**WHEAT DELIVERY QUOTAS ACT AMENDMENT BILL 1974**

**Legislative Assembly, 13 November 1974, page 1954-6**

Second reading

Mr. WARDLE (Murray): I move:

That this Bill be now read a second time.

I seek leave to have the second reading explanation inserted in Hansard without my reading it.

Leave granted.

Explanation of Bill

The Bill is designed to give relief to wheat quota holders, who. have had their land compulsorily acquired. I am thinking especially of landowners in the Monarto area, as well as other quota holders elsewhere, whose land has been compulsorily acquired and who are equally entitled to consideration. Dispossessed landowners who seek to continue wheat farming find themselves in a difficult position. Wheat is practically the only primary produce which now offers a reasonable profit, and dispossessed landowners from the Monarto area and elsewhere find it difficult to purchase land to which a reasonable wheat quota applies, because generally, farmers who have land with sufficient quotas applying, are not selling that land.

Therefore, many dispossessed farmers are precluded from carrying on their traditional avocation of wheatgrowing. Originally, wheat quotas were allocated on the basis of production over a five-year period, but that period has long since expired. In South Australia there is much land suitable for wheatgrowing: however, wheat quotas had not been applied to that land, because wheatgrowing was not traditional in such areas during the period when wheat quotas were set and, if dispossessed Monarto wheatgrowers could take their quotas with them, they would be able to purchase such land to carry on their traditional activity.

This Bill seeks to enable quotas allocated to dispossessed landholders, whose land has been acquired compulsorily under the Land Acquisition Act, and who, within 12 months of such acquisition purchase other land, to be applied to the newly purchased land, but the new nominal quotas in respect of the new land so established cannot exceed the quota applying to the land compulsorily acquired, for example a Monarto landowner having a nominal quota of 500 tonnes might have his land compulsorily acquired and, if he purchased another property within the 12 months period provided, he could apply his 500 tonnes nominal quota to that new land. Further, having a 500 tonnes quota applying to Monarto land, if the farmer purchased land with a nominal quota of 250 tonnes, he could not add the two quotas together. The quota applying to him would be only the original nominal quota of 500 tonnes.

A committee called the advisory committee fixes quotas. The term “advisory committee” seems to be somewhat of an anomaly, because under the principal Act it is not given an advisory role at all: it is given an administrative function. Nevertheless, this committee fixes the quotas. It does not advise anyone, but provision in the Bill gives a discretion to the committee to reduce the quota established under this Bill, when the quota applicable to the acquired land would not be suitable to the land purchased, having regard to the nature and area of such land. This provision is designed to cover certain situations that might arise: for example, where a Monarto farmer had, say, 800 hectares with a large nominal quota.

After his land had been compulsorily acquired, he might purchase only eight hectares of land elsewhere. It is obvious that the nominal quota he had at Monarto would not be suitable for that land. The purpose of the proviso is to allow the advisory committee the discretion to reduce the quota in such a case to a degree that it considered to be suitable, having regard, to the nature and area of the land. I am confident in saying that this Bill has the support of the wheat industry. The matter was dealt with in the United Farmers and Graziers of South Australia, Incorporated, grain section conference held on March 27-28, 1973. Motion No, 4 in that, conference reads as follows:

Displaced landowners—Zone 8. Mr. Forrest moved: that; wheat quotas held on property likely to be acquired by Government authorities be transferable to properties purchased by displaced landowners. (Note: to thus enable the person, (he amount of up to the original quota.)

That motion was seconded and carried. I refer now to the paper Farmer and Grazier, of Thursday, April 11, 1974.

-This was at the 1974 conference of the United, Farmers and Graziers. The part I will read was reporting Mr. Roocke, the Chairman of the advisory committee:

Of Monarto’s displaced farmers, Mr. Roocke said the Minister had been approached on this matter and the Government indicated their entitlement to the quotas on the land concerned, in order that they could lease this , back to the growers. However, at a recent meeting the Minister indicated he wanted to alter the Act to allow farmers to take quotas away with them without question. I feel this could create a lot of anomalies and that discretionary powers should be given to the quota committee in this regard for this conference. I point out that this Bill does what the Minister is reported as. saying he wanted; namely, to alter the Act to allow farmers to take quotas away with them without question.

Mr. Roocke adheres to the view that he there expressed: he thinks the best thing would be if the advisory committee was simply given discretion in the matter of land acquired under the Land Acquisition Act in Monarto and other places. In deference to his view, there has been inserted in the Bill the provision giving the committee a discretion to reduce the quota in circumstances where the nominal Quota was not suited to the area and nature of the land that the dispossessed quota holder subsequently purchased. We do not know who will constitute the committee in the future: we do not even know the future constitution of the committee, because I believe there is some doubt about that, and some legislation may be pending to change the constitution of the quota committee.

