

1991—No. 127

DAIRY INDUSTRY ACT 1979—REGULATION

(Relating to milk prices)

NEW SOUTH WALES



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HIS Excellency the Governor, with the advice of the Executive Council, and in pursuance of the Dairy Industry Act 1979, has been pleased to make the Regulation set forth hereunder.

IAN ARMSTRONG
Minister for Agriculture and Rural Affairs.

Commencement

1. This Regulation commences on 28th March, 1991.

Amendments

2. The Dairy Industry (Pricing) Regulation 1984 is amended:
 - (a) by inserting in clause 4 (2) (1) above the word “Life” the following matter:
Gardencity Contour
Gardencity Lite
 - (b) by omitting from Table 1 in Schedule 1 the matter “0.6500” opposite the words “Publicity allowance” and by inserting instead the matter “1.5200”;
 - (c) by omitting from Table 1 in Schedule 1 the matter “**Industry” and by inserting instead the word “Industry”;
 - (d) by omitting from Table 1 in Schedule 1 the matter “**81.4112**” opposite the word “TOTAL” and by inserting instead the matter “**82.2812**”;
 - (e) by omitting from Table 1 in Schedule 1 the note relating to the Industry contingency reserve;

(f) by omitting Table 2 from Schedule 1 and by inserting instead the following Table:

TABLE 2
COST DEFINITION BY INDUSTRY SECTOR

Column 1 Sector	Column 2 Cost Definition	Column 3 Index	Column 4 Sector Weight
Price payable to dairymen for whole milk	Cash	Dairy Price Index	0.2455
	Paid Labour	Dairying Employees Award (farm control hand)	0.0377
	Capital returns	Bond rate	0.0754
	Non-paid labour	Average male earnings	0.1245
*Corporation and Conference administration allowance (Administration/Conference)	Administration	Average male earnings	0.0165
*Corporation and Conference administration allowance (Quality control)	Administration	Average male earnings	0.0153
Publicity allowance	Advertising	CPI—General	0.0185
Allowance payable to receival factories for treating milk	Labour	Average male earnings	0.0075
	Administration and overheads	CPI—Food	0.0132
Distribution/Processing adjustment fund (part of Corporation's returns)	Labour	Average male earnings	0.0698
	Vehicles	General Carting Tariff 1972 Base Surcharge	0.0141
	Vehicles	CPI—Vehicle	0.0085

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Column 1 Sector	Column 2 Cost Definition	Column 3 Index	Column 4 Sector Weight
	Business costs	CPI—General	0.0085
Agent companies (processing)	Labour	Average male earnings	0.0259
	Administration and overheads	CPI—Food	0.0690
Margin for dairy produce merchant by vehicle	Non-paid labour	Average male earnings	0.1663
	Vehicles	CPI—Vehicle	0.0407
	Business costs	CPI—General	0.0407
**Industry contingency reserve	Reserve	CPI—General	0.0024

NOTES: **Corporation and Conference administration allowance*

The Corporation and Conference administration allowance includes sector weights of 0.000260 and 0.006077, both indexed according to average male earnings (an index the citation and source of which is set out in Table 3).

** *Industry contingency reserve*

The Industry contingency reserve includes a sector weight of 0.000243 indexed according to the Consumer Price Index—General (an index the citation and source of which is set out in Table 3).

EXPLANATORY NOTE

The object of this Regulation is to amend the Dairy Industry (Pricing) Regulation 1984:

- (a) to exclude the modified milks "Gardencity Contour" and "Gardencity Lite" from the application of that Regulation; and
- (b) to vary the publicity allowance margin component of milk prices; and
- (c) to vary the values assigned to major identifiable costs in different sectors of the milk industry.

The Regulation also omits a note at the end of the Table of Base Prices and Margins in Schedule 1. Any financial support that may be given by the industry contingency reserve to the Sire Evaluation Program of the Department of Agriculture and Fisheries is not a fixed margin as the note might seem to suggest.
