CITRUS INDUSTRY ORGANIZATION BILL.

Second reading.-

The Hon. S. C. BEVAN (Minister of Local Government): I move:

That this Bill be now read a second time.

It gives effect to the report of the committee of inquiry into the citrus industry which was appointed by the Government last month. In brief, the findings of the committee were that:

1. The citrus industry in this State lacks effective organization and co-ordination.
2. Seventy per cent of fresh citrus fruit sold in the State is marketed in a most unorganized manner with no contribution to the welfare of the industry.
3. Legislation should be passed as a matter of urgency to facilitate for an orderly system of marketing in the industry.

The Government hopes that the other States will follow our lead with this legislation because statutory organization of the citrus industry on an Australia-wide basis would mean the greatest benefit to the industry as a whole.

As the long title indicates, the Bill provides for organization in the citrus industry and for an organization to be established by the enactment of a Bill to be called 'The Citrus Organization Committee of South Australia', and which will have plenary powers to control and regulate citrus marketing in this State. The provisions of the Bill in detail, clause by clause contains the short title and clause 2 provides for the Bill to become law on a day to be fixed by proclamation. This will enable necessary regulations and appointments to the committee to be made. Clause 3 deals with the arrangement of the provisions of the Bill and clause 4 provides for the repeal of the Citrus Marketing Act, 1915, which was not voted into operation.

Clause 5 defines definition of terms used in the Bill. Two important definitions are those of 'grower' and 'marketing'. A grower is defined, for the purposes of elections and polls, as a person who grows at least 50 trees for the production and sale of citrus fruit and, for the other purposes of the Bill, as a person who carries on the business of producing citrus fruit for sale (without regard to the number of his trees). By virtue of the definition of the term 'marketing', the scope of the Bill will be largely by wholesale and, except for fixation of prices, retail selling will not be controlled.

Clause 6 excludes the harvesting by a grower of his own citrus fruit from the application of the Bill so that other provisions of the Bill, which I shall explain later, will not require him to be licensed for this purpose. Clause 7 is an interpretative clause providing that it, by reason of the Commonwealth Constitution, a provision of the Bill or an order or notice thereunder cannot legally apply to all citrus fruit according to its bearing, it will be construed as applying only to citrus fruit to which it can validly apply. Clause 8 provides for the establishment of 'The Citrus Organization Committee of South Australia' as a body corporate. Under clause 9 the committee will consist of seven members to be appointed by the Governor. They will be four elected grower members (referred to in the Bill as 'representative grower members'), by the Governor, three members being appointed after consultation with the Minister administering the Act with the four grower members. Sub-clauses (3), (4) and (5) are normal machinery provisions. By virtue of clause 10 the first four grower members of the committee will not be elected but will be selected by the Minister from nominations supported by two or more growers. In view of the grower support for this Bill, the Government considers it unnecessary that the grower members of the first committee should be elected and that the committee may proceed to a meeting of its full membership if the Minister may, in the first instance, select the four grower members thereof. Clause 11 deals with the election of grower members of the committee. They will be elected by growers each being nominated by 20 growers. Elections will be conducted by the Assistant Returning Officer and will be necessary whenever a grower member retires from office or whenever there is a casual vacancy in his office. Clause 25 provides that in the case of a grower which is a company, the company may nominate a person who may vote on its behalf at any election or poll which may be held and who may himself be elected to be a committee. Clause 15 provides for a register of growers to be kept for the purposes of elections and polls provided for by the Bill. Clause 14 provides that each member of the committee will hold office for two years with the following exceptions. In the case of the chairman, the Governor may, in the instrument of his appointment, specify a period as his term of office, and in the case of two of the first four grower members, to be determined by lot, they will hold office for one year. There will be two grower members who retire from office each year.

Chances 15, 16 and 17 make the usual provision for casual vacancies, that members of the committee, as such, will not be deemed to be public servants, and usual provisions dealing with meetings of the committee. Clause 18 provides for remuneration and expenses of members of the committee. Clause 19 provides that the committee will not be an instrument of the Crown. Clause 20 is one of the principal provisions of the Bill enabling the committee to control all aspects of citrus marketing. The clause empowers the committee to apply to any person proposing to do in any way in the marketing of citrus fruit, the licence being granted according to such regulations as may be made by the Minister, according to the interests of the citrus industry and the public welfare.

The licence may contain terms and conditions relating to the marking of citrus fruit and its marketing in foreign countries. The licence is granted for a period of 10 years and may be renewed. Sub-clause (4) is a usual provision enabling the committee to suspend a licence if the licensee fails to comply with the provisions of the Bill or any condition to which the licence is subject. Sub-clause (5) provides for a penalty of $200 if a licence contravenes a condition which the licence is subject.

