

## MALAYSIA

## Act of Parliament

No. 22 OF 1967

## FARMERS' ASSOCIATION ACT, 1967

An Act to provide for the registration of Area, State and Federal Farmers' Associations the control and supervision of such associations and for matters connected therewith.

[ ]

BE IT ENACTED by the Duli Yang Maha Mulia Seri Paduka Baginda Yang di-Pertuan Agong with the advice and consent of the Dewan Negara and Dewan Ra'ayat in Parliament assembled, and by the authority of the same, as follows:

## PART I—PRELIMINARY

1. (1) This Act may be cited as the Farmers' Association Act, 1967, and shall subject to sub-section (3) apply throughout the Federation. Short title, application and commencement.

(2) This Act shall come into force on such date as the Minister may by notification in the *Gazette* appoint not being a date earlier than that on which the notification is published. <sup>2</sup>

(3) The Minister may by order suspend the operation of this Act in any part or parts of the Federation.

2. In this Act unless the context otherwise requires— Interpretation.

“Area Farmers' Association” means an association of farmers of not less than fifty in number formed in accordance with the provisions of this Act or any regulations made thereunder for any area in any State in the Federation with the object or objects of promoting the economic and social interests or well-being of such persons or such class of persons through direct participation;

“farmer” means any person who is engaged in the production of agricultural or livestock produce and whose income is derived from such production and includes any person who is engaged in, and whose income is derived from, riverine or estuarine or marine fishing;

“Federal Farmers’ Association” means a confederation of any two or more State Farmers’ Associations in accordance with the provisions of this Act;

“Minister” means the Minister for the time being charged with the responsibility for Agriculture and Co-operatives;

“State Farmers’ Association” means a confederation of any two or more Area Farmers’ Associations in accordance with the provisions of this Act.

PART II—FORMATION OF AREA, STATE AND  
FEDERAL FARMERS’ ASSOCIATIONS

3. (1) An Area Farmers’ Association may be formed in accordance with the provisions of this Act or any regulations made thereunder.

(2) Any two or more Area Farmers’ Associations registered in accordance with this Act may with the approval of the Registrar confederate into one State Farmers’ Association.

(3) Any two or more State Farmers’ Associations registered in accordance with this Act may with the approval of the Registrar confederate into a Federal Farmers’ Association.

Prohibition. 4. No Area, State or Federal Farmers’ Association shall carry on business unless it is formed and registered in accordance with the provisions of this Act.

Objects of Area Farmers’ Association 5. An Area Farmers’ Association may be formed for all or any of the following objects:

- (a) operation and formulation of extension and training programme for the advancement of agriculture, horticulture, animal husbandry, fisheries, home economic and rural youth;
- (b) promotion and establishment of demonstration farms and homes;
- (c) assistance in the conducting of farm products exhibitions and agricultural shows;
- (d) procurement, allocation and processing of farm supplies and daily necessities for farmers;
- (e) provision of marketing facilities for farm and live-stock products;
- (f) provision of warehousing and processing facilities;
- (g) provision of saving and credits facilities to farmers;
- (h) improvement of efficiency of farm management; and
- (i) performance of any other function or functions connected with or incidental to any or all of the objectives aforesaid.

PART III—REGISTRATION

6. (1) For the purposes of this Act there shall be a Registrar of Farmers' Associations (in this Act referred to as "the Registrar") who shall be responsible for the registration and supervision of all Farmers' Associations. Registrar of all Farmers' Associations.

(2) The Director of Agriculture, States of Malaya, shall be the Registrar.

(3) The Registrar may delegate in writing any of his powers under this Act except section 20 to any person for such period and on such conditions as he thinks fit.

7. The Registrar shall keep and maintain or cause to be kept and maintained a register or registers which shall contain particulars relating to the registration of all Farmers' Associations as he may think expedient. The Registrar

8. Save as provided with respect to the registration of State and Federal Farmers' Associations no Area Farmers' Association shall be registered unless— Conditions for registration.

