

1993

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

AUSTRALIAN WOOL RESEARCH AND PROMOTION ORGANISATION BILL 1993

EXPLANATORY MEMORANDUM

(Circulated by authority of the Minister for Primary Industries and Energy,
the Hon Simon Crean, MP)



AUSTRALIAN WOOL RESEARCH AND PROMOTION ORGANISATION BILL 1993

OUTLINE

This Bill provides for the establishment of the Australian Wool Research and Promotion Organisation (AWRAP – the Organisation) and its functions, powers, membership and related matters.

The Bill forms part of a package of Bills to establish a new institutional structure and marketing arrangements in the wool industry. The four statutory wool industry organisations which currently have responsibility for marketing and promotion, research and development and the development of industry policy will be replaced by the Australian Wool Research and Promotion Organisation, which will be responsible for generic promotion and research and development, and Wool International which will market the stockpile and foster the development of risk management and marketing mechanisms. The Bill also provides for arrangements to cover the transitional period between the existing arrangements and the new arrangements.

The objective of the Organisation is to improve the performance of the wool industry in Australia by bringing together the generic promotion of wool and wool products and research and development activities. The Organisation will undertake promotion relating to the use of wool and wool products in Australia and overseas through such activities as consumer advertising, the provision of technical advisory services and the use of trademarks. It will promote the growth in demand for wool and wool products in international markets for the longer term benefit of the industry. It will also assess research and development needs in relation to the wool industry, allocate funds to R&D, and disseminate and encourage the adoption of the results.

The Act is to commence on a day to be proclaimed or, if not before, on 1 July 1994.

Part 1 covers preliminary matters including commencement and definitions. It also sets out the objects of the Act, which will be the objects guiding the Organisation.

Part 2 provides for the establishment, functions and powers of the Organisation.

Part 3 makes provision for the preparation of corporate and annual operational plans, agreement by the Minister and variations to the plans.

Part 4 provides for the establishment of arrangements for research and development activities by the Organisation, including dealing with patents.

Part 5 makes provision for annual general meetings of wool-tax payers each financial year and includes procedures to be followed, the purpose of meetings and matters to be covered in regulations.

Part 6 refers to the constitution and meetings of the Organisation, including the membership and conduct of members.

Part 7 concerns staffing matters of the Organisation, including those of the Managing Director. Provision is also made for the development and implementation of an equal employment opportunity program.

Part 8 deals with finance, including payments by the Commonwealth of wool tax receipts for promotion and research and development, procedures for wool-tax payers to make recommendations on the level of wool tax and the amounts to be paid to the Organisation, the establishment of a separate Fund for research and development purposes, the maintenance of bank accounts, application of the Organisation's money, borrowing by the Organisation and hedging activities.

Part 9 deals with audit provisions for the Organisation and requires the Auditor-General to report to the Minister for Primary Industries and Energy at least annually on the inspection and audit of the Organisation's accounts.

Part 10 refers to miscellaneous provisions including Ministerial directions in exceptional circumstances, delegation of powers, engaging of consultants, arrangements for consultation and committees, liability to taxation, remuneration and allowances for members of the Organisation, the annual report and general regulation making powers.

Part 11 makes savings provisions for the Organisation to continue certain functions, principally quality management and the making of payments for exotic animal disease control, from the Australian Wool Corporation. It also provides for Government appropriations to be paid to the Organisation. Most of these functions are to cease by Proclamation or before 1 January 1995, whichever is the earlier.

FINANCIAL IMPACT STATEMENT

The new arrangements are not expected to impose any additional costs on the Commonwealth. The Commonwealth will continue to make matching payments for research and development expenditure from the Wool Research and Development Fund up to a maximum of 0.5 per cent of the Gross Value of Production of shorn wool as determined by the Minister. It is estimated that this Commonwealth contribution will be approximately \$11 million for 1993-94 and 1994-95.

NOTES ON CLAUSES

Part 1 - PRELIMINARY

Clause 1 - Short Title

1. This clause provides for the Bill to be called the Australian Wool Research and Promotion Organisation Act 1993.

Clause 2 - Commencement

2. The Act commences on a day to be fixed by proclamation or, if not before, on 1 July 1994.

Clause 3 - Object of the Act

3. This clause provides that the objects of the Act are to improve the performance of the wool industry by bringing together the functions of funding and administering promotion and research and development, so as to enable better coordination of activities and use of resources.