Clause 21 provides for a maximum penalty of $200 if any person fails to comply with any direction that is given to him which is applicable to him. By virtue of clause 22 the committee may impose a charge, not exceeding two shillings a bushel, for the purpose of meeting the cost of administration and may impose an additional charge, not exceeding two shillings a bushel, to create an equilibration fund for growers suffering loss on the export market. This clause is modelled on a corresponding provision of the 1931 Act. Under clause 24 the committee may require returns from growers and licensees either generally or from particular growers or licensees. The returns may require particulars of citrus fruit of a certain size, variety, count, grade, quality and quantity, which is delivered to a licensee, and in the case of a grower may require details of the number of trees which he grows for the production of citrus fruit, an estimate of his crop. Sub-clause (3) provides for a maximum penalty of £100 if any person refuses
to comply with any requirement under the clause.
Clauses 25 provides that the committee in exercising its powers under the Act must act to the best advantage of the citrus industry. Clause 26 deals with the duty of a licensee to accept delivery of any citrus fruit which is delivered to him pursuant to the Bill and provides that he may refuse to accept delivery only if the citrus fruit fails to comply with any prescribed requirements. If he so refuses to accept delivery, he must issue a certificate of refusal. Clause 27 confers an inspector power to enter lands on which citrus trees are grown and to enter buildings in which citrus fruit is packed, sterilized or offered for sale. An inspector may inspect and take stock of the citrus trees, including trees which do not contain any plants and make copies of them or take extracts from them. Sub-clause (3) provides for a penalty of $50 if an occupier of any such land or building does not provide the inspector with all reasonable facilities and assistance. Sub-clause (2) provides for a penalty of $50 for a person who obstructs or interferes with an inspector in the exercise of his powers under this clause.
Clauses 28 provides for a register of grades and brand-keepers to be kept and that the committee will have a discretionary power to register brands and trade-marks for use in the marketing of citrus fruit. By virtue of sub-clause (4) a person must register a brand or trade-mark which he has been in use in the marketing of citrus fruit or must obtain the approval of the committee if he proposes to use any brand or trade-mark under licence. If a person permits another person to use his brand or trade-mark for such an offence, he will be liable to pay the penalty provided for under the Act.
Clause 29 provides that the provisions of the Act will expire. Clause 37, 38 and 39 contain machinery provisions relating to the notification of the committee of the provisions of the Bill and the proclamation, appoint a liquidator to wind up the committee and fix a day or successive days on which the provisions of the Act will expire. Clause 27 and 29 contain machinery provisions relating to the notification of the committee of the provisions of the Act and the proclamation, appoint a liquidator to wind up the committee.
I have taken the unprecedented step of supplying all members with a copy of the Bill so that they will be able to make themselves conversant with the Bill and the explanation, and I hope that we shall have their co-operation in securing the passage of this Bill through this Chamber before Parliament adjourns. I submit the measure for the consideration of honourable members.

The Hon. C. R. STOBY (Midland): I support the second reading of this Bill, which is in line with the support of the industry. When I say that, I mean it. It is not very often that one can say that a measure before Parliament is acceptable to the vast majority. I am aware that it will not be accepted by all growers. Certainly, they are a minority, but they will not be particularly happy about it.

However, the industry as a whole needs it and asks for it, and it has been introduced simply so that its provisions can be put into operation.

I am a close relative to this measure, and think it can be said that its founding father Mr. Quirk. War service land settlement schemes in the Upper Murray are particularly unhappy about the situation regarding the disposal of citrus, as the cost of citrus needs to be ascertained and made losses over the previous three years. A deputation from the Upper Murray Lands Settlement Association was introduced by Mr. Ross to the Minister for Agriculture (January of this year), and it came armed with a petition signed by well over 95 per cent of members of the association.

The Minister immediately took action to set up a committee of inquiry, and I pay a sincere tribute to that committee for the work it has done. It was chaired by the Director of Lands (Mr. J. B. Dunford), and its members were Mr. C. Miller (Chief Horticulturist), Mr. W. Brown (a grower), Mr. M. T. A. Pettman (C. J. Loxton), and Mr. H. J. Rodehut (a grower from Benalla). Those honourable members who have had this report will see that it was a vast scope of the inquiry conducted by the committee before it prepared this report. It is a tribute to the present Minister of Agriculture who, after receiving the report, provided with all haste to implement it and introduced a Bill so that the legislation could come to operation for the next year's orange harvest. It is essential that we have something organized as expeditiously as possible.

I do not think it is necessary for me to deal with individual clauses, although I shall mention one or two points in Committee. Howsoever, I should like to refer in broad terms to the various aspects of the Bill. The most interesting aspect of it is that it is a comprehensive, sets out information on the processing and marketing of South Australian consumed, Australian-consumed and port citrus. The reasons for the inquiry are relevant; they are: increased citrus, the marketing which was harvested in Australia in the years 1962, 1963 and 1964 caused a serious decline in prices, and prices fell to such an extent that growers' returns to recede far below economic levels. At the same time distribution became more difficult and distribution was far greater than in the previous seasons and created expectations. All the above problems, I think, are due to this Bill.

It follows one of the most important parts of the Bill, the setting up of an industry. The Bill will not contain anything that was not recommended by the committee after a full inquiry. The distribution of fruit, which is fairly important at this particular time, is done mainly through the Murray Citrus Growers' Cooperative Association. At present within South Australia 535,000 bushels of citrus are consumed, which makes 18 per cent of the total. Overseas export is 507,000 bushels, or 21 per cent of the total; factory citrus (South Australian and other States) accounts for 641,000 bushels, or 24 per cent of the total. The Melbourne market takes 606,000 bushels, or 22 per cent; the Sydney market takes 388,000 bushels, or 13.5 per cent; other interstate markets take 125,000 bushels, a substantial proportion of fruit of a quality lower than normal which increased the problems of marketing. I think in that we have almost the crux of the problems in the citrus industry in South Australia today—the matter of estimating the crop potential and projecting into the future these increased sales. I am sure that this Bill when it is set up will be able to look into the future and get about its business of selling fruit. The other industries with which I am associated have had the same problems in the past, but these have been met to a large degree because the industries have been able to look at the estimates and go ahead with selling schemes. The terms of reference of the committee were:

To inquire into all aspects of the citrus industry and to recommend steps which should be taken to improve the marketing of citrus fruit.

As honourable members know, the scope of the inquiry was very wide. The committee saw 136 witnesses, met on 36 days and saw all classes of people connected with the industry, as well as consumers.

The Hon. C. C. Bevan: They travelled around a bit, too.

The Hon. C. R. STOBY: They certainly did. They took evidence in South Australia, Melbourne, Mildura and Sydney, and direct submissions were received from Queensland, New South Wales and Victoria. Information was obtained on overseas markets, including Hong Kong, Singapore, the United States of America, Canada and Europe. Physical examinations of markets in Sydney, Melbourne and Adelaide were made, and packing sheds, orchards and sales in the Murray citrus-growing areas were inspected. One can say that the scope of the inquiry was very wide, and that the Bill that has been introduced is on all fours with the report. The Bill does not contain anything that was not recommended by the committee after a full inquiry. The distribution of fruit, which is fairly important at this particular time, is done mainly through the Murray Citrus Growers' Cooperative Association.
or 2.5 per cent, making a total of 5,822,000 bushels of citrus produced in this State, which is not at present making any undue advantage of it. It is certainly not returning to the grower a payable price for the fruit.

