**WHEAT INDUSTRY STABILISATION ACT AMENDMENT BILL 1979**

**House of Assembly, 8 February 1970, pages 2505-6**

Second reading

**The Hon. J. D. CORCORAN (Deputy Premier)** obtained leave and introduced a Bill for an Act to amend the Wheat Industry Stabilisation Act, 1974-1975. Read a first time.

The Hon. J. D. CORCORAN: 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.

Explanation of Bill

This Bill has two main purposes. First, it introduces provisions into the principal Act to establish a varietal control scheme for wheat. Secondly, it alters the legal basis on which the board makes payments to State bulk handling authorities in respect of storage and handling costs.

The Australian Wheatgrowers’ Federation supports both proposals, and legislation giving effect to them has been, or is being, introduced in all States and by the Commonwealth. As honourable members will be aware, the wheat industry stabilisation schemes are the subject of complementary Commonwealth and State legislation. The present amendments, then, are substantially uniform with their Commonwealth and interstate counterparts. The proposed amendments are being made to the legislation governing the current wheat industry stabilisation plan, of which the 1978-79 season is the final year of operation. New legislation will be introduced later this year to cover arrangements which are to apply beyond the 1978-79 season, and it is anticipated, of course, that the matters with which this Bill is concerned will be incorporated into that legislation. The Australian Wheatgrowers’ Federation and the Australian Agricultural Council accept the principal that homegeneity of a crop is an important determining factor in the Australian Wheat Board’s ability to sell grain competitively on the international market. Undesirable varieties of grain have a deleterious effect on the homogeneity of the crop and so affect its marketability. The scheme which this Bill proposes operates by allowing the Australian Wheat Board to make deductions from the price paid to growers for undesirable varieties of grain. The guidelines for the operation of the scheme were drawn up by the Australian Wheat Board in close collaboration with the Commonwealth and States.

Following the Commonwealth amendment, this Bill makes it possible for the board to make deductions in respect of wheat delivered in Commonwealth Territories and the States. The scheme will involve the prescribing of categories of wheat, fixed by reference to varieties, and the areas in which wheat is grown. The proposed amendments will empower the board to make deductions in respect of wheat varieties which do not comply with the varietal prescriptions for particular areas. In Commonwealth Territories the board will prescribe the categories; in the States, they will be determined by the appropriate Minister. It is not intended that deductions for varietal control will be actually imposed in respect of wheat of the 1978-79 season. However, the board will advise growers delivering unacceptable varieties that those varieties could be subject to deductions in future seasons.

As I have indicated, the Bill also alters the legal basis on which the board makes payments to the State bulk handling authorities in respect of storage and handling costs incurred by them. The proposed modifications are designed, essentially, to facilitate State accounting in this area. At the present time, the administrative practice is that payments are made pursuant to agreements between the Commonwealth Minister for Primary Industry and each of the State Ministers responsible for Agriculture. It is now proposed that the board and the bulk handling authorities be empowered to enter into agreements themselves. Hitherto, the costs of wheat handling and storage have been pooled on an Australia-wide basis. Under the proposed scheme this arrangement will no longer apply. Growers delivering wheat in each State will be charged a rate for storage and handling that reflects the costs of storage and handling to the Bulk Handling Authority of the relevant State.

Under the existing arrangements the board’s payment scheme provides for a special deduction of up to 92 cents per tonne to be subtracted from the price paid for wheat shipped out of Western Australia, reflecting the advantage accruing to that State from its relative proximity to some overseas markets. There has been agreement for the removal of the 92 cents ceiling in keeping with the principle which has been adopted in moving towards State accounting for bulk handling and storage costs. The reference to the ceiling has been removed from the Commonwealth Act; this Bill also removes the corresponding reference in the South Australian legislation. Finally, the proposed amendments modify the regulation making power to provide for the making of regulations which will be necessary upon the introduction of varietal control.

The Bill also contains a minor amendment which will enable licenced receivers of grain to carry on operations through an agent.

Clauses 1 and 2 are formal.

Clause 3 amends section 5 of the principal Act, which defines certain expressions occurring in the principal Act, by redefining “licensed receiver” to restrict that expression to State Corporations (which are, in fact, the only licensed receivers in existence), and by inserting a definition of the term “State Corporation” in which the names of the six State Corporations are set out.

Clause 4 provides for several amendments to section 9 of the principal Act, which relates to licensed receivers. The amendments to subsection (1) are purely consequential on the new definition of “licensed receiver”; the remainder provide that a licensed receiver may carry on operations by means of an agent, that it may enter into agreements with the Australian Wheat Board regarding reimbursement of storage and handling costs, and finally that licences held by State Corporations immediately before the coming into operation of the proposed amending Act shall continue in force and shall not be cancelled or suspended without the consent of the State Corporation.

Clause 5 amends section 13 of the principal Act, which sets out the procedure and system by which the Australian Wheat Board pays for wheat delivered to it. Among other things, the section sets out details of certain factors for which the board must make allowance when determining prices. These amendments contain the main substance of the proposals relating to varietal control, although other matters are also involved. The limitation on the special deduction applicable to Western Australian grain is removed from paragraph (b) of subsection (2) and paragraph (c) of that subsection is completely recast. Under the new paragraph (c) the Australian Wheat Board is required to make allowances inter alia, in relation to prescribed categories of wheat, and the places at which that wheat was delivered, when computing the price to be paid for wheat. In accordance with the Commonwealth legislation in this area, wheat delivered in Victoria or Western Australia is not subject to the new scheme, as it is understood that those States do not propose to implement varietal control for some time. The new paragraph also requires the Australian Wheat Board to make allowances in respect of payments made by the board to State Bulk Handling Authorities under the proposed scheme for reimbursement of storage and handling costs.

This clause also enacts new subsections numbered (2a), (2b) and (2c). The first of these provides for the determination of prescribed categories of wheat, and the second requires the South Australian Minister to make his determinations under the proposed subsection (2a) on the recommendation of the South Australian Advisory Committee on Wheat Quality. Subsection (2c) provides that the amended section 13 shall apply in relation to wheat of the season that commenced on the first day of October, 1978, and the wheat of every subsequent season.

Clause 6 recasts the regulation making power to provide for the making of regulations consequential on the introduction of varietal control. In particular, these regulations may provide for the furnishing of returns by growers stating the varieties of wheat which they have sown or intend to sow, and also for the declaration of wheat varieties by persons delivering to licensed receivers.

Mr. VENNING secured the adjournment of the debate.