

Now that the Peppermint Grove Road Board have withdrawn their objection, I see no reason why I cannot recommend the Bill to the House.

Question put and passed.

Bill read a second time.

### *In Committee.*

Bill passed through Committee without debate, reported without amendment, and the report adopted.

*House adjourned at 8.28 p.m.*

## Legislative Assembly,

*Wednesday, 18th November, 1931.*

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THE SPEAKER took the Chair at 4.30 p.m., and read prayers.

### QUESTION—WYNDHAM MEAT WORKS.

#### *Accountant's Dismissal.*

Mr. COVERLEY asked the Minister for Lands: 1, Is it a fact that arrangements have been made for an inquiry into the dismissal of H. F. Sanders, accountant at the Wyndham Meat Works? 2, If so, can he state when this inquiry will commence?

The MINISTER FOR LANDS replied: 1, No. 2, Answered by No. 1.

### QUESTION—BUTTER EXPORT.

#### *Initial London Shipment.*

Hon. W. D. JOHNSON asked the Premier: 1, In regard to his eulogistic references to the initial shipment of butter to London, can he make public the name of the firm or company which sent this initial export? 2, What factory or factories is or are permitted to use the brand "Sunny West"? 3, Was there any special reason for suppressing these data when announcing the success of the shipment?

The PREMIER replied: 1, William Haughton & Co. I understand the butter was supplied by the South-West Co-operative Dairy Farmers. 2, All factories controlled by the South-West Co-operative Dairy Farmers. 3, No.

### QUESTION—FIRE BRIGADES, VOLUNTEERS.

Hon. W. D. JOHNSON asked the Premier: 1, Is he aware that at Northam and other centres of the State the efforts being made to extend the use of volunteer firemen for fire-fighting purposes are causing division and controversy in local government administration? 2, Are the Fire Brigades Board (a) favouring or encouraging the appeal for increased volunteer labour, or (b) making any effort to draw attention to the greater efficiency of thoroughly trained and disciplined, permanently employed firemen? 3, If the board favour the use of increased numbers of volunteers, what saving do the board anticipate? 4, If he agrees that fire brigade administration is causing differences to arise in municipalities, will he take an early opportunity to amend the Act with a view to promoting harmony?

The PREMIER replied: 1, No. 2, (a) No. (b) No. 3, Answered by No. 2 (a). 4, Answered by 1.

### QUESTION—KURRAWANG FIREWOOD COMPANY.

Mr. WANSBROUGH asked the Minister for Railways: 1, What is the date of expiration of the concession granted to the Kurrawang Firewood Company for the purpose of hauling firewood across the Government railway? 2, What premium, if any, is being paid by the company for crossings

and services rendered? 3, What is the approximate loss of railway revenue, if any, per annum due to the granting of the concession? 4, If there is no definite lease, will he have a review made, with a view to discontinuance of the concession?

The MINISTER FOR RAILWAYS replied: 1, An easement, dated 7th March, 1922, operative for 3 years from 18th September, 1922, was granted. On the expiry of the three years' term a fresh easement was not executed, but the conditions of the original easement have been continued. The arrangement can be departed from at will. 2, 2d. per ton for first 150,000 tons per annum. Over 150,000 tons 1d. per ton. Minimum £1,250 per annum. In addition the company pays the wages of signalmen required and other incidental costs. 3, There is no net loss to the Railways. 4, No.

#### QUESTION—CATTLE AND SHEEP, DENMARK.

*As to Wasting Disease.*

Mr. WANSBROUGH asked the Minister for Agriculture: 1, What was the number of cows taken over with the holding for experimental purposes at Denmark in connection with the wasting disease? 2, Were any of such cows found to be affected with the disease? 3, How many of such cows now remain on the holding? 4, Have any of such cows been supplied to other settlers? 5, If so, have any since shown signs of the disease? 6, Is it a fact that on the 12th instant one cow was removed by motor truck to a private holding near Denmark? 7, If so, for what purpose, and what was the cost of removal? 8, Was such cow found to be affected with the disease? 9, If so, why was such cow not treated on the holding, or at a near-by holding, instead of being trucked away? 10, Is it a fact that on one settler's holding departmental officers are treating affected calves, and not all sick stock? 11, Why were no sheep purchased in the area known to be affected? 12, Can he make an announcement as to results of experiments being made with sheep?

The MINISTER FOR AGRICULTURE replied: 1, None. 2, 3, 4, 5, 6, 7, 8, and 9, Answered by No. 1. 10, Experimental animals are being tried on two settlers' holdings. 11, Such animals did not meet the requirements of the experiments. 12, Not yet.

#### QUESTION—TENANTS' PROTECTION.

Mr. SLEEMAN asked the Premier: In view of the defeat of the Tenants' Protection Bill, will he introduce during the current session legislation to ensure that evictions shall cease?

The PREMIER replied: No.

#### ASSENT TO BILL.

Message from the Administrator received and read notifying assent to the Land Tax and Income Tax Bill (No. 2).

#### BILLS (2)—FIRST READING.

- 1, Debt Conversion Agreement (No. 2).
- 2, Secession Referendum.

Introduced by the Premier.

#### BILL—ELECTORAL ACT AMENDMENT.

Read a third time, and returned to the Council with an amendment.

#### BILL—ELECTRIC LIGHTING ACT AMENDMENT.

*Second Reading.*

Debate resumed from the previous day.

HON. P. COLLIER (Boulder) [4.43]: I have no objection to the Bill. I agree that local authorities—municipal councils or road boards—should have power to grant to any person or company the right to erect the necessary structures for the conveyance of electricity through their boundaries. The powers to be granted by the Bill to a local body are not to exceed 20 years, but that period may be extended to 50 years by the Governor-in-Council or the Government of the day. Fifty years is a fairly lengthy period over which to grant powers ahead. I am not sure that we shall be justified in agreeing to that proposal. On the other hand, a limited period might mean that a company would not feel justified in involving itself in the considerable expense of erecting works. Take the case of the Collie power scheme; if it was decided to convey electricity from that scheme to Bunbury, Bridge-

town, and the surrounding districts in the South-West, considerable expenditure would be involved, and the company would need a reasonable time in order to get a return from the money laid out. It does seem to me, however, that 50 years is a very long period to be granted by the Government of the day. The point is one that may be considered in Committee, and I offer no objection to the second reading.

Question put and passed.

Bill read a second time.

*In Committee.*

Mr. Richardson in the Chair; the Attorney General in charge of the Bill.

Clauses 1 to 3—agreed to.

Clause 4:

The ATTORNEY GENERAL: The criticism of the Leader of the Opposition is a very proper one. But first of all, this is no monopoly; it does not grant these people the right to supply for 21 years, or any other period, without application to a local authority. This is merely a check on the local authority. The local authority could grant a license for 21 years and then seek the consent of the Government to extend the period. It has been put to me that 21 years for a big enterprise is quite inadequate, and that 50 years is not too long, if a proper watch be kept on it.

The Minister for Lands: If we restricted it so that the period could not be extended for more than 10 years at a time.

The ATTORNEY GENERAL: But they want the security of tenure at the beginning of the enterprise. First of all, the local authority has to be asked for it.

Hon. P. Collier: The local authority has the right to grant or to refuse.

The ATTORNEY GENERAL: Yes, the Bill merely empowers the local authority.

Hon. P. Collier: It is permissive to the local authority, and the local authority could grant the same right to any number of companies.

The ATTORNEY GENERAL: Yes. We say to the local authority, "We will give you this power and give you a greater power still, subject to the Government's supervision." I feel it is quite safe.

Mr. SAMPSON: There is a good deal in what the Leader of the Opposition says.

There is a possibility of trouble in respect of this. It might be that more than one extension would be desired.

The Attorney General: This is not a question of extension at all.

Hon. P. Collier: It is not an extension after 21 years. The Government do not come in at the expiration of the period.

The Attorney General: No, the Government come in with the giving.

Hon. P. Collier: The period would be decided at the beginning.

The ATTORNEY GENERAL: Yes. As the law stands, the local authority can make a contract up to 21 years, but no longer. At the end of the 21 years it can grant another 21 years. This measure says to the local authority, "You can make a contract for 21 years, and, with the consent of the Government, for 50 years." I think it is quite safe.

