



ANALYSIS

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1965, No. 66

An Act to amend the Dairy Production and Marketing Board Act 1961 [22 October 1965]

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:

1. Short Title—This Act may be cited as the Dairy Production and Marketing Board Amendment Act 1965, and shall be read together with and deemed part of the Dairy Production and Marketing Board Act 1961 (hereinafter referred to as the principal Act).

2. Expiry of terms of office—Section 4 of the principal Act is hereby amended by adding the following subsection:

“(3) Subject to the provisions of subsection (2) of this section, the term of office of every member of the Board shall, notwithstanding the provisions of this Act, expire with the thirtieth day of June in the year in which the term of office for which he was appointed expires.”

3. Prices for butter and cheese—(1) The principal Act is hereby amended by repealing section 26, and substituting the following section:

“26. (1) Not later than one month after the commencement of each season subsequent to the season ending with the thirty-first day of May, nineteen hundred and sixty-five, or such later date as may be determined by the Board, the Authority shall fix the prices to be paid by the Board for butter which becomes the property of the Board during that subsequent season.

“(2) As soon as practicable after the prices are fixed for butter in respect of any season, the Board shall fix the advance prices for cheese which becomes the property of the Board during that season.

“(3) The advance prices fixed for cheese shall be at rates which the Board, after consultation with the Authority, considers will provide for producers of whole milk manufactured into cheese an average return equivalent to the average return available for producers of whole milk manufactured (in such proportions as may be agreed between the Authority and the Board) into—

“(a) Butter and milk powder; and

“(b) Butter and casein:

“Provided that the amount taken into consideration for the purposes of determining the amount to be allowed for milk powder and casein shall be the equivalent of the amount for the time being fixed as advance prices for those products under section 40A of this Act.

“(4) Before the twentieth day of June in each season the Board shall, after consultation with the Authority, fix the final prices to be paid by the Board for cheese acquired or to be acquired by the Board in respect of the immediately preceding season.

“(5) The final prices for cheese fixed by the Board under subsection (4) of this section shall be at such rates as the Board, after consultation with the Authority, considers will provide for producers of whole milk manufactured into cheese an average return equivalent to the average return available for producers of whole milk manufactured (in such proportions as may be agreed between the Board and the Authority) into—

“(a) Butter and milk powder; and

“(b) Butter and casein.

“(6) Different prices may be fixed in respect of different kinds of butter or cheese, or in respect of different grades or qualities of the same kind of butter or cheese, or different

prices may be fixed in respect of the same kind or grade or quality of butter or cheese by reason of the kind or quality of the packages in which the butter or cheese is contained or by reason of any other special conditions or circumstances that, in the opinion of the Authority or, as the case may require, the Board, warrant the fixing of different prices.

“(7) Without limiting the provisions of subsection (6) of this section, different prices may be fixed in respect of the same kind or grade or quality of butter or cheese according to whether or not the milk or cream used in the manufacture of the butter or cheese was produced from dairy herds which, pursuant to regulations under the Stock Act 1908 are registered as being free from tuberculosis.

“(8) In fixing prices under this section, the Authority may provide for the computation and determination by the Board of such matters as the Authority thinks necessary with respect to—

“(a) The amount of any deduction in price to be made in respect of insurance premiums paid or payable by the Board in connection with the insurance of butter acquired by the Board:

“(b) The amount of any deduction in price to be made in respect of any money paid or payable by the Board in connection with the establishment of a fund for the purpose of reimbursing the Board for any loss of or damage to dairy produce acquired by the Board or used by the Board to reimburse itself for any such loss or damage:

“(c) The amount of any addition or deduction in price to be made in respect of the manufacture of any butter which has been specially manufactured, prepared, or packed at the request or with the approval of the Board.

“(9) Any determination by the Board under subsection (8) of this section shall be final and binding on all persons concerned, and the prices payable by the Board for butter shall be deemed to be adjusted accordingly.

“(10) In fixing prices for butter under this section the Authority shall have regard to the following matters:

“(a) The necessity in the public interest of maintaining the stability and efficiency of the dairy industry:

“(2) If the prices received by dairy companies for butter are less than amounts equivalent to the prices that would have been paid by the Board, the Board shall pay to each dairy company concerned the amount of the difference, and that amount shall be paid to the Board out of the Public Account without further appropriation than this section.

“(3) If the prices received by dairy companies for butter are more than amounts equivalent to the prices that would have been paid by the Board, each dairy company concerned shall pay the amount of that difference to the Board or the Board may deduct the same from any money payable by the Board to the dairy company, and the Board shall pay that amount into the Public Account.

“(4) If at any time in the opinion of the Board the prices received by dairy companies for cheese sold for consumption in New Zealand are less than amounts equivalent to the prices that would have been paid by the Board if the cheese had been acquired by the Board for export, the Board may, with the approval of the Minister, pay from the Dairy Industry Account to each dairy company concerned the amount of the difference.

“(5) If at any time in the opinion of the Board the prices received by dairy companies for cheese sold for consumption in New Zealand are more than amounts equivalent to the prices that would have been paid by the Board if the cheese had been acquired by the Board for export, each dairy company concerned shall, if the Board so directs, pay the amount of the difference to the Board, or the Board may deduct the same from any money payable by the Board to the dairy company, and the Board shall pay that amount into the Dairy Industry Account.

“(6) For the purpose of determining the price that would have been paid by the Board if butter or cheese had been acquired by the Board for export, any amount paid under subsection (1) of section 28 of this Act shall be deemed to be part of that price.

