

MILK BILL

EXPLANATORY NOTE

THIS Bill is a consolidation of the Milk Act 1944 and its amendments.

The principal change proposed by the Bill is that Milk Authorities will be abolished and that the functions relating to zoning now carried out by Milk Authorities will be carried out by the New Zealand Milk Board. At present Milk Authorities are either—

- (a) Borough Councils; or
- (b) Metropolitan Milk Boards; or
- (c) District Milk Boards.

All members of Milk Authorities are members of local authorities within the milk district for which the Milk Authority is established. The property and liabilities of each Milk Authority will be apportioned amongst the various local authorities concerned.

The existing milk districts will be abolished. The term "milk district" used in the Bill corresponds to the present milk marketing district.

PART I

ADMINISTRATION

This Part constitutes the New Zealand Milk Board. The only change proposed in the constitution of the Board is that the Municipal Association will be entitled to nominate an additional member. The present members will remain in office until their successors are appointed.

Clause 6 provides that the Deputy Chairman will be elected by the Board from among its members. At present the Deputy Chairman is appointed by the Minister and need not be a member of the Board.

The functions and powers of the Board are the same as at present but the Bill does not repeat the existing power to trade in milk. The Board will exercise powers relating to zoning now exercised by Milk Authorities.

Clause 16 constitutes milk districts which will be the same as those now existing as milk marketing districts.

Clause 17 provides that no milk vendor shall operate in a milk district unless approved in writing by the Board. At present milk vendors are licensed by Milk Authorities under the description "roundsmen". All existing licensed milk roundsmen will be deemed to be approved by the Board as milk vendors.

Clause 18 provides for the zoning of milk rounds by the Board. Zoning is now carried out by Milk Authorities and the Board is given powers in respect of zoning equivalent to those now given to Milk Authorities.

Clause 19 empowers the Board to purchase milk rounds for the purpose of administering zoning schemes during the period of rezoning.

Clause 20 provides for the granting of temporary approvals to milk vendors by the Board until such time as a full approval can be given.

Clause 21 provides that no milk vendor shall dispose of a milk round without first offering the round for sale to the Board on the same terms as those he proposes to offer to the proposed purchaser. The clause is similar to the present one excepting that now the round has to be offered to the Milk Authority. The purpose of the clause is to prevent excessive prices being charged for goodwills of milk rounds. Except as provided by this clause and *clause 19*, the Board is not entitled to purchase milk rounds.

Clause 22 authorises the Board to dispose of milk rounds acquired by it.

Clause 23 provides that the Board shall dispose of milk rounds acquired by it as soon as practicable after acquisition. Except so far as may be necessary to ensure the continuity of supply of milk, the Board is not to carry on milk rounds.

Clause 24 provides that no person, except a local authority, shall treat milk except with the consent of the Board. At present treatment stations are licensed by Milk Authorities. Existing licences are continued in force.

Clause 25 authorises the prescribing of prices, margins, allowances, and conditions of sale of milk by notice in the *Gazette*. The clause is similar to existing provisions but provides for the fixing of margins and allowances in respect of the treatment and distribution of town milk by the Milk Prices Authority.

Clause 26 provides for appeals against decisions of the Board. A similar provision exists in respect of decisions of Milk Authorities.

Clause 27 provides for the continuation of the Milk Industry Account.

Clause 28 authorises the establishment by the Board of special funds and reserves.

Clause 29 prescribes the money payable into and out of the Milk Industry Account.

Clause 30 confers borrowing powers on the Board.

Clause 31 provides for a levy on milk for the purpose of providing funds for the Board.

Clause 32 authorises the Board to fix the maximum prices that may be charged for goodwills of milk vending businesses. The clause repeats an existing provision.

Clause 33 provides for the payment of fees and travelling allowances to members of the Board and of the Milk Prices Authority.

Clause 34 permits the insurance of members of the Board.

Clause 35 provides for unauthorised expenditure.

Clause 36 provides for accounts and audit.

PART II

MILK PRICES AUTHORITY

THIS Part constitutes an Authority called the Milk Prices Authority.

The Authority will consist of seven persons of whom one shall be appointed as Chairman and two shall be Government representatives. Of the remaining members, two shall be nominated by the Federation of Milk Treatment Stations and two by the Federation of Milk Vendors.

The treatment stations members will act as members only when questions relating to treatment margins are being considered and the vendors members will act as members only when questions relating to vending margins are being considered.

The functions of the Authority will be to fix standard rates of margins and allowances in respect of the treatment and distribution of town milk. These rates will be the basic rates applicable throughout New Zealand in the absence of special circumstances.

PART III

FUNCTIONS AND POWERS OF LOCAL AUTHORITIES WITH RESPECT TO MILK

Clause 44 dissolves Milk Authorities and abolishes milk districts constituted as such under the existing legislation.

Clause 45 provides for the distribution of assets and liabilities of Milk Authorities. The distribution shall be in accordance with the agreement of the local authorities concerned or, failing agreement, in accordance with an award of the Controller and Auditor-General or other person appointed by the Governor-General.

Clause 46 provides for the disposal of equitable interests in milk rounds at present owned by Milk Authorities. Equitable interests consist of various kinds of goodwills which in various ways have been acquired by Milk Authorities. The clause provides for a valuation of equitable interests to be made as at 31 May 1968. The valuation shall be by agreement between the Milk Authority and the Board or, failing agreement, by arbitration. The amount of the valuation shall be paid by the Board to the local authorities concerned as and when the equitable interests are disposed of by the Board. All equitable interests will vest in the Board at the commencement of the Act but where the interests are now vested in a Milk Authority which is a Borough Council and which owns a milk treatment station, the Council may continue to carry on the milk rounds as if it had been approved by the Board.

Clause 47 provides that permanent employees of Milk Authorities shall be transferred to the service of the Board if they so wish. The provisions of the Local Authorities (Employment Protection) Act 1963 are applied with respect to those employees.

Clause 48 authorises local authorities to buy and sell milk, to carry on business as milk vendors, and to provide storage for milk.

Clause 49 makes special provisions in respect of Wellington City. Wellington is now excluded from most of the provisions of the Milk Act 1944. The clause provides that the Act will apply as if the area comprised in the City of Wellington were a milk district and the Wellington City Council were a milk vendor authorised to carry on business in that area. This will enable the Wellington City Council to operate in the same way as it now does.

Clause 50 confers borrowing powers on local authorities for the purposes of the Act.

Clause 51 authorises local authorities to take land for the purpose of exercising their powers under the Act.

PART IV

ORGANISATIONS OF MILK PRODUCERS

This Part provides for the approval of producers organisations and Supply Associations and for miscellaneous provisions relating thereto. No change is made in the effect of the present legislation.

PART V

MISCELLANEOUS PROVISIONS

Clause 56 provides for the settlement of disputes or differences by the Board.

Clause 57 confers powers of inspection on the Board. The Board already has similar powers.

Clause 58 provides for returns and information to be furnished by the Board.

Clause 59 provides for the authentication of instruments issued by the Board.

Clause 60 prescribes the manner in which the Board may give notice of the exercise of its powers.

Clause 61 provides for an annual report to be made by the Board.

Clause 62 prescribes offences against the Act.

Clause 63 relates to evidence in cases where the Board is involved in proceedings.

Clause 64 provides that milk vendors disposing of milk rounds shall disclose to the purchaser full particulars relating to the rounds.

Clause 65 requires records to be kept by persons engaged in the sale or distribution of milk.

Clause 66 prescribes the manner in which notices shall be given.

Clause 67 provides for the rectification of omissions.

Clause 68 authorises the making of regulations.

Clause 69 provides that nothing in the Act shall relieve any person from complying with other specified Acts.

Clause 70 repeals existing legislation.

49. Special provisions as to Wellington City	57. Inspections
50. Borrowing powers of local authorities	58. Returns and information
51. Power to take land	59. Authentication of instruments issued by Board
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PART IV	61. Annual report and statement of accounts
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A BILL INTITULED

An Act to consolidate and amend the Milk Act 1944 and its amendments

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, 5
as follows:

1. Short Title and commencement—(1) This Act may be cited as the Milk Act 1967.

(2) This Act shall come into force on the first day of June, nineteen hundred and sixty-eight. 10

2. Interpretation—(1) In this Act, unless the context otherwise requires,—

“Authority” means the Milk Prices Authority constituted under Part II of this Act:

“Board” means the New Zealand Milk Board constituted under this Act: 15

“Commercial user” means any person who buys milk for sale for consumption on premises occupied by him (whether in the form in which it was received by him or otherwise and whether separately or in combination 20 with any other substance):

“Consumer” means any person who buys milk for any purpose other than resale:

“Department” means the Department of Agriculture:

“Local authority” means any Borough Council, County Council, Town Council of an independent town district, or Board of a road district: 25

- 5 “Milk” means cows’ milk or goats’ milk; and includes cream and reconstituted milk or reconstituted cream; and also includes any mixture or compound containing milk, cream, dried milk, condensed milk, or condensed cream used in the manufacture of ice cream; and also includes any other product of milk or cream which, by Order in Council made under this Act, the Governor-General declares to be milk for the purposes of this Act; but does not include dried milk, condensed milk, or condensed cream, or milk intended for manufacture into butter, cheese, casein, dried milk, condensed milk, or condensed cream:
- 10 “Milk district” means any milk district for the time being defined under section 16 of this Act:
- 15 “Milk producer” means the occupier of any land or premises used for or in connection with the stalling, grazing, feeding, or milking of cows or goats for the purpose of producing milk for sale:
- 20 “Milk round” means the business of selling and supplying milk to customers for consumption or use by daily or other deliveries at their homes or premises:
- 25 “Milk vendor” means any person who owns or operates a milk round; but does not include a person who receives or undertakes the delivery of milk solely as a carrier:
- “Minister” means the Minister of Agriculture:
- 30 “Sale” includes barter or supply for profit; and also includes offering or attempting to sell or receiving for sale, or having in possession for sale, or exposing for sale, or sending or delivering for sale, or causing or allowing to be sold, offered, or exposed for sale; and also includes sale by means of milk tokens:
- 35 “Supply Association” means any association of milk producers or a committee of supply for the time being approved under Part IV of this Act as the Supply Association for a milk district:
- 40 “Treatment” includes the examination, cleansing, pasteurisation, modification, testing, grading, refrigerating, bottling, or packing of milk or otherwise preparing milk for sale or consumption; and “to treat” has a corresponding meaning:

“Zone” means any area or field of operation, whether defined by reference to boundaries or by any other description or by reference to or enumeration of streets, premises, or customers, and whether comprising one continuous area or separate blocks, streets, premises, or customers; and “to zone” has a corresponding meaning. 5

(2) Subject to the provisions of this Act, where under this Act anything is required to be “published”, or “publicly notified”, or public notice of anything is required to be given, it is meant that a notice thereof shall be published in some newspaper circulating in the district. A notice setting forth the object, purport, or general effect of a document shall in any case be sufficient notice of that document. 10

Cf. 1944, No. 30, s. 2; 1947, No. 55, s. 4; 1955, No. 27, ss. 2, 3, 7 15

PART I

ADMINISTRATION

New Zealand Milk Board

3. Constitution of New Zealand Milk Board—(1) There shall continue to be a Board to be known as the New Zealand Milk Board which shall be the same Board as that constituted under the Milk Act 1944 and existing under the same name immediately before the commencement of this Act. 20

(2) The Board shall consist of nine members, appointed by the Governor-General on the recommendation of the Minister, of whom— 25

(a) One shall be appointed as Chairman:

(b) Two shall be nominated by the Municipal Association of New Zealand Incorporated: 30

(c) Three shall be nominated by the Town Milk Producers' Federation of New Zealand Incorporated of whom—

(i) One shall be nominated to represent milk producers in the Provincial District of Auckland: 35

(ii) One shall be nominated to represent milk producers in the Provincial Districts of Taranaki, Hawke's Bay, and Wellington; and

(iii) One shall be nominated to represent milk producers in the South Island: 40

(d) One shall be nominated by the Dominion Federation of Milk Vendors Incorporated:

(e) One shall be nominated by the Minister for the Welfare of Women and Children:

(f) One shall be appointed as the representative of the Government.

