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ELIZABETHAE II REGINAE

A.D. 1955

No. 4 of 1955

An Act relating to the bulk handling of wheat and other grain by South Australian Co-operative Bulk Handling Limited, and other matters incidental thereto.

[Assented to 7th July, 1955.]

WHEREAS South Australian Co-operative Bulk Handling Limited, a company limited by guarantee and without a share capital has been incorporated and registered under the Companies Act, 1934-1952, with the principal object of establishing, maintaining, and conducting in the State of South Australia a scheme or system for receiving, handling, transporting, and storing wheat and other grain in bulk, and exercising powers incidental to that object:

AND WHEREAS the company has been formed on a co-operative basis so that all growers of wheat as defined in the Articles of Association of the company may become members thereof, but the company has no power to declare or pay dividends and the net profits of the company are to be applied in carrying out its objects and in maintaining and improving the facilities of the company:

AND WHEREAS it is desirable to confer certain rights and powers upon the said company and to regulate and control the bulk handling of wheat and other grain in South Australia in order to ensure that proper service is given to growers, millers, merchants, and other persons concerned in the marketing,
handling, and disposal of wheat and other grain: Be it therefore enacted by the Governor of the State of South Australia with the advice and consent of the Parliament thereof, as follows:

1. This Act may be cited as the “Bulk Handling of Grain Act, 1955”.

2. In this Act, unless the context otherwise requires, or some other meaning is clearly intended—

“bulk handling facilities” means bins, silos, elevators, conveyor belts, and other accommodation, plant, and equipment for the reception, storage, handling, and delivery of grain in bulk;

“the company” means South Australian Co-operative Bulk Handling, Limited, a company limited by guarantee without a share capital, and incorporated under the provisions of the Companies Act, 1934-1952;

“country bin” means a building, shed, silo, bin, or other receptacle at a place other than a terminal port for the reception and storage of grain in bulk pending transport or delivery, and any plant or equipment used in connection therewith;

“grade” as applied to wheat means grade prescribed by regulations under this Act, and if no grades are so prescribed means grade determined in the manner customary among persons trading in wheat in the State;

“licensed receiver” means licensed receiver within the meaning of the Wheat Industry Stabilization Act, 1954, of the State;

“miller” means person who carries on the business of milling or otherwise processing wheat or other grain;

“the Minister” means the Minister of Agriculture, or the person for the time being acting as such Minister;

“the Railways Commissioner” means The South Australian Railways Commissioner;

“season” means period of twelve months commencing on the first day of October in any year and expiring on the thirtieth day of September in the following year;
“terminal bin” means a building, shed, silo, bin, or other receptacle at a terminal port for the storage of grain in bulk pending transport or delivery, and any plant and equipment in connection therewith;

“warrant” means warrant issued by the company under this Act authorizing the holder to receive wheat from the company;

“the Wheat Board” means the Australian Wheat Board continued in existence by the Wheat Industry Stabilization Act, 1954, of the Commonwealth.

3. (1) For the purposes of this Act the following ports shall be terminal ports, namely, Ardrossan, Port Adelaide, Port Pirie, Port Lincoln, Thevenard, Wallaroo, and any other port which is a terminal port within the meaning of any proclamation in force under this section.

(2) The Governor may, by proclamation, declare that any port other than those named in subsection (1) of this section shall be a terminal port for purposes of this Act, and may, by proclamation, revoke any such proclamation.

Finance, Directors and Management.

4. (1) The Treasurer may execute a guarantee in favour of the Commonwealth Trading Bank of Australia for the repayment of any sum, not exceeding five hundred thousand pounds, being the whole or part of a loan made by that bank to the company on the security of a mortgage or charge over the assets of the company.

(2) The guarantee shall contain such terms and conditions as are agreed upon between the Treasurer and the said bank.

(3) If any sum becomes payable to the said bank by the Treasurer under a guarantee given pursuant to this section, the Treasurer may pay that sum out of the general revenue of the State.

This section, without other appropriation, shall be sufficient authority for making any such payment.

