**WHEAT MARKETING (GRAIN DEDUCTIONS) AMENDMENT BILL 1998**

**LEGISLATIVE COUNCIL, 11 AUGUST 1998, PAGE 1308**

**Second reading**

The Hon. K.T. GRIFFIN (Attorney-General): I move:

That this Bill be now read a second time.

I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

The purpose of this Bill is to provide for deductions from the sale of all grain crops in South Australia, and the application of those deductions to uses for the benefit of the South Australian grain industry.

Specifically, there are two deductions involved. The first is a research levy for the South Australian Grain Industry Trust Fund created by the establishment, in 1991, of a trust deed between the then Minister for Agriculture and the then United Fanners' and Stock Owners (now South Australian Farmers Federation). The second is a levy to support the activities of the Grains Council of the South Australian Farmers Federation.

While the research levy has been in place for seven years, the Grains Council levy is newly established by this Bill.

Since the establishment of the research levy in 1991, deductions have been made from the sale of wheat and barley. In more recent years, market demand has provided an opportunity for the South Australia grain industry to achieve rapid expansion in production of additional crops, most notably oilseeds and pulses. With the State producing a wider range of grain crops, a broader funding base is necessary for supporting crop research and other industry activities.

This Bill expands the definition of crops on which deductions can be made to support grain research and the activities of the Grains Council of the South Australian Farmers Federation. Grain is defined in this Bill according to the comprehensive definition used in the Commonwealth Wheat Marketing Act, which includes the full range of cereal crops, oilseed crops, and pulse crops.

In the case of both levies, the money collected is paid to the Minister who then pays the money collected under the research levy to the South Australian Grain Industry Trust Fund and the money collected under the Grains Council levy to the Grains Council. The exception to this is that, if the seller of the grain (that is a grain grower) notifies the Minister in writing that the seller does not consent to paying the levy, the money is refunded to the seller. The participation in the deductions is, therefore, voluntary. Up until now, the grain industry research levy has been collected under the authority of both the Barley Marketing Act 1993and the Wheat Marketing Act 1989.

This Bill will provide for authority to collect the existing research levy and the Grains Council levy to be placed under the Wheat Marketing Act 1989. In so doing, the section of Barley Marketing Act 1993 making provision for deductions for grains research will as a consequence be repealed. Consolidating the authority for grain industry levy collection under a single Act will avoid duplication and ambiguities regarding the authority under which the levies are collected and it will ensure that both levies apply to all grain crops.I commend the Bill to Honourable Members.

Explanation of Clauses

Clause 1: Short title

Clause 2: Commencement

These clauses are formal.

Clause 3: Amendment of s. 10—Deductions for grain

In general terms, section 10 of the. Wheat Marketing Act 1989 (the principal Act) currently provides that a purchaser of wheat under the initial contract for the sale of the wheat must make a deduction from the amount payable to the seller under the contract to be paid by the purchaser to the Minister for Primary Industries, Natural Resources and Regional Development. The Minister then pays the money to the South Australian Grain Industry Trust Fund, unless the seller indicates to the Minister by notice in writing that the seller does not consent to the making of such a payment, in which case, the money is refunded to the seller. The money is used for the benefit and advancement of the grain industry in South Australia in accordance with the terms of the trust deed made for the purposes of establishing and controlling the application of the Fund. The amount of the deduction for wheat of a season is decided by the Minister on the advice of a committee of 3 persons (appointed by the Minister after consultation with the Grain Section of the South Australian Farmers Federation Inc (SAFF)).

The amendments proposed by this clause achieve a dual purpose.

The first is that deductions to be paid to the South Australian Grain Industry Trust Fund for grain research purposes may be made from the sale of any grain (not just wheat) sold by a seller under the initial contract for the sale of the grain. Grain includes wheat, barley, triticale, maize, grain sorghum, soybeans, safflower seed, sunflower seed, linseed, oats, rye, rapeseed, rice, field peas, lupins, millet, canary seed, grain legumes, pulses, canola and cottonseed (see definition of grain in s. 3 of the principal Act and in the Wheal Marketing Act 1989 (Cth)).

The second is that a further deduction from the amount payable to a seller of grain under the initial contract for the sale of the grain is to be made. This deduction is to be paid by the Minister to the Grain Section of SAFF. As with the research deduction, this payment may not be made by the Minister if the seller of the grain notifies the Minister that he or she does not wish it to be made. In that case, the Minister must remit the amount of the deduction to the seller.

The amount per tonne of grain in respect of each of the deductions will be fixed by the Minister on the advice of the committee (as discussed above).

Purchaser is defined, for the purposes of this section, to include the Australian Barley Board.

Clause 4: Amendment of Barley Marketing Act 1993

This clause repeals section 40 of the Barley Marketing Act 1993. Section 40 is substantially the same as current section 10 of Wheat Marketing Act 1989 except that it provides for deductions for research purposes to be made from the sale of barley to the Australian Barley Board (the usual purchaser of barley). It is, as a consequence of file amendments proposed to the Wheat Marketing Act 1989, otiose.

The Hon. P. HOLLOWAY secured the adjournment of the debate.