5 (3) No person shall be qualified for appointment as Chairman of the Board if he has a pecuniary interest in the production, treatment, distribution, or sale of milk for human consumption:

10 Provided that any interest in common with the public or as a member of an incorporated company in which there are more than twenty members and to which he does not supply milk or of which he is neither a director nor the general manager shall not be deemed a pecuniary interest within the meaning of this subsection.

15 (4) No person shall be qualified for appointment under paragraph (c) or paragraph (d) of subsection (2) of this section if he is an employee of the Town Milk Producers' Federation of New Zealand Incorporated or of the Dominion Federation of Milk Vendors Incorporated.

20 (5) No person shall be qualified for appointment under paragraph (d) of subsection (2) of this section if he is a milk producer.

(6) Notwithstanding the provisions of subsection (2) of this section, the members of the Board in office at the commencement of this Act shall continue in office until their successors are appointed under this Act and shall then retire from office.

30 (7) No member of the Board shall be personally liable for any act done or omitted by the Board or by any member thereof in good faith and in pursuance or intended pursuance of the powers and authority of the Board.

35 (8) The Board shall be a body corporate with perpetual succession and a common seal, and shall be capable of holding real and personal property, of suing and being sued, and of doing and suffering all such other things as bodies corporate may lawfully do and suffer.

Cf. 1951, No. 41, ss. 4, 5, 8; 1953, No. 78, s. 3

4. **Terms of office of members**—(1) Except as otherwise provided by this Act, every member of the Board shall be
40 appointed for a term of three years, but may from time to time be reappointed.

(2) The term of office of each member continued in office by subsection (6) of section 3 of this Act shall expire with the day on which it would have expired had this Act not been in force.

(3) Notwithstanding anything to the contrary in this Act, every member of the Board, unless he sooner vacates his office under section 5 of this Act, shall continue to hold office until his successor comes into office. 5

Cf. 1951, No. 41, s. 6

5. Extraordinary vacancies—(1) Any member of the Board may at any time be removed from office by the Governor-General for disability, bankruptcy, neglect of duty, or misconduct proved to the satisfaction of the Governor-General, or may at any time resign his office by written notice given to the Minister. 10 15

(2) The office of a member of the Board shall become vacant, and the vacancy shall be deemed to be an extraordinary vacancy, if he—

- (a) Dies; or
- (b) Resigns his office; or 20
- (c) Is removed from office; or
- (d) Becomes disqualified for appointment to the Board in accordance with section 3 of this Act.

(3) An extraordinary vacancy shall be filled in the same manner in which the appointment to the vacant office was originally made. 25

(4) If the member who vacated office was the Chairman, the person appointed Chairman in his place shall be appointed for a term of three years. In every other case the person appointed to fill an extraordinary vacancy shall be appointed for the residue of the term for which the vacating member was appointed. 30

(5) The powers of the Board shall not be affected by any vacancy in the membership thereof.

Cf. 1951, No. 41, s. 7 35

6. Deputy Chairman—(1) At the first meeting of the Board after the commencement of this Act the Board shall elect one of its members to be Deputy Chairman.

(2) Any person elected as Deputy Chairman shall hold office as such until he vacates office as a member of the Board or until an appointment or reappointment to the office of Chairman is made, but may from time to time be re-elected. 40

(3) At the first meeting of the Board after a vacancy occurs in the office of Deputy Chairman, the Board shall elect one of its members to be Deputy Chairman.

5 (4) Subject to the provisions of this Act, the Deputy Chairman shall have and may exercise all the powers and duties of the Chairman during the absence or incapacity of the Chairman or while there is a vacancy in the office of Chairman.

10 (5) No acts done by the Deputy Chairman acting as the Chairman shall in any proceedings be questioned on the grounds that the occasion for his so acting had not arisen or had ceased.

Cf. 1951, No. 41, s. 10

15 **7. Deputies of members—**(1) In any case in which the Minister is satisfied that any member of the Board is incapacitated by illness, absence, or other sufficient cause from performing the duties of his office, the Minister may appoint a deputy to act for that member during his incapacity.

20 (2) In the case of the incapacity of the Chairman, his deputy shall be the member holding office as Deputy Chairman under section 6 of this Act.

(3) Every deputy appointed under this section to act for any member whose appointment to the Board was made on the nomination of any person or body of persons under subsection (2) of section 3 of this Act shall be appointed on the nomination of that person or body, and shall be a person who would be qualified for appointment in accordance with that section.

30 (4) Any deputy appointed under this section shall, while he acts as such, be deemed for all purposes to be a member of the Board.

(5) No appointment of a deputy and no acts done by him as such, and no acts done by the Board while any deputy is acting as such, shall in any proceedings be questioned on the ground that the occasion for his appointment had not arisen or had ceased.

Cf. 1951, No. 41, s. 10A; 1953, No. 78, s. 5

40 **8. Meetings of Board—**(1) Meetings of the Board shall be held at such times and places as the Board or the Chairman from time to time determines.

(2) At all meetings of the Board five members, of whom one shall be the Chairman or, in his absence, the deputy of the Chairman, shall constitute a quorum.

(3) The Chairman, or other person presiding at a meeting, shall have a deliberative vote and, in the case of an equality of votes, shall also have a casting vote.

(4) All or any of the following persons may attend any meeting of the Board, and may speak at the meeting on any matter before the Board, namely:

(a) The Director-General of Agriculture, or any officer of the Department authorised by him in that behalf:

(b) Any officer of the Dairy Division of the Department authorised in that behalf by the Director-General of Agriculture:

(c) The Director-General of Health, or any officer of the Department of Health authorised by him in that behalf.

(5) Any person attending any meeting pursuant to paragraph (a) of subsection (4) of this section may also vote as a member of that meeting if the Chairman or the member appointed under paragraph (f) of subsection (2) of section 3 of this Act is absent from the meeting.

(6) Except as provided by this section, no person attending a meeting under subsection (4) of this section shall take any part in the proceedings of the Board.

(7) All questions before the Board shall be decided by a majority of the valid votes recorded thereon.

(8) Subject to the provisions of this Act and of any regulations thereunder, the Board may regulate its procedure in such manner as it thinks fit.

Cf. 1951, No. 41, s. 9; 1953, No. 78, s. 4

9. Committees—(1) The Board may from time to time appoint committees consisting of two or more persons, whether members of the Board or not; and may from time to time, with the prior approval of the Minister, delegate to any such committee, either generally or particularly, any of the functions or powers of the Board.

(2) Every such committee shall be subject in all things to the control of the Board, and shall carry out all directions, general or special, of the Board in relation to the committee or its affairs.

(3) Subject to the provisions of subsection (2) of this section, the committee may exercise or perform any function or power so delegated to it in the same manner and with the same effect as if it had been conferred on the committee directly by this Act and not by delegation.

(4) Any delegation under this section may in like manner at any time be revoked.

(5) Every committee purporting to act pursuant to any delegation under this section shall, in the absence of proof to the contrary, be presumed to be acting in accordance with the terms of the delegation.

(6) No delegation under this section shall prevent the exercise of any functions or powers by the Board.

(7) Subject to the provisions of this Act and of any regulations thereunder, every committee may regulate its procedure in such manner as it thinks fit.

Cf. 1951, No. 41, s. 17; 1953, No. 78, s. 10

Functions and Powers of Board

10. Objects for which Board established—The general objects for which the Board is established are—

(a) The provision of an adequate supply of milk of good quality for human consumption:

(b) The organisation of the town milk industry on an economic basis.

20 Cf. 1951, No. 41, s. 13

11. Functions of Board—(1) The general functions of the Board shall be—

(a) To promote and organise the making of such provision and the doing of such things, and if necessary, subject to the provisions of this Act, to make such provision and do such things, as the Board deems necessary for the attainment of the objects for which it is established and generally for ensuring efficiency in the production, supply, collection, treatment, storage, distribution, delivery, and sale of milk:

(b) To investigate, having regard to the objects for which the Board is established, the activities and efficiency of persons, and bodies of persons, whether incorporated or not, engaged in or exercising control over or exercising any functions in respect of the production, supply, collection, treatment, storage, distribution, delivery, and sale of milk:

(c) To make recommendations as to the prices at which, and the margins within which, milk may be bought or sold, and as to the rate of allowances to be made in respect of the collection, treatment, storage, distribution, delivery, and sale of milk, and as to the conditions subject to which milk shall be sold;

- (d) To devise, promote, and implement, as far as may be practicable, improved methods of producing, supplying, collecting, treating, storing, distributing, delivering, and selling milk:
- (e) To devise, promote, and implement as far as may be practicable, means to prevent or eliminate wasteful, unnecessary, or unhygienic agencies, methods, practices, costs, or charges in connection with the production, supply, collection, treatment, storage, distribution, delivery, or sale of milk: 5
- (f) To carry on research and investigation, including chemical, physical, bacteriological, and economic research, relating to milk and milk products: 10
- (g) To publish reports, information, and advice concerning the production, supply, collection, treatment, storage, distribution, delivery, and use of milk, and by those and other means to encourage the consumption of milk: 15
- (h) To encourage and assist any experimental, educational, or research work which in the opinion of the Board is in the interests of consumers, milk producers, or vendors of milk: 20
- (i) To coordinate, having regard to the objects for which the Board is established, the activities of Government Departments, local authorities, and other public bodies in relation to any of the foregoing matters: 25
- (j) To report to the Government from time to time upon matters affecting the objects for which the Board is established: 30
- (k) To make recommendations to the Government as to any matter in respect of which regulations should, in the opinion of the Board, be made under this Act:
 - (1) To make inquiries and recommendations on any matters referred to it by the Government. 35
 - (2) The Board shall have such other functions as are conferred on it by this Act or otherwise.
 - (3) The Board may carry out its functions either independently or in conjunction with any Government Departments, local authorities, or other public bodies, or any other persons or bodies of persons whether corporate or unincorporate. 40

(4) The Board shall, in so far as the carrying out of any of its functions under this Act relating to the supply of milk affects the zoning of dairy factories, consult with the New Zealand Dairy Board established under the Dairy Board Act 5 1961.