5. Notwithstanding the Articles of Association of the company the following provisions respecting the directors of the company shall have effect:

(1) The provisional directors may remain in office until directors are elected in accordance with this section:
(2) There shall be seven elected directors of the company; and so long as a guarantee given by the Treasurer in respect of a loan to the company remains in force there may be two directors of the company appointed by the Governor:

(3) Of the seven elected directors—

(a) three (hereinafter called “State directors”) shall be elected by members of the company throughout the State:

(b) four (hereinafter called “zone directors”) shall be elected by members of the company resident in the respective zones;

(4) For the purpose of electing zone directors the provisional directors shall divide the State into four zones, and the zones so created shall be used for the election of the first zone directors, and for any subsequent election of zone directors, unless the zones are altered. The directors shall have power to alter the zones.

(5) The first elections of State directors and zone directors shall be held as soon after commencement of this Act as is convenient.

(6) Every election of State directors shall be conducted by a postal ballot, at which all members of the company in South Australia shall have a right to vote.

Every candidate at such an election must be nominated in writing by not less than three members of the company resident in the State:

(7) The election of each zone director shall be conducted by a postal ballot at which all the members of the company in the zone shall have a right to vote. Every candidate at such an election must be nominated in writing by not less than three members of the company resident in the zone:

(8) When a guarantee is given by the Treasurer under this Act in respect of a loan to the company, the Governor may appoint two directors of the company:

(9) Every elected director shall hold office for six years: Provided that—

(a) the first zone directors shall hold office for three years;
(b) a director elected or appointed to a casual vacancy shall hold office for the balance only of the term of his predecessor.

(11) Every director appointed by the Governor shall hold office for such term as is fixed by the Governor, but notwithstanding any term so fixed a director appointed by the Governor shall vacate his office not later than one month after the guarantee given by the Treasurer in respect of a loan to the company ceases to be in force:

(12) A casual vacancy in the office of an elected director shall be filled by election: Provided that if the casual vacancy occurs within two years before the normal expiration of the term of office of the director whose place has become vacant the remaining directors may fill the vacancy:

(13) A casual vacancy in the office of a director appointed by the Governor may be filled by another person appointed by the Governor:

(14) The company may, any time after the guarantee given by the Treasurer as aforesaid has ceased to be in force alter its Articles of Association so as to alter the number of directors:

(15) The provisions as to directors contained in the Articles of Association of the company shall have effect except where inconsistent with this section.

6. The initial rate of remuneration of the directors (other than the provisional directors) shall be approved by the Minister and shall not be altered unless the alteration is first agreed to at a general meeting of members of the company.

7. (1) Where the two directors appointed by the Governor dissent from any proposal which is agreed to by a majority of the directors, or is intended to be carried out by the company, and the proposal relates to or affects the order of priority of the construction of the bulk handling facilities at terminal ports, or would, if carried in effect, increase the risk of the Treasurer having to pay money under the guarantee given by him in respect of money lent to the company, the said two directors may, by notice to the secretary of the company record their dissent from the proposal.

(2) When such a notice has been given, the company shall not carry the proposal into effect, except with the approval of the Minister.

(3) For the purpose of obtaining such approval the company may refer the proposal to the Minister. The Minister shall thereupon—

(a) inquire into the proposal and consider any information submitted to him by the company or by the dissenting directors and any other relevant information obtained by him; and

(b) give a decision either approving of the proposal, with or without modifications, or refusing to approve of it.

8. The company may hold the statutory meeting required by section 132 of the Companies Act, 1934-1952, at any time not later than six months after this Act is assented to.

9. (1) Except as allowed by this section, neither the company nor any director, officer, or servant of the company shall carry on or have any share or interest in a business which consists of or includes the buying or selling of wheat or acting as agent for the buying or selling of wheat.

Penalty: Two hundred pounds.

(2) Notwithstanding subsection (1) of this section it shall be lawful—

(a) for the company to buy wheat to replace damaged wheat or make up losses or shortages in out-turn;

(b) for the company to sell wheat which has become damaged or wheat representing any excess of out-turn resulting from its operations under this Act;

(c) for a director, officer, or servant of the company who is also a member, servant, or agent of the Wheat Board to do any act in the ordinary course of business of that board;

(d) for the company to act in any matter for and on behalf of the Wheat Board;

(e) for any director, officer, or servant of the company who is a grower of wheat to sell wheat in the normal course of his business as a wheatgrower, or to buy wheat for use on his farm.
10. (1) Neither the company nor any director, servant, officer, or agent of the company shall—

(a) give to any persons desiring the services of the company preferential treatment as against other persons desiring such services;

(b) solicit business on behalf of any wheat buyer;

(c) disclose anything relating to the business or transactions of any person doing business with the company to any other person, except where such disclosure is required by any other Act or law, or is necessary for the purpose of transacting the business of the company.