Clause 4 - Definitions

4. This Clause provides various definitions that will assist in the interpretation of the Bill. The definition of wool-tax payer is provided to clarify the status of the wool producer in relation to wool tax paid.

Part 2 - ESTABLISHMENT, FUNCTIONS AND POWERS OF THE AUSTRALIAN WOOL RESEARCH AND PROMOTION ORGANISATION

Clause 5 - Establishment

5. This clause establishes the Australian Wool Research and Promotion Organisation.

Clause 6 - Functions

6. This clause provides for the Organisation to undertake generic promotion, or to arrange the generic promotion of wool and wool products domestically and internationally, including by participation in any other body undertaking such promotion. Currently, Australian participates in the International Wool Secretariat, which is an organisation formed by the wool authorities in Australia, New Zealand, South Africa and Uruguay. Such activities and programs are required, as far as possible, to serve the best interests of the Australian wool industry.
7. The Organisation is also required to fund and administer research and development activities in relation to the wool industry, to promote the results of those activities, to foster their adoption by industry as appropriate, to ensure their commercialisation and to perform other functions given to the Organisation by this or other Acts.
8. The Organisation must perform its functions within the powers of the Parliament and the Act, must not give preference to one State or part of a State over another, and may perform any of its functions outside Australia.

Clause 7 – Powers

9. This clause provides for the Organisation to have the power to perform its functions, including to arrange for other persons or bodies to undertake research and development activities, to apply for patents or trade marks, to deal in patents and trade marks vested in the Organisation and to trade in wool only for the purposes of technical development projects. With the written permission of the Minister, the Organisation is empowered to form or participate in the formation of a company, to acquire, hold or dispose of shares, debentures or other securities of a company and enter into a partnership or arrange the sharing of profits with a company. Agreements relating to inventions, patents or trademarks in relation to the research and development activities of the Organisation do not require the Minister's written approval. This is because such agreements relate in the main to royalties and the like and are a regular feature in much of the research and development activities.

Part 3 – CORPORATE PLANS AND ANNUAL OPERATIONAL PLANS

Clause 8 – First corporate plan

10. This clause requires the Organisation to prepare its first corporate plan for the period from commencement of the Act to 30 June 1999 and to give that plan to the Minister as soon as possible after the commencement of the Act.

Clause 9 – Subsequent corporate plans

11. This clause requires the preparation in each calendar year from 1 January 1995 of a five year corporate plan which is to apply from 1 July in that year, and submission of the plan to the Minister before 1 June of that year.

Clause 10 – Content of corporate plans

12. This clause requires the Organisation to: define its principal objectives for the period of the plan; outline its strategies for achieving those objectives; specify performance indicators; and include the Organisation's equal employment opportunity program.

Clause 11 – Approval of corporate plans

13. This clause provides for the Minister, in writing, to approve the corporate plans or to request a revision. If the Organisation receives such a request, it must revise the plan as it sees fit and resubmit the plan to the Minister.

Clause 12 – Variation of corporate plans

14. This clause requires variations to a corporate plan (other than variations of a minor nature) to be approved by the Minister.

Clause 13 – Variation at instance of Organisation

15. This clause requires the Organisation to seek the Minister's approval to vary a corporate plan. The Minister may approve or reject the variation and advise the Organisation in

writing accordingly. Minor variations may be made by the Organisation without the Minister's approval.

Clause 14 – Variation at Minister's request

16. This clause provides for the Minister to request, in writing with reasons, a variation to an existing corporate plan. The Organisation must consider the request, make variations as it sees fit and submit these, in writing, to the Minister. The Minister may approve or reject the variations in writing.

Clause 15 – Operational plans

17. This clause requires the Organisation to prepare and provide to the Minister annual operational plans, starting with the period from the commencement of the Act until 30 June 1995 and for every following financial year. The plans must be consistent with the corporate plan and set out the Organisation's activities to give effect to the corporate plan. The first operational plan is to be provided to the Minister as soon as possible after the commencement of the Act and subsequent plans are to be given to the Minister no later than one month prior to the start of the relevant financial year.

