No. 42 of 1946.

An Act to provide for the control and regulation of the milk supply of the metropolitan area, and for purposes incidental thereto.

[Assented to 19th December, 1946.]

BE IT ENACTED by the Governor of the State of South Australia, with the advice and consent of the Parliament thereof, as follows:

PART I.
PRELIMINARY.

1. This Act may be cited as the "Metropolitan Milk Supply Act, 1946".

2. This Act is divided into Parts as follows:—

   Part I.—Preliminary: Sections 1 to 3.
   Part III.—Metropolitan milk supply: Sections 27 to 45.
   Part IV.—Supplementary provisions: Sections 46 to 52.

3. (1) In this Act, unless inconsistent with the context or some other meaning is clearly intended—

   "board" means the Metropolitan Milk Board appointed under this Act;
"chairman" means chairman or acting chairman of the board;
"dairy farm" means land or premises where cows are milked, or kept for the purpose of producing milk;
"industrial award" means an award, order, judgment, regulation or other instrument fixing wages or conditions of employment;
"licence" means licence of any kind issued under this Act;
"living wage" means the living wage for the time being in force under Part IV. of the Industrial Code, 1920-1943;
"member" means member or acting member of the board;
"metropolitan area" means the area which, for the time being constitutes the metropolitan area under the Food and Drugs Act, 1908-1943;
"milk" means lacteal fluid product of the cow, but does not include condensed, or dried milk, or milk powder, or any milk or product of milk declared by regulations not to be milk for purposes of this Act;
"Minister" means Minister of the Crown for the time being holding, or acting in, the office of Minister of Agriculture;
"sell" includes barter, and "sale" and "sold" have a corresponding meaning;
"treat" means to pasteurize or bottle, and "treatment" has a corresponding meaning;
"vehicle" includes conveyance of every kind whether used on land, air, or water, including conveyances running on railways and tramways.

(2) Without limiting the application of the Acts Interpretation Act, 1915-1945, it is declared that any reference in this Act to compliance or non-compliance with this Act, includes compliance or non-compliance with any regulations under this Act.
PART II.

ADMINISTRATION.

4. There shall be established a board to be called the "Metropolitan Milk Board," which shall be charged with the duty of administering this Act.

5. The board shall be a body corporate with perpetual succession and a common seal and power to hold and dispose of property of all kinds, and may, in its corporate name, be a party to any legal proceedings.

6. (1) The board shall consist of a chairman and two other members, all of whom shall be appointed by the Governor on the recommendation of the Minister. Before making any recommendation the Minister shall by public advertisement call for applications for the seats to be filled and shall obtain and consider a report from the Public Service Commissioner on the qualifications of the applicants for those seats.

   (2) The chairman or a member of the board shall not have any interest, direct or indirect, in any business of producing, treating, or selling milk, or be an officer of any association of producers or vendors of milk.

   If the chairman or a member of the board contravenes this subsection the Governor may dismiss him from office.

7. (1) The Governor may appoint a member to be deputy chairman of the board. If the chairman is for any reason unable to perform the duties of his office or if his office has become vacant, or if he is absent from any meeting, the deputy chairman shall act in his place.

   (2) If a member of the board is for any reason unable to perform the duties of his office or if his office has become vacant, the Governor may appoint a suitable person, whether a member of the board or not, to be an acting member of the board during the period of such inability or until a permanent appointment is made to the vacant office.

   (3) An acting chairman or an acting member shall while so acting have all the powers and duties of the chairman or of a member, as the case may be.
8. (1) Subject to this Act the chairman and members of the board shall hold office for five years, but a retiring chairman or member shall be eligible for re-appointment.

(2) A person appointed to a casual vacancy on the board shall hold office only for the balance of the term of office of the person in whose place he was appointed.

9. (1) The Governor may remove the chairman or any member of the board from office for incapacity, neglect of duty, or conviction of any crime.

