

Right Hon. Sir J. G. Ward.

BEET-ROOT SUGAR.

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A BILL INTITULED

AN ACT to encourage the Production in New Zealand of Sugar from Beet-root and Sorghum grown in New Zealand; and also to provide for State Sugar-works. Title.

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

1. This Act may be cited as the Beet-root Sugar Act, 1910. Short Title.

2. The Beet-root Sugar Act, 1908, is hereby repealed. Repeal.

10 3. In this Act, unless a contrary intention appears,— Interpretation.

“Minister” means the Minister of Finance:

15 “Sugar-works” means any factory established for the purpose of manufacturing in New Zealand sugar from beet-root or sorghum grown in New Zealand and of utilising the by-products thereof, and includes all the land pertaining to such factory and all buildings, erections, plant, machinery, and movable or immovable chattels used in carrying on the business of or incidental to such factory.

PART I.

STATE SUGAR-WORKS.

Establishment of Sugar-works.

Minister may
establish
sugar-works.

4. Subject to the provisions of this Part of this Act, it shall be lawful for the Minister, on behalf of His Majesty, to commence and carry on in all its branches the business of the manufacture of sugar from beet-root or sorghum grown in New Zealand, and for that purpose to establish sugar-works, and to acquire any land that may appear to the Minister to be necessary for the purpose of growing beet-root or sorghum, and to do all acts, matters, and things that may appear to be necessary for the purpose of establishing such sugar-works, and for carrying on the business connected therewith or appertaining thereto.

Further powers of
Minister.

5. For the purposes of the *last preceding* section the Minister, on behalf of His Majesty, may from time to time, in such manner and on such terms as he thinks fit,—

- (a.) Appoint managers, engineers, agents, workmen, and servants; and
- (b.) Construct, erect, or (by purchase, lease, or otherwise) acquire buildings, plant, machinery, railways, tramways, and other fixed or movable appliances or works of any description, and sell or otherwise dispose of the same when no longer required; and
- (c.) Sell, supply, and deliver sugar and other products the result of the operations at such sugar-works aforesaid; and
- (d.) Enter into and enforce contracts and engagements; and
- (e.) Generally, in so far as it is not elsewhere in this Part of this Act sufficiently provided for, do anything that a private person engaged in the manufacture of sugar might lawfully do in such business of manufacturing sugar, or that is authorised by regulations under this Act.

Power to raise
money.

6. In order to provide funds for the construction, erection, or acquisition of buildings, plant, machinery, railways, tramways, or other appliances or works required for any sugar-works established under this Part of this Act, or for purchase-money payable for any lands that may be purchased hereunder or for the purposes of the carrying-on of such sugar-works as aforesaid, the Minister of Finance, on being authorised by the Governor in Council so to do, may from time to time raise on the security of and charge upon the public revenues of New Zealand any sum or sums not exceeding in the whole the sum of five hundred thousand pounds.

Terms and
conditions. New
Zealand Loans Act
applied.

7. This Act shall be deemed to be an authorising Act within the meaning of the New Zealand Loans Act, 1908, and the moneys hereinbefore authorised to be raised shall be raised under and subject to the provisions of that Act accordingly.

Rate of interest.

8. The sums so raised shall bear interest at such rate, not exceeding four pounds ten shillings per centum per annum, as the Minister of Finance prescribes.

Debentures.

9. As security for the moneys so raised, or in satisfaction of any purchase-money which may be payable by the Minister for lands, plant, buildings, or otherwise under the provisions of this Part of this Act (where the persons entitled thereto are willing to accept

the same in lieu of cash) debentures, scrip, or inscribed stock may be created and issued under the New Zealand Loans Act, 1908.

Accounts.

10 5 10. (1.) The Minister shall cause full and faithful accounts to be kept of all moneys received and expended under this Part of this Act, and of all assets and liabilities, and of all profits and losses. Accounts to be kept and balance-sheet prepared.

10 (2.) The Minister shall cause a balance-sheet for each financial year to be prepared, together with a statement of accounts (including a capital account and a profit and loss account for each separate sugar-works established under this Part of this Act).

