

Barley Marketing (Amendment) Bill

NOTES ON CLAUSES

Clause 1 contains the commencement and citation provisions.

Clause 2 contains a number of interpretations which are discussed, where relevant, in the notes relating to the substantive provisions.

Clause 3 provides for the appointment of a deputy chairman. At the present time there is no provision for the appointment of a deputy chairman, and the Australian Barley Board (which has its principal office in Adelaide) has adopted the practice of having one of its members appointed as acting Chairman by the Governor in Council in South Australia, after obtaining the joint approval of the Ministers of Agriculture in South Australia and Victoria whenever the Chairman is absent overseas or incapacitated. This procedure is unduly cumbersome and provision is therefore made for the appointment of a deputy chairman.

Clause 4 repeals Section 7 (3) of the Principal Act. This was a transitional provision which no longer has any application. It related to licences issued prior to 1948 under the National Security (Australian Barley Board) Regulations of the Commonwealth.

Clause 5 inserts the words "proclaimed produce" in two places in Section 8 of the Principal Act. The effect of this will be to allow the Board to handle produce which has been declared by proclamation of the Governor in Council to be "proclaimed produce" for the purposes of the Act. The Board's marketing expertise will be advantageous to the growers of proclaimed produce, but the vesting provisions of the Act (which apply in the case of barley) will not apply to proclaimed produce. This proposal is supported by the Victorian Farmers and Graziers Association. There are no specific plans at this stage to proclaim any particular grain or seed but the Victorian Farmers and Graziers Association will be consulted before any such proclamation is effected.

Paragraph (c) of *Clause 5* inserts two new paragraphs in Section 8 of the Principal Act. The first of these, paragraph (*f*), continues the existing power of the Board to charter ships and vessels. The effect of the amendment is to remove the limitation which restricts the charter to vessels plying between ports in the Commonwealth and on the carriage of cargo other than barley except when back-loading. These limitations were removed from the South Australian Act in 1977 and the opportunity is now being taken to make the Victorian Act consistent with the South Australian legislation.

Paragraph (fa) authorises the Board to enter into futures contracts for hedging purposes at a futures market, but only in accordance with written guidelines that are to be jointly determined by the Minister of Agriculture in South Australia and the Minister of Agriculture in Victoria. The ability to enter into futures contracts for hedging purposes is consistent with amendments that were made during the last Session to the Wheat Marketing Act. It is considered that futures trading will be advantageous to growers, and the provision for written guidelines jointly determined by the two Ministers is regarded as a strong safeguard. The interpretation of "futures market", as set out in *Clause 2* of the Bill, is in line with the interpretation used in the Wheat Marketing legislation.

Clause 6 amends Section 19 of the Principal Act by increasing the penalties from \$600 to \$1000 in the case of an individual or \$2000 in the case of a body corporate. The penalties are expressed in dollar terms rather than penalty units, since it is highly desirable that the penalties should remain uniform between Victoria and South Australia in view of the complementary nature of the legislation.

Clause 7 substitutes a new Section for Section 21 of the Principal Act. The effect is that the legislation is extended for a further five years up to and including the season 1987-88.

Clause 8 inserts transitional provisions to introduce staggered terms of office for members of the Board, commencing on 1 September 1984. The current term of office of all of the members of the Board will expire on 31 August 1984. Due to a variety of circumstances, five of the eight members of the Board were replaced with new members in 1981, and the Australian Barley Board has requested that provision be made for staggered terms of office so as to avoid a similar situation in the future. The effect of the amendment is that, in relation to the members appointed or elected to take office on 1 September 1984 —

- (a) three members will hold office for a term of three years;
- (b) three members will hold office for a term of two years; and
- (c) two members will hold office for a term of one year.

Following expiry of the above terms of office, all further appointments will be for three years. This will overcome the possibility of all or most of the members being replaced at the same time.