(2) The office of the chairman or a member of the board shall become vacant if he—
   (a) dies;
   (b) resigns by written notice given to the Minister;
   (c) without leave of the board absents himself from three consecutive meetings of the board;
   (d) becomes bankrupt or executes an assignment of his property or a deed of arrangement for the benefit of his creditors or compounds with his creditors for less than twenty shillings in the pound; or
   (e) is removed from office by the Governor pursuant to this Act.

10. (1) The chairman or acting chairman and one member of the board shall form a quorum thereof.

(2) If only two members of the board are present at a meeting and are unable to agree on any matter, the decision of that matter shall be postponed to a full meeting of the board.

11. An act or proceeding of the board shall not be invalid on the ground only of any vacancy in the office of the chairman or any member, or of any defect in the appointment of the chairman or acting chairman, or any member or acting member.

12. The chairman and the other members of the board shall receive such salary and such travelling and other allowances as are approved by the Governor.

13. (1) The chairman shall be the principal executive officer of the board and shall not engage in any paid work other than his work as chairman.

(2) The board may appoint any officers and servants whom it requires for the administration of this Act on such terms and conditions as the board fixes.

II. Superannuation of members.

14. (1) Any officer of the board may, at his option, subscribe to the South Australian Superannuation Fund as if he were an employee within the meaning of the Superannuation Act, 1926-1946, and as if his service as an officer of the board were service within the meaning of that Act.

(2) The board shall within three months after the end of each financial year pay to the Treasurer of the State an amount equal to the total of all money paid by the Government into the South Australian Superannuation Fund during that financial year in respect of any pension or benefit payable under the Superannuation Act, 1926-1946, to any officer of the board or to any dependent of any such officer: Provided that where a person has contributed to the said Fund during a period of his employment in the Public Service of the State as well as during a period of his employment by the board, the board shall pay to the Treasurer that part of the said total money paid by the Government, which is proportionate to the period of the officer's employment by the board.

15. The board may purchase or take on lease or other tenancy any premises required by it for carrying out its functions under this Act.

16. The board shall not be a department of the Government of the State or an agent or servant of the Crown nor shall the chairman, members or employees of the board be subject to the Public Service Act, 1936-1946.

17. The board shall pay the salaries, remuneration and expenses of the chairman and members and all costs of administering this Act, out of the revenue received by it under this Act.

18. (1) The board may, by notice in the Gazette from time to time require all or any of the persons who hold licences under this Act to pay to the board contributions towards the costs of the administration of this Act.

(2) The notice shall specify the persons or classes of persons who are required to pay contributions, the amount of the contributions or the manner in which they are computed and the time on or before which they must be paid.
(3) The board shall, by post or personal service, give to every person liable to contribute under this section a written notice of the amount payable by him and the time when that amount is to be paid, and if the board decides that contributions may be paid by instalments, the notice shall also state the times when and the instalments in which the contribution is to be paid. The contribution shall be payable in accordance with the notice.

(4) If any contribution or instalment thereof is not paid in full as and when it becomes payable, the board or any person authorized by the board may recover the amount owing, as a debt, by action in any court of competent jurisdiction.

19. The board shall keep in such manner and form as it thinks proper, accounts showing accurately and in detail, its assets, liabilities, receipts and expenditure.

20. (1) The Auditor-General shall make an annual audit of the board’s accounts.

(2) For the purpose of any such audit—

   (a) the Auditor-General may exercise any of the powers which he could exercise for the purpose of auditing the accounts of a Government department;

   (b) the board and every member of its staff shall be subject to section 44 of the Audit Act, 1921-1946.

(3) The board shall pay to the Treasurer a reasonable fee of an amount approved by the Minister for every audit.

(4) The Auditor-General’s report on the board’s accounts shall be included in the annual report of the board.

21. The board shall within three months after the close of each financial year prepare and present to the Minister a report on its operations during that financial year and the report shall as soon as practicable after receipt thereof be laid before both Houses of Parliament.

22. (1) The Governor may, at any time, appoint a person to enquire into and report to him upon the general management of the affairs of the board.

