**DRIED FRUITS BILL 1924**

**House of Assembly, 11 December 1924, pages 2350- 8**

Second reading

The Minister of Agriculture obtained leave to introduce a Bill for an Act to make better provision for the marketing of dried fruits and for other purposes.

Bill introduced by the Minister of Agriculture and read a first time.

Second reading

**The MINISTER of AGRICULTURE (Hon. T Butterfield)—**The main cause leading up to the necessity for this Bill is the policy of the Governments in the Southern States supported by the Commonwealth Government to settle large numbers of repatriated soldiers on the River Murray areas. With this object in view feverish activity was manifested in the preparation of land for settlement under irrigation conditions, and the greater bulk of these areas was planted to grapes, chiefly for drying purposes. The result of this policy has been manifested during the past few years, and the difficulties that have cropped up will be accentuated next year and later. The growth of settlement on the irrigated areaswas comparatively steady prior to the Governmental activity in respect to soldier settlement, but the increased production as a result of that policy has been very rapid and has brought about a condition of affairs which renders it imperative that legislative action should be taken to secure proper organisation of the marketing of the fruit. The position that has arisen can be readily appreciated from the following figures:—In 1911 the total Australian production of dried grape fruits was approximately 9,100 tons, of which 3,400 tons were currants, the balance being lexias (dried muscatels) and sultanas. By 1920, when the earlier plantings on the soldier settlement areas were coming into bearing, the total production had increased by more than 100 per cent., namely, to 21,000 tons. Of this total currants represented 7 000 tons and sultanas and lexias 14,000 tons —the increase in the production of lexias being very small. This past season the production is estimated to be in the vicinity of 45 000 tons—of which considerably over one- half consists of sultanas. In other words, the production of sultanas has probably increased ten-fold in a period of 12 years. Next year the total prospective crop of these fruits is estimated at over 60,000 tons. For many years the organisation known as the Australian Dried Fruits Association (A.D.F.A.) has operated with a view to securing the orderly marketing of the surplus production over Australian requirements, and up to a comparatively recent period the organisation has been able to achieve this result, notwithstanding operations of a limited number of growers and dealers who were not prepared to accept any responsibility in connection with the export trade, and whose only consideration was to exploit the local market, as this was the most profitable. Following war conditions, particularly resulting from the devastation of the fruit areas along the Mediterranean, London prices for dried fruits during 1918-20 were very much higher than the equivalent prices at which the Australian Dried Fruits Association undertook to supply the Australian market, and these outside dealers in fruit exported all fruit they could obtain, because the export market gave a higher profit. The growers belonging to the- A.D.F.A. during a period of nearly three years accepted scores of thousands of pounds less for their fruit sold to the Australian consumer than they could have obtained if they had sold for export.

Mr. McIntosh—They could have bought at the retail prices and sent the fruit, overseas at a profit.

The MINISTER of AGRICULTURE—Yes.

Mr. Birrell—What steps did the A.D.F.A. take to guarantee the supply for the Australian market?

The MINISTER of AGRICULTURE—At a time of high prices they fixed the rate for the Australian consumer at a figure less than could have been secured overseas. This Bill is not for the purpose of boosting up the A.D.F.A.

Mr. Reidy—You have given them more eulogy than they deserve.

The MINISTER of AGRICULTURE—That is a matter of opinion. The honorable member must realise that if there had been no organisation there would have been a smash ere this.

Mr. McIntosh—It has been the loyalty of the members of the A.D.F.A. that has enabled the other men to live.

The MINISTER of AGRICULTURE—Absolutely.

Mr. Birrell—They have exploited the Australian public.

