

WOOL INDUSTRY BILL

EXPLANATORY NOTE

This Bill amalgamates the Wool Board and the Wool Marketing Corporation, and consolidates and amends the Wool Industry Act 1944 and the Wool Marketing Corporation Act 1972. It also incorporates a number of the key provisions of the Wool Income Stabilisation Regulations 1976.

Clause 1 relates to the Short Title and commencement. The Act is to commence on a day fixed by Order in Council, but *Part V* is not to come into force unless 60 percent or more of the votes in a referendum conducted by the Minister among growers owning 100 or more sheep are in favour of the bringing into force of that Part.

Clause 2 relates to interpretation.

Clause 3 provides that the Act is to bind the Crown.

PART I

NEW ZEALAND WOOL BOARD

Clause 4 establishes the New Zealand Wool Board. The Board is to comprise 6 directors elected by wool growers, 2 directors appointed by the Governor-General on the recommendation of the Minister, the Director-General of Agriculture and Fisheries, and one person co-opted by the Board.

Clause 5 provides that the Chief Executive Officer of the Board and one other person appointed by the Board if it thinks fit are to be associate directors of the Board. Associate directors will attend meetings of the Board but will not be entitled to vote on any question.

Clause 6 provides that every director is to be appointed for a term of 3 years.

Clause 7 is transitional and relates to the persons who are at present members of the present Wool Board. They are to be the first directors of the new Wool Board, and are to retire 3 years after they were last appointed members of the present Wool Board.

Clause 8 relates to the appointment of deputies of directors.

Clause 9 relates to extraordinary vacancies. Where a director dies, resigns, or is removed from office, another director can be appointed to fill out the residue of his term. In the case of a vacating director who was elected by growers, the new director is to be nominated by the remaining grower directors of the Board and not by a further election.

Clause 10 relates to meetings of directors.

Clause 11 relates to the appointment of a Chairman and a Deputy Chairman of the Board. At any meeting of the Board the Chairman, or Deputy Chairman or other person presiding, is to have both a deliberative vote and, in the case of an equality of votes, a casting vote.

Clause 12 empowers the Board to set up advisory or technical committees, and to co-opt on to those committees persons who are not directors of the Board.

Clause 13 relates to the remuneration and expenses of directors and committee members.

Clause 14 relates to the making of contracts by the Board.

Clause 15 empowers the Board to delegate its powers (other than the power of delegation).

Clause 16 sets out the principal object for which the Board is established—to obtain, in the interests of growers, the best possible long-term returns for New Zealand wool.

Clause 17 sets out the functions of the Board. These are, in effect, the functions of the former Wool Board and Wool Marketing Corporation, together with the administration of this Act.

Clause 18 similarly sets out the powers of the Board in the exercise of its functions.

Clause 19 requires every contract for the carriage of wool for export to be made either by the Board or in conformity with conditions prescribed or approved by the Board.

Clause 20 empowers the Board to acquire shares, stock, or debentures in any company carrying on or proposing to carry on operations that include certain specified functions and powers of the Board, and to advance money to any such company, or give it guarantees, indemnities, or other securities. These powers may be exercised only with the consent of the Minister, in the case of overseas companies given after consultation with the Minister of Finance. The Board is also empowered to acquire patents, trademarks, licences, inventions, and the rights to use any process or technique.

Clause 21 relates to the power of the Board to make arrangements and give directions relating to the prohibiting, restricting, regulating, or controlling the sampling, sale, disposal, or exporting, of any wool by any person. The clause is the same as section 18 of the Wool Marketing Corporation Act 1972.

Clause 22 requires persons receiving, storing, or appraising any wool that has not previously been sold in New Zealand to be licensed by the Board, and is the same as section 19 of the Wool Marketing Corporation Act 1972.

Clauses 23 to 30 relate to the granting, refusal, revocation, etc., of licences, the transfer of licences, appeals in respect of licences, and other related matters. They are the same as sections 20 to 27 of the Wool Marketing Corporation Act 1972.

PART II

MINIMUM PRICES SCHEME

Clauses 31 to 36 reproduce, with minor amendments, the provisions of sections 28 to 32 of the Wool Marketing Corporation Act 1972.

PART III

MINIMUM PRICE FUNDING SCHEME

Clauses 37 to 40 reproduce provisions of the Wool Income Stabilisation Regulations 1976.

Clause 37 provides for a minimum price funding levy to be payable on all greasy and scoured wool.

Clause 38 requires the Board to maintain a capital Minimum Wool Prices Funding Account at the Reserve Bank of New Zealand.

Clause 39 requires the Board to pay into the funding account all funding levy, all interest received in respect of money in the Account, the balance held in the Wool Income Stabilisation Account under the Wool Income Stabilisation Regulations 1976 immediately before the commencement of this Act, repayments of any money borrowed from the Account, and all money held in the Retention Account that has been unclaimed for more than one year after becoming repayable. As well as payments under the Minimum Price Scheme, there may be paid out of the funding account the costs of the administration of Parts II and III of this Act by the Board, and any interest payable in respect of an overdraft from the Reserve Bank.

Clause 40 provides that the Minister may authorise the Board to borrow money from the funding account for such purposes as he may approve upon payment of such interest as he may direct.

PART IV

INDIVIDUAL GROWER INCOME LEVY RETENTION SCHEME

Clauses 41 to 46 reproduce (with some amendments to the wording) provisions in the Wool Income Stabilisation Regulations 1976 relating to the individual grower income retention scheme.

Clause 41 provides for the fixing of one or more trigger prices. The prices are to be fixed by the Minister after consultation with the Board, and the matters that the Minister, in his consultation with the Board, is to have regard to in fixing the trigger price or prices are specified. In normal circumstances no more than one trigger price in respect of any category of wool is to be fixed in any period of 12 months ending with the 30th of June.

Clause 42 provides for the imposition of the grower levy.

Clause 43 relates to the fixing of notional prices. These may be fixed by regulation, but for the moment it is proposed that the average weighted adjusted sale price system prescribed in the Wool Income Stabilisation Regulations 1976 be continued with.

Clause 44 specifies the rate of grower levy.

Clause 45 requires all grower levy to be paid into an account to be known as the Wool Income Retention Account, and requires the Board to record details of the money paid into the retention account by or on behalf of and paid out of the retention account to or in respect of any person. The circumstances in which money is to be paid out of the account are to be prescribed by regulation.

Clause 46 provides that money in the retention account cannot be alienated.

PART V

ANNUAL POOLING AND MARKETING OF WOOL BY BOARD

This Part of this Act, which has the same effect as Part III of the Wool Marketing Corporation Act 1972, is not to come into force unless there has been the required result in the referendum referred to in *clause 1*.

Clause 47 provides for the purchase and marketing of all wool by the Board.

Clause 48 provides for the pooling of all wool purchased during a season, together with unsold wool from previous seasons, by the Board.

Clause 49 empowers the Board to make arrangements and directions for the purchase, marketing, and exporting of wool by it or on its behalf. The Board is also empowered to insure against loss of any wool purchased by it, and to establish a fund to meet any loss or damage to wool purchased by it.

Clause 50 provides for the fixing of prices to be paid for wool purchased by the Board. The prices are to be fixed by the Board after consultation with the Minister, but where money borrowed from the Reserve Bank under *clause 56 (6)* has not been repaid, prices may not be fixed without the prior approval of the Minister. Nor can the Board alter any prices during a season except where the Minister informs it that in his opinion exceptional circumstances warrant its doing so. Different prices may be fixed for different types of wool.

Clause 51 relates to the appraisal of wool in order to determine which price should be paid for it.

Clause 52 relates to the distribution of profits. The Board is required to ensure that payments of profits properly reflect the types of wool purchased from the growers and the prices paid and received for those types of wool. Without the consent of the Minister no more than half the profits in any season may be distributed.

Clause 53 makes it an offence to sell wool otherwise than to the Board.

Clause 54 enables types, classes, kinds, or descriptions of wool, or wool to be used for any specified purposes, to be exempted from this Part of this Act.

PART VI

FINANCIAL PROVISIONS

Clause 55 provides for the establishment of bank accounts.

Clause 56 relates to the borrowing powers of the Board. The Board is empowered to borrow money in New Zealand on such terms and conditions as it thinks fit, and outside New Zealand subject to the Reserve Bank of New Zealand Act 1964 and any regulations made under that Act. It may also issue bonds, stock, or other securities, and may mortgage or charge any of its real or personal property. Where at the end of a financial year the Board's accounts disclose a loss on its trading activities, or it has accumulated stocks of wool, the Reserve Bank is empowered to lend to the Board, on terms and conditions agreed between them and approved by the Minister of Finance, money not exceeding the amount of the loss (if any) together with the amount by which the value of the accumulated stocks of wool exceeds the value of stocks of wool held at the beginning of the year.

Clause 57 relates to the investment of funds of the Board.

Clause 58 provides that the Board is to be exempt from land tax and income tax.

Clause 59 relates to the levy on wool at present payable under the Wool Industry Act 1944.

PART VII

MISCELLANEOUS

Clause 60 provides relief in relation to contracts entered into before the commencement of this Act and affected by it.

Clause 61 relates to the appointment by the Board of officers and agents.

Clause 62 empowers the Board to acquire accommodation for the use of its employees.

Clause 63 empowers the Board to take out insurance against personal accident in respect of directors and members of committees.

Clause 64 sets the Board's annual unauthorised expenditure at \$2,000.

Clause 65 provides that the accounts of the Board are to be audited by the Auditor-General. The Auditor-General is also to report on the annual accounts of companies in which the Board has invested or to which it has made advances.

Clause 66 requires the Board to forward to the Minister at the end of every financial year a report of its proceedings and operations and a copy of its audited accounts. The Minister is required to lay copies of these before Parliament.

Clause 67 relates to the authentication of documents.

Clause 68 relates to the service of notices.

Clause 69 specifies offences against the Act.

Clause 70 prescribes penalties in respect of offences against the Act.

Clause 71 empowers the making of regulations.

Clause 72 abolishes the former Wool Board and Wool Marketing Corporation.

Clause 73 repeats a provision of the Wool Income Stabilisation Regulations 1976 authorising access to certain documents relating to wool.

Clause 74 closes the Wool Income Stabilisation Account, and requires all money held in it to be transferred to the Funding Account in the name of the new Wool Board.

Clause 75 relates to amendments, repeals, and savings.