The quality of fruit on the older trees is second to none; on the younger trees we expect the quality always to be a little rough and, with our present production, with the vast number of younger trees in bearing, it is not surprising that this is so. The quality of the fruit is not up to past standards. However, suggestions are made in this report about how this can be overcome. I draw attention to the committee's recommendation for the expansion of the Co-operative movement in South Australia is about 3,000,000 bushels annually, and it is expected that by 1970 this figure will reach 4,000,000 bushels. We can appreciate how this committee has not been able to face up to right from the commencement of its operations, which will, I hope, be within weeks of the passing of this legislation.

At this stage I draw your attention to the committee's recommendation that the committee did not have the knowledge of what the committee really thought about those matters. I said that some growers would not be eligible for the Bill. They are the growers of high quality fruit. The committee here recommends that the marketing should be done on a pool basis, with each grower's fruit being run separately. But many of the old established people in the industry have arranged to market their fruit to the committee. I wish to congratulate those members of this committee who have been so well-known. Through their own industry they have worked up a high reputation. They are a Bill approved by this Parliament. This Bill will be entirely up to the committee to control these people. As there will be four grower nominees on the committee, they will be aware of this problem.

I do not think that these people ought to be unduly penalized for their industry, because they have pioneered new markets at times and have built up a reputation for quality and integrity. In a small shop not far from here the same fruit has been appeared upon my table. I have been in Parliament, from the same packet and grower. It is only because it is high-grade fruit that this grower continues to purchase supplies from the same grower each time.

I thank the Minister for making available to every member of this Chamber the information on this matter. It is something that I have suggested on other occasions, and I wish that it could happen with every Bill. This place because then honourable members would not have to wait until the following day for the information. That happens sometimes, but not through any fault of either the Government staff, which is grossly overworked as present, or the Government Printer, who cannot cope with the volume of work crowding upon him. However, the action of the Minister on this occasion would, if followed in connection with other Bills, assist in the dispatch of business considerably.

Dealing with the Bill itself, the committee concluded that the co-operative growers and members. In the instance those members will be nominated as a panel of recommendations forward to the Governor to select those for that panel and appoint them to the committee. Two further members of the committee are to be nominated by the Governor and they will be persons skilled in commerce and industry. These will be nominees by the Minister after consultation with the four elected grower members of the committee. The Berri Fruit Co-operative is the chairman and he is also appointed by the Minister, who will in addition fix the terms of office. The machinery for the election of the committee after the first period is set out in the Bill. A nominee must be a person who owns 50 or more trees and who is nominated by 20 growers. I think that this is a good provision because first of all it indicates that the number of members elected represent the growers and not the types of people who will be elected to this. I believe that they will use their powers with discretion.

I do not think there is any need to labour this matter and I am in complete agreement with the scheme. I have a few questions I wish to ask in the Committee stages of the Bill and one or two suggestions to make. However, on broad principles I commend the Bill and the Co-operative movement and I have confidence in the committee of inquiry on an excellent job in bringing down this report and getting the legislation so expeditiously before Parliament.

The Hon. M. B. Dawkins (Midland): It gives me pleasure to support this measure and congratulate the Government. The Hon. C. R. Story, on his contribution, I assume he is second to none in his knowledge of the citrus industry and we are fortunate to have him in this Chamber because from time to time he has been particularly interested in the citrus industry and the Upper Murray areas in particular. It gives me pleasure to speak about the citrus industry because I have always been interested in the industry. I was brought up in the midst of a citrus plantation and numbers of my family have been actively engaged in the industry in the past. I still have relatives concerned with citrus, and within the district of Midland I have many conditions actively engaged in the industry.

Along with other honourable members I have been concerned over the conditions that have obtained in the citrus industry and in the marketing of the fruit. I have been concerned over the fruit that has been exported and over the marketing of the fruit. As many honourable members know, I have been a director of a co-operative for many years and the power vested in the committee of management of a co-operative is extremely wide. In fact, at times I have wondered how the original constitution was ever passed by growers in the first place, because it gives almost the power of life and death to the co-operative movement. However, in all my experience in the co-operative movement I have never seen any powers abused by the various committees. That is because the members are close to the growers and the moment they get out of line the growers will see a quick remedy; they can get rid of at least four members at the next election if those members are not doing the right thing. Therefore, I am not worried about the wide powers vested in this committee and I have confidence in the type of people who will be elected to it. I believe that they will use their powers with discretion.
enough money to pay marketing costs. Whilst this has happened in the past, the same thing could occur in the citrus industry again because at one period the market could be buoyant but later it could be completely chaotic. Therefore, I welcome this Bill. I compliment the former Minister of Lands, Mr. Quirk, who appointed this committee of inquiry this year. I also echo the comments of my colleague who recently resumed his seat in complimenting the committee on the splendid report it has brought down. All honourable members have a copy of the report and I seem to me from a limited study of it, to be a comprehensive report indeed.

I also commend the present Minister of Agriculture, Mr. Bywaters, for the assistance he has given to the committee and I commend him also for his anxiety to get the scheme in operation. We have all been made aware that the industry is right behind this move. The immediate hope of the industry is that the Bill will be passed without unnecessary delay. The industry, with the assistance of the scheme may be brought into operation for the 1966 marketing season. There is no doubt that, despite the extremely wide powers being vested in the board that were referred to by the Hon. Mr. Speaker, I am sure that the committee will fully support the proposal. Of course, it may not suit everyone and we know that some growers have always marketed their fruit independently and that they have made some feature of the existing market for their fruit. They have been able to corner a particular part of the market as a result and those growers may be somewhat concerned about this legislation. Nevertheless, I am convinced that the industry as a whole will benefit from it and it is the industry as a whole that we should consider.

