

# APPLE AND PEAR MARKETING AMENDMENT BILL

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## EXPLANATORY NOTE

THIS Bill makes miscellaneous amendments to the Apple and Pear Marketing Act 1948.

*Clause 2* provides that two members of the Board appointed by the Government otherwise than pursuant to the nomination of the Fruitgrowers' Federation will, in addition to their other functions, be deemed to represent the interests of consumers of apples and pears.

*Clause 3* provides that the term of office of members will be three years (as is the case at present), but that members will retire on 30 November in the year in which their retirement is due. The effect of the clause is that present members will have their term of office extended or curtailed, as the case may be, in accordance with the terms of the clause and that members appointed in the future will go out of office on the same date in each year.

*Clause 4* authorizes the Board to acquire land, buildings, and equipment and to dispose of property so acquired.

*Clause 5* confers additional powers on the Board. These authorize the Board, with the prior approval of the Minister,—

- (a) To make advances to growers in respect of fruit not immediately ready for purchase by the Board; and
- (b) To enter into agency agreements with other persons or bodies engaged in the production, marketing, or distribution of primary products.

*Clause 6* provides for the establishment of a reserve fund and for the distribution to growers of a proportion of its annual profit which would otherwise be paid into the reserve fund.

There is already provision for a reserve fund but the Bill defines more accurately the money that is to be paid into the fund. It is proposed that in each year the annual profit of the Board, as shown in its audited accounts, will be dealt with as follows:

- (a) So much of the annual profit as is required to increase the reserve fund to £1,000,000 will be transferred to the reserve fund.
- (b) The remainder of the annual profit will be distributed in the proportion of 25 per cent to growers and 75 per cent to the reserve fund until that fund reaches £1,250,000 when the annual profit will be divided equally between growers and the fund.

The provision in the principal Act that the average price payable to growers is not to be 6d. a case above or less than 6d. a case below the standard cost of production of apples and pears has been replaced with a provision to the effect that the average price will be the same as the standard cost of production.

*Clause 7* increases, from £50 to £100, the limit of unauthorized expenditure which may be made by the Board.

*Right Hon. Mr Holyoake*

## APPLE AND PEAR MARKETING AMENDMENT

### ANALYSIS

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3. Term of office of members of Board.	7. Increasing limit of unauthorized expenditure.

### A BILL INTITULED

AN ACT to amend the Apple and Pear Marketing Act 1948. Title.

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:

1. This Act may be cited as the Apple and Pear Marketing Amendment Act 1954, and shall be read together with and deemed part of the Apple and Pear Marketing Act 1948 (hereinafter referred to as the principal Act). Short Title.  
1948, No. 53

2. Section three of the principal Act is hereby amended by inserting, after subsection two, the following subsection:

15 “(2A) The members appointed under paragraph (c) of subsection two of this section shall, in addition to their other functions as members of the Board, represent the interests of consumers of apples and pears.” Certain members of Board to represent interests of consumers.

3. The principal Act is hereby amended by repealing section five, and substituting the following section: Term of office of members of Board.

“5. (1) Every member of the Board shall be appointed for a term of three years, but may from time to time be reappointed:

“Provided that, notwithstanding the terms of his appointment, but subject to subsection two of this section, every member of the Board shall retire on the thirtieth day of November in the year in which he is due to vacate his office by effluxion of time. 5

“(2) Every member of the Board, unless he sooner vacates his office otherwise than by effluxion of time, shall continue to hold his office until his successor comes into office. 10

“(3) Where any member continues to hold office under subsection *two* of this section after the date when he was due to vacate his office by effluxion of time, the term of office of his successor shall, for the purpose of subsection *one* of this section, be deemed to commence on the first day of December in the year in which the member was due to vacate his office as aforesaid.” 15

Authorizing Board to acquire and dispose of property.

4. (1) Section ten of the principal Act is hereby amended by inserting, after subsection three, the following subsections: 20

“(3A) The Board may purchase, take on lease or hire, or otherwise acquire such land, buildings, plant, machinery, and equipment as in the opinion of the Board are necessary for the performance of its functions. 25

“(3B) The Board may, if it thinks fit, sell, transfer, lease, hire, or otherwise dispose of any of its real or personal property.”

