

[AS REPORTED FROM THE AGRICULTURAL AND PASTORAL
COMMITTEE]

House of Representatives, 5 December 1951

Words struck out by Agricultural and Pastoral
Committee are shown in italics within bold brackets;
words inserted are shown in black or in roman with rule
down side.

Hon. Mr. Holyoake

WOOL COMMISSION

ANALYSIS

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A BILL INTITULED

AN Act to give effect to a plan to assure minimum prices **Title.**
for wool offered for sale by auction.

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

1. (1) This Act may be cited as the Wool Commission **Short Title and
Act 1951.** commencement.

(2) This Act shall come into force on a date to be appointed for the commencement thereof by the Governor-General by Proclamation.

Interpretation.

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

“ Broker ” means any person who in the ordinary course of business regularly sells wool or sheepskins at auction sales approved by the Commission: 5

“ Commission ” or “ Wool Commission ” means the New Zealand Wool Commission established under this Act: 10

“ Financial year ” means the period of twelve months ending on the thirtieth day of June in any year:

“ Manufacturer ” means a person who subjects wool to a process other than washing, scouring, carbonizing, slipping, or fellmongering; and “ manufacture ” and “ manufactured ” have corresponding meanings: 15

“ Minimum price ”, in relation to any wool, means its minimum price as assessed under this Act: 20

“ Minister ” means the Minister of Marketing:

“ Scourer ” means a person who subjects wool to a process of washing, scouring, or carbonizing; and “ scoured ” and “ scouring ” have corresponding meanings: 25

“ Wool ” means sheep’s wool or lambs’ wool produced in New Zealand, whether greasy, washed, scoured, carbonized, [*sliped, or fellmongered,*] or wool on the skin; but does not include **sliped or fellmongered wool**, manufactured wool (including wool tops), wool noils, dags or dag wool, or wool waste: 30

“ Wool Board ” means the New Zealand Wool Board established under the Wool Industry Act 1944: 35

1944, No. 27

“ Wool Disposal Commission ” means the New Zealand Wool Disposal Commission established under the Wool Disposal Act 1945.

1945, No. 32

New Zealand Wool Commission

3. (1) There is hereby established a Commission to be called the New Zealand Wool Commission.

New Zealand
Wool
Commission.

(2) The Commission shall consist of six members to be appointed by the Governor-General on the recommendation of the Minister, of whom—

(a) Two members shall be appointed after consultation with the Wool Board, of whom one shall be appointed as Chairman of the Commission:

(b) Three members (being members of the Wool Board appointed as wool-growers' representatives) shall be appointed as representatives of the Wool Board on the nomination of that Board:

(c) One member shall be appointed as an associate member on the nomination of the New Zealand Woolbrokers Association.

(3) The Commission shall be a body corporate with perpetual succession and a common seal, and shall be capable of holding real and personal property, and of suing and being sued, and of doing and suffering all such other acts and things as bodies corporate may lawfully do and suffer.

4. (1) Except as otherwise provided in this Act, every member of the Commission shall be appointed for a term of three years, but may from time to time be reappointed.

Term of office
of members of
Commission.

(2) Notwithstanding anything to the contrary in this Act, every member of the Commission, unless he sooner vacates his office, shall continue to hold office until his successor comes into office.

(3) The first members of the Commission shall be appointed for a term expiring on the thirtieth day of June, nineteen hundred and fifty-five.

5. (1) Any member of the Commission may at any time be removed from office by the Governor-General for inefficiency, disability, insolvency, 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.

Extraordinary
vacancies.

(2) If any member of the Commission dies, or resigns, or is removed from office, or (having been appointed as a representative of the Wool Board) ceases to be a member of the Wool Board, his office shall become vacant and the vacancy shall be deemed to be an extraordinary vacancy. 5

(3) In case of any extraordinary vacancy the Governor-General may appoint some qualified person to be a member of the Commission for the residue of the term for which the vacating member was appointed. 10 Any such appointment shall be made in the same manner as the appointment of the vacating member.

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

Deputies of members.

6. (1) In any case in which the Minister is satisfied 15 that any member of the Commission is incapacitated by illness, absence, or other sufficient cause from performing the duties of his office, the Minister may appoint a deputy to act for that member during his incapacity, and any such deputy shall, while he acts as such, be deemed to be 20 a member of the Commission.