Cf. 1951, No. 41, s. 14

12. Powers of Board—(1) The Board shall have all such powers, rights, and authorities as may reasonably be necessary or expedient to carry out its functions.

10 (2) The Board shall have all such powers as are conferred on it by this Act or otherwise.

(3) Without limiting the generality of subsection (1) of this section, the Board shall have power, with the prior approval of the Minister, to purchase any land or building required 15 for the purpose of providing office accommodation or otherwise for the purpose of exercising any of its functions or powers, and to sell or otherwise dispose of the same when no longer required.

Cf. 1951, No. 41, s. 14A; 1953, No. 78, ss. 7, 8 (2)

20 **13. Board to comply with general policy of Government—**
In the exercise of its functions and powers the Board shall comply with the general policy of the Government in relation to the objects for which the Board is established and to the functions and powers of the Board, and shall comply with 25 any general or special directions given by the Minister pursuant to the policy of the Government in relation thereto.

Cf. 1951, No. 41, s. 15; 1953, No. 78, s. 8 (3)

14. Appointment of officers—(1) The Board may appoint such officers and employees as it deems necessary for the 30 efficient carrying out of its functions and powers.

(2) Any person in the service of the Crown may be appointed to be an officer or employee of the Board, but no person shall be entitled to hold office concurrently as an officer or employee of the Board and as a servant of the 35 Crown except—

(a) In the case of a person subject to the State Services Act 1962, with the consent of the State Services Commission; and

40 (b) In any other case, with the consent of the Minister of the Crown to whose control he is subject.

(3) The Board may out of its funds subsidise the National Provident Fund or any other fund or scheme established with the approval of the Minister of Finance for the purpose of providing superannuation or retiring allowances for its officers and employees.

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(4) All persons who at the commencement of this Act are officers or employees of the New Zealand Milk Board established under the Milk Act 1944 shall be deemed to become officers or employees of the Board established under this Act, and for the purposes of any fund or scheme established for the purpose of providing superannuation or retiring allowances, the service of any such persons as officers or employees of the New Zealand Milk Board established as aforesaid shall be deemed to have been service as officers or employees of the Board established under this Act.

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Cf. 1951, No. 41, s. 11; 1953, No. 78, s. 6

15. Contracts of Board—Part II of the First Schedule to the Public Bodies Contracts Act 1959 is hereby amended by inserting in its appropriate alphabetical order the following item:

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“The New Zealand Milk Board | 1967, No. The Milk Act 1967.”

Cf. 1951, No. 41, s. 12

16. Constitution of milk districts—(1) The Governor-General may from time to time by Order in Council constitute and declare any part or parts of New Zealand as a milk district under this Act, with such name and from such date as may be specified in the Order.

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(2) The Governor-General may from time to time by Order in Council declare any two or more milk districts to be united, and to form one district, with such name as he thinks fit.

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(3) Every such united district shall be deemed to be a milk district constituted under this Act, and the provisions of this Act shall apply thereto accordingly.

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(4) The Governor-General may from time to time by Order in Council alter and redefine the boundaries of any milk district by the inclusion therein or the exclusion therefrom of any area and may in like manner abolish any milk district.

(5) Every Order in Council under this section shall be made on the recommendation of the Minister after consultation with the Board.

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(6) All milk marketing districts constituted at the commencement of this Act under the Milk Act 1944 shall continue to exist as if constituted as milk districts under this Act.

5 (7) All references to a milk marketing district in any Act, regulation, order, or other enactment or in any agreement, deed, instrument, application, notice, or other document whatsoever in force at the commencement of this Act shall, unless the context otherwise requires, be read as references to a milk district.

10 **17. Milk vendors to be approved**—(1) As from the commencement of this Act no person shall carry on the business of a milk vendor within a milk district except with the written approval of the Board and subject to such terms and conditions as may be specified in the approval or for
15 the time being prescribed by regulations under this Act.

(2) The Board may from time to time add new terms or conditions to those specified in any approval under this section and any terms or conditions for the time being specified in any such approval may from time to time be
20 varied by the Board.

(3) The Board may, in its discretion, refuse, suspend, revoke, or refuse to renew any approval under this section, or grant or renew any approval under this section either unconditionally or upon or subject to such conditions or for
25 such period as the Board thinks fit.

(4) In any case where, by reason of the breach of any conditions attached to an approval, the Board has revoked the approval or refused to renew the approval, it shall be lawful for, but not obligatory upon, the Board to compensate
30 the holder of the approval by the payment of such amount as the Board thinks fit or in such other manner as may be agreed upon.

(5) In any case where, for reasons other than the breach of conditions attached to an approval, the Board has revoked
35 the approval or refused to renew the approval, the Board shall compensate the holder of the approval by the payment of such amount as the Board thinks fit or in such other manner as may be agreed upon.

(6) No compensation paid under subsection (4) or subsection (5) of this section shall exceed the amount fixed
40 under section 32 of this Act as the maximum amount that may be charged for the goodwill of the business.

(7) In any case to which subsection (4) or subsection (5) of this section applies, the Board may, if it thinks fit, require
45 any milk vendor to whom it subsequently grants an approval

in respect of the area or part of the area referred to in the approval revoked or not renewed to pay to the Board an amount determined by the Board after having regard to the market value of the goodwill of similar classes of businesses.

(8) All persons who at the commencement of this Act are licensed as roundsmen under the Milk Act 1944 shall be deemed to be approved as milk vendors by the Board under this Act and the provisions of this Act, with the necessary modifications, shall apply accordingly in all respects as if the approval had been originally given by the Board:

Provided that where at the commencement of this Act the owner of a milk round who is not also the operator of the round does not hold a licence as a roundsman, he shall, within twenty-eight days after the commencement of this Act declare to the Board his interest in the milk round, and if the Board is satisfied that he is the owner of the round he shall be granted an approval accordingly as a milk vendor as though he had been a roundsman licensed under the Milk Act 1944:

Provided also that where under this subsection more than one person is entitled to an approval in respect of the same milk round, the approval of any person who is the operator but not the owner of the round shall be a temporary approval under section 20 of this Act.

(9) Where pursuant to subsection (8) of this section a milk vendor is deemed to be approved by the Board and the licence granted to him under the Milk Act 1944 provided for the sale or delivery of a specified gallonage of milk, the Board shall, for a period of twelve months after the commencement of this Act, have all the powers of a Milk Authority under section 65A of the Milk Act 1944, and, notwithstanding the repeal of that section, the provisions of the said section 65A shall, with the necessary modifications, apply accordingly during that period.

Cf. 1944, No. 30, ss. 61, 65

18. Zoning of milk rounds—(1) The Board may institute and administer schemes providing for a system of zoning of milk rounds in any milk district or part thereof.

(2) Where a part of a milk district is not included in a zone and that part is subsequently included in a zone, the Board, if it thinks fit, may require any milk vendor to whom it grants an approval to pay to the Board an amount determined in accordance with this section in respect of any area added to the zone in which he is entitled to operate under his approval.

(3) Any amount payable to the Board under subsection (2) of this section shall be determined by the Board after having regard to the market value of the goodwill of similar classes of businesses.

5 (4) Subject to the provisions of any regulations under this Act, if at any time the Board is satisfied that the quantity of milk being sold or delivered by any approved milk vendor has declined owing to circumstances beyond his control, the Board may, if it thinks fit, pay to the milk vendor compensation in
10 respect of the decline of such amount as the Board, in its absolute discretion, may determine.

(5) Any zoning scheme instituted by a Milk Authority under the Milk Act 1944 and in force at the commencement of this Act shall enure for the purposes of this Act in all
15 respects as if the scheme had been instituted by the Board under this Act.

Cf. 1944, No. 30, s. 65A; 1951, No. 41, s. 45

19. Purchase and sale of milk rounds by the Board—

(1) Any zoning system may from time to time be varied by
20 the Board and, for the purpose of administering zoning schemes during the period of rezoning, the Board may purchase, for such consideration as may be agreed upon, the whole or any part of the business of a milk vendor, together with the goodwill of the business and any other assets belong-
25 ing to the business.

(2) Except as provided by this section and by section 21 of this Act, no milk round shall be purchased by the Board.

Cf. 1944, No. 30, s. 67

30 **20. Temporary approvals—**(1) Where no milk vendor is for the time being approved by the Board in respect of any area within a zoning system, the Board may grant a temporary approval to a milk vendor in respect of that area.

(2) Any temporary approval under this section shall be
35 subject to such terms and conditions as the Board thinks fit and, in addition, each such approval shall be subject to the following terms and conditions:

(a) That the Board may at any time revoke the approval
40 on giving to the milk vendor such notice in writing (being not less than twenty-eight days) as the Board thinks fit:

- (b) That the Board may, by notice in writing to take effect on the receipt of the notice or on such later date as may be specified in the notice, revoke the approval if it is satisfied that the milk vendor has failed to comply with any term or condition of the approval: 5
- (c) That the milk vendor shall pay to the Board by way of rental such amounts and at such intervals as may be determined by the Board:
- (d) That the milk vendor may surrender the approval at any time upon giving to the Board not less than 10 twenty-eight days' written notice of his intention to do so and that in any such case the rights and obligations of the milk vendor under the approval shall cease on the expiration of the notice except as far as any such obligations have not been discharged: 15
- (e) That if the milk vendor is subsequently approved under section 17 of this Act in respect of a milk round for which he has been granted a temporary approval, the milk vendor shall pay to the Board an amount determined by the Board after having regard to the market value of the goodwill of similar classes of businesses: 20
- (f) That the milk vendor shall have no right to dispose of the milk round or any part thereof to which the approval relates or, where the approval relates to part of a milk round, the part to which the approval relates, while the approval remains in force. 25
- (3) Any rental payable under a temporary approval shall constitute a debt owing by the milk vendor to the Board and may be recovered accordingly. 30
- (4) All persons who, immediately before the commencement of this Act, are the holders of temporary licences issued by Milk Authorities under the Milk Act 1944 shall be deemed to be the holders of temporary approvals under this section. 35
- Cf. 1944, No. 30, s. 65 (5A) ; 1951, No. 41, s. 44

21. Restriction of right to dispose of milk round—(1) No milk vendor or other person entitled to dispose of a milk round carried on wholly or partly within a milk district shall sell or enter into any contract, agreement, or undertaking to sell to any person (in this section referred to as the purchaser) 40

the goodwill of the milk round or of any portion thereof without first offering in writing to sell the same to the Board on at least as favourable terms as those on which he is willing to sell to the proposed purchaser.