Clause put and passed.

Title—agreed to.

Bill reported without amendment and the report adopted.

*Standing Orders Suspension.*

On motion by the Attorney General, Standing Orders suspended to allow of the Bill passing its remaining stage at the one sitting.

*Third Reading.*

Bill read a third time and transmitted to the Council.

**BILL—COMPANIES ACT  
AMENDMENT.**

*Second Reading.*

Debate resumed from the previous day.

HON. P. COLLIER (Boulder) [4.55]: While the Bill involves a rather important principle dealing with the rights of shareholders and preferential shareholders of companies, there is in it not much that requires opposing on the second reading. The Attorney General might explain some of the clauses when in Committee. Anything that affects the contracts of shareholders and preferential shareholders, as the Bill does, is rather important. This alters the whole contract under which the money was invested.

Hon. J. C. Willcock: Under it the memorandum of association could be altered.

Hon. P. COLLIER: Certainly the Bill is rather important, and I think we might have a little clearing up in Committee. I will not oppose the second reading.

Question put and passed.

Bill read a second time.

*In Committee.*

Mr. Richardson in the Chair; the Attorney General in charge of the Bill.

Clause 1—agreed to.

Clause 2—New section.

The ATTORNEY GENERAL: I agree that a measure of this sort should not be passed without careful scrutiny. It does give a majority of the shareholders power to alter the terms upon which money has been supplied to the company.

Hon. J. C. Willcock: Subject to ratification by the shareholders themselves.

The ATTORNEY GENERAL: Yes. First of all, the whole of the company has to decide. Then the special class of shareholders affected has to decide by a three-fourths majority, and on top of that the court must confirm it. I do not think the proposal could be hedged around with more safeguards. The member for Geraldton interjected that the Bill would enable the memorandum of association to be altered. The memorandum of association can be altered to-day in certain directions by a type of safeguard similar to this, a special resolution followed by confirmation of the court. If it is right to do this thing, I do not think it could be done in a safer manner than is provided for here.

Hon. W. D. JOHNSON: I suggest that progress be reported. I have not had time to consider the Bill. The second reading was moved only yesterday, and time is needed to compare it with the Act and view it in the light of experience of existing companies.

The ATTORNEY GENERAL: I am willing to report progress, although it seemed to me that there had been time to read what is a very short Bill.

Hon. J. C. WILLCOCK: Perhaps some of the points might be ventilated before

progress is reported. The Bill refers to a special resolution of the company. What is the interpretation of "company"? Does it mean all the shareholders? What rights have the different classes of shareholders and who govern a company?

The ATTORNEY GENERAL: That would entirely depend on the articles of association, which constitute the contract made between the members for governing the affairs of a company. As a general rule every shareholder would have a vote according to his holding of shares.

Hon. J. C. Willcock: Every ordinary shareholder?

The ATTORNEY GENERAL: Every shareholder, but that could be varied by the articles.

Hon. J. C. Willcock: Some might have the right of veto.

The ATTORNEY GENERAL: Yes. Debenture holders could not have a vote because they are merely in the position of mortgagees. The actual rights of shareholders are determined by the articles of association. I have drawn articles under which a holder was given a vote irrespective of the number of shares he held, but as a general rule his voting would depend upon his holding.

Hon. J. C. Willcock: Or his class of shares?

The ATTORNEY GENERAL: Articles could be drawn to give greater voting power to one class than to another. That would be the contract on which a man took shares. There is no definition in any law to govern a company. It is the company's own domestic affair.

Mr. PARKER: If the member for Geraldton refers to Section 20 of the Companies Act, 1893, he will probably find the information he desires.

Progress reported.

**HON. SIR NEWTON MOORE, M.P.**

Mr. SPEAKER: I have taken the opportunity of inviting, on behalf of members of this House, a son of Western Australia, a former Premier and now a member of the British House of Commons—Sir Newton Moore—to take a seat at my right hand.

Members: Hear, hear!

# **BILL—FORESTS ACT AMENDMENT (No. 2).**

## *Message.*

Message from the Administrator received and read, recommending appropriation for the purposes of the Bill.

## *Second Reading.*

**THE PREMIER** (Hon. Sir James Mitchell—Northam) [5.10] in moving the second reading said: This is a Bill that is presented to the House year by year and has been every year since 1924. Members know that three-fifths of the ordinary net revenue of the department is placed in a fund for the improvement of forests. That money comes from jarrah, karri and other timbers, as well as from sandalwood. In 1924 it was arranged that a special clause be inserted in the Act providing that 10 per cent. of the net revenue from sandalwood, or £5,000, whichever was the greater, should be used for the re-growth of sandalwood. Experiments have been carried on for some time but have proved disappointing. Rabbits destroyed most of the young plants as they came up. In 1930 an amendment was passed setting aside no contribution for the re-growth of sandalwood and last year a similar measure was also passed. At present there is £4,857 to the credit of the fund, but it is not being used and is not likely to be used for the reason I have stated. If sandalwood is to be grown, it will have to be protected from rabbits, and that cannot be done in the areas suitable for the re-growth of sandalwood, except at great expense for fencing. Unfortunately the sandalwood trade has been under a cloud for some time. Sandalwood has been exported from South Australia, and also from Queensland to some extent, and the demand for our sandalwood has been correspondingly reduced. Last year the amount collected from sandalwood was only £5,380.

Hon. P. Collier: It was as high as £50,000 at one time.

**THE PREMIER:** Yes. Owing to South Australia and Queensland entering the trade, we have had to reduce our output. The position is becoming daily more difficult because of the pulling of sandalwood, particularly in South Australia. However, there is no need for a continuance of the contribution to the fund, which is already in credit to the extent of nearly £5,000.

Hon. P. Collier: Do you think that another place will give you this money, seeing that they would not give it to me in 1930?

**THE PREMIER:** Perhaps they thought the hon. member did not deserve it. They did not want to treat me any better last year, but with the hon. member's support, I eventually obtained it. I move—

That, the Bill be now read a second time.

**MR. SAMPSON** (Swan) [5.13]: The subject of regeneration and reforestation has often received consideration in this House, and I recall that on different occasions during the past few years the opinion has been expressed that more money should be spent on reforestation. I understood that the money derived from the pulling of sandalwood was to be utilised for reforestation.

**The Premier:** For the regrowth of sandalwood.

**MR. SAMPSON:** A Bill was passed some years ago authorising the Government to use the money in that way, but various measures have been passed to prevent the money being used for reforestation purposes. Last night on the Loan Estimates an amount was passed for forest regeneration.

**The Premier:** Jarrah forests!

**MR. SAMPSON:** I do not quite understand the position. I take it that under the Forests Act any moneys derived from sandalwood are to be spent on forest regeneration, but in this instance we find that the money which is secured from sandalwood is to be used for general revenue.

**The Minister for Lands:** You cannot regenerate sandalwood as you can jarrah.

**MR. SAMPSON:** I understand that. Sandalwood is of slow growth, and does not respond to forest practice. That is not the point. The question we are considering is this: Is it in the best interests of our forests that money secured from sandalwood should be utilised for General Revenue purposes, seeing that the House had on a previous occasion expressed itself in favour of utilising the money for forest purposes?

**The Premier:** No, it has not.

**HON. W. D. JOHNSON** (Guildford-Midland) [5.17]: This is a point which I think should be cleared up. It seems queer that last evening we should pass a Loan Bill authorising the borrowing of money for forest regeneration, and now that we should take back into Consolidated Revenue money

that is provided from sandalwood, and that we should use this money to reduce our deficit. This does not seem the right way to go about things, and I think an explanation is due to the House regarding the matter.

**THE PREMIER** (Hon. Sir James Mitchell—Northam—in reply) [5.18]: The explanation is that this fund is secured entirely for the regeneration of sandalwood, but that we are not doing that work now.

Hon. W. D. Johnson: Why not use this money?

**THE PREMIER**: The hon. member might as well suggest it should be used for the regrowth of white gum or tuart.

Hon. W. D. Johnson: Used for the same purpose as that for which you seek to borrow money.

