States Grants (Fruit-Growing Reconstruction) Bill 1976
Presented by the Minister for Primary Industry, Hon. I. Sinclair, House of Representatives, 14 October 1976.

Short Digest of Bill

Purpose

The purposes of the Bill are to approve extension for a year of the Fruitgrowing Reconstruction Scheme (for all States), and to provide up to a further $1 million to the States of Victoria and South Australia to assist in the removal of canning fruit trees under the Scheme.

The Scheme

The Fruitgrowing Reconstruction Scheme is operated by the State Governments in accordance with the 1972–74 Fruitgrowing Reconstruction Agreement between the Commonwealth and States. The form of the agreement is set out in the Schedule to the States Grants (Fruit-growing Reconstruction) Act 1972, as extended and revised by later agreements set out in the States Grants (Fruit-growing Reconstruction) Acts 1973 and 1974.

The Fruitgrowing Reconstruction Scheme, commonly known as the Tree Pull Scheme, provides assistance to orchardists who are in or are threatened by financial difficulties to remove fruit trees deemed surplus to long-term market requirements and either leave the industry altogether or diversify into some other form of production. The scheme is restricted at present to fresh pear, fresh apple, canning pear, canning peach and, since 1973, canning apricot trees.

Main Provisions

1. The Bill provides for Parliamentary approval of an agreement between the Commonwealth and States to vary the Fruit-growing Reconstruction Scheme to

   (i) extend the expiry date for the lodging of applications for assistance from 31 December 1975 to 31 December 1976. (This is in accordance with recommendation of Industries Assistance Commission in their report “Fruitgrowing: Part A, Fruitgrowing Reconstruction”, 16 January 1976.)

   (ii) extend the expiry date for the removal of trees from 30 June 1976 to 30 June 1977; (clause 4 and Schedule to Bill).

2. The Bill also authorises payment to Victoria and South Australia of amounts, in total, up to an extra $1 million for removal of canning fruit trees under the Scheme, and appropriation from C.R.F. of the funds required (clause 7). This follows representations from the Victorian and South Australian governments on the severe over-supply position of canning fruit varieties in those States.
Amount of Funds

The States Grants (Fruit-growing Reconstruction) Act 1972 originally appropriated $4.6 million but only $3.5 million of this had been spent by the end of 1975–76. The government does not expect that extra funds will be required for the extension of the Scheme in States other than Victoria and South Australia. Appropriation of the extra $1 million for those two States brings the total appropriations to $5.6 million.

Related Legislation

The provision of assistance under the Fruit-growing Reconstruction Scheme will not preclude the recipient of such assistance from also receiving assistance under the Rural Reconstruction Scheme as provided for under the States Grants (Rural Reconstruction) Act 1973. (Clause 6).

Finance, Industries, Trade and Development

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LEGISLATIVE RESEARCH SERVICE