RURAL INDUSTRY ASSISTANCE (SPECIAL PROVISIONS) ACT AMENDMENT BILL 1972

Legislative Council, 8 November 1972, page 2800

Second reading

The Hon. A. F. KNEEBONE (Minister of Lands) obtained leave and introduced a Bill for an Act to amend the Rural Industry Assistance (Special Provisions) Act, 1971-1972. Read a first time.

The Hon. A. F. KNEEBONE: I move:

*That this Bill be now read a second time.*

Section 253b of the Commonwealth Bankruptcy Act provides for the “declaration” of any State law that provides for the giving of financial assistance to certain farmers for the purpose of discharging all or any of their debts The Commonwealth Act further provides that if bankruptcy proceedings are taken against a farmer who is receiving protection from proceedings for debts under such a “declared State law” those bankruptcy proceedings may be “stayed”. The Government has been advised by the Commonwealth Attorney-General that, in its present form, the Rural Industry Assistance (Special Provisions) Act, 1971-1972, cannot be declared under the Bankruptcy Act. The grounds on which this advice is based is that the Rural Industry Assistance (Special Provisions) Act does not provide expressly for the giving of financial assistance for the purposes of discharging all or some of the debts of farmers. In fact, financial assistance of the kind referred to may be given pursuant to the Rural Industry Assistance (Special Provisions) Act, and the effect of this short Bill is to make it explicit that this purpose is included amongst its purposes. The Government understands that, if the principal Act is amended in the manner proposed, it will be possible to “declare” it under the Bankruptcy Act, and the farmers of this State will be afforded the additional protections adverted to above. Clauses 1 and 2 are formal. Clause 3 amends the long title to the principal Act to make the relevant purpose quite explicit. Clause 4 amends the interpretation section of the principal Act by in effect providing that the Act will relate to a specific agreement, that is, the agreement relating to rural reconstruction entered into between this State and the Commonwealth on June 4, 1971. Clause 5 is consequential on clause 4 and is intended to recognize that there is now in existence a specific agreement.

The Hon. R. C. DeGARIS secured the adjournment of the debate.