**THE PREMIER**: We borrow money with the object of improving the ordinary export timber in our forests, which are of great value to the State. I would point out that the Chinese might become Christians, in which case our sandalwood would be of no value. It is difficult to do anything to increase the growth of sandalwood because the rabbits destroy the young plants, and are likely to go on doing so. Although we have tried regeneration, we are not now doing anything in that direction.

Hon. W. D. Johnson: Why not amend the Act and say that the £5,000 shall be used for general forest regeneration?

**THE PREMIER**: I prefer to have it this way.

Hon. W. D. Johnson: Naturally.

**THE PREMIER**: It is better we should have this money in our revenue. Surely the hon. member does not desire to increase taxation. I do not know why we were so generous as to set aside so much money to be spent by the Forests Department.

Hon. J. C. Willecock: The sandalwood industry was an important one at the time, and we did not know but that we might want the money. We have had experience since then.

**THE PREMIER**: Yes. We have set aside money in the most generous manner. Most of the revenue we get from our forests goes to the Forests Department.

Hon. P. Collier: By the Act two-fifths of the total revenue from forests goes to the department.

Hon. J. C. Willecock: We are building up a big asset for posterity.

Hon. W. D. Johnson: And building up a nice debt, too.

**THE PREMIER**: Companies have been getting together tremendous sums of money to send to New Zealand for pine plantations there, but ultimately those plantations will be cut down and converted into cash. We are not doing anything like that here. We are building up a valuable asset for the people, and are finding the money each year to improve our forests and make them even better than they are. The interest on the money will certainly come out of forest revenue. It will not be paid by the general taxpayer.

Question put and passed.

Bill read a second time.

*In Committee.*

Bill passed through Committee without debate, reported without amendment, and the report adopted.

*Standing Orders Suspension.*

On motion by the Premier, so much of the Standing Orders suspended as to enable the Bill to pass through the remaining stage at this sitting.

*Third Reading.*

Bill read a third time and transmitted to the Council.

## **BILL—APPROPRIATION (No. 2).**

*Message.*

Message from the Governor received and read, recommending appropriation for the purposes of the Bill.

*Standing Orders Suspension.*

On motion by the Premier, so much of the Standing Orders were suspended as to enable the adoption of the report of the Committee of Ways and Means and the passing of the Appropriation Bill through all its stages at this sitting.

*All Stages.*

In accordance with resolutions adopted in Committees of Supply and Ways and Means, leave obtained to introduce the Appropriation Bill, which was read a first time.

*Second Reading.*

On motion by the Premier, Bill read a second time.

*In Committee, etc.*

Bill passed through Committee without debate, reported without amendment, and the report adopted.

*Third Reading.*

Bill read a third time, and transmitted to the Council.

# **MOTION—AGRICULTURAL INDUSTRY, SETTLERS' DISABILITIES.**

*Royal Commission's Report.*

**MR. J. I. MANN** (Beverley) [5.33]: I move—

That in the opinion of this House the Government should give earnest consideration to the report of the Royal Commission on the disabilities of the agricultural settlers with a view to providing immediate relief to the distressed primary producers.

At the outset I congratulate the members of the Royal Commission on the splendid work they did. They collected an enormous amount of evidence throughout the State, and undoubtedly did their work quickly and efficiently. I am sorry the Government did not bring the question before Parliament for discussion at an earlier date, because the agricultural industry requires every consideration at the present time if it is to be carried on in the interests of the welfare of the State. I intend to deal briefly with some of the remarks made by the Royal Commission. When we consider that the total indebtedness of the 10,000 wheat farmers throughout the State amounts to £31,000,000, and remember the liens held by stock firms on stock, wool and sheep, which are not included in that total, it will be realised that the total indebtedness of the farmers and graziers must represent more like £40,000,000. Of that amount, the Associated Banks have advanced £11,000,000, and the Agricultural Bank £14,000,000. Unfortunately, a large number of Agricultural Bank clients are tied down by second mortgages to the Associated Banks. I know of instances where the loadage on account of both the Agricultural Bank and the Associated Banks is so heavy that it is impossible, with the present cost of production,

for the farmers to operate successfully. We can classify farmers into three groups. There are about 2,000 who have been helped by the Associated Banks, which must continue to finance them with the help of private creditors; there are approximately 2,000 farmers whose position is assumed to be fairly safe, and who are covered by the Agricultural Bank; there are approximately 6,000 farmers who are in a doubtful position, these also being Agricultural Bank clients. It is the position of the 6,000 farmers with which we are mostly concerned. I admit there are a number of farmers who, in all probability, will be forced to leave their holdings. Not every man is cut out for farming, and I agree that there are some who, in their own interests, should be off the land. I do not think the proportion under that heading will be very large. Regarding the position of the settlers generally, the majority of them are not doing any good, and the Government must give serious consideration to their problems with a view to carrying on the primary industry. I contend that the increased prices we are now receiving for wheat and wool will serve to place the farmers in a more false position than they were in 12 months ago. Already many creditors are endeavouring to secure every relief possible of their own position through the farmers, and it simply means that by February next, unless something is done to stabilise the industry and its financing, the industry will be in a state of chaos.

Hon. W. D. Johnson: Much worse than last year.

Mr. J. I. MANN: Much worse. Once the rush of the creditors sets in, there will be serious trouble. I know that at present agents are touring the farming areas endeavouring to entice the settlers to hand over their wheat bonuses, and if not successful in achieving that objective, they are using threats. A large number of farmers, owing to fear of legal proceedings being instituted against them, will hand over everything to one creditor, and while that will reduce their accounts with that creditor, from the standpoint of the industry and the State, the position will be worse than ever.

The Minister for Agriculture: You cannot blame the increased price of wheat for that!

Mr. J. I. MANN: The increased price of wheat will benefit them to some extent, but not if the creditors hop in and take all they

can get at the outset. If anything is to be done to stabilise the position, now is the time to do it, to save the industry. The majority of the farmers are no longer their own financiers. Many of them have little say at all in their methods of finance. Touching upon the Federal wheat bonus, I would point out that in the original Bill, when introduced a month ago by the Federal Minister for Agriculture, there was a provision under which the wheat grower himself was given the right to handle the proceeds as he thought fit. It would not be possible under that clause to secure any injunction against him.

The Minister for Agriculture: His creditors could not touch him.

Mr. J. I. MANN: That is so. Unfortunately the Bill as it stands to-day is such that any creditor can step in. If it is within the power of the Government to use their influence, I hope they will endeavour to have the money utilised as a reserve fund, so as carry on the industry in the future.

The Minister for Agriculture: You know it is a Federal bonus.

Mr. J. I. MANN: I agree, but we must endeavour to arrange something along these lines, for that will be the salvation of the industry. I am fully convinced that next year the question of financing super. supplies and stores will be much bigger problems than in the past. One of the most important actions the Government could undertake at the present juncture would be to endeavour to control the funds that will be at the disposal of the director, under which they will be able to pay out the actual sums required for necessities in connection with further production. If something is not done in that direction, I am satisfied that much of the Federal wheat bonus will not be spent in a wise direction, and then the farmers will be in a worse plight than they were in last season. Then there is the question of the secured and unsecured creditors. At present, the securities they possess have gone down tremendously in value. The creditors, particularly the unsecured creditors who have played a prominent part in financing the farmers, are in a hopeless position. Particularly does that apply to the storekeepers who have played such a prominent part in assisting the industry for some time past. In fact, the country storekeepers have been a part of

the primary industry. I can foresee that unless some control is exercised over the proceeds, and the bonus is dealt with on a proper basis, a large number of country storekeepers will be forced to the wall. They are being pushed by their own creditors. While in the past we have enjoyed too liberal credit, I contend this has been one of the curses of Western Australia. Throughout the Commonwealth, the farmers at present are economising, and the storekeepers, to a great extent, are controlling their activities. I urge the Government to realise the fact that the main strength supporting the producer at the present juncture is the country storekeeper, and he must be considered in the future. The Royal Commission suggested that a flour tax should be imposed. I agree that that course should be adopted, and if legislation were introduced along those lines it would mean a return of approximately £225,000 to carry on the industry. From a ton of flour, comprising 2,000 lbs., it is possible to get 1,350 2-lb. loaves, and the cost of flour in such a loaf amounts to 1½d. The imposition of a flour tax of £5 a ton would mean an additional cost of 1d. for each loaf of bread. That would bring the price of flour used in a 2-lb. loaf to 2½d. By means of the tax on a consumption of 45,000 tons, we would create a fund of practically £250,000, and I feel sure that if control were exercised to prevent profiteering, the position generally would be vastly improved. The return from wheat produced last year amounted to £4,500,000 and the interest on accumulated debts to £1,750,000. Even with the increased prices of wheat and wool, we know that the returns do not cover the cost of production. The industry is dwindling. We have an enormous accumulated debt that has mounted up during the last three years, and unless something is done along the lines of the proposed flour tax, it will be impossible to carry on.

