

# Sugar Industry (Real Choice in Marketing) Amendment Bill 2015

Amendments during consideration in detail to be moved by  
Deb Frecklington, Member for Nanango

**1 Clause 2 (Commencement)**

Page 4, lines 5 and 6—  
*omit.*

**2 Clause 6 (Insertion of new ss 33A and 33B)**

Page 5, lines 14 and 15, from ‘(the *referral agreement*)’ to  
‘arbitration.’—

*omit, insert—*

(the *referral agreement*)—

- (a) to refer the dispute to arbitration; and
- (b) for the dispute to be arbitrated under the *Commercial Arbitration Act 2013* subject to subsections (5) to (9).

**3 Clause 6 (Insertion of new ss 33A and 33B)**

Page 5, line 20, ‘and (5)’—

*omit, insert—*

to (9)

**4 Clause 6 (Insertion of new ss 33A and 33B)**

Page 5, after line 26—

*insert—*

- (6) Subsection (7) applies if a GEI sugar marketing term is a proposed term of the intended supply contract and the grower proposes to nominate an entity to be the GEI sugar marketing entity.

- (7) A term of the intended supply contract must not have the effect of unreasonably treating the grower less favourably than the grower would be likely to be treated if a mill-related entity were to be the GEI sugar marketing entity.
- (8) Without limiting subsection (7), a term of the intended supply contract would have the effect of unreasonably treating the grower less favourably for the subsection if the effect were that the grower would unreasonably pay more for a service provided by the mill owner under the intended supply contract than the grower would pay for the service if a mill-related entity were the GEI sugar marketing entity.
- (9) Each party must bear the party's own costs of the arbitration.

**5 Clause 6 (Insertion of new ss 33A and 33B)**

Page 5, line 27, '(6)'—

*omit, insert—*

(10)

**6 Clause 6 (Insertion of new ss 33A and 33B)**

Page 5, line 33, '(7)'—

*omit, insert—*

(11)

**7 Clause 6 (Insertion of new ss 33A and 33B)**

Page 5, after line 35—

*insert—*

***mill-related entity*** means—

- (a) the mill owner; or
- (b) a related body corporate of the mill owner.

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**8 Clause 6 (Insertion of new ss 33A and 33B)**

Page 6, lines 9 to 33—

*omit, insert—*

- (a) a term providing for the amount, or the basis for working out the amount, of the payment to the grower for the supply of the cane (the ***cane payment***);
- (b) unless the grower and mill owner otherwise agree—a term (a ***related sugar pricing term***) requiring the amount of the cane payment to be worked out in a stated way by linking that amount to the sale price of the on-supply sugar to which the supply contract relates;
- (c) if the supply contract includes a related sugar pricing term, both of the following, unless the grower and mill owner otherwise agree—
  - (i) a term requiring the mill owner to bear the sale price exposure for the sale of a proportion of the on-supply sugar that is worked out in a stated way;
  - (ii) a term (a ***GEI sugar price exposure term***) requiring the grower to bear the sale price exposure for the sale of the remaining on-supply sugar (the ***grower economic interest sugar***);
- (d) if the supply contract includes a GEI sugar price exposure term—
  - (i) a term (a ***GEI sugar marketing term***) requiring the mill owner to have an agreement with a stated entity (the ***GEI sugar marketing entity***) to sell the quantity of the on-supply sugar that is at least equal to the quantity of the grower economic interest sugar; and

- (ii) unless the grower and mill owner otherwise agree, a term providing for an entity nominated by the grower to be the GEI sugar marketing entity;
- (e) if the supply contract provides for an entity nominated by the grower to be the GEI sugar marketing entity—a term requiring the mill owner to deliver for sale the quantity of the on-supply sugar that is at least equal to the quantity of the grower economic interest sugar, as directed by the entity, within a stated reasonable period.

**9 Clause 6 (Insertion of new ss 33A and 33B)**

Page 6, line 34, ‘and (e)’—

*omit.*

**10 Clause 6 (Insertion of new ss 33A and 33B)**

Page 6, line 37 and page 7, lines 1 and 2—

*omit, insert—*

- (4) Without limiting subsection (2)(e), the stated period must be reasonable having regard to the likely period in which the mill owner could deliver the on-supply sugar for sale to a related body corporate of the mill owner.

**11 .Clause 8 (Insertion of new s 238)**

Page 7, lines 21 and 22, from ‘the term’ to ‘(e).’—

*omit, insert—*

a GEI sugar marketing term.

**12 Clause 8 (Insertion of new s 238)**

Page 7, lines 25 and 26, from ‘the term’ to ‘33B(2)(d).’—

*omit, insert—*

a GEI sugar marketing term.

**13 Clause 8 (Insertion of new s 238)**

Page 7, line 29, ‘paragraph (b).’—

*omit, insert—*

paragraph (b);

**14 Clause 8 (Insertion of new s 238)**

Page 7, after line 29—

*insert—*

(d) a grower and mill owner being taken to have made a supply contract under section 33A(10).

**15 Clause 10 (Amendment of schedule (Dictionary))**

Page 9, line 3, ‘33B(2)(d)’—

*omit, insert—*

33B(2)(d)(i)

**16 Clause 10 (Amendment of schedule (Dictionary))**

Page 9, after line 3—

*insert—*

*GEI sugar marketing term* see section 33B(2)(d)(i).

**17 Clause 10 (Amendment of schedule (Dictionary))**

Page 9, after line 7—

*insert—*

*related body corporate* see the Corporations Act,  
section 50.

**18 Clause 10 (Amendment of schedule (Dictionary))**

Page 9, line 17, ‘33A(6)’—

*omit, insert—*

33A(10)

Authorised by the Parliamentary Counsel