(3.) Such balance-sheet and statement shall be so prepared as to show fully and faithfully the financial position of each such sugar-works and the financial result of its operations for the year.

15 (4.) Such balance-sheet and statement shall be submitted to the Audit Office for audit, and shall be certified by the Audit Office, either wholly or with such exceptions as may be necessary, and when so audited and certified shall be published in the *Gazette*.

20 (5.) The balance-sheet and statement of accounts duly audited, together with a report by the General Manager on the operations of each sugar-works for the year, shall within fourteen days after the commencement of the next ensuing session be laid by the Minister before Parliament.

25 11. (1.) All moneys raised under the authority of this Part of this Act shall, as and when raised, and all other moneys received hereunder shall, as and when received, be paid into the bank at which the Public Account is kept to the credit of a separate account called the "State Sugar-works Account." State Sugar-works Account.

30 (2.) All moneys withdrawn from the State Sugar-works Account constituted under this Act shall be withdrawn only by cheque, signed by the Secretary to the Treasury, or such other officer as the Minister may from time to time appoint, and countersigned by the Audit Office.

35 (3.) All moneys in the State Sugar-works Account, or payable into that account by any person whomsoever, are hereby declared to be the property of the Crown, and recoverable accordingly as from debtors to the Crown.

40 12. Any moneys in the State Sugar-works Account may, until required for the purposes of this Part of this Act, be temporarily invested from time to time, as the Minister of Finance directs, in any Government securities or in any securities wherein for the time being any balances in the account may lawfully be invested, and all interest received in respect of any such investment shall be paid into the State Sugar-works Account. Temporary investment of moneys.

Application of Profits.

45 13. After full provision has been made for all outgoing, losses, and liabilities for the year (including interest on securities created and issued in respect of the moneys raised as aforesaid, and on moneys paid out of the Consolidated Fund and not recouped), the net surplus profits then remaining shall be applied in establishing a sinking fund in respect of debentures issued on moneys to be Sinking fund and depreciation fund to be established out of net surplus profits.

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recouped to the Consolidated Fund as aforesaid, and subject thereto, in establishing a depreciation fund in respect of capital expended.

Price of sugar may be reduced if net surplus profits exceed 5 per cent.

14. If at the close of any financial year it appears that the net surplus profits for the year computed as aforesaid exceed five per centum on the total capital expended, then during the following year the Minister may reduce the price of sugar and other products from the sugar-works established hereunder to such extent as on the basis of the previous year's operations will produce a net surplus profit of five per centum on the total capital expended. 5

Miscellaneous.

Persons appointed under this Act not Civil servants.

15. (1.) The Governor may from time to time, by Order in Council gazetted, make regulations applying any of the provisions of any Act for the time being in force affecting or regulating the Civil Service to any of the persons or classes of persons appointed under section *five* hereof. 10 15

(2.) Except as provided by any such regulations, the provisions of any such Act shall not apply to any person appointed under the said section, unless at the time of such appointment he was a Civil servant within the meaning of such Act.

Industrial disputes in State Sugar-works.

16. (1.) Notwithstanding anything in section one hundred and thirty-one of the Industrial Conciliation and Arbitration Act, 1908, any society of workers employed in a State sugar-works may be registered as an industrial union of workers under that Act. 20

(2.) The Minister may from time to time enter into an industrial agreement with any industrial union so registered in like manner in all respects as if the management of the sugar-works were an industry and he were the employer of all workers employed therein. 25

(3.) If any industrial dispute arises between the Minister and any such union, it may be referred to the Court of Arbitration for settlement in the manner provided by section one hundred and twenty-one of the Industrial Conciliation and Arbitration Act, 1908, in the case of an industrial dispute between the Minister of Railways and the Amalgamated Society of Railway Servants, and all the provisions of that section shall, *mutatis mutandis*, apply. 30

Regulations.