PART V	PART VII
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48. Board to pool all wool purchased	61. Officers and agents of Board
49. Powers of Board as to purchase and marketing	62. Acquisition of houses for use of officers
50. Fixing of prices for wool purchased by Board	63. Insurance of directors and committee members
51. Payment of price for wool purchased by Board	64. Unauthorised expenditure
52. Distribution of profits	65. Audit of accounts
53. Unlawful sale of wool	66. Annual Report
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55. Bank accounts	70. Penalties
56. Borrowing powers	71. Regulations
57. Investment of funds of Board	72. Abolition of former Wool Board and Corporation
58. Exemption from taxation	73. Access by Minister or Board officials
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59. Levy on wool	75. Amendments, repeals, and savings Schedules

A BILL INTITULED

An Act to consolidate and amend the law relating to the wool industry

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

1. **Short Title and commencement**—(1) This Act may be cited as the Wool Industry Act 1977.

(2) Subject to subsection (3) of this section, this Act shall come into force on a date to be appointed by the Governor-General by Order in Council, made on the recommendation of the Minister; and different dates may so be appointed for different provisions of this Act. 10

(3) The Minister shall not recommend to the Governor-General the making of an Order in Council under subsection (2) of this section that relates to any provision contained in Part V of this Act (other than section 50 (3)) unless he has so been requested by the Board, and unless he is satisfied that 60 percent or more of the valid votes recorded in a referendum conducted by the Board in accordance with the following provisions were in favour of a proposal that Part V of this Act come into force: 15 20

(a) The proposal shall be in a form, and the referendum shall be conducted in a manner, approved by the Minister:

5 (b) Every grower owning 100 or more sheep shall be qualified to vote in the referendum.

Cf. 1972, No. 117, s. 1

2. Interpretation—In this Act, unless the context otherwise requires,—

10 “Appeal Authority” means the Wool Industry Appeal Authority established by section 28 of this Act:

“Approved auction” means an auction sale approved by the Board under section 31 of this Act:

“Associate director” means an associate director of the Board:

15 “Board” means the New Zealand Wool Board established under section 4 of this Act:

“Broker” means any person who, in the ordinary course of business, regularly sells wool at auction sales:

20 “Corporation” means the New Zealand Wool Marketing Corporation established under the Wool Marketing Corporation Act 1972:

“Director” means a director of the Board, and does not include an associate director:

25 “Electoral Committee”, means the Electoral Committee of the Meat and Wool Boards established under the Meat Board Regulations 1970 and regulations made under this Act:

“Financial Year” means the period of 12 months ending with the 30th day of June in any year:

30 “Former Wool Board” means the New Zealand Wool Board established by section 3 (1) of the Wool Industry Act 1944:

35 “Funding account” means the Minimum Wool Prices Funding Account established pursuant to section 38 of this Act:

“Funding levy” means the minimum price funding levy imposed by section 37 of this Act:

40 “Grower” means a person engaged in business as a sheep farmer (whether in conjunction with any other farming business or not) in New Zealand, but for the purposes of regulations made under section 71 (1) (p) of this Act does not include persons owning fewer than 100 sheep:

- “Grower director” means a director appointed under section 4 (2) (a) of this Act:
- “Grower levy” means the grower retention levy imposed by section 42 of this Act:
- “Licensed store” means premises in respect of which a wool receiving licence is in force: 5
- “Manufacturer” means a person who subjects wool to a process other than washing, scouring, carbonising, slipping, or fellmongering; and “manufacture” and “manufactured” have corresponding meanings: 10
- “Minimum price”, in relation to any wool, means its minimum price as assessed under Part II of this Act:
- “Minister” means the Minister of Agriculture:
- “Notional price” means a notional price for the time being for wool calculated or ascertained in accordance with regulations made under section 43 of this Act: 15
- “Registered private wool buyer” means a person whose name is for the time being entered on a list of private wool buyers compiled pursuant to regulations made under this Act or the Wool Marketing Corporation Act 1972: 20
- “Retention account” means the Wool Income Retention Account established pursuant to section 45 of this Act: 25
- “Sale” includes barter and exchange or supply for profit; and “to sell” has a corresponding meaning:
- “Scourer” means a person who subjects wool to a process of washing, scouring or carbonising; and “scoured” and “scouring” have corresponding meanings: 30
- “Table of prices” means a table of minimum prices for wool the basis for the calculation of which has been approved by the Minister pursuant to section 32 (1) of this Act:
- “Trading bank” means a trading bank specified in the First Schedule to the Reserve Bank of New Zealand Act 1964: 35
- “Trigger price” means a trigger price fixed under section 41 of this Act:
- “Type”, in relation to wool, means a type specified by the Board: 40
- “Wool” means sheep’s wool or lamb’s wool produced in New Zealand, whether greasy, washed, scoured, carbonised, slipped, or fellmongered, or wool on the skin

or dag wool; and includes any other class or kind or description of sheep's or lamb's wool which, by Order in Council made under this Act, the Governor-General declares to be wool for the purposes of this Act; but does not include tanned skins with the wool on, manufactured wool (including wool tops), wool noils or wool waste:

"Wool Board levy" means the levy on wool authorised by section 59 of this Act:

"Wool receiving licence" means a licence under section 22 of this Act authorising premises to be used for the receipt, storage, and appraisal of wool.

Cf. 1944, No. 16, s. 2; 1972, No. 117, s. 2

3. Act to bind the Crown—This Act shall bind the Crown.

Cf. 1972, No. 117, s. 63

PART I

NEW ZEALAND WOOL BOARD

4. New Zealand Wool Board established—(1) There is hereby established a Board to be called the New Zealand Wool Board.

(2) The Board shall comprise—

(a) Six directors representing the wool growers of New Zealand, to be appointed by the Governor-General on election in the prescribed manner:

(b) Two directors (being persons who in the opinion of the Minister are qualified by commercial experience to be directors of the Board, and not being in the service of Her Majesty under the State Services Act 1962) appointed by the Governor-General on the nomination of the Minister:

(c) One director, being the Director-General of Agriculture and Fisheries:

(d) One director (being a person who in the opinion of the Board is qualified by commercial experience to be a director of the Board), to be appointed by the Governor-General on the nomination of the Board.

(3) The Board shall be a body corporate with perpetual succession and a common seal, and shall be capable of acquir-

ing, holding and disposing of real and personal property, and of suing and being sued, and of doing and suffering all such acts and things as bodies corporate may do and suffer.

Cf. 1944, No. 16, s. 3; 1972, No. 117, s. 3

5. Associate directors—(1) The chief executive officer for the time being of the Board shall be an associate director. 5

(2) The Board may from time to time appoint one further associate director for such term not exceeding 3 years as it thinks fit; and any associate director so appointed shall be eligible for reappointment from time to time. 10

(3) An associate director shall be notified of, and may attend and take part in, meetings of the Board, but shall not be entitled to vote on any question.

Cf. 1944, No. 16, s. 3; 1972, No. 117, s. 3

6. Terms of office—(1) Subject to the provisions of this Act, every appointed director shall be appointed for a term of 3 years but shall be eligible for reappointment from time to time. 15

(2) Unless he sooner vacates his office under section 9 of this Act, every appointed director shall continue in office until his successor comes into office, notwithstanding that the term for which he was appointed may have expired. 20

Cf. 1944, No. 16, s. 4; 1972, No. 117, s. 4

7. Transitional—(1) The first directors pursuant to section 4 (2) (a) of this Act shall be the persons holding office as members of the former Wool Board pursuant to section 3 (2) (b) of the Wool Industry Act 1944 immediately before the commencement of this Act, each of whose term as a director shall expire 3 years after the date of his last appointment as a member of the former Wool Board, with the intention that 2 directors should be appointed each year. 25 30

(2) Of the first 2 directors appointed under section 4 (2) (b) of this Act, one, determined by agreement between them or, in the absence of agreement, by lot, shall retire after a term of 2 years, and the other shall retire after a term of 3 years. 35

Cf. 1944, No. 16, s. 4; 1972, No. 117, s. 4

8. Deputies of directors—(1) Subject to subsection (2) of this section, if the Minister is satisfied that an appointed director is incapacitated by illness, absence, or other sufficient cause from performing the duties of his office, he may appoint a
5 qualified person to be the deputy of that director during his incapacity.

(2) The appointment of a deputy of a grower director shall be made by the Minister on the recommendation of the other grower directors.

10 (3) If the Board is satisfied that any associate director is incapacitated by illness, absence or other sufficient cause from performing the duties of his office, it may appoint a person to be the deputy of that associate director during his incapacity.

15 (4) Any deputy appointed under this section shall, while he acts as such, be deemed to be a director or associate director appointed under the same provision and having the same status as the director or associate director of whom he is a deputy.

20 (5) No appointment of a deputy and no acts done by him as such, and no acts done by the Board while any deputy is acting as such, shall in any proceedings be questioned on the ground that the occasion for his appointment has not arisen or had ceased.

Cf. 1944, No. 16, s. 6; 1972, No. 117, s. 5

25 **9. Extraordinary vacancies**—(1) Any appointed director, and any associate director appointed under section 5 (2) of this Act, may at any time be removed from office by the Governor-General for disability, bankruptcy, neglect of duty, or misconduct, proved to the satisfaction of the Governor-
30 General, and may at any time resign his office by writing addressed to the Minister; and if any appointed director dies, or is removed from office, or resigns, his office shall become vacant and the vacancy shall be deemed to be an extraordinary vacancy.

35 (2) Where an extraordinary vacancy has arisen the Governor-General may appoint some qualified person to be a director for the residue of the term for which the vacating director was appointed.

40 (3) Any such appointment shall be made in the same manner as the appointment of the vacating director, except that in the case of a grower director the vacancy shall be

filled on the nomination of the remaining grower directors and not on election.

(4) The powers of the Board shall not be affected by any vacancy in its membership.

Cf. 1944, No. 16, s. 5; 1972, No. 117, s. 6

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10. Meetings of directors—(1) The first meeting of the Board shall be held on a day to be appointed by the Minister.

(2) Subsequent meetings of the Board shall be held at such times and places as the directors or the Chairman may from time to time appoint.

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(3) The Chairman or any 3 directors may at any time call a special meeting of the Board.

(4) At any meeting of the Board the quorum necessary for the transaction of business shall be 5 directors, but no business shall be transacted at any meeting unless at least 2 grower directors, and at least 2 directors who are neither grower directors nor appointed under section 4 (2) (d) of this Act are present.

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(5) Every question before any meeting of the Board shall be decided by a majority of the votes cast by the directors present at the meeting.

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(6) A resolution in writing signed, or assented to by letter or telegram, by all the directors shall be as valid and effectual as if it had been passed at a meeting of the Board duly called and constituted.

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(7) In the absence from any meeting of the Board of the Director-General of Agriculture and Fisheries, any officer of his Department authorised in that behalf by him may attend the meeting in his stead, and while so attending shall be deemed to be a director of the Board; and the fact that any such officer attends and acts as a director at any such meeting shall be conclusive proof of his authority to do so.

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(8) Subject to the provisions of this Act and of any regulations made thereunder, the Board may regulate its procedure in such manner as it thinks fit.

