



ANNO DECIMO SEXTO

GEORGI V REGIS.

A.D. 1925.

No. 1690.

An Act to ratify and provide for carrying out an Agreement made between the State of South Australia, the Commonwealth Bank of Australia, and certain Persons relating to the Establishment in South Australia of a Voluntary Wheat Pool for the Marketing of Wheat of the 1925-1926, 1926-1927, and 1927-1928 Seasons.

[Assented to, December 10th, 1925.]

WHEREAS the Treasurer of the State of South Australia, acting for and on behalf of the said State, has entered into an Agreement (in this Act referred to as "the Agreement") a copy of which is set out in the Schedule to this Act, with the Commonwealth Bank of Australia and certain persons being Trustees of the South Australian Voluntary Wheat Pool, whereby the said Treasurer has agreed to guarantee the due payment of certain moneys payable by the said persons to the said Bank under the Agreement: And, WHEREAS it is desirable to ratify the Agreement and to provide for the carrying out thereof by the said State: Be it therefore Enacted by the Governor of the said State, with the advice and consent of the Parliament thereof, as follows:—

Preamble.

1. This Act may be cited as the "Voluntary Wheat Pool Agreement Ratification Act, 1925." Short title.

2. The Agreement, a copy of which is set out in the Schedule hereto, is hereby ratified and approved. Ratification of Agreement.

3. Any

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Financial provision.

3. Any moneys which the said State may become liable to pay to the said Bank by reason of the guarantee contained in the Agreement shall be paid out of moneys provided by Parliament for that purpose.

Balance-sheet to be published in daily newspapers.

4. The Trustees of the Voluntary Wheat Pool referred to in the Agreement shall annually prepare and publish in the three daily newspapers circulating in Adelaide a balance-sheet showing:—

- (a) the total quantity of wheat received into the said Pool up to the date to which such balance-sheet is made up :
- (b) the total quantity of wheat so received which has been sold up to such date :
- (c) the total gross receipts in respect thereof :
- (d) the expenses incurred for the purposes of the said Pool showing under separate heads the following items:—
 - (1) agents' commission :
 - (2) railway freight :
 - (3) wharfage :
 - (4) Committee's commission :
 - (5) insurance, brokerage, and interest charges :
 - (6) administration :
 - (7) rent and storage.

Governor may guarantee repayment of further advances.

5. (1) The Governor may, on the application of the Committee referred to in the Agreement contained in the Schedule to this Act, in respect of wheat of any particular season, guarantee to the Commonwealth Bank of Australia the repayment of any further amount advanced by the said Bank to the said Committee in addition to the guaranteed amount as defined in the said Agreement.

(2) No such guarantee shall be given until the Auditor-General has certified to the Governor that he has thoroughly investigated the accounts of the said Committee, and is satisfied that such guarantee is reasonably required in the interests of the owners of the wheat concerned, and may be given without risk of financial loss to the State.

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

TOM BRIDGES, Governor.

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THE SCHEDULE.

AGREEMENT made the twenty-seventh day of October, one thousand nine hundred and twenty-five, BETWEEN the STATE OF SOUTH AUSTRALIA (hereinafter called "the State") of the first part, the COMMONWEALTH BANK OF AUSTRALIA (hereinafter called "the Bank") of the second part, and JAMES MALCOLM McDONALD, THOMAS ROE BRINKWORTH, and ERNEST ALFRED BADCOCK (being members of and hereinafter together with a member to be appointed by the Government of the State of South Australia as hereinafter provided collectively called "the Committee") of the third part: WHEREAS by an Agreement made the twenty-seventh day of October, one thousand nine hundred and twenty-four, between the State of the first part the Bank of the second part and the said James Malcolm McDonald the said Thomas Roe Brinkworth and the said Ernest Alfred Badcock of the third part a voluntary wheat pool was formed for the purpose of disposing of wheat produced in the State of South Australia during the season 1924-1925 AND WHEREAS it is desirable that similar voluntary wheat pools should be formed for the purpose of disposing of wheat produced in the said State in each of the seasons 1925-1926, 1926-1927 and 1927-1928 AND WHEREAS the Bank has agreed to make certain advances to the Committee subject to the State guaranteeing to the Bank repayment of the said advances in manner hereinafter appearing NOW THESE PRESENTS WITNESS:—

