

REPUBLIC OF SOUTH AFRICA

**KWAZULU CANE GROWERS’
ASSOCIATION ACT REPEAL BILL**

*(As amended by the Portfolio Committee on Agriculture and Land Affairs
(National Assembly)) (The English text is the official text of the Bill)*

(MINISTER FOR AGRICULTURE AND LAND AFFAIRS)

[B 48B—2001]

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BILL

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

BE 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 The KwaZulu Cane Growers' Association Act is hereby repealed.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 assets

3. (1) The assets of the association acquired as a result of levies imposed under section 10
3(1) of the KwaZulu Cane Growers' Association Act, including the balance of levies as
at the commencement of this Act, must be transferred to a trust to be established in terms
of the Trust Property Control Act, 1988 (Act No. 57 of 1988).
(2) The Minister must appoint suitable persons as trustees to administer the trust.
(3) The assets transferred to the trust contemplated in subsection (1) must be used for 15
the development of small cane growers in KwaZulu-Natal who paid levies in terms of
the KwaZulu Cane Growers' Association Act.

Short title and commencement

4. This Act is called the KwaZulu Cane Growers' Association Act Repeal Act, 2002,
and comes into operation on a date to be fixed by the President by proclamation in the 20
Gazette.

MEMORANDUM ON THE OBJECTS OF THE KWAZULU CANE GROWERS' ASSOCIATION ACT REPEAL BILL

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 assets and 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 trust which is to be established in terms of the Trust Property Control Act, 1988 (Act No. 57 of 1988). The main purpose of the trust would be to manage the assets, including the balance of levies as at the commencement of this Act, to the benefit of small-scale cane growers in KwaZulu-Natal who paid levies in terms of the KwaZulu Cane Growers Association Act.

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.