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Cf. 1944, No. 16, s. 8; 1972, No. 117, s. 7

11. Chairman and Deputy Chairman—(1) At the first meeting of the Board, and thereafter as the offices become vacant, the directors shall elect from among their number a Chairman and a Deputy Chairman.

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(2) Subject to this section, every Chairman and Deputy Chairman shall, unless he sooner ceases to be a director or resigns the office of Chairman or Deputy Chairman, be Chairman or Deputy Chairman, as the case may be,—

5 (a) For the residue of his term of office as a director in the case of a Chairman; or

(b) For the residue of his term of office as a director or for one year, whichever may be the lesser period, in the case of a Deputy Chairman,—

10 but, so long as he remains a director, shall be eligible for reappointment from time to time.

(3) The Chairman, or in his absence the Deputy Chairman, shall preside at all meetings of the Board, but if both are absent from a meeting then the directors present shall appoint 15 one of their number to preside at that meeting.

(4) At any meeting of the Board the Chairman or other person presiding shall have a deliberative vote, and in the case of an equality of votes shall also have a casting vote.

Cf. 1944, No. 16, s. 7; 1972, No. 117, s. 8

20 **12. Advisory or technical committees**—(1) The Board may from time to time appoint such advisory or technical committees as it thinks fit, to advise it on such matters concerning the exercise of its functions and powers as the Board refers to them.

25 (2) Any person may be appointed to be a member of a committee under this section, notwithstanding that he is not a director of the Board.

Cf. 1944, No. 16, s. 9; 1972, No. 117, s. 9

30 **13. Remuneration and expenses of directors and committee members**—(1) There shall be paid by the Board to the Chairman of the Board, to directors and associate directors, and to members of any committee appointed by the Board, such remuneration by way of salary, fees, or allowances as the Minister of Finance from time to time approves, either generally or in any particular case.

35 (2) The directors, and the members of any committee appointed by the Board, shall be paid by the Board such travelling expenses and allowances as the Minister of Finance approves, having regard to any recommendation made in that 40 behalf by the Board.

Cf. 1944, No. 16, s. 20; 1972, No. 117, s. 10

14. Contracts of Board—(1) Subject to section 15 of this Act, any contract that, if made between private persons, must be by deed shall, if made by the Board, be in writing under the seal of the Board.

(2) Any contract that, if made between private persons, must be in writing signed by the parties to be charged therewith shall, if made by the Board, be in writing either under the seal of the Board or signed by a person acting on behalf and under the express or implied authority of the Board. 5

(3) Any contract that, if made between private persons, may be made orally may be similarly made by or on behalf of the Board by any person acting under the express or implied authority of the Board. 10

(4) Notwithstanding anything in the foregoing provisions of this section, no contract made by or on behalf of the Board shall be invalid by reason only that it was not made in manner provided by this section, if it was made pursuant to a resolution of the Board or to give effect to a resolution of the Board. 15

Cf. 1944, No. 16, s. 18; 1972, No. 117, s. 11 20

15. Delegation of powers of Board—(1) The Board may, in respect of any particular matter or class of matter, or in respect of any particular area within or outside New Zealand, by writing under its seal delegate to any director or officer of the Board, or to the holder for the time being of any specified office under the Board, or to any other person whomsoever, any of its powers under this Act (including a power to execute deeds on behalf of the Board, but not including this power of delegation), so that the delegated powers may be executed by him in respect of the matter or class of matter or area specified in the instrument of delegation. 25

(2) Subject to any general or special directions given or conditions imposed by the Board, the person to whom any powers are so delegated may exercise those powers in the same manner and with the same effect as if they had been conferred on him directly by this Act and not by delegation. 35

(3) Every person purporting to act pursuant to any delegation under this section shall, in the absence of proof to the contrary, be presumed to be acting in accordance with the terms of the delegation. 40

(4) Every delegation under this section shall be revocable at will, and no delegation shall prevent the exercise of any power by the Board. 45

Cf. 1972, No. 117, s. 12

Object, Functions and Powers of Board

16. Object for which Board established—The general object for which the Board is established is to obtain, in the interests of growers, the best possible long-term returns for
5 New Zealand wool.

Cf. 1972, No. 117, s. 13

17. Functions of Board—(1) The functions of the Board shall be—

- 10 (a) To promote the use of New Zealand wool in existing or new markets by such means as commend themselves to the Board:
- (b) To develop and maintain a marketing system for New Zealand wool suited to the requirements of the world's textile industry:
- 15 (c) To market New Zealand wool, whether owned by the Board or by any other person, to the best possible advantage in competition with other textile fibres:
- (d) To bring about the greatest possible efficiencies in the preparation, handling, distribution, shipping, and
20 selling of New Zealand wool consistent with its other functions:
- (e) To develop existing and new markets for New Zealand wool within and outside New Zealand:
- (f) To provide information on market requirements as a
25 guide to the planning of wool production and the preparation of wool:
- (g) To encourage the production in New Zealand of types of wool suited to market requirements:
- (h) To administer the schemes established under this Act:
- 30 (i) To undertake, and cause to be undertaken, research into wool and sheep:
- (j) To maintain information on wool production costs and the economic state of the New Zealand wool industry:
- 35 (k) Such other functions as may be conferred on it by this Act or any other enactment.

(2) It shall also be a function of the Board to report to the Minister from time to time in relation to all or any of the functions specified in subsection (1) of this section.

(3) In the exercise of its functions, the Board shall have due regard for the need to maintain its capital funds and to provide for such reserves as it thinks desirable.

Cf. 1944, No. 16, s. 11; 1972, No. 117, s. 14

18. Powers of Board—(1) In the exercise of its functions, the Board may do all or any of the following things: 5

- (a) Purchase wool, whether produced in New Zealand or elsewhere:
- (b) Sell or offer for sale wool and manufactured wool, both within and outside New Zealand: 10
- (c) Negotiate and enter into agreements and arrangements, whether with persons or organisations within or outside New Zealand, in respect of freight rates and other terms and conditions for the transport of wool from New Zealand. 15

(2) Without limiting the generality of any other provisions of this Act or any other enactment, the Board shall have all such powers and authorities as may be necessary to enable it to—

- (a) Undertake, or cause to be undertaken, by way of subsidy or otherwise, scientific, industrial, or economic research and experimentation in relation to wool and sheep, with a view to the improvement of the quality of wool, or its increased production, or the development of new or improved methods of handling or using wool, or the development of new or improved types of wool, or in connection with the general development of the wool industry: 20 25
- (b) Have processed or manufactured any wool produced in New Zealand: 30
- (c) Buy fibres other than wool, and sell or have processed or manufactured such fibres in combination or conjunction with the sale or processing of New Zealand wool:
- (d) Engage or take part in any activity in connection with the marketing, use, preparation, classifying, standardising, sampling, measuring, testing, displaying, appraisal, pooling, storage, handling, packaging, distribution, delivery, transport, disposal, scouring, processing, manufacturing, or exporting of wool, and matters related to any of those activities: 35 40

- 5 (e) Act in combination or association with any person or organisation within or outside New Zealand, for the purpose of furthering the general object for which the Board is established, on terms of sharing the costs and expenses involved in that combination or association in such proportions or in such manner as may be agreed upon:
- 10 (f) Act in combination or association with the New Zealand Meat Producers Board, the New Zealand Dairy Board, or both of them, in carrying out or assisting any project that may be considered by the Board directly or indirectly to benefit the wool industry, on terms of sharing the costs and expenses involved in that combination or association in such proportions or in such manner as may be agreed upon:
- 15 (g) Purchase, take on lease or hire, or otherwise acquire such land, buildings, plant, machinery, and equipment as in the opinion of the Board are necessary for the performance of any of its functions; and erect, improve, alter, extend, equip, furnish, repair and maintain buildings on any such land:
- 20 (h) Sell, exchange, transfer, lease, hire, or otherwise dispose of any of its real or personal property.
- 25 (3) The Board shall have all such other powers and authorities as are conferred on it by this Act or any enactment other than this Act, or as are necessary, conducive, or incidental to the attainment of the general object for which it is established and to the exercise of its functions and powers
- 30 under this Act or under any other enactment.

Cf. 1944, No. 16, s. 11; 1972, No. 117, s. 16

19. Contracts for transport of wool from New Zealand—

- 35 (1) Subject to this Act, every contract for the carriage of any wool by sea or air for export from New Zealand shall be made either—
- (a) By the Board, acting in its own right or as the agent of the owners of that wool or of other persons having the authority to export that wool; or
- 40 (b) By a person other than the Board, in conformity with conditions (if any) prescribed or approved by the Board.

(2) Every such contract made otherwise than in conformity with this section shall be void.

(3) Every person other than the Board who exports any wool from New Zealand shall, on making entry therefor under the Customs Act 1966, and before such entry has been passed, produce to the Collector or other officer of Customs sufficient evidence to satisfy him that the contract for the carriage of that wool is in conformity with conditions (if any) prescribed or approved by the Board.

Cf. 1972, No. 117, s. 15

20. Acquisition of shares and other property—(1) Subject to subsection (2) of this section, the Board may from time to time—

(a) Subscribe for or otherwise acquire shares, stock, or debentures of or other interests in any company or body corporate, whether incorporated in New Zealand or elsewhere, carrying on or proposing to carry on operations that include any of the activities referred to in section 17 (1) (a), section 18 (1) (a), or section 18 (2) of this Act:

(b) Advance money to any such company or body corporate:

(c) Give such guarantees, indemnities, or other securities as it thinks fit to or for the benefit of any such company or body corporate.

(2) In respect of any such company or body corporate incorporated outside New Zealand, the Board shall not exercise any power under subsection (1) of this section except with the consent of the Minister given after consultation with the Minister of Finance.

(3) The Board may from time to time acquire patents, trade marks, licences, inventions, or the right to use any process or technique, or any interest in any such property, that it deems necessary or desirable to have for the purpose of exercising any of its functions.

(4) Subject to subsection (2) of this section, the Board may enter into such agreements or arrangements as may be necessary to give effect to this section.

(5) The powers conferred on the Board by this section are in addition to and shall not be deemed to limit any other powers conferred on the Board by this Act or any other enactment.

5 Cf. 1944, No. 16, s. 11A; 1972, No. 117, s. 17

21. Power of Board to control sale, disposal and export of wool—(1) Without limiting any of the powers conferred on it by this Act or otherwise howsoever, the Board shall have full authority to make and carry out such arrangements and
10 give such directions as it thinks proper for all or any of the following purposes:

- (a) For prohibiting, restricting, regulating, or controlling the sampling, sale, offering for sale, disposal, or exporting of any wool by any person:
- 15 (b) For the consignment of any wool that is intended for export:
- (c) Generally for all such matters as are necessary for the exercise of the functions and powers of the Board under this Act.