Penalty: Two hundred pounds.

(2) This section shall not affect the right of the company to make any charges authorized by any other provision of this Act.

11. (1) All moneys arising from any excess of out-turn in wheat received by the company in any season shall be transferred by the company to a reserve fund to meet any shortage in the out-turn of wheat of any season: Provided that any excess of the reserve fund over twenty thousand pounds may be transferred to and applied as part of the general earnings of the company.

(2) Money in the reserve fund may be invested in any securities in which trustees are authorized by law to invest trust funds.

Bulk Handling of Wheat.

12. (1) Subject to this Act the company shall have the sole right of receiving, storing and handling wheat in bulk within the State, and the sole right to contract or arrange for the transport and delivery of wheat in bulk within the State.

(2) Subsection (1) of this section shall not—

(a) prevent the Wheat Board from receiving, storing, and handling wheat in bulk in the Wheat Board's bulk handling facilities, or from transporting or delivering wheat to or from such facilities, or from arranging for such transport or delivery or otherwise operating such facilities;
(b) prevent the Wheat Board from making and carrying out arrangements for the transport of wheat held by the company as a licensed receiver in any bulk handling facilities operated by the company;

(c) prevent any person who uses wheat or flour in milling or manufacture from establishing at his mill or factory, or at any other place in the town in which his mill or factory is situated, or in accordance with a permit under this section, any bulk handling facilities for receiving and storing and handling wheat to be used in such milling or manufacture;

(d) affect the right of any person to receive, store, handle, transport, and deliver wheat in bags;

(e) impose any liability on the Railways Commissioner or his officers or servants by reason of receiving, handling, storing, or carrying any wheat in bulk in the ordinary course of the business of the railways;

(f) impose any liability on any person who handles, transports, or delivers wheat in bulk to or from the Wheat Board's facilities.

(3) The Minister may grant a permit to any miller authorizing him to do either or both of the following things, namely:

(a) to erect bins at any place of receival where the company does not provide separate storage for premium wheat in bulk, and to use such bins for the storage in bulk of premium wheat to be used by the miller in his own business;

(b) to transport or arrange for the transport of wheat in bulk from any bin erected or used by the miller to his mill.

Every such permit shall apply only to such mills, bins, or places as are mentioned therein, and may include conditions fixed by the Minister.

An act done in accordance with a permit granted under this subsection shall not be deemed to be a contravention of this section.

(4) Any person who receives, handles or stores wheat in bulk or contracts or arranges for the transport and delivery of wheat in bulk contrary to this section shall be guilty of an offence.

Penalty: Two hundred pounds.
13. (1) The company may enter into and carry out contracts, arrangements, and transactions (whether with Governmental bodies, or other authorities or persons) for all or any of the following purposes, namely:

(a) purchasing, leasing, hiring, or otherwise acquiring bulk handling facilities, and sites for such facilities;

(b) for the use by the company whether as lessee or licensee, or in any other capacity of jetties, piers, wharves, sheds, railway sidings, platforms, or any other facilities;

(c) borrowing money for the purposes mentioned in this section;

(d) doing any other act or thing incidental to the execution of its powers duties and functions under this Act.

(2) Subsection (1) of this section shall not be deemed to restrict or take away any power of the company under its Memorandum of Association.

(3) The amount of the rent or other payment payable to the South Australian Harbors Board, or the Railways Commissioner, under or for any lease, licence, right of user, or other right granted by that board or commissioner to the company under this section shall be approved by the Governor before the lease, licence, or right takes effect.

14. (1) The company shall, with all practicable speed, erect adequate bulk handling facilities—

(a) at each terminal port; and

(b) at a sufficient number of railway stations, railway sidings, and depots, to receive the wheat which is to be taken to the terminal ports.

