**EGG INDUSTRY STABILISATION ACT AMENDMENT BILL 1987**

**Legislative Assembly, 13 August 1987, pages 215-6**

Second reading

**The Hon. T.H. Hemmings, for the Hon. M.K. MAYES (Minister of Agriculture**), obtained leave and introduced a Bill for an Act to amend the Egg Industry Stabilisation Act 1973. Read a first time.

The Hon. T.H. HEMMINGS: 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

The Egg Industry Stabilisation Act was proclaimed in 1973 to control egg production by means of hen quotas.

Hen quota legislation currently applies to flocks with more than 20 hens and is administered by the Poultry Farmer Licensing Committee which is a subcommittee of the South Australian Egg Board made up of the Government appointed members. The costs associated with the Poultry Farmer Licensing Committee are currently met by the board and personnel employed by the board carry out duties associated with controlling hen quotas.

The United Farmers and Stockowners of South Australia developed proposals for changes to the structure and functions of the South Australian Egg Board and suggested that hen quotas should be managed directly by the board and that the Poultry Farmers Licensing Committee should be abolished.

The amendments will abolish the Poultry Farmers Licensing Committee and hen quotas will be managed directly by the board. This will simplify the administration of hen quotas and will result in some cost savings. The proposed amendments will exempt laying flocks with 50 hens and less from hen quota legislation. This provision will enable primary producers in remote and sparsely populated areas to produce eggs to meet local demand and will also cater for those who wish to keep poultry for show purposes rather than commercial production.

The amendments will also provide for more flexible management of hen quotas to enable the board to effectively control egg supplies and to reduce the costs associated with the storage and processing of eggs surplus to local requirements for shell eggs and egg pulp.

The provisions in the Act which restrict the maximum number of hen quotas which can be held by one producer to 50 000 hens have been strengthened. At the present time there is one producer with about 93 000 quotas, and while it is not envisaged that the producer’s quota holding will be reduced the board will have the power to ensure that, in future, no other producer will be allowed to acquire hen quotas in excess of 50 000. However, the amendments will still allow groups of producers to form appropriate cooperative ventures if they consider that such action will increase the efficiency of the production or marketing of eggs.

The amendments will ensure all producers are entitled to vote in any future poll held on the question of whether the Egg Industry Stabilisation Act should continue. Under the existing legislation only the 120 or so producers with more than 500 laying hens can vote. This excludes about two thirds of licensed egg producers in the State. The amendments also remove sections of the legislation relating to categories of poultry farmers, the original determination of hen quotas, quota transfers between zones and a poll on the commencement of the Act. These sections are redundant.

Clause 1 and 2 are formal.

Clause 3 makes consequential amendments.

Clause 4 removes definitions from the Act that are redundant.

Clause 5 brings up to date certain provisions of section 5 of the Act dealing with exemptions. The scope of the power to exempt is extended beyond the Crown and its instrumentalities and educational institutions. Paragraph (a) rewrites subsection (1) and in the process removes reference to ‘commercial purposes’. The extended exemptions provisions will be available to exempt those who wish to keep more than 50 hens for non-commercial purposes. Clause 6 repeals Part II of the Act. Clause 7 makes a consequential amendment. Clause 8 repeals Division I of Part IV. Clause 9 replaces sections 14 and 15 of the principal Act with simplified provisions. Clause 10 enacts new section 16 which sets out the conditions to which a licence will be subject.

Clauses 11 and 12 make consequential amendments.

Clause 13 repeals Division III of Part IV. Clause 14 replaces Division IV of Part IV. After this amendment the board will be able to vary the State hen quota and because the State hen quota is the aggregate of the quotas of individual licences, their quotas will vary accordingly. Subsections (8), (9) and (10) of new section 22 place a limit of 50 000 on the hen quota, or the aggregate of the hen quotas in which one person or company can be interested.

Clauses 15 and 16 remove redundant provisions.

Clause 17 makes consequential amendments and reduces penalties set out in subsection (6).

Clauses 18 to 22 make consequential changes.

Clause 23 repeals sections 41 and 42 of the Act.

Clause 24 makes consequential changes.

Clause 25 removes a redundant provision.

Clause 26 inserts an exemption provision designed to allow poultry farmers to take advantage of temporary markets for the sale of eggs.

Clause 27 makes a consequential change.

Clause 28 removes Division I of Part IX which is now redundant.

Clause 29 reconstitutes parts of section 50 in modern form and opens the poll under this section to all licensees.

Clause 30 removes the schedules to the Act.

Mr GUNN secured the adjournment of the debate.