I am also persuaded that those in the industry are in complete accord with the concept of legislation of this type being enacted on a Commonwealth basis. The Minister has assured us that the Bill is completely in line with the report, and I have every reason to accept that. This measure may well be the basis for at least a three-State scheme and may become Commonwealth-wide in due course. Marketing boards of this type have been set up in various industries and those boards are effective only when they operate on a Commonwealth basis. I hope that this will eventually happen in the case of the citrus industry.

We have noticed considerable expansion of the industry in the past in the Beemar, Berri and Barmera areas and, in more recent times, expansion has taken place in Loxton and Wallakita particularly in other areas. Much of this work has been done as a result of the work of the settlement scheme and also because of the initiative and drive of people expanding their activities on blocks already held. We have many valuable citizens engaged in this activity in our State and we have every reason to believe that they are properly catered for and that they have an orderly and effective marketing scheme, in contrast to the chaos that has occurred from time to time in the past.

The Government has provided for four grower members of the board, two of whom are to be elected annually. Of course, because of the urgency of this legislation, these four members will be appointed initially by the Minister, and I personally have no quarrel with that. In view of the time factor, I consider that that is necessary and that it is supported by the growers themselves. I am also in accord with the provision that will obtain next year when the four grower members will be elected.

I heard the other day that, despite the policies, good legislation is being brought in from time to time and I compliment the Government on the legislation it has brought down in relation to the citrus industry this afternoon. I am glad to see the board will be fairly representative and to give credit where it is due. The proposal was started by the former Minister of Lands, Mr. Quirk, and much credit is due to him, but this is a measure in relation to which we can say, let us consider the greater good of the State as a whole. I have pleasure in supporting the Bill.

The Hon. L. R. HART (Midland): I, too, express my thanks to the Minister for making the second reading explanation available to all honourable members. The Bill has been before us for only a short time and it is necessary that we know the full implications of it. We have been helped in this regard by having the explanation before us. I also express my appreciation to the committee for the tremendous amount of work it did in presenting a comprehensive report. It is generally recognized that the organization of a marketing scheme in this State has some weaknesses, but this scheme may, perhaps, he a model on which a more comprehensive Commonwealth marketing scheme can be built. We hope that that will eventuate, because the industry with which it deals is important. It has export values of considerable potential, provided we are able to obtain the right type of fruit for the export market.

In the past there has been a tendency to export our market and that has been only because of fluctuations in the market price. When the home market price has been low, growers have looked to overseas sales, but, when the home price has improved, export has been forgotten until home prices again reach a low level. In order to have a successful export market, we must have a continuity of supply of quality fruit. South Australian oranges measure up to the discriminative requirements of overseas markets and they enjoy a premium over fruit from most other countries, notwithstanding that we compete against the dumping of citrus fruits by some countries, South Africa in particular.

This industry has problems besides marketing. One problem is disease, the forecast being red scale. I do not doubt that this committee will also, if possible, assist those people who are endeavouring to overcome the red scale problem.

It was my great privilege a week or so ago to go to Loxton and see the Minister of Agriculture open an insectary that had been built on the Loxton Experimental Farm. The purpose of this insectary is to breed second insects but otherwise virus insects. These will be released in large numbers and, from the high concentration of numbers of sterile males, it is hoped that eventually the intractable trait is the cause of red scale will be eliminated. An entomologist named Mr. Noel Anderson is in charge of this project. He is a young man who has had considerable experience in this field, and he is doing an extremely good job.

The Hon. G. R. Story: Do you think the legislation of Loxton may decrease the little as a result of this?

The Hon. L. R. HART: Because of the cure of red scale?

The Hon. G. R. Story: No, because of the money.

The Hon. L. R. HART: I understand that at this stage this remedy will be applied only to almonds.

The Hon. A. J. Shardlow: Many people at Loxton think the population is growing rapidly.

The Hon. L. R. HART: We were told that the building in which the insectary was housed cost only £1,600. The cost was so low because the dedicated men associated with this project put in work and built it themselves, and I believe this should not have had to happen. However, they had to build it or do without it. This project is very important in this industry, and I consider that more Government money should be made available for it. I do not blame the present Government more than the previous Government, but a very necessary project associated with an important industry has not received sufficient consideration. I am sure that the insectary will be given the necessary funds to operate, however.

South Australia will no doubt have to face increased competition for export markets, because this very process of releasing sterile males means that we are looking for the years when fruit fly will also be exterminated. Once that happens, we shall be in competition with other States for export markets, particularly in New Zealand. Organised marketing needs a realistic and reliable pre-season estimate of the crop, as the Hon. Mr. Story has said, to provide for forward sales and for shipping space. This will be one of the most important aspects of the work of the new committee. This committee will enter upon its job with much goodwill from all people associated with the industry, and I am sure that from this embryo legislation, if I may call it that, we shall eventually get a Commonwealth-wide marketing scheme and that we shall have an industry based mainly on the Murray areas that will play an important part in the economic future of this State. I have pleasure in supporting the second reading of this Bill.

The Hon. Sir LYELL McEWEN (Leader of the Opposition): Although I hesitate to rise at this late stage to support this measure, I should like to make one or two comments about it. The basis of the Bill was the report of the committee appointed by the previous Government to inquire into the industry, and a copy of this report was provided to honourable members. For some three years there has been an increase in production in the Murray areas at a time when costs have been rising and prices have been falling. Consequently, the economics of the local industry got into a rather perilous condition. The inquiry committee was appointed to investigate the problems of the industry, and I think we should be very grateful to its members for the work they did in preparing what was a short time so as to give some definite lead on what legislation was necessary to do something for the industry and to improve upon what was provided in 1931, which has never been equally good. The suggestions made by the committee has now been drafted into legislation. Honourable members have been willing to assist the Government to pass this measure so that its provisions can be put into effect for the coming
harvest, which is now showing on the trees and setting, and estimates of which are being made. The committee created by this legislation is given a fairly long list of duties, all of which are essential to solve the problems of the industry. The inquiry committee has realized the problems associated with the marketing of fruit, and it is expected that within a couple of years the new committee, from its experience and work, will have achieved some results. The various places of marketing in this State and other States, and the export markets, are matters that need investigating from a scientific point of view.