(2) Any person so appointed shall be a Royal Commission constituted of a sole Commissioner within the meaning of the Royal Commissions Act, 1917, and that Act shall apply in relation to that person and his inquiry and the persons from whom evidence, information, or documents are sought.
23. (1) The Treasurer may, on terms and conditions to be agreed between him and the board lend the board such sums as are reasonably required to meet the initial expenditure of the board.

(2) This Act shall be sufficient authority for the Treasurer to make any such loans.

24. (1) The board, or any person employed by the board and acting under its authority, may by notice in writing require any person to furnish or produce within a reasonable period to be specified in the notice any document or information relating to milk or cream produced within the metropolitan producing district.

(2) If any person—

(a) without lawful excuse (proof of which shall lie on the defendant) neglects or refuses to furnish or produce any document or information in accordance with a notice served on him under subsection (1) of this section; or

(b) when required by such a notice to furnish information, furnishes any information which is false,

he shall be guilty of an offence.

25. Any person who communicates to any other person any contents of any document furnished or produced under the last preceding section or any other information so furnished or produced, except in the course of the administration of this Act or when required by law to do so in legal proceedings, shall be guilty of an offence.

26. (1) Any person employed by the board and acting under its authority may, for the purpose of the administration and enforcement of this Act, at any reasonable time—

(a) enter and inspect any premises, place or vehicle;

(b) inspect any milk or cream, or any animals, apparatus, or utensils used in connection with the production, treatment, transport, sale or storage of any milk or cream;

(c) open any can or other vessel which contains, or which he suspects to contain, any milk or cream;

(d) take samples of any milk or cream, or of any water or fodder, or of any materials used in connection with the production or treatment of any milk or cream. For the samples reasonable remuneration shall be offered.
PART II.

METROPOLITAN MILK SUPPLY ACT, 1946. No. 42.

(2) If any person prevents any person from exercising any power under this section, or hinders or obstructs any person in the exercise or attempted exercise of any power under this section, he shall be guilty of an offence.

(3) Any person employed by the board and acting under its authority may request the driver or person in charge of any vehicle on which the person so employed suspects that there is any milk or cream—

(a) if the vehicle is in motion, to stop the vehicle;

(b) to keep the vehicle stationary for such time and in such place as is necessary to enable the person so employed to exercise his powers under subsection (1) of this section.

If the driver or person in charge of any vehicle fails to comply with a request under this section he shall be guilty of an offence.

PART III.

METROPOLITAN MILK SUPPLY.

27. This Part shall come into operation on a day or days to be fixed by the Governor by proclamation. The Governor may so fix different days for the coming into operation of different provisions of this Part.

28. The board, by notice in the Gazette—

(a) shall declare any area or areas to constitute the metropolitan producing district:

(b) may from time to time alter the metropolitan producing district.

Licensing of Producers and Treatment Plants.

29. (1) A person shall not sell any milk or cream, which has been produced by him—

(a) to any person carrying on the business of selling (whether by wholesale or retail) milk or cream within the metropolitan area; or

(b) to retail consumers within the metropolitan area, unless he holds a milk producer's licence.

(2) A milk producer's licence shall specify the premises upon which the holder thereof is licensed to produce milk or cream for sale.

(3) The holder of a milk producer's licence shall not sell any milk or cream produced by him on premises other than premises specified in his licence.

(4) A person shall not sell within the metropolitan area any milk or cream produced by a person who does not hold a milk producer's licence.

(5) It shall be a defence to a charge for an offence under this section, if the defendant proves that the milk or cream in respect of which the offence is alleged to have occurred—

(a) was, at the time of its delivery by the producer to the person who purchased it from him, in cans which under the regulations may lawfully be used for holding milk or cream not intended for human consumption as whole milk or sweet cream; or

(b) was not at any time brought within the metropolitan area, as milk or cream.

(6) A person who contravenes this section shall be guilty of an offence.

30. (1) A person shall not treat any milk intended to be sold for human consumption within the metropolitan area as whole milk unless he holds a milk treatment licence.