5 (2) The offer shall remain open until the expiration of a period of twenty-one days from the date on which it was made, and, if it is not accepted by the Board within that period, it shall be deemed to have been declined.

10 (3) The person offering to sell the goodwill may at the same time offer to sell any chattels (other than leasehold interests in land) or other personal property belonging to or pertaining to the business at a price to be fixed as hereinafter provided and, if the Board accepts the offer to sell the goodwill of the milk round, it shall be deemed to accept the offer to sell the
15 chattels or other personal property.

(4) The price to be paid by the Board for any such chattels or personal property shall be such amount as may be agreed upon or, failing agreement, as may be determined by arbitration under the Arbitration Act 1908 and, for the purposes of
20 any such arbitration, this subsection shall be deemed to be a submission within the meaning of that Act.

(5) Where an offer under this section is declined or is deemed to have been declined by the Board, the provisions of this section shall apply to any subsequent sale or any sub-
25 sequent contract, agreement, or undertaking, entered into by the milk vendor or person entitled to dispose of the goodwill unless the Board, within the immediately preceding three months, has declined or is deemed to have declined an offer made to it under this section in respect of the milk round.

30 (6) Any offer made to the Board to which this section applies shall not include or be deemed to include any real property.

(7) The Board may, in its discretion, refuse to grant an approval in respect of a milk round to any person if the pro-
35 visions of this section have not been complied with by the person who has disposed of the milk round.

(8) No appeal, and no action or other proceeding against the Board, shall lie in respect of any refusal referred to in subsection (7) of this section.

40 (9) Nothing in the foregoing provisions of this section shall apply to the sale or any contract, agreement, or undertaking for the sale—

- (a) By a milk vendor who is also a milk producer of the goodwill of a milk round in which he sells milk produced on the dairy premises occupied by him if the dairy premises are being sold or are, under the provisions of the contract, agreement, or undertaking, to be sold at the same time to the same purchaser; or 5
- (b) To the wife, husband, child, or children of the seller, or to any other relative of the seller approved in that behalf by the Board; or 10
- (c) To a trustee for the benefit of the wife, husband, child, or children of the seller; or
- (d) By a trustee, executor, or administrator of a deceased milk vendor to a beneficiary of his estate.
- (10) Where the Board has purchased the goodwill of a milk round or any portion thereof under this section and, by an instrument or instruments executed within three months after the purchase, sells that goodwill or any portion thereof to a purchaser or purchasers, the instrument by which the Board purchased the goodwill shall thereupon become exempt from *ad valorem* conveyance duty under the Stamp Duties Act 1954 in respect of that goodwill to the extent to which it is transferred by the subsequent instruments, and shall be charged instead with a duty of thirty cents in respect thereof; and any stamp duty paid in excess on the instrument may be refunded out of the Consolidated Revenue Account without further appropriation than this section. 15 20 25

Cf. 1944, No. 30, s. 68; 1947, No. 55, s. 8; 1951, No. 41, s. 47; 1958, No. 80, s. 2

22. Powers of Board in respect of disposition of milk rounds 30

- (1) The Board may, on such terms as it thinks fit, sell, bail, or otherwise dispose of any business, milk round, goodwill, chattels, or other property purchased under section 19 or section 21 of this Act or otherwise acquired by the Board.
- (2) In any case where the Board has revoked an approval or has refused to renew an approval or has not granted an approval in respect of any area included in a zone or has purchased the whole or any portion of a milk round, the Board, pending the grant of an approval, may make such provision as it thinks fit for the service of customers residing in any area for the time being not served by an approved milk vendor. 35 40

Cf. 1944, No. 30, s. 69

23. Restriction on right of Board to carry on milk round—

Where no approval is for the time being in force in respect of any area which has been or is intended to be served by an approved milk vendor, the Board shall, as soon as practicable, make arrangements for the service of the area by an approved milk vendor, and, except so far as may be necessary to ensure the continuity of supplies of milk to consumers in milk districts or to complete the rezoning of any area, the Board shall not carry on a milk round.

10 **24. Milk treatment stations—**(1) Except as provided by section 48 of this Act, no person shall treat any milk, or establish or operate any plant for the treatment of milk, or use any premises for the treatment of milk except with the prior consent in writing of the Board:

15 Provided that any person who, at the commencement of this Act is licensed under section 65 of the Milk Act 1944 to treat milk or to operate any plant for the treatment of milk shall be deemed to have been granted a written consent from the Board under this section.

20 (2) For the purposes of this section milk shall be deemed to be treated if, but only if, it is pasteurised or bottled or packaged for sale for human consumption.

Cf. 1944, No. 30, s. 61

25 **25. Fixing prices and conditions of sale of milk—**(1) There shall from time to time, in accordance with this section, be notified—

(a) The actual or the maximum or the minimum prices, at which milk produced or sold for human consumption may be bought or sold:

30 (b) The margins, whether as maximum prices or minimum prices or by reference to the amounts or percentages by which selling prices may exceed buying prices, within which any such milk may be bought or sold:

35 (c) The rates of allowances to be made in respect of the collection, treatment, storage, distribution, delivery, and sale of any such milk:

(d) The conditions subject to which sales of any such milk shall be made:

40 (2) The prices, margins, and allowances payable to milk producers and associations of milk producers in respect of milk supplied to any such associations shall be fixed by the Minister, by notice published in the *Gazette*, after consultation with the Board.

(3) The standard rates of margins and allowances payable in respect of the treatment and delivery of milk shall be fixed by the Milk Prices Authority by notice published by the Authority in the *Gazette*.

(4) All other prices, margins, allowances, and conditions to which subsection (1) of this section relates shall be fixed or determined by the Minister, by notice published in the *Gazette*, in accordance with the recommendation of the Board. 5

(5) The Board may from time to time, by notice to the persons concerned,— 10

(a) Approve the making of special allowances, whether in addition to or in substitution for allowances provided for by any notice under this section, in respect of any of the matters referred to in paragraph (c) of subsection (1) of this section in cases where the Board is satisfied that special circumstances justify the making of those allowances, and fix the rates of any such special allowances: 15

(b) Authorise the charging of special prices, whether actual, maximum, or minimum, and whether in addition to or in substitution for prices provided for by any notice under this section, in respect of the purchase or sale of milk as aforesaid, in cases where the Board is satisfied that special circumstances justify the charging of those prices, and fix the amounts of any such special prices: 20 25

(c) Prescribe terms and conditions upon and subject to which such special allowances or prices as aforesaid may be made or charged:

(d) Vary or revoke any approval, authorisation, or other determination given or made by the Board under this subsection. 30

(6) The Governor-General, on the recommendation of the Minister, may from time to time by Order in Council provide— 35

(a) For payments to be made by the Board for the purpose of ensuring that persons to whom the Order applies receive prices, margins, or allowances in conformity with the notice:

(b) For payments to be made to the Board for the purpose of ensuring that such persons as aforesaid do not receive more than the prices, margins, or allowances to which they are entitled,— 40

and may in like manner prescribe the persons or classes of

persons to or by whom any such payments are to be made and the circumstances in which and the conditions subject to which they are to be made, and may make such provision as may be necessary for the recovery of amounts so payable.

5 (7) Any increase of any prices, margins, or allowances prescribed under any notice under this section may be made to operate retrospectively.

(8) The Minister or, as the case may require, the Milk Prices Authority may from time to time in like manner
10 vary or revoke any notice under this section.

(9) Prices, margins, rates of allowances, or conditions may be fixed or prescribed under this section in respect of the whole of New Zealand or in respect of any specified district, locality, area, or part of New Zealand, and different prices,
15 margins, rates, or conditions may be fixed or prescribed in respect of different districts, localities, areas, or parts of New Zealand.

(10) Prices, margins, rates of allowances, or conditions may be fixed or prescribed under this section in respect of specified
20 persons or in respect of different classes of persons, and in respect of different classes of milk, and in respect of different circumstances or classes of circumstances.

(11) While any notice under subsection (2), subsection (3), or subsection (4) of this section continues in force, nothing in
25 section 6 of the Marketing Amendment Act 1937 or in section 38 of the Statutes Amendment Act 1947 (which authorise the Department to fix prices, margins, rates of allowances, and conditions in respect of certain foods) shall apply with respect to any milk to which the notice applies.

30 (12) Every person commits an offence against this Act and is liable to a fine not exceeding two hundred dollars who, whether as principal or agent, and whether by himself or his employee,—

(a) Sells or agrees or offers to sell any milk to which any
35 notice under this section applies at a price that is not in conformity with the notice:

(b) Sells any such milk and thereafter demands or accepts for the milk a price that is not in conformity with the notice prescribing the price:

40 (c) Gives or offers or agrees to give to any person in respect of any such milk any unauthorised rebate, refund, discount, allowance, premium, or other valuable consideration, or, as purchaser or seller or otherwise howsoever, is knowingly a party to any device, plan,

or scheme whereby the purchaser obtains or is enabled to obtain any such milk at a price that is not in conformity with the notice prescribing the price:

- (d) Sells or agrees or offers to sell any milk token or coupon at a price other than the price for the time being authorised under a notice under this section in respect of the quantity of milk for which the milk token or coupon may be rendered as payment. 5

(13) Every person who aids, abets, counsels, or procures or is in any way knowingly concerned in the commission of an offence against this section shall be deemed to have committed that offence. 10

(14) Nothing in the Control of Prices Act 1947 shall be construed to affect the exercise of the powers conferred by this section. 15

Cf. 1951, No. 41, s. 18; 1953, No. 78, s. 11; 1956, No. 32, s. 2

26. Appeals from decisions of Board—(1) Subject to the provisions of this Act, if the Board— 20

- (a) Refuses to grant an approval under section 17 of this Act or revokes, varies, suspends, or refuses to renew any such approval; or
 (b) Attaches terms or conditions to an approval which unduly restrict the operations of the milk vendor to whom the approval relates; or 25

(c) Refuses to give a consent under section 24 of this Act,—any person aggrieved by any such decision may, within fourteen days after receiving notice of the decision, give notice of appeal to the General Manager of the Board and make application to a Magistrate's Court for an order reversing or varying the decision being appealed against. 30

(2) Every such appeal shall be heard and determined in the Magistrate's Court before a Magistrate alone, and the Court, for the purposes of hearing and determining the appeal, shall have all the powers vested in it in its ordinary civil jurisdiction. 35

(3) The procedure for the institution, hearing, and determination of the appeal shall be in accordance with regulations to be made under this Act, and, subject to those regulations or so far as they do not extend, shall be in accordance with the ordinary procedure of the Court. 40

(4) On any such appeal the Court may award such costs as it deems just either in favour of or against the applicant.