1. This Agreement may be referred to as the "Voluntary Wheat Pool (1925 to 1928) Agreement."
2. This Agreement shall not apply in respect of wheat of the season 1925-1926 until the Governor of the State of South Australia, by a proclamation made with the advice and consent of the Executive Council of the said State before the 31st day of October, 1925, and published in the *Government Gazette*, declares that this Agreement shall apply to wheat of that season, and shall not apply in respect to wheat of the season 1926-1927, or to wheat of the season 1927-1928 until the said Governor, by proclamations made as aforesaid before the 31st day of July, 1926, and the 31st day of July, 1927, respectively, declares that this Agreement shall so apply.
3. There shall be a Committee of each of the said Voluntary Wheat Pools, and such Committee shall consist of the said James Malcolm McDonald the said Thomas Roe Brinkworth the said Ernest Alfred Badcock (each of whom accepts the office of trustee for the purposes of this Agreement) and one other member to be appointed by the Governor of the State and each member of the Committee shall be a trustee as aforesaid: Provided that the member appointed by the Governor shall act on the Committee only when the Committee is dealing with transactions affecting wheat of a season to the wheat of which the said Governor has by proclamation declared that this Agreement shall apply.
4. The Committee agrees that it will from time to time take delivery of any wheat grown in South Australia during the seasons 1925-1926, 1926-1927, and 1927-1928 and tendered to it by growers for delivery, subject however to the right reserved to the Committee to refuse to take delivery of wheat of below millable quality.
5. The Committee shall in respect of all wheat delivered to it—
 - (a) Obtain and hold a delivery note in a form approved by the State and the Bank, signed by the person making delivery:
 - (b) Issue to the person making delivery of wheat a certificate in a form approved by the State and the Bank entitling such person to receive the guaranteed amount per bushel less all proper deductions for inferior wheat and/or bags. The Committee and its agents receiving wheat shall be the sole arbiters of the amount of such deductions:
 - (c) Arrange

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- (c) Arrange for the proper care and insurance of all wheat received in terms of this Agreement and for its storage in country districts in silos or properly constructed mouse-proof sheds securely roofed and having iron sides two feet high (hessian, tarpaulin, or iron to be used for protection from the weather) :
- (d) In respect of any wheat which is temporarily stored at country stations not in silos or properly constructed sheds as prescribed in the preceding sub-paragraph, the Committee undertakes to have all such wheat removed to silos or properly constructed mouse-proof sheds or to the seaboard before the 31st day of March next following the date of delivery to the Committee of the said wheat or, in the case of wheat delivered during the month of March, within one month after delivery :
- (e) Provide for the retention in South Australia in the years 1926, 1927, and 1928 of sufficient wheat for local consumption in South Australia in each of those years respectively, but the Committee shall not be bound to retain for local consumption in South Australia more than their proper proportion of the requirements for local consumption and such proportion for each of the years aforesaid shall be the proportion which the quantity of wheat taken delivery of by the Committee under this Agreement during the preceding season bears to the total quantity of all the wheat of that season delivered in South Australia during that season to the Committee and to persons firms and companies carrying on the business of wheat merchants. Local consumption for any year will be deemed to have been met if after inquiry the Treasurer of the State is satisfied that the millers and others have sufficient stocks of wheat to meet local requirements for the year, and if the Treasurer of the State fails to notify the Committee on or before the 30th day of June in any year that he is not satisfied that the millers and others have sufficient stocks to meet local requirements for that year, the Committee may then with the consent of the said Treasurer export any wheat of the preceding season which was being retained for this special purpose :
- (f) Determine the price at which each cargo or parcel of wheat shall be sold either in Australia or overseas : Provided that such price shall not be more, in the case of wheat sold for local consumption in South Australia, than the overseas parity :
- (g) Sell or dispose of the remainder of the wheat to the best advantage either in Australia or overseas :
- (h) Arrange for the transportation of the wheat.
6. (1) The Bank will from time to time, when and as may be required—
- (a) Advance to the Committee an amount to be agreed upon by the Bank and the Committee but not exceeding eightpence per bushel on the wheat of each season delivered to the Committee to meet expenses incurred by the Committee in carrying out this Agreement in respect to the particular season's wheat :
- (b) Pay on behalf of the Committee to any person presenting for payment a wheat certificate for wheat of any season delivered to the Committee the amount which according to the certificate such person is entitled to receive, but not exceeding in any case the guaranteed amount.
- (2) The Bank shall in its accounts keep the transactions in respect of each season's wheat separate and distinct.
7. The guaranteed amount shall be the amount fixed by the Bank in respect of wheat of the particular season and shall be fixed on the following basis, namely:—
- (a) If on the 2nd day of November the price of new season's wheat f.o.b. at Port Adelaide is 4s. 6d. per bushel or less, the guaranteed amount shall be approximately 80 per cent. of such price less an amount per bushel equal to the amount advanced by the Bank under paragraph 6 (1) (a) hereof.

