

[AS REPORTED FROM THE COMMERCE AND ENERGY
COMMITTEE]

House of Representatives, 25 November 1980.

Words struck out are shown in italics within bold round brackets, or with black rule at beginning and after last line; words inserted are shown in roman underlined with a double rule, or with double rule before first line and after last line.

Right Hon. Mr Adams-Schneider

TOBACCO GROWING INDUSTRY AMENDMENT

ANALYSIS

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1. Short Title	6. Board to determine Domestic To- bacco Quota
2. Membership of Board	7. Committee to determine adjusted quotas
3. Measurement of tobacco growing areas	8. Sale of quota leaf
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A BILL INTITULED

An Act to amend the Tobacco Growing Industry Act 1974

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

1. Short Title—This Act may be cited as the Tobacco Growing Industry Amendment Act 1980, and shall be read together with and deemed part of the Tobacco Growing Industry Act 1974* (hereinafter referred to as the principal
10 Act).

2. Membership of Board—(1) Section 4 of the principal Act is hereby amended by adding the following subsections:

*1974, No. 50

Amendments: 1976, No. 62; 1977, No. 65

No. 106—2

Price 25c

“(3) The Minister may, on the recommendation of the Board, by notice in the *Gazette* appoint one of the members of the Board appointed under any of paragraphs (b) to (e) of subsection (1) of this section to be Deputy Chairman.

“(4) In any case where the Chairman becomes incapable of acting by reason of illness, absence, or other sufficient cause, or during any vacancy in the office of Chairman, or if the Chairman deems it not proper or desirable that he should perform the duties of his office, the Deputy Chairman shall have and may exercise all the powers, functions, and duties of the Chairman, and while he acts as such, be deemed to be the Chairman of the Board.”

(2) Section 8 (1) of the principal Act is hereby consequentially repealed.

(3) Section 9 of the principal Act is hereby consequentially amended—

(a) By omitting from subsection (3) the words “his deputy appointed pursuant to section 8 of this Act”, and substituting the words “the Deputy Chairman”:

(b) By omitting from subsection (5) the words “his deputy”, and substituting the words “the Deputy Chairman”.

3. Measurement of tobacco growing areas—The principal Act is hereby further amended by inserting, after section 32, the following section:

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“32A. (1) On giving reasonable notice to the licensee, the Board, or any of its members, officers, servants, or agents may enter upon the land of the licensee in order to carry out a survey and measurement of the land included in the licence of that licensee.

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“32A. (1) On giving reasonable notice to the licensee, any member, officer, servant, or agent of the Board so authorised by the Board may enter upon the land of the licensee at any reasonable time or times in order to carry out a survey and measurement of the land included in the licence of that licensee, and shall, when requested by or on behalf of that licensee, produce his authority to enter upon that land.

“(2) Where, as a result of the survey and measurement, whether carried out before or after the commencement of this section, the Board is satisfied that the area of land in respect of which the licence was granted or amended under

section 32 of this Act is incorrect, the Board shall notify the Committee and the Committee shall amend the area of land included in the licence accordingly and make appropriate adjustments to the basic quota of tobacco leaf applicable to that land.”

4. Appeals—Section 36 (3) of the principal Act is hereby amended by inserting, after paragraph (c), the following paragraph:

“(d) Every appeal shall be brought by lodging a notice of appeal with the Committee within 28 days of the decision of the Committee being notified to the appellant.”

5. Manufacturers to inform Board of quota leaf requirements—(1) Section 41 of the principal Act is hereby further amended by repealing subsections (1) and (2), and substituting the following subsections:

“(1) On or before the 31st day of July in each year, every manufacturer shall furnish to the Board a return in writing, specifying—

“(a) Its requirements of quota leaf, expressed in terms of green-weight, to be purchased in New Zealand for the season commencing on the next succeeding 1st day of September:

“(b) Its minimum requirements of quota leaf, expressed in terms of green-weight, to be purchased in New Zealand for the season next succeeding that season:

“(c) Its estimated requirements of quota leaf, expressed in terms of green-weight, to be purchased in New Zealand for the season next succeeding that season.

“(2) Every manufacturer shall be obliged to purchase the quantity of quota leaf specified by that part of the return which relates to subsection (1) (a) of this section in the season to which that part relates.”

