**BULK HANDLING OF GRAIN ACT AMENDMENT BILL 1983**

**LEGISLATIVE COUNCIL, 23 March 1983, page 562**

Second reading

The Hon. C.J. SUMNER (Attorney-General) obtained leave for the Hon. B.A. Chatterton to introduce a Bill for an Act to amend the Bulk Handling of Grain Act, 1955- 1977.

*Later:*

The Hon. B.A. CHATTERTON (Minister of Agriculture) introduced a Bill for an Act to amend the Bulk Handling of Grain Act, 1955-1977. Read a first time.

The Hon. B.A. CHATTERTON: I move:

*That this Bill be now read a second time.* The South Australian Co-operative Bulk Handling Ltd is a co-operative venture created under the Bulk Handling of Grain Act, 1955-1977, to establish, maintain and conduct in South Australia, a scheme or system for receiving, handling, transporting and storing of grain in bulk. In providing these functions the co-operative acts on behalf of grain growers, millers, merchants and others concerned in the marketing of grain. The co-operative is obliged to pay rates to 66 councils which have grain silos located in their respective areas. With the advent of recent changes to the bases on which local government may calculate its rates, the co-operative faces substantial increases in this tax, especially where capital value assessments are made.

According to the co-operative, the rates now liable to be paid to some councils are inappropriate and, furthermore, are iniquitous in terms of sharing that tax revenue among the several councils. The co-operative has therefore requested that a Bill to amend its Act be introduced to provide that in lieu of council rates it pay a sum of money to councils, which sum would be indexed for inflation and based on the total storage capacity of silos built in the respective districts. This formula will ensure a more equitable distribution of these funds. Under the arrangement, 43 of the 66 councils will receive more funds while, of the 23 councils to receive less, 13 will be under $ 1 000 difference.

The drafting of this Bill was approved by the previous Government in May 1982 and was intended to come into operation on 1 July 1982. However, the Bill was never approved for introduction. The Bill has the support of the Local Government Association, 53 of 66 rural councils and the United Farmers and Stockowners Association. I seek leave to have the detailed explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1 is formal. Clause 2 inserts new section 18a after section 18 of the principal Act. Subclause (1) provides that, notwithstanding the Local Government Act, the company is not liable to pay to the council for an area in which any bulk handling facilities are situated rates declared as general rates by the council, but shall pay instead an amount determined according to the formula—

A = S.C . X 5 X C.P.I.2

 100 C.P.I. 1

where

 A is the amount to be paid in dollars and cents;

 S.C. is the storage capacity of the bulk handling facility as at the thirtieth day of June in the preceding financial year;

 C.P.I.1 is, in the case of the financial year commencing 1 July 1983, the consumer price index for the quarter ending on 30 June 1983, and in the case of any subsequent financial year, the consumer price index for the quarter ending on the preceding 30 June;

 C.P.I.,2 is the consumer price index for the quarter ending on 30 June 1983.

Under subclause (2) the Minister must publish in the Gazette before 31 August in any year, the maximum number of tonnes of wheat that could be stored in each of the company’s bulk handling facilities as at the preceding 30 June. Subclause (3) provides that where the company becomes liable to make a payment under subclause (1), the Local Government Act applies in relation to the payment and recovery of the payment. Subclause (4) defines the significant words and expressions of the clause: ‘area’ has the meaning assigned it under the Local Government Act; ‘bulk handling facilities’ means bulk handling facilities used by or under the control of the company and includes adjacent land used for the purposes of operating the facilities; ‘con­sumer price index’ means the quarterly consumer price index number for Adelaide prepared by the Commonwealth Statistician; ‘council’ has the meaning assigned it under the Local Government Act; ‘general rate’ means a general rate, including a differential general rate, declared by a council under the Local Government Act; ‘storage capacity’ of any bulk handling facilities means the number fixed by the Minister under subclause (2) as the maximum number of tonnes of wheat that could be stored by the facilities as at

relevant date.

The Hon. H.P.K. DUNN secured the adjournment of the

debate.