20 (2) An arrangement or direction made or given by the Board under this section may—

- (a) Relate to all wool or to wool of a specified type, class, kind, description, or quantity;
- (b) Be limited to a specified time or period;
- 25 (c) Be absolute or conditional;
- (d) Be general, or have an application limited to all or any of the following:
 - (i) A specified person or class of person;
 - (ii) A specified place or area, or class of place or
30 area;
 - (iii) A specified market or class of market.

(3) Any such conditional arrangement or direction may allow any thing to be done—

- 35 (a) Under the authority of an approval to be granted by the Board subject to such conditions (if any), not inconsistent with the provisions of the arrangement or direction, as the Board imposes; or
- (b) Subject to such conditions as may be prescribed in the arrangement or direction or by regulations
40 made under this Act.

(4) The Board may from time to time vary or revoke any direction or approval given under or by virtue of this section.

(5) Notice by the Board of the giving, variation, or revocation of any direction or approval given under or by virtue of this section may be given either by writing served on any person to whom the direction, approval, variation, or revocation applies, or by publication of the notice in the *Gazette*; and subject to the provisions of this Act, every such notice shall— 5

(a) Take effect when it is served or published, as the case may be, or at such later time as may be specified in that behalf in the notice; and 10

(b) Have effect according to its tenor; and

(c) Be binding on all persons to whom it is applicable. 15

Cf. 1972, No. 117, s. 18

Licences

22. Certain activities to be carried on under licence from Board—(1) Subject to the provisions of this Act, after such date as the Board may by public notice appoint, no person shall, in the course of business, whether as principal, agent, or otherwise, receive, store, or appraise any wool that has not previously been sold in New Zealand in any premises, or permit any such wool to be so received, stored, or appraised, except— 20

(a) Under the authority of a wool receiving licence in respect of those premises held by the person owning the business carried on in the premises; and 25

(b) In conformity with such conditions as may be imposed by the Board and specified in the licence. 30

(2) Subject to the provisions of this Act no person shall export any wool, whether as principal, agent, or otherwise, except—

(a) Under the authority of a licence to do so issued by the Board and held by that person; and 35

(b) In conformity with such conditions as may be imposed by the Board and specified in the licence.

(3) Subject to the provisions of this Act, every licence to which this section applies shall continue in force until it is surrendered or revoked. 40

(4) For the purposes of this Act, a licence under the Wool Marketing Corporation Act 1972 to export wool, that was in

force immediately before the commencement of this Act, shall be deemed to be the equivalent licence granted under this Act, and may be suspended, revoked or surrendered, or have any condition added, varied, or revoked, accordingly.

- 5 (5) Different dates may be appointed by the Board under this section in respect of different activities to which this section applies.

Cf. 1972, No. 117, s. 19

- 10 **23. Grant, refusal, revocation, etc., of licence—**(1) The Board may from time to time in its discretion, for the purposes of section 22 of this Act, grant any licence either unconditionally or subject to such conditions as it thinks fit.

- 15 (2) The Board may refuse, suspend, or revoke any such licence, or add any condition thereto, or vary or revoke any condition thereof.

- 20 (3) Without limiting the generality of subsection (1) of this section, a licence relating to the use of any premises as a licensed store may be granted on condition that the premises shall conform to such minimum standards, whether as to area, lighting, ventilation, capacity, or otherwise howsoever, as in the opinion of the Board are necessary for the proper storage, handling, preparation, and appraisal of wool.

Cf. 1972, No. 117, s. 20

- 25 **24. Transfer of licence—**Except with the consent in writing of the Board, the holder of a licence granted under section 23 of this Act shall not—

- 30 (a) Assign, sublet, transfer, or otherwise dispose of, or permit any other person to participate in the benefit of, his licence, or his interest in the business carried on under the licence; or

- (b) Sell, transfer, let or otherwise dispose of the premises of any licensed store.

Cf. 1972, No. 117, s. 21

- 35 **25. Delivery of wool to licensed store—**(1) Without limiting the generality of section 21 of this Act, the Board may from time to time direct that any wool that the Board is obliged to purchase under Part V of this Act shall be delivered only to a specified licensed store.

(2) Section 21 of this Act shall apply to a direction given under this section as if the direction were given under that section.

Cf. 1972, No. 117, s. 22

26. Power of Board to make *ex gratia* payments to persons in special cases—If the Board— 5

(a) Under section 23 of this Act,—

(i) Refuses to grant a licence; or

(ii) Suspends or revokes a licence; or

(iii) Varies a licence by adding any condition thereto or revoking or varying any condition thereof or by varying the period thereof; or 10

(b) Refuses an application for consent to any transaction requiring its consent under section 24 of this Act— and the Board is satisfied that as a direct result of its decision the applicant for or the holder of the licence, as the case may be, will suffer or has suffered substantial financial hardship that he would not otherwise have suffered in the ordinary course of his business, it may in its absolute discretion, after consultation with the Minister, pay to the applicant or holder any sum it thinks fit. 15 20

Cf. 1972, No. 117, s. 23

Appeals

27. Appeals in respect of licences and transfers—(1) Subject to subsection (2) of this section, if the Board— 25

(a) Under section 23 of this Act—

(i) Refuses to grant a licence; or

(ii) Suspends or revokes a licence; or

(iii) Varies a licence by adding any condition thereto or revoking or varying any condition thereof, or by varying the period thereof; or 30

(b) Refuses an application for consent to any transaction requiring its consent under section 24 of this Act— the applicant or the holder of the licence, as the case may be, may appeal to the Wool Industry Appeal Authority constituted under section 28 of this Act. 35

(2) No such appeal shall lie if the applicant or holder has accepted or has agreed to accept any sum from the Board under section 26 of this Act.

Cf. 1972, No. 117, s. 24

28. Wool Industry Appeal Authority—(1) For the purpose of hearing appeals under section 27 of this Act, there is hereby established a Wool Industry Appeal Authority consisting of a Chairman and 2 other members.

5 (2) The members of the Appeal Authority shall be appointed by the Governor-General on the recommendation of the Minister, who in the case of the appointment of the Chairman shall first consult the Minister of Justice.

10 (3) The Chairman of the Appeal Authority shall be a barrister or solicitor of not less than 7 years' practice of the Supreme Court, whether or not he holds or has held any judicial office; and he may hold office as Chairman concurrently with any other office.

15 (4) Every member of the Appeal Authority shall be appointed for a term of 3 years, but shall be eligible for re-appointment from time to time.

20 (5) Any member of the Appeal Authority may at any time be removed from office by the Governor-General for disability, bankruptcy, neglect of duty, or misconduct, proved to the satisfaction of the Governor-General, or may at any time resign his office by writing addressed to the Minister.

(6) If any member of the Appeal Authority dies, or resigns, or is removed from office, the vacancy thereby created shall be filled by the appointment of a person in the same manner as the appointment of the vacating member; and a person so appointed shall be appointed for the residue of the term for which the vacating member was appointed.

(7) The powers of the Appeal Authority shall not be affected by a vacancy in its membership.

30 (8) The Wool Industry Appeal Authority is hereby declared to be a statutory Board within the meaning of the Fees and Travelling Allowances Act 1951; and there shall be paid to the Chairman and other members of the Appeal Authority, out of money appropriated by Parliament for the
35 purpose, remuneration by way of fees or allowances and travelling allowances and expenses in accordance with that Act, and the provisions of that Act shall apply accordingly.

Cf. 1972, No. 117, s. 25

29. Procedure on appeal—(1) Every appeal under section 27 of this Act shall be by notice of appeal in writing sent in
40 duplicate to the Board at its head office within 21 days after the date on which the decision of the Board was notified to the appellant.

(2) The notice of appeal shall state the reasons for the appeal and the relief sought.

(3) One copy of the notice of appeal shall forthwith be referred by the Board to the Appeal Authority.

(4) The Board may also, if it thinks fit, and shall if the Appeal Authority so directs, lodge with the Appeal Authority a report setting out the considerations to which it had regard in making the decision appealed against, including any material indicating the effect that the decision might have on the object or general administration of this Act, and any other matters relevant to the decision or to the object or general administration of this Act, that it wishes to draw to the attention of the Appeal Authority.

(5) Where any such report is so lodged, the Appeal Authority may direct that a further report be lodged by the Board.

(6) A copy of every report lodged pursuant to subsection (4) or subsection (5) of this section shall be given or sent forthwith by the Board to the appellant; and the appellant and the Board shall be entitled to be heard and to tender evidence on any matter referred to in the report.

(7) As soon as practicable after the receipt of any notice of appeal, the Appeal Authority shall fix a time and place for the hearing of the appeal, and shall cause not less than 10 clear days' notice thereof to be sent to the appellant and the Board.

Cf. 1972, No. 117, s. 26

30. Hearing and determination of appeal—(1) At the hearing of the appeal the Board, and the appellant if a body corporate, may be represented by counsel or by an officer of the Board or body corporate, as the case may be; and if the appellant is an individual he may appear and act personally or by counsel.

(2) If there is no appearance of the appellant or his counsel or representative at the time appointed for hearing the appeal, his appeal shall be dismissed unless the Wool Industry Appeal Authority is satisfied that there is good cause for the failure to appear.

(3) If the appellant does not prosecute his appeal with due diligence, the Board may apply to the Appeal Authority for the dismissal of the appeal.

(4) On any appeal the Appeal Authority shall have regard to—

(a) The general object for which the Board is established:

5 (b) The question whether the decision appealed against was in furtherance of that object and the provisions of section 17 of this Act:

(c) Any report lodged by the Board under section 29 of this Act and any matters referred to therein (whether or not such matters would be otherwise admissible in evidence), and any evidence tendered thereon:

10 (d) In the case of the revocation or suspension of a licence, the question whether the revocation or suspension was because of a breach of any term or condition of the licence:

15 (e) All other relevant circumstances.

(5) In the exercise of its powers under this section, the Appeal Authority may receive as evidence any statement, document, information, or matter that in its opinion may assist it to deal with matters before it, whether or not the same would be admissible in evidence in a Court of law.

20 (6) The Appeal Authority shall, within the scope of its jurisdiction, be deemed to be a Commission of Inquiry under the Commissions of Inquiry Act 1908, and, subject to the provisions of this Act, all provisions of that Act, except sections 2 and 4A, shall apply accordingly.

25 (7) Subject to subsection (4) of this section, on the hearing of any appeal the Appeal Authority may—

30 (a) Confirm, reverse, or modify the decision appealed against; or

(b) Refer to the Board for further consideration the whole or any part of the matter to which the appeal relates.

35 (8) Where any matter is referred to the Board under subsection (7) of this section, the Appeal Authority shall advise the Board and the appellant of its reasons for so doing and shall give such directions as it thinks just as to the reconsideration or otherwise of the whole or any part of the matter that is so referred.