The Minister for Agriculture: Do you consider that the plan should be adopted for distressed farmers only or for all farmers?

Mr. J. I. MANN: Those I have in mind are the more or less distressed farmers. There are some who will probably have a chance to help themselves with the aid of the bonus. I am afraid that in the past we have pushed on with a land policy at too fast a rate. There are a number of farmers



who are on holdings upwards of 60 miles from a railway. Probably more than a thousand farmers are thus affected. It is recognised now that no man can successfully farm at such a distance from a railway. If present cost of production were to continue indefinitely, I am afraid successful farming could not be carried on at more than 7 or 8 miles from a siding. If we are going to allow 2,000 farmers to go off their holdings, by reason of their being unable to carry on, I feel sure that never again will there be any foreign capital available for us, and neither will men possessing means embark in the industry. We must also realise that the amount that has already been spent on development work will be so much money wasted, and the land will revert to its original state. The man who first takes up the land, and who pioneers it, is no doubt the better man to retain the holding, and he is the person we should try to assist in the hope of keeping him there. Therefore I appeal to the Government to introduce legislation to provide for a tax on flour which will prove an advantage to the farmer. Everyone will pay his contribution towards the establishment of the fund that will enable a man on the land to carry on. Then, with the Federal bounty, the industry should benefit. We must remember that the industry has been built up on a false basis. In the past 24 or 25 years money has been more or less poured into the industry: credit has been obtained without trouble. I know of instances, only a few years ago, of machinery firms putting before farmers almost ridiculous propositions. The farmers naturally grabbed them, and it is on account of the reckless credit they were able to receive, that they now find themselves at the stage of being in serious difficulties. The industry generally has suffered by reason of the credit system of the past few years. Now is the time for the Government to act in the hope of placing the industry on a firm footing. I know it will be said that farmers have been spoonfed, but the assistance that has been given to them is nothing as compared with that granted to group settlers. Many members who are interested in farming realise that the life is hard, and that the genuine farmer is entitled to the help that he receives. We must recognise that the salvation of the farming industry means the salvation of the State. Farming

is unlike the mining industry. The latter is, it might be said, a flash in the pan. I do not deny that the gold-mining industry has been of valuable assistance to Western Australia, but we cannot depend upon it to get us out of our difficulties to the same extent as we can depend on agriculture, provided we get fair prices for the product. We must realise that almost half of the value of the production is absorbed by interest alone. The fact that at the present time exchange has been as it is has proved an advantage to the primary producer. There is the fear, however, that exchange may not remain as it is to-day. It seems obvious that the Commonwealth Government will attempt to bring about a drastic reduction with a view to securing cheaper money in London. While that is my opinion only, I do not hesitate to make the statement to the House. The exchange means an addition of approximately 10½d. to the sale price of wheat, and 2½d. or 3d. a lb. to the sale price of wool. If the exchange should disappear, or be materially reduced, what will be the position of the primary producer? Whilst one cannot say what the future of wheat may be, we do know that once the exchange goes, the industry will be given such a setback that it will take a long time to recover from it. Then will our serious troubles begin. I feel sure that members on both sides of the House will be prepared to discuss the motion. The matter is really non-party, since it is of State-wide concern, and it should receive the earnest consideration of all. The farmer has an enormous burden to carry in the shape of interest, but, as we all know, under the financial emergency legislation he has been relieved to some extent in this respect. That legislation has effected a general reduction of 22½ per cent. But hon. members will agree with me that the farming industry cannot afford to pay an interest rate more than 4½ per cent. We know that there is very little money available at the present time at under 6 per cent. The majority of farmers have borrowed money in the past carrying interest at 6 per cent.

The Attorney General: You do not suggest that people should lend money to farmers at 4½ per cent.?

Mr. J. I. MANN: The position we are facing is whether it is possible for the industry to carry on, and as one who has been

associated with the business for a considerable time, I am satisfied that it is impossible for the industry to carry on with its existing load of debt. Many farmers have settled down and endeavoured to solve their own problems, but have failed to do so. I am satisfied that every farmer is willing to meet his obligations, though it may not be possible for that to be done for a period of five or even 10 years. The point I wish to stress is that it is a matter of impossibility for the industry to carry the present load, and that if something is not done in a tangible form, no fewer than 3,000 or 4,000 farmers will be compelled to face bankruptcy. What is the position of the farmer to-day compared with what it was three years ago? Prices were buoyant then, and though it has been freely stated that farmers squandered their income, I can give that a denial. I know that the money they received was used to build up their holdings, and in many instances to purchase other properties for the sons who were coming of age. Now farmers find that while they were building for the future, they were actually taking a course that was running them down-hill. The position is really serious, and it is only by legislation now that the industry can be relieved. As things are at present, there is no inducement for farmers to carry on, and if the Government do not take steps to assist the industry to return to something like a normal condition, the ranks of the unemployed will be swelled very considerably. When the farmers' purchasing power is reduced, that reduction is reflected on the State generally. Consequently, we must take every step in the direction of building it up again. The farmers themselves are doing their share, That is brought home to one on going through the country by observing the directions in which farmers are economising. Economies are being effected in every possible way. We must see that the farmer is not doomed to carry a millstone around his neck for the remainder of his life. With regard to the Agricultural Bank, everyone must admit that it has played a prominent part in the building up of our State. But for the bank and the assistance it has rendered, our population would be much smaller than it is, and the State itself would not be so far advanced in importance. In carrying on work such as that undertaken by the bank, it is inevitable that there must be losses. At the same time we cannot over-

look the advantage that the State has derived from the existence of this institution. I feel the time is coming when the Government will be obliged to write off a great deal of the bank's clients' indebtedness. Speaking of the bank generally, it is regrettable that the Government have not appointed a trustee to succeed the late Mr. Cook. The institution is now being controlled by two men, and Mr. McLarty, who is also the Managing Trustee, has an enormous amount of work to attend to, so much that I often wonder how he manages to keep going. My opinion is that there should be some form of decentralisation. True, there are agencies in places like Northam, Narrogin, Merredin and elsewhere, but everything that comes before those branches has to be submitted to the trustees in Perth. The Government should appoint three travelling trustees and in that way the congestion at the bank in Perth would be considerably relieved. The travelling trustees could always be on the spot to discuss the farmer's position. At the present time the farmer has to come to Perth to interview the trustees. It would be to the advantage of the State for the trustees to be on the spot themselves and inspect the holdings. That is a suggestion to which consideration might be given. In the past, many settlers have secured more money than was good for them. I believe there is a certain amount of political control exercised in the bank. Mr. McLarty says it is not so. I hold that the bank should be free from all such influence.

Hon. P. Collier: Have you ever exercised any?

Mr. J. I. MANN: No.

Hon. P. Collier: Then you are about the only member of the Country Party who has not tried to exercise influence there. I speak from experience, you know.

Mr. J. I. MANN: I have never done anything of the kind.

Mr. McLarty: We only try to get information.

Mr. J. I. MANN: The institution will have to suffer losses, and there must be considerable writing-down. Now as regards general charges on wheat. I know that the Government are hard put to it for cash, and that they are endeavouring to obtain every possible penny in order to carry on. However, reductions might be effected in freights, handling charges, stevedoring charges—

The Minister for Works: The Government have no control over those charges. They are controlled by the Fremantle Harbour Trust.

Mr. J. I. MANN: Did not the trust last year collect £200,000 in charges for handling wheat?

The Minister for Works: Yes.

Hon. J. I. MANN: Does not that amount go to Consolidated Revenue?