Clause 16 – Variation of annual operational plans

18. This clause provides for variations to annual operational plans to be made in the same way as variations to the corporate plans, under clauses 12 to 14.

Clause 17 – Compliance with corporate plans etc.

19. This clause requires the Organisation to carry out its functions and exercise its powers consistent with, and to give effect to, the current corporate and annual operational plans, as far as is practicable.

Part 4 – RESEARCH AND DEVELOPMENT

Clause 18 – Agreements for research and development to be carried out by other persons

20. This clause empowers the Organisation to enter into agreements with others to carry out research and development activities relating to the wool industry. The agreements may provide for matters such as: money or property or goods acquired or produced under the terms of the agreement to be used for the purposes specified; repayment of some or all of such money, goods or property if they are used other than under the agreement; ownership of inventions; application for patents for inventions; commercial exploitation of patented inventions; and licences for use of patented inventions arising from research and development activities.

Clause 19 – Agreements for research and development activities to be carried out jointly with other persons

21. This clause enables the Organisation to enter into agreements, including joint ventures or partnerships, with other parties to carry out research and development activities. The agreements should specify the purpose and timing of such activities and the nature and extent of contributions to and distribution of profits or other benefits from those activities to the Organisation.

Part 5 – ANNUAL GENERAL MEETINGS OF WOOL-TAX PAYERS

Clause 20 – Annual general meetings

22. This clause requires the Organisation to convene a annual general meeting of wool-tax payers each financial year, from 1 July 1994 and within 15 months of the preceding meeting. Any wool-tax payer who has given the prescribed notice may attend and participate. The first annual general meeting is to be held after the preparation of the first annual report and financial statements by the Organisation.

Clause 21 – Notice of annual general meeting

23. This clause requires that the Organisation publish, in a newspaper circulating throughout Australia, notification of an annual general meeting, specifying the day, time and place of the meeting. Notification may also be made in any other way and given to any industry bodies considered appropriate.

Clause 22 – Purpose of annual general meeting

24. The purpose of an annual general meeting is to enable wool-tax payers to: consider the Organisation's most recent annual report and financial statements; receive a report from the Chairperson on the Organisation's performance in the financial year covered by the annual report and the Organisation's intended activities in the financial year in which the meeting is held; question Board members about the Organisation's past performance and intended activities; and consider any motion of which prescribed notice has been given. Such motions may only address the receipt of the annual report and financial statements or be a motion of no confidence in the Organisation.

Clause 23 – Motion of no confidence

25. This clause provides that the person presiding at an annual general meeting at which a motion of no confidence is moved must select a employee of the Organisation, other than the Managing Director, to stand in until the motion has been voted on or, if the motion is passed, until the meeting concludes.

Clause 24 – Conduct of annual general meetings

26. This clause defines those eligible to attend and vote at annual general meetings and requires the Chairperson to preside at any such meeting he or she attends. The Organisation is required to keep records of annual general meetings.

Clause 25 – Regulations concerning certain procedural matters

27. This clause allows regulations to be made which provide for such matters as: notification by a wool-tax payer of the wish to attend; notification to wool-tax payers of details of such a meeting, motions to be moved and any other procedural matters; procedures for notification of any motion to be moved by a wool-tax payer at an annual general meeting; appointment of proxies; methods of voting; determining the votes a wool-tax payer (or proxy) may cast; the votes required to resolve a question arising at a meeting and procedures to protect the confidentiality of wool-tax payable by any wool-tax payer.

Clause 26 – Notification to Minister of motions at annual general meetings

28. The Organisation is required to notify the Minister of the details of any motions passed or defeated and the number of votes cast both ways at an annual general meeting.

Part 6 – CONSTITUTION AND MEETINGS OF ORGANISATION

Clause 27 – Membership of Organisation

29. This clause provides that the Board of the Organisation is to consist of nine members, comprising the Chairperson, the Managing Director, a Government member and six other members with special qualifications or experience in one or other of the following: wool production; wool processing, including the manufacture of wool products; business management and finance; research and development and technology transfer; product promotion. Members, except the Managing Director, are to be appointed by the Minister in writing.
30. The Minister must ensure that the members of the Organisation collectively possess the experience and qualifications required to be represented on the Organisation's Board. Members of Parliament and the presidents or chairpersons of prescribed organisations representing sectors of the wool industry are not eligible for appointment.
31. The Government member holds office for as long as the Minister determines. All other members except the Managing Director are appointed for up to three years, are part-time, are eligible for re-appointment, but may not hold office continuously as an appointed member for more than nine years. The terms and conditions of office, other than provided for in the Act, are to be determined in writing by the Minister.
32. The Organisation can exercise its powers and perform its functions despite one or more membership vacancies.