(2) The company shall not be obliged to erect bulk handling facilities at any railway station or railway siding unless the average annual amount of wheat received thereat during a period of five consecutive years after the first day of September, 1949, has been thirty thousand bushels or more.

(3) The company shall not erect a country bin unless the design and materials of such bin have been approved by the Minister. The Minister may give a general or special approval to any design and materials.

(4) The company shall not erect a terminal bin except in accordance with plans and specifications reported on by the Parliamentary Standing Committee on Public Works and approved by the Minister.
Order of priority of works.

15. Subject to section 7 of this Act the order of priority of the erection of bulk handling facilities shall be determined by the company. In determining such order the company shall take into account the following matters:

(a) The urgency of the needs of growers and the amount of wheat produced in the various parts of the State;

(b) The urgency of the needs of persons shipping wheat in bulk from the respective terminal ports and the quantity of wheat in bulk which may reasonably be expected to be handled at each port;

(c) The amount of finance available to the company;

(d) The quantity of materials and labour available to the company at the respective places at which bulk handling facilities are to be erected.

Unity to call for tenders.

16. (1) Before commencing the building, manufacture, or construction of any bulk handling facilities the company shall, by public advertisement, call for tenders for such building, manufacture, or construction.

(2) This section shall not apply to any bulk handling facilities—

(a) estimated by the company to cost a sum not exceeding five thousand pounds; or

(b) at the Port of Wallaroo, if the building, manufacture, or construction thereof is commenced not later than 31st December, 1955.

Maintenance and repair of bins and equipment.

17. The company shall—

(a) keep all bulk handling facilities used by it or under its control in good repair and condition, and in safe working order; and

(b) take all reasonable precautions to protect all wheat received and handled by the company from destruction, loss, and damage.

Powers of Minister as to alterations or additions to facilities.

18. Whenever, in the opinion of the Minister, any bulk handling facilities provided by the company are inadequate for the needs of the district which they serve, or are defective, or ought to be enlarged so as to meet the requirements of a larger district, the Minister may, by notice in writing, direct the company to make such alterations or additions to those facilities as the Minister deems necessary, and the company shall obey such direction.
19. (1) The company shall be entitled to be appointed as a licensed receiver of wheat in bulk for the purposes of the Wheat Industry Stabilization Act, 1954.

(2) The company shall receive and handle all wheat in bulk offered to it as a licensed receiver at any of its bulk handling facilities which are in use, in such manner as the Wheat Board shall, from time to time, direct, and in accordance with the provisions of the Wheat Industry Stabilization Act, 1954.

(3) The provisions of this Act relating to the receipt of wheat in bulk by the company otherwise than as a licensed receiver, and to the issue of warrants for wheat, and to the delivery of wheat to holders of warrants, shall not apply to wheat received by the company as a licensed receiver.

20. The terms and conditions on which bulk wheat shall be received, stored, handled, and delivered by the company otherwise than as a licensed receiver shall be in accordance with this Act and the regulations to be made under this Act. Notwithstanding any contract or agreement to the contrary, such terms and conditions shall apply to the delivery, storage, receipt, and handling of all such wheat.

21. If at or from any bulk handling facilities the company receives or delivers wheat in bulk otherwise than as a licensed receiver, it shall exhibit in a conspicuous position on or near the site of such facilities a poster or placard showing in clearly legible words and figures the prescribed charges and dockages authorized to be made by the company in connection with wheat received by it in its bulk handling facilities.

22. (1) The company shall receive all wheat in bulk which is offered to it, otherwise than as a licensed receiver, at any of its bulk handling facilities which are in use, but shall not receive any wheat which is inferior to the lowest prescribed grade, and differs from that grade to a greater extent than is permitted by the regulations.

(2) If the company refuses to accept wheat on the ground of inferior quality, the person offering it may, by notice to the company, request that the question whether the wheat should be accepted or not by the company shall be referred to an official referee for decision, and the question shall be referred and decided accordingly.

23. (1) When the company, otherwise than as a licensed receiver, receives wheat into its bulk handling facilities, an officer of the company duly appointed for that purpose shall determine whether or not any dockage is to be imposed in
respect of such wheat. The items for which dockages may be made and the amount of the dockages shall be as prescribed by regulations.