If the committee was simply given a discretion to do what it thought right to do, whatever was just in the case of a quota holder who was dispossessed of land compulsorily acquired under the Land Acquisition Act, the committee could at any time well take the view that it should not exercise that discretion unless good reasons were shown why discretion should be exercised. Therefore, it was thought better to establish the. right to the quota holder whose land was compulsorily acquired to take his quota with him, but to give the committee the discretion to reduce the quota in suitable circumstances: that is to say, where land that he subsequently purchased was not suitable in area or nature for the quota it had.

The guidelines or terms of reference of the committee in exercising the discretion to reduce the quota are spelled out, and there is no reason to suppose that the committee would not exercise the discretion in an appropriate case. The only reason that can be advanced for opposing legislation such as is contemplated in this Bill is that it may be claimed that, when compensation was assessed in regard to the land that was compulsorily acquired in Monarto, the value of the quotas was, in effect,, taken into account. That is a serious argument, but the Monarto landowners were given an assurance by the Government that they would be able, so far as the Government had the power, to acquire land similar to what they had had, and carry on the business in the same way. Secondly, it has been reported by many Monarto landowners that they accepted the figure proposed by the Government, after discussion and negotiations, on the understanding that they could take their quotas with them, and not on the basis that they were being paid for their quotas.

Of course, quotas cannot be paid for under the provisions of the principal Act. One cannot pay for a quota, but the only thing that could be said was that the wheat quota might have been taken into account in assessing the value. However, contrary to what the Minister has said, many Monarto landholders were under the impression (or, certainly, they have said they were under the impression) that, when they agreed to a figure, as far as they were concerned, it was on the basis that they could take their quotas with them, and not on the basis that they were being paid, in effect, for their quota. Thirdly, some have certainly reported that they purchased properties without a quota on the understanding (and they thought it was something about which they had been given assurances by the Government) that they could apply to that land the quotas that they had held in Monarto.

Surely Monarto landowners should be able to continue with the business they were conducting previously and, if they receive a slight advantage, I suggest that it does not matter much. I suggest that no-one is worried about it.

I point out that these quotas have already been issued: it is not as though they were being established for the first time or that anyone else was going to be disadvantaged by it. No-one is going to be any worse off because of this Bill. If it does not pass, the quotas of the Monarto landowners will return to the pool and be spread over the State. Therefore, the amount that each quota holder will receive will be negligible. It would indeed be different if anyone were to be worse off because of this Bill, but noone will be worse off. If anyone is going to be slightly better off, I suggest that it does not matter very much and that it would be just a small thing that might be a start towards really compensating people who did not want to lose or sell their land but whose land was taken from them.

This Bill is not contrary to the principles of the original Act. It is true that the principle of the principal Act was that quotas applied to a production unit and not to the person. However, compulsory acquisition of wheatgrowing land was not considered when the principal Act was passed. Compulsory acquisition in effect destroys the production unit as such, and this Bill merely seeks to replace it with another production unit. It is true that under the present legislation quotas may be transferred on an annual basis, and it is said that there is legislation pending to enable quotas to be granted on an annual basis. However, what the dispossessed landowners want and are entitled to is the same security as they had before. Quotas have, of course, been suspended for 1975-76, but they will probably be re-imposed at some time. Certainly the dispossessed landowners will not be satisfied unless they have security for the future, and if the Government considers that wheat quotas are unimportant in the future it may well think it is not worth while opposing this legislation.

I refer now to the clauses. Clause 1 is formal. Clause

sets out the various definitions, including that of “acquired production unit”, as follows;

“Acquired production unit” means a production unit, acquired pursuant to the Land Acquisition Act, 1969-1972, for the purposes of an authorised undertaking as defined in that Act.

It also contains a definition of “former holder” in relation to wheat delivery quotas. The “former holder” is the person who held the quota previously. The “prescribed period” is the period to which I have already referred. It means the last day of the twelfth month next following the day on which the production unit was so acquired, or the last day of the twelfth month next following the day of commencement of the Wheat Delivery Quotas Act Amendment Act, 1974, whichever day last occurred.

Clause 2 inserts in the Act new section 24h (1), to which I have also referred. New section 24h (2) provides that, where a person who was the former holder of a wheat delivery quota in respect of an acquired production unit becomes, within the prescribed period, the owner of (a) a production unit in respect of which a nominal quota has been established: or (b) a production unit in respect of which a nominal quota has not been established, then that person shall, subject to subsection (3) of this section, be entitled to have established by the advisory committee in respect of (c) the production unit referred to in paragraph O) of this subsection, where the nominal quota established for that production unit is less than the nominal quota that was established for the acquired production unit, a nominal quota not less than the quota that he held in regard to the acquired production unit.

It provides also that the total quota will not exceed that figure. New subsection (3) provides a discretion, to which I have already referred; namely, that the advisory committee may reduce the nominal quota that would otherwise be established under new section 24h (2) having regard to the area and the suitability for wheat production of the land acquired within the 12-month period. I commend the Bill to members.

The Hon. HUGH HUDSON secured the adjournment of the debate.