**DAIRY INDUSTRY ACT AMENDMENT BILL No. 2. 1937**

**House of Assembly, 20 October 1937, pages 1173-6**

Second reading

**Mr. ABBOTT (East Torrens)—**This is only a short but satisfactory Bill. It refers to an amendment of section 4 of the Dairy Industry Act, 1928. The amendment, will delete from the definition of “factory” the words “or when milk is pasteurised or chilled.” In 1928 when the Bill was going through another place the words quoted did not appear in the original Bill, and so far as I can ascertain they did not appear in any amendment to the Bill, nor was any amendment containing the words inserted in the measure in this Chamber. The words have, obviously been included in some way or another but the recorded list of amendments does not show one including them.

Mr. Stott—How did they get there?

Mr. ABBOTT—I do not know. Nothing in the library shows how.

Mr. Stott—There must be some reason.

Mr. ABBOTT—Yes. I intend to refer to some of the second reading speeches made at the time the Bill was going through Parliament. No matter in what way the words ultimately got into the Bill, it was not intended by Parliament that they should be there.

Mr Stott—Some negligence somewhere.

Mr. ABBOTT—That may be so.

The Hon. R. S. Richards—Parliament must decided to put them in.

Mr. ABBOTT—No doubt, but. I cannot find any recorded amendment including the words. The Bill came from another place with the words in. The Dairy Industry Act deals entirely with the manufacture of milk into different kinds of produce. The only exception is the conduct of creameries, which are defined under the Act to mean premises where milk is collected and separated, or where milk is collected only. The provisions dealing with creameries are quite different from those dealing with factories. A factory is required to keep books which are subject to inspection, keep a record of all the milk purchased at butterfat rates and what is done with it in the way of manufacture and to retain an expert butter tester. Members will realise that the whole effect of the provision regarding, this subject was meant to cover the manufacture of milk. The definition of factory is “any premises not being a dairy farm where butter, cheese or concentrated or condensed milk or cream or any article derived or prepared from milk or cream or margarine is prepared, packed canned, or manufactured for sale”.

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One can easily understand the need for the provisions for a factory, but knowing that the agreement applies where milk or cream is collected or separated it is difficult to realise any reason for adding the words “where milk is pasteurised or chilled.” The effect of that decision, so far as milk in the metropolitan area is concerned, is that for the past nine years the Department of Agriculture, inspectors, public milk vendors and everybody else have completely ignored it. There never has been in the history of the legislation an instance of a milk vendor who merely buys whole milk for resale as whole milk to the community in general and who pasteurises or chills it being regarded by the department as required to be registered as a factory with the consequent necessity of keeping a butterfat tester at an expensive salary and books showing the quantity of milk bought and disposed of.

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[ASSEMBLY.]

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The Hon. R. S. Richards—Do you suggest that he should register?

Mr. ABBOTT—I suggest that he should not register.

The Hon. R. S. Richards—You suggest that he should have no supervision?

Mr. ABBOTT—I do not; there is thorough supervision of the conditions covering pure foods by the Metropolitan County Board under the Food and Drugs Act. The whole question of the food quality of milk is thoroughly supervised and safeguarded from the public point of view, but the only purpose of making the dairyman register as a factory must be, to be consistent with the Act, where he is manufacturing milk into some other commodity. When the Bill was introduced the then Minister of Agriculture, the Hon. J. Cowan, in the Legislative Council said:

Further, it will be remembered that under last year’s Bill the proposed Government control of the dairy industry admittedly overlapped with the existing control by local health authorities. Under this year's Bill that overlapping has been removed.