(2) Such officer shall assess the amount of the dockage and particulars of the dockage shall be stated on the warrant.

(3) If the person delivering the wheat disputes the assessment of dockage he may, by giving notice forthwith in the prescribed form to the officer making the assessment require that the amount (if any) of the dockage shall be determined by an official referee, and the dockage shall be determined accordingly.

Warrants.

24. (1) When the company, otherwise than as a licensed receiver, receives wheat into its bulk handling facilities, the company shall cause the wheat to be weighed, and its grade to be determined, and a warrant to be issued for it.

(2) Every such warrant shall—

(a) clearly state the name of the grower of the wheat;

(b) be in the prescribed form; and

(c) be issued in the name of the grower or some person nominated by the grower at the time of the delivery of the wheat.

(3) All such warrants shall be consecutively numbered and two warrants bearing the same number shall not be issued in respect of wheat of the same season.

Transfer of warrants.

25. (1) Every warrant shall be transferable and upon the transfer of a warrant all rights and obligations of the transferor under the warrant (including the obligation to pay charges and tolls to the company in respect of the wheat to which the warrant applies) shall pass to the transferee: Provided that the person to whom a warrant is transferred shall accept and hold it subject to all rights of ownership, charges, liens, and interests of other persons in or over the wheat in respect of which the warrant was issued.

(2) The transfer of a warrant by the person to whom it was issued by the company or by a person to whom the warrant has been transferred by special indorsement shall be effected by indorsement and delivery.

(3) An indorsement may be in blank, or may specify the person to whom the warrant is transferred.

(4) A subsequent transfer of a warrant which has been transferred by indorsement in blank may be effected by delivery.
26. (1) The receipt or storage of wheat by the company in its bulk handling facilities shall not confer on the company the ownership of, or any proprietary right or interest in the wheat.

(2) The company shall be a custodian for reward of all wheat in its bulk handling facilities.

(3) If wheat belonging to more than one person is held by the company in its bulk handling facilities, all wheat so held shall be the property of all the owners as owners in common.

(4) Wheat held by the company in its bulk handling system shall not be liable to be held or taken or sold for enforcement or discharge of any debts or obligations of the company.

27. Where the company has, in good faith, and without negligence, received wheat from any person who had wrongfully converted it to his own use, or from a person in derogation of the right, title, claim, or interest of any other person, the person from whom the wheat was received shall indemnify the company against all actions, proceedings, claims, demands, costs and expenses in respect of the receipt, detention, handling or delivery by the company of such wheat.

28. (1) The company shall, at its own expense, insure all wheat from time to time in its custody or under its control (other than wheat received by it as a licensed receiver) in its full insurable value with some reputable public insurance company which has complied with the provisions of the Insurance Act, 1932-1937, of the Commonwealth, against destruction, loss or damage by fire, storm, tempest, flood, explosion, and such other risks as may, from time to time, be prescribed.

(2) The company may receive and give a good discharge for all moneys payable under and in respect of such insurance and settle, adjust, and compromise any claim thereunder.

(3) If the company receives any money under a policy of insurance taken out pursuant to this section it shall apply that money towards the purchase of wheat to replace wheat destroyed, lost or damaged, or to compensate any person for the loss, destruction, or damage of or to his wheat.

29. (1) The company, in return for all services performed by it in the receipt, handling, storage, and delivery of any wheat or other grain may demand and recover charges. Separate charges may be demanded and recovered for the respective services performed by the company, or inclusive charges may be demanded and recovered for any two or more such services.
(2) The company may, by notice in the Gazette, fix and alter from time to time the amounts of the charges which may respectively be demanded and recovered in respect of wheat or other grain delivered by members of the company, and in respect of wheat or other grain delivered by persons who are not such members: Provided that the charges which may be demanded and recovered in respect of wheat or other grain delivered by persons who are not members of the company shall not be published in the Gazette until they have been approved by the Auditor-General.

(3) In determining whether to approve any proposed charges the Auditor-General shall take into account the full operating costs of the company, depreciation, interest, and all other proper charges, as well as any payments or allowances (other than payments or allowances for handling wheat or other grain) made to the company by the Wheat Board, or by any other authority for whom wheat or other grain is handled, and shall allow for a fair margin of profit.