17. The Governor may from time to time, by Order in Council gazetted, make such regulations as he thinks necessary for any of the following purposes:— 35

(a.) The management of sugar-works under this Part of this Act:

(b.) The functions, duties, and powers of all persons acting in the management and working of sugar-works under this Part of this Act: 40

(c.) The form of the accounts to be kept and the balance-sheets to be prepared in respect of sugar-works under this Part of this Act:

(d.) The mode in which the sinking funds and other funds connected with sugar-works under this Part of this Act shall be held and administered: 45

(e.) Generally, any other purpose for which, in the opinion of the Governor, regulations are contemplated or required.

18. Notwithstanding anything hereinbefore provided, in the event of the Minister entering into any agreement under Part II of this Act it shall not be lawful for the Minister to establish any sugar-works or to carry on any business authorised by this Part of this Act until the expiration of twenty-one years from the date of any such agreement.

Minister not to carry on business for twenty-one years in event of agreement being made under Part II.

PART II.

BONUS ON PRODUCTION OF SUGAR.

19. If the Minister shall consider it inexpedient or impracticable to establish State Sugar-works under the provisions of Part I of this Act, it shall be lawful for him to pay a bonus as hereinafter provided upon sugar produced in New Zealand from beet-root or sorghum grown in New Zealand, and such bonus shall be payable by the Minister out of the Consolidated Fund without further appropriation than this Act.

Bonus may be paid upon sugar produced from beet-root or sorghum.

20. Whereas the establishment of sugar-works will involve a very large outlay of money, and it would be impracticable for any person to establish the same without assistance, it shall be lawful for the Minister to enter into an agreement with any person desirous of establishing sugar-works in New Zealand and carrying on the business incidental thereto, that in consideration of his establishing such sugar-works and carrying on such business as aforesaid, the Minister will pay to such person a bonus during the period of five years from the date when such person shall have commenced to produce sugar from his sugar-works to be established as aforesaid, such bonus to be at the rate of one penny for each pound of sugar produced during the first three years, and one halfpenny for each pound of sugar to be produced during the next two years of such period of five years.

Minister may enter into agreement for payment of bonus.

21. (1.) Any such agreement shall contain a provision whereby the Minister, on behalf of His Majesty, at any time after the expiration of twenty-one years from the date thereof, may, upon giving not less than twelve months' notice, acquire the sugar-works established under the said agreement and the business thereof or appertaining thereto, and all the lands purchased or acquired by such person as aforesaid for the purpose of growing beet-root or sorghum; and such agreement shall contain a further provision that the price payable by the Minister shall, in default of agreement, be determined by two arbitrators and their umpire, one of such arbitrators to be appointed by each of the parties to the said agreement.

Terms of agreement.

(2.) Subject to the provisions of the *last preceding* subsection, any such agreement as aforesaid shall be made upon and shall contain such terms and conditions as the Minister may think fit.

22. If any person with whom an agreement may be made with the Minister under this Part of this Act shall fail or neglect for a period of three years from the date of such agreement to use his best efforts to establish sugar-works and to commence the business of manufacturing sugar thereat, the Minister may, by notice in writing, cancel the said agreement, but not more than one agreement shall be allowed by the Minister to be in existence under the provisions of this Part of this Act at any one time; and it shall not be lawful for the Minister to make any agreement hereunder while there is still in existence an agreement already made and uncanceled under the provisions of this section.

Power to cancel agreement.

Agreement may be assigned.

23. Any person with whom the Minister may enter into an agreement under the provisions of this Part of this Act may assign his rights, benefits, and liabilities thereunder to any other person or company approved by the Minister.

Excise duty to be less than import duty.

24. So long as any agreement made under this Part of this Act shall be in existence the following provisions shall apply:— 5

(a.) If and so long as the import duty on sugar does not exceed one halfpenny per pound, no duty by way of excise shall be levied on any sugar manufactured in New Zealand from beet-root or sorghum grown in New Zealand. 10

(b.) In the event of both import and excise duties being levied on sugar, they shall be so adjusted as that there shall at all times be a difference of at least one halfpenny per pound in favour of sugar manufactured in New Zealand from beet-root or sorghum grown in New Zealand. 15