The MINISTER of AGRICULTURE— Until one is in touch with the whole position he is not aware of the many phases of this industry. Since 1920 the position has gradually changed, overseas prices—particularly in respect to sultanas, in which there has been the chief increase in production—having fallen to such an extent that the net returns on export is less than half of the net return from home sales, with a result that the outside dealers have been placing practically the whole of their purchases of sultanas on the Commonwealth market. Formerly, when the outside fruit represented only a small proportion of Australian requirements, it was possible for the organised growers to obtain a fair price for their fruit by averaging their oversea sales and local sales, but the outside dealers made a far better profit as a result of the sacrifices of the organised growers. Whatever the faults of the A.D.F.A., the growers outside the association necessarily must be viewed with considerably less respect, because they have done nothing to assist the industry. They exploited either the home or oversea market according to the dictates of their desire for profit. The position, however, has now been reached in which it is not possible for the past state of affairs to continue. Outside dealers are now handling about 50 per cent, of Australia’s consumption, and it only requires about one-third of the anticipated increased crop for next year to get into control of these dealers to enable them to capture the whole of the Australian requirements. This is evidenced by the fact that whereas in 1 920 the A.D.F.A. organisation sold in Australia over 11,000 tons of fruit, in 1923 the total had shrunk to 8,600 tons, and this year a further reduction of 20 per cent, is practically certain. While the A.D.F.A. have held the growers together up to this point with a certain percentage of breakaways, if nothing is done the time will come when they can do that no longer. The result will be depreciation of the Australian prices to the level of oversea markets, resulting in the complete smashing of the industry. In the circumstances it is not possible for the leaders of the organisation to even expect their present members to remain loyal, as to do so would simply mean that they would have to export the whole of their fruit at prices which would not return even a bare existence in order that the more selfish section might exploit the protected Australian market for their own benefit. It is very doubtful whether the growers outside the organisation or the general public realises the sacrifices that have been made by the organised growers to prevent an absolute disruption of the dried fruit industry, and nothing but legislative action to ensure that all growers have a fair share of the protected home market can prevent financial disaster not only to the thousands of soldier settlers along the Murray valley in Victoria, New South Wales, and South Australia, but to many of the older settlers, and the vast sums of money which have been spent by the respective Governments in connection with their irrigation works will be prejudiced. The unfairness of the position can be illustrated by the following figures:—In 1924 the net return for sultana-sold in the Commonwealth was about £50 per ton, while the overseas return was only about £20. The outside buyer could well afford to give the grower nearly 25 per cent, more than the association could give the grower (seeing that the association had to export 80 per cent of its fruit) and still sell to the grower at lower prices than the A.D.F.A. and make a big profit on the transaction.

The Hon. G. R. Laffer—Can the Minister give me any idea of what it costs per ton to place our fruit upon the European market?

The MINISTER of AGRICULTURE—I have not got the figures.

Mr. McIntosh—It is more than £20 a ton.

Mr. Reidy—Tho consumers here pay 100 per cent, more than the oversea consumers.

The SPEAKER—I ask members to cease interjecting. They will have an opportunity to discuss the Bill later.

The MINISTER of AGRICULTURE—While the Australian consumer has to pay more than oversea people this is a- country which has decided upon protection. Members like Mr. Birrell, who believe in encouraging local industry, must realise that protection is necessary.

Mr. Birrell—I do not believe in the worker being fleeced.

The MINISTER of AGRICULTURE—Neither do I, and the man who grows grapes for drying purposes is a worker and is entitled to be paid for the work he puts in on the basis of Australian rates of pay.

Mr. Collins—Hear, hear.

Mr. Birrell—I stand up to that.

The MINISTER of AGRICULTURE—That disposes of the disparity in prices.

Mr. Birrell—It does not.

The MINISTER of AGRICULTURE—If the honorable member wants dried fruit at Asiatic prices lie must accept Asiatic conditions.

Mr. Birrell—I do not want anything of the sort. You cannot put that over me.

Mr. Reidy—Does the Minister know of any reason why the man in Australia should pay more for an article produced in Australia than it is worth outside?

The SPEAKER—If members will persist in interjecting I shall name them.

The Treasurer—What about butter? That was exported and brought back again.

