

Hon. Mr. Hawken.

DAIRY INDUSTRY AMENDMENT.

ANALYSIS.

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| Title.<br>1. Short Title.<br>2. Section 6 of principal Act (as to remedying defects) amended.<br>3. Apportionment of certain expenditure between landlord and tenant.<br>4. Section 12 of principal Act amended. | 5. Section 16 of principal Act (as to cooling milk or cream) amended.<br>6. Butter containing less than 80 per centum of butterfat not to be exported.<br>7. Differential prices for different grades of milk and cream supplied to factories.<br>8. Dairy companies not to describe themselves as co-operative unless actually so. |
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A BILL INTITLED

AN ACT to amend the Dairy Industry Act, 1908.

Title.

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

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1. This Act may be cited as the Dairy Industry Amendment Act, 1926, and shall be read together with and deemed part of the Dairy Industry Act, 1908 (hereinafter referred to as the principal Act).

Short Title.

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2. Section six of the principal Act is hereby amended by adding the following paragraph:—

Section 6 of principal Act (as to remedying defects) amended.

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“(aa.) That any dairy-produce produced in or stored on any dairy is likely to be contaminated by reason of any structure or other thing situated in the neighbourhood of the dairy or of any operations carried on or of any conditions obtaining in the neighbourhood thereof.”

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3. (1.) In the case of a farm where the relationship of landlord and tenant exists between the owner and the actual occupier thereof the following provisions as to the apportionment of the expenditure shall, in the absence of an express agreement to the contrary, apply where expenditure on buildings or other permanent improvements of the farm is rendered necessary by reason of an order of an Inspector made pursuant to sections six and seven of the principal Act:—

Apportionment of certain expenditure between landlord and tenant.

Cf. Vic. 6 Geo. V, No. 2639, secs. 28 and 29.

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(a.) If the interest of the tenant at the time the expenditure is incurred is for a term of not more than two years and six months the whole of the expenditure shall be borne by the landlord:

(b.) If the interest of the tenant at the time the expenditure is incurred is for a term exceeding two years and six months the tenant shall pay a sum equal to five per centum of the total expenditure for each year of the unexpired term of his interest, and the landlord shall pay the balance, if any. If the term includes a broken period, and such period exceeds six months, it shall count in the computation as one year, but otherwise shall not be counted: 5

Provided that in either of the cases aforesaid, if the business of dairying has not previously been carried on on the farm and the tenant commences such business without the consent in writing of his landlord the tenant shall bear the whole of the expenditure. 10

(2.) If any landlord or tenant pays more than his proper proportion hereunder of such expenditure he may recover the excess from his tenant or landlord (as the case may be) as a debt due to him, and any tenant may set off any sum recoverable by him under this subsection against any rent payable to his landlord. 15

(3.) Where an order involving expenditure to which the provisions of this section will apply is served on a tenant, he shall forthwith forward a copy thereof to the landlord; and if the tenant incurs any expenditure without taking such action as aforesaid the landlord shall not be liable to make any contribution towards the expenditure in terms of this section. 20

(4.) A copy of this section shall be printed on every such order as aforesaid. 25

Section 12 of principal Act amended.

4. Section twelve of the principal Act is hereby amended by omitting from subsection one the words "A person shall not keep pigs or permit them to be kept," and substituting the words "A person shall not keep, house, or pen pigs, or permit them to be kept, housed, or penned, or to wander or be brought." 30

Section 16 of principal Act (as to cooling milk or cream) amended.

5. Section sixteen of the principal Act is hereby amended as follows:—

(a.) By omitting the words "by being passed over a cooler or aerator," and substituting the words "in manner prescribed"; and 35

(b.) By adding the words "and a person shall not supply or sell to any dairy any cream unless such cream has been properly cooled, in manner prescribed, immediately after being separated."

Butter containing less than 80 per centum of butterfat not to be exported.

6. (1.) Paragraph (d) of subsection one of section twenty-two of the principal Act (as set out in subsection one of section two of the Dairy Industry Amendment Act, 1915) is hereby amended by inserting, after the words "more than sixteen per centum of water," the words "or less than eighty per centum of butterfat." 40

(2.) Subsection two of section two of the Dairy Industry Amendment Act, 1915, is hereby consequentially amended by inserting, after the words "more than sixteen per centum of water," the words "or less than eighty per centum of butterfat." 45

Differential prices for different grades of milk and cream supplied to factories.

7. The power conferred by the principal Act to make regulations is hereby extended to include power to make regulations requiring owners of dairy factories to pay different prices for different grades of milk or cream supplied to such factories for manufacture, and fixing 50

the minimum amounts by which the prices shall vary for the different grades. Regulations in regard to the grading of cream may provide for a classification of cream according to the percentage of butterfat therein, and the power herein contained to require the payment of  
 5 different prices according to grade and to fix the minimum variation in the prices shall extend to include a power to require the payment of different prices according to the classification of the cream, and to fix the minimum variation in such prices.

8. (1.) No company which has for its object or one of its objects  
 10 the manufacture of butter, cheese, dried milk, casein, or other article from milk or cream, or the collection, treatment, and distribution for human consumption of milk or cream shall be registered under the Companies Act, 1908, under any name which includes the word  
 15 "co-operative" or any word of like significance unless it is entitled to be registered as a co-operative dairy company under Part III of the principal Act.

Dairy companies not to describe themselves as co-operative unless actually so.

(2.) *At any time after the first day of April, nineteen hundred and twenty-seven,* the Registrar of Companies may by notice call upon any such company as aforesaid heretofore registered under the Companies  
 20 Act, 1908, under a name signifying that it is co-operative in character but which is not entitled to be registered under Part III of the principal Act, or upon any company so named the registration of which under the said Part III has at any time been cancelled, to take steps to  
 25 change its name so as to remove therefrom the signification that it is a co-operative dairy company, and the company shall not later than one month from the date of the notice from the Registrar take the appropriate steps under the Companies Act, 1908, to effect the change of its name.

*New.*

30 (3.) After the first day of April, nineteen hundred and twenty-seven, it shall be the duty of every company which is registered under Part III of the principal Act, or which is entitled to be so registered, and of every company to which the *last preceding* subsection applies, at all times until it has changed its name as required by that subsection,  
 35 to furnish to every person (not being a shareholder of the company) engaged in supplying milk or cream to the company, a copy of every account, report, or balance-sheet which by virtue of its articles or otherwise it is required to furnish to its shareholders, in the manner  
 and within the times prescribed in respect of shareholders.

40 (4.) If any company fails for thirty days to comply with the provisions of the *last preceding* subsection, the manager and every director thereof shall be severally liable to a fine of *ten* pounds.