**BARLEY MARKETING ACT AMENDMENT BILL 1969**

**Legislative Council, 6 August 1969, page 691**

Second reading

**The Hon. C. R. STORY (Minister of Agriculture):** I move:

*That this Bill be now read a second time.*

It makes two amendments to the Barley Marketing Act to enable that Act to be reprinted under the Acts Republication Act, 1967. Clause 1 is formal. Clause 2 repeals section 5 of the principal Act, which deals with transitional provisions relating to a State Barley Board. These provisions have been rendered ineffectual by reason of administrative action taken to constitute a board under section 4. Clause 3 corrects a grammatical error in section 14(1) of the principal Act.

The Hon. A. F. KNEEBONE secured the adjournment of the debate.

7 August 1969

Adjourned debate on second reading. (Continued from August 6. Page 691.)

The Hon. A. F. KNEEBONE (Central No. 1): I support the second reading of this Bill, which seems to be a formal one, and the amendments proposed are to remove from the Act a section that has now become redundant, together with consequential alterations.

During the Second World War the barley crops of South Australia and Victoria were marketed by the Australian Barley Board constituted under the National Security Regulations. However, as those regulations expired at the end of 1947, the parent Act of the Bill now being considered was introduced into the South Australian Parliament late in that year. The legislation provided for the continuance of the Barley marketing scheme that existed under the regulations. The section proposed to be deleted from the existing Act was inserted for the purpose of setting up a South Australian Barley Board in case necessary legislation as applying to both South Australia and Victoria was not passed in time by both States. That is how it appears to me, and that seems to be the reason why, after all this time, and without those provisions of the Act having been used, the section is to be removed. There seems to have been little amendment to the Act in the intervening years, and amendments have been made mainly in order to extend the life of the Act. I believe there were four occasions when the Act was extended by five years, the last occasion being 1967.

Another unusual point is that the Act refers to the Australian Barley Board. In examining the effect of the Act and the way it has been administered, it seems that it has applied only in South Australia and Victoria, although even at an early stage there was some talk that other barley-producing States would, in time, come under the scheme. However, after almost 22 years it still affects only the two States, South Australia and Victoria; it seems strange that this has been the case.

The Hon. H. K. Kemp: We grow all the good barley.

The Hon. A. F. KNEEBONE: I agree that South Australian barley seems to be very good, and although I am not a barley producer there may be barley producers in this Chamber; I think I can be described as an appreciative customer of the dispensers of the end result of barley in a liquid form. I think there could be others in this Chamber who would fall within that category.

The Hon. L. R. Hart: A little would last me a long while.

The Hon. A. F. KNEEBONE: I think I should say that I have not let my approval of the end product go beyond the bounds of reason. I believe that the board has worked for the benefit of barley growers in this State and in Victoria. The most recent reports of the Australian Barley Board indicate that the board continues to support the Barley Improvement Trust Fund, a very good fund that provides finance to assist a co-ordinated programme of controlled research and extension conducted by the Agricultural Departments of Victoria and South Australia, and the Waite Research Institute. This is a worthwhile scheme. Looking at the Bill, I cannot see any ulterior motive for the deletion proposed; therefore, my colleagues and I support the Bill.

The Hon. L. R. HART (Midland): This is a small Bill, and its main purpose is to remove what appears to be a redundant clause. Before dealing with the Bill I wish to comment briefly on barley marketing in general. Prior to the Second World War producers of barley mainly dealt directly with merchants and maltsters, not always at the best prices obtaining for barley. In addition, a voluntary barley marketing pool was set up at one stage, but as with all voluntary bodies it was not particularly successful.

In 1939 the Australian Barley Board, covering all States, was set up by the Commonwealth Government under the National Security Regulations. The board functioned for three seasons, and operated pools in the 1939-40, 1940-41, and 1941-42 seasons. For the 1942-43 season, however, Victoria and South Australia were the only States operating in the pool, and that was because the 1942 referendum failed to give the Commonwealth Government power to continue the control over the marketing of agricultural products. As South Australia and Victoria at that time produced 95 per cent of the barley grown in Australia, agreement was reached that a marketing scheme would operate only in those two States. Western Australia and Queensland set up their own barley marketing boards during that period, and those boards are still in existence.