(a) there has been a meeting at which there have been present 50 or more farmers from such area;

(b) at the meeting aforesaid there shall have been presented a written statement showing the objects of the Area Farmers' Association and copy of the constitution or rules for the management of such association; and

(c) provisions in the constitution or the rules of such association include those provisions prescribed in the rules made under this Act.

PART IV STATE FARMERS' ASSOCIATIONS  
SUPERVISING OFFICER

9. (1) There shall be appointed in respect of every State a Farmers' Associations Supervising Officer who shall be appointed by the Minister. Supervising authorities.

(2) An appointment made under sub-section (1) shall be for such period or on such conditions as the Minister may prescribe.

(3) A person appointed under this section shall be under the general directions of the Registrar.

10. The Farmers' Associations Supervising Officer shall in respect of the State in which he is appointed— Duties of Supervising Officers.

(a) advise Area Farmers' Associations and State Farmers' Associations in the State on the activities of such associations;

- (b) co-ordinate any scheme or schemes carried out by Area Farmers' Associations in the State; and
- (c) inspect and supervise the activities of Area Farmers' Associations and State Farmers' Associations in the State.

PART V—MEMBERS OF AREA FARMERS' ASSOCIATIONS

Members of  
Area  
Farmers'  
Association.

11. (1) Any farmer in an area shall be eligible to be a member of the Area Farmers' Association.

(2) The members of an Area Farmers' Association which is formed and registered in accordance with this Act shall be persons who have signed the applications for membership on the formation of such association and any other persons who are admitted to membership in accordance with the constitution or rules of such association.

(3) No rights of membership shall be exercised by any member until he has made such payments to the Area Farmers' Association in respect of membership as provided in the constitution or rules of such association.

(4) A person shall cease to be a member of an Area Farmers' Association in any of the following circumstances that is to say—

- (a) when he resigns voluntarily in accordance with the constitution or rules of such association;
- (b) when he is deemed to have ceased to be a member by the provisions of the constitution or rules of such association; or
- (c) on his death.

PART VI—MANAGEMENT AND FUNDS OF AREA, STATE AND FEDERAL FARMERS' ASSOCIATIONS

Directors.

12. (1) Each of the Area, State and Federal Farmers' Associations shall be controlled by a Board of Directors elected at the General Meeting of each such association once every one calendar year and for that purpose and subject to the provisions of this Act or the constitution or rules of such association the Board of Directors shall have and may exercise the powers of such association.

(2) For the purpose of conducting the business operations of each of such associations, the Board of Directors aforesaid shall appoint a General Manager, and any other officers on the recommendation of the General Manager.

(3) The responsibilities and duties of the General Manager, the officers and the Board of Directors aforesaid shall be in accordance with the constitution or rules of such association.

## FARMERS' ASSOCIATION

(4) The Directors shall hold office, retire and may be removed from office in accordance with the constitution or rules of such association.

(5) The office of a Director shall be deemed to be vacated in any of the following cases that is to say—

- (a) if he becomes a bankrupt;
- (b) if he is convicted of a criminal offence involving fraud, dishonesty or moral turpitude;
- (c) if he absents himself from three consecutive meetings of the Board without leave;
- (d) if he ceases to be a member of an Area Farmers' Association;
- (e) if he becomes insane; or
- (f) if he engages in any business which in the opinion of the Minister is prejudicial to the interests of such association.

13. The funds of each of the Area, State and Federal Farmers' Associations shall consist of— Funds of  
Farmers'  
Association.

- (a) subscriptions of members; and
- (b) moneys acquired, accrued or derived by virtue of the powers of such association conferred by this Act.

14. Every Area, State and Federal Farmers' Association shall establish a Reserve Fund which shall consist of moneys from the general fund set aside for that purpose and which shall be used in accordance with the constitution or rules of such association. Reserve  
Fund.