5 (5) After hearing the appeal the Court may reverse the decision of the Board or vary the decision or confirm it, either absolutely or subject to such terms and conditions as the Court thinks fit, and the decision of the Court shall be final.

(6) No appeal shall lie against the decision of the Board in any case where the Board has refused to grant an approval under section 17 of this Act (as it shall be entitled to do) on the
10 ground that there are already sufficient approved milk vendors to meet adequately the needs of the milk district or the portion thereof in which the applicant proposes to operate.

Cf. 1944, No. 30, s. 71

Financial Provisions

15 **27. Milk Industry Account**—(1) For the purposes of this Act there shall be established at the Reserve Bank of New Zealand an account to be known as the Milk Industry Account.

20 (2) The Milk Industry Account shall be the same account as that existing under the same name at the commencement of this Act.

(3) The Board may from time to time open at the Reserve Bank of New Zealand or at any branch or agency of the Bank of New Zealand such imprest or subsidiary accounts as it
25 deems necessary or desirable for the exercise of its functions or powers.

(4) Every account under this section shall be operated on only by cheque signed by such person or persons as the Board appoints from time to time for that purpose.

30 Cf. 1951, No. 41, ss. 25, 26; 1953, No. 78, ss. 13, 14; 1962, No. 86, s. 2

28. Special funds and reserves—(1) With the consent of the Minister of Finance, the Board may from time to time out of its funds set aside in a separate bank account any money
35 to form a fund or funds for any special purpose or as a reserve.

(2) The Board may from time to time apply the money so set aside to form any such fund only for the purpose for which the fund was established, and may invest in the manner specified in subsection (3) of this section any money so set
40 aside and pay the proceeds of the investment into the fund.

(3) The Board may invest any part of any such fund, or any other money available for investment, in the following manner:

- (a) In New Zealand Government securities:
- (b) On deposit in the Bank of New Zealand or in the Post Office Savings Bank: 5
- (c) In any manner, or in any securities, that may from time to time be authorised in that behalf by the Minister of Finance.

(4) Separate accounts shall be kept by the Board of all money paid or received by it in respect of any such fund. 10

Cf. 1951, No. 41, s. 25; 1953, No. 78, s. 13

29. Money payable into and out of the Milk Industry Account—(1) There shall from time to time be payable into the Milk Industry Account all money derived from the operation of the Board or payable to the Board and any other money that may lawfully be payable to the Account. 15

(2) There may from time to time be payable out of the Milk Industry Account all money payable by the Board, and all costs, charges, and expenses whatsoever incurred by the Board, in the exercise of its functions and powers. 20

Cf. 1951, No. 41, s. 25 (4) (5); 1953, No. 78, s. 13

30. Borrowing powers of Board—(1) The Reserve Bank may grant to the Board, and the Board may receive from the Reserve Bank, accommodation by way of overdraft in aid of the Milk Industry Account, and that Account may be overdrawn accordingly: 25

Provided that the amount of the accommodation by way of overdraft shall not at any time exceed such sum as may for the time being be authorised by the Minister of Finance, who in giving any such authority may impose such conditions in respect thereof as he thinks fit. 30

(2) The grant by the Reserve Bank of accommodation by way of overdraft as aforesaid shall not, for the purposes of paragraph (d) of subsection (1) of section 9 of the Reserve Bank of New Zealand Act 1964, be deemed to be the lending of money without security. 35

(3) Except as otherwise provided by this section, the Board shall not borrow any money or mortgage or charge any of its property without the prior consent in writing of the Minister of Finance. 40

Cf. 1951, No. 41, ss. 25 (3) (4), 26A; 1953, No. 41, ss. 13,

5 **31. Levy on milk—**(1) Subject to the provisions of sub-section (6) of this section, for the purpose of providing funds to enable the Board to exercise its functions and powers, the Board may from time to time impose, in accordance with this Act, a levy on milk sold in New Zealand.

(2) Different rates of levy may be fixed under this section in respect of milk and cream.

10 (3) The rate of the levy shall not exceed half a cent per gallon in the case of milk and five cents per gallon in the case of cream.

(4) The Board shall make the levy by resolution, and subject to the provisions of subsections (3) and (6) of this section, the rates of the levy may be increased or reduced from time to time by resolution of the Board.

15 (5) Any levy payable under this section shall be paid and collected in such manner as may be prescribed by regulations under this Act.

20 (6) While any money is payable by way of subsidy out of the Consolidated Revenue Account in respect of town milk—

(a) No levy shall be imposed under this section except with the prior approval of the Minister, and the rates of any levy so imposed shall not be altered except with the approval of the Minister:

25 (b) The amount of the levy, or any part thereof, shall, except as may be otherwise provided by any regulations for the time being in force, be paid and collected in such manner as the Minister directs.

Cf. 1951, No. 41, s. 23; 1953, No. 78, s. 12

30 **32. Prices for goodwill—**(1) The amount which any milk vendor may charge for goodwill on the sale of his business as a milk vendor shall not exceed the amount which is for the time being fixed by the Board under this section as the maximum amount payable for the goodwill of milk vending
35 businesses of the appropriate class.

(2) For the purposes of this section the Board may from time to time fix the maximum amount that may be charged for the goodwill of milk vending businesses.

40 (3) Any amount fixed by the Board under this section may relate to milk vending businesses of a specified class or classes or carried on in a specified district or districts.

(4) Before fixing any charges under this section or altering any such charges the Board shall give any organisation of milk vendors affected an opportunity of being heard or of making representations in respect of the charges.

(5) Public notice shall be given by the Board of any determination made by it under this section. 5

(6) Any person who, after public notice has been given under subsection (5) of this section, sells or buys the goodwill of any milk vending business at a price in excess of the amount for the time being fixed by the Board under this section in respect of the business commits an offence against this Act and shall be liable to a fine not exceeding two hundred dollars or twice the amount of the excess, whichever is the greater. 10

(7) All amounts fixed by the Board under section 105 of the Milk Act 1944 and in force at the commencement of this Act shall be deemed to have been fixed under this section. 15

Cf. 1944, No. 30, s. 105

33. Fees and travelling allowances—(1) The Board and the Milk Prices Authority are hereby declared to be statutory Boards within the meaning of the Fees and Travelling Allowances Act 1951. 20

(2) There shall be paid by the Board from the Milk Industry Account to its members and to the members of any committee appointed by the Board and to members of the Authority remuneration by way of fees, salary, or allowances, and travelling allowances and expenses in accordance with the Fees and Travelling Allowances Act 1951, and the provisions of that Act shall apply accordingly. 25

Cf. 1951, No. 41, s. 27; 1953, No. 78, s. 16

34. Insurance of members—It shall be lawful for the Board from time to time to enter into contracts of insurance, insuring members of the Board against loss from personal accident arising out of and in the course of the exercise of their powers and duties as members, and to pay the premiums payable in respect of any such contracts. 30 35

Cf. 1951, No. 41, s. 28

35. Unauthorised expenditure—The Board may in any financial year expend for purposes not authorised by this or any other Act for the time being in force any sum or sums not amounting in the aggregate to more than four hundred dollars. 40

Cf. 1951, No. 41, s. 29

36. **Accounts and Audit**—(1) The Board shall keep full and correct accounts of all money received and expended by it and the accounts shall be audited by the Audit Office, which for that purpose shall have and may exercise all such powers
5 as it has under the Public Revenues Act 1953 in respect of public money and the audit of local authorities' accounts.

(2) The Board shall as soon as practicable after the end of every financial year, cause the accounts of the Board for that financial year to be balanced and prepare a balance sheet
10 of the Board as at the end of the financial year, together with an account of income and expenditure showing the financial transactions for that year.

(3) The financial year of the Board shall end with the thirty-first day of August in each year.

15 Cf. 1951, No. 41, s. 30

PART II

MILK PRICES AUTHORITY

37. **Milk Prices Authority**—(1) There is hereby established an Authority to be called the Milk Prices Authority.

20 (2) The Authority, the members of which shall be appointed by the Governor-General on the recommendation of the Minister, shall consist of:

- (a) One member, who shall be appointed as Chairman:
- 25 (b) Two members, who shall be nominated by the New Zealand Federation of Milk Treatment Stations Incorporated:
- (c) Two members, who shall be nominated by the Dominion Federation of Milk Vendors Incorporated:
- 30 (d) Two members, who shall be appointed as representatives of the Government of New Zealand.

(3) Any member appointed under paragraph (b) of subsection (2) of this section shall act as a member only when the Authority, in the exercise of its functions, is considering matters relating to the fixing of standard rates of margins and allowances in respect of the treatment of milk and any
35 member appointed under paragraph (c) of subsection (2) of this section shall act as a member only when the Authority, in the exercise of its functions, is considering matters relating to the fixing of standard rates of margins and allowances in
40 respect of the delivery of milk.

(4) Before recommending that any person be appointed as Chairman of the Authority, the Minister shall obtain the approval of the New Zealand Federation of Milk Treatment Stations Incorporated and the Dominion Federation of Milk Vendors Incorporated to the appointment. 5

38. Term of office of members of Authority—(1) Except as otherwise provided by this Act, every member of the Authority shall be appointed for a term of three years, but may from time to time be reappointed. 10

(2) Notwithstanding anything to the contrary in this Act, every member of the Authority, unless he sooner vacates his office under section 40 of this Act, shall continue in office until his successor comes into office. 10

39. Deputies of members of Authority—(1) In any case in which the Minister is satisfied that the Chairman or any member of the Authority is incapacitated by illness, absence, or other sufficient cause from performing the duties of his office, the Minister may appoint a deputy to act for the Chairman or for that member during his incapacity. 15

(2) Every deputy appointed under this section to act for any member whose appointment to the Authority was made on the nomination of any body under subsection (2) of section 37 of this Act shall be appointed on the nomination of that body. 20

(3) Any deputy appointed under this section shall, while he acts as such, be deemed to be a member of the Authority, and any deputy acting for the Chairman shall have all the powers of the Chairman. 25

(4) No appointment of a deputy and no acts done by him as such, and no act done by the Authority while any deputy is acting as such, shall in any proceedings be questioned on the ground that the occasion for his appointment had not arisen or had ceased. 30

40. Extraordinary vacancies—(1) Any member of the Authority may at any time be removed from office by the Governor-General for disability, bankruptcy, neglect of duty, or misconduct proved to the satisfaction of the Governor-General, or may at any time resign his office by written notice given to the Minister. 35

(2) If any member of the Authority dies, or resigns, or is removed from office, his office shall become vacant and the vacancy shall be deemed to be an extraordinary vacancy. 40

(3) An extraordinary vacancy shall be filled by the appointment of some qualified person in the same manner as the appointment of the vacating member.