40 (9) The decision of not fewer than 2 members shall constitute the decision of the Appeal Authority, and every such decision shall be final and binding.

(10) On the determination of the appeal the Appeal Authority shall cause a memorandum of its decision to be sent to the Board, and the Board shall forthwith take all steps necessary to give effect to that decision.

(11) If the decision appealed against was the suspension, revocation, or variation of a licence, the operation of that decision shall be suspended until the final determination of the appeal by the Appeal Authority. 5

(12) Subject to this Act and to any regulations made thereunder, the Appeal Authority may regulate its own procedure. 10

Cf. 1972, No. 117, s. 27

PART II

MINIMUM PRICES SCHEME

31. Approval of auction sales—The Board may from 15 time to time, after consulting with such other persons or bodies as it thinks fit, approve for the purposes of this Part of this Act auction sales in New Zealand or the United Kingdom; and, subject to section 36 of this Act, this Part of this Act shall apply only to greasy and scoured wool (being 20 wool not previously having been sold) offered for sale at approved auctions.

Cf. 1972, No. 117, s. 29

32. Table of minimum prices—(1) The Board may at any 25 time submit to the Minister for approval the basis upon which it intends to calculate a table of minimum prices for wool to which this Part of this Act applies, to be applicable after a specified date, and subject to subsection (3) of this section the Minister may approve or refuse to approve it.

(2) In preparing a submission pursuant to this section, 30 the Board shall have regard to the following matters:

(a) Current trends and prospects in international markets, and in prices of commodities generally, and particularly those commodities that enter substantially into 35 world trade:

(b) Current and prospective market prices for various types of wool:

- (c) The financial resources available to the funding account in the light of both the amounts credited to that account by Government and grower contributions from the funding levy, and the capacity of the Board to borrow money and credit it to that account:
- (d) The maintenance of the production of wool in New Zealand:
- (e) Such other matters as the Board thinks relevant.
- 10 (3) Except in circumstances that are in the opinion of the Minister exceptional, he shall not approve any basis of calculation that would result in—
- (a) A table of prices such that the average price, calculated in accordance with section 33 of this Act, is greater
- 15 by more than 10 percent or less by more than 5 percent than the average price, so calculated, derived from the table of prices for the time being in force; or
- (b) During any period of 12 months ending with the 30th
- 20 day of June, more than one such table of prices.
- (4) Every table of prices shall come into force on the day the basis on which it is calculated is approved by the Minister or such later date as the Board and the Minister may agree, and shall continue in force until a further table of prices comes
- 25 into force.
- (5) The table of minimum prices under section 28 of the Wool Marketing Corporation Act 1972 in force immediately before the commencement of this Part of this Act shall be deemed to be a table of prices the basis for the calculation of
- 30 which was approved by the Minister under this section on the commencement of this Part of this Act.

Cf. 1972, No. 117, s. 28

33. Calculation of averages—The average price of any table of prices shall be a weighted average calculated on the basis

35 of the greasy wool and scoured wool appraised by the Board during the period of 12 months that ended with the 30th day of June before the table of prices came into force:

Provided that where the Board and the Minister agree that the greasy wool and scoured wool appraised by the

40 Board during some other period of 12 months would provide a more accurate average, the average shall be calculated on the basis of that wool.

34. Assignment of minimum prices—The Board shall cause to be assigned to each lot of wool to which this Part of this Act applies offered at any approved auction the appropriate minimum price ascertained from the table of prices for the time being in force. 5

Cf. 1972, No. 117, s. 30

35. Board to supplement prices—Where any wool to which this Part of this Act applies is sold at an approved auction at a price less than the minimum price applicable to it, the Board shall cause to be paid to the vendor out of the funding 10 account such amount as may be necessary to raise the sale price to the minimum price.

Cf. 1972, No. 117, s. 31

36. Sales otherwise than at auction—(1) Notwithstanding section 31 of this Act, the Minister may from time to time, 15 on the recommendation of the Board, direct that section 35 of this Act shall, for such period as he may direct, apply to such greasy wool sold in New Zealand otherwise than at auction as he may direct; and in that case, where any such 20 wool is sold during that period, there shall be paid out of the funding account, in accordance with regulations made under this Act, an amount equal to the amount (if any) by which the minimum price assigned to similar wool in the table of prices for the time being in force exceeds the market price, 25 ascertained in accordance with those regulations, for similar wool at the time of sale.

(2) Any person who, for the purpose of obtaining a supplementary payment under this section, in any return, certificate, or document under this Act or regulations made under 30 this Act, makes a statement false in any material particular, knowing it to be false, or who, with intent to defraud, fails to disclose to the Board that any wool in respect of which a payment is claimed or paid under this section is not eligible 35 for that payment, commits an offence under this Act, and shall be liable on summary conviction to a fine not exceeding \$5,000.

Cf. 1972, No. 117, s. 32

PART III

MINIMUM PRICE FUNDING SCHEME

37. Minimum price funding levy—(1) There shall be paid 40 to the Board, in accordance with and at such rates as may be

prescribed by regulations made under this Act, a levy to be called the minimum price funding levy on all greasy wool and scoured wool produced in New Zealand upon which the wool income stabilisation levy under the Wool Income
 5 Stabilisation Regulations 1976 neither has been paid nor is payable.

(2) The funding levy shall become payable on wool sold in New Zealand if the gross proceeds from its sale—

- (a) At an approved auction; or
- 10 (b) Through a broker; or
- (c) To a registered private wool buyer; or
- (d) To a manufacturer—

(whichever may be the soonest) exceed its value calculated on the basis of the minimum price assigned to wool of its
 15 type in the table of prices in force at the time of the sale.

(3) Subject to subsection (4) of this section, the funding levy shall become payable on wool exported from New Zealand that has not previously been sold in New Zealand—

- (a) At an approved auction; or
- 20 (b) Through a broker; or
- (c) To a registered private wool buyer; or
- (d) To a manufacturer—

if the gross proceeds from its sale for the first time outside New Zealand (less such amounts in respect of freight, marine
 25 insurance, and port service charges, as may be specified in regulations made under this Act) exceed its value calculated on the basis of the minimum price assigned to wool of its type in the table of prices in force at the time of the sale.

(4) Where there is exported from New Zealand wool that
 30 has not previously been sold in New Zealand—

- (a) At an approved auction; or
- (b) Through a broker; or
- (c) To a registered private wool buyer; or
- (d) To a manufacturer—

35 and the Board is satisfied that the wool is intended to be sold outside New Zealand otherwise than through a person who is an agent of the Board for the collection of the funding levy, the Board may cause that wool to be valued before it is exported; and in that case the funding levy shall become
 40 payable on that wool if the value ascertained for it exceeds the minimum price assigned to wool of its type in the table of prices in force at the time of the valuation.

(5) Where the deduction from the gross proceeds of the sale, delivery, or export of any wool of the funding levy results in a net price less than the minimum price assigned to it in the table of prices then in force, there shall be refunded to the person paying the funding levy, out of the funding account, such amount as may be required to raise that net price to that minimum price. 5

Cf. S.R. 1976/179, Reg. 3

38. Minimum Wool Prices Funding Account—(1) The Board shall maintain at the Reserve Bank of New Zealand an account known as the Minimum Wool Prices Funding Account. 10

(2) The funding account shall be operated on only by cheque or other instrument (not being a bill or promissory note) signed by such person or persons as are from time to time authorised by the Board in that behalf. 15

(3) With the prior consent in writing of the Minister of Finance, and on such terms and conditions as he may from time to time approve, the Reserve Bank of New Zealand may grant the Board, and the Board may receive from the Reserve Bank, accommodation by way of overdraft in aid of the funding account, and that account may be overdrawn accordingly. 20

Cf. S.R. 1976/179, Reg. 16

39. Money payable into and out of funding account—

- (1) The Board shall pay into the funding account: 25
- (a) All amounts received by the Board by way of funding levy or as an additional levy payable pursuant to regulations made under this Act in respect of the late payment of any amount of funding levy:
 - (b) All interest received by it in respect of money in the funding account: 30
 - (c) The balance of money held in the Wool Income Stabilisation Account at the Reserve Bank established pursuant to regulation 16 of the Wool Income Stabilisation Regulations 1976 immediately before the commencement of this Act: 35
 - (d) Repayments of money borrowed from the funding account pursuant to section 40 of this Act together with any interest payable thereon:

- (e) Any money held in the retention account pursuant to section 45 of this Act that remains unclaimed after one year after it has become repayable under regulations made under this Act and after the Board has made all reasonable efforts to the satisfaction of the Minister of Finance to locate the person entitled to be paid it:
- (f) Any other money that the Minister and the Board may from time to time agree should so be paid.
- (2) Money shall be paid out of the funding account for the following purposes only—
- (a) Making payments under section 35, section 36, or section 37 (3) of this Act, or under regulations made under this Act:
- (b) Paying such costs incurred by or on behalf of the Board in administering Parts II and III of this Act as the Minister of Finance may from time to time approve:
- (c) Paying any interest in respect of an overdraft from the Reserve Bank incurred pursuant to section 38 (3) of this Act.

Cf. S.R. 1976/179, Reg. 17

- 40. Borrowing by Board from funding account**—Notwithstanding section 39 of this Act, the Board may use such amount of the money in the funding account, and for such wool trading purposes, as the Minister may from time to time approve; and all money so used shall be deemed to be money borrowed from the funding account by the Board and repayable to the funding account by the Board together with interest thereon at such rate as the Minister may, at the time of giving his approval, direct.

Cf. S.R. 1976/179, Reg. 17 (2) (c)

PART IV

INDIVIDUAL GROWER INCOME LEVY RETENTION SCHEME

- 41. Trigger prices**—(1) As soon as may be practicable after the 1st day of July in every year the Minister shall, after consultation with the Board, fix trigger prices by notice in the *Gazette* in respect of specified categories of wool; and every trigger price so fixed shall remain in force until a further trigger price is so fixed in respect of the category of wool concerned.

(2) Except in circumstances that are in the opinion of the Minister exceptional, he shall not fix more than one trigger price in respect of any category of wool in any period of 12 months ending with the 30th day of June.

(3) In fixing any trigger price the Minister, and in its consultation with him the Board, shall have regard to the following matters: 5

- (a) The ruling prices and market prospects for the types of wool specified in the table of prices then in force: 10
- (b) The ruling prices and market prospects for other farm products, and in particular those associated with the wool growing industry: 10
- (c) The price levels considered to be desirable to maintain a viable and expanding sheep industry in New Zealand: 15
- (d) The economic stability of New Zealand:
- (e) Such other matters as are thought relevant.