(2) No such appointment of a deputy and no acts done by a deputy as such shall in any proceedings be questioned on the ground that the occasion for his appointment had not arisen or had ceased. 25

Meetings of Commission.

7. (1) The first meeting of the Commission shall be held on a day to be appointed in that behalf by the Minister.

(2) Subsequent meetings of the Commission shall be held at such times and places as the Commission from 30 time to time appoints.

(3) The Chairman of the Commission or any three members thereof may at any time call a special meeting of the Commission.

(4) At all meetings of the Commission three members 35 (other than the associate member) shall form a quorum.

(5) All questions before the Commission shall be decided by a majority of the valid votes recorded thereon.

(6) The associate member of the Commission shall have full rights of discussion but shall not be entitled to vote on any question before the Commission.

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

8. (1) At its first meeting and thereafter as often as the office is vacant the Commission shall appoint one of its members (other than the associate member) to be Deputy Chairman, who shall hold office for the residue of his term of office as a member of the Commission, unless he sooner vacates office as a member, and may from time to time be reappointed.

Chairman and
Deputy
Chairman.

15 (2) The Chairman shall preside at all meetings of the Commission at which he is present.

(3) In the absence of the Chairman from any meeting the Deputy Chairman shall preside.

20 (4) In the absence of both the Chairman and the Deputy Chairman from any meeting of the Commission the members present shall appoint one of their number (other than the associate member) to preside at that meeting.

25 (5) At any meeting of the Commission the Chairman or other person presiding shall have a deliberative vote but shall not have a casting vote.

30 9. (1) The Commission may from time to time appoint such Advisory or Technical Committees as it thinks fit to advise the Commission on such matters concerning the valuation or disposal of wool as are referred to them by the Commission.

Advisory and
Technical
Committees.

35 (2) Each Advisory or Technical Committee may, in addition, furnish to the Commission reports on any matter relating to the wool industry in respect of which the members of the Committee have special knowledge or experience.

(3) Any person may be appointed to be a member of a Committee under this section, notwithstanding that he is not a member of the Commission.

Functions and Powers of Commission

Functions and
powers of
Commission.

10. (1) The principal function of the Commission shall be to assure minimum prices, in accordance with the plan hereinafter set out, for all wool sold in New Zealand or the United Kingdom at auction sales approved by the Commission. 5

(2) The Commission shall have all such other functions as are conferred on it by this Act, and all powers and authorities necessary, conducive, or incidental to the performance of its duties and functions, and in particular may from time to time, in New Zealand or elsewhere,— 10

(a) Purchase, take on lease, or otherwise acquire any land or interest in land, and erect, improve, alter, extend, equip, furnish, repair, and maintain buildings on any such land: 15

(b) Sell, exchange, transfer, lease, hire, or otherwise dispose of any real or personal property belonging to the Commission.

Minimum Prices Plan

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Table of
minimum
prices.

11. (1) The Commission shall from time to time prepare a table of minimum prices for all types of wool to be sold in New Zealand or the United Kingdom at auction sales approved by the Commission.

(2) In preparing any table of minimum prices the Commission shall have regard to— 25

(a) Current trends and prospects in international markets, and in prices of commodities generally, and particularly those commodities that enter substantially into international trade: 30

(b) The amount of available financial resources:

(c) The views of the Wool Board:

(d) The maintenance of the production of wool in New Zealand: 35

(e) Such other matters as the Commission from time to time deems relevant.

(3) Effect shall not be given to any table of minimum prices [until it has been approved by the Minister.] **except by agreement with the Minister.**

(4) Any table of minimum prices may at any time in like manner be amended or revoked:

Provided that no such amendment or revocation shall be made so as to take effect during any financial year except in circumstances which are deemed by the Minister and the Commission to be unforeseen or exceptional, such as substantial alterations in exchange rates, or widespread economic crises.

12. The Commission shall from time to time, after consulting with such other persons or bodies as it thinks fit, approve for the purposes of this Act auction sales in New Zealand or the United Kingdom.

Approval of auction sales.

13. The Commission shall cause to be assessed, in accordance with the table of minimum prices, the appropriate minimum price for each lot of wool offered at any auction sale approved by the Commission, not being wool that has previously been sold at auction.

Assessment of minimum prices.