For too long our primary industries have suffered from the lack of marketing organizations. When wheat was sold on a fair-average-quality basis and everything anyone could put into a bag was reaped, there were problems. That has been considerably altered through organized marketing and bulk handling. Consequently, a better standard of wheat is being produced, and it can be sold at a recognized grade. This type of thing has been adopted by other primary industries, and I cannot see why it should not apply equally successfully to the citrus industry.

Perhaps the most profitable market is the home market, and this could be developed more. I do not know how much the transferring of fruit from one part of the State to another will be affected. We know there are different places where, if the fruit is transported economically, plenty of people who are hungry and taste very little citrus juice from season to season will appreciate it. These will be matters for this committee to examine, as well as discovering how we can market fruit in other States economically. If this proves to be the basis for some future Commonwealth-wide organization, we shall have achieved a great deal. The Bill is supported by the majority of the growers, who have impressed on me the urgency of this measure.

The Hon. R. A. GEDDES (Northern): It has been said many times that necessity is the mother of invention, and I think that applies here. Throughout the Commonwealth there are many growers who are too rusty to contemplate them all. However, it appears that so far the only effective way of ordering marketing of a primary product is by means of a board; it seems that this is the only way in which the growers can be marketed profitably for the grower. Most boards in this State are good, effective and efficient. Unfortunately, some lack the initiative to carry out the best methods of selling the various products for the betterment of an industry.

I sincerely hope that this citrus committee, to which we are now giving birth, will go forward with enthusiasm, initiative, and the drive necessary to make our citrus industry prosper as a result of orderly marketing. We hope that orderly marketing of citrus through-out the Commonwealth will be achieved.

The committee has wide powers, by the provisions of this Bill it will arrange for the export of citrus fruit from this State. Our discussions of the fruit-producing areas command respect from all the States. That is a wonderful thing and all credit must be given to those who took the initiative in controlling the fruit fly when it was once said it could not be done. So we set off on the right road and the people who have had the powers to advertise and take any steps it thinks fit to encourage the consumption of citrus fruit and create a greater demand therefor. The people of this State have not, I think, whether the orange wrapped in the plastic bag by the roadside is of good quality, whether it is bitter or sour, whether it is too small for the price asked; people do not know whether they are being fleeced. I imagine that those fears will not be so prevalent and that the consumption of fruit on the market will be good and sound.

The committee will be able to make payments, if it thinks fit, to any licensee for the purpose of enabling him to carry on any business pursuant to his license, which means that the marketing of citrus products will have a similar effect, in conjunction or co-operation with the committee so that the fruit will be marketed and the surpluses will not be an embarrassment to the grower and will look to the future. It will do much for this industry and help the growers who are at present in the doldrums. This committee will not only be able to see to the quality of the fruit but it will also be able to look into the problems of the fruit juice market. Although many honourable members here drink a lot of fruit juice, the marketing is something that a committee should examine—why it is that so many people will not buy fruit juices in cans. They say it has a certain lack of shelf stability, I, Mr. President, may not agree with that, but it is a fact. I have often wondered whether research into the product cannot be intensified so as to make the demand for fruit juices greater. These committees do not go all fruit areas. Perhaps the State or the Commonwealth and be on the grocer's shelf for anyone to buy, either in or out of the citrus season. It is an excellent product. When people in the street are asked whether they like fruit juices from cans, it is

unmistakable how many will say, 'Sorry, I don't like it.' That is only one small point but one that this committee should investigate.

The Hon. Mr. Story referred to the growers who in the past have been able to establish and maintain a market. He also stated that he had seen the same brands at cases at the same shops in Adelaide year after year. As a result, he had achieved some of their initiative in getting themselves out of the rut through the years by marketing their products, making sure that those products are of A1 quality and therefore commanding a premium over the others. Clause 29 of the Bill stands for this part, states:

A person who proposes to use any brand in the marketing of citrus fruit shall register such brand with the committee on the application of such person, and the committee shall, by its first reaction when I read that was one of, 'This is not good,' because I consider that the use of one brand is the correct way to sell a product. Especially so that in connection with organized selling, and therefore I was prepared to be critical of the Bill. I have seen for many years for the Wool Board to get around to reality in this respect and now it has introduced throughout the world a common brand for pure wool. In addition, Americans have the woolmark which has been successful in the region in California; it is advertised as much, and it is a name that has caught on. Possibly it tends to make people want to buy the product. I recognize that those people who are established and the markets by the use of their brands must be commended and not criticized. I hope this committee can be effective in the marketing of citrus products and that in time there will be one brand for South Australians. These people are to be praised for the way they go on the market throughout the world and virtually be known by the one name. By having the one brand it will mean that the wholesale selling efficiency will be increased because of consumer demand. All honourable members know the word 'Holdem' and that it means a certain make of motor car; we do not have to think about its meaning. It means a motor car, and a good motor car; it is not necessary to explain what it is. In future years I hope that it is not necessary to explain the name 'Riverland', or whatever name will be given, when our citrus comes on to the world market.

Another pleasing feature is that the Murray Citrus Growers Co-operative Association is in full agreement with the scheme.
we lost our export market left us in a position somewhat similar to that at obtaining at the present time in the citrus industry. Some Honourable members may not be aware of what occurred with the Apple and Pear Board. However, that was thrown out and lost its position of responsibility as soon as the growers were able to cope with the position. If this industry feels badly at this stage, that fate will inevitably be the result that will befall the committee set up under this Bill.