5 (4) Every person appointed to fill an extraordinary vacancy shall be appointed for the residue of the term for which the vacating member was appointed.

41. Meetings of Authority—(1) The first meeting of the Authority shall be held on a day to be appointed in that behalf by the Minister.

10 (2) Subsequent meetings of the Authority shall be held at such times and places as the Authority from time to time appoints.

(3) Subject to the provisions of subsection (3) of section 37 of this Act, at all meetings of the Authority the presence
15 of every member of the Authority entitled to be present, or his deputy, shall be necessary for the transaction of business.

(4) The Chairman shall preside at all meetings of the Authority at which he is present.

20 (5) All questions before the Authority shall be decided by a majority of the valid votes recorded thereon.

(6) Subject to the provisions of this Act, the Authority may regulate its procedure in such manner as it thinks fit.

42. Functions of Authority—(1) The general functions of the Authority shall be to fix the standard rates of margins and
25 allowances payable in respect of the treatment and distribution of town milk, being the rates which the Authority considers should be the basic rates payable throughout New Zealand in the absence of special circumstances.

30 (2) In fixing rates of margins and allowances the Authority shall have regard to the following matters:

(a) The necessity in the public interest of maintaining the stability and efficiency of the town milk sector of the dairy industry:

35 (b) The effect of changes in rates of margins and allowances upon the consumer price for milk:

(c) Any submissions made by the New Zealand Federation of Milk Treatment Stations Incorporated, the Dominion Federation of Milk Vendors Incorporated, the Board, and Government Departments:

40 (d) Any other matters deemed to be relevant.

(3) The Board shall make available such administrative services as may be necessary to enable the Authority to exercise its functions.

43. Authority to consult Minister before it fixes margins and allowances—Notwithstanding anything to the contrary in this Act, the Authority shall consult with the Minister before it fixes any margins and allowances under this Act.

PART III

5

FUNCTIONS AND POWERS OF LOCAL AUTHORITIES WITH RESPECT TO MILK

44. Dissolution of Milk Authorities—(1) Subject to the provisions of this Part of this Act, every Milk Authority of every milk district constituted under section 3 of the Milk Act 1944 and in existence at the commencement of this Act is hereby dissolved: 10

Provided that where any such Milk Authority is a Borough Council, the provisions of this subsection shall apply only to the Milk Committee of that Council. 15

(2) Every milk district referred to in subsection (1) of this section is hereby abolished.

45. Distribution of assets and liabilities of Milk Authorities—(1) As soon as practicable after the commencement of this Act, the local authorities situated within or partly within each milk district abolished by section 44 of this Act shall, by agreement, apportion all property (including any amount payable by the Board under section 46 of this Act for equitable interests in milk rounds) and all debts, liabilities, and engagements of the Milk Authority for the district amongst those local authorities. 20 25

(2) Where no agreement is reached under subsection (1) of this section, the Controller and Auditor-General, or such other person as the Governor-General may appoint for the purpose, shall hold an inquiry in respect of each milk district abolished by section 44 of this Act and shall make an award apportioning the property of the Milk Authority and the debts, liabilities, and engagements thereof amongst the local authorities situated within, or partly within, the district so abolished. 30 35

(3) Any award under this section may provide for all or any of the matters included in the subject for inquiry, and may declare in whom any property shall be vested and by whom any money shall be paid or other acts or things done, including the payment by any party of the whole or any part of the expenses of the inquiry; and the person making the award may make and give such directions as may be necessary to give full effect to the objects of the inquiry. 40

(4) Every such award shall be final, and to such extent as may be necessary for its operation and enforcement, shall be deemed to be a judgment of the Supreme Court.

5 (5) Neither the Controller and Auditor-General nor any other person appointed under this section to hold an inquiry and make an award shall be deemed to be an arbitrator within the meaning of the Arbitration Act 1908, and nothing in that Act shall apply to any such inquiry or award.

10 (6) Every agreement under subsection (1) of this section shall be in writing executed under the seals of the local authorities concerned and, upon the execution of any such agreement, all property and all debts, liabilities, and engagements of the Milk Authority shall become the property, debts, liabilities, and engagements of the local authority to which
15 they are apportioned by the agreement.

(7) For the purpose of enabling any property, debts, liabilities, and engagements of a Milk Authority to be transferred in accordance with this section, every Milk Authority, notwithstanding its dissolution, shall be deemed to have
20 retained its corporate identity until all necessary transfers have been completed and is hereby authorised and empowered to execute such documents, pass such resolutions, and do all such other acts and things as may be necessary to give effect to any such transfer.

25 **46. Provisions as to disposal of equitable interests in milk rounds on dissolution of Milk Authorities—**(1) As soon as practicable after the commencement of this Act, the value, as at the thirty-first day of May, nineteen hundred and sixty-eight, of the equitable interests in milk rounds owned by
30 each Milk Authority shall be determined in accordance with this section.

(2) The amount of the value shall be an amount agreed upon between the Milk Authority concerned and the Board or, failing agreement, such amount as may be determined
35 by arbitration under the Arbitration Act 1908 and, for the purposes of any such arbitration, this subsection shall be deemed to be a submission within the meaning of that Act.

(3) Any amount agreed upon or fixed by arbitration under subsection (2) of this section shall not exceed the amount for
40 the time being fixed by the Board under section 32 of this Act as the maximum amount payable for the goodwill of milk vending businesses of the appropriate class.

(4) All equitable interests in milk rounds owned by any Milk Authority immediately before the commencement of this Act shall, on the commencement of this Act, become the property of the Board:

Provided that where a Milk Authority was a Borough Council which owns a milk treatment station and carries on milk rounds, the milk rounds shall remain the property of the Borough Council, and the Council may continue to carry on the milk rounds in all respects as if it were a milk vendor approved by the Board under this Act. 5 10

(5) The amount determined under this section as the value of the equitable interests in milk rounds owned by a Milk Authority shall be paid by the Board to the appropriate local authorities in accordance with an agreement or award under section 45 of this Act as and when funds become available to the Board from the disposal of those equitable interests: 15

Provided that, whether or not any such funds are available, all amounts payable by the Board under this subsection shall be paid by the Board before the thirty-first day of May, nineteen hundred and seventy-three. 20

(6) For the purposes of this section the expression "equitable interests in milk rounds" means,—

- (a) Goodwill of milk rounds which a Milk Authority has acquired but not sold: 25
- (b) Goodwill of milk rounds or parts of milk rounds in respect of which a temporary licence under subsection (5A) of section 65 of the Milk Act 1944 is in force at the commencement of this Act,
- (c) Goodwill which has accrued in respect of a milk round by reason of the sale or delivery of milk by a licensee in excess of the specified gallonage determined under section 65A of the Milk Act 1944 in respect of the licence. 30

47. Protection of employees—(1) Every person permanently employed by a Metropolitan Milk Board or a District Milk Board immediately before the commencement of this Act shall, at the commencement of this Act, be deemed to be transferred to the service of the Milk Board unless he notifies the Milk Board in writing that he does not wish to be so transferred. 35 40

(2) The provisions of paragraphs (b) to (d) of subsection (2) and subsections (3) to (6) of section 3, and sections 6 to 8 of the Local Authorities (Employment Protection) Act 1963 shall apply with respect to all persons deemed
5 to be transferred to the service of the Board under this section in all respects as if the Board were a local authority within the meaning of that Act.

(3) For the purposes of this section, a person shall be deemed to have been permanently employed by a Metropolitan Milk Board or a District Milk Board if he was, immediately
10 before the commencement of this Act, in the full-time employment of that Board and had been so employed for a period of not less than one year.

48. Powers of local authorities in respect of milk—(1) Every
15 local authority shall have power to carry on the business of a milk vendor, to buy and sell milk, and to provide for the storage in cool chambers of milk and milk products in accordance with the provisions of this Act.

(2) Every local authority shall have power from time to
20 time to acquire and hold shares and stock in the capital of any company incorporated under the Companies Act 1955 the principal object of which is the treatment of milk.

(3) For the purposes of subsection (2) of this section the principal business which a company for the time being carries
25 on shall be deemed to be the principal object of the company, notwithstanding that it may have authority to carry on any other business.

(4) Every local authority shall have power from time to
30 time to guarantee the repayment of money borrowed by a company in which it holds shares or stock under this section and the payment of interest on any money so borrowed.

(5) Every local authority shall have power to acquire, establish, maintain, or operate a plant for the treatment of
35 milk, and in connection therewith to carry on the business of a dealer in milk, and to conduct such operations as are reasonably incidental to any such business:

Provided that a local authority shall not establish a plant for the treatment of milk without the prior consent in writing of the Board.

40 Cf. 1944, No. 30, s. 56; 1951, No. 41, ss. 39, 41

49. Special provisions as to Wellington City—Notwithstanding the provisions of this Act, the Wellington City Council shall be deemed to be a milk vendor duly approved by the Board under this Act and may continue to carry on the business of a milk vendor in the Wellington Milk District in accordance with this Act. 5

50. Borrowing powers of local authorities—For the purpose of providing funds for the payment of any amount payable by a local authority—

(a) Pursuant to an award or agreement under section 45 of this Act; or 10

(b) In respect of a guarantee given under subsection (4) of section 48 of this Act; or

(c) For the carrying out of any business or undertaking authorised by section 48 of this Act— 15

the local authority may raise a special loan under the Local Authorities Loans Act 1956, by special order, and, notwithstanding anything in section 34 of that Act, without the prior consent of the ratepayers.