Clause 28 – Deputy of Chairperson

33. This clause allows the Minister to appoint one of the six other members to be the deputy of the Chairperson until either the Minister terminates the appointment, the member ceases to be a member of the Organisation, or the member resigns from the position with the agreement of the Minister.
34. The deputy of the Chairperson has the powers and must perform the functions of the Chairperson when the position is vacant, the Chairperson is outside Australia or for any reason when the Chairperson is unable to perform his or her duties. Anything done by or in relation to a person purporting to act for the Chairperson is not affected by the fact that the Chairperson was able to perform the duties of the position at the time.

Clause 29 – Disclosure of interests

35. This clause provides that if, at a meeting of the Organisation, a member has a direct or indirect pecuniary interest in a matter being considered then they must declare their interest to the meeting as soon as it becomes apparent. This is to be recorded in the minutes. There is no presumption of pecuniary interest merely because a member is a wool producer, a wool processor or a wool manufacturer.

Clause 30 – Leave of absence of appointed members

36. Leave of absence may be granted by the Minister to the Chairperson and the Chairperson may grant leave of absence to a member on such terms and conditions as he or she determines.

Clause 31 – Resignation

37. This clause provides for the resignation of an appointed member of the Organisation; the resignation is not effective until it has been accepted by the Minister.

Clause 32 – Ending of appointments for misbehaviour etc.

38. This clause provides that the Minister may end the appointment of any member for misbehaviour or physical or mental incapacity. The Minister must end the appointment of a member if the member becomes bankrupt, seeks relief from bankruptcy or insolvency under any law, assigns their remuneration to creditors, is absent from three consecutive meetings of the Organisation without leave of absence or fails to disclose a pecuniary interest without reasonable excuse.

Clause 33 – Consequences of motion of no confidence

39. In the event that a motion of no confidence is passed at an annual general meeting of wool-tax payers the Organisation may not perform any of its functions or exercise any of its powers. The Minister must end the appointments of appointed members as soon as practicable and, within one month, appoint a Chairperson. That Chairperson may, until there are five members, perform all the functions of the Organisation and exercise all its powers except the power to appoint or end the appointment of the Managing Director. Members whose appointments were ended for this reason are eligible for re-appointment.

Clause 34 – Meetings of Organisation

40. This clause provides for the Organisation to determine when and where its meetings are to be held, within Australia. The Chairperson may convene a meeting and must do so at the request of three or more members. Five members constitute a quorum at a meeting. The Chairperson is to preside at all meetings if present, while in his or her absence, the deputy of the Chairperson, if present, is to preside. If neither is present, members present must appoint one of their number to preside.
41. A majority of votes of members present and voting is required to determine questions arising at a meeting, the presiding member has a deliberative vote and, if necessary, a casting vote. Records of meetings must be kept.

Clause 35 – Conduct of meetings

42. This clause allows the Organisation to conduct its meetings as it sees fit, including participation by telephone, closed circuit television or any other means of communication. Members participating in this way are deemed to be attending the meeting.

Part 7 – STAFF

Division 1 – The Managing Director

Clause 36 – Managing Director

43. This clause requires the appointment of a Managing Director of the Organisation on terms and conditions determined by the Organisation and subject to the approval of the Minister, who can consult any person or body considered appropriate, in making his or her decision.
44. The Organisation must terminate the appointment of the Managing Director if: he or she engages in paid employment outside the duties of the office without approval; is absent from duty other than on approved leave of absence for 14 consecutive days or 28 days in any twelve month period or from three consecutive meetings of the Organisation; fails to disclose a pecuniary interest without reasonable excuse; becomes bankrupt; seeks relief under any law from bankruptcy or insolvency; compounds with creditors; or assigns his or her remuneration to creditors.
45. The office of Managing Director is not a public office for the purposes of the Remuneration Tribunal Act 1973.