(b) If

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- (b) If on the 2nd day of November the price of new season's wheat f.o.b. at Port Adelaide is more than 4s. 6d. per bushel but not more than 6s. per bushel, then the guaranteed amount shall be approximately 75 per cent. of such price less an amount per bushel equal to the amount advanced by the Bank under paragraph 6 (1) (a) hereof.
- (c) If on the 2nd day of November the price of new season's wheat f.o.b. at Port Adelaide is more than 6s. per bushel then the guaranteed amount shall be approximately 70 per cent. of such price, less an amount per bushel equal to the amount advanced by the Bank under paragraph 6 (1) (a) hereof.

8. The Bank paying in good faith and without negligence money on certificates according to the tenor thereof shall be entitled to charge such payments to the Committee notwithstanding—

- (a) Any fraudulent manipulation or alteration of any document on the authority of which the payment may have been made :
- (b) Any mistake as to the identity of any party presenting or claiming under any document on the authority of which payment may have been made :
- (c) Any fraudulent impersonation or misrepresentation of identity of any party presenting or dealing with any document on the authority of which the payment may have been made.

9. Inland exchange will not be charged by the Bank to presenters of certificates upon payments of money represented by certificates, but in lieu thereof, when such payment of certificates is made outside the metropolis, the Committee will pay a flat rate of one shilling per one hundred pounds of the amount so paid ; upon all other transactions customarily chargeable with exchange the Committee will pay to the Bank exchange and usual Bank charges at current Adelaide rates.

10. The Committee shall pay to the Bank interest at the ruling rate of interest charged by the Bank on overdrafts accruing from day to day upon the amount owing and unrepaid to the Bank of all advances and/or payments made by the Bank to or on behalf of the Committee under this Agreement. Interest shall be debited half-yearly.

11. The Committee shall handle wheat of any one season delivered to them separately from wheat of any other season, and shall keep separate and distinct records of the proceeds of sales, expenses and all other receipts and outgoings relating to each season's wheat to the intent that each season's wheat should be dealt with as a separate and independent pool.

12. The Committee shall forthwith pay into the Bank to a separate account all moneys received by it as proceeds of sales of each season's wheat disposed of in Australia or overseas, and such moneys shall only be applied as follows :—

Firstly, by repaying to the Bank amounts advanced to the Committee under clause 6 (a) hereof in respect of the particular season's wheat, together with interest due thereon :

Secondly, by repaying to the Bank amounts paid by the Bank on behalf of the Committee under clause 6 (b) hereof in respect of the particular season's wheat, together with any interest due thereon :

Thirdly, by paying the balance of the proceeds of sales of each season's wheat, after all expenses have been paid, to the persons by whom the wheat was delivered to the Committee in proportion to the value of wheat so delivered or to the persons who may be then holding the certificates in respect of such wheat.

13. The account in respect of each season's wheat will only be credited when proceeds of sales of wheat of the particular season have been received in Australia, and such moneys received are to be used in proportional distribution to holders of certificates for wheat of the particular season delivered to the Committee after repayment of advances, interest, exchange, out-of-pocket expenses, and all other charges.

14. The

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14. The Committee agrees to repay to the Bank on or before the 30th June in each year all amounts paid by the Bank to or on behalf of the Committee under sub-clauses (a) and (b) of clause 6 hereof during the financial year ending on the said 30th day of June, together with all interest, exchange, charges, out-of-pocket expenses, and other moneys whatsoever claimable by the Bank under this Agreement or otherwise howsoever in relation to the financing of the voluntary wheat pools above mentioned.

15. The State guarantees to the Bank that all amounts paid by the Bank to or on behalf of the Committee under sub-clauses (a) and (b) of clause 6 hereof shall be duly repaid by the Committee, together with all interest due thereon.