Cf. 1951, No. 41, s. 39 20

51. Power to take land—For the purposes of this Act any local authority may, in such manner and on such terms as it thinks fit,—

(a) Purchase or lease or take under the provisions of the Public Works Act 1928 as for a public work or otherwise acquire any land required for the purposes of this Act, and sell or otherwise dispose of the same when no longer required: 25

(b) Construct, erect, lease, or purchase any buildings, plant, machinery, or other appliances or works of any description, and sell or otherwise dispose of the same when no longer required: 30

(c) Maintain and work any such buildings, plant, machinery, or other appliances and works required for the collection, treatment, storage, distribution, or delivery of milk. 35

Cf. 1944, No. 30, s. 59; 1951, No. 41, s. 41

PART IV

ORGANISATIONS OF MILK PRODUCERS

52. Approval of producers organisations and Supply Associations—(1) The Board may for the purposes of this Act
5 approve in respect of any milk district any association of
milk producers which conforms with the requirements of
this section and of any regulations made for the purposes
of this section as an association of producers which is entitled
to supply milk for use or consumption in that district.

10 (2) In any case where only one association of milk pro-
ducers is approved in respect of any milk district and the
Board is satisfied that the association is able to supply
throughout the whole of each year all the milk required to be
brought into the district for use and consumption therein
15 (other than milk to which section 54 of this Act applies)
the Governor-General may, by Order in Council, approve the
association as the Supply Association for that milk district.

(3) In any case where more than one association of milk
producers is approved in respect of any milk district and
20 the Board is satisfied that those associations can together
supply all the milk required to be brought into the milk
district for use or consumption therein (other than milk to
which section 54 of this Act applies) the Board may direct
the approved associations to form a committee of supply
25 and, when that committee has been duly formed in accord-
ance with the directions of the Board, the Governor-General
may by Order in Council approve the committee as the
Supply Association for that milk district.

(4) The Governor-General may at any time by Order in
30 Council revoke any approval of a Supply Association under
this section.

(5) While there is a Supply Association for any milk
district, no further associations of producers shall be approved
under subsection (1) of this section in respect of that milk
35 district.

(6) There shall not be more than one Supply Association
in respect of any milk district.

(7) The Board may at any time revoke any approval of an
association of milk producers under subsection (1) of this
40 section or recommend to the Minister that any approval of
a Supply Association under this section be revoked if the
Board is satisfied that the association of milk producers or the
Supply Association, as the case may be, has ceased to comply
with the requirements of this section or of any regulations

made for the purpose of this section or has failed to carry out any directions of the Board or is not carrying out the conditions of the approval or is not observing the requirements of this Act or of any other Act relating to milk.

(8) Regulations may be made under this Act, in accordance with recommendations made by the Board to the Minister, for all or any of the following purposes: 5

- (a) Prescribing conditions which must be fulfilled before any association of milk producers or Supply Association can be approved under this section, including conditions as to membership, the rules or regulations, and the management or control of the association: 10
- (b) Prescribing conditions as to the formation of committees of supply for the purposes of this section, including conditions as to the membership, the rules or regulations, and the management or control of any such committee: 15
- (c) Providing for notices to be published or given concerning any request for approval or revocation of approval under this section, and for the making of objections to the granting or revocation of any approval under this section: 20
- (d) Prescribing the functions of Supply Associations and conditions to be observed by associations of milk producers and Supply Associations: 25
- (e) Prescribing conditions of contracts to be entered into with and by associations of milk producers for the supply of milk to the associations or by the associations.

(9) Every Supply Association and association of milk producers approved under section 92 of the Milk Act 1944 at the commencement of this Act shall be deemed to have been approved under this section: 30

Provided that the Minister shall, by notice in the *Gazette*, specify the milk district for which any such Supply Association or association of milk producers is deemed to be approved as aforesaid. 35

Cf. 1944, No. 30, s. 92

53. Effect of approval of Supply Association—In any case where there is an approved Supply Association in respect of any milk district, no person shall bring any milk into the milk district for sale therein, except such milk as may be supplied by or through an approved association of milk producers: 40

Provided that if the Board is satisfied that the approved Supply Association cannot supply sufficient milk to meet the requirements of the milk district, the Board may, subject to any regulations under this Act, authorise to be brought into
5 the milk district, or to be sold therein, sufficient other milk to meet the deficiency:

Provided also that in special circumstances the Board may, subject to such conditions as it thinks fit to impose, authorise milk to be brought into a milk district for sale therein
10 otherwise than by or through an approved association of milk producers.

Cf. 1944, No. 30, s. 93; 1951, No. 41, s. 54

54. Producer Vendors—Notwithstanding the provisions of this Act, any milk producer may, with the written authority
15 of the Board and subject to such conditions as may be imposed by the Board, sell any milk produced by him directly to consumers or to commercial users for use or consumption in a milk district, whether or not any such sale takes place in a milk district.

20 Cf. 1944, No. 30, s. 94

55. Ownership of milk vats—Where any association of milk producers has, whether before or after the commencement of this Act, with the consent of any milk producer erected or placed any milk vat or any appliance that is accessory thereto
25 or any appliance for the cooling of water or for controlling the temperature of milk on any land occupied by the milk producer, then, after the commencement of this Act, so long as the association has not done or suffered anything which deprives it of its ownership of the vat or appliance,—

30 (a) The vat or appliance shall remain the property of the association and shall be deemed not to be in the possession, order, or disposition of the milk producer or of any other person other than the association who would otherwise be a bailee thereof:

35 (b) The vat or appliance shall not in any circumstances become a fixture to the land on which it is erected or placed as aforesaid and the association may remove the vat or appliance without being liable to pay compensation to the owner of the land or any
40 other person:

- (c) The association may at all reasonable times, by its servants and agents, enter on the land on which the vat or appliance is erected or placed as aforesaid for the purpose of inspecting, testing, repairing, altering, cleaning, or removing the vat or appliance: 5
- (d) If the occupier for the time being of the land on which the vat or appliance has been erected or placed as aforesaid is not for the time being a supplier of the association, he may, on giving one month's notice in writing to the association, require the association to remove the vat or appliance from the land: 10
- (e) The ownership of any such vat or appliance shall be deemed to be an interest in land for the purposes of section 137 of the Land Transfer Act 1952, but for no other purpose. 15

PART V

MISCELLANEOUS PROVISIONS

56. Local inquiries by Board—(1) In any case where a dispute or difference arises between persons or bodies of persons whether corporate or unincorporate (including Supply Associations, associations of milk producers, associations of milk vendors, and persons operating milk treatment stations) as to any matter relating to the production, supply, collection, treatment, storage, distribution, delivery, or sale of milk, any party to the dispute or difference may refer it to the Board. 20 25

(2) Where the Board is of the opinion that a dispute or difference referred to it under subsection (1) of this section should properly be settled by legal action in a Court of competent jurisdiction, or is of so trivial a nature as not to merit an inquiry being held, or if any party to the dispute or difference notifies the Board that it intends to take legal action in Court, the Board shall decline to appoint a committee in respect of the dispute or difference. 30

(3) The Board may appoint two or more of its members, of whom one shall be appointed as Chairman, either with or without some other person or persons, to be a committee of the Board to conduct an inquiry— 35

(a) As to any dispute or difference referred to the Board under subsection (1) of this section:

- 5 (b) As to any matter relating to the organisation of the production, supply, collection, treatment, storage, distribution, delivery, or sale of milk, or to the activities or efficiency of persons or bodies of persons, whether corporate or unincorporate, engaged therein, in the area in which the inquiry is to be conducted:
- 10 (c) As to the maximum amount that may be paid for the goodwill of the businesses of milk vendors generally, or the goodwill of the business of any particular milk vendor or of any milk vendor of any particular class or classes or in any particular area:
- 15 (d) As to the approval or revocation of the approval of any Supply Association or association of producers:
- (e) As to any other matter whatsoever within the functions of the Board or relating to the powers or duties of the Board.
- 20 (4) The Board may appoint any qualified person in an advisory capacity to assist any committee appointed under this section.
- 25 (5) Every committee appointed under this section shall, for the purpose of enabling it to conduct the inquiry, be deemed to be a Commission of Inquiry under the Commissions of Inquiry Act 1908, and the provisions of that Act shall apply accordingly.
- 30 (6) Where any committee appointed under this section conducts an inquiry into any dispute or difference referred to the Board under subsection (1) of this section, it shall determine the dispute or difference. The decision of the Committee, which shall be final and binding on the parties thereto, shall be notified to the parties and to the Board.
- 35 (7) In every inquiry held under this section the decision of the majority shall be the decision of the committee, and, if the members are equally divided in opinion, the decision of the Chairman of the committee shall be the decision of the committee.
- 40 (8) Where any committee appointed under this section conducts an inquiry into any matter, not being a dispute or difference referred to the Board under subsection (1) of this section, it shall, after the inquiry, report its findings to the Board and the Board may thereupon make such recommendations to the Government, or to any person or bodies of persons, as it thinks fit.
- 45 (9) Nothing in the Arbitration Act 1908 shall apply to any inquiry, finding, or decision under this section.

Cf. 1944, No. 30, ss. 103, 104; 1955, No. 27, s. 6

57. Inspections—(1) The Board and any member or authorised officer thereof may, for the purpose of carrying out any of the objects and functions of the Board, at any reasonable time enter and inspect any premises believed to be used in connection with the production, supply, collection, treatment, storage, distribution, delivery, or sale of milk and may examine any equipment and may examine and take notes from any books, documents, or papers relating to any of the said activities and may take or purchase samples of milk from any such premises. 5
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(2) It shall be lawful for the Board, by arrangement with any Government Department or local authority, to authorise any inspector or officer of the Department or local authority to exercise on behalf of the Board any of its powers under this section. 15

Cf. 1944, No. 30, s. 108; 1951, No. 41, s. 32

58. Returns and information—The Board may from time to time require any milk producer, milk vendor, Supply Association, or association of milk producers or milk vendors to supply to the Board such information or returns, and within such time, as may be specified in that behalf by the Board. 20

Cf. 1944, No. 30, s. 109

59. Authentication of instruments issued by Board—(1) Any determination, notice, direction, requirement, consent, or other instrument made, given, imposed, or issued by or on behalf of the Board shall be sufficiently authenticated if it is signed by the Chairman or any other member of the Board or by any officer of the Board on behalf of and by direction of the Board. 25

(2) Every instrument purporting to have been executed in accordance with subsection (1) of this section shall, in the absence of proof to the contrary, be deemed for all purposes to have been duly executed. 30

Cf. 1944, No. 30, s. 110

60. Notice of exercise of Board's powers—(1) The Board may publish notice of any determination, direction, requirement, condition, or consent made, given, or imposed by it either in the *Gazette* or in a daily newspaper circulating in the locality in which the matter of the determination, direction, requirement, condition, or consent arises or to which it relates, and all persons shall be bound thereby. 35
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(2) The Board may, without publishing notice of any such determination, direction, requirement, condition, or consent, give notice thereof to any person, and every person to whom notice is given shall be bound thereby.

5 Cf. 1944, No. 30, s. 111

61. Annual report and statement of accounts—(1) In the month of November in each year, or as soon thereafter as is practicable, the Board shall furnish to the Minister a report of its proceedings for its preceding financial year together
10 with a copy of its accounts and balance sheet for that year certified by the Audit Office.