The Minister for Works: No.

Mr. J. I. MANN: I consider that some reductions should be made in those charges. I appeal for an open discussion of the farmer's position. We shall have to face the question sooner or later, and it is far better to face it now. If there is one body that can handle the position, it is Parliament. In passing I desire to refer to the position of the stock agents as regards hire-purchase of sheep during the last two or three years. Unfortunately, large amounts of money were expended in the purchase of sheep at the peak period. Sheep then worth 35s. are to-day not worth 10s.; and there has been considerable speculation amongst growers, particularly the smaller growers, as to what their position is to be. We realise that if a man buys a thing, he must pay for it; and there is no desire that the Government should bring in legislation in the nature of repudiation. Something, however, should be done to assist the smaller growers. I acknowledge that the stock agents are doing their best, treating each case on its merits. I desire to pay a tribute to the stock agents, and to state publicly that they have been of great assistance to the farmers. They have been prepared to advance for phosphates, corn sacks, and generally. Still, it is regrettable that the high prices paid and the depression which has followed, result in debts having to be faced. Whether the Premier will be successful with his measure to relieve the State from the influence of the Federal Parliament remains to be seen, but we have to realise that Western Australia is only a young country. From that aspect the influence of the Federal tariff is highly important. I dare say Western Australia requires considerably more fencing wire, piping, and galvanised iron than any other State of the Commonwealth. Would it be possible for the Western Australian Government to approach the Commonwealth for some relief as regards the tariff? Why should we have to purchase galvanised iron and fencing wire at higher prices? There are

in this State many thousands of acres capable of carrying sheep. The holders of these lands are at present too remote for profitable wheat-growing, and it would be dreadful to allow the holdings to revert to a state of nature after all the money that has been spent on them. Moreover, the land is good land. Could not the Commonwealth Government be asked to grant some relief in respect of duties on things that are essential to primary production? This State is most favourably situated for the fat-lamb trade. The lands to which I have referred could be brought into use and thus relieve the farmers, but the present high cost of fencing wire renders that course impracticable. My idea in moving the motion is to evoke a general discussion of the farmers' position. Many Acts have been passed by Australian States to deal with the farmer. South Australia's Act establishes a board of control. I do not wish to see many farmers under control, nor do I wish to see them resort to the Farmers' Debts Adjustment Act; but I do appeal to hon. members to discuss the motion and try to evolve some means of relieving the farmer.

MR. PIESSE (Katanning) [6.11]: I have much pleasure in supporting the motion. As pointed out by the mover, the object is to give hon. members generally an opportunity to discuss the Royal Commission's report, which was submitted on the 31st July last. Further, the motion gives hon. members an opportunity of saying whether they approve of the report, either wholly or in part, and of making practical suggestions for putting into operation the Royal Commission's plan, either wholly or in part. Further, the motion affords the Government an opportunity to say how far they will consider the report seriously. These opportunities are coming none too early, seeing that the report was presented on the 31st July last. I shall not read the document setting out the scope of the Royal Commission. Hon. members will see it if they turn to the first page of the report. The Commission instrument was issued by the Governor on the 26th May last, just under six months ago. In view of the serious position in which the agricultural industry finds itself, almost entirely as the result of the collapse in prices, it is urgently necessary that hon. members should consider the Royal Commission's report, and that the Government should at the earliest

possible moment state how far they will identify themselves with that report, and what they suggest they can do to give the relief outlined by the Royal Commission. I consider it my duty to offer to the Government some practical suggestions. We have been told that the report, while providing highly valuable information, involves as its main features the creation of a fund, and that this suggestion is not practicable, the money not being obtainable. I take it to be the duty of hon. members and of the Government, then, to suggest some alternative scheme of relief, even if it necessitates fresh legislation. I have no desire to refer to the farmer's disabilities at any length. They are widely known, through the Press and through various meetings of primary producers.

*Sitting suspended from 6.15 to 7.30 p.m.*

Mr. PIESSE: Before tea I was dealing with the scope of the Commission and the time that has expired since the report was presented. Also I referred to the delay in any announcement to be made by the Government as to how far they think the report would help the industry that is suffering so much as the result of the collapse in prices. It is necessary that I should make passing reference to certain portions of the Commission's report, which clearly and rightly discloses the position of the primary industries, particularly in regard to the wool growers and wheatgrowers. I do not wish to lead the House into thinking the industry is on the verge of total collapse. I have had long experience of agriculture in this State, and I have every reason to believe that with sympathetic treatment by those who are assisting the industry, and with every possible help that can be rendered by the Government, the wheat and wool industries will soon be restored. It is no use denying that during the past year neither wheat growing nor wool growing has been profitable to those engaged in those industries, and unfortunately in the past many of our primary producers have not been able to put by much for a rainy day. They have very little reserves, if any, to tide them over this special emergency through which they are passing. It is the responsibility of the Government and of Parliament to come to the aid of primary producers. There are 50 members in this House, pre-

sumably all desiring to see the country prosper and our primary producers succeed. It is absurd to say that with 80 members of Parliament no business-like scheme can be evolved to assist the industry in its present trying circumstances. I will not agree that the farmers as a whole are moaning and whining and wanting the Government to do the impossible by them. But it must not be forgotten that we are passing through a serious phase which the country has never previously encountered. We are faced with the high costs of production, and rightly it can be claimed that those high costs have seriously militated against the farmer creating a reserve that would stand by him at such a time as this.

The Minister for Agriculture: Who is responsible for those high costs of production?

Mr. PIESSE: I think the House is responsible for not having made a more determined protest against the Federal Government's inroads into State rights. It is for Parliament to protect those State rights and do something more than it has done in the past to resist the inroads made into those rights, and to protest against the high cost of production consequent upon Federal legislation. Nobody is more to blame than is this Parliament. What would have been better than to see members taking a determined stand, and objecting to the serious inroads that have been made upon our avenues for the raising of revenue. The latest sales tax has almost entirely removed the last remaining avenue through which we could have raised revenue. That sales tax has added materially to the high cost of production.

Mr. Thorn: And it is one of the most vexatious of taxes.

Mr. PIESSE: Yes, especially at a time like this. It is helping to put men out of employment every day. We have almost come to a standstill in point of future development, mainly because of the high cost of production. I wish to refer briefly to the assistance rendered to the industry during the past year by the banks and commercial houses and all those engaged in supplying the primary producer, not forgetting the assistance rendered by the Government in providing at a very crucial moment a supply of super. It speaks volumes for the confidence shown in our State that the banks and the stock firms and business houses should have come to the rescue and assisted

our farmers in putting in their crops during the past year. There has been a serious falling-off in the area cropped, but I think even that is satisfactory when we remember the difficulties that a good many of our farmers have had in getting credit. Moreover we must not forget that the farmer, when he was putting in his crop, was faced with almost certain loss, owing to the then low prices. It is to be hoped that the financial houses and those who came to the assistance of the farmer during last year will at least be able to recover the advances made by them. Had it not been for the recent increases in the prices of wheat and wool, it would have been doubtful whether those who assisted the farmers during the past year would have recovered their advances from the result of the harvest. However, the prices have now improved, and there is a much more hopeful spirit in the country districts I have visited during the past few weeks. But although we now have grounds for hoping for better times, there still exists a very serious position for many of our agriculturists. The report of the Commission discloses that, inasmuch as it points to the large indebtedness of the farmers at the time the report was written. I do not wish to quote these figures in detail, for they can be found in the Commission's report, which reveals that there was then owing to the Agricultural Bank, the Soldier Settlement Board, the Group Settlement Board, and the Industries Assistance Board, overdue interest amounting to £14,294,110, and that in addition there was owing to the Associated Banks, the insurance companies, the machinery merchants, the country storekeepers and others £17,365,000, or a total indebtedness of £31,659,654. From this members should realise that there are grave responsibilities hanging over the heads of the primary producers. We have been accustomed to rely very largely on the credit system. It is unfortunate that it should have been so, because had our farmers been in a more affluent position to-day—as indeed many of them are—if only they had reached the stage where they would have haystacks in reserve, fat stock all the year round, good fields of fallow, and a few hundred bags of wheat in their barns, and were able to hold their wool for the best opportunity for selling. That would be the ideal condition in which we would like to see the industry, the farmers without trouble or worry about

holding up wheat or wool and having the same right as any other business men to sell their produce at the most opportune time. However, it seems to be the fate of farmers to have to operate under the credit system. Without it I suppose we would not have the development we have to-day. Speaking from a lifelong experience, I believe that the primary producer has every intention of honouring his liabilities to the full. So far as I know, he will do so provided he is given reasonable opportunities and fair conditions. The commission's report discloses that many farmers have been placed in the position of having to ask for credit this year, owing to the collapse of prices, whereas formerly the creditor was always pleased to accommodate them. Yet many such farmers had difficulty last year in obtaining credit to carry on. I wish to refer briefly to some passages in the report of the Royal Commission. The commissioners were well chosen: they were men of repute and standing, and of wide experience. From observation and information I believe the commission's report has been favourably received throughout the length and breadth of the State, and it has made farmers, business people and others interested in the industry, anxious to know what the Government intend to do. The commission outlined reasons for the collapse of the industry. Those reasons may not be correct in all particulars, but on the whole I think they are fairly accurate. The report states:—