(2) A milk treatment licence shall specify the premises upon which the holder thereof is thereby licensed to treat milk.

(3) The holder of a milk treatment licence shall not on any premises other than premises specified in his licence, treat any milk intended for human consumption within the metropolitan area as whole milk.

(4) A person who contravenes this section shall be guilty of an offence.

31. (1) Every application for a licence under this Part shall be made to the board in accordance with the regulations and the fee for the licence shall be paid at the time of application: Provided that if the application is refused the fee shall be refunded to the applicant.

(2) The fees for all licences under this Act shall be fixed by the board by notice in the Gazette.
32. (1) Except as allowed by this Act the board shall not refuse an application for a licence.

(2) The board may refuse an application for a licence if any premises, plant, equipment or animals to be used by the applicant in carrying on the business for which the licence is required do not comply with this Act: Provided that the board shall not refuse any licence on the ground of such non-compliance unless it has given the applicant notice of the particulars in which his premises, plant, equipment or animals do not comply with this Act and at the end of three months after the giving of the notice the premises, plant, equipment or animals still do not comply with this Act. When an applicant has received such a notice he shall be deemed to hold a licence of the kind for which he applied, for a period of three months after the giving of the notice.

(3) The board may refuse an application for a milk producer’s licence if the applicant’s dairy farm is not within the metropolitan producing district: Provided that the board shall not refuse a licence on the ground that the applicant’s dairy farm is not within the metropolitan producing district if—

(a) for twelve months before the day on which this section came into force, milk or sweet cream has been regularly supplied from the said dairy farm to a person carrying on the business of selling (whether by wholesale or retail) milk or cream within the metropolitan area, or has been so supplied to retail consumers within that area; or

(b) a milk producer’s licence in respect of the said dairy farm has been in force at any time within six months before the making of the application and has not been cancelled or suspended.

(4) The board may refuse an application for a licence if the applicant has twice contravened or failed to observe any term or condition of a licence previously granted to him or has been twice convicted of an offence against this Act, or if the applicant while holding a licence has, after being warned by the board, continued to contravene any industrial award, or to pay wages below the living wage.

33. (1) The board may cancel or suspend for such time as it thinks fit any licence—

(a) if the holder thereof twice contravenes or fails to observe any term or condition of his licence, or is twice convicted of an offence against this Act.
PART III.

Provisions as to warning given by the board.

34. (1) A warning given by the board under subsection (4) of section 32 or paragraph (b) of subsection (1) of section 33 of this Act shall—

(a) be given by written notice served personally or by post on the person to whom the warning is directed:

(b) specify detailed particulars of the alleged contravention of an award or of the alleged payment of wages below the living wage.

(2) The board shall not serve any such notice on a dairyman unless it is satisfied that at the time of the alleged contravention of an award, or of the alleged payment of wages below the living wage, the dairyman was selling the milk produced by him, at the price fixed by the board under this Act.

Appeals.

35. (1) If a licence is refused, cancelled or suspended pursuant to this Act the licensee may, in accordance with rules of court, appeal to the Supreme Court against the refusal, cancellation or suspension.

(2) On every such appeal the Supreme Court shall have power to review the whole matter in issue and all circumstances relevant thereto and to make such order thereon as it deems just.

Power of board after refusal, cancellation or suspension of licence.

36. When a licence is refused, cancelled or suspended pursuant to this Act the applicant or holder of a licence thereby affected may apply at any time to the board for the grant of a licence or, as the case may be, the removal of the cancellation or suspension; and the board may, if it considers that circumstances justify it in doing so, grant the licence or remove the cancellation or suspension as from such day as it deems just.

Duration of licences.

37. Every licence shall, unless sooner cancelled or suspended, remain in force until the thirtieth day of June next after the
issue thereof: Provided that the board may issue any licence as a temporary licence, and a temporary licence shall remain in force for such period as is specified by the board in the licence.

38. For the purposes of this Part, the wages paid to an employee shall be deemed to include both the money actually paid as wages, and an additional sum in respect of the other benefits and advantages received by him as an employee, such as board, lodging, fuel, light, commodities and any share of produce to which he may be entitled.