Delivery of Wheat.

30. Delivery of wheat received by the company as a licensed receiver shall be made at such places and upon such terms and conditions as are, from time to time, agreed between the company and the Wheat Board.

31. (1) The holder of a warrant in respect of wheat received by the company otherwise than as a licensed receiver shall be entitled to receive the amount mentioned in the warrant of wheat of a grade substantially equal to the grade of the wheat in respect of which the warrant was issued, but not the identical wheat on receipt of which the warrant was issued.

(2) Wheat shall be deemed to be substantially equal in grade to other wheat, if it does not differ from that other wheat to a greater extent than is permitted by the regulations.

32. If any dispute arises as to the quality or condition of wheat tendered by the company to the holder of a warrant for delivery, the company or the holder of the warrant may require the matter to be determined by an official referee, and thereupon the matter in issue shall be referred and decided accordingly.

Handling of Bagged Wheat and Grain Other than Wheat.

33. (1) Subject to subsection (2) of this section, the company may, subject to and in accordance with the regulations, receive, store, handle, transport and make arrangements or contracts for the transport of bagged wheat, or grain (other than wheat) in bulk.
(2) The company shall not receive any bagged wheat except at a place where no licensed receiver or other wheat merchant is carrying on the business of receiving wheat.

Supplementary Provisions.

34. (1) The Governor, on the recommendation of the company, may make regulations not inconsistent with this Act prescribing all matters and things which are by this Act required or permitted to be prescribed, or which it is necessary or convenient to prescribe for the purpose of enabling this Act to be carried into effect and facilitating the operations of the company under this Act.

(2) Without limiting the generality of subsection (1), the Governor, on the recommendation of the company, may make regulations not inconsistent with this Act with respect to all or any of the following matters:

(a) The conduct of bulk handling by the company:

(b) the method and procedure to be followed and observed by the company in the exercise of its powers and in the conduct of its business under this Act, and the records to be kept by the company:

(c) Defining or describing the grades of wheat:

(d) The delivery of wheat to the company, the precautions to be taken in regard to the checking of the quality and quantity thereof:

(e) Describing the wheat which the company is permitted to refuse to receive because of inferiority to wheat of any specified grade:

(f) The protection of charges, liens, or securities over wheat offered or delivered to the company:

(g) The delivery of wheat by the company, and ensuring that proper precautions shall be taken to check the quantity and quality of the wheat delivered by the company:

(h) Defining the rights of a warrant holder to sample wheat tendered to him by the company and to reject wheat which is below the prescribed standard:

(i) The issue of warrants in place of warrants lost or destroyed, and the conditions under which two or more warrants may be issued in exchange for one warrant, or under which one warrant may be issued in exchange for two or more warrants:
(j) The settlement by referees of questions and disputes arising between the company and the holders of warrants or other persons, and the appointment, powers, and procedure of such referees:

(k) Prescribing the amount of the fees payable to referees under this Act, and the persons liable for payment, and the mode and time of payment:

(l) Regulating the receipt, storage, handling, custody, and transport by the company of bagged wheat, or grain (other than wheat) in bulk and generally regulating matters incidental thereto:

(m) Any matters incidental to any of those mentioned in this subsection:

(n) Declaring that breaches of any regulations shall be offences, punishable summarily by fines not exceeding one hundred pounds.

(3) Where the Minister is of opinion that any regulations (being regulations on matters mentioned in subsections (1) and (2) of this section) ought to be made for the protection of any class of persons, he may submit a draft of such regulations to the company with a request that the company shall recommend the making of such regulations.

(4) The company may within two months after the receipt of the draft regulations make representations thereon to the Minister.

(5) If the company does not notify the Minister within the said period that it is willing to recommend the regulations the Minister, after considering any representations made by the company, may recommend the regulations and if he does so the regulations may be made without the recommendation of the company.

35. (1) Proceedings for offences against this Act shall be heard and determined summarily.

(2) The penalty for an offence against this Act for which no other penalty is prescribed shall be a fine not exceeding one hundred pounds.

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

J. M. NAPIER, Lieutenant-Governor.