**POTATO MARKETING ACT AMENDMENT BILL 1985**

**Legislative Council, 8 May 1985, pages 3960-1**

Second reading

**The Hon. FRANK BLEVINS (Minister of Agriculture)** obtained leave and introduced a Bill for an Act to amend the Potato Marketing Act, 1948. Read a first time.

The Hon. FRANK BLEVINS: I move: That this Bill be now read a second time.

The purpose of this Bill is twofold. First, and most significantly, the Bill proposes the insertion in the principal Act of a sunset clause which would render the legislation inoperative on and from 1 July 1987. In providing for the cessation of the statutory marketing of potatoes on that date, the Government is not convinced of the continuing need to intervene in the marketing of potatoes.

The Government in arriving at this decision has taken into consideration a number of factors. The Government considers the case has not been demonstrated where in the interests of the community as a whole or a significant section of the community it is appropriate for the Government to continue to intervene in the marketing of potatoes. Whilst there were no doubt good reasons to establish the Potato Marketing Board in 1948, the Government does not consider these relevant in the 1980s. The marketing of other vegetable crops in South Australia does not require Government intervention for their efficient marketing. Only in South Australia and Western Australia do we have potato marketing boards, and the Western Australian board is currently under review.

Whilst the Government has difficulty in identifying reasons for the continuation of the statutory marketing of potatoes, it is easier to highlight problems with the current system. The problems with the current policies and operations of the Potato Board have been highlighted in the report of the working party for the review of the Potato Marketing Act. Further, Ministers of Agriculture have, over a considerable period, received numerous complaints about the Board’s policies and operations. The Government has taken into consideration the difficulties the working party faced in objectively assessing the Board’s performance and the actual extent of grower support for the Board.

The working party, by a narrow margin (5:3), voted for the retention of the present system with the significant proviso that ‘ . . . it be retained at this stage subject to “fine tuning” of the various critical areas of the present system to the satisfaction of a majority of the working party’. This was followed by a later recommendation, number 9 (4), that unless the introduction of a system of local market quotas in 1986 was considered to be successful after 12 months operation, ‘the principle of statutory marketing of potatoes may no longer be found acceptable’. The Government has doubts whether problems with the current marketing system can be resolved by the proposed changes; however, if proposals are made which can satisfy the interests of the industry and of consumers, then it may be that a modified Potato Marketing Act can be retained.

In ceasing to intervene in the marketing of potatoes, the Government believes there will be benefits for both growers and consumers. Overall, the marketing system will be more efficient and able to respond to market forces. There will be greater marketing choices for growers and more competition at the wholesale and retail levels which will be to the benefit of consumers. In giving two years notice for the cessation of the statutory marketing of potatoes, the Government is allowing sufficient time for those involved in the various sections of the industry to make appropriate arrangements to adjust to a free market situation. It will also allow time for the future of staff and the capital assets of the Potato Board to be decided.

Secondly, this Bill proposes the removal of the additional fine represented by the value of the potatoes associated with breaches of the Potato Marketing Act, Section 21 of the Act provides that a person convicted of an offence of contravening a marketing order under the Act may be fined ($400 maximum first offence. $600 maximum subsequent offences) and may receive an additional penalty ‘to the value of the potatoes in relation to the sale, purchase or delivery of which he was so convicted’. I seek leave to have the detailed explanation of the clauses inserted in Hansard without my reading it. Leave granted.

Explanation of Clauses

Clause 1 is formal. Clause 2 amends section 21 of the principal Act. The effect of the amendment to this section is to eliminate from the monetary penalty that may be imposed for certain offences a component representing the value of the potatoes in relation to which the offences were committed.

Clause 3 provides for the insertion in the principal Act of new section 26. The new section provides that the principal Act shall expire on 30 June 1987 and on that expiration all property rights and liabilities of the Board are vested in the Minister. The Minister shall distribute the remaining assets of the Board (if any) between persons who have been licensed or registered under the Act, in such manner as he thinks fit.

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