39. Premises licensed under this Act shall not be subject to—

(a) section 27 of the Food and Drugs Act, 1908-1943, or any regulations made under paragraph (11) of section 61 of that Act;

(b) any regulation made under section 115 of the Health Act, 1935-1943.

40. A holder of a milk treatment licence shall on the request of a person licensed as a vendor of milk under the Food and Drugs Act, 1908-1943, or the Health Act, 1935-1943, who is approved in writing by the board as a person to whom this section shall apply and who served during any war in any naval, military or air force of the Commonwealth or any other part of His Majesty's Dominions, sell and supply to that person any whole or pasteurized milk or sweet cream which he reasonably requires for any business as a retail milk vendor, carried on or intended to be carried on, by him:

Provided that it shall be a defence to a charge for an offence against this section, if the defendant proves that he had not sufficient milk or cream to supply the licensed person, and could not, by reasonable efforts, have obtained sufficient milk or cream for that purpose.

41. (1) The board may, from time to time, make regulations binding on the persons or the classes of persons specified therein—

(a) Fixing the prices to be paid to holders of milk producers' licences or to wholesale or retail vendors for milk and sweet cream produced by holders of milk producers' licences, which prices may vary according to differences in the grade, quality, description, or quantity of the milk or sweet cream (whether grade,
quality, or description are prescribed or not), or the conditions or place of delivery, distribution or sale, and in the case of milk according to whether it is to be consumed as whole milk or used for the production of sweet cream:

(b) Fixing the charges for the collection, treatment, storage, transport, or distribution of milk and sweet cream produced by holders of milk producers' licences:

(c) Containing any ancillary provisions which are necessary or convenient for the purpose of securing observance of the prices or charges so fixed:

(d) Varying or revoking any regulation in force under this section.

(2) In fixing prices under this section the board shall among other things make allowance for the costs incurred in observing all industrial awards affecting persons employed in the production, collection, treatment, storage, transport and distribution of milk and sweet cream, and, as regards persons whose remuneration is not fixed by an industrial award, for payment of wages at reasonable rates not less than the living wage.

(3) A person who contravenes a regulation made under this section shall be guilty of an offence.

(4) It shall be a defence to a charge of contravening this section if the defendant proves that the milk or cream in respect of which the charge was brought was used solely for manufacture into butter, cheese, or other products.

42. (1) Where any prices or charges payable pursuant to a contract for the supply of milk or cream are inconsistent with any order made by the board under this Act—

(a) the contract shall be deemed to be varied so far as is necessary to make it consistent with the order; and

(b) if any dispute arises as to the extent of the variation effected by paragraph (a) of this subsection any party to the contract may apply to the board to determine the matter in issue.
(2) Upon any such application the board may, after hearing all parties to the contract who desire to be heard, make an order varying the contract in such manner as it deems necessary in order to make the contract consistent with the order.

The board shall not make any order as to the costs of an application under this section.

(3) Every order under this section shall be served or advertised as prescribed by the regulations.

An order shall not be binding until it has been so served or advertised.

43. (1) The Minister on the recommendation of the board shall from time to time make declarations declaring the percentage of the milk or sweet cream purchased from persons holding milk producers' licences during any specified period, which a person holding a milk treatment licence may sell as whole milk or sweet cream.

(2) Every such declaration—
(a) shall be binding on every person who holds a milk treatment licence:
(b) shall be published in the Gazette:
(c) may declare different percentages for different periods:
(d) may be revoked or altered by the Minister on the recommendation of the board by another declaration so published and notified:
(e) shall, subject to the revocation or alteration thereof, remain in force until the end of the period or the last of the periods specified therein:

(3) If any person on whom a declaration made under this section is binding sells milk or sweet cream in contravention of the declaration he shall be guilty of an offence.

(4) No person other than the board, or a person authorized by the board, shall take proceedings for a breach of this section.