It must be appreciated (and I do not think many people do appreciate) what sacrifices will be involved in a scheme of this nature. This must be emphasized from the beginning because there are people who, through their own hard work and business acumen, have been able to get rid of the bulk of their crop, even if not at competitive prices. They have lived themselves of their citrus crops; whereas others, who have relied on other channels, have been able to rid themselves of only a small proportion of their crop. Inevitably those people who have had the initiative and put in this hard work, and often have invested a large sum of money in setting up an organization to do this. However, today they may have to make some sacrifices. I consider that the unadministrability of an opinion has been expressed regarding the need for this measure indicates that most of these people realize what is involved.

One point of doubt about the Bill arises in relation to the constitution of the committee. The proposal regarding four grower members, and two expert members appointed by the Government, is all right, but difficulty arises in regard to the other committee person who shall be appointed by the Minister or chairman. It will be necessary for the Minister to try to find an independent person whose abilities are established and who can be trusted. Almost invariably, Ministers appoint public servants in these cases and many officers capable of doing a job of this nature are at present grossly overloaded with work on boards, committees and in other spheres.

The Hon. H. K. KEMP: It is not necessary to have a public servant as chairman.

The Hon. H. K. KEMP: No, but I think it would be better if the Government nominated three members and allowed the committee to appoint its chairman. A body of this nature must work with the full confidence of the whole industry and we know that in all industries there are factions and cliques and that there are privileged groups who have been able to sell their product and also people who consider that they have been left out on a limb. I have been informed that the number of people engaged in citrus growing in South Australia runs into thousands and this brings me to the point that, although the Minister may, and if that is certain person has the confidence of the whole industry, that may not be so. We have seen that in relation to other boards.

Another point is that much capital will be called upon. If this committee is to operate successfully, such establishment as packing sheds and juicing works will be required. In the next five years, about $2,500,000 more bone of citrus will have to be handled. There is not sufficient investment in the citrus industry at present. The share of the grower in the spread of capital and in the next five years a crop of double the size will have to be handled. This is not necessarily to use a.colloquialism. We must market our surplus fruit outside Australia and the requirements for expert are gradually being pushed up.

At one time oranges could be sold to London merely by putting them in boxes with wraps, putting wires around the boxes, and dispatching them in ordinary trucks to Port Adelaide for shipment. Even now in New South Wales all fruit for overseas destinations except New Zealand must be pre-cooled and pre-cooling capacity of 30,000 boxes is necessary to export only 100,000 boxes. In addition to the packing shed machinery must be provided. I am sure that I am not making a wild estimate when I say that it will cost £2,500,000 in the next five years to handle the extra 2,500,000 boxes.

The next point is the safe and equitable sharing of the fresh fruit sales within Australia. Sir Lyell McEwin implied that large parts of South Australia were not receiving sufficient shares. There is some truth in that, but probably the most common subject was over-hear women discussing it at deputes to their every meal. The Hon. A. J. Shard: I think that is only talking.

The Hon. H. K. KEMP: No. The human stomach has a limit to what it can hold and the intake of more oranges must reduce considerably the quantity of apples, bananas and other fruit. That 12,000,000 people in Australia can consume.

The Hon. Sir H. M. Bynhill: Almonds are rather indigestible, aren't they?

The Hon. H. K. KEMP: Yes, but they slip into the corners.

The Hon. A. J. Shard: You are not suggesting that we are over-producing, are you?

The Hon. H. K. KEMP: I am not; I am only saying we are up against is under-consumption. It is not possible to increase consumption on the home market greatly. I do not think we are over-producing, but I think there is more than sufficient would retake to make the foodstuffs we can produce. However, we must find the means to get foodstuffs to market and to distribute them equitably.

Other sources of distribution must be available. It is not just the home market. It is the whole scheme of it. The Hon. Mr. Holden was, I think, a little unfair, and those selling oranges on the roadsides. All these are fitted into an organized marketing plan. If they can't do something wrong with their fruit, but I do not think there is anything wrong with the Bill. A special tribute should be paid to the people who drafted it.

It would be easy to talk for a long time on this measure, as it is very important to me. However, I do not think it is necessary to do so. If the points I have made are kept in mind, I am sure that the Bill will be as successful as we hope it will be.

The Hon. S. C. BEVAN (Minister of Local Government): Although I was not asked to deal with the Bill, I should like to thank honourable members for their attention to it. Good progress has been made, and honourable members have undoubtedly done their homework. I appreciate the co-operation I have received from honourable members in this debate, which has been most interesting. Every member who has addressed himself to the Bill has had an intimate knowledge of this subject.

Bill read a second time.

In Committee.

Clauses 1 to 5 passed.

Clause 6-"Application of this Act."

The Hon. C. R. STORY: I understand that the grower will have full control of his fruit until it is shipped or placed and placed into containers, but I am not sure whether it will be under the control of the committee while it is still on his property. Sometimes fruit has been left in the hand of careless people, and one of the things the new committee will want to do is look at this aspect of harvesting. Will the Minister say whether the fruit will be under the control of the committee after it has been picked but while it is still on the grower's property?

The Hon. S. C. BEVAN: Once the fruit is harvested it will be within the jurisdiction of the committee even though it is still on the grower's property. Otherwise, the Bill would fall down, because there would be back-door methods of selling. One of the activities of the committee will be to stop these things.

The Hon. C. R. STORY: My second point is in relation to the grower who is licensed by the committee and packs his fruit for destinations in other States. I take it the Bill is under the control of the committee for the purpose of packing and everything connected with packing but, once that fruit is loaded on to a truck and reaches the Southern Australian border, it is outside the control of the grower. The real crux of this matter is that this committee will also have power to do some licensing at present. Is there anything in this Bill to stop the grower sending to an agent other than those recommended by the committee, when he has conferred to every other part of the Act up to that point?

The Hon. S. C. BEVAN: Taking the case that the honourable member instanced earlier, a grower may have built up interstate business and goodwill. The committee would be anxious not only that the grower should retain that goodwill and trust but also that he should attempt to extend it. I do not think this committee would attempt to interfere in a case of that kind. In fact, every encouragement would be given for such a grower to continue his activities, guided by those circumstances.