The MINISTER of AGRICULTURE—The object of the Bill is to enable the growers to secure a more equitable share for all concerned in the home market. Any failure in this directionmeans financial ruin to the growers and severe financial losses to the State without any real benefit in the end to anyone. In the past outside growers have been reaping the benefit of the loyalty and sacrifices of the organized growers, but as it is not possible for this to continue the fact of the breaking up of the powers’ organisation and of placing of 40 tons of fruit on a market which will only absorb 10 tons can have but one effect. Some idea of the effect of the Government policy of settlement on irrigation areas on the percentage of the A.D.F.A. controlled fruit which has to be exported is evidenced from the fact that in 1920 the export proportion or sultanas was 35 per cent., and of currants 22 per cent., whereas in 1924 the figures were 82 per cent, and 80 per cent. At one time, when the Australian market absorbed nearly all the production of dried fruit profitable prices were obtained, but if 80 per cent, of our fruit must go overseas it means that the position of the growers is becoming very serious. For the growers of currants the export values are not greatly lower than local values, but, as previously pointed out, the position of sultanas is most unsatisfactory from an export point of view. It is hoped that the policy of the British Government to restore the preferential proposals and the negotiations with Canada will improve the position, but neither can possibly put the export quota on anything like the same financial footing as the home consumption quota. At present it is not intended to include more than dried currants, sultanas, and lexias (muscatels) in the scope of the Act. Possibly dried apricots. The gentlemen putting forth later, and in this connection it may be advisable to refer to a protest on behalf of the Coonawarra growers, recently published in the press, against dried apricots being subject to control. The writer, on behalf of these growers, stated that they had been independent of compulsory organisations, and that they wanted to live an independent existence. He inferred that they had no difficulty as growers in selling their dried apricots. The gentleman putting forth these views did not appear to realise, and probably this is largely the cause of so many growers refusing to organise, the extent to which they have been dependent on the sacrifice made by the organised growers. So far as can be ascertained from the statistical position the consumption of dried apricots in Australia is between 300 and 350 tons a year, and in the past, with the exception of probably 100 tons, the whole of this has been handled by the organised growers. Last year, however, the total production was about 800 tons—just about 2 1/2 times the Australian consumption. Had it not been for the fact that the A.D.F.A. growers exported at a loss about 450 tons out of a total of 700 tons produced by them, the Coonawarra growers and other outside growers would not have received sufficient for their fruit to pay working expenses. As an illustration of the position, the secretary of the A.D.F.A. has supplied me with the figures for 1924. The A.D.F.A. pack amounted to 39,000 tons, and of that quantity only 6,000 to 7,000 tons was sold in the Commonwealth.

Mr. Birrell—At what price? That has a direct bearing on the question.

The MINISTER of AGRICULTURE—The point in connection with it is that the growers generally are prepared to accept a less price on the Australian market. The A.D.F.A. grew 39 000 tons, and sold on the local market 6,000 or 7,000 tons. The outside growers grew 45,000 tons, and sold it all on the local market. It is unfair that one section of the growers should sell all their fruit on the high-priced Australian market, and another not be able to do so. In regard to the 1924 pack, the association sultana grower of 10 tons receives 8 tons at £20 and two tons at £50, a total of £360. The outside grower receives 10 tons at £40, a total of £400.

Mr. Blackwell—Sultanas are 2s. 6d. per lb. in Mount Gambier.

The MINISTER of AGRICULTURE—It depends on how you get them.

Mr. Blackwell—They are sold in a wooden box.

The MINISTER of AGRICULTURE—The figures I have quoted do not apply to currants, which line has this year retained a fair value overseas, and some export has been done all round. The position as it now stands is that if the A.D.F.A. continues in its attempts to obtain a fair price for the grower, and also to regulate export, it must inevitably fail. The only recourse apart from legislative help is to drop prices to the level of the world’s parity, and thus enforce export by making the home market no more profitable than the export. To do this will mean a loss to the growers in the association of £30 a ton on, say, 6,000 tons, which totals £180,000, and to growers outside the association a loss of £20 a ton on 5,000 tons, a total of £100,000. It would mean a shortage of productive revenue on dried fruits in Australia of £280,000.

Mr. Birrell—Can you account for the fact that dried fruits are never on the working man’s table ?