44. (1) Any person who holds a milk treatment licence may apply to the board for an order that he be admitted to any milk prices equalisation scheme in force in respect of milk supplied to the metropolitan area and the board may in its discretion make an order accordingly.

(2) The order may include any incidental provisions necessary for the enforcement thereof.
PART III.

Application of Royal Commissions Act, 1917.

45. For the purpose of obtaining any information which it requires in connection with the administration of this Act, the board may conduct an inquiry, and for that purpose shall have the same power and authority to summon witnesses and take evidence as are conferred upon a Royal Commission by the Royal Commissions Act, 1917, and the said Act shall apply to any witness summoned by or appearing before the board as if the board were a Royal Commission.

PART IV.

SUPPLEMENTARY PROVISIONS.

46. The Governor may, on the recommendation of the board, make any regulations necessary or convenient to be made for the due administration of this Act, and securing observance of the provisions of this Act, including, but without limiting the generality of this section, regulations for all or any of the following purposes:—

(a) Prescribing conditions, not inconsistent with any express provision of this Act, to be included in any licences and any other matters relevant to the licensing of any persons under this Act:

(b) Regulating the construction, management, and sanitation of premises used, or to be used, by persons required to be licensed under this Act, and of the plant, equipment, apparatus, vessels and utensils thereon:

(c) Regulating the housing, keeping, and milking of cows, owned or kept by persons licensed under this Act, and the treatment of such cows when diseased:

(d) Prescribing standards for milk and cream sold or intended for sale by persons licensed under this Act:

(e) Prescribing the apparatus to be used for testing milk and cream, produced by persons licensed under this Act, and the standards of chemicals to be so used,
and the size, construction and marking or painting of the cans or other vessels used for holding and transporting such milk or cream, and providing for different marking or painting of cans according to the purpose for which the milk and cream contained therein are to be used:

(f) Providing for the examination and certification of testers and graders of milk or cream, and prohibiting uncertificated persons from acting as such testers or graders:

(g) Prescribing the methods to be adopted by persons licensed under this Act in the production of milk and cream:

(h) Conferring on employees of the board any powers necessary or convenient to enable them to assist in enforcing this Act:

(i) Prohibiting conduct and arrangements likely to defeat the objects or policy of this Act:

(j) Generally for regulating the production, treatment, transport, and supply of milk and cream for consumption within the metropolitan area:

(k) For prescribing penalties recoverable summarily and not exceeding fifty pounds for breach of any regulation.

47. A person who contravenes any provision of this Act, the contravention of which is not elsewhere made an offence, shall be guilty of an offence.

48. A person who contravenes any term or condition of licence shall be guilty of an offence.

49. A person guilty of an offence against this Act for which no other penalty is prescribed shall be liable to a fine not exceeding one hundred pounds.

50. Proceedings for offences against this Act shall be disposed of summarily.

51. (1) If a person by himself or his servant or agent delivers milk or cream to another person that delivery shall be prima facie evidence of a sale by the person delivering to the person taking delivery or, if the person taking delivery is a servant or agent of some other person, to that other person.
(2) The allegation in any complaint under this Act—
   (a) that any milk was or was not produced by any person
       named in the complaint;
   (b) that any milk was intended for any purpose specified
       in the complaint, or was intended for consumption
       in any district, part of a district, or other area
       specified in the complaint,
   shall be *prima facie* evidence of the matter so alleged.

(3) A certificate signed by the chairman or secretary of the
    board certifying that any person therein named was at any
    specified time an employee of the board, or was acting under
    the instructions or directions of the board, shall be *prima facie*
    evidence of the matter so certified.

(4) In proceedings for an offence against any provision of
    this Act all milk shall be deemed to be milk to which that
    provision applies, unless the defendant proves the contrary.

52. The moneys required for the purposes of this Act shall,
    except where other provision is made by this Act, be paid out
    of moneys provided by Parliament for those purposes.

In the name and on behalf of His Majesty, I hereby
assent to this Bill.

C. W. M. NORRIE, Governor.