“(7) For the purposes of this section any reference to cheese shall be deemed to be a reference to cheese of such kind or description as may from time to time be determined by the Board with the approval of the Minister.”

5. Annual surplus—(1) Subsection (1) of section 28 of the principal Act is hereby amended by inserting, after the words “that period”, the words “(after taking into consideration any amount paid from the Dairy Industry Account for payment

into the Product Development Fund established under section 42A of this Act)”.

(2) Paragraph (a) of subsection (1) of section 28 of the principal Act is hereby amended by omitting the words “the butter and cheese was acquired during”, and substituting the words “butter and cheese was acquired in respect of”.

6. Milk powder and casein—The principal Act is hereby further amended by inserting, after section 40, the following section:

“40A. Where pursuant to this Act the Board has acquired or proposes to acquire milk powder or casein, the following provisions shall apply:

“(a) Before fixing advance prices for cheese the Board, after consultation with the Authority, shall assess the returns which it estimates will be realised from the sale of the milk powder and casein to be manufactured in that season:

“(b) The Board shall fix advance prices to be paid to dairy companies in respect of milk powder and casein to be acquired by the Board at rates which, except with the agreement of the Authority, shall not exceed the equivalent of seventy-five per cent of the returns assessed under paragraph (a) of this section:

“(c) The Board may at any time, after consultation with the Authority, reassess the returns which it estimates will be realised from the sale of milk powder and casein and make consequential changes in the advance prices of those products within the limits prescribed by paragraph (b) of this section:

“(d) Before the twentieth day of June in each year the Board, after consultation with the Authority, shall determine the returns which it estimates will be realised from the sale of milk powder and casein acquired or to be acquired by it in respect of the immediately preceding season, and shall pay to the dairy companies from which the products have been or will be acquired the relevant amounts payable in respect of the acquisition of those products:

“(e) If the Authority considers that the final payment has been determined otherwise than on a basis of reasonable market prospects, it shall advise the Minister accordingly:

“(f) If the returns realised in due course from the sale by the Board of milk powder and casein acquired by it are not in accordance with the estimates of the Board, the corresponding debit or credit in the relevant accounts of the Board shall be carried forward and taken into consideration when fixing prices for those products in the next ensuing season.”

7. Product Development Fund—The principal Act is hereby further amended by inserting, after section 42, the following section:

“42A. (1) There shall be established at the Reserve Bank of New Zealand an account to be known as the Product Development Fund.

“(2) There shall, as soon as practicable after the commencement of this section, be paid into the Product Development Fund from the Dairy Industry Reserve Account the sum of five hundred thousand pounds.

“(3) For the purpose of providing funds to replenish the Product Development Fund, the Board may, under section 41 of this Act, make a charge on all or any dairy products, whether manufactured for sale in New Zealand or elsewhere.

“(4) The Product Development Fund may from time to time be expended by the Board, in such manner as the Board thinks fit, for the purpose of promoting such changes or developments in the manufacture or use of dairy produce as will ensure that the maximum return will be received from the sale of that produce.

“(5) The Product Development Fund shall be operated on by cheque signed by such person or persons as may from time to time be authorised in that behalf by the Board.

“(6) The Board shall from time to time report to the Minister as to the extent and nature of any expenditure from the Product Development Fund.”

8. Superannuation—Section 45 of the principal Act is hereby amended by inserting, after subsection (1), the following subsection:

“(1A) No money payable to any person pursuant to any scheme under subsection (1) of this section shall be in any way assigned or charged or pass to any other person by operation of law; nor shall any money payable pursuant to the scheme on the death of a contributor be assets for the payments of his debts and liabilities.”

9. Increasing amount of Capital Account available for loans—The proviso to subsection (1) of section 64 of the principal Act is hereby amended by omitting the words “two million pounds”, and substituting the words “three million pounds”.

10. Change of name of Board—(1) The principal Act may hereafter be cited as the Dairy Board Act 1961.

(2) The Dairy Production and Marketing Board Amendment Act 1962, the Dairy Production and Marketing Board Amendment Act 1963, and the Dairy Production and Marketing Board Amendment Act 1965 may hereafter be cited as the Dairy Board Amendment Act 1962, the Dairy Board Amendment Act 1963, and the Dairy Board Amendment Act 1965, as the case may require.

(3) The name of the Board established under the principal Act is hereby changed and that Board shall hereafter be called the New Zealand Dairy Board.

(4) The change of name shall not affect any rights, powers, authorities, or obligations of the Board, or render defective any legal proceedings by or against the Board, and any legal proceedings that might have been continued or commenced against it by its former name may be continued or commenced against it by its new name.

(5) Notwithstanding the change of its name, the Board shall be and continue to be the same body corporate as that which was constituted by section 3 of the principal Act.

(6) The principal Act is hereby amended as follows:

(a) By repealing the definition of the term “Board” in section 2, and substituting the following definition:
“‘Board’ means the New Zealand Dairy Board established under this Act:”:

(b) By omitting from subsection (1) of section 3 the words “Production and Marketing”.

(7) All references to the New Zealand Dairy Production and Marketing Board in any Act, regulation, order, or other enactment or in any agreement, deed, instrument, application, notice, or other document whatsoever shall, unless the context otherwise requires, be read as references to the New Zealand Dairy Board.

(8) This section shall come into force on a date to be fixed for the commencement thereof by the Governor-General by Order in Council.