

## WHEAT MARKETING BILL 1989

### NEW SOUTH WALES



### EXPLANATORY NOTE

**(This Explanatory Note relates to this Bill as introduced into Parliament)**

The Wheat Marketing Act 1989 of the Commonwealth put in place new marketing arrangements for the wheat industry from 1 July 1989. A major purpose of the new arrangements was to deregulate the domestic market. The Commonwealth Act provides for the continuation of the Australian Wheat Board. However the Board is now able, in addition to operating its traditional pooling arrangements for wheat, to operate commercially in the domestic market for grain and grain products to provide wheat growers with a choice of marketing options.

Full implementation of the new arrangements depends on complementary legislation being passed by the States. The object of the Bill is to implement the new marketing arrangements with effect from 1 July 1989.

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**Clause 1 specifies the short title of the proposed Act.**

**Clause 2 provides for the retrospective commencement of the proposed Act on 1 July 1989.**

**Clause 3 repeals the Wheat Marketing Act 1984.**

**Clause 4 provides for words and expressions in the proposed Act to have the same meaning as they have in the Commonwealth Act.**

**Clause 5 provides that the proposed Act is to be construed so as not to exceed the legislative power of the State. The clause has a "savings" provision to ensure the validity of the Act to the extent that it is not in excess of the legislative powers of the State.**

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Clause 6 confers certain functions on the Australian Wheat Board for the purposes of section 6 (4) of the Commonwealth Act which enables the Board to exercise functions additional to those set out in the Commonwealth Act if they are conferred on it by State wheat marketing legislation. The proposed section will ensure that the Board can trade in wheat and wheat products and grain and grain products within the State. Clause 6 (2) makes it clear that the Board will, in the exercise of its functions within the State, be subject to the Marketing of Primary Products Act 1983.

Clause 7 confers on the Board the same powers in connection with the exercise of its functions under the proposed Act as it has under sections 7 (2), (3), (10) and (11) of the Commonwealth Act. In particular the Board is able to buy and sell wheat and other grains and may enter into trading arrangements designed to maximise returns from the sale or disposal of grains.

Clause 8 requires the Board to comply with directions given by the Minister or the Commonwealth Minister concerning the exercise of its functions. A Minister may give directions (subject to certain conditions, including notification of the Board) where necessary to ensure that the Board's operations do not conflict with major government policy. A direction must be published in the Gazette and tabled in the Parliament.

Clause 9 provides for the Board to delegate any of its functions to a person holding an appointment under the Commonwealth Act (other than a member of a Selection Committee or consultative group established under that Act) or to an employee of the Board.

Clause 10 effectively incorporates Divisions 2 and 3 of Part 4 (relating to purchase of, and payment for, wheat by the Board) and section 74 (relating to futures contracts) of the Commonwealth Act in the proposed Act.

Clause 11 enables the making of regulations.

Clause 12 provides for certain marketing arrangements under the Wheat Marketing Act 1984 of the Commonwealth and the Wheat Marketing Act 1984 to continue to apply to wheat delivered to the Board before 1 July 1989 or for the disposal of which a permit was issued or authorisation or consent given under those arrangements.

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