In the year 1914 there was a crop failure. Since then there has been a succession of good to moderate seasons and prices. The average wheat yield from 1914-1931 has been 10.6 bushels to the acre, and the average price realised was 4s. 11½d. per bushel.

Then the commission marvel how, with good seasons and good prices, such an accumulation of indebtedness should have arisen, and add—

How such an accumulation of indebtedness should have arisen is hard to say, though apart from the indebtedness attributed to the price failure in the 1930-31 season, it is found that there was a large carry-over of indebtedness from the previous seasons. The following reasons may, however, be suggested:—

- (a) The false prosperity created by lavish and over-easy borrowing;
- (b) The unlimited extension of credit;
- (c) The over-trading by merchants in competition for business, particularly since mechanical farming came into existence;

- (d) The mounting interest rates;
- (e) The effect of steady increase in tariff;
- (f) The belief that strong world prices for wool and wheat would continue;
- (g) The competition by Associated Banks for business;
- (h) The more than forward policy of the Agricultural Bank;
- (i) The purchase of estates for soldier settlements at high prices;
- (j) The period of high prices for produce—such prices were discounted by the diminishing purchasing power of the Australian pound—gave farmers a false idea of their prosperity.

Then the commission proceeded to comment on past debts. In Part II. of their suggested plan they stated:—

Not only have the past debts to be considered, but finance has to be arranged for future cropping for at least two seasons, as by that time wheat and wool prices may improve and some adjustment of debts may be made on stable values.

The cropping for 1931-32 harvest has been financed in part by—

- (i) The Agricultural Bank finding sustenance and super for many of their clients with moneys provided under the Finance and Development Board Act;
- (ii) The merchants and storekeepers allowing considerable payments to them for last season to be handed to the farmer for the purpose of cropping;
- (iii) The Associated Banks and private investors assisting their clients by giving the necessary financial assistance to carry on cropping operations.

I have referred to the assistance given by the Government, and I think members are very appreciative of what was done in that direction. The commission proceed to make recommendations and deal with the first part of their plan. That part proposes an extension of the Farmers' Debts Adjustment Act. The second part proposes the appointment by the Government of three trustees, "provided that if the necessary finance is found for this part of the plan by the Commonwealth and/or Associated Banks, the Government shall appoint one trustee and the Commonwealth or Associated Banks shall nominate for appointment two of the said trustees." Then the commission recommend the legislation required to give effect to their plan. It is not necessary to read the recommendations because they are not likely to be carried into effect immediately. Part II. involves the provision of funds and can-

not be put into operation without the necessary funds being provided by the Government. Even if the Government favoured the scheme, it would be almost waste of time to discuss it, seeing that the funds are not available. I wish now to refer to the report of a speech delivered by the chairman of the commission, Mr. A. H. Dickson, at a meeting of the Federated Chambers of Commerce held at Albany on the 10th November. Portions of his speech should be helpful to us and should make members realise that the chairman is very earnest in this matter. He is a man of wide experience and has had intimate business dealings with the primary producers. He is a man whom all can respect, and any remarks made by him are worthy of consideration. He said—

It is incumbent upon creditors to be unusually considerate. In many cases great consideration has been extended, but if the farmers are to be kept working with some degree of comfort and hope—and this is essential—even greater patience and consideration must be extended.

It is vitally necessary that all creditors refrain from harassing the farmers, and it is desirable that both farmers and considerate creditors be protected from the excessively acquisitive propensities of some who, even at this juncture, are reported to be using the bludgeon. If this is not done, there must be an unholy scramble for the proceeds of the coming harvest and bonus. It must not be forgotten that the farmers, as a whole, are sensitive and honourable men, who hesitate to seek the protection of anything savouring of bankruptcy proceedings. Unreasonable dictation from a trustee, who may have no knowledge of practical farming, is also abhorrent to them. Surely our legislators can devise some means of necessary protection.

At a later stage he said—

It is useless to lament past mistakes while the whole fabric of the State's structure seems in danger of collapse. The issue is bigger than individual interests and the State is in need of patriotic zeal—not gush—but patriotism, which is principle. The primary producer is in need of encouragement both financially and psychologically. Would you continue to crop if you were practically positive that by so doing you were simply increasing your liabilities? In doing so, the farmer is performing the community a service which must be reciprocated. It is vitally necessary that the community do its part to help and sustain the farmer to the utmost for its own self-protection.

He also dealt with provision for the future, and the solving of the problem of the farmers who are overloaded with debt. Ac-

cording to the newspaper report. Mr. Dickson said—

The commission has been cribbed, cabined and confined by the initial statement that the Government could find no money. "Here I must be very circumspect," Mr. Dickson said. "It is sufficient to say that we were given a limited assurance from the only source of funds that the scheme we recommended would have some chance of favourable consideration. The fact that the interests in question are now providing funds for a bonus of 4½d. per bushel may effect this anticipation. It was felt that the institutions which found the finance should have the prerogative of naming two out of three trustees recommended, who would act as intermediaries in the negotiations between the interested parties. Securities taken by the trustees were to be hypothecated to the financial institutions providing funds. The proceeds of the proposed flour tax were to be held in trust by the trustees as a reserve against possible—even probable—losses. We felt that the only possible hope of solving the problem of farmers' debts was included in the second paragraph of our charter, which put upon us the responsibility of providing means for the future carrying on of the industry. This is a matter for great forbearance and patience, but from the present outlook it must be a most difficult task for our primary producers to meet these obligations. I could not but be impressed with the very fair statements of some of the farmers who volunteered that they considered it unfair to appraise any writing-down during the present abnormal times."

Mr. Dickson also referred to the high costs built up at the ports as compared with those ruling in 1914. He concluded his address by saying—

A great and difficult problem faces our legislators. Conditions making for higher prices from overseas may tend to bring down exchange levels. The responsibility must be faced full square or our Parliamentarians will be recreant to their duty. For our own sake and the State's, we must assist the primary producers to develop, establishing them completely, efficiently, and economically.

We are greatly indebted to Mr. Dickson for emphasising those points, I think he was right in doing so, seeing that we have been left so long in doubt as to what the Government intend to do.

The Premier: It is of no use string off miles and miles of words. We want cash. We have the legislation.

Mr. PIESSE: Our patience has been tried.

The Premier: I am referring not only to you but to other people.

Mr. PIESSE: We who live amongst the farmers know their difficulties. I have been

pleased to give considerable time to assisting the unemployed, as I know other members also have done, as well as endeavouring to do something for the farmers. We have also these daily troubles connected with the difficulties of farmers. I am not a pessimist. I have great confidence in the country. Every penny I have earned I have spent in the country, amongst other things in development and agriculture generally. This shows that I have faith in Western Australia. I am here to-night to impress upon members the fact that if the industry is given a fair chance it will recover.

Mr. Angelo: Can you put any concrete proposals before us?

Mr. PIESSE: I am sorry if the hon. member is becoming impatient.

Mr. Angelo: No, I am only anxious to help.