The MINISTER of AGRICULTURE—I have been a working man all my life, but while there has been an absence of dried fruits on my table there has been an absence of other fruits also. It applies to every kind of fruit. It is a well known fact that the present returns do not meet the cost of production, and if the above action is forced upon the industry the only result that can be expected is the bankruptcy of the vast majority of growers, and the loss to the South Australian Government of the greater part of the moneys expended since the inauguration of' th, e repatriation policy. The association has foreseen the crisis which has now arisen, and has made strenuous attempts to avert it. I have no brief for the A.D.E.A., but it has attempted to organise the growers in their own interests in the past.

The Treasurer—They were fleeced by the merchants.

The MINISTER of AGRICULTURE—Yes; very largely. The vast majority of the growers were members of this association. Whatever it did was or should have been done with the sanction of the growers. The time has come, owing to the great increase in production, when the export market is not worth much to anyone, and some growers are leaving the organisation and making a welter in the home market, and will bring about a condition of financial chaos. The majority of the growers asked the Government to step in and regulate and control exports. At a meeting in Victoria there were 700 growers present, and when a vote was taken only three voted against a motion for the absolute control of the fruit industry. The Minister of Agriculture in Victoria came to Renmark. I was there at the time, and one of the members for Albert also. With the exception of one or two growers who were divided between an export

quota control and a pool, they were unanimously in favor of control by the Government, simply because as growers they could not hold the organisation together, and realised that unless something were done there would be a complete smash. Further every Government in Australia are more or less involved financially in the great activities in connection with fruit production. We may easily lose huge sums of money unless we do something to stabilise the industry. If this Bill is passed, and makes it compulsory for the fruit grower to take his fair share of the export market and of the home market, that is all we seek to do. Each grower will be helped to that extent, and every grower put on the same basis, with the prospect of preference from the present British Government of from £4 to £6 a ton. That will help to put the industry on a sound basis. The very high prices for fruit in the past have increased the price of land inordinately, but a big reduction in the price is to come.

The Hon. G. R. Laffer—When the matter was discussed at the conference in Melbourne was it pointed out by the organisation that they could reduce the export cost?

The MINISTER of AGRICULTURE—Yes. The matter was discussed from every point of view. The growers realised that they would have to reduce the cost wherever possible in regard to packing, handling, and export. They realised that they would have to exercise considerable care and skill in the management of their concern in order to cheapen the cost of production, because it is evident that we can never expect the same high prices again on account of the great quantity of our production having to be exported and to compete with the cheaper-grown fruits on the other side of the world.

The Hon. G. R. Laffer—Do they expect to have one selling agency at home?

The MINISTER of AGRICULTURE—I do not know. That is a question the Australian people will have to consider in regard to not only dried fruits but everything else.

The Hon. Sir Henry Barwell—Would all contracts be made by the board?

The MINISTER of AGRICULTURE—-If each grower will take his share of the Australian market and of the export market the board will not handle a pound of fruit.

The MINISTER of AGRICULTURE—Yes.

The Hon. Sir Henry Barwell—Failing that there will be compulsory acquisition?

The MINISTER of AGRICULTURE—If a grower is recalcitrant there is a penalty clause which allows the board to take possession.

Mr. Fitzgerald—Will you export through the produce Department?

The MINISTER of AGRICULTURE—No. W*e* shall probably use the- Produce Department if we have to take over any growers’ blocks, but I do not anticipate that the board will have to exercise their power in that regard.

Mr. Crosby—The grower will be free to do his own exporting?

The MINISTER of AGRICULTURE—Yes.

The Hon. Sir Henry Barwell—He will deal through the same channels through which he has been dealing?