The Hon. H. K. KEMP: Much fruit is sold on the tree, both legitimately and (one may say) illegitimately. The grower often picks it himself. Can he put his own fruit on to a truck over the border and then claim immunity under section 99? Is there anything in the Bill to prevent him doing that? If the committee takes control of that fruit when it is mature and on the tree, this difficulty can be solved.

The Hon. S. C. BEVAN: I have been informed that in those circumstances the committee would have jurisdiction over that crop; otherwise, the work of the committee in orderly marketing on behalf of the growers would fall down. As regards section 99, the committee would attempt to exercise as much control as possible. Not being a Constitutional lawyer, I cannot answer the honourable member's question about section 99.

Clause passed.

Clauses 7 to 11 passed.

Clause 12-"Grower companies."

The Hon. I. L. R. HART: This clause relates to voting rights, because it provides for a company to nominate a person whose name shall be included as its nominee. For any
person to qualify, he must have 50 or more trees. In the case of a partnership of, say, three persons owning 50 trees, would each member of that partnership get a vote or would the requirement be that that partnership should own at least 150 trees before each member was entitled to a vote? Will the Minister clarify that point?

The Hon. S. C. BEVAN: The clause deals with a body corporate and if that is so there will be no multiplicity of voting. If it is a body corporate and two growers are involved, they would come within the scope of the Bill. It may be one way or the other; the individual grower or a body corporate, but it is up to those concerned to nominate the manner in which they intend to operate. I do not think the committee would consider that there should be multiplicity of voting and attempting to utilize different clauses to do so. Clause 12 (9) states:

A person so nominated shall, by virtue of such nomination, be deemed to be a grower for the purposes of this division and section 36 of the Act.

The Hon. L. R. HART: When I asked a similar question with relation to the Egg Marketing Act recently the Minister obtained a ruling from the Crown Solicitor which, in effect, said that each member of the partnership was entitled to a vote. I would assume that the same conditions would apply here.

The Hon. S. C. BEVAN: I am aware of that, and I agree with the honourable member who says that he assumes the same would apply as far as the interpretation of the Crown Solicitor is concerned; there is not much difference between the clause in this Bill and the other clause mentioned.

The Hon. L. R. HART: As far as partnerships are concerned, the vast majority of citrus growing is done in partnership; some being sleeping and others active partners. I believe that both members of such a partnership should have voting powers.

The Hon. S. C. BEVAN: Sub-clause (4) covers the situation.

The Hon. C. R. STORY: Yes, as long as both are actual growers and have 50 trees each. In many co-operatives, under somewhat similar conditions, the first person to nominate is the person who has the vote and in other cases the first-named person in the partnership is the one who exercises the power to vote. Under clause 12 (4) of the Bill each registered grower shall be entitled to vote at any election. If that is so, I am happy, provided that a sleeping partner is permitted to vote under the interpretation of "grower".

The definition of "grower" in the Bill is covered in clauses 6 and states:

(a) in Division I or Part II and in sections 34 and 36 of this Act, means any person who grows at least 50 trees for the production and sale of citrus fruit; and

(b) in the other provisions of this Act, means any person who carries on the business of producing citrus for sale.

The grower produces fruit for sale, and the partners are also owners of a certain number of trees.

The Hon. S. C. BEVAN: He must be a registered grower with 50 or more trees for the purpose of voting under his name.

The Hon. R. A. GEDDES: In the reference to be held on wool marketing shortly the person who has 10 bales of wool has a vote. If he is in partnership, there must be 50 bales of wool in order for each partner to be entitled to a vote. Under this Bill I consider that, legitimately, two partners should control 100 trees.

The CHAIRMAN: This has nothing to do with wool and each industry is entitled to make its own rules.

The Hon. S. C. BEVAN: In this clause our concern is the entitlement to vote. Under the Bill the person exercising a right to vote in accordance with the Act must be a grower of at least 50 trees. He will not be entitled to vote if he has less than 49 trees, despite the fact that he sells his products and they come within the jurisdiction of the committee. If it is a partnership, a body corporate, and a grower of more than 50 trees, each member would be taken to be a grower.

The Hon. L. R. HART: I appreciate the point made and assume that in a multiple partnership with over 50 trees each partner is entitled to a vote.

The Hon. S. C. BEVAN: That is the way I understand it.

Clause passed.

Clauses 13 to 26 passed.

Clause 23—Powers to impose charges.

The Hon. C. R. STORY: There has been confusion in some places on this matter. The first levy provided for is for the purpose of straightening out matters. However, some people have voiced some anxiety towards the second levy, which is for the purpose of setting up the Export Compensation Fund. The maximum amount that can be levied for this purpose is not specified. Whether the committee will use more than a fraction of that amount, perhaps 3d. or 6d., in the first instance. However, as the committee proceeds and gets more matters under its jurisdiction, the levy may increase. By that time, the committee may have proved itself sufficiently useful for growers not to feel so badly about it.

However, I think it is necessary for the committee to have power to impose this second levy, because the canned fruit industry was in such a state as the citrus industry is in until a fund was created to assist people who were prepared to pioneer new export markets. The clause will enable the committee to develop new markets, and if fruit sent into one of those markets does not realise the price, the grower can be compensated. This overcomes the problem that arises where a grower is not able to sell high quality fruit at a great advantage but the committee is not prepared to send that fruit into an export market. By equalising, the grower of high quality fruit could not lose and the grower of low quality fruit was sent as a trial would be paid out.

The Hon. S. C. BEVAN: The honourable member has put the position adequately. This matter is dealt with in the inquiry committee’s report and the purport of the committee’s remarks is in line with what the honourable member has said.

Clause passed.

Clauses 24 to 26 passed.

Clause 27—Powers of inspectors to enter premises.

