporation and subject to certain eligibility criteria including marketing experience and financial standing.

The amendment proposals are for the Corporation in future to issue licences itself, rather than the Minister, and to be empowered to charge a licence administration fee. It will result in the Minister being removed from involvement in the day to day administration of the licensing system and is consistent with both Government policy relating to statutory marketing authorities in the primary industry area and existing legislative arrangements for meat exports.

As a separate but related issue the Corporation has agreed upon, in consultation with industry, a policy of restricting the number of licence holders as a means of improving exporter co-ordination and co-operation. Under the changes now proposed the Corporation will be solely responsible for administering this policy in relation to determining the issue of licences. Unsuccessful licence applicants will retain their right of appeal to the Administrative Appeals Tribunal.

The other changes proposed are consistent with existing legislation and include updating/deleting a number of minor provisions and requiring the Corporation to submit to the discipline of corporate planning.

The amendments should not involve any Commonwealth Government costs or significant savings. There will be some saving in administrative costs in the Department of Primary Industry that had been previously incurred in considering and making recommendations to the Minister on licence applications.



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NOTES ON CLAUSES

NO OF
CLAUSE

EXPLANATION

1. Sub-clause 1(1) provides for the Short Title of the Act to be the Australian Apple and Pear Corporation Amendment Act 1986.

Sub-clause 1 (2) establishes that references to the Principal Act are references to the Australian Apple and Pear Corporation Act 1973.

2. Provides for the Bill to come into effect on the day of Royal Assent.
3. Sub-clause 3(a) re-defines 'approved bank' consistent with standard provisions in new legislation.

Sub clause 3(b) defines what constitutes the apple and pear industry for the purpose of the Corporation's corporate and operational planning requirements (Clause 5 of the Bill). Canning pears are excluded as they fall within the responsibilities of the Australian Canned Fruits Corporation.

4. Sub-clause 4(a) provides for the Corporation itself to determine and issue export licences for apples and pears, subject to legislative criteria outlined in the regulations from the next licensing period beginning 20 January 1987. This is in place of arrangements to date whereby the Minister for Primary Industry has determined export controls on the recommendation of the Corporation, including the issue of export licences.

Sub-clause 4(b) defines 'the industry' consistent with the provisions of sub-clause 3(b).

Sub-clause 4(c) specifies that the Corporation's activities should, to the extent practicable be consistent with the provisions of its corporate and annual operational plans (Clause 5 of the Bill).

5. Inserts a Part IIIA Division 1, entitled Corporate Plans and Division 2, entitled Annual Operational Plans. This is a standard provision in new legislation relating to statutory marketing authorities in the primary industry area.

Inserts a new section 23A which requires the Corporation to prepare successive five year corporate plans setting out its objectives and the strategies to be pursued in reaching these objectives. In so doing, the Corporation is also required to provide a statement of its assessment of the market and economic outlook for the Australian apple and pear industry (as defined in Clause 3). The purpose of the corporate plan is to enhance the effectiveness of the operation of the Corporation and to provide greater accountability to both industry and Government.

Inserts new section 23B which provides for the Minister to approve the corporate plan, and makes provision for the Minister to be able to request revisions of the plan.

Inserts new section 23C and 23D which provide for variations to be made to the corporate plan either on the initiative of the Corporation or the Minister. Any such variation of the corporate plan shall be submitted to the Minister for approval.

Inserts new section 23E providing for amended plans to operate, from the date the variation is approved by the Minister, as if the original plan had been approved as so varied.

Inserts new section 23F which requires the Corporation to prepare an annual operational plan setting out details of the strategies it will pursue in the relevant year to give effect to the corporate plan.

Inserts new section 23G requiring the Minister to approve the annual operational plan and providing for the plan to be consistent with the corporate plan.

6. Sub-clause 6(a) limits the Corporation's general funding power in relation to the Australian Apple and Pear Growers' Association to expenses incurred by Association members in participating in consultations sought by the Corporation. This is consistent with Government policy that statutory marketing authorities should not use funds derived through statutory levies to fund private industry organisations, except in circumstances specifically relating to consultations necessary for the authority to fulfil its charter.

Sub-clause 6(b) omits the application of Corporation funds to activities relating to the old apple and pear stabilization arrangements. These arrangements terminated on 1 October 1984.

7. Provides for an increase and extension of the penalty provisions relating to audit requirements under the Act.

8. Requires the Corporation to specify in its annual report the objectives and strategies of the Corporation's corporate and annual operational plans.
9. Provides for the Corporation to meet with the Australian Apple and Pear Growers Association as it thinks fit. This is to enable the Corporation to hold consultations when necessary rather than simply once a year as currently specified in the Act.
10. Provides for the making of regulations relating to the Corporation's power to determine and issue licences to export apples and pears. This includes provision for reviewing the performance of licensees, revoking licences in certain circumstances and charging a licence administration fee. Other changes relate to a standard increase and extension of the penalties for breaches of regulations and removing the requirement on the Minister to take into account the recommendations of the Corporation in exercising his powers under the regulations. This last requirement is removed considering there will no longer be a requirement on the Minister to seek the recommendation of the Corporation as regards export controls (Clause 4).
11. Provides for the elimination in the Act of terms considered to be sex-specific.
12. Provides for the provisions of the Act and regulations relating to the Corporation's export powers, prior to the proposed amendments taking effect, to continue to apply.