The MINISTER of AGRICULTURE—Yes. This Bill is really compulsory organisation. It compels growers to stand shoulder to shoulder in the matter of profit and loss. The object of this Bill is to regulate the marketing of dried fruits so as to apportion equitably between growers the favorable (because protected) home market and the export market. The Bill is really supplementary to the Commonwealth Dried Fruits Export Control Act, 1924. That Act sets up a Dried Fruits Control Board for the purpose of effectively controlling the export and the sale and distribution after export of Australian dried fruits. The object is to bring about a scheme of co-operative marketing whereby the balance of the dried fruits crops available for export, after the demands of the home market have been satisfied, may be profitably dealt with. This exportable balance will be marketed by the Dried Fruits Control Board, established under the Commonwealth Act, to the best advantage, probably to a large extent through a London agency which the board has power to set up. The board will see that all fruit exported is carefully graded and is of a high standard, and will so regulate its sales abroad as not to glut the market.

Mr. Reidy—What about a district which grows only second and third grade stuff?

The MINISTER of AGRICULTURE—It will I be graded and sold according to the grade.

Mr McMillan – They will not have the opportunity of putting it on to the market asfirst grade as they have in the past.

The MINISTER of AGRICULTURE—The Commonwealth Parliament in passing the Act mentioned has done all that is within its legislative competence to do, but there still remains something further to be done, namely, to regulate sales and dispositions of dried fruits made entirely within a State. The Commonwealth Parliament has power to say that if a grower exports any of his crop he shall comply with particular rules laid down by it, but it cannot say that the grower must export his crop or any proportion thereof. This is the reason why the present Bill is introduced, namely, to supplement the provisions of the Commonwealth Act by giving power to an official body to require growers to export a certain proportion of their season’s crop, and generally to regulate sales on the home market. It is obvious that if this were not done the growers who were able to put their dried fruits on the home market earliest would skim the cream off this market to the disadvantage of their less fortunate fellow growers, who were not able to put their products on the market so early. The growers who were first in the market with their products would get high prices, and the growers who came later would be met by a glut and would find that the prices obtainable for dried fruits on the home market were much below the cost of production. It should be noted, in the first place, that the Bill is intended to operate only for 2 1/2 years—that is, until June 30, 1927, by which time it is considered that conditions will be more stable and the dried fruits industry will not need any legislative fostering.

Mr. Birrell—Would it not be better to go for a 12 months’ period and then renew the Act?

The MINISTER of AGRICULTURE—No; the considered opinion of the conference was that less than two and a half years would be unsatisfactory. Clause 3 contains a number of definitions. Those to be noted are the definition of "dealer,” namely, any person other than a grower who sells in any one year, whether on his own behalf or as agent for some other person, more than 5 tons of dried fruit. The definition does not, however, include a person who sells only such dried fruits as he buys from registered dealers. “Grower” is defined as meaning the person who in any one year produces more than half a ton of dried fruits of any one variety to which the Act applies, namely, dried currants, dried sultanas, dried lexias, and any other proclaimed dried fruiys.

The definition of “dried fruits” in clause 3 is important, because it indicates what dried fruits the Act applies to. At present it is to apply only to dried vine products, i.e., dried currants, dried sultanas, and dried lexias, but there is power, by proclamation, to add other dried fruits to this list. It may be advisable, for example, later on to add dried apricots to the list. Clauses 4 to 16 deal with the Dried Fruits Board, which it is proposed to set up to administer the Act when passed. The board is to consist of five members, three to be representatives of the growers and two to be official members. One of the official members is to be the chairman and the other deputy chairman of the board. The official members are to hold office permanently, but the representative members are not to hold office for more than two years without re-appointment. The first representatives of the growers on the board are to be nominated by the Minister administering the Act (who will probably be the Minister of Agriculture) after consultation with representatives of any association or associations of growers. This will enable the Minister to obtain the views of the local committee of the Australian Dried Fruits Association. These members must retire on December 31, 1925. After that date the representative members are to be elected directly by the growers. If it were not for the time it would take to hold an election the Bill would have provided for an election of the original representative members, but the constitution of the board is so urgent that any unnecessary delay would cause serious disruption and loss to the growers. When the era of election commences, that is, after December 31, 1925, the State is to be divided into two districts, to be called No. 1 district and No. 2 district. No. 1 district is to comprise all land for 15 miles on either side of the River Murray, from Murray Bridge to the New South Wales border. The rest of the State is to be district No. 2. Those growers whose blocks are within district No. 1, i.e., Murray district, are to elect two members, and the growers whose blocks are within district No. 2 are to elect one member. Each grower is to have one vote for each candidate required to be elected. The board is given power to appoint a secretary and also inspectors, and other officers to enable it to carry out the objects of the Act. A penalty is imposed on any person resisting, hindering, or obstructing any inspector or officer of the board in carrying out his duties. The board is given power to impose a levy on growers to defray the expense of carrying out the Act. This levy is not to exceed the rate of one-sixteenth of penny per pound on the quantity of dried fruit produced by each grower in the year in the levy was made. It may be mentioned that a levy of one-eighth of a penny per pound is impossible under the Commonwealth Dried Fruits Export Control Act already referred to. The board is also given power to enter into contracts for the purchase or sale of dried fruits, and to enter into contracts with boards appointed under similar legislation in other States for concerted action in the marketing of dried fruits. This will enable the board to make common cause with the boards in New South Wales, Victoria, and Western Australia. The board is already given power to fix the maximum prices to be charged on the sale of dried fruits, whether wholesale or by retail, and also to fix the remuneration to be paid to dealers in connection with the sale or disposition by them of dried fruits. That means that while the Australian market consists of six States, only four of those States are dried fruit producers, so there would have to be some concerted action in regard to the market in Australia on the advice of the board.