14. Where any wool is sold at any such approved auction sale at a price less than its minimum price, the Commission may, out of its funds, supplement the sale price to such extent as may be necessary to increase it to the minimum price.

Commission may supplement prices.

15. (1) The Commission may at any such auction sale buy at its discretion any wool at a price not exceeding its minimum price.

Power to buy and sell wool.

(2) The Commission may store any wool so bought and may sell it in New Zealand or elsewhere, and may scour, recondition, or otherwise process any such wool.

Wool Commission Account

16. (1) For the purposes of this Act there shall be established at the Bank of New Zealand an account to be known as the Wool Commission Account.

Wool Commission Account.

(2) The Wool Commission Account shall be operated upon by cheque signed by or on behalf of the Chairman of the Commission, and countersigned by or on behalf of the Secretary of the Commission. For the purposes of this subsection the Commission may from time to time authorize any member or officer of the Commission to sign cheques on behalf of the Chairman or to countersign cheques on behalf of the Secretary.

(3) The Bank of New Zealand may from time to time grant and the Commission may receive accommodation in aid of the Wool Commission Account, and the account may be overdrawn accordingly.

Subsidiary
accounts.

17. (1) For the purposes of this Act the Commission may open at any branch or agency of the Bank of New Zealand (whether in New Zealand or elsewhere) such imprest or other subsidiary accounts as the Commission may from time to time deem desirable. 5

(2) Every such subsidiary account shall be operated upon by cheque signed by such person or persons as may from time to time be authorized in that behalf by the Commission. 10

Abolition of
Wool Disposal
Account.
1945, No. 32

18. (1) The Wool Disposal Account established at the Reserve Bank of New Zealand under the Wool Disposal Act 1945 is hereby abolished. 15

(2) All moneys standing to the credit of the Wool Disposal Account at the commencement of this Act shall, without further appropriation than this section, be transferred to and form part of the Wool Commission Account. 20

(3) All moneys which, if this section had not been passed, would have been payable into or out of the Wool Disposal Account shall be paid into or out of the Wool Commission Account. 25

(4) All moneys standing to the credit of an account known as the Wool Industry Deposit Account at the commencement of this Act shall, without further appropriation than this section, be transferred to and form part of the Wool Commission Account. 30

(5) All payments made to the credit of the said Wool Industry Deposit Account, by arrangement between the Minister of Finance and the Wool Board, of moneys derived from the transactions of the Joint Organization referred to in the Wool Disposal Act 1945, and all payments made from that account before the commencement of this Act by arrangement as aforesaid, are hereby validated. 35

(6) All moneys transferred to or paid into the Wool Commission Account under this section, including any moneys arising from the profits of the transactions of the Joint Organization, and the balance of the moneys 40

received by way of contributory charge referred to in subsection six of section seventeen of the Wool Disposal Act 1945 (as substituted by subsection five of section thirty-five of the Finance Act (No. 2) 1947) shall be deemed to be moneys of the Commission available for the purposes of this Act. 1945, No. 32. 1947, No. 45.

19. (1) There shall from time to time be paid into the Wool Commission Account— Moneys payable into Wool Commission Account.

(a) All moneys derived from the operations of the Commission or payable to the Commission:

(b) The proceeds of the charge on wool imposed under this Act:

(c) Any other moneys that may be lawfully payable to the account.

(2) The moneys in the Wool Commission Account shall be deemed to be the moneys of the Commission.

(3) Moneys receivable by the Commission outside New Zealand may, with the approval of the auditors of the Commission, be paid into any subsidiary account opened under section *seventeen* of this Act.

20. There may from time to time be paid out of the Wool Commission Account— Moneys payable out of Wool Commission Account.

(a) All moneys payable by the Commission, and all costs, charges, and expenditure incurred by the Commission in the performance of its duties and the exercise of its powers, authorities, and functions under this Act and in the administration of this Act:

(b) All other moneys payable out of the account under this Act.

Charge on Wool

21. (1) For the purposes of this Act there may from time to time be charged, in accordance with this Act and with regulations made thereunder, a charge on wool which during such period or periods as may be prescribed by the regulations, is— Charge on wool.

(a) Sold by a broker at auction or otherwise; or

(b) Delivered to a manufacturer; or

(c) Delivered to a scourer; or

(d) Exported from New Zealand:

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

(2) Any wool sold by the Commission (whether or not it has previously been liable to the charge) shall not upon or after that sale be subject to the charge.

