

# WOOL INDUSTRY AMENDMENT ACT 1976

## No. 71 of 1976

An Act to amend the *Wool Industry Act 1972-1974*.

BE IT ENACTED by the Queen, and the Senate and House of Representatives of the Commonwealth of Australia, as follows:—

Short title  
and citation.

1. (1) This Act may be cited as the *Wool Industry Amendment Act 1976*.<sup>1</sup>

(2) The *Wool Industry Act 1972-1974*<sup>2</sup> is in this Act referred to as the Principal Act.

(3) The Principal Act, as amended by this Act, may be cited as the *Wool Industry Act 1972-1976*.

Commence-  
ment.

2. This Act shall come into operation on the day on which it receives the Royal Assent.<sup>1</sup>

Consultation  
with  
appropriate  
organiz-  
ations.

3. Section 20A of the Principal Act is amended by adding at the end of sub-section (1) the words “and employer organizations”.

Market  
Support  
Fund.

4. Section 28A of the Principal Act is amended by omitting sub-sections (4) to (12) (inclusive) and substituting the following sub-sections:—

“(4) There shall be credited to the Market Support Fund—

- (a) income derived from investments made in accordance with sub-section (3);
- (b) interest received on advances made in accordance with sub-section (3), less administrative expenses incurred by the Corporation in connexion with those advances;
- (c) amounts required to be credited to that Fund under paragraph (a) of sub-section (10); and
- (d) amounts representing interest on moneys standing to the credit of that Fund and used by the Corporation for the purchase of wool, being interest at rates determined by the Corporation.

“(5) As soon as practicable after the end of a period, the Auditor-General shall certify to the Minister whether the Corporation has made a profit or incurred a loss as a result of the operations of the Corporation in respect of its reserve price scheme in that period and the amount of that profit or loss, and the Minister shall deliver a copy of the certificate to the Corporation.

“(6) The operations of the Corporation referred to in sub-section (5) in relation to a period shall be deemed to include its operations in connexion with the making of advances to growers during that period, and costs (including valuation costs), losses and receipts of interest (other than amounts credited to the Market Support Fund) in connexion with those advances shall be taken into account accordingly.

“(7) Where the Corporation—

- (a) disposes of wool purchased by it under its reserve price scheme (in this paragraph referred to as ‘the original wool’) and subsequently—
  - (i) re-purchases the original wool after it has been processed;
  - (ii) disposes of wool so re-purchased; or
  - (iii) purchases wool products derived wholly or partly from the original wool;
- (b) manufactures, or arranges for the manufacture of, wool products wholly or partly from wool purchased by it under its reserve price scheme or from wool referred to in sub-paragraph (i) of paragraph (a); or
- (c) disposes of wool products referred to in sub-paragraph (iii) of paragraph (a) or in paragraph (b),

then, for the purposes of this section, the operations of the Corporation referred to in sub-section (5) shall be deemed to include any action of the Corporation referred to in paragraph (a), (b) or (c).

“(8) The costs to be taken into account in ascertaining under sub-section (5), in relation to a period, whether the Corporation has made a profit or incurred a loss or the amount of such a profit or loss include interest paid or payable in respect of that period by the Corporation on borrowed moneys used for the purposes of its operations in respect of its reserve price scheme and costs incurred in that period by the Corporation in connexion with those operations that are of a kind that have been approved by the Minister as being storage, handling, processing, manufacturing or selling costs but, subject to sub-sections (6) and (7), do not include costs incurred by the Corporation in connexion with wool or wool products before purchase by the Corporation.

“(9) If the certificate under sub-section (5) in respect of the period that commenced on 2 September 1974 discloses a profit, that profit shall be dealt with in accordance with section 33 as if it were profit of the Corporation for a financial year to which that section applies.

“(10) If the certificate under sub-section (5) in respect of a period other than the period that commenced on 2 September 1974 discloses an amount of profit—

- (a) so much of that amount of profit as does not exceed the accumulated net loss (if any) as at the beginning of the period to

which the certificate relates shall be credited to the Market Support Fund; and

- (b) so much of that amount of profit as is not so credited shall be dealt with in accordance with section 33 as if it were profit of the Corporation for a financial year to which that section applies.

“(11) If the certificate under sub-section (5) in respect of the period that commenced on 2 September 1974 discloses a loss, the amount of that loss shall be debited to the Market Support Fund.

“(12) If the certificate under sub-section (5) in respect of a period other than the period that commenced on 2 September 1974 discloses an amount of loss—

- (a) so much of that amount of loss as does not exceed the accumulated net profit (if any) as at the beginning of the period to which the certificate relates shall be debited to the reserve referred to in sub-section (4) of section 33; and
- (b) so much of that amount of loss as is not so debited shall be debited to the Market Support Fund.

