

**AGRICULTURAL PRODUCE COMMISSION AMENDMENT BILL 2021**

*First Reading*

Bill read a first time, on motion by **Mr D.A. Templeman (Minister for Tourism)**.

Explanatory memorandum presented by the minister.

*Second Reading*

**MR D.A. TEMPLEMAN (Mandurah — Minister for Tourism)** [12.26 pm]: I move —

That the bill be now read a second time.

Thirty-one years ago, the Horticultural Produce Commission Act 1988 established the commission as a statutory authority with the primary function of establishing producers' committees. This act was amended to become the Agricultural Produce Commission Act in 2000. The amendments now proposed will modernise the act, improving service and responsiveness to agricultural industries that already use, and those that might choose in the future to use, the act. The amendments emerged from a comprehensive review of the act in 2006.

The act relies on collaboration, consultation and majority-supported outcomes. It provides a mechanism for producers to combine their efforts and resources, and work together, through their producers' committee, to achieve the agreed goals of their industry.

For a committee to be established, the act requires a poll of producers in the industry to determine whether producers are in favour of the proposal. Before the poll can be conducted, the commission must advertise the intention to conduct the poll and invite submissions from affected producers. The commission, with 30 years of experience in forming and supporting producers' committees, has learnt that the vital component of a successful producers' committee is the involvement of, and support from, the producers who will be the beneficiaries of the services the committee provides. The commission does not move to conduct a poll until there has been extensive consultation with the members of the industry concerned. As an example, the discussion between the wine industry and the commission covered a span of nearly 10 years.

The 11 existing APC producers' committees, covering 13 horticultural and prescribed industries, use the act to provide various services to their industries. Some provide all the services available under the act and others undertake only specific functions. The commission supports the committees and is responsible for determining, on the recommendation of each producers' committee, the charges for the services provided by that committee. These are fee-for-service charges and are payable by producers.

Over the years, producers' committees for agricultural produce such as pork, pome and bananas have provided services as varied as conducting research into maximising the performance of pigs after weaning, contributing to the commercialisation of the Bravo-branded apple and paying compensation to Carnarvon banana growers after cyclone Olwyn. These achievements evidence the value of the act to producers and their industries, the government and the greater agricultural industry. The act has allowed and encouraged producers to undertake candid and objective assessments of their industries and put in place strategies that allow them to work together in a leadership capacity for individual and greater industry good. This has fostered grower and industry responsibility and accountability, whilst aiding government by reducing the impost on government funding.

Most of the proposed amendments are of an administrative and operational nature, with the key amendments as follows. First, the bill contains compliance and enforcement provisions, including powers to direct a person to provide information or records, powers to investigate and a penalty for providing false and misleading information. This is to ensure that producers are complying with the act and that all funds collected are used as intended, which is to support industry. Second, the bill will allow non-producers to be appointed to committees. This will give the commission the option to have a producers' committee comprising a blend of producer and non-producer members, subject to producers always being in the majority. Voting rights on committees will be restricted to producer members only. Third, the bill will provide a mechanism for existing committees to be allocated responsibility for additional produce. Fourth, the bill includes power for the commission to have weighted voting at a poll for the establishment of a committee. Weighted voting, determined according to the proportion of produce produced by a producer, will be utilised only if there is sufficient industry data available to the commission for it to make the determination and when such an approach is in the best interests of the relevant agricultural industry. Fifth, the bill will allow flexibility on the number of commission members.

These amendments will assist the commission and the producers' committees to operate efficiently and effectively and achieve improved outcomes for producers. One amendment proposed in the 2019 version of this bill was the removal of the exclusion of the broadacre cropping and grazing industries. This would have allowed those industries to be prescribed as agricultural industries under the act and to be able, should they have chosen, to take advantage of the opportunities it offers and create a producers' committee to service its industry. However, pastoralists were

unable to reach consent about whether their industry wanted to access the act. As such, the bill retains the act's exclusion, with an amendment to clarify that this excludes an industry that concerns livestock enterprises generally conducted on pastoral land.

Another important amendment is the capacity for the regulations to provide for the circumstances in which a charge for services may be waived, refunded or reduced. This, in effect, is an opt-out clause, providing the ability for regulations to be made on the process for producers to opt out of paying charges or have their charges refunded or reduced. Regulations are tailor-made to suit the different requirements of each producer committee and industry. For existing committees, this new head power for regulations will allow waiver provisions to be included in the current regulations if their producers wish to have this option included. For new committees, the need for a waiver provision will be part of discussions with the commission when producers indicate an interest in establishing a committee.

The proposed amendments will improve the effectiveness of the Agricultural Produce Commission mechanism for producers currently using it and make the opportunities it provides available to producers in the broadacre cropping industries.

I commend the bill to the house.

Debate adjourned, on motion by **Mr P.J. Rundle**.