The Hon. G. E. Laffer—Have the other three States passed legislation similar to this?

The MINISTER of AGRICULTURE— Victoria will do so. New South Wales is only Interested to a limited extent, and chiefly with prunes and apricots at present. Western Australia produces about 2,000 tons of dried fruit per annum. Mr. Collier, Premier of that State, telegraphed that he had received a copy of the Victorian Bill providing for compulsory acquisition, which he thought went too far, as also we did.

Mr. Reidy—What is this?

The MINISTER of AGRICULTURE— Merely control.

Mr. Reidy—Is it not compulsoiy acquisition in the case of the man who does not come in?

The MINISTER of AGRICULTURE—Yes. as a penalty; that is all. If he will do his share with his fellow-growers there is no attempt at acquisition. I daresay if the Western Australian Government had had a copy of our Bill they would have agreed to it, but they were not prepared to go as far as Victoria, nor were we.

Mr. Crosby—I take it that the whole of the Commonwealth consumption will betreated as local; and divided pro rata on the crop among the producing States; for instance, New South \Vales will not have a larger share of the New South Wales demand because it is her own State.

The MINISTER of AGRICULTURE—Each grower will be able to put a portion of his crop into the Australian market, and we are hoping that the ordinary channels, the usual traders, will go on handling the business as they have done hitherto.

Mr. Reidy—If a State like New South Wales does not come in, what is the position, seeing that they are nearly half the market?

