**BUTTER BONUS BILL 1893**

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# Second reading

The MINISTER of EDUCATION, in moving the second reading of this Bill, said he would call the attention of members to the history of the legislation connected with the granting of bonuses for the export of butter. It had resulted from the report of a Select Committee which sat in 1890, and which recommended that the butter industry should receive encouragement from the Government. The matter was included in the policy of the Playford Government. It was also taken up in turn by the Holder and Downer administrations, and during the time that Sir John Downer was Premier the Bill was earned by a large majority, he believed of 18, but it was rejected by the Legislative Council. It was therefore desirable that the measure should be sent up to the other Chamber as soon as possible. The present was the season when this bonus would be of value, for in the course of a few weeks the butter industry would be at its height. This bonus was framed in the interest of the producer, and it was in the highest degree important that he should receive assistance in this direction. There was no doubt that this was a question of great interest, and members would be convinced of this fact when they remembered that the value of the butter industry was £3,000,000 a year, while with respect to New York the sum was £14,000,000. This industry was some-what peculiar, for it had a time of glut and a time of famine. (Mr. Grainger—“No.”) Country members would agree that he was right. The bonus would serve the purpose of carrying on the industry over the dead points. In South Australia' the industry was progressing. (Mr. Grainger—“ Give us some figures. ”). He would give some figures later on, but he would state now that the bonus would cost £2,000 for the year ending June 30, 1894. Last year the amount was set down at £1,000, but for the current year it was considered that the sum which he had mentioned would have to be paid. For the results which had been attained in this colony the (dairy factories were largely responsible, and it was now a common sight in country districts to see cans at the wayside waiting to be taken to the factories. It was desirable that we should contribute to the London market, where there was a constant demand. (Mr. Brooker— "Will not the bonus increase the price ?") The average price would be lowered rather than raised. The experience in Victoria had proved that. In England there was practically a limitless market. That country imported yearly 12,000,000 lb. of butter from the Continent. The demand there was further shown by the fact that as much as £65,000 was yearly paid for oleo-margarine. That showed the possibilities of a market in England. He must say that he was rather surprised at the attitude of various members of the House with regard to this measure. He was astonished that they as protectionists should not wish to foster so important a local industry. He could have understood such a procedure on the part of free traders, for from them such action was consistent. It would not be necessary to pay this bonus always, but only for three years. (Mr McPherson—“Why don’t the producers cooperate ?”) The producers did co-operate. The factories were conducted on the co-operative principle, for the producers took shares in these and had their proportion of the profit (Mr. Archibald—"Will not the profits go to the middleman ?”). They would not. The experience in Victoria had been as he had remarked, that as a result of the bonus the average price had been lowered. There the wholesale price did not exceed Is. 3d. per lb. last year, whilst here it went up to as much as 2s. (An hon. member—“ What was the lowest price obtained here ?”) The lowest price obtained was 9d. per lb. last year. (Mr. Blacker— “It was about 6d.”) It was 9d. last year and 81/2d. in the previous one. As to the remark Mr. Archibald had made as to the profits going to the middleman, he quite admitted that the Bill of last year had that tendency. That measure provided that the butter should be sold in the country to which it was exported, and the granting of the bonus was dependent on the price obtained. That caused uncertainty, and uncertainty was to the benefit of the middleman. Certainly on the other hand was what the producer needed, and it was that certainty which this measure proposed to give. They had so arranged it that the bonus would not depend on the price which the butter reached in the foreign market. Neither would the bonus be paid at some future period. The proposal was that it should be paid on the production of the certificate of an expert as to quality and excellence of packing. Thus there would be no doubt about the samples being fit for the market on their arrival in England. It was imperative that they should be sure that no article for which a bonus was paid by the Government was open to suspicion. The factories were to be placed in such a position that they could pack the butter, ship it themselves, and receive the bonus on the production of the necessary certificate by an expert and on producing the bill of lading signed by the shipper, which would prove the produce to be on board. He would not detain the House longer, he thought that hon. members who were present last session would support the Bill, and he would ask the new members to bestow upon it their most serious attention. Any encouragement to producers just now was of the deepest possible importance. The country was watching their action in this matter and there was nothing that had raised its hopes more than the many expressions of sympathy with the producer in his struggles to get a living, to which utterance had been given during the course of the recent debate. .

Mr. GRAINGER secured the adjournment of the debate till Thursday next.