### PART VII—CONFEDERATION OF AREA AND STATE FARMERS' ASSOCIATIONS

15. (1) Any Area Farmers' Association may give notice in accordance with the rules of such association of intention to hold a special general meeting of such association at which a special resolution for the confederation with the other Area Farmers' Associations will be proposed. Procedure of  
confederation  
of Area  
Farmers'  
Associations.

(2) At the meeting of each Area Farmers' Association aforesaid a special resolution shall be proposed for the confederation and that an application shall be made to the Registrar for the purpose.

16. If any application under section 15 has been made in respect of each Area Farmers' Association and the Registrar is satisfied— Registration  
of State  
Farmers'  
Association.

- (a) that the special resolution in favour of the proposed confederation has been duly passed by each Area

Farmers' Association corresponding in all material particulars with the resolution or resolutions passed by the other Area Farmers' Associations;

- (b) that the scheme of confederation contained in the resolution aforesaid in the case of each Area Farmers' Association corresponds in all material particulars to the resolution or resolutions of the other Area Farmers' Associations; and
- (c) that the provisions of the constitution or rules of the proposed State Farmers' Association are not contrary to this Act or rules made thereunder—

he shall register or cause to be registered the State Farmers' Association according to the rules made under this Act.

Procedure  
for con-  
federation  
of State  
Farmers'  
Associa-  
tions.

17. In respect of the procedure for confederation of any two or more State Farmers' Associations the provisions of sections 15 and 16 shall apply provided that for the expressions "Area Farmers' Association" and "State Farmers' Association" wherever they occur in the sections aforesaid substitute "State Farmers' Association" and "Federal Farmers' Association" respectively.

#### PART VIII—GENERAL

Farmers'  
Association  
to be body  
corporate.

18. Upon registration under this Act an Area, State or Federal Farmers' Association—

- (a) shall be a body corporate with perpetual succession and a common seal and shall have the power to enter into contracts to institute and defend actions, suits and legal proceedings and to do all things necessary for the purpose of achieving the objects; and
- (b) may acquire by lease purchase donation gift devise bequest or otherwise any real or personal property for any of the objects of such association and for such purposes may sell or lease or otherwise deal with any such property.

Power to  
inspect.

19. The Registrar, or any person authorised in writing in that behalf, shall have the power—

- (a) to inspect the accounts and property of any Area, State or Federal Farmers' Association; and
- (b) to hold an inquiry into the workings of the business and financial conditions of such association.

Power to  
suspend and  
dissolve.

20. (1) If the Registrar is of the opinion that it is in the interest of the farmers generally in any area or State so to do he may by order suspend the constitution or the rules of any Area or State Farmers' Association.

(2) As soon as the order under sub-section (1) has been made the Registrar shall cause an inquiry to be made in respect of such association in respect of which the order was made or any aspect of the business of such association.

(3) After the inquiry under sub-section (2) has been made the Registrar may revoke the order of suspension or order that such association be dissolved as he thinks expedient.

(4) Subject to any appeal made under the provisions of section 21, the order for the dissolution of an Area or State Farmers' Association shall take effect on the expiry of the period of three months after the date of publication of the order.

(5) An Area or State Farmers' Association affected by an order under this section shall be dissolved in accordance with the rules made under this Act.

21. Any person aggrieved by any order of the Registrar made under section 20 may within thirty days of the making of such order, appeal to the Minister, who shall confirm or set aside the order; and the decision of the Minister shall be final. Appeal.

22. During the period of suspension of an Area or State Farmers' Association it shall be unlawful notwithstanding section 4 for such association to carry on any business: No business during suspension.

Provided that this section shall not prevent the management or the carrying of business of such association by any person or persons appointed under section 23.

23. It shall be competent for the Registrar after an order to suspend an Area or State Farmers' Association has been made to appoint any person or persons to manage the affairs of such association during such suspension until such time as the new Board of Directors or any officers of such association have been elected or employed. Management during suspension.

24. The annual general meeting of every Area, State or Federal Farmers' Association shall be held within 2 months after the close of each such association's financial year or within such further time as may be allowed by the Registrar or prescribed by the constitution or rules of such association. Annual meeting.

