



ANALYSIS

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1967, No. 46

An Act to amend the Dairy Board Act 1961

[15 November 1967]

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

1. Short Title—This Act may be cited as the Dairy Board Amendment Act 1967, and shall be read together with and deemed part of the Dairy Board Act 1961 (hereinafter referred to as the principal Act).

2. Contaminated butter and cheese—Section 18 of the principal Act is hereby amended by inserting, after subsection (1), the following subsection:

“(1A) Where at any time after any butter or cheese becomes the property of the Board under this section the butter or cheese is found to be contaminated or to contain foreign matter to such an extent as not to be fit for sale for human consumption, the Board may deduct from any amount payable by the Board to the seller an amount equal to the price paid or payable for the affected butter or cheese together with all costs and expenses incurred by the Board in disposing of the butter or cheese and in compensating the purchaser from the Board of the butter or cheese:

“Provided that this subsection shall not apply in any case where the seller of the butter or cheese to the Board establishes that the contamination or the entry of the foreign matter took place after the butter or cheese became the property of the Board.”

3. Milk powder and casein—(1) Section 40A of the principal Act (as inserted by section 6 of the Dairy Board Amendment Act 1965) is hereby amended by repealing paragraphs (d), (e), and (f), and substituting the following paragraphs:

“(d) Before the twentieth day of June in each year the Board, after consultation with the Authority, shall—

“(i) Determine the returns which it estimates will be realised from the sale of milk powder and casein acquired, or to be acquired, by it in respect of the immediately preceding season; and

“(ii) To the extent that estimates made in respect of earlier seasons require to be reassessed having regard to actual or prospective realisations, reassess the returns which have been received or which it estimates will be received from the sale of milk powder and casein acquired by it in respect of seasons before the immediately preceding season; and

“(iii) Pay to or recover from the dairy companies from which the products have been or will be acquired the relevant amounts payable or recoverable in respect of the acquisition of those products:

“(e) If the Authority considers that the payment or recovery made or to be made under paragraph (d) of this section has been determined otherwise than on the basis of a prudent assessment of market prospects, it shall advise the Minister accordingly.”

(2) This section shall be deemed to have come into force on the twenty-second day of October, nineteen hundred and sixty-five (being the date of the coming into force of the Dairy Board Amendment Act 1965).

4. Product Development Fund—(1) Section 42A of the principal Act (as inserted by section 7 of the Dairy Board Amendment Act 1965) is hereby amended by omitting from subsection (3) the words “under section 41 of this Act”.

(2) This section shall be deemed to have come into force on the first day of May, nineteen hundred and sixty-seven.

5. Issue of bonds or stock by Board—(1) The principal Act is hereby amended by inserting, after section 51, the following section:

“51A. (1) Subject to the provisions of this section, the Board may from time to time, with the prior consent of the Minister of Finance, issue bonds, stock, or other securities at such rates of interest and on such terms and conditions as may be determined by the Board and agreed to by the Minister of Finance.

“(2) For the purposes of this section the Board may by deed appoint a trustee for bondholders or stockholders and make provision in the deed for the 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 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.

“(3) Where pursuant to 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 paragraph (k) of subsection (1) of section 9 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.

“(4) The proceeds from the issue of any bonds or stock under this section, after payment of commission or brokerage and of expenses of and incidental to the issue, shall be lodged to the credit of the Dairy Industry Capital Account.

“(5) The Board may from time to time establish at the Reserve Bank of New Zealand such special accounts as may be referred to in any deed under subsection (2) of this section, and may administer any such special account in accordance with the provisions of the deed.

“(6) Notwithstanding any rule of law to the contrary, the Board may, with the prior approval of the Minister of Finance, out of money which it is authorised under subsection (7) of section 32 or section 46 of this Act to invest, subscribe for bonds or stock issued under this section, and for

that purpose may issue bonds or stock to itself or purchase bonds or stock already issued and sell or dispose of any such bonds or stock as and when the Board thinks fit.

“(7) Where any bonds or stock acquired under subsection (6) of this section are paid for out of any account referred to in subsection (1) of section 32 of this Act, the Board shall forthwith cancel the bonds or stock.”

(2) Section 35 of the principal Act is hereby amended by inserting in subsection (2), after paragraph (c), the following paragraph:

“(cc) Any money which the Board is required or authorised to pay into any special account established under subsection (5) of section 51A of this Act, and any money which the Board is required to pay or repay in respect of money borrowed by the Board:”.

6. Loans by Board—(1) Section 64 of the principal Act is hereby amended by repealing the proviso to subsection (1) (as amended by section 9 of the Dairy Board Amendment Act 1965), and substituting the following proviso:

“Provided that no payment shall be made from the Dairy Industry Capital Account under this section if the payment would result in the total amount for the time being owing to the Board in respect of all such loans exceeding—

“(a) Six million dollars in respect of money borrowed by the Board from the Reserve Bank of New Zealand; and

“(b) Such additional amount as may be approved by the Minister of Finance in respect of money received by the Board otherwise than from borrowing from the Reserve Bank of New Zealand.”

(2) Section 9 of the Dairy Board Amendment Act 1965 is hereby repealed.

(3) This section shall be deemed to have come into force on the first day of May, nineteen hundred and sixty-seven.

7. Repeals—Sections 29 and 44 of the principal Act are hereby repealed.