Clause 37 – Acting Managing Director

46. This clause allows the Organisation to appoint an acting Managing Director when there is a vacancy or the Managing Director is absent from duty, is outside Australia or for some other reason is unable to fulfil the duties of the office. Anything done by or in relation to a person purporting to act for the Managing Director is not affected by the fact that the Managing Director was able to perform the duties of the position at the time.

Clause 38 – Management of affairs of Organisation

47. This clause provides for the management of the affairs of the Organisation by the Managing Director to the extent determined by, and in accordance with, the policy and directions of the Organisation.

Division 2 – Other staff of the Organisation

Clause 39 – Employees

48. This clause provides that the Organisation may employ such persons as it considers necessary, on terms and conditions it determines. The Minister's approval is required if terms and conditions are to be more favourable than those applying to the Managing Director.

Division 3 – Equal employment opportunity program

Clause 40 – Development of equal employment opportunity program

49. This clause provides that the Organisation must develop an equal employment opportunity program.

Clause 41 – Implementation of program

50. This clause requires the Organisation to implement its equal employment opportunity program and any person exercising powers in relation to employment matters to have regard to the program.

Clause 42 – Preservation of merit principle

51. Under this clause all employment matters must be dealt with on the basis of merit.

Part 8 – FINANCEClause 43 – Payments to Organisation for research and development

52. Under this clause the Commonwealth is to pay to the Organisation monies raised from the tax imposed from 1 July 1993 for research and development on shorn wool, including carpet wool. The amount to be paid is to equate to the applicable percentage of the sale value of shorn wool, including carpet wool.

Clause 44 – Payments to Organisation for wool promotion

53. This clause provides for payments from wool-tax receipts to the Organisation for wool promotion in the same manner as for research and development.

Clause 45 – Current recommendation

54. This clause provides for the determination of the current recommendation on percentages of wool-tax receipts to be paid by the Commonwealth to the Organisation for research and development and for promotion. Recommendations are to be made by wool-tax payers, by postal ballot conducted in accordance with regulations, on the amount equal to the percentage of the sale value of shorn wool, or shorn wool other than carpet wool, to be paid to the Organisation for promotion and research and development. These recommendations will be taken into account in fixing the rate of tax to apply.
55. A recommendation approved in the financial year commencing 1 July 1993 applies to the triennium which commences on 1 July 1994. For subsequent trienniums, recommendations in the first or second year apply for the remainder of the triennium, while a recommendation made in the final year will apply for the whole of the next triennium.
56. The total wool tax recommended must not be greater than the difference between 4.5 per cent (the component in relation to shorn wool other than carpet wool that is for debt management) and the maximum rate of tax set out in the Wool Tax Acts.
57. The conduct of postal ballots, which are to be the vehicle for recommending the rate of wool tax for promotion and research and development, is to be provided for in regulations. The regulations may cover such matters as: the recommendation to be submitted by AWRAP to wool-tax payers at a postal ballot; notice by the Organisation of intent to conduct a ballot; the way the postal ballot is to be conducted; how wool-tax payers are to give notice of interest to participate in a postal ballot and in the

annual general meeting; how the number of votes that a wool-tax payer may cast in a ballot may be determined; the nature of the majority of votes, and the procedure, for determining the outcome of a ballot.

58. If a recommendation cannot be identified as set out in this clause, then the current recommendation applying last to a financial year is taken to be the recommendation for the purpose of this clause.
59. Before submitting a recommendation to a ballot the Organisation must consult with the Wool Council of Australia.

Clause 46 – Payments representing tax imposed in earlier years

60. This clause requires the Commonwealth to pay to the Organisation any monies paid to the Commonwealth from tax imposed by the Wool Tax Acts for promotion and research and development prior to 1 July 1993 which had not previously been paid. This requirement applied to such monies paid to the Commonwealth either before or following commencement of this Part.

Clause 47 – Wool Research and Development Fund

61. This clause establishes a Wool Research and Development Fund and requires the Organisation to administer and account separately for it. This is intended to enable clear identification of and accountability for funds received from wool tax payments and the Commonwealth for research and development.