Later, the Minister was questioned about it, and said, “This Bill will not apply to the metropolitan area at all.” If dairymen who buy and sell whole milk are required to register as a factory under the Act they will find that the Act applies to the metropolitan area, despite what the Minister said. At a later stage the late Hon. T. Gluyas asked, “Why not?’’ and the Minister replied, “Because last year there was so much objection to such legislation applying to the metropolitan area that the Government thought it advisable, in order to get a Bill of this kind through, to exempt the metropolitan area.” The Minister proceeded:—-

The Bill, therefore, requires every dairy farm, creamery, and factory to be licensed. A dairy farm is any land or premises where cows are milked or kept to produce milk for sale or for preparing dairy produce for sale; a factory is a place where any dairy produce is prepared, packed, canned, or manufactured for sale; and a creamery is defined as any place not being a dairy farm or factory, where milk is collected and separated or where cream is collected. Clause 21 is designed to ensure that suppliers of milk shall obtain full value for all milk and cream supplied by them to factories. It provides that milk or cream so supplied is to be paid for either on its estimated butterfat content or on the estimated amount of commercial butter obtainable from it. Whichever method be adopted, if more butter is actually manufactured from the milk or cream than that estimated the supplier is to be credited with the excess. . . . Among the miscellaneous provisions contained in clauses 27 to 32, clause 30 is the most important. It confers comprehensive regulation-making powers upon the Governor. Under it regulations may be made which will enable the Government effectively to supervise the dairy industry and ensure the purity of dairy produce, and in general to carry out the objects of the Act. When a similar Bill to this was introduced last session it was described in big headlines in some sections of the press as drastic and far-reaching. That description and the opposition it received in this Chamber were simply the result of misunderstanding. Soon after the Bill was defeated in this Chamber I took the opportunity of supplying copies of it to owners of private butter factories, co-operative factories, and to the Dairymen's Association, and I have had conferences with all those bodies. I am led to understand that there is no opposition from any of them except, per­haps, to some extent from a few persons in the metropolitan area.

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The Hon. W. H. Harvey—Are you quite sure of that?

The Minister of Agriculture—Yes. Why the dairymen in the metropolitan area should object to a Bill which does not affect them I cannot understand. I refer to the Metropolitan Dairymen’s Association, which was organised purposely to defeat this Bill. Their opposition was due to a misunderstanding. They have been left out of this Bill and it will require amendment to bring them in.

That sets out the substance of the Minister’s remarks on that day. Similar remarks were made by the then Commissioner of Crown Lands in this Chamber, the Hon. G. P. Jenkins, and the effect conveyed to members by these Ministers was that no provisions in the Dairy Industry Bill affected the ordinary metropolitan milk vendor.

Mr. Playford—According to the Minister’s statements no attempt has been made.

Mr. ABBOTT—That is correct. Since 1928 no attempt has been made to include the metropolitan milk vendors, but an attempt has been made during the past few months to require metropolitan milk vendors to register as factories for the first time in their history. I do not care what supervision this House or any other body thinks should be imposed regarding the purchase and sale of milk. A factory under this Act is not defined as a factory under the Factories Act, but as a place where milk is manufactured into butter, cheese, &c. Then added to that definition, for apparently no reason, are the words “or where milk is pasteurised or chilled.” The pasteurisation or chilling of milk does not make a place a factory . It has nothing to do with the manufacture of milk into butter, cheese, &c.

Mr. Stephens—You cannot pasteurise without machinery.

Mr. ABBOTT—You can pasteurise in various ways without machinery. There is no real reason for defining as a factory any place where milk is merely pasteurised. The milk still remains milk. If milk is pasteurised by machinery there is no reason for requiring a man to buy milk by butterfat content and have an expert butterfat tester on his premises receiving £5 or £6 a week. The enforcement of this definition has never been considered necessary by the department or the Minister.

Mr. Morphett—What is your objection?

Mr. ABBOTT—My objection is that by the mere chilling of milk for resale as whole milk or, if necessary, the. pasteurisation of milk for resale as whole milk there is no reason to require a man to register his place as a factory so long as there is competent inspection and supervision of his premises for health purposes and to comply with the Pure Foods Act.

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Mr. Morphett—There is a big reason for it.

