**DAIRY INDUSTRY ACT AMENDMENT BILL 1942**

**House of Assembly, 27 October 1942, pages 1035-6**

Second reading

**The Hon. T. PLAYPORD (Gumeracha— Premier and Treasurer)—**This Bill deals with testing, weighing, and paying for milk supplied by producers for resale as whole milk. The Dairy Industry Act provides that a person who manufactures butter or cheese from milk or cream supplied to him must pay for the milk on the basis of the weight of the butterfat content. A producer who supplies milk or cream for manufacturing purposes is entitled to have it tested and weighed in the presence of himself, or a person nominated by him. These provisions, however, are expressly limited to milk or cream sold for manufacturing purposes. There is no control over milk sold or supplied for re-sale as whole milk. A further limitation in the present Act is that the term ***“***factory” does not include premises where milk is pasteurized or chilled. A factory is a place where manufacturing operations are carried on. It thus follows that the Act gives no protection as regards payment for or tests of milk to a producer whose milk is delivered to a milk depot where it is pasteurized or chilled for re-sale as whole milk.

The Dairymen’s Association has pointed out that under the zoning scheme introduced pursuant to Commonwealth regulations, a milk producer can sell his milk only to the person who is allowed by the regulations to collect milk in his district. If a producer whose milk is taken to a depot and re-sold as whole milk is not satisfied with the payment he receives, he cannot deal with any other buyer, nor can he have the milk tested or weighed. The Government proposes to amend the Act so that milk treatment plants (which are commonly referred to as depots) will be brought under the Dairy Industry Act in the same way as factories, and will be subject to regulation and control. The Bill also provides that all milk sold or supplied to the owner of a factory, whether for manufacture or treatment, must be paid for on the basis of its butterfat content, and that the producer will be entitled to have his milk tested, irrespective of whether it is to be used for manufacturing or for re-sale as whole milk. I move the second reading.

The Hon. R. S. RICHARDS (Wallaroo— Leader of the Opposition)—I do not know of

any measure which has caused more discussion than one to amend the Dairy Industry Act or any milk Bill. I was more than interested to hear the Treasurer’s explanation of this Bill, and I am sorry Mr. Abbott is not present, because I remember that in 1937 he introduced a Bill to amend the Dairy Industry Act. The very words which are now proposed to be inserted regarding the definition of “factory” were then taken out as the result of the able assistance of the Treasurer, who said on that occasion that if the definition were allowed to remain as it was every person who had a kelvinator would have to have his milk tested, because, in effect, it would be a factory within the meaning of the Act. Will that be the meaning of the Bill now before us? Mr. Moir evidently has some views on the matter, as he seeks practically .to re-insert what is now proposed to be deleted regarding the interpretation of “factory.” The definition prior to 1937 was:—

“Factory” means 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, canned, packed, or manufactured for sale, or where milk is pasteurized or chilled.

That was removed from the 1937 Act. Mr. Abbott, who led the attack, was ably supported by the present Premier. In the 1938 Act the definition went beyond “factory” and brought in any person who took the delivery of milk. The present Bill does not seek to make the responsibility applicable to every person who handles milk but confines its application to a factory. I have never been very clear as to the effect of the interpretation of “factory” and what would be the position if a case were cited' in the law courts against the rights of certain people testing and weighing milk. I am inclined to the view that the word “person,” for the purpose of this Act, would be infinitely better than “factory.”

The Hon. T. Playford—Mr. Moir’s amendment provides for that.

The Hon. B. S. RICHARDS—Yes. We would then have an opportunity to place the responsibility upon some individual. I do not like the wording in regard to weighing and testing and leaving in the interpretation clause the word “factory”.

The Hon. T. Playford—I have not studied the position closely, but it would appear that if Mr. Moir’s amendment is carried it may mean that an employee would become liable and the owner of a factory might be exempt.

The Hon. R. S. RICHARDS—The provision in the Bill is different from that in the Act I have referred to, in that the Bill provides for the owner of the factory. Mr. Moir apparently desires the word ***“***owner***”*** to be struck out and ***“***person” inserted. There is another provision I have not been able to understand. It is subclause (1) of clause 4, which is as follows :—-

Every owner of a factory to whom any milk or cream is sold or supplied shall pay the seller or supplier for that milk or cream according to the weight of butter fat contained therein as estimated by what is known as the Babcock test or by any other prescribed by regulation.

I think the position would be improved if the clause were amended to read:—|

Every owner of a factory to whom milk or cream is sold or supplied shall pay the seller or supplier for that milk or cream according to the weight of the butter fat contained therein as estimated by such tests as are prescribed by regulation.

The Babcock test is generally accepted to-day and without any regulation it could be the test applicable under the law. If the Government made no regulation providing for any other test that method would become the one recognized within the law. I understand that it was adopted by the South Australian Farmers ’ Co-operative Union Limited and has become the general practice. If it is accepted I can see no need for making provision by regulation to superimpose some other test. If it is satisfactory let it remain. Perhaps the Premier can advance a logical reason why we should have some other method, but at the moment I am unable to understand why we should specifically set out the Babcock test and then at the same time provide machinery for some other method to be used. Now that Mr. Abbott has returned to the Chamber, I mention for his information that just now I referred to an Act passed in 1937, when he used his characteristic eloquence and convinced the present Premier that the definition of “factory” was wrong, and between them they were able to convince the House that the definition was, to say the least, absurd. Singularly enough, that happened on October 27, 1937, exactly five years ago to the day. Now the Premier comes to us, with added responsibilities, and asks members to insert in the measure the exact provision he deleted five years ago. I would also like to know what Mr. Abbott thinks of the position to-day.

Mr. Abbott—It would be lovely if we could reach agreement again.

The Hon. R. S. RICHARDS—That I do not know, but I want to know what is the effect of this. I do not suggest that Mr. Abbott deliberately mis-stated the case, but wish to be clear on the point before I agree to inserting something which five years ago was deleted. I support the second reading.

Mr. WHITTLE secured the adjournment of the debate.