**SWINE COMPENSATION BILL 1936**

**House of Assembly, 16 July 1936, pages 661-3**

Second reading

**The Hon. M. McINTOSH (Albert—Commissioner of Crown Lands)—**This Bill proposes to establish a swine compensation fund, to be used for the purpose of compensating owners of pigs and carcasses of pigs when pigs are destroyed or carcasses condemned by reason of disease. The Bill is similar to legislation in operation in the other States, and is based on the Victorian Act, which has been in force since 1927.

There is an existing arrangement in this State between the livestock salesmen and the butchers, bacon curers, &c., by which an allowance of 6d. a pig is made to the purchaser for all animals sold for 25s. a head or over. This amount is deducted from the proceeds of the sale, and is paid by the vendor to cover any losses the purchaser may sustain on account of condemnation at the time of slaughter. This arrangement is satisfactory from the point of view of the purchaser, as what amounts to his insurance premium is paid by the vendor. The producer, however, derives no direct benefit from the scheme, and if a pig is condemned before it is sold obviously the whole loss falls upon the producer. The scheme is, therefore, to set up a fund to which there will be contributed swine stamp duties imposed upon all sales of pigs. The fund will be used to compensate owners of pigs destroyed and carcasses condemned by reason of disease. Disease is defined by clause 4 to mean tuberculosis, swine fever, swine plague, swine erysipelas, and swine para-typhoid.

Part II. deals with claims for compensation. Under clause 5 an owner of a pig or carcass of a pig will be entitled to compensation—

1. if the pig is destroyed by an inspector of stock because it is diseased or suspected to be diseased.
2. if the carcass is condemned at an abattoir because of disease by an inspector of stock or other authorised person, such as a meat inspector:
3. if the pig is destroyed with the consent of the Chief Inspector of Stock because the pig is suffering from or is suspected of suffering from disease.

The amount of compensation is fixed by clause 6 and the following clauses. If the pig, after destruction, is found to be free from disease, the full market value will be paid. If the pig is found to be diseased seven-eighths of the market value will be paid. In no case will the market value for any pig be allowed at more than £15. Compensation to be paid for carcasses which are condemned will be on a scale to be prescribed by regulation.

Clause 7 deals with the manner of ascertaining the value of a pig or carcass and also provides that the amount of any residual value of a pig or carcass is to be deducted from the amount of compensation. Clause 8 deals with the making of applications for compensation and requires applications to be made within 21 days. If the head of a carcass only is condemned no compensation is payable. The clause also withholds compensation in the case of a pig visibly suffering from tuberculosis where the owner has omitted to give the notice required by section 19 of the Stock and Poultry Diseases Act, 1934. The Chief Inspector is also required to be satisfied that the owner claiming compensation has paid all duty required under the Bill and that he has otherwise, complied with the Act. If a pig is introduced into South Australia and is subsequently destroyed because of infection with swine fever, no compensation or only partial compensation will be paid unless the Chief Inspector is satisfied that the pig became so diseased after its introduction into South Australia. If the owner has been convicted of any offence against the Stock and Poultry Diseases Act, the Metropolitan Abattoirs Act, the Abattoirs Act, or Division II. of Part VII. of the Health Act, compensation may be wholly or partially withheld.

Clause .9 provides that where a pig is suffering from a localised form of disease, an inspector of stock may, instead of destroying the pig, order it to be kept under such conditions as are prescribed. This, provision will enable regulations to be made to guard against the spread of disease, but will avoid unnecessary claims being made for compensation. Clause 10 imposes penalties upon persons who buy or sell pigs or carcasses knowing the same to be diseased with the intention of making claims for compensation. This provision is, of course, necessary to prevent fraud upon the fund.