Clause 48 – Money to be paid into Fund

62. This clause provides for money to be paid into the Wool Research and Development Fund, including: wool tax receipts paid to the Organisation for research and development; payments from the Commonwealth matching expenditure from the Fund on research and development; income from the sale of property or from dealing in patents or trade marks paid for from the Fund or vested in the Fund; interest received from investments of the Fund's money; money borrowed for research and development by the Organisation; any payments to the Commonwealth for the Fund.

Clause 49 – Matching Commonwealth payments

63. This clause requires the Commonwealth to pay into the Wool Research and Development Fund amounts up to half the expenditure from the Fund for research and development purposes. Payments for any financial year cannot exceed the lesser of total payments of wool tax receipts (for research and development) and 0.5 per cent of the gross value of shorn wool produced in the financial year, as determined by the Minister. The regulations may set out how the annual gross value of shorn wool produced in Australia is to be determined by the Minister.

Clause 50 – Use of Fund money

64. This clause limits the use of money in the Wool Research and Development Fund to: paying costs associated with the Organisation's research and development functions; repayment of borrowings made for research and development and reimbursing the

Commonwealth's costs in collecting and recovering amounts paid to the Organisation from wool tax for research and development purposes.

65. Money not immediately required for these purposes must be invested in Government guaranteed securities, on deposit with a bank or in any other sound commercial way.

Clause 51 – Payment of expenses of collection etc. of amounts paid under sections 43, 44 and 46

66. This clause provides for the Organisation to reimburse the Commonwealth's costs in collecting and recovering wool tax proceeds.

Clause 52 – Charges for services

67. Under this clause the Organisation may charge fees for services.

Clause 53 – Application of Organisation's money

68. This clause limits the use of the Organisation's money, other than money in the Wool Research and Development Fund, to payments: in relation to the performance of the Organisation's functions and the exercise of its powers; to the Commonwealth for costs related to the appointment of members of the Organisation and to the collection of wool tax for promotion; related to remuneration and allowances payable and consultants engaged under the Act; the Organisation is required or authorised to make under this Act.

Clause 54 – Borrowing etc.

69. This clause provides that the Organisation may borrow money and that it may borrow up to \$15 million without Ministerial approval. If total borrowings exceed \$15 million, the Minister must approve the borrowing, specifying terms and conditions with which the Organisation must comply. Approvals may be given for particular transactions or classes of transactions and may be Australian or another currency either whole or in part. The Organisation may give security over part or all of its assets for the payment or repayment of borrowed money and can borrow or raise money by dealing in securities.

Clause 55 – Protection of Commonwealth against debts of Organisation

70. This clause provides that the Commonwealth has no liability for debts incurred by the Organisation.

Clause 56 – Hedging through currency contracts etc.

71. This clause provides that the Organisation may enter into and deal with specified types of contracts or with other contracts approved by the Minister in writing for hedging purposes in a financial market either within or outside Australia. The Minister may determine written guidelines for these activities, limiting the Organisation's activity. Such contracts can only be entered into for the purpose of minimising risks of adverse variation in payments or borrowings made by the Organisation.

Clause 57 – Accounts and records

72. This clause requires the Organisation to keep proper accounts and records and to do whatever is needed to ensure that all payments are correctly made and properly authorised and that adequate control is maintained over expenditure, assets and liabilities of the Organisation.

Clause 58: Bank accounts

73. This clause requires all money of the Organisation to be paid into one of at least two bank accounts. Money for the Wool Research and Development Fund must be kept in an account or accounts dedicated exclusively to that Fund.

Clause 59 – Investment of Organisation money

74. In this clause, any money of the Organisation, other than money in the Wool Research and Development Fund, not immediately required must be invested in Government guaranteed securities, on deposit with a bank or in any other sound commercial way.

Clause 60 – Appropriation

75. This clause provides for the money payable to the Organisation from wool tax receipts, matching Commonwealth payments and any other payments to the Commonwealth for the Wool Research and Development Fund to be appropriated and paid from Consolidated Revenue.

Part 9 – AUDIT

Clause 61 – Audit

76. This clause provides for the annual inspection and audit by the Auditor-General of the Organisation's accounts and records of financial transactions and assets. The Auditor-General may dispense with all or any part of the inspection but must immediately report any irregularities, considered to be of sufficient importance, to the Minister.
77. The Auditor-General or a person authorised by the Auditor-General is entitled to have full and free access at all reasonable times to relevant accounts, records and other documents of the Organisation. Failure of any person to make such information in their possession available makes the person liable to a penalty on conviction of 10 penalty units.