The Australian Barley Board, as it is known today, and as operated at that time with South Australia and Victoria, functioned until 1947. It was at that time that South Australia and Victoria decided, after a poll of growers had been held in both States, to set up a statutory board, each Government being asked to pass complementary legislation. Also at that time a political crisis developed in Victoria necessitating an election, and there was some doubt whether the incoming Government in that State would pass the necessary legislation in time for the harvesting of the 1948-49 barley crop. At that time the South Australian Government introduced section 5 of the Act into its legislation, which is the provision now being considered. It is at this point that I wish to query whether, if Victoria should not continue as a member of the Australian Barley Board as at present constituted, continuation of the board with South Australia as the sole member State is in any way placed in jeopardy by the removal of this section. I make the point because there is agitation in Victoria to have that State break away from the board.

The Victorian Voluntary Oat Pool has in recent times extended its operations to the Riverina district in New South Wales and traded in barley as well as in oats, which is permissible under section 92 of the Commonwealth Constitution. I am given to understand that the Victorian Oat Pool is planning to extend its operations in barley trading, and this could well upset organized barley marketing. The present Barley Marketing Acts, which are complementary and which provide for a system of orderly marketing of barley in the two States, were further extended in November, 1967, and the South Australian Act applies up to and including the 1972-73 season. The Victorian Act applies up to and including the 1970-71 season, and therefore honourable members can see that Victoria will be required to review its Act two years before that necessity arises with the South Australian Act.

During my speech in the Address in Reply debate last year, made on July 24, I dealt at some length with barley marketing and an all-Australia barley board. (For any honourable member who is interested, my remarks begin at page 205 of Hansard.) The need today is just as urgent as it was then. In fact, it was only last Friday that representatives of the Australian Wheatgrowers’ Federation from all States at their meeting in Melbourne discussed the formation of an all-Australia barley board.

When the present Australian Barley Board was constituted in 1947, South Australia and Victoria were the main barley-growing States. As I said earlier, between them they produced 95 per cent of the barley produced in Australia. The situation today, however, is vastly different. Queensland is the second barley-producing State, followed closely by New South Wales and Western Australia. The amount of barley produced there depends, as always, on seasonal conditions. Victoria today would be running in fourth place. We face a situation where there could be an increased production of barley because of the introduction of wheat quotas, so there is an urgent need for the organized marketing of barley. There is also the possibility of the collapse of the International Grains Agreement, which could bring chaos not only to the wheat industry but also to the barley industry.

The Hon. M. B. Dawkins: There will be great expansion in the sowing of barley.

The Hon. L. R. HART: Yes. We cannot apply a quota to the sowing of barley as it applies to wheat, because there is not an all-Australia statutory board; also, because of section 92 of the Commonwealth Constitution. It is possible for this State to grow an amount of barley equal to that of wheat. The present wheat quota for South Australia is 45,000,000 bushels, and the average production of wheat in this State over the 10-year period to 1967-68 was 37,804,000 bushels. In the year 1960-61 South Australia produced 42,233,000 bushels of barley alone. In the same year our wheat production was 46,395,000 bushels, which is only 4,000,000 bushels more of wheat than of barley. I emphasize that South Australia could well find itself in the position of having as much barley as wheat to market.

The operation of the present Barley Board is, of course, limited by credit facilities. It is unable to pay a very high first advance because it cannot obtain credit facilities, as can the Wheat Board, which is an all-Australia statutory board. So we find the situation of the merchant going into the field and paying the full price for barley in the initial payment. That may not be the same as the producer would receive by marketing through the board; although close to it perhaps. It is a full payment at the point of delivery.

Also, the export of barley is hampered by the operations of various boards. The boards tend to duplicate each other’s efforts, both in the field of selling and in the chartering of ships, and strong buyers take advantage of the multiplicity of sellers operating against each other. I believe that, where we have a commodity produced in quantities of considerable magnitude, some form of organized marketing must be provided. An all-Australia barley marketing board with statutory backing is becoming an urgent need in the barley industry.

I do not wish to discuss this Bill at any length. However, I ask the Minister to have a close look at whether the deletion of section 5 will have any effect on the operations of the Australian Barley Board in the event of Victoria’s deciding not to continue its legislation when it comes up for review in 1970-71. With those few comments, I support the Bill.

The Hon. M. B. DAWKINS secured the adjournment of the debate.