Mr. ABBOTT—There is for the purpose the honourable member has in mind, but not from any point of view concerned with the interests of the public or this House.

Mr. Stephens—Are there any dairies pasteurising milk which are not manufacturing?

Mr. ABBOTT—-I understand that all dairymen pasteurising milk are manufacturing, but I suggest that there are many dairymen who chill milk preparatory to selling it and who do not manufacture. They merely chill it for the purpose of keeping it fresh. I do not see any reason why these places should be deemed factories and be registered.

The Hon. R. S. Richards—Do they not trade in it?

Mr. ABBOTT—That has nothing to do with the definition.

The Hon. R. 8. Richards—It has with the administration.

Mr. ABBOTT—No. Since the commence­ment of this Act large numbers of dairymen in the metropolitan area have been chilling milk and thereby have come within the definition, but it has been generally accepted by the authorities that there is no reason for them to register as factories.

Mr. Stephens—Do you contend that if a trader had 4galls. or 5galls. of milk and chilled it in a kelvinator that would constitute his place a factory?

Mr. ABBOTT—-Absolutely, according to the Act, but no Minister has ever had the courage to attempt to require such persons to register as manufacturers.

The Hon. J. Mclnnes—What authority is now taking action?

Mr. ABBOTT—As far as I know no authority is taking action, but there has been an attempt to suggest that the strict interpretation of this action requires the registration as factories of all places where milk is chilled.

Mr. Morphett—Quite rightly so.

Mr. ABBOTT—That interjection gives me some idea of the origin of the suggestion to compel these people to register.

Mr. Dunks—Are they not under the supervision of the Metropolitan County Board?

Mr. ABBOTT—Yes, and the Central Board of Health.

Mr. Shannon—These people you are worrying about are not producers, but purchasers of milk.

Mr. ABBOTT—Irrespective of whether they are producers or not, one cannot refrain from rebelling at the idea of giving an artificial definition by calling their places factories and requiring them to comply with the conditions necessary in connection with factories.

Mr. Shannon—Do you think all milk dealers should be in the same category?

Mr. ABBOTT—No. A place where butter, cheese, and other produce is manufactured from milk and cream is in the true sense of the word a factory. I cannot see any connection between such operations and the operations which take place when milk is purchased for almost immediate re-sale to customers. The Bill is short and concise. Its whole object is to delete a provision which has never been in force, and which is artificially an attempt to describe as a factory a mere chilling room where milk is kept between the time it is purchased from the dairymen and the time it is retailed to the general public. Why should there be any attempt to make an ordinary dairyman register as a factory?

Mr. Morphett—What do you mean by a dairyman. You referred to the people concerned as purchasers just now.

Mr. ABBOTT—Perhaps I used the term loosely. I mean milk purchasers and milk vendors.

Mr. Dunks—Some may be dairymen.

Mr. ABBOTT—Some may be, and a dairyman may possibly be brought in under the operations of this stringent provision. I commend the Bill to members, and hope it will be favourably received. The mere fact that no Government since 1928 has thought it proper to enforce the definition is a strong indication that it is not wanted, is unnecessary, and is entirely a contradiction to ordinary common-sense. I understand that a Milk Bill is to be submitted to this Chamber in the near future.

Mr. Lacey—Do you think it will?

Mr. ABBOTT—I understand from statements in the press that it is possible.

The SPEAKER—The honourable member is not in order in anticipating a Milk Bill whilst discussing the Dairy Industry Act Amendment Bill.

Mr. ABBOTT—Without anticipating any such Bill, I do say that in the circumstances there can be no harm in deleting these unnecessary and super-abundant words from the definition.

Mr. Morphett—That is a matter of opinion.

Mr. ABBOTT—I have no doubt about that, but I will say that in my opinion there cannot be the least harm in deleting the words. I will go further and say that in the opinion of any unprejudiced and unbiased person there can be no reason for failing to delete the words from the definition. I move the second reading.

Mr. PLAYFORD secured the adjournment of the debate.