(3) The charge may be charged in respect of all wool or in respect of such class or classes of wool as may be prescribed by the regulations. 5

(4) The rates of the charge shall be prescribed from time to time by the regulations and shall be such rates as are determined by the Governor-General on the recommendation of the Commission. 10

New

as being sufficient to provide for the expenditure incurred by the Commission in the administration of this Act, and for the levy imposed by section twelve of the Wool Industry Act 1944. 15

1944, No. 27

(5) The levy imposed by section twelve of the Wool Industry Act 1944 shall not be charged during any period while the charge under this section is payable, and during every such period sections thirteen to sixteen of the Wool Industry Act 1944 shall be deemed to be suspended. 20

(6) There shall from time to time be paid out of the Wool Commission Account to the Wool Board so much of the amount received by way of charge on any wool as equals the amount which, but for the operation of subsection *five* of this section, would have been payable on that wool by way of levy under the Wool Industry Act 1944, less a proportionate part of the expenses of collecting the charge. All such amounts shall be dealt with by the Wool Board as if they had been received by way of levy under that Act. 25

Miscellaneous

Collection of
levy for Wool
Board.

22. (1) The Commission may from time to time, by arrangement with the Wool Board, collect on behalf of that Board any levy payable to the Board under section twelve of the Wool Industry Act 1944 or any other enactment, and pay the amounts so collected to the Wool Board, less such amount by way of commission as may be authorized by regulations made under this Act or as may be agreed upon between the Commission and the Wool Board. 30

(2) Sections twelve and thirteen of the Wool Industry Act 1944 shall be read subject to such modifications as may from time to time be prescribed by regulations made under this Act for the purposes of this section. 40

23. Any moneys of the Commission that are from Investments.
time to time available for investment may be invested
by the Commission in such securities or in securities of
such classes as may for the time being be authorized by
the Minister of Finance.

5 24. The Commission may from time to time borrow Borrowing
moneys, and may for that purpose mortgage or charge powers.
any of its property.

10 25. (1) The Commission may appoint a suitable Officers of
person to be the General Manager thereof (who may be Commission.
one of the members of the Commission) and such other
officers as it deems necessary for the efficient
performance of its functions under this Act.

15 (2) The Commission may establish and maintain
offices or employ agents (whether in New Zealand or
elsewhere) for the conduct of its operations under this
Act.

20 (3) The Commission may, out of the Wool Com-
mission Account, subsidize the National Provident Fund
or any other fund or scheme established with the
approval of the Minister of Finance for the purpose of
providing superannuation or retiring allowances for its
officers and servants.

25 26. (1) Any contract which, if made between private Contracts of
persons, must be by deed shall, if made by the Com- Commission.
mission, be in writing under the seal of the Commission.

30 (2) Any contract which, if made between private
persons, must be in writing signed by the parties to be
charged therewith shall, if made by the Commission, be
either under the seal of the Commission or signed by two
members of the Commission on behalf of or by direction
of the Commission.

35 (3) Any contract which, if made between private
persons, may be made orally may be similarly made by
or on behalf of the Commission by any two members
acting by direction of the Commission, but no oral
contract shall be made for any sum exceeding fifty
pounds.

40 (4) Notwithstanding anything to the contrary in the
foregoing provisions of this section, no contract made by
or on behalf of the Commission 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
Commission or to give effect to a resolution of the
45 Commission.

Remuneration
and travelling
allowances.

27. (1) There shall be paid by the Commission to the Chairman and to the other members of the Commission, and to the members of any Committee appointed by the Commission, such remuneration by way of fees or allowances as the Minister of Finance from time to time approves, either generally or in any particular case. 5

(2) The members of the Commission or of any Committee appointed by the Commission shall be paid by the Commission such travelling expenses and allowances as may from time to time be prescribed by regulations made under this Act or as may be approved by the Minister of Finance in any case to which no such regulations apply. 10

Exemption
from taxation.

28. The Commission shall be exempt from land tax and income tax and from the social security charge. 15

Auditors.

29. (1) The Governor-General in Council may from time to time appoint two qualified persons to act as auditors of the Commission.