(2) A copy of the report and of the accounts and balance sheet so certified shall be laid before Parliament if then sitting, and, if not, within twenty-eight days after the commence-
15 ment of the next ensuing session.

Cf. 1944, No. 30, s. 112; 1951, No. 41, s. 33

62. Offences—(1) Every person commits an offence against this Act and shall be liable to a fine not exceeding two hundred dollars who directly or indirectly by himself, his servant, or
20 agent—

- (a) Resists, obstructs, or wilfully deceives any person who is exercising or attempting to exercise any power or function under this Act:
- 25 (b) Without lawful excuse acts in contravention of or fails to comply in any respect with any provisions of this Act or any notice, direction, restriction, requirement, or condition given, made, or imposed under this Act or any regulations under this Act:
- 30 (c) Refuses to give information or gives false information or makes any misleading statement or material omission in any answer to any inquiry made pursuant to this Act or in any application or return made to the Board or to any person for the purposes of this Act:
- 35 (d) Knowingly commits a breach of the terms or conditions of any approval given by the Board under this Act.

(2) If any person is convicted of an offence against paragraph (d) of subsection (1) of this section that fact shall not prevent the revocation, variation, or suspension of any
40 approval in respect of which the offence was committed.

(3) All proceedings in respect of offences against this Act shall be taken in a summary way under the Summary Proceedings Act 1957.

Cf. 1944, No. 30, s. 85

63. Evidence—(1) A copy of any resolution of the Board certified by the Secretary of the Board to be correct, shall, until the contrary is proved, be sufficient evidence of the resolution in any proceedings under this Act. 5

(2) A certificate signed by the Secretary of the Board to the effect that any approval or consent required under this Act has or has not been given by the Board or is or is not for the time being in force shall, until the contrary is proved, be sufficient evidence of the matters stated therein. 10

(3) Any certificate purporting to have been signed by the Secretary of the Board shall, in the absence of proof to the contrary, be deemed for all purposes to have been duly signed. 15

64. Particulars to be disclosed on disposition of milk round—(1) It shall be the duty of every milk vendor or other person entitled to dispose of a milk round who enters into or proposes to enter into any contract with any person (in this section referred to as the purchaser) for the sale or other disposition of the milk round or the goodwill thereof to disclose to the purchaser, before entering into the contract, full particulars of any special allowance, concession, or subsidy which is being received by him in respect of the milk round pursuant to this Act and to which the purchaser is not or may not be entitled if the milk round is so disposed of. 20

(2) If on the making of any such contract the provisions of this section are not complied with, the contract shall be voidable at the instance of the purchaser. 30

(3) Nothing in this section shall be construed to limit or affect any other right or remedy to which the purchaser may be entitled in respect of the contract under any enactment or rule of law.

Cf. 1951, No. 41, s. 48

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65. Records to be kept—(1) Every person carrying on any business that includes the production, collection, treatment, storage, distribution, or sale of milk shall, for the purposes of this Act, keep proper books and accounts and such other records as may from time to time be required by notice in writing given to that person by the Board, and shall, except as otherwise authorised by the Board, preserve all such books, accounts, and records for a period of not less than five years. 40

(2) All such books, accounts, and records may be inspected during office hours by any officer of the Board authorised in writing by the Board in that behalf.

Cf. 1944, No. 30, s. 113A; 1953, No. 78, s. 22

5 **66. Notices**—(1) Except as otherwise expressly provided by this Act or any regulations thereunder, any notice required or authorised under this Act to be given to any person may be delivered to him either personally or by sending it to his last known place of abode or business by messenger or by post.

10 (2) If the person is absent from New Zealand, the notice may be delivered as aforesaid to his agent in New Zealand. If he is deceased the notice may be delivered as aforesaid to his personal representative.

15 (3) If the person is not known, or is absent from New Zealand and has no known agent in New Zealand, or is deceased and has no personal representative, the notice may be delivered in such manner as may be directed by a Magistrate or, if the notice relates to any land or building, it may be delivered by being delivered to the occupier thereof, or
20 left with some inmate of his abode, or, if there is no occupier, either by being affixed in a conspicuous place on or to the land or building or by being publicly notified.

25 (4) Notwithstanding anything in the foregoing provisions of this section, a Magistrate may in any case make an order directing the manner in which any notice is to be delivered, or dispensing with the delivery thereof.

30 (5) Where a notice is sent by post, it shall be sent so as to arrive in due course of post on or before the latest time on which the notice is to be served.

Cf. 1944, No. 30, s. 115

35 **67. Power to rectify omissions**—Where anything is omitted to be done or cannot be done at the time required by or under this Act, or is done after that time, or is otherwise irregularly done in matter of form, the Governor-General may, by Order
in Council, at any time before or after the time within which
the thing is required to be done, extend any such time, or
validate anything so done after the time required, or so
irregularly done in matter of form, or make such other
provision for the case as he thinks fit.

40 Cf. 1944, No. 30, s. 116

68. Regulations—(1) The Governor-General may from time to time, by Order in Council, make regulations for all or any of the following purposes:

- (a) Ensuring the efficient and economic conduct of the town milk industry in relation to the production, quality, supply, collection, treatment, storage, distribution, delivery, and sale of milk: 5
- (b) Preventing or eliminating wasteful or unnecessary expenditure in the conduct of any such activities as aforesaid: 10
- (c) Conferring on the Board such powers as may reasonably be necessary to enable it to exercise its functions under this Act:
- (d) Providing for the zoning of milk rounds:
- (e) Prescribing conditions to be observed by associations of milk producers that are not for the time being approved associations under this Act: 15
- (f) Prescribing the manner in which milk is to be collected, treated, stored, distributed, delivered, or sold:
- (g) Prescribing processes or methods to be followed in the collection, treatment, storage, distribution, delivery, or sale of milk: 20
- (h) Prohibiting the delivery of milk except in sealed bottles or in sealed containers of a kind approved in accordance with the regulations: 25
- (i) Prescribing the books, records, and accounts to be kept by persons or associations engaged in the production, supply, collection, treatment, storage, distribution, delivery, or sale of milk and the particulars to be shown in any such books, records, or accounts: 30
- (j) Regulating or prohibiting advertising on milk containers:
- (k) Prescribing conditions to be observed in respect of the issue of coupons or tokens by milk vendors:
- (l) Prescribing matters in respect of which fees shall be payable, and the amounts of any such fees: 35
- (m) Prescribing penalties, not exceeding a fine of one hundred dollars, for offences against the regulations:
- (n) Providing for such matters as are contemplated by or necessary for giving full effect to the provisions of this Act and for the due administration thereof: 40

(2) Any regulations made under this section may apply generally throughout New Zealand, or within any specified part or parts thereof and may from time to time by notice in the *Gazette* be applied by the Minister, in accordance with
5 the recommendations of the Board, to any specified part of New Zealand; and any such notice may at any time in like manner be varied or revoked.

(3) The operation of any regulations made under this section may, if it is so provided in the regulations, be wholly
10 suspended until they are applied by the Minister under sub-section (2) of this section.

(4) Any regulations made under this section may be general or may be limited in their application to any specified class or classes of persons.

15 Cf. 1944, No. 30, s. 117; 1951, No. 41, s. 31

69. Certain Acts not affected—Nothing contained in this Act shall relieve any person from the obligation of complying with any of the provisions of the Dairy Industry Act 1952, the Health Act 1956, the Food and Drugs Act 1947, or of any
20 regulations made under any of those Acts.

Cf. 1944, No. 30, s. 118

70. Repeals and savings—(1) The enactments specified in the Schedule hereto are hereby repealed.

(2) All references to a milk district constituted under the
25 Milk Act 1944 in any Act, regulation, order, or other enactment in force at the commencement of this Act or in any instrument, notice, or other document whatsoever, shall, unless the context otherwise requires, be read as references to a milk district constituted under this Act.

Section 70

SCHEDULE

Enactments Repealed

- 1944, No. 30—The Milk Act 1944. (1957 Reprint, Vol. 9, p. 757.)
- 1945, No. 40—The Statutes Amendment Act 1945: Sections 50–54. (1957 Reprint, Vol. 9, p. 851.)
- 1947, No. 55—The Milk Amendment Act 1947. (1957 Reprint, Vol. 9, p. 852.)
- 1949, No. 39—The Finance Act 1949: Section 15. (1957 Reprint, Vol. 9, p. 852.)
- 1950, No. 65—The Limitation Act 1950: So much of the Second Schedule as relates to the Milk Act 1944. (1957 Reprint, Vol. 9, p. 812.)
- 1951, No. 41—The Milk Amendment Act 1951. (1957 Reprint, Vol. 9, p. 853.)
- 1953, No. 78—The Milk Amendment Act 1953. (1957 Reprint, Vol. 9, p. 856.)
- 1954, No. 49—The Local Authorities (Members' Contracts) Act 1954: So much of Part I of the First Schedule as relates to the Milk Act 1944; So much of the Third Schedule as relates to the Milk Act 1944. (1957 Reprint, Vol. 8, p. 530.)
- 1954, No. 76—The Municipal Corporations Act 1954: So much of the Thirteenth Schedule as relates to the Milk Act 1944. (1957 Reprint, Vol. 10, p. 602.)
- 1955, No. 27—The Milk Amendment Act 1955. (1957 Reprint, Vol. 9, p. 859.)
- 1956, No. 18—The Cooperative Companies Act 1956: So much of the Schedule as relates to the Milk Act 1944. (1957 Reprint, Vol. 8, p. 798.)
- 1956, No. 32—The Milk Amendment Act 1956. (1957 Reprint, Vol. 9, p. 860.)
- 1956, No. 63—The Local Authorities Loans Act 1956: So much of the Second Schedule as relates to the Milk Act 1944. (1957 Reprint, Vol. 8, p. 537.)
- 1957, No. 60—The Local Authorities (Members' Contracts) Amendment Act 1957: So much of the Schedule as relates to the Milk Act 1944. (1957 Reprint, Vol. 8, p. 540.)
- 1958, No. 80—The Milk Amendment Act 1958.
- 1959, No. 98—The Public Bodies Contracts Act 1959: So much of the First Schedule as relates to the Milk Act 1944.
- 1962, No. 86—The Milk Amendment Act 1962.
- 1962, No. 113—The Public Bodies Meetings Act 1962: So much of the Schedule as relates to the Milk Act 1944.
- 1963, No. 65—The Local Authorities (Employment Protection) Act 1963: So much of the First Schedule as relates to the Milk Act 1944.
- 1963, No. 127—The Finance Act 1963: Section 3.