Mr. PIESSE: I want the House to know the full position, to understand that the compilation of this 50-page report took a lot of time and thought. We may not agree with all that has been written, but on the whole it is a practical and good report, and offers good solutions of many of the troubles affecting the industry. I now come to what I think should be done. The Government have made it clear that insufficient funds are available to give effect to Part II. of the plan. Many good schemes have been advanced by public men from time to time, but these are dependent upon a local flour tax or a wheat bonus, which it was hoped would be the means of providing funds to enable these things to be done. We should not be in Parliament unless we have a knowledge of business. It is, therefore, our duty as business men to go carefully into the matter. Surely in a time like this we can sink our individuality, our party feelings, and be magnanimous in giving credit even to those opposed to us for the earnestness with which they have put forward their schemes. It is absurd to think that 50 members of this House cannot find some way out of the present difficulty. I am not suggesting making gifts to the farmers who are in trouble, but we should be able to provide some machinery whereby something better can be done to arrange matters between the farmers and their creditors. Our position is similar to that which has arisen in the other States. In South Australia until this year there has been a succession of droughts for six or seven years. It may be argued that no more has been done

there than was done under the Industries Assistance Board conditions in 1914. For all these years the South Australian Government has had to provide for drought-stricken farmers. We are pleased to know that there has been a good season in that State this year, and hope that with careful nursing all the farmers will pull through. There are some of the best farmers in Australia in that State. They would have been driven off their farms and numbered amongst the unemployed had it not been for the provision made for them by the Government in the Farmers' Drought Relief Act. Upwards of a million and a half was spent by the South Australian Government, and a good deal of this will never be recovered. There will be a good harvest this year, and I hope many of the farmers will be restored to a good position. We should not go far wrong if we followed the South Australian precedent. The conditions there are similar to those we have here. Since that Act was passed another has been enacted, to meet with the conditions consequent upon the fall in the price of primary products. On the 2nd April, 1931, the Bill I have in my hand was enacted by the Government of South Australia to make provision to finance farmers for the season 1931-32. That has met a situation, which is very similar to the one in which we find ourselves.

Mr. Angelo: Can you suggest to the Treasurer where the money is to come from?

Mr. PIESSE: The scheme would take very little money. The South Australian Act is in two parts. The first gives power to the Bank Board of South Australia to arrange for cropping funds for those farmers who find themselves unable to get credit as a result of the fall in prices. Power is also given to delegate authority to an advisory committee. The committee consists of six persons, one nominated by the Adelaide Chamber of Commerce, one by the South Australian Chamber of Manufactures, one who, in the opinion of the Governor is a suitable representative of persons engaged in the supply of superphosphate and cornsacks, another representing persons engaged in the supply of groceries and other household commodities, and two who are deemed to be suitable representatives of the farmers. The business of the board is to receive applications from necessitous farmers, and power is given to reject or approve such applications. I will explain how the first part of the Act can be applied to our conditions.

It can be done if the Government will set themselves to the task. They could first get the advice of the superintendent who controls the Act in South Australia. He is an expert and a wonderful man. He has been practically the saviour of South Australian farmers because of his remarkable knowledge, and the manner in which he has administered the Act. The last measure to which I have referred is largely the result of his suggestions, founded upon his experience in administering the Farmers' Debts Adjustment Act and the Farmers' Drought Relief Act, which latter has been in existence for some time. We have to thank the Government of our State for bringing down the Farmers' Debts Adjustment Act. At the time many members were sceptical about it, and no one had a good word to say for it inside or outside the House. It has now been in operation for 12 months, and has proved of great assistance to those who found it necessary to seek protection under it. In my opinion, however, it does not go far enough and is not practical enough. It left the power to give extensions of time to farmers entirely in the hands of their creditors. Under the South Australian Act that power is given to an independent board, but it is not extended without the production of good and practical reasons. The effect of the South Australian Act is to enable farmers who are applicants to apply to the board to be supplied with super. cornsacks, household commodities, etc. Members can see how far that Act can assist us in this emergency. The board in South Australia issues certificates. It does not accept any liability, which is an important factor. There should be no difficulty about bringing down legislation on those lines. When a certificate is issued, the board's liability lies only insofar as the proceeds of the crop are concerned. The farmer himself is not relieved of any responsibility. The duty of the applicant is to give an undertaking to sell the proceeds of his harvest, and to carry on as he did before. The board arranges for the disposal of the crop, taking not more than 1 per cent. to cover insurance and other expenses, the cost of putting in and taking off, etc., and the balance is distributed as set out in the Act.

Mr. Angelo: Would not the Federal Bankruptcy Act upset any portion of that Act?



Mr. PIESSE: On every occasion when I have been in Adelaide I have spent most of my spare time with the superintendent, gaining a knowledge of what is being done there. I first saw him about 18 months ago, when he was administering only the Farmers' Debts Relief Act and the Farmers' Drought Relief Act, and dealing with persons who sought relief under those measures. Neither Act conflicts with the Federal Bankruptcy Act, and there has been no difficulty in carrying out the provision. I will now tell the House why we have been having so many meetings in outback places, and why the farmers have been threatening to hold up their wheat and their wool. The fact is they have come to the end of their patience. I do not want to reflect upon the business people with whom small wool-growers have been conducting their business ever since they went on the land. I merely wish to point out that the result of the fall in wool prices has shifted a load of debt upon the growers, whose properties were built up when prices were high and the cost of everything was high. Wool prices have come down to a third of their former value, and stock is difficult to sell, and often difficult to give away. The woolgrower now finds he is almost denuded of any income. It meant that the secured creditor in this instance was protected. We cannot blame men in that position for endeavouring to improve their securities. In this instance the secured creditor said, "You are under lien to us, and the wool must come to us. We will credit you with any proceeds from the sheep you sell, and that will help your finances." That man was probably quite right, but it meant that the grower was left hopelessly in debt. He could not meet the demands of his unsecured creditors, nor could he pay the interest due to the bank. Many of the clients are mortgagors of the Agricultural Bank, and not only can they not pay their interest, but they cannot pay their land rents. Some of the stock firms may have provided those clients with funds for sustenance and super. purchases, as well as for shearing expenses. Certainly the proceeds of the season's wool clip have been credited to those individuals, and their position may be better than it was a year ago: but it is still serious. Then take the position of the Agricultural Bank clients, and the incidence of the preferential legislation passed by Parliament last session. I thought the

provisions in the Bill proposed then were reasonable, and if there had not been the collapse in prices, probably no objection would have been raised to them. It is unfortunate that the legislation had to be introduced at a time when the prices of wool and wheat were so low, with the result that the producers got so little for their products. The effect on the farmer is that he felt he was working off a dead horse and could not see round the corner. For my part, I would put the Agricultural Bank on the same basis as other mortgagees because I am sure the board would act fairly. Perhaps some difficulty might be experienced in securing the services of the right type of men to constitute the board that I would like to see appointed. We could extend the powers of the Director under the Farmers' Debts Adjustment Act and appoint two others outside the Government service. I say that advisedly, because I believe they should be responsible, experienced men who know the country and the difficulties of the primary producers. It was found possible to secure such men in South Australia, and surely we can find men of the same type here. With regard to the suspension of securities, I acknowledge that everyone in business, including the banks and stock firms, has done everything possible to help the industry. It must not be forgotten that the unsecured creditors represent a large body who have acted in good faith in carrying on the farmers, but nevertheless to-day they are at the mercy of the secured creditors. The South Australian Act did not have the effect of ruining credit there, and I do not see why the introduction of such legislation in this State should have a detrimental effect.

Mr. Angelo: Are the unsecured creditors unduly pressing the farmers?

Mr. PIESSE: No, except that naturally they are business men, and like every other man in a responsible position to-day, they desire to continue upon lines they consider safe.

Mr. Angelo: But are they pressing the farmers?

Mr. PIESSE: I will not answer that question. I wish to leave that for someone else who may be appointed later on to determine the point officially. I know of no hardship wilfully or wittingly imposed by those who are helping the farmers to-day.

Mr. Angelo: But what about the unsecured creditors?

Mr. PIESSE: They have behaved nobly, but they are in a parlous position.

Mr. Angelo: Did you not say just now that they were running round the countryside endeavouring to secure the wheat bonus?

Member: The member for Beverley made that statement.