The Hon. S. C. BEVAN: I draw attention to an error, in that after clause 27 (2) the words “Penalty: Fifty pounds” appear. That is not correct. Also, the same words appearing at the end of clause 27 (4) should be deleted. I suggest that the words “Penalty: Fifty pounds” be deleted from clause 27 (4).

The Hon. S. C. BEVAN: The Government intends to do this. Shall we make that alteration.

The Hon. S. C. BEVAN: Clause 27 as amended.

Clauses 28—30—Registration of brands and descriptors.

The Hon. H. K. KEMP: Here again a penalty is mentioned and it is a pity that these penalties are not stated in both dollars and pounds.

The Hon. S. C. BEVAN: I do not know that we can do anything about that until decimal currency is introduced. Amounts of 50c and £1.00 are convertible.

The Hon. S. C. BEVAN: Clause passed.

Clauses 31 to 35 passed.

Clause 36—Offences in connection with the marketing of citrus fruit.

The Hon. R. A. GEDDES: Some people at Beetalool Valley, near Port Pirie, grow oranges, and these are marketed by individual growers, who put the fruit in cases and sell it in surrounding towns and farms. If any of these people have more than 50 trees they will have to be registered, but how will they get on under sub-clause (9), which provides that fruit shall not be sold unless the committee or a person nominated by it?

The Hon. S. C. BEVAN: If this causes any trouble, I am sure the committee will deal with it. All marketing must be under the control of the committee, or there will be no orderly marketing.

Clause passed.

Clauses 31 to 35 passed.

Clause 36—Ponctions on continuation of this Act.

The Hon. C. R. STORY: I believe that an amendment was made to this clause in another place and that it gets over the difficulty I saw in the original Bill. Will the Minister assure me that that is so?

The Hon. S. C. BEVAN: This is a revised Bill that includes amendments made in another place.

The Hon. C. R. STORY: Is there any provision for the making and tabling of an annual report?

The Hon. S. C. BEVAN: A report will certainly be presented to the Minister, but there is no provision making it mandatory that the report be tabled.

The Hon. C. R. STORY: Is the Government prepared to provide somehow that the committee must prepare an annual report and financial statement and that these must be submitted to the Minister? This legislation involves big money, and I remember another board that escaped this obligation. This matter is vital to the industry.

The Hon. S. C. BEVAN: As I cannot give this assurance at this stage, I ask that progress be reported.

Progress reported; Committee to sit again. Later:

Remaining clauses (37 to 39) and title passed.

Clauses 38—Accounts and audit—reconsidered.
The Hon. S. C. BEVAN (Minister of Local Government): I move to insert the following new subclauses:

(4) The committee shall, as soon as possible after the close of each financial year, prepare a report of its proceedings during that financial year, including a statement showing its receipts and expenditure during that year, and shall present the report and statement to the Minister.

(5) The Minister shall, as soon as possible after receiving the report, cause it to be laid before both Houses of Parliament.

I was earlier asked whether or not the Bill contained a clause that made it mandatory on the committee to be set up under the Bill to tender an annual report, to which I replied that no such clause in the Bill necessitated that action. It has been stated that not only an annual report covering the activities of the committee but also a financial statement should be made available annually and laid on the tables of both Houses for the benefit of honourable members. I was asked to give an assurance that the Government would do this, but was not able to give the assurance at that stage. I said that at no stage would I give such an assurance to the Chamber, unless I could back up that assurance at any time in the future. Therefore, I asked that progress be reported and that the Committee have leave to sit again, to enable me to examine the queries (and their ramifications) raised by honourable members. I have investigated this matter, and the Government agrees that the Bill should contain a provision not only that an annual report (including the balance sheet and statement of receipts and expenditure) be submitted to the Minister but also that it be tabled in Parliament, so that honourable members can have the opportunity of inspecting the work of the committee, and the sums of money involved.

The Hon. C. R. STORY: I thank the Minister for his action. If he had not moved the amendment, I would have done so. I know of one or two statutory boards to which such a provision does not relate and it has been extremely difficult to get information of a financial nature, although certain statistical information is made available. As wide powers are being given to the committee, we should have a true accounting and a report each year. I support the amendment.

The Hon. H. K. KEMP: I add my congratulations to the Minister regarding the amendment.

Amendment carried; clause as amended passed.

The Hon. S. C. BEVAN I move: That this Bill be now read a third time.

I wish to express my appreciation to a young lady in the front office of Parliament House for the typing that she has done. Perhaps we could call this staff the backroom workers. Honourable members had distributed to them copies of the explanation of this Bill, as I thought this would be desirable in order to expedite its passage. All these copies were typed by this young lady unselfishly at short notice and without complaint. The work that she did facilitated considerably the passage of the Bill, and I greatly appreciate what she has done.

The Hon. Sir LYELL McEWIN (Leader of the Opposition): I associate myself with the Minister's remarks. We are extremely fortunate in the way we are served by the whole of the staff of Parliament House. I think every honourable member will confirm that any services required are given efficiently and with the best of good grace. I should like to include also an appreciation to the Minister himself for showing consideration to the Council in making a copy of the explanation available to all honourable members. We all agree that this is an urgent Bill and that it is necessary to pass it before the adjournment.

The Hon. C. R. STORY (Midland): I, too, should like to say how much I appreciate this. Not only is it a good idea but the explanation is extremely well typed. I want to follow up what I said this afternoon that, while I do not expect this young lady to do this all the time, this is what honourable members need when these difficult and complex Bills are before us.

The Hon. A. J. Shadbolt: Towards the end of the session at least.

The Hon. C. R. STORY: During the session, too. Anybody who is near-sighted, as I am, has difficulty in reading Hansard, because the print is so small. In addition, we have to carry pulls around with us. These pulls are also difficult to obtain on the morning after debate because of pressure of work, as I have explained earlier. I ask the Government to consider this matter, because such a facility as has been provided will expedite the work of the Council and we may even get on much better; perhaps tempers will not be half as frayed.

Bill read a third time and passed.