Cf. S.R. 1976/179, Reg. 20

42. Grower retention levy—(1) Subject to subsection (5) of this section, there shall be paid to the Board, in accordance with regulations made under this Act, a levy to be called the grower retention levy on all greasy wool and scoured wool produced in New Zealand upon which the grower retention levy under the Wool Income Stabilisation Regulations 1976 neither has been paid nor is payable. 25

(2) The grower levy shall become payable on wool sold in New Zealand if the gross proceeds, after the deduction of the funding levy, from its sale—

- (a) At an approved auction; or
- (b) Through a broker; or 30
- (c) To a registered private wool buyer; or
- (d) To a manufacturer—

(whichever may be the soonest) exceed its value calculated on the basis of the minimum price assigned to wool of its type in the table of prices in force at the time of the sale. 35

(3) Subject to subsection (4) of this section, the grower levy shall become payable on wool exported from New Zealand that has not previously been sold in New Zealand—

- (a) At an approved auction; or
- (b) Through a broker; or 40
- (c) To a registered private wool buyer; or
- (d) To a manufacturer—

if the gross proceeds, after the deduction of the funding levy, from its sale for the first time outside New Zealand (less such amounts in respect of freight, marine insurance, and port service charges, as may be specified in regulations made under this Act) exceed its value calculated on the basis of the minimum price assigned to wool of its type in the table of prices in force at the time of the sale.

(4) Where there is exported from New Zealand wool that has not previously been sold in New Zealand—

- 10 (a) At an approved auction; or
- (b) Through a broker; or
- (c) To a registered private wool buyer; or
- (d) To a manufacturer—

and the Board is satisfied that the wool is intended to be sold outside New Zealand otherwise than through a person who is an agent of the Board for the collection of the funding levy, the Board may cause that wool to be valued before it is exported; and in that case the grower levy shall become payable on that wool if the value ascertained for it, after the deduction of the funding levy, exceeds the minimum price assigned to wool of its type in the table of prices in force at the time of the valuation.

(5) The grower levy shall not be payable on wool sold (otherwise than at an auction or as a contribution to a period pooling system) in a quantity less than a minimum for the time being prescribed by regulations made under this Act or, where no such minimum is so prescribed, less than 100 kg.

(6) Where the deduction of the grower levy from the residue of the gross proceeds of the sale, delivery, or export of any wool after the deduction of the funding levy results in a net price less than the minimum price assigned to it in the table of prices then in force, there shall be refunded to the person paying the grower levy, out of the retention account, such amount as may be necessary to raise that net price to that minimum price.

(7) The person responsible for the payment of the grower levy on any wool shall be the person who was its legal owner immediately before it was sold, delivered, or exported, as the case may be.

40 Cf. S.R. 1976/179, Regs. 18, 22

43. Notional prices—The Governor-General may from time to time by Order in Council make regulations providing for the calculation or ascertaining of notional prices for wool to be assigned to categories of wool for the purpose of calculating the grower levy payable on it. 5

Cf. S.R. 1976/179, Reg. 21

44. Rate of grower levy—The grower levy shall be paid on the gross proceeds from the sale, delivery, or export of wool of any category (as calculated in accordance with regulations made under this Act) at the following rates: 10

- (a) Where the appropriate notional price in force on the date of sale, delivery, or export, as the case may be, is not more than the appropriate trigger price then in force, nil:
- (b) Subject to paragraph (c) of this section, in all other cases at a rate, expressed as a percentage, bearing the same relation to 100 as half the difference between the appropriate notional price applicable to the day of sale, delivery, or export, as the case may be, and the appropriate trigger price then in force bears to that notional price: 15 20
- (c) Where the rate calculated in accordance with paragraph (b) of this subsection is less than one half of one percent, nil. 25

Cf. S.R. 1976/179, Reg. 19

45. Wool Income Retention Account—(1) The Board shall forthwith upon its receipt pay all money received by it by way of grower levy into an account to be known as the Wool Income Retention Account which it shall establish at the Reserve Bank of New Zealand; and no money shall be paid out of that account except in accordance with regulations made under this Act. 30

(2) The retention account shall be operated on only by cheque or other instrument (not being a bill or promissory note) signed by such person or persons as are from time to time authorised by the Board in that behalf. 35

(3) The Board shall record details of all money paid into the retention account by or on behalf of, or paid out of the retention account to or in respect of, any person.

(4) There shall be paid into the retention account all money held in the Wool Income Retention Account established pursuant to regulation 24 of the Wool Income Stabilisation Regulations 1976 immediately before the commencement of this Part of this Act; and that account is hereby closed.

Cf. S.R. 1976/179, Reg 24

46. Retained money not alienable—No person shall be capable of assigning or charging any money in the retention account paid into it by him or on his behalf, or the right to be paid any such money; and every purported assignment or charging of any such money or right shall be void.

Cf. S.R. 1976/179, Reg. 26

PART V

ANNUAL POOLING AND MARKETING OF WOOL BY BOARD

47. Board to purchase and market wool—Subject to the provisions of this Act, all wool that is offered for sale for the first time after the commencement of this Part of this Act shall—

- (a) Be purchased by the Board at the appropriate price fixed in accordance with this Part of this Act; and
- (b) Be marketed by the Board.

Cf. 1972, No. 117, s. 33

48. Board to pool all wool purchased—The Board shall pool all wool purchased by it pursuant to this Part of this Act during any period of 12 months ending with the 30th day of June, together with all wool previously so purchased by the Board that had not been sold again by the Board at the commencement of the period.

49. Powers of Board as to purchase and marketing—(1) Without limiting any of the powers conferred on it by this Act or otherwise howsoever, the Board shall have full authority to make and carry out such arrangements and give such directions as it thinks proper for all or any of the following purposes:

- (a) For the purchase, marketing and exporting of any wool by or on behalf of the Board;
- (b) For the insurance against loss of any wool purchased by the Board:

(c) For the establishment of a fund for the purpose of meeting any loss of or damage to wool purchased by the Board or for the taking of such other steps as the Board thinks fit for that purpose:

(d) Generally for all such matters as are necessary to give effect to this Part of this Act. 5

(2) Section 21 of this Act shall apply to any arrangement made or direction given under this section as if the arrangement or direction were made or given under that section.

Cf. 1972, No. 117, s. 34

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50. Fixing of prices for wool purchased by Board—(1) As soon as may be practicable after the 1st day of June in each year the Board, after consultation with the Minister, shall fix the prices to be paid by it for wool purchased by it under this Part of this Act; and thereafter, until further such prices are fixed by the Board after such consultation, it shall pay the prices so fixed for wool purchased by it: 15

Provided that no such prices fixed while any money borrowed from the Reserve Bank of New Zealand under section 56 (6) of this Act has not been repaid shall have effect without the prior approval of the Minister. 20

(2) Except where the Minister informs the Board that in his opinion exceptional circumstances warrant its doing so, the Board shall not fix any such prices more than once in any period of 12 months ending with the 30th day of June; but where the Board so fixes any such prices for a second or subsequent time in any such period and any of those prices is higher than the price fixed earlier during that period, for a wool of the type concerned, the Board may pay to any person from whom it bought wool of the type concerned during that period of the lower rate an amount sufficient to bring the total payment made to him up to the amount he would have received had he been paid at the higher rate. 25 30

(3) The prices to be paid by the Board for wool to be purchased by it under this Part of this Act between its commencement and the next succeeding 30th day of June may at any time be fixed in accordance with this section as if this section were already in force. 35

(4) In the fixing of prices under this section the Board shall have regard to section 17 (3) of this Act and to the general object for which the Board is established. 40

(5) For the purposes of this section, a price shall be fixed for each type of wool, and different prices may be fixed according to different yields for each such type.

(6) The Board shall give public notice in such manner as it thinks fit, of all prices fixed under this section.

Cf. 1972, No. 117, s. 35

51. Payment of price for wool purchased by Board—

(1) Subject to any regulations made under this Act, the price payable for any wool purchased by the Board under this Part of this Act shall be paid at such time after the appraisal of the wool, and in such manner, as may be determined by the Board.

(2) For the purposes of this section any grower may appoint any person being the holder of the wool receiving licence for the licensed store to which the grower's wool is sent, or a representative of that person, to be the grower's agent in respect of the acceptance or otherwise of any appraisal of the grower's wool made by or on behalf of the Board.

(3) If any dispute arises between the Board and the grower or his agent as to the appraisal of the grower's wool, the following provisions shall apply:

(a) The grower or his agent may elect to have the characteristics of the wool tested by the New Zealand Wool Testing Authority under the Wool Testing Authority Act 1964, or by some other testing house approved by the Board; and the Board shall then reappraise the wool having regard to the result of the test:

(b) Alternatively, the grower or his agent may have the wool reappraised by a duly qualified person (not being an employee of the Board or the holder of the wool receiving licence for the licensed store) acceptable to the grower or his agent and to the Board; and any such reappraisal shall be binding on the grower and on the Board:

(c) If as a result of any appraisal under this subsection the grower will receive for the wool a price higher than that resulting from the original appraisal, the cost of the testing under paragraph (a), or of the reappraisal under paragraph (b), of this subsection shall be borne by the Board, but in any other case it shall be borne by the grower.

(4) Without limiting the generality of section 71 of this Act, regulations made under that section may provide for the payment of remuneration to persons reappraising wool under subsection (3) (b) of this section, at such rates as may be fixed by the regulations or by the Director-General of Agriculture and Fisheries thereunder. 5

Cf. 1972, No. 117, s. 36

52. Distribution of profits—(1) Subject to subsection (3) of this section, the Board may in any financial year distribute, to such extent and in such manner as it may decide, the whole or any part of its profits from its operations under this Part of this Act at the end of the preceding financial year, having regard to the need for the retention by the Board of any amount for market development, capital expenditure, and provision for reserves, and the need to maintain its capital funds. 10 15

(2) In making payments to or for the benefit of growers under this section the Board shall ensure that the payments so made properly reflect the types of the wool purchased from the grower and the prices paid and received for those types of wool. 20

(3) Not more than half of the amount of the said profits may be so distributed without the consent of the Minister.

Cf. 1972, No. 117, s. 43

53. Unlawful sale of wool—Subject to the provisions of this Act, every person commits an offence against this Act who— 25

- (a) Being a grower, sells to any person other than the Board any wool produced by him that the Board is obliged to purchase under this Part of this Act; or 30
- (b) Not being the Board or a grower, sells to any person other than the Board any wool that the Board is obliged to purchase under this Part of this Act and that has not previously been purchased from the Board by the person who effects the sale or by some other person. 35

Cf. 1972, No. 117, s. 37

54. Exemptions—The Governor-General may, from time to time, by Order in Council or by regulations made under section 71 of this Act on the advice of the Minister acting 40

on the recommendation of the Board exempt from the operation of this Part of this Act any specified type or class or kind or description of wool, or wool to be used for any specified purpose, or the sale of any specified quantity of wool.