16. The Committee hereby charges to the Bank all its right title and interest in and to all wheat delivered or which may be delivered to the Committee under this Agreement, and hereby authorises the Bank to take possession of and dispose of such wheat or any part thereof whenever, in the opinion of the Bank, such action becomes necessary or advisable to obtain repayment of amounts advanced or paid by the Bank to or on behalf of the Committee under this Agreement.

17. The Committee shall execute and hand to the Bank to be held by the Bank for the purposes of this Agreement such further assignments, mortgages, liens, charges, or other securities as the State or the Bank may from time to time require and particularly empowering the State or the Bank to take possession of and dispose of the wheat whenever such action becomes necessary or advisable to obtain repayment of amounts advanced or paid by the Bank to or on behalf of the Committee under this Agreement.

18. The Committee shall not—

(a) without the consent of the Bank, take delivery of any wheat under this Agreement except between the 1st day of November in each year and the 31st day of March next following; or

(b) take delivery in any season of wheat of any previous season.

19. The Committee may, instead of acting personally, employ and pay any person, firm or company to transact any business or to do any act whatsoever which, from its nature, cannot be reasonably performed or done by the Committee or a member thereof personally.

20. Each of the members of the Committee hereby appointed agrees with the State and the Bank that he will at all times use his best endeavors to carry out the terms and conditions of this Agreement and provided he does so he shall not be responsible under this Agreement to the State or the Bank or to any person company or corporation for any failure to comply with any term condition or provision of the Agreement or for any moneys advanced or paid in accordance with this Agreement by the State or the Bank.

21. Notwithstanding anything herein contained the Committee and any member thereof shall not be liable under this Agreement to pay to the State or the Bank, or to any person, firm, or company, or to account for, any moneys other than what shall actually come to their or his hands as such trustees, or which would, but for their or his failing to carry out their or his duties as such trustees, have come to their or his hands.

22. (1) The office of a member of the Committee shall become vacant if the member dies or resigns or becomes insolvent or makes any assignment with his creditors for less than Twenty Shillings in the Pound or becomes insane or otherwise physically incapable of acting or without leave of the Committee is absent from three consecutive meetings of the Committee of which he has received reasonable notice.

(2) If the office of a member of the Committee becomes vacant the vacancy may be filled—

(a) by the said Governor in Executive Council, if the retiring member had been appointed by the Governor; and

(b) in all other cases by the South Australian Farmers' Co-operative Union Limited by appointment made under its common seal.

23. When

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23. When after the end of the 1927-1928 season all amounts owing by the Committee to the Bank under the terms of this Agreement, including all interest, have been repaid by the Committee to the Bank then all parties shall be forthwith discharged from the operation of this Agreement.

24. The Auditor-General or any officer of the Public Service of the State appointed in that behalf by the Treasurer of the State may from time to time examine and audit the books of account and the records, documents, and papers kept by or in the possession of the Committee of or relating to their transactions under this Agreement, and for that purpose shall have access to such books of account, records, documents and papers at all reasonable times in the day time.

25. The Bank has the right to distribute the advances made by the Bank under this Agreement in the name of the Committee amongst all or any of the other Banks carrying on business in the State on a *pro rata* basis or on whatever other basis the Bank may prefer from time to time and it is agreed that the guarantee of the State shall cover the whole amount of the overdraft outstanding for the time being, whether such overdraft is in the books of the Commonwealth Bank of Australia or any of the other Banks above mentioned.

IN WITNESS whereof the parties hereto have executed these presents.

Signed sealed and delivered by the HONORABLE
JOHN GUNN, Treasurer of the State of South
Australia, for and on behalf of the said State,
in the presence of—
A. J. HANNAN } J. GUNN.

The Common Seal of the COMMONWEALTH BANK
OF AUSTRALIA was affixed hereto by the
authority of the Board of Directors in the
presence of—
R. A. LOVE, Secretary. } J. J. GARVAN,
S. HORDERN, } Directors.

Signed sealed and delivered by the said JAMES
MALCOLM McDONALD in the presence of—
K. L. ELPHICK. } J. M. McDONALD.

Signed sealed and delivered by the said THOMAS
ROE BRINKWORTH in the presence of—
K. L. ELPHICK. } T. R. BRINKWORTH.

Signed sealed and delivered by the said ERNEST
ALFRED BADCOCK in the presence of—
K. L. ELPHICK. } E. A. BADCOCK.