The MINISTER of AGRICULTURE—I have not the slightest doubt that both States will be reciprocal in regard to the administration of the Act. What is our trouble to-day will be the trouble of New South Wales next year, as that State has an immense quantity of stone fruits coming into bearing on soldier and other settlements, which will make things difficult for them before very long. When Sir George Fuller got a copy of the Victorian Bill it was so late in the session that he considered the measure was too much for him to swallow. He declined to go on with it that session. While not disagreeing with the principle of control he was not prepared to go as far as Victoria was going then. Victoria is a dried fruit State with its grape vines, whereas we are more of a wine State with ours. The board may also spend money on advertising dried fruits, and on propaganda work for the purpose of encouraging the consumption of dried fruits, and creating a greater demand for them. With the same object the board is given power to open shops or depots for the sale of dried fruits, and to provide depots for the storage or distribution of dried fruits. The idea of opening shops merely means that in places such as railway stations the board may open a selling depot. Such a thing might be done, for instance, at the Adelaide Railway Station in order to stimulate the use among Australians of more dried fruits. Mr. Birrell will be glad to know that we hope to put them on the market at a lower rate than in the past. Clauses 20 to 27 deal with the registration of growers, dealers, and packing sheds. The policy of the Bill is that every grower and dealer must register, and must furnish full particulars of his business so as to enable the board to know what quantity of dried fruits of each different variety there is in South Australia at a particular time, and also where it is situated. It will be necessary when the Bill becomes law for the board to carefully watch every disposition of dried fruits which takes place, or otherwise the object of the Act will be defeated by surreptitious sales. All packing sheds must be registered with the board by their occupiers and a registration fee of £1 must be paid. The registration remains in force for a calendar year at a time, and must be renewed before January 1 in each year, and a renewal fee of £1 must be paid. Provision is made for the transfer of registration in favor of some other person, and if the board approves of the registration being transferred a transfer fee of 5s. must be paid. The board Is given power to cancel the registration of any packing shed if the registered occupier is, in the opinion of the board, deliberately contravening any determination of the board with respect to any dried fruits in the packing shed, or if in the opinion of the board he persistently refuses to collaborate with the board in regard to carrying out any direction or policy of the board in pursuance of the object of the Act. Clause 27 is to be read closely with clause 28 and these are by far the two most important clauses of the Bill. Clause 27 authorises the Minister, acting on behalf of the Crown, to purchase by agreement or acquire compulsorily any dried fruit of Australian production which are in South Australia. The clause is, however, carefully drafted so as not to conflict with the Commonwealth Dried Fruits Export Control Act. already referred to, and the power does not extend to dried fruits held for export under licence granted under the Commonwealth Act, or of which the Commonwealth Dried Fruits Control Board has accepted control for the purposes of that Act, or which are included in a contract, referred to in section 18 of the Commonwealth Act, i.e., contracts made before January 1, 1925. The power of acquisition is also expressly made subject to section 92 of the Commonwealth Constitution. This section provides that trade, commerce, and intercourse among the States, whether by means of internal carriage or ocean navigation, shall be absolutely free. The power of the Minister to acquire dried fruits may be delegated to the board. Any dried fruits acquired may be sold by the Minister to the best advantage, as he thinks proper. The Minister or the board may obtain funds to carry out any contemplated acquisition by entering into an agreement with any person or with any bank carrying on business in South Australia. It is anticipated that nay necessary acquisition will probably be financed by the ordinary trading banks on overdraft. Clause 28 sets out the principles governing the powers of the Minister and the board, and the rights of the respective parties upon a compulsory acquisition. The particular point to be noted in connection with this clause is that in the event of a compulsory acquisition the owner of the dried fruits acquired is only entitled to receive payment at export parity price for his fruit. It is by using this weapon that the board will be able to compel growers and others to obey its directions as to the proportion of each season’s crop which is to be exported. The remainder of the Bill consists of miscellaneous provisions in aid of those already explained. Particular attention is directed to clause 30, which is for the purpose of maintaining a high standard of quality for dried fruits. With clause 30 is to be read clause 31 (1) (f) of the regulation- making power of the Governor, the effect of which is that the Governor may make regulations fixing standards of quality for different grades of dried fruits and fixing the grade description or grade mark to be respectively used for packages containing dried fruits of different grades. When a regulation has been made in exercise of this power, clause 30 imposes a penalty of £100 on any person who has in his possession any dried fruits contained in a package branded or marked with a grade description or grade mark which is not the grade description or grade mark prescribed to be used for dried fruits of the quality contained in the particular package. The same penalty is provided in the case of any person who uses any description or mark on a package containing dried fruits for the purpose of representing such fruits to be of a particular standard, whereas they are not of that standard. I hope there will be no undue delay in passing this Bill, because we have been delayed considerably in the preparation of it, particularly by the change of Government in Victoria. I feel sure that this Bill is necessary in view of the knowledge I have of the industry and the fruitgrowers of the State who are our own settlers and who have involved us in a huge amount of money. We do not want to interfere with business in any way except to help it. We desire to safeguard the industry itself and the State, and if the grower can be compelled by the penal clauses in this Bill to realise his responsibilities to his fellow-grower there will be no need to put any of these penal clauses into operation. I move the second reading.

The Hon. Sir HENRY BARWELL secured the adjournment of the debate until December 12.