Part III. deals with the swine compensation fund and swine duty stamps. Clause 11 provides that the fund is to consist of the revenue produced from, swine stamp duties and derived from penalties for offences under the Bill. Subclause (4) enables the Treasurer to take out of the general revenue any necessary advances when the fund is insufficient to meet claims on it. Any such advances will be repaid out of the fund. As will be shown, later, however, after it has been in operation for some time, it should be more than adequate to meet all claims for compensation. Clause 12 provides that on every sale of a pig the vendor is to make out a statement setting out the number of pigs sold, the amount of purchase money in respect of each pig, and the date of the sale. This statement must be stamped as provided in clause 13 and must be given to the purchaser within seven days of the sale. The amount of swine stamp duty is fixed by clause 13. A duty of 2d. in every £1 on the purchase price is made chargeable, but not more than 2s. 6d. will be payable in respect of any one pig. Swine stamp duty will be in; addition to the ordinary stamp duty of 2d. on a receipt for £2 or over required under the Stamp Duties Act.

It is difficult to frame any accurate estimate of the anticipated revenue and the compensation payable in a normal year, but on the basis of the information available to the Stock and Brands Department, it is estimated that the stamp duties will return an annual revenue of about £2,700. On the basis of the 1935 figures, compensation claims would amount to about £790 in a normal year, so that the fund will be more than ample to meet ordinary requirements. It is necessary, however, that the fund should be in a strong position so that, in addition to meeting ordinary claims for compensation, there should be built up a reserve to meet extraordinary claims, such as may be expected in the case of another outbreak of swine fever, as occurred in the metropolitan area a few years ago. When epidemics of this kind occur, wholesale destruction of swine becomes necessary. The fund. should therefore be sufficient to meet claims arising under such circumstances. At the present time the whole loss for such destruction falls upon the individual producer, and the Bill will, in effect, provide for the taxation of the industry so that proper steps for its preservation may be taken. An analogy for such a proceeding may be found in the Phylloxera Act. Members will understand that under present conditions if a breeder suspected swine fever he would have every reason to hide the fact because the whole of his herd might be slaughtered. He usually tries to cure the disease himself with the ultimate result that he not only loses his pigs, but his neighbours lose animals too. The Bill will provide. a fund to compensate owners whose animals have been attacked with disease through no fault of theirs.

Mr. Christian—Is this Bill substantially the same as last year’s Bill?

The Hon. M. McINTOSH—Yes, and it is almost on all fours with the Victorian Act which has been working-satisfactorily both to the butchers and producers since 1927. The administration costs under the Bill should be relatively little as the general administration of the Act will be undertaken by the Chief Inspector of Stock and the administration of the provisions relating to stamp duty by the Commissioner of Stamps, and each department already has an organisation in existence sufficient to administer the Act. Under clause 17 the administration costs are to be met out of the fund. The Bill should therefore provide adequate protection for producers but will impose no burden on the taxpayers. Part IV. deals with miscellaneous matters. Clause 16 empowers the Governor to make regulations on a number of necessary topics, such as to prevent frauds upon the fund and to prescribe scales of compensation for condemned carcasses. Clauses 18 and 19 deal with the existing practice whereby a sum of 6d. a head is retained on the sale of pigs and used to compensate butchers and others. Clause 18 forbids such a practice and clause 19 renders void any agreements for such payment. If the Bill becomes law such an additional payment will be both unnecessary and burdensome to the producer. The remaining clauses deal with minor matters that do not require special comment.

Mr. Blackwell—Does the Bill provide for quarantine ?

The Hon. M. McINTOSH—No, that is dealt with under other legislation. At present, although 6d. a carcass is deducted for every pig brought into the Abattoirs, if an animal is condemned by an inspector before sale the producer does not derive one farthing benefit from the fund, but if it is condemned after sale the butcher who bought it is compensated. Under the Bill compensation will be paid to the producer.

Mr. Thompson—At present the butcher is paid!

The Hon. M. McINTOSH—Yes. Dealing with Abattoirs charges, the Auditor-General stated in his annual report that in his opinion the whole of the charges were borne by the producer. The Bill will not inflict any increased charge on the consumer, nor will it affect prejudicially the butchers, because if they lose they will be compensated. It simply means that the present fund will be more equitably distributed. I move the second reading.

Mr. LACEY secured the adjournment of the debate.