

House of Representatives

Supplementary Order Paper

Tuesday, 19 June 2012

Dairy Industry Restructuring Amendment Bill

Proposed amendments

Hon David Carter, in Committee, to move the following amendments:

New clauses 8A and 8B

After *clause 8* (after line 19 on page 14), insert:

8A Section 115 amended (Obligations concerning milk)

- (1) In the heading to section 115, replace “**Obligations concerning**” with “**Regulations relating to**”.
- (2) In section 115(1), replace paragraph (f) with:
 - “(f) require new co-op and independent processors to provide—
 - “(i) periodic returns of milksolids collected from dairy farmers:
 - “(ii) periodic forecasts of milksolids expected to be collected from dairy farmers; and”.
- (3) In section 115, after subsection (2), insert:
 - “(2A) For the purpose of any regulations made under subsection (1), unless the context of the regulations otherwise requires, a body is an interconnected body of an independent processor if—
 - “(a) both the independent processor and the body are bodies corporate and would be treated as interconnected bodies corporate under section 2(7) of the Commerce Act 1986; or
 - “(b) one or both of the independent processor and the body is a partnership (including a limited partnership) or an unincorporated joint venture and would be treated as interconnected bodies corporate under section 2(7) of the Commerce Act 1986 if the partnership or joint venture were incorporated as a company with sharehold-

ings corresponding to the interests, including returns, of the partners in the partnership or participants in the joint venture.”

8B Section 118 amended (Offences)

In section 118(1), before paragraph (a), insert:

“(aa) fails, without reasonable excuse, to comply with a requirement to provide periodic returns or periodic forecasts specified in regulations made under section 115; or”.

New clause 20

After *clause 19* (after line 24 on page 32), insert:

20 Consequential amendments to Dairy Industry Restructuring (Raw Milk) Regulations 2001

- (1) This section amends the Dairy Industry Restructuring (Raw Milk) Regulations 2001.
- (2) In regulation 6(1), replace “interconnected body corporate” with “interconnected body”.
- (3) In regulation 7(1), replace “interconnected body corporate” with “interconnected body”.
- (4) In regulation 11(3), replace “interconnected bodies corporate” with “interconnected bodies”.
- (5) In regulation 11(4), replace “interconnected bodies corporate” with “interconnected bodies”.

Explanatory note

This Supplementary Order Paper amends the Dairy Industry Restructuring Amendment Bill (the **Bill**), which is a Bill that amends the Dairy Industry Restructuring Act 2001 (the **Act**).

This Supplementary Order Paper proposes 3 further amendments to the Act (*new clauses 8A, 8B, and 20*) that relate to independent processors to whom new co-op is required to supply raw milk in accordance with regulations made under section 115 of the Act.

New clause 8A amends section 115 of the Act, which is a regulation-making power relating to obligations concerning milk. The new provision—

- amends the heading to section 115 to identify the provision as a regulation-making power; and
- substitutes *new section 115(1)(f)* to authorise the making of regulations requiring new co-op and independent processors to provide periodic forecasts of milksolids expected to be collected from dairy farmers; and

- inserts *new section 115(2A)*, which clarifies when a body is to be treated as an interconnected body of an independent processor for the purposes of any regulations made under section 115.

New clause 8B amends section 118 of the Act, which is an offence provision. The amendment inserts *new section 118(1)(aa)* to make it an offence for a person who fails, without reasonable excuse, to comply with a requirement to provide periodic returns or periodic forecasts specified in regulations made under section 115 of the Act.

New clause 20 consequentially amends the Dairy Industry Restructuring (Raw Milk) Regulations 2001 to align the terminology in the regulations with *new section 115(2A)*.