Cf. 1972, No. 117, s. 46

PART VI

FINANCIAL PROVISIONS

10 **55. Bank accounts**—(1) The Board may establish at the Reserve Bank of New Zealand, or at any branch of any trading bank in New Zealand, such accounts in addition to the funding account and the retention account as the Board may from time to time think desirable for the purposes of this Act.

15 (2) Subject to the Reserve Bank of New Zealand Act 1964 and to any regulations made under that Act, the Board may establish at any bank or branch of a bank outside New Zealand such accounts as the Board may think desirable for the purposes of this Act.

20 (3) Every such account shall be operated upon only by cheque or other instrument (not being a bill or promissory note) signed by such person or persons as may from time to time be authorised in that behalf by the Board.

Cf. 1972, No. 117, s. 38

25 **56. Borrowing powers**—(1) For the purposes of this Act, the Board may from time to time borrow money—

(a) In New Zealand; or

(b) Subject to the Reserve Bank of New Zealand Act 1964 and to any regulations made under that Act, outside New Zealand—

30 on such terms and conditions as it thinks fit.

(2) The Board may from time to time issue bonds, stock, or other securities at such rates of interest and on such terms and conditions as it may determine.

35 (3) For the purposes of subsection (2) of this section, the Board may by deed appoint a trustee for bond holders or stock holders and make provision in the deed for giving of security for money owing under any bonds or stock issued by the Board, for the establishment of special accounts in connection with the repayment of any such money, and for

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such matters incidental to the issue and repayment of bonds or stock as the Board thinks fit, and may from time to time vary any such provision.

(4) Where pursuant to subsection (2) of this section the Board issues any bonds or stock, the bonds or stock may be inscribed or registered in the books of the Reserve Bank of New Zealand on terms agreed upon between the Board and the Reserve Bank, and for the purposes of this subsection the Board shall be deemed to be a public body within the meaning of section 9 (1) (k) of the Reserve Bank of New Zealand Act 1964; and the Board and the Reserve Bank may enter into contracts accordingly as if any bonds or stock issued by the Board were stock within the meaning of that paragraph.

(5) For the purposes of this section, the Board may mortgage or charge any of its real or personal property.

(6) Without limiting the generality of subsection (1) of this section, if at the end of any financial year the Board's accounts disclose a loss on its wool trading activities or the Board has accumulated stocks of wool, it may borrow from the Reserve Bank of New Zealand and the Reserve Bank may advance to the Board, on such terms and conditions as may be agreed upon between them and approved by the Minister of Finance, a sum not exceeding the amount of any such loss, together with the amount by which the value of any such accumulated stocks at the end of that year exceeds the value of its stocks of wool at the beginning of that year; and for the purposes of this subsection the value of any such wool shall be the purchase price paid (together with the sum of the amounts paid for freight, storage, insurance and other charges) or the market value, whichever is the lower.

(7) The Minister of Finance, on behalf of the Crown, may guarantee under the Public Revenues Act 1953 any advance made to the Board.

Cf. 1944, No. 16, s. 19; 1972, No. 117, s. 39

57. Investment of funds of Board—Without limiting the powers of the Board under this Act or otherwise howsoever, any money of the Board available for investment may from time to time be invested by the Board in the following manner:

- (a) In New Zealand Government securities; or
- (b) On deposit in any trading bank; or

(c) In such other manner, or in such other securities, as may from time to time be authorised by the Minister of Finance.

Cf. 1944, No. 16, s. 19A; 1972, No. 117, s. 41

5 **58. Exemption from taxation**—The Board shall be exempt from land tax and income tax.

Cf. 1972, No. 117, s. 42

Levy on Wool

10 **59. Levy on wool**—(1) For the purposes of providing funds to enable the Board to carry out its functions of promotion and research and of meeting the administrative costs associated with those functions, there may from time to time be charged and made payable to the Board, in accordance with this Act and with regulations made thereunder, a levy, to be
15 called the Wool Board levy, on all wool produced in New Zealand that at any time after the commencement of this Act is—

- (a) Sold in New Zealand; or
- 20 (b) Delivered to a manufacturer in New Zealand; or
- (c) Delivered to a scourer in New Zealand; or
- (d) Exported from New Zealand:

Provided that no wool shall be subject to the levy more than once.

25 (2) The Wool Board levy may be charged in respect of all such wool as aforesaid, or in respect of such class or classes of such wool as may be prescribed by the said regulations.

(3) Every amount of money paid to the Board by way of Wool Board levy shall be paid into a separate account or accounts maintained by the Board, and, subject to subsection
30 (5) of this section shall be spent solely on promotion and research, and associated administrative costs.

(4) For the purposes of this section, the net liquid assets of the former Wool Board immediately before the commencement of this Part of this Act shall be deemed to have been
35 paid to the Board by way of Wool Board levy.

(5) There shall be paid from the levy receipts such fees and administrative charges as may be incurred by or on behalf of the Board in relation to the collection thereof as may from time to time be approved by the Board.

(6) Except to the extent authorised by the Minister, no money other than that paid to the Board by way of Wool Board levy shall be expended by the Board to promote the use of New Zealand wool or to undertake research into wool or sheep.

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Cf. 1944, No. 16, ss. 12, 13; 1972, No. 117, ss. 44, 45

PART VII

MISCELLANEOUS

60. Relief from contracts affected by Act—Where any contract is in force at the date of the coming into operation of any provision of this Act, or of any regulation made under this Act, or of any direction or other act of authority given or done under this Act or any such regulation, and compliance with the terms of the contract is prevented wholly or partially by the operation of that provision, direction, or other act of authority, then in respect of that prevention, and to the extent to which it results from the operation of that provision, direction or other act of authority, the parties to the contract shall, subject to any agreement between them to the contrary, be deemed for the purposes of the Frustrated Contracts Act 1944 to be discharged from the further performance of the contract, and all the provisions of that Act shall apply accordingly with all necessary modifications.

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Cf. 1972, No. 117, s. 47

61. Officers and agents of Board—(1) The Board may from time to time, on such terms and conditions (whether as to salaries, allowances, or otherwise) as it thinks fit, appoint a chief executive officer, and such other officers and employees as it thinks necessary for the efficient exercise of its functions and powers, and may at any time remove any officer or employee from his office or employment.

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(2) The Board may from time to time establish and maintain offices or employ and remove agents (whether within or outside New Zealand) for the conduct of its operations under this Act.

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(3) The Board may from time to time make payments to or subsidise the National Provident Fund or any fund or scheme approved by the Minister of Finance for the purpose of providing superannuation or retiring allowances for its officers and employees or their dependants.

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(4) Notwithstanding subsection (1) of this section, all persons who immediately before the commencement of this Part of this Act were officers or employees of the former Wool Board or the Corporation shall be deemed to become officers and employees of the Board on the commencement of this Part of this Act; and for the purposes of any fund or scheme for the purpose of providing superannuation or retiring allowances, the service of any such person as an officer or employee of the former Wool Board, the Corporation, or the former New Zealand Wool Commission established under the Wool Commission Act 1951 shall be deemed to have been service as an officer or employee of the Board.

Cf. 1944, No. 16, s. 10; 1972, No. 117, s. 48

62. Acquisition of houses for use of officers—(1) The Board may, if in its opinion it is expedient to assist its officers or employees to acquire housing accommodation, whether within or outside New Zealand—

- (a) Take on lease, rent, or purchase, land on which houses are erected, or flats; or
- (b) Purchase land and erect houses or flats; or
- (c) Take on lease or rent furnished houses or flats; or
- (d) Make advances, on such terms and conditions as it thinks fit, to its officers or employees for the purpose of enabling them to purchase for their own use land on which houses or flats are erected or to be erected, or to erect houses or flats for their own use, whether by way of bridging finance or otherwise.

(2) Where, pursuant to subsection (1) of this section, the Board—

- (a) Takes on lease, rents, or purchases any land on which a house is erected, or any flat; or
- (b) Erects a house or flat on any land that it has purchased; or
- (c) Takes on lease or rents any furnished house or flat,—it may let that house or flat, or, if it is unfurnished and is situated outside New Zealand, furnish it and let it, to any officer or employee of the Board for such term and at such rent and otherwise on such terms and conditions as it thinks fit.

(3) Where any house or flat owned by the Board or let to or rented by the Board is not required for occupation by any officer or employee of the Board, the Board may let it to any other person upon such terms and conditions as it thinks fit.

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Cf. 1944, No. 16, s. 20A; 1972, No. 117, s. 49

63. Insurance of directors and committee members—The Board may from time to time enter into contracts of insurance insuring directors, associate directors, and members of any committee appointed under section 12 of this Act against loss from personal accident arising out of and in the course of the exercise of their powers or duties as directors, associate directors, or members, and may pay the premiums payable in respect of such contracts.

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Cf. 1972, No. 117, s. 50

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64. Unauthorised expenditure—In any financial year the Board for purposes not authorised by this Act or by any other Act, may expend any sum or sums not amounting in the whole to more than \$2,000.

Cf. 1972, No. 117, s. 51

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65. Audit of accounts—(1) The accounts of the Board shall be audited by the Audit office, which for that purpose shall have all such powers as it has under the Public Revenues Act 1953 in respect of public money and public stores and the audit of local authorities' accounts.

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(2) Without limiting the generality of subsection (1) of this section, the Board shall supply to the Controller and Auditor-General, as soon as they become available to the Board, copies of the annual accounts and such other information in its possession as the Controller and Auditor-General may require of every body corporate to which the Board, the former Board, or the Corporation has advanced money that is not yet repaid, or shares, stock, or debentures of or other interests in which the Board holds.

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Cf. 1944, No. 16, s. 21; 1972, No. 117, s. 52

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66. Annual Report—(1) As soon as practicable after the end of every financial year the Board shall send to the Minister a report of its proceedings and operations for that year together with a copy of its audited accounts for that year.

(2) The Minister shall, as soon as may be practicable after their receipt, lay a copy of the report and of the accounts before Parliament.

Cf. 1972, No. 117, s. 53

5 **67. Authentication of documents**—(1) Except as otherwise expressly provided in this Act, any determination, notice, direction, requirement, consent, approval, or other instrument made, given, imposed, or issued by or on behalf of the Board shall be sufficiently authenticated if it is signed by the Chair-
10 man or a director of the Board, or by any officer of the Board on its behalf and by its direction; and it need not be under the seal of the Board.

(2) Every instrument purporting to have been signed in accordance with subsection (1) of this section shall, in the
15 absence of proof to the contrary, be deemed to have been duly signed.

Cf. 1972, No. 117, s. 54

68. Service of notices—(1) Any notice required to be served by the Board on any person for the purpose of this
20 Act may be served by causing it to be delivered to that person, or to be left at his usual or last known place of abode or business or at the address specified by him in any application, notice, or other document received from him by the Board, or to be posted in a letter addressed to him at that
25 place of abode or business or at that address.