Part 10 – MISCELLANEOUS

Clause 62 – Ministerial directions

78. This clause requires the Organisation to comply with directions given by the Minister in writing. In giving such directions, the Minister must be satisfied they are necessary, because of exceptional circumstances, to ensure the operations of the Organisation do not conflict with major Government policies and must give written notice of his or her intention to the Organisation and give adequate opportunity for the Chairperson to discuss with the Minister the need for such a direction.

79. If a direction is given, the Minister must table it in each House of the Parliament within 15 sitting days of the House and the Organisation's annual report must include details of the direction and its impact on the operations of the Organisation. These processes do not have to be complied with if the Minister makes a written determination that public knowledge of the direction would or would be likely to prejudice the commercial activities of the Organisation or the national interest of Australia.

Clause 63 – Delegation

80. This clause enables the Organisation to delegate all or any of its powers, subject to the directions of the Organisation, to any person or body.

Clause 64 – Consultants

81. This clause enables the Organisation to engage suitably skilled consultants on terms and conditions determined by the Organisation.

Clause 65 – Consultation

82. This clause enables the Organisation to arrange to consult persons or bodies representing different sectors of the wool industry. Subject to any written guidelines determined by the Minister, expenses incurred in the consultation process may be met.

Clause 66 – Committees

83. This clause provides that the Organisation may establish any committees that it thinks appropriate to assist its operations, and to provide directions to those committees about their functions and manner of operation.

Clause 67 – Liability to taxation

84. The Organisation is subject to taxation under Commonwealth law except for income tax. The Organisation is not subject to State or Territory tax except for stamp duty unless specified by the regulations. Stamp duty is not payable in relation to assets transferred from the Australian Wool Corporation or the Wool Research and Development Corporation.

Clause 68 – Remuneration and allowances

85. This clause provides that, subject to the Remuneration Tribunal Act 1973, remuneration of members of the Organisation or of committees established under the Act, will be determined by the Remuneration Tribunal or as prescribed and for allowances to be determined by the Organisation.

Clause 69 – Annual Report

86. This clause requires the Organisation to prepare an annual report as soon as possible after the end of each financial year, covering its operations and any particulars prescribed by regulation and including financial statements in a form approved by the Minister for Finance.

87. Before submitting the financial statements to the Minister, the Organisation must give the statements to the Auditor-General, who must in turn report to the Minister on matters specified in the clause.
88. The Minister must table the annual report and financial statements, including the Auditor-General's report, in both Houses of Parliament within 15 sitting days of receipt by the Minister.

Clause 70 – Regulations

89. This clause provides a general regulation making power for matters which may or must be prescribed under the Act.

Part 11 – TEMPORARY PROVISIONS

Clause 71 – Quality management functions of former Corporation

90. The functions of the Australian Wool Corporation in relation to quality safeguard programs, including standards relating to pesticide residues in wool, quality of woolpacks, exports and registration of woolclassers, the facilitation of shearer and shedhand training, the collection and dissemination of market intelligence and statistics and the inspection of wool offered for sale are transferred to the Organisation, continue to have effect subject to the time limitations imposed by clause 74.

Clause 72 – Contributions to costs of exotic animal disease control

91. This clause requires the Organisation to make payments to the Commonwealth up to 30 June 1995 for the purposes of the Exotic Animal Disease Control Act 1989, of an amount set by regulation. In making such regulations, the amount prescribed cannot exceed the amount recommended by the National Farmers' Federation representatives on the Exotic Animal Disease Preparedness Consultative Council.

Clause 73 – Payment to Organisation of money appropriated for wool promotion

92. This clause provides that money appropriated for promotion of wool in the financial year commencing 1 July 1993 is payable to the Organisation if not already paid to the Australian Wool Corporation. This clause has no time limit imposed on it and will be a matter for future consideration.

Clause 74 – Cessation of operation of provisions

93. This clause provides that the Governor-General, by proclamation, may fix a day on which any of the three preceding clauses will cease to have effect. It further provides that the provisions in clause 71 will cease to have effect before 1 January 1995 if they have not already done so prior to that date.