(2) This section shall be deemed to have come into force on the first day of December, nineteen hundred and forty-eight. 30

Additional functions of Board.

5. Section eleven of the principal Act is hereby amended by adding the following paragraphs: 35

“(g) With the consent of the Minister, for the making of advances to growers from the Apple and Pear Industry Account in respect of apples and pears not immediately available for acquisition by the Board: 35

“(h) With the consent of the Minister, for the making and carrying out of agreements authorizing the Board to act as agent, whether in New Zealand or elsewhere, for persons or bodies engaged in the production, marketing, or distribution of primary products.” 40 45

6. (1) The principal Act is hereby amended by inserting, after section twenty-two, the following section:

Establishment  
of reserve fund  
and disposition  
of annual  
profit.

5 “22A. (1) For the purposes of this Act the Board shall open in its books of account an account to be known as the Industry Reserve Fund Account (in this Act referred to as the reserve fund).

“(2) There shall be transferred to the reserve fund—

10 “(a) The amount in the reserve fund hitherto accumulated by the Board and for the time being retained by it under subsection three of section twenty-three of this Act:

15 “(b) In each year, so much of its annual profit, as shown in the books of account of the Board, as is not required for payment to growers in accordance with subsection *six* of this section.

“(3) Where in any year the books of account of the Board show that it has incurred a loss, the amount of the loss shall be deducted from the amount in the reserve fund.

20 “(4) For the purposes of this section the amount of the annual profit or, as the case may be, the annual loss of the Board shall be certified as correct by the Audit office in accordance with section twenty-seven of this Act.

“(5) All amounts available for transfer to the reserve fund shall, subject to the provisions of this section, be transferred to that fund as soon as practicable after the end of each season.

30 “(6) With respect to the disposition of the amount shown in the books of account of the Board as its annual profit, the following provisions shall apply:

35 “(a) So much of the annual profit as is required to increase the reserve fund to one million pounds shall be transferred to the reserve fund:

“(b) The remainder of the annual profit shall be dealt with as follows:

40 “(i) Twenty-five per cent thereof shall be paid to growers and seventy-five per cent thereof shall be transferred to the reserve fund until a total of one million two hundred and fifty thousand pounds is in that fund:

“(ii) Fifty per cent of so much of the said remainder as has not been dealt with under subparagraph (i) hereof shall be paid to growers and fifty per cent thereof shall be transferred to the reserve fund. 5

“(7) The amounts to be paid to individual growers under this section shall be fixed by the Board in its discretion and different amounts may be fixed in respect of different kinds of apples or pears, or in respect of different grades, qualities, or sizes of the same kind of apples or pears, or by reason of any other special conditions or circumstances that in the opinion of the Board warrant the fixing of different amounts. 10

“(8) Any amount paid to growers under this section shall not be taken into account when determining, in accordance with subsection two of section twenty-three of this Act, the total amount paid by the Board for apples and pears purchased from growers during a season.” 15

(2) Section sixteen of the principal Act is hereby amended as follows: 20

(a) By omitting from subsection two the words “ shall not be more than sixpence above or less than sixpence below ”, and substituting the words “ shall be the same as ”: 25

(b) By repealing subsection five. 25

(3) Section twenty-three of the principal Act is hereby amended as follows:

(a) By omitting from subsection three the words “ incurred by the Board, shall be retained by the Board as a reserve fund ”, and substituting the words “ incurred or likely to be incurred by the Board, shall, subject to the provisions of section twenty-two A of this Act, be transferred to the reserve fund ”: 30

(b) By repealing subsection four. 35

7. Section twenty-nine A of the principal Act, as inserted by section five of the Apple and Pear Marketing Amendment Act 1950, is hereby amended by omitting the words “ fifty pounds ”, and substituting the words “ one hundred pounds ”. 40

Increasing limit  
of unauthorized  
expenditure.  
1950. No. 61