

REPUBLIC OF SOUTH AFRICA

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# **KWAZULU CANE GROWERS' ASSOCIATION ACT REPEAL BILL**

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*(As introduced in the National Assembly as a section 75 Bill; explanatory summary of Bill published in Government Gazette No. 22546 of 10 August 2001) (The English text is the official text of the Bill)*

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(MINISTER FOR AGRICULTURE AND LAND AFFAIRS)

**[B 48—2001]**

ISBN 0 621 31004 2

No. of copies printed ..... 1 800

# BILL

**To repeal the KwaZulu Cane Growers' Association Act, 1981; and to provide for matters connected therewith.**

**B**E IT ENACTED by the Parliament of the Republic of South Africa, as follows:—

## **Definition**

1. In this Act, unless inconsistent with the context—  
“KwaZulu Cane Growers' Association Act” means the KwaZulu Cane Growers' Association Act, 1981 (Act No. 12 of 1981). 5

## **Repeal of law**

2. The KwaZulu Cane Growers' Association Act is hereby repealed.

## **Transfer of levies**

3. (1) The balance of levies collected under section 3(1) of the KwaZulu Cane Growers' Association Act, must be transferred to a company to be established in terms of section 21 of the Companies Act, 1973 (Act No. 61 of 1973). 10  
(2) The Minister for Agriculture and Land Affairs must approve the establishment of the company contemplated in subsection (1).  
(3) The levies transferred to the company contemplated in subsection (1) must be used for the development of small-scale cane growers in South Africa. 15

## **Short title and commencement**

4. This Act is called the KwaZulu Cane Growers' Association Act Repeal Act, 2001, and comes into operation on a date to be fixed by the President by proclamation in the *Gazette*. 20

## **MEMORANDUM ON THE OBJECTS OF THE KWAZULU CANE GROWERS' ASSOCIATION ACT REPEAL BILL, 2001**

### **BACKGROUND**

1. The Bill seeks to repeal the KwaZulu Cane Growers' Association Act, 1981 (Act No. 12 of 1981) ("the Act"). The Act established the KwaZulu Cane Growers' Association and imposed a levy on KwaZulu small-scale cane growers. After the self-governing territories were abolished post 1994, KwaZulu small-scale cane growers became subject to both the Sugar Act, 1978 (Act No. 9 of 1978) ("the Sugar Act"), and the Act. Currently small-scale cane growers living in the territory of what used to be known as KwaZulu are compelled to pay two levies, namely R0,49/ton in terms of the Sugar Act and R0,60/ton in terms of the Act. Other sugar cane growers in South Africa, including small-scale cane growers in other areas of South Africa, only pay R0,60/ton.

2. The double system that applies to small-scale cane growers living in the territory of what used to be known as KwaZulu, is untenable and the repeal of the Act will clearly be to the benefit of these small-scale cane growers. It is also a move towards uniformity in that the whole industry will then be governed by the same legislation. The repeal of the Act will ensure equal treatment of all small-scale cane growers in South Africa in accordance with the right to equal treatment before the law in terms of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996).

3. Since sugar cane has been classified as an agricultural commodity in terms of the Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996), the Minister for Agriculture and Land Affairs is responsible for market-related issues within the industry. The Minister has to ensure that the general policy direction of all the different agricultural industries is similar to and in line with directives of the Government. Apart from repealing the Act, it is envisaged with this Bill that money standing to the credit of the KwaZulu Cane Growers' Association at the time of the repeal of the Act, be paid over to a company which is to be established in terms section 21 of the Companies Act, 1973 (Act No. 61 of 1973). The main purpose of the company would be to manage the levies that had been collected under the Act to the benefit of small-scale cane growers in South Africa.

### **OTHER DEPARTMENTS OR BODIES CONSULTED**

4. Department of Trade and Industry.  
KwaZulu Cane Growers' Association.  
National Agricultural Marketing Council.  
Small-scale cane growers.  
South African Cane Growers' Association.  
South African Sugar Association.

### **FINANCIAL IMPLICATIONS FOR STATE**

5. The Bill holds no financial implications for the State.

### **PARLIAMENTARY PROCEDURE**

6. The State Law Advisers and the Department of Agriculture are of the opinion that the Bill must be dealt with in accordance with the procedure set out in section 75 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), since it contains no provision to which the procedure set out in section 74 or 76 of the Constitution applies.

Printed by Creda Communications

ISBN 0 621 31004 2