



Rural Adjustment Act 1992

No. 240 of 1992

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Rural Adjustment Act 1992

No. 240 of 1992

An Act relating to a Rural Adjustment Scheme

[Assented to 24 December 1992]

The Parliament of Australia enacts:

PART 1—PRELIMINARY

Short title

1. This Act may be cited as the *Rural Adjustment Act 1992*.

5 Commencement

2. This Act commences on 1 January 1993.

Objectives of this Act

3.(1) The objectives of this Act are:

10 (a) to foster the development of a more profitable farm sector that is able to operate competitively in a deregulated financial and market environment; and

- (b) to improve the competitiveness of the farm sector in a sustainable manner.
- (2) In order to achieve those objectives, this Act is intended:
- (a) to promote a better financial, technical and management performance from the farm sector; and 5
- (b) to provide support to farmers who have prospects of sustainable long-term profitability with a view to improving the productivity of their farm units; and
- (c) to provide that support in a way that ensures that the farmers who are supported become financially independent of that support within a reasonable period; and 10
- (d) to provide that support through:
- (i) grants for the purposes of subsidies for interest payable on, and associated costs of, loans, whether the loans are provided by a State or by another person; and 15
- (ii) grants for the purposes of farm training, planning, appraisal, support services and rural adjustment research; and
- (e) to support farmers who do not have prospects of sustainable long-term profitability to leave the farm sector. 20

Interpretation

4. In this Act, unless the contrary intention appears:

“**Chairperson**” means the Chairperson of the Council;

“**Commonwealth member**” means a member referred to in paragraph 6(3)(b); 25

“**Council**” means the Rural Adjustment Scheme Advisory Council;

“**member**” means a member of the Council, and includes the Chairperson;

“**Rural Adjustment Scheme**” means the schemes of support relating to rural adjustment that are, from time to time, in force under agreements between the Commonwealth and one or more of the States; 30

“**State**” includes the Australian Capital Territory and the Northern Territory.

PART 2—THE RURAL ADJUSTMENT SCHEME ADVISORY COUNCIL

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Division 1—Establishment of the Council

Establishment of the Council

5. A council called the Rural Adjustment Scheme Advisory Council is established.

How the Council is to be constituted

6.(1) The Council is to consist of:

- (a) a Chairperson; and
- (b) not more than 7 other members.

5 (2) The members are to be appointed by the Minister, and are to be appointed on a part-time basis.

(3) Of the members referred to in paragraph (1)(b):

- (a) at least one is to be appointed, after consultation with State Ministers, to represent the States; and
- 10 (b) at least one is to be an officer of the Department appointed to represent the Commonwealth; and
- (c) one is to be appointed to represent the National Farmers' Federation; and
- 15 (d) the others are to be appointed because of their expertise in economics, financial administration, banking, sustainable agriculture, farm management or training.

(4) The performance of the functions of the Council is not affected by a vacancy in its membership.

Period of appointment of members

20 7.(1) A member holds office for the period, not exceeding 3 years, specified in the instrument of appointment.

(2) A person may, on one occasion only, be re-appointed as a member.

Division 2—Functions of the Council

25 **Functions of the Council**

8. The functions of the Council are:

- (a) to recommend to the Minister, after consultation with all interested parties:
 - 30 (i) an ongoing 3 year plan for broad strategic directions for the Rural Adjustment Scheme; and
 - (ii) a proposed annual program and budget for the Rural Adjustment Scheme; and
- (b) to provide to the Minister a strategic and national view of the operations of the Rural Adjustment Scheme; and
- 35 (c) to advise the Minister, after consultation with all interested parties, on the appropriate level of funding for the Rural Adjustment Scheme and the appropriate level of funding as between the States under the Rural Adjustment Scheme; and
- 40 (d) at the request of the Minister, to provide advice to the Minister, after consultation with all interested parties, on matters that

the Minister requests advice on and, in particular, whether, under the Rural Adjustment Scheme, exceptional circumstances exist in relation to the farm sector and, if exceptional circumstances do, in the opinion of the Council, exist, on whether changes should be made to the funding arrangements under the Rural Adjustment Scheme as a result of those circumstances. 5

Committees

9. The Council may form specialist committees to assist it in the performance of its functions. 10

Staff

10. The Chairperson may make arrangements with the Secretary to the Department for the services of officers or employees of the Department to be made available to the Council.

Division 3—Administrative provisions 15

Remuneration and allowances

11.(1) A member is to be paid such remuneration as is determined by the Remuneration Tribunal but, if no determination is in operation, the member is to be paid such remuneration as is prescribed.

(2) A member is to be paid such allowances as are prescribed. 20

(3) This section has effect subject to the *Remuneration Tribunal Act 1973*.

(4) This section does not apply to a Commonwealth member.

Terms and conditions of appointment not provided for by Act

12. A member holds office on such terms and conditions (if any) in relation to matters not provided for by this Act as are determined in writing by the Minister. 25

Leave of absence

13.(1) The Minister may grant leave of absence to the Chairperson on such terms and conditions as the Minister considers appropriate. 30

(2) The Chairperson may grant leave of absence to another member on such terms and conditions as the Chairperson considers appropriate.