25. The Registrar shall audit or cause to be audited by some person authorised by him by general or special order in writing the accounts of every Area, State and Federal Farmers' Association once at least in every year. Audit.

26. (1) The Minister may make rules for the purpose of carrying into effect any of the provisions of this Act. Rules.

(2) Without prejudice to the generality of sub-section (1) rules made under this section may provide for any of the following matters—

- (a) provisions required for the constitution or rules of every Area, State and Federal Farmers' Association;
- (b) matters relating to suspension of Area or State Farmers' Associations;
- (c) matters relating to the dissolution of Area, State or Federal Farmers' Associations including the appointment of person or persons to liquidate any such association ordered to be dissolved; and
- (d) the establishment of a National Advisory Body for the purpose of co-ordinating any scheme or schemes made pursuant to any provisions of this Act.

**Regulations.** 27. (1) The Minister may make regulations for the purpose of carrying into effect any of the provisions of this Act.

(2) Without prejudice to the generality of sub-section (1) regulations made under this section may provide for any of the following matters—

- (a) the formation, establishment and supervision of Area, State or Federal Farmers' Association and the election and dismissal of officers of such associations;
- (b) the auditing and accounting system of Area, State or Federal Farmers' Associations;
- (c) the operation of supervised form of credit programme, and the organisation and function of members' credit standing committee of Area, State or Federal Farmers' Associations.

Special powers of Minister to exempt from requirements as to registration, etc.

28. (1) Notwithstanding anything contained in this Act the Minister may, by special order in each case and subject to such conditions, if any, as he may impose, exempt any Area, State or Federal Farmers' Association from any of the requirements of this Act as to registration.

(2) The Minister may, by general or special order, exempt any Area, State or Federal Farmers' Association from any other provisions of this Act, or may direct that such provisions shall apply to such Association with effect from such date or with such modifications as may be specified in the order.

29. The Minister of Finance may by notification in the *Gazette*, in the case of any Area, State or Federal Farmers' Association or any class of such associations reduce or remit--

Power to exempt from duty or tax.

- (a) the duty or tax which under any law for the time being in force may be payable in respect of the profits of such association or of the dividends or other payments received by the members of such association on account of profits;
- (b) the stamp duty with which, under any law for the time being in force, instruments executed by or on behalf of any such association or by an officer or member and relating to the business of such association or any class of such instruments are respectively chargeable.

30. (1) No person society or association other than a Farmers' Association registered under this Act shall trade or carry on business under any name or title of which the word "Farmers' Association" is part without the sanction of the Minister:

Prohibition of the use of the word "Farmers' Association".

Provided that nothing in this section shall apply to the use by any person society or association or his or its successor in interest of any name or title under which trade or business has been carried on at the commencement of this Act.

(2) Any person who contravenes the provisions of this section shall be guilty of an offence and shall be liable to a fine not exceeding fifty dollars, and, in the case of a continuing offence, to a further fine of five dollars for each day during which the offence continues.

31. The provisions of any written law in force relating to trade unions and the provisions of the Companies Act, 1965, shall not apply to any association of farmers registered under this Act.

Trade Unions laws and Companies Act not to apply.

32. (1) Any person who—

Offences.

- (a) neglects or refuses to do any act or refuses or fails to furnish any information required for the purposes of this Act or any rules made thereunder;
- (b) gives false information or makes any false statement on any matter required under the provisions of this Act or any rules made thereunder to be given or made;
- (c) fails to obey any requisition or lawful written order issued under the provisions of this Act or any rule made thereunder; and

(d) violates or fails to comply with any other requirements of this Act or any rules made thereunder, shall be guilty of an offence under this Act and shall be liable to a fine not exceeding one thousand dollars and, in the case of a continuing offence to a fine of fifty dollars for each day during which the offence continues.

*[Received the Royal Assent  
on the 19th day of  
April, 1967.]*