(2) No person appointed under this section shall be appointed for a term exceeding two years, but any such person may from time to time be reappointed. 20

(3) The auditors of the Commission shall be paid by the Commission such remuneration and allowances as the Minister of Finance may from time to time determine or approve. 25

(4) No member or officer of the Commission shall during his tenure of office as such be qualified for appointment or to hold office as an auditor of the Commission, and no other person shall be qualified for such appointment who would not be qualified for appointment as auditor of a company under the Companies Act 1933. 30

1933, No. 29

Annual report.

30. (1) The Commission shall, as soon as practicable after the expiration of every financial year, furnish to the Minister a report of its proceedings and operations for that year together with a copy of its accounts for that year certified by the auditors of the Commission. 35

(2) A copy of the report and of the accounts shall be laid before Parliament.

Regulations.

31. (1) The Governor-General may from time to time, by Order in Council, make all such regulations as may in his opinion be necessary or expedient for giving effect to the provisions of this Act and for the due administration thereof. 40

(2) Without limiting the general power hereinbefore conferred, it is hereby declared that regulations may be made under this section for all or any of the following purposes:—

- 5 (a) Providing for, requiring, and regulating the submission of wool for appraisalment and its appraisalment, and in particular the establishment of appraisalment places and the registration and deregistration of premises as appraisalment places:
- 10 (b) Providing for and regulating the holding and storing of wool, and regulating sales of wool by auction:
- 15 (c) Providing for and regulating the assessment, collection, receipt, and payment of the charge under this Act (including a penalty or additional charge for late payment), and preventing evasion of the charge:
- 20 (d) Providing for and regulating the assessment of minimum prices of wool:
- (e) Providing for and regulating the supplementing of sale prices of wool:
- (f) Obtaining any information or particulars that may be required for the purposes of this Act, whether in relation to the charge or the minimum prices plan or otherwise:
- 25 (g) Prescribing punishments for offences against the regulations, not exceeding a fine of fifty pounds or imprisonment for twelve months, or both.
- 30 (3) All regulations made under this section shall be laid before Parliament within twenty-eight days after the date of their making if Parliament is then in session and, if not, shall be laid before Parliament within twenty-eight days after the date of the commencement of the
- 35 next ensuing session.

32. (1) The New Zealand Wool Disposal Commission is hereby abolished.

Abolition of
Wool Disposal
Commission.

(2) Subject to the provisions of this Act, all property, rights, obligations, and liabilities which immediately before the commencement of this Act were vested in or imposed on the Wool Disposal Commission shall be deemed to be the property, rights, obligations, and liabilities of the Wool Commission.

40

(3) Without limiting the generality of subsection
45 two of this section, it is hereby declared that—

(a) So far as may be necessary to complete the winding up of the Joint Organization, the Wool Commission shall have all the functions and powers that the Wool Disposal Commission would have had if this Act had not been passed: 5

(b) All persons who at the commencement of this Act are officers or servants of the Wool Disposal Commission shall be deemed to become officers or servants of the Wool Commission, and for the purposes of any fund or scheme for the purpose of providing superannuation or retiring allowances the service of any such persons as officers or servants of the Wool Disposal Commission shall be deemed to have been service as officers or servants of the Wool Commission. 10 15

(4) All references to the Wool Disposal Commission in any Act, regulation, order, or other enactment or in any agreement, deed, instrument, application, notice, or other document whatsoever shall, unless the context otherwise requires, be read as references to the Wool Commission. 20

33. (1) The following enactments are hereby repealed, namely:— 25

Repeals and savings.

1945, No. 32

1947, No. 6

1947, No. 45

1948, No. 35

(a) The Wool Disposal Act 1945:

(b) Paragraph (h) of subsection two of section three of the Finance Act 1947:

(c) Section thirty-five of the Finance (No. 2) Act 1947: 30

(d) So much of the Schedule to the Finance Act 1948 as relates to the Wool Disposal Act 1945.

(2) All acts of authority that originated under any provision of the enactments hereby repealed, and are subsisting or in force at the commencement of this Act, shall continue for the purposes of this Act as fully and effectually as if they had originated under the corresponding provisions of this Act, and accordingly shall, where necessary, be deemed to have so originated. 35

(3) All matters and proceedings commenced under any such enactment, and pending or in progress at the commencement of this Act, may be continued and completed under this Act. 40

New

Duration of Act.

34. Unless otherwise provided by any subsequent Act, this Act shall continue in force until the end of September, nineteen hundred and fifty-two, and shall then expire. 45