

AGRICULTURAL PRODUCE COMMISSION AMENDMENT BILL 2019

Introduction and First Reading

Bill introduced, on motion by **Hon Alannah MacTiernan (Minister for Agriculture and Food)**, and read a first time.

Second Reading

HON ALANNAH MacTIERNAN (North Metropolitan — Minister for Agriculture and Food) [5.07 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 in future use, the act. The amendments emerged from a comprehensive review of the act in 2006.

The 11 existing APC committees, covering 13 horticultural and prescribed industries, use the act to provide various services. 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 the producers' committees, the charges for the services provided by the committees. 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. Key amendments of this nature include 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. The bill will amend section 11 to allow non-producers to be appointed to committees. This gives 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. The bill will provide a more defined process for a committee's functions to include responsibility for additional produce, including 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, would be utilised only if there were sufficient industry data available to the commission for it to make the determination in the best interests of the relevant agricultural industry. It allows flexibility on the number of members on the commission.

These amendments will assist the commission and the producers' committee to operate efficiently and effectively and to achieve improved outcomes for producers. One amendment proposed in the bill is the removal of the exclusion of the broadacre cropping and grazing industries, which prevents those industries from being prescribed as agricultural industries under the act and being able, should they choose, to take advantage of the opportunities it offers. This amendment was considered as part of the review of the act in 2006. Given there was no clear support for these amendments, the government initially drafted the bill without that extension of the scope of the legislation. Earlier this year, the Western Australian Farmers Federation asked for the exclusions to be removed because its members now strongly support this proposed amendment to the act, subject to the inclusion of an opt-out clause. Given that WAFarmers is the industry body with the highest representation of broadacre farmers, the bill was drafted to include the removal of the exclusion of the broadacre cropping and grazing industries. It is important to note that this amendment does not mean that the broadacre cropping and grazing industries will necessarily be subject to a levy. It means that if, or when, a broadacre cropping or grazing industry is prescribed, it will have the same opportunity to use the act as any other agricultural 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 unless 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.

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, or have their charges refunded or reduced. Producer committees will be able to make tailor-made requirements of different producers and categories of producers as the number of industries that choose to take advantage of the act increases. The proposed amendments will improve the act for producers currently using it and make the opportunities it provides available to producers in the broadacre cropping and grazing industries.

Pursuant to standing order 126(1), I advise that this bill is not a uniform legislation bill. It does not ratify or give effect to an intergovernmental or multilateral agreement to which the government of the state is a party; nor does this bill, by reason of its subject matter, introduce a uniform scheme or uniform laws throughout the commonwealth.

I commend the bill to the house and I table the explanatory memorandum.

[See paper 2905.]

Debate adjourned, pursuant to standing orders.