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THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

WHEAT MARKETING AMENDMENT BILL 1988

EXPLANATORY MEMORANDUM

(Circulated by the authority of the Minister for Primary
Industries and Energy, the Honourable John Kerin, MP)

WHEAT MARKETING AMENDMENT BILL 1988

GENERAL OUTLINE

The purpose of this Bill is to amend the Wheat Marketing Act 1984 to implement the recommendations of the Royal Commission into Grain Storage, Handling and Transport.

2. The proposed amendments will provide for the Australian Wheat Board to enter into contracts for the provision of grain storage, handling, carriage and port services. The Bill also provides for the principal object of the Board to be maximising net returns to growers from the marketing of wheat and that in achieving this the Board shall secure, develop and maintain markets and minimise grain distribution costs. Other changes in this Bill will provide that where practical and cost-effective, charges made for individual grain distribution services be reflected in accounts to growers.

FINANCIAL IMPACT STATEMENT

3. The amendments should not involve any additional Commonwealth Government costs or revenue.

ABBREVIATIONS

4. The following abbreviations are used in this Explanatory Memorandum:

Act: Wheat Marketing Act 1984 as amended prior to any amendments effected by this the Wheat Marketing Amendment Bill 1988

Bill: Wheat Marketing Amendment Bill 1988

Board: Australian Wheat Board

NOTES ON INDIVIDUAL CLAUSES

Clause 1: Short Title

5. This clause provides for the short title to be the Wheat Marketing Amendment Act 1988 and establishes the Wheat Marketing Act 1984 as the Principal Act.

Clause 2: Commencement

6. This clause provides for all provisions to come into operation on the day the Act receives the Royal Assent.

Clause 3: Interpretation

7. This clause amends the definition of "authorised receiver" in Section 3 of the Act. It replaces the term "State Corporation" in the definition with the term "body corporate", which broadens the definition beyond State Corporation.

8. The clause also inserts definitions relating to parties to contracts with the Board in regard to carriage of wheat, handling of wheat and the provision of associated port services.

Clause 4: Objects, functions and powers of Board

9. The clause specifies that the Board has as its principal object maximising net returns to growers from the marketing of wheat. In addition and where it is consistent with this principal object, the Board should operate with the objects of securing, developing and maintaining markets and minimising costs of storage, handling, carriage and port services.

10. The clause further specifies that the Board's functions shall include entering into contracts and associated arrangements relating to the provision of grain storage, handling, carriage and port services and gives the Board the necessary powers to perform these functions.

11. Sub clause 4 (d) requires the Board to specify separately in accounts to growers, charges made for storage, handling, carriage and port services where this is practicable and does not result in significantly increased net costs.

Clause 5: Authorised receivers

12. This clause has the effect of including as authorised receivers every body corporate with whom the Board has a contract for wheat receival.

Clause 6: Guaranteed Minimum Price

13. This clause reflects the change of name of the previous Bureau of Agricultural Economics.

Clause 7: Advance payments for wheat of season other than last 2 seasons

14. Sub clause 7(a) has the same effect as Clause 6 above.

15. Under Sub clause 7(b) charges relating to grain storage, handling, carriage and port services are included within allowances which may be taken into account in adjusting interim and final advance payments of growers in the event both of wheat delivered to the Board and where delivery was not made to the Board.

16. Sub clause 7(c) specifies that where such charges are determined as an allowance, accounts to growers will include details of the charges in respect of each matter where in the Board's opinion it is practicable and cost effective to do so.

Clause 8: Remuneration of authorised receivers

17. This clause provides for the situation where the Board may contract with two or more authorised receivers in a State and enables contracts to be entered into subsequent to the original date applying to State Corporation.

Clause 9: Payment by Board for transport costs

18. This clause repeals a requirement on the Board regarding payment for transport services which is no longer necessary as such matters will henceforth be contained in contracts entered into for these services.