(2) If any such notice is posted to any person by registered letter, it shall be deemed to have been served on him when it would have been delivered in the ordinary course of post; and in proving the delivery it shall be sufficient to prove that
30 the letter was properly addressed and posted.

Cf. 1972, No. 117, s. 55

69. Offences—Every person commits an offence against this Act who—

35 (a) Without reasonable excuse, acts in contravention of or fails to comply in any respect with any provision of this Act or any notice, direction, restriction, requirement, or condition given, made, or imposed under this Act or any regulations made under this Act:

- (b) With intent to deceive, makes any false or misleading statement or any material omission in any communication with or application or return to the Board or any duly authorised officer or employee of the Board (whether in writing or otherwise) for the purposes of this Act or of any regulations made under this Act: 5
- (c) Without reasonable excuse, refuses to furnish any return or information or particulars required by the Board or any duly authorised officer or employee of the Board for the purposes of this Act or of any regulations made under this Act: 10
- (d) Enters into any transaction, or makes any contract or arrangement purporting to do, whether immediately or at some future time or upon the happening of any event or contingency, anything that contravenes or will contravene any provision of this Act or regulations made under it: 15
- (e) Enters into any transaction, or makes any contract or arrangement, whether orally or in writing, or does any thing, for the purpose or having the effect of, in any way, whether directly or indirectly, defeating, evading, avoiding, or preventing the operation of this Act or any regulations made thereunder in any respect. 25

Cf. 1944, No. 16, s. 22; 1972, No. 117, s. 56; S.R. 1976/179, Reg. 30

70. Penalties—Every person who commits an offence against this Act for which no other penalty is prescribed in this Act shall be liable on summary conviction— 30

- (a) In the case of an individual, to a fine not exceeding \$500 and, if the offence is a continuing one, to a further fine not exceeding \$50 for every day on which the offence has continued;
- (b) In the case of a body corporate, to a fine not exceeding \$2,000 and, if the offence is a continuing one, to a further fine not exceeding \$200 for every day on which the offence has continued. 35

Cf. 1972, No. 117, s. 57

71. Regulations—(1) The Governor-General may from time to time, by Order in Council, make regulations for all or any of the following purposes: 40

- (a) Providing for, requiring, and regulating the submission of wool for appraisal, the places at which wool is to be appraised, and the appraisal of wool:
- 5 (b) Regulating sales and purchases of wool by auction or otherwise; and, in the case of any pooling arrangement established or entered into by the Board in respect of any particular type or class of wool not to be purchased by it under Part V of this Act, providing for and regulating the making, to persons
- 10 supplying such wool to the pool, of advance and final payments in respect of the proceeds of the sale:
- (c) Prescribing or regulating the measurement of wool-packs manufactured in or imported into New Zealand, prescribing or regulating the maximum or minimum weights of bales or other containers of wool intended for sale or transport, and generally regulating the packaging of wool:
- 15 (d) Providing for and regulating the rate, assessment, collection, receipt, and payment of the levies on wool under this Act (including any additional levy or charge for late payment), and preventing evasion of the levies;
- 20 (e) Providing for and regulating the assessment of types of, and assigning minimum prices and purchase prices to, wool:
- (f) Providing for and regulating the supplementing of sale prices of wool:
- 25 (g) Providing for and regulating the payment of prices to be paid by the Board for wool purchased under Part V of this Act:
- 30 (h) Providing for and regulating the payment by the Board to any grower of a sum by way of storage increment or allowance in respect of the retention and storage by him, at the request of the Board, of any of his wool that would otherwise be offered for sale:
- 35 (i) Regulating the grant, revocation, suspension and variation of licences under this Act, and the sale, assignment, subletting, transfer, and other disposal of licences and licensed stores:
- 40 (j) Prescribing the manner in which details of money paid into the retention account in respect of wool sold through a period pooling system are to be recorded:

- (k) Prescribing the manner in which and the extent to which persons are to be provided by the Board with statements of the details of money paid into the retention account by them or on their behalves.
- (l) Prescribing the circumstances and manner in which refunds may be made of money held in the retention account: 5
- (m) Providing for the making of returns to; or the obtaining of any information or particulars by, the Board and the keeping of records, for the purposes of this Act, whether in relation to the levies on wool or the minimum prices scheme or in relation to any other matter whatever; 10
- (n) Prescribing offences against the regulations; and prescribing penalties for such offences not exceeding the penalties prescribed in section 70 of this Act for the offences against this Act: 15
- (o) Providing for and regulating matters relating to promotion of and research into wool:
- (p) Prescribing the method of election of directors of the Board under section 4 (2) (a) of this Act: 20
- (q) Providing for such matters as are contemplated by or necessary for giving full effect to the provisions of this Act and for its due administration.
- (2) Regulations made under this Act may be so made as to apply generally throughout New Zealand or within any specified part or parts thereof, or, within the whole of New Zealand except such part or parts as may be specified in the regulations. 25

Cf. 1944, No. 16, s. 23; 1972, No. 117, s. 58

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72. Abolition of former Wool Board and Corporation—(1) The former Wool Board and the Corporation are hereby abolished.

(2) All accounts of the former Wool Board and the Corporation at the Reserve Bank and trading banks are hereby abolished, and— 35

- (a) All money standing to the credit of those accounts immediately before the commencement of this Part of this Act shall on the commencement of this Part of this Act, without further appropriation than this section, be transferred to and form part of the accounts in the name of the Board: 40

(b) All money that, if this section had not been passed, would have been payable into or out of accounts in the name of the former Wool Board or the Corporation shall be paid into or out of accounts in the name of the Board.

(3) Subject to this Act, all property, rights, obligations, and liabilities that immediately before the commencement of this Part of this Act were vested in or imposed on the former Wool Board or the Corporation shall be deemed to be the property, rights, obligations, and liabilities of the Board.

(4) Without limiting the generality of subsection (3) of this section, it is hereby declared that, so far as may be necessary to complete the winding up of the former Wool Board and the Corporation, the Board shall have all the functions and powers that the former Wool Board and the Corporation would have had if this Act had not been passed.

(5) A District Land Registrar shall, on written application under the seal of the Board, register it as the proprietor of any estate or interest in land that is registered in his land registration district under the Land Transfer Act 1952 and is vested in the Board by this section.

(6) Except as provided by section 75 of this Act, every reference to the former Wool Board or the Corporation in any Act, regulations, order, or other enactment or in any agreement, deed, instrument, application, notice, or other document whatsoever shall hereafter, unless the context otherwise requires, be read as a reference to the Board.

Cf. 1972, No. 117, s. 59

73. Access by Minister or Board officials—The Minister or any person duly authorised in that behalf by him, or any officer or employee or agent of the Board, or any director of the Board, or any other person duly authorised in that behalf by the Board shall at all reasonable times during business hours, have full and free access to all premises used for the storage, scouring, or marketing of wool, for the purpose of inspecting any wool or any books, accounts, documents, or other papers relating to the storage, scouring, or marketing of wool, and may take copies of or extracts from any such books, accounts, documents, or other papers.

Cf. S.R. 1976/179, Reg. 29

74. Closure of Wool Income Stabilisation Account—(1) The money held in the Wool Income Stabilisation Account at the Reserve Bank of New Zealand in the name of the Corporation immediately before the commencement of this Part of this Act shall be transferred, upon the commencement of this Part of this Act, to the Funding Account to be held at the Reserve Bank in the name of the Board and employed for the purposes prescribed in section 39 of this Act. 5

(2) The said Wool Income Stabilisation Account is hereby closed. 10

75. Amendments, repeals, and savings—(1) The enactments specified in the First Schedule to this Act are hereby amended in the manner indicated in that Schedule.

(2) The enactments specified in the Second Schedule to this Act are hereby repealed. 15

(3) The members of the New Zealand Wool Testing Authority who immediately before the date of the commencement of this Act were in office as members nominated by the Wool Board under section 3 (2) (c) of the Wool Testing Authority Act 1964 shall on the commencement of this Act be deemed to be members appointed on the nomination of the Board under that paragraph; and shall, subject to that Act, continue in office for the residue of the terms for which they were last appointed before that date. 20

(4) The Wool Marketing Corporation Regulations 1974, the Wool Board Election Regulations 1946, the Wool Levy Regulations 1945, the Wool Board (Travelling Allowance) Regulations 1950, and the Wool Income Stabilisation Regulations 1976, as amended by this Act, shall continue in force and have effect as if they had been made under this Act, and may be amended or revoked accordingly. 25 30

SCHEDULES

FIRST SCHEDULE

Section 75 (1)

ENACTMENTS AMENDED

Enactment amended	Amendment
The Ministry of Agriculture and Fisheries Act 1953	By omitting from the Schedule (as substituted by section 4 (1) of the Ministry of Agriculture and Fisheries Amendment Act 1972) the expressions "The Wool Industry Act 1944", and "The Wool Marketing Corporation Act 1972" (as inserted by section 61 (1) of the Wool Marketing Corporation Act 1972) and inserting, in its appropriate alphabetical order, the expression "The Wool Industry Act <u>1977</u> ".
The Income Tax Act 1977	By omitting from section 75 (3) the words "an individual grower income retention account under Part II of the Wool Income Stabilisation Regulations 1976", and substituting the words "The Wool Income Retention Account under Part IV of the Wool Industry Act <u>1977</u> ".

SECOND SCHEDULE

Section 75 (2)

ENACTMENTS REPEALED

- 1937, No. 15—The Sale of Wool Act 1937. (Reprinted 1957, Vol. 13, p. 640.)
- 1944, No. 27—The Wool Industry Act 1944. (Reprinted 1957, Vol. 16, p. 777.)
- 1947, No. 45—The Finance Act (No. 2) 1947: Section 36. (Reprinted 1957, Vol. 16, p. 787.)
- 1950, No. 9—The Wool Industry Amendment Act 1950. (Reprinted 1957, Vol. 16, p. 788.)
- 1950, No. 97—The Wool Proceeds Retention Act 1950. (Reprinted 1964, Vol. 3, p. 2353.)
- 1952, No. 30—The Wool Industry Amendment Act 1952. (Reprinted 1957, Vol. 16, p. 788.)
- 1961, No. 119—The Wool Industry Amendment Act 1961.
- 1964, No. 4—The Wool Industry Amendment Act 1964.
- 1966, No. 46—The Wool Industry Amendment Act 1966.
- 1972, No. 117—The Wool Marketing Corporation Act 1972.
- 1974, No. 56—The Wool Marketing Corporation Amendment Act 1974.
- 1976, No. 131—The Wool Marketing Corporation Amendment Act 1976.