

THE OFFICIAL GAZETTE 21ST DECEMBER, 2006
LEGAL SUPPLEMENT – C

BILL No. 28 of 2006

Thursday 21st December, 2006

PARLIAMENT OFFICE
Public Buildings,
Georgetown,
Guyana.

21st December, 2006.

The following Bill which will be introduced in the National Assembly is published for general information.

S. E. Isaacs,
Clerk of the National Assembly.



GUYANA

BILL No. 28 of 2006

RICE FACTORIES (AMENDMENT) BILL 2006

ARRANGEMENT OF SECTIONS

SECTION

1. Short title.
2. Amendment of section 3 of Principal Act.
3. Amendment of section 4 of Principal Act.
4. Amendment of section 13 of Principal Act.
5. Repeal and re-enactment of section 17 of Principal Act.
6. Amendment of Second Schedule to Principal Act.
7. Amendment of Sixth Schedule to Principal Act.
8. Repeal and revocations.
9. Consequential amendment.

A BILL
Intituled

AN ACT to amend the Rice Factories Act 1998 and repeal the Rice (Regulation of Manufacturing and Marketing) Act 1985.

A.D. 2006 Enacted by the Parliament of Guyana:-

Short title.

1. This Act, which amends the Rice Factories Act 1998, may be cited as the Rice Factories (Amendment) Act 2006.

No. 8 of 1998

Amendment of section 3 of Principal Act.

2. (1) Section 3(1) of the Principal Act is amended by inserting, after paragraph (c), the following paragraph -

“(d) the application fee (if any) prescribed by regulation.”.

(2) Section 3(2) of the Principal Act is amended -

- (a) by inserting, after the words “receipt of”, the words “the fee (if any) prescribed under subsection (1)(d) and”; and
- (b) by substituting, for the word “thereof”, the words “of those documents”.

Amendment of section 4 of Principal Act.

3. Section 4 of the Principal Act is amended by repealing subsection (2), and substituting for it the following subsection -

“(2) In any case where a producer sells padi to a manufacturer,

- (a) the manufacturer shall ensure that the sale is evidenced in writing, in the Form in the Sixth Schedule; and

- (b) the manufacturer shall pay the producer interest for any late payment, as specified in that form.”

Amendment of section 13 of Principal Act. 4. Section 13(1) of the Principal Act is amended by substituting, for the word “order”, the word “regulation”.

Repeal and re-enactment of section 17 of Principal Act. 5. Section 17 of the Principal Act is repealed, and the following section enacted in its place –

“**Regulations** 17. The Minister may make regulations for all or any of the following purposes –

- (a) prescribing the application fee payable under section 3(1)(d);
- (b) prescribing fees payable for a permit issued under section 3(4);
- (c) prescribing fees payable for an authorisation under section 12;
- (d) amending any Schedule to this Act;
- (e) providing for any other matters necessary for giving full effect to the provisions of this Act and for the due administration of these provisions ”

Amendment of Second Schedule to Principal Act. 6. The Second Schedule to the Principal Act is amended by inserting, after paragraph g. of the Conditions of Licence, the following paragraph –

- “h. the licensee’s total debt owed to producers shall not, at any given time, exceed 5 percent of the licensee’s gross turnover for the preceding calendar year ending

on 31 December (inclusive of that date), unless –

- (i) the licensee notifies the Board in writing as soon as the total debt owed by the licensee to producers exceeds the level specified above, and gives the Board the reasons for this;
- (ii) upon being notified, the Board gives the licensee written approval (subject to any conditions that the Board thinks fit) for that total debt to exceed that level for a specified period not exceeding 3 months from the date of the approval; and
- (iii) at the end of the specified period, the total debt owed by the licensee to producers no longer exceeds that level.”

**Amendment of Sixth
Schedule to Principal
Act.**

7. The Sixth Schedule to the Principal Act is amended by inserting, immediately before the space for the signature or mark of the producer, the following paragraph –

“I, the Manufacturer, also agree to pay interest, on any payments made after the due date for payment specified above, at 2% above the average commercial lending rate published by the Bank of Guyana in its monthly bulletin for the month in which the due date falls.”

**Repeal and
revocations.**
No. 1 of 1985

8. (1) The Rice (Regulation of Manufacturing and Marketing) Act 1985 is repealed.

(2) All orders and regulations made under that Act are revoked.

**Consequential
amendment.**
No. 15 of 1994

9. Section 59(2) of the Guyana Rice Development Board Act 1994 is amended by repealing paragraph (a).

EXPLANATORY MEMORANDUM

This Bill seeks to amend the Rice Factories Act 1998 (No. 8 of 1998) (“the Principal Act”) and repeal the Rice (Regulation of Manufacturing and Marketing) Act 1985 (No. 1 of 1985).

Clause 1 sets out the short title.

Clause 2 amends section 3 of the Principal Act to require applicants to pay an application fee when applying for a permit to establish a rice factory.

Clause 3 amends section 4 of the Principal Act to require manufacturers of rice to pay producers interest for late payment of the purchase price of padi.

Clause 4 amends section 13(1) of the Principal Act to provide for padi to be sold and purchased in bags of a weight prescribed by regulation, instead of by Ministerial order.

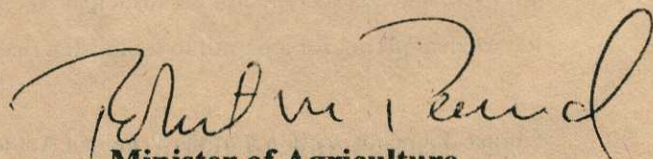
Clause 5 repeals and re-enacts section 17 of the Principal Act to provide for regulations to be made to prescribe the application fee required by **clause 2**, and to allow the Schedules to the Principal Act to be amended by regulation.

Clause 6 amends the Second Schedule to the Principal Act to insert a new condition in the licence of manufacturers. This condition is designed to ensure that each manufacturer does not owe too big a debt to producers at any point in time. This condition is intended to help ensure that producers are paid in time for their padi sales.

Clause 7 amends the Sixth Schedule to the Principal Act to insert a condition in the record of sale between producer and manufacturer. It specifies the interest payable by the manufacturer if he pays the producer late for the padi purchased.

Clause 8 fully repeals the Rice (Regulation of Manufacturing and Marketing) Act 1985 and all orders and regulations made under that Act. Previously, that Act was partially repealed by section 59 of the Guyana Rice Development Board Act 1994.

Clause 9 consequentially repeals section 59(2)(a) of the Guyana Rice Development Board Act 1994.



Minister of Agriculture