(2) Notwithstanding anything in section 41 (1) of the principal Act (as substituted by subsection (1) of this section),—

(a) The return that would otherwise be furnished on or before the 31st day of July 1980 shall be furnished within 14 days after the date on which this section comes into force:

- (b) The amount of the requirements for the season that commenced on the 1st day of September 1980 specified in that return shall not be less than the amount (*that would have been*) specified in the corresponding return under section 41 (1) of the principal Act if subsection (1) of this section had not been enacted. 5

6. Board to determine Domestic Tobacco Quota—(1) The principal Act is hereby amended by repealing section 42, and substituting the following section: 10

“42. (1) Before the commencement of each season, the Board shall determine the Domestic Tobacco Quota for that season:

“Provided that the determination that would otherwise be made in respect of the season that commenced on the 1st day of September 1980 shall be made within 4 weeks after the date on which this section comes into force. 15

“(2) In determining the Domestic Tobacco Quota, the Board shall take into account—

“(a) In respect of the season commencing on the 1st day of September 1980, a minimum amount of 380,000 kilograms of over-quota leaf: 20

“(b) In respect of the season commencing on the 1st day of September 1981, the total stocks of over-quota leaf held on that date.” 25

(2) Section 2 of the principal Act is hereby amended by repealing the definition of the expression “Domestic Tobacco Quota”, and substituting the following definition:

“‘Domestic Tobacco Quota’, in relation to any season, means the green-weight quantity of quota leaf to be grown during that season as determined by the Board pursuant to section 42 of this Act:” 30

(3) Section 2 of the principal Act is hereby amended by omitting from the definition of the expression “shortfall” the words “offered for sale”, and substituting the word “grown”. 35

7. Committee to determine adjusted quotas—(1) Section 43 of the principal Act is hereby amended by repealing subsection (2), and substituting the following subsection:

“(2) The adjusted quota of each licensee shall be determined by taking into consideration— 40

“(a) The total of the manufacturers’ requirements for that season; and

- “(b) The quantity of over-quota leaf produced by the licensee in previous seasons, being seasons commencing before the 1st day of September 1982; and
- 5 “(c) The basic quota of the licensee; and
- “(d) The amount of quota leaf produced from the licensee’s land, during the best 4 of the preceding 5 seasons or, in the case of land which has not been used for the growing of tobacco for the previous 5 seasons, the amount of quota leaf produced from the land
- 10 during each of the preceding season or seasons, as the case may be; and
- “(e) The area of land on which the tobacco is to be grown pursuant to the licence; and
- 15 “(f) Such other matters as the Committee thinks fit in order to determine equitably the adjusted quota *(for that season:)*

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for that season,—

but may be amended from time to time during any season

20 by the Committee to meet any change in circumstances arising during that season:

“Provided that the total adjusted quotas for all licensees for that season shall not exceed the Domestic Tobacco Quota for that season as set by the Board.”

- 25 (2) Notwithstanding anything in section 43 of the principal Act, the Committee shall determine the adjusted quota of each licensee for the season commencing on the 1st day of September 1980 as soon as practicable after this Act comes into force.

30 **8. Sale of quota leaf**—(1) Section 44 (3) of the principal Act is hereby amended by repealing paragraph (a), and substituting the following paragraph:

- “(a) Every manufacturer shall be obliged to purchase the quantity of quota leaf specified by it pursuant to
- 35 section 41 (1) (a) of this Act—

“(i) From the stocks of over-quota leaf held at the commencement of the season, being a season commencing before the 1st day of September 1982, as determined by the Committee; and

“(ii) To the extent that the obligation of the manufacturer cannot be met under subparagraph (i) of this paragraph, from the adjusted quotas of the licensees allocated to it under paragraph (d) of this subsection:”.

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(2) Section 44 (3) of the principal Act is hereby further amended by repealing paragraph (d), and substituting the following paragraph:

“(d) On or before the 31st day of December in every season the Committee shall allocate each adjusted quota to a manufacturer:”.

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(3) Section 44 (3) (e) of the principal Act is hereby amended by omitting the word “Board”, and substituting the word “Committee”.

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9. Over-quota leaf—(1) Section 48 of the principal Act is hereby amended by inserting in subsection (1) and in subsection (2), after the words “any season”, in each case the words “commencing before the 1st day of September 1982”.

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9. Over-quota leaf—(1) Section 48 (1) of the principal Act is hereby amended by omitting the words “licensee’s adjusted quota”, and substituting the words “Domestic Tobacco Quota”.

(2) Section 48 (3) of the principal Act is hereby amended by adding the following proviso:

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“Provided that the Board shall not deal with or dispose of any over-quota leaf produced in any season commencing on or after the 1st day of September 1982”.

(3) Section 2 of the principal Act is hereby amended by repealing the definition of the expression “over-quota leaf”, and substituting the following definition:

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“‘Over-quota leaf’ means—

“(a) Quota leaf produced by any licensee in any season in excess of his adjusted quota; and

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“(b) Quota leaf produced by any licensee in any season within his adjusted quota, but not purchased by a manufacturer by the end of that season:”.