“(13) Where, under paragraph (a) of sub-section (12), an amount of loss is debited to the reserve referred to in sub-section (4) of section 33, there is payable to the Corporation, out of moneys appropriated by the Parliament for the purpose, an amount equal to so much of the amount so debited as exceeds the amount (if any) standing to the credit of that reserve, and the amount so paid shall be credited to that reserve.

“(14) As soon as practicable after the Auditor-General has issued the certificate under sub-section (5) in respect of the period ending on the termination date, he shall issue a separate certificate to the Minister as to the state of the Market Support Fund after the provisions of this section relating to that Fund have been complied with, and the Minister shall deliver a copy of the certificate to the Corporation.

“(15) If the certificate under sub-section (14) discloses that any moneys stand to the credit of the Market Support Fund, those moneys shall be applied by the Corporation for such purpose in relation to the wool industry as is determined by the Minister with the approval in writing of the Australian Wool Industry Conference.

“(16) In ascertaining, for the purposes of section 33, the profit or loss of the Corporation for a financial year that is, or includes, a period within the meaning of this section, there shall not be taken into account the operations of the Corporation referred to in sub-section (5) or any income or interest referred to in sub-section (4).

“(17) Where, as at the beginning of a period, there is a difference between the total amount of profit, and the total amount of loss, certified under sub-section (5) in respect of the preceding period or periods—

- (a) if the profit exceeds the loss, the excess shall, for the purposes of this section, be taken to be the accumulated net profit; and
- (b) if the loss exceeds the profit, the excess shall, for the purposes of this section, be taken to be the accumulated net loss.

“(18) In this section—

‘period’ means—

- (a) the period that commenced on 2 September 1974 and ended on 30 June 1975;
- (b) any financial year after the period referred to in paragraph (a) and before the period referred to in paragraph (c); or
- (c) the period commencing on 1 July next preceding the termination date and ending on the termination date;

‘termination date’ means—

- (a) the date on which the Corporation, otherwise than in accordance with an arrangement referred to in paragraph (c), disposes of the last of the wool purchased by it under its reserve price scheme on and after 2 September 1974 and before 1 July 1977;
- (b) the date on which the Corporation disposes of the last of any wool products manufactured wholly or partly from wool so purchased; or
- (c) where any wool so purchased has been disposed of by the Corporation in accordance with an arrangement under which the Corporation is obliged to re-purchase that wool, or any wool products derived wholly or partly from that wool, the date on which the Corporation disposes of the last of the wool or wool products so re-purchased,

whichever last occurs.”.

5. Section 33 of the Principal Act is amended by omitting sub-sections (1), (2) and (3) and substituting the following sub-sections:—

“(1) A reference in this section to profit or loss of the Corporation for a financial year shall be read as a reference to profit or loss resulting from—

- (a) the purchase and sale of wool by the Corporation;
- (b) the processing of wool by, or by arrangement with, the Corporation; and
- (c) the manufacture of wool products by, or by arrangement with, the Corporation,

during that financial year in the performance of its functions under Part III.

Profits and losses on certain activities of Corporation under Part III.

“(1A) A reference in sub-section (1) to wool includes a reference to wool to which a price averaging plan operated by the Corporation applies.

“(2) As soon as practicable after the end of each financial year, the Auditor-General shall certify to the Minister the profit or loss of the Corporation for that financial year.

“(3) The costs to be taken into account in ascertaining the profit or loss of the Corporation for a financial year include—

(a) interest paid or payable by the Corporation in respect of that financial year on borrowed moneys used by the Corporation in connexion with the purchase or processing of wool or the manufacture of wool products; and

(b) costs incurred in that financial year by the Corporation that are of a kind that have been approved by the Minister as being storage, handling, processing, manufacturing or selling costs,

but do not include costs incurred by the Corporation in that financial year in connexion with wool before it is purchased by the Corporation.”.

Membership  
of Authority.

6. Section 46 of the Principal Act is amended by omitting paragraph (d) of sub-section (1) and substituting the following paragraph:—

“(d) a person nominated by the organization known as the Wool Scourers, Carbonisers and Fellmongers’ Association of Australia;”.

Transitional.

7. (1) Anything done in accordance with section 28A of the Principal Act before the commencement of this Act has effect as if it had been done in accordance with section 28A of the Principal Act as amended by this Act.

(2) A person who, immediately before the commencement of this Act, held office as a member of the Australian Wool Testing Authority by virtue of paragraph 46 (1) (d) of the Principal Act continues to hold office, subject to the Principal Act as amended by this Act, for the remainder of his term of office.

---

#### NOTES

1. Act No. 71, 1976; assented to 10 June 1976.
2. Act No. 111, 1972, as amended by No. 63, 1973; No. 216, 1973 (as amended by No. 20, 1974); and Nos. 65 and 152, 1974.