POULTRY PROCESSING ACT AMENDMENT BILL 1976

Legislative Council, 6 October 1976, page 1290

Second reading

**The Hon. B. A. CHATTERTON (Minister of Agriculture)** obtained leave and introduced a Bill for an Act to amend the Poultry Processing Act, 1969. Read a first time.

The Hon. B. A. CHATTERTON: I move:

*That this Bill be now read a second time.*

It provides for amendments to the principal Act, the Poultry Processing Act, 1969, designed to provide reasonable security for the operators of farms used for the raising of chickens for processing as chicken meat in obtaining a market for their produce. At the moment, persons who have made considerable capital investments in chicken farms are almost entirely dependent upon a quite limited number of processing plants for an outlet for their produce. The Bill seeks to resolve the fears of efficient chicken farmers that they may be excluded from the market by other farmers or by farms operated by the processing plants through the establishment of a form of licensing scheme.

Under this scheme, it is proposed that the operators of processing plants, which are required to be registered under the principal Act, may in future obtain chickens for processing only from the operators of approved farms or from farms that they operate themselves subject to an approval. The approving authority proposed by the Bill is a committee entitled the Poultry Meat Industry Committee, which is to be representative of the interests of the farmers and the processors. In addition, the Bill provides for a mechanism under which the committee oversees the contractual arrangements between farmers and processors. This is considered to be desirable in view of the very close relationship that exists in this industry between the farmer and his market outlet in order to avoid disputes as far as is possible before they may arise. The Bill provides that any matter that is not resolved by the committee to the satisfaction of those concerned may be determined finally by the Minister. The measure has been prepared in consultation with an informal committee representative of the industry and it is believed that it has their general support.

To consider the clauses of the Bill. Clause 1 provides that the principal Act, as amended by this measure, may be cited as the “Poultry Meat Industry Act, 1969-1976”. Clause 2 provides that the measure shall come into operation on a day to be fixed by proclamation. Clause 3 amends the long title of the principal Act so that it reflects the wider ambit of the legislation. Clause 4 rearranges the parts of the principal Act. Clause 5 inserts new definitions in the principal Act. Clause 6 applies the exemption provision of the principal Act to farms or classes of farms. Clause 7 inserts a new section 11a in the principal Act, providing for the imposition of conditions to the registration of processing plants.

New sections 11b to 11g, also provided for by clause 7 of the Bill, establish the Poultry Meat Industry Committee and regulate its operation. New section 11b provides that the committee is to be chaired by a public servant and have an equal number of persons representing the interests of processors and farmers. New section 11g provides that the functions of the committee are to be the granting of approvals of farms, processor-operated farms and agreements between farmers and processors; the resolution of disputes between farmers and processors; and an advisory function to the Minister. Clause 8 provides for the enactment of new sections 11h to 11j of the principal Act. New section 11h prohibits the processing of chickens other than chickens raised at an approved farm pursuant to an approved agreement between the farmer and a processor or chickens raised by a processor with the approval of the committee. New section 11i provides for mandatory approval of existing farmer-operated and processor-operated farms, and for the approval of future farms where the committee is satisfied that there is a demand for the supply of chickens for processing that cannot reasonably be met from approved farmer-operated farms.

The committee is empowered by this provision, upon approving the raising of chickens by a processor, to restrict the numbers of chickens that may be raised by the processor. New section 11j provides for approval by the committee of agreements between farmers and processors. It is intended by this means that the committee may ensure more certainty and continuity in the relation between processors and farmers. Clause 9 is a consequential amendment. Clause 10 provides for a right of appeal to the Minister against decisions of the committee. Clause 11 amends section 17 of the principal Act by providing an evidentiary provision in respect of approvals by the committee.

The Hon. M. B. DAWKINS secured the adjournment of the debate.