

WOOL COMMISSION AMENDMENT BILL

EXPLANATORY NOTE

THIS Bill amends the Wool Commission Act 1951.

Clause 2 prescribes a limit for the capital funds of the Wool Commission (which are available to support the minimum prices plan, as well as for the general purposes of the Commission), and provides for a special reserve account in the books of the Commission, to which any surplus funds in excess of the prescribed limit are to be transferred after the end of each financial year, commencing with the year that ended on 30 June 1954. The money in the special reserve account is to be expended for such purposes as may be agreed on by the Minister of Agriculture and the Wool Board, after consultation with the Minister of Finance, as being beneficial to the wool growing industry.

The limit for the Commission's capital funds is fixed at £27,500,000, but if in any financial year the quantity of greasy and scoured wool produced in New Zealand exceeds the quantity produced in the year that ended on 30 June 1954, the limit is to be proportionately increased. The limit is not to be reduced if the production of wool falls, but it will be proportionately increased further with each successive rise in wool production. Whenever the capital funds are less than the prescribed limit there will be no transfers to the special reserve account.

Clause 3 provides that the Wool Commission is to make payments to the Wool Board from time to time amounting for each financial year to the total amount of the levy on wool charged under the Wool Industry Act 1944. This means that one-half of the amount required to be raised for the Wool Board by the annual levy on woolgrowers will in future be paid by the Commission, enabling the levy on growers to be at half the rates that would otherwise apply. This clause is to commence to operate on 1 October 1954, when the Wool Board's season commences.

Right Hon. Mr Holyoake

WOOL COMMISSION AMENDMENT

ANALYSIS

Title.
1. Short Title.

2. Surplus over prescribed capital funds to be transferred to special reserve account, and to be applied for purposes beneficial to the wool growing industry.
3. Payments by Commission to Wool Board to supplement levy.

A BILL INTITULED

AN ACT to amend the Wool Commission Act 1951. Title.

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

1. This Act may be cited as the Wool Commission Amendment Act 1954, and shall be read together with and deemed part of the Wool Commission Act 1951 (hereinafter referred to as the principal Act). Short Title.
1951, No. 82
- 10 2. The principal Act is hereby amended by inserting, after section twenty, the following section:
“ 20A. (1) Whenever at the end of any financial year (commencing with the financial year that ended with the thirtieth day of June, nineteen hundred and fifty-four)
15 the capital funds of the Commission, as disclosed by the Surplus over prescribed capital funds to be transferred to special reserve account, and to be applied for purposes beneficial to the wool growing industry.

accounts of the Commission for the financial year concerned, exceed the maximum amount prescribed by subsection *three* of this section, the amount of that excess shall be transferred to a special reserve account within the Wool Commission Account. 5

“(2) The money in the special reserve account shall be expended, or paid to the Wool Board, or otherwise applied by the Commission for such purposes as are from time to time agreed on by the Minister and the Wool Board, after consultation with the Minister of Finance, as being beneficial to the wool growing industry, and for no other purposes. 10

“(3) For the purposes of this section the maximum amount for the capital funds shall be twenty-seven million five hundred thousand pounds: 15

“Provided that whenever the quantity of greasy and scoured wool produced in New Zealand in any financial year exceeds by any percentage the quantity produced in the year that ended with the thirtieth day of June, nineteen hundred and fifty-four, the maximum amount for the capital funds shall, as from the end of the financial year concerned, be twenty-seven million five hundred thousand pounds increased by the same percentage: 20

“Provided also that the maximum amount for the capital funds shall not at any time be reduced from the sum first mentioned in this subsection or, as the case may be, from the sum to which it may have been increased under the first proviso to this subsection. 25

“(4) For the purposes of this section the quantity of greasy and scoured wool produced in New Zealand in any year shall be determined by the Commission.” 30

Payments by
Commission to
Wool Board to
supplement
levy.

3. The principal Act is hereby amended by inserting, after section twenty A (as inserted by the *last preceding* section), the following section:

“20B. (1) There shall from time to time be paid out of the Wool Commission Account to the Wool Board sums amounting in the aggregate for each financial year to the total amount of the levy charged in that financial year under the Wool Industry Act 1944. 35

1944, No. 27

“(2) All amounts paid under this section shall be dealt with by the Wool Board as if they had been received by way of levy under the Wool Industry Act 1944. 40

“(3) In respect of any period while the charge under section twenty-one of this Act is payable, the reference in subsection one of this section to the levy charged under the Wool Industry Act 1944 shall be deemed to be a
5 reference to the amount which, but for the operation of subsection five of the said section twenty-one, would have been payable by way of levy under that Act.

“(4) This section shall not apply with respect to the first three months of the financial year ending with the
10 thirtieth day of June, nineteen hundred and fifty-five, but shall apply with respect to the last nine months of that financial year, and with respect to every subsequent financial year.”