Resignation

14. A member may resign by giving to the Minister a signed notice of resignation. 35

Acting appointments

15.(1) If:

(a) there is a vacancy in the office of Chairperson, whether or not an appointment has previously been made to the office; or

- (b) the Chairperson is absent from duty or from Australia or is otherwise unable to perform the duties of the office of Chairperson;

5 the Minister may appoint another member to act as the Chairperson during the vacancy, absence or inability.

(2) The Minister may appoint a person to act in the office of a member (other than the Chairperson):

- (a) during a vacancy in the office, whether or not an appointment has previously been made to the office; or
- 10 (b) during any period, or during all periods, when the occupant of the office is absent from duty or from Australia or is otherwise unable to perform the duties of the office, including a period when the member is acting as the Chairperson.

15 (3) A person appointed to act during a vacancy must not continue to act for more than 12 months.

(4) A person acting in an office under this section is entitled to the same remuneration and allowances that are payable to the holder of the office in lieu of his or her own remuneration and allowances.

20 (5) Anything done by a person purporting to act under an appointment under this section is not invalid merely because:

- (a) the occasion for the appointment had not arisen; or
- (b) there was a defect or irregularity in connection with the appointment; or
- (c) the appointment had ceased to have effect; or
- 25 (d) the occasion for the person to act had not arisen or had ceased.

Disclosure of interests

16.(1) If:

- 30 (a) a member has a direct or indirect pecuniary interest in a matter being considered, or about to be considered, by the Council; and
 - (b) the interest could conflict with the proper performance of the member's duties in relation to the consideration of the matter;
- the member must, as soon as practicable after the relevant facts have come to the member's knowledge, disclose the nature of the interest at a meeting of the Council.
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(2) A disclosure under subsection (1) must be recorded in the minutes of the meeting.

Termination of appointment

40 **17.(1)** The Minister may terminate the appointment of a member for:

- (a) misbehaviour or physical or mental incapacity; or

(b) inefficiency or incompetence.

(2) If:

(a) a member becomes bankrupt, applies to take the benefit of any law for the relief of bankrupt or insolvent debtors, compounds with his or her creditors or makes an assignment of his or her remuneration for their benefit; or 5

(b) a member, without reasonable excuse, contravenes section 16; or

(c) the Chairperson is absent, except with the leave of the Minister, from 3 consecutive meetings of the Council; or 10

(d) a member is absent, except with the leave of the Chairperson, from 3 consecutive meetings of the Council;

the Minister may terminate the appointment of the member.

Meetings

18.(1) Subject to subsection (2), meetings of the Council are to be held at such times and places as the Council from time to time determines. 15

(2) The Chairperson may at any time convene a meeting of the Council.

(3) The Chairperson is to preside at all meetings of the Council at which the Chairperson is present. 20

(4) If the Chairperson is not present at a meeting of the Council, the members present are to appoint one of their number to preside at the meeting.

(5) At a meeting of the Council: 25

(a) 4 members constitute a quorum; and

(b) a question is to be decided by a majority of the votes of the members present and voting; and

(c) the member presiding has only a deliberative vote.

(6) The Council must keep minutes of its proceedings. 30

(7) The Council may invite a person to attend a meeting for the purpose of advising or informing it on any matter.

Resolutions without meetings

19. If the Council so determines, a resolution is to be taken to have been passed at a meeting of the Council if: 35

(a) without meeting, a majority of the number of members indicate agreement with the resolution in accordance with the method determined by the Council; and

(b) that majority would, if present at a meeting of the Council, have constituted a quorum under subsection 18(5); and 40

- (c) all members were informed of the proposed resolution, or reasonable efforts had been made to inform all members of the proposed resolution.

Application of Division 3 of Part XI of the Audit Act

5 **20.(1)** Division 3 of Part XI of the *Audit Act 1901* applies to the Council.

10 **(2)** Each annual report that the Council submits under section 63M of the *Audit Act 1901*, as that section applies because of subsection (1), must include a report on the operation of the Rural Adjustment Scheme during the financial year to which the report relates.

PART 3—MISCELLANEOUS

Payments by the Commonwealth under an agreement

15 **21.(1)** The payments by the Commonwealth to a State provided for in an agreement between the Commonwealth and that State relating to rural adjustment may be made to that State, by way of financial assistance, on the terms and conditions contained in the agreement and out of money appropriated by the Parliament for the purpose.

20 **(2)** Subject to subsection (3), the financial assistance is to be provided on the basis that the Commonwealth contributes 90%, and the State 10%, of the assistance provided to farmers under the Rural Adjustment Scheme.

25 **(3)** In a case where interest subsidies are provided to farmers under the Rural Adjustment Scheme to overcome difficulties due to exceptional circumstances, the Commonwealth and the State are to share equally the costs of so much of those subsidies as exceeds 50% of the interest and associated costs of the loans.

Support under the Rural Adjustment Scheme to be inalienable

30 **22.** Support under the Rural Adjustment Scheme is to be inalienable, whether by way of or in consequence of sale, assignment, execution, charge, bankruptcy or otherwise.

Regulations

23. The Governor-General may make regulations prescribing matters:

- 35 (a) required or permitted to be prescribed by this Act; or
 (b) necessary or convenient to be prescribed for carrying out or giving effect to this Act.

[*Minister's second reading speech made in—
House of Representatives on 3 November 1992
Senate on 11 November 1992*]