Mr. PIESSE: I have not heard of any such instance.

Mr. SPEAKER: Order! The hon. member will address the Chair.

Mr. PIESSE: The important point about the introduction of legislation such as that in operation in South Australia is that, to some extent, it will help the Government to solve the problems confronting them to-day. I cast no reflection upon the banks or other business interests, but I put it to Opposition members that they would not countenance anyone being employed under conditions that did not enable him to handle his wages. That is the position of the wheat and wool growers, and that is one of the most vexed questions among the primary producers to-day, as it applies to the operations of the Agricultural Bank. To my knowledge, great patience has been exhibited by the bank in many instances, but what is required is the establishment of some body that will act as a go-between regarding the Agricultural Bank and the farmers themselves. It is obvious that it is impossible to act along the same lines in every individual instance. Credit is becoming more spread because the farmers have more creditors than in past years, and that increases the difficulties of the position. I ask the Premier to go into this matter seriously, and, if necessary, to urge the South Australian Government to lend us the services of Mr. H. W. Myers, the superintendent of the operations under their Act, to assist us at the present juncture. He is a man who has grown up in this class of work. When I first saw him he had a staff of 11 officers; six months later he had a staff of between 30 and 40 officers. To-day they number over 100.

The Minister for Railways: Then he is a good public servant!

Mr. PIESSE: But consider the results he has achieved! If the Minister appreciated the position, he would be quite satisfied.

The Minister for Railways: I would like to get him here to solve the unemployment problem.

Mr. PIESSE: I suggest that in times such as these when we want the best advice possible, we should secure the services of the best man procurable. The Government would be well advised to get in touch with the South Australian Government with a view to securing the services of Mr. Myers. It could be done without hurting the feelings of our own State officials. There is one additional point I wish to make. Mr. Speaker is interested in this phase just as I am, because our electorates are adjoining and the problems apply equally in his constituency and in mine. I understand that to-day Mr. Speaker received an urgent communication from one of his constituents regarding the repossession of agricultural machinery. In the South Australian Act there is a provision covering that phase and surely we could trust a board or an advisory committee to deal with this matter as well. Paragraph 4 of Subsection (1) of Section 16 of the Farmers' Relief Act reads—

The owner of any chattel which is in the possession of the applicant under a hire purchase agreement shall not take the chattel out of the possession of the applicant nor take any steps to terminate the agreement.

The definition of "chattel" includes agricultural machinery. When I was discussing the position with Mr. Myers, the measure was then before the South Australian Parliament and I asked him whether the contemplated legislation would prevent possession of a chattel being taken at once. He said that that phase was covered and Subsection (5) of Section 16 of the South Australian Act contains the following:—

If any person takes from any farmer possession of any chattel such as referred to the Sub-division IV. of Subsection 1 hereof before the passing of this Act, and at any time after the 17th day of March, 1931, and the farmer subsequently makes application under this part and the application is granted, the provisions of this section shall be deemed to have applied to such chattel, and the applicant shall be entitled to recover the possession of the chattel.

I do not say that all machinery agents have acted in an arbitrary way but, according to reports received by us, some have done so. Prices have improved during the past few weeks and now, whereas the owner of a machine might have been prepared to accept £20 six months ago, he is more likely to ask for £40 or £50. No one would be more pleased than the farmer to pay the larger amount if only his returns enabled him to do so. It has been stated that some

of the agents have demanded the whole crop this year, otherwise they threatened to take away some vital part of the machine so that the farmer would not be able to use it. This is a serious phase, because it simply means that a farmer confronted with such a threat, would be forced to sign an order so as to secure the use of his machinery. I have knowledge of one or two instances in which that course has been pursued, and I understand that Mr. Speaker has received particulars of another such instance to-day. I am not content to let matters rest at that, although I know it will be unpopular with some people who have securities to protect. No farmer desires to be placed under the operations of the Farmers' Debts Adjustment Act, and it is merely in their own interests that action has been taken in hundreds of instances by business men in the country districts. Very often the principal creditor has been able to get others to refrain from pressing a farmer, with the result that in the course of a year or so the position has been secured and the farmer is in a better position to-day. All that I ask is that we shall appoint a practical board of not less than three men, who will act as trustees on behalf of the farmers and be a go-between in the negotiations between the farmers and the creditors. I do not think the secured creditors will lose anything by that course because in many instances they are principals and will carry on. There is also a provision in the South Australian Act whereby the bank or mortgagee will be able to carry on as at present. But some sort of protection is secured by the board, and that will be a good thing for many of the farmers. They will be kept within reasonable credit limits. With such a board operating in South Australia, many hundreds of farmers there have reason to be thankful for the wonderful assistance rendered to them and the agricultural industry. Parliament and the Government would be saved a tremendous amount of trouble if a similar scheme were adopted here, because the matter would be dealt with in a practical and honest way. It would secure justice to the unsecured creditor, who is entitled to consideration. I do not know how many business people will be able to carry on, but if the banks desired them to reduce their overdrafts, how could they carry on?

Mr. Hegney: Are the banks the masters of the situation?

Mr. PIESSE: Yes.

Mr. Hegney: Let us nationalise the banks.

Mr. PIESSE: I do not think the banks will do anything rash, but naturally they want to secure their position. Managers must justify themselves and so must directors. They must conduct their business on safe lines. The Managing Trustee of the Agricultural Bank, in his evidence before the commission on the 26th June, said he thought there was no hope under present conditions and prices. Is not that all the more reason why we should endeavour to obtain the help and co-operation of all the business people? We do not want to dry up the sources of money supplies. If the legislation protects the secured creditor, I cannot see how there can be any danger in it. Let me make a reference to the remarks of the Governor General at the opening of the Royal Show. He said—

I have no hesitation in saying that Western Australia at present stands only on the threshold of her material greatness, and whether we look back on her past history, or whether we look to her promised future, this State, I dare to say, yields to no country in the world for the power to stir the imagination and fortify the courage of a growing and progressive people. One might search far and long before finding a story more exciting, even when told in the simplest language, or more sustaining to our courage in these difficult days when the clouds of depression are darkening the financial skies. The whole world has lost its equilibrium. It lost it in the war, and in the peace that followed the war. But the world is not going to perish—it is going to live—but if it is to live up to the standards we have set, it must find a proper adjustment.

It is the duty of Parliament to assist in securing an adjustment between the farmers and their creditors. But that is not the only adjustment to which the Governor General referred. He continued—

I am convinced that the dawn of our new day is already commencing to break. Courage has never failed Australians yet. The producers of this State have given you proof of that. They have shown that they have faith in the future of their country, and that they are determined to do all that can deserve success and everything possible to attain it. I want to say to producers, in all sincerity, that they have my fervent hopes for their ultimate success.

Something practical must be done to meet the situation, and to find that practical

remedy is the responsibility of members of the Opposition as well as of those supporting the Government. If Parliament goes into recess without dealing with this problem, members in the country districts at any rate will experience a very unhappy time. We live in the midst of the trouble; it confronts us daily, and we cannot escape it. We know that the difficulty can be met if Parliament will only be sincere and will stand up to its responsibilities, and if the Government will show sufficient faith in the industry to do something of a practical nature.

**MR. GRIFFITHS** (Avon) [8.35]: It was on the 26th May that the commission was handed to Messrs. Dickson, Hale, Carlisle, Farrall and Pelloe requiring them to investigate the disabilities affecting the agricultural industry and enjoining them to report as quickly as possible. They were not even given time to go into the country; the matter was so urgent that they had to take the evidence they required in Perth. They occupied some 66 days in their unpaid and public-spirited work. When I look at the report, the result of their labours, I am filled with amazement at the exhaustive manner in which they carried out their task. The evidence covers over 1,000 pages and appendices over 200 pages, and some 36 witnesses were examined. On the 31st July the report was completed. Since then 110 days have elapsed, making nearly six months since those gentlemen were commissioned to bring in a report. Is it any wonder, therefore, that the member for Berkeley, myself and other members who represent important wheat and wool-growing centres have become impatient that the report has not been brought up for discussion so that every aspect of the problem could be considered? I regard this discussion as one of the most important of the session and vital to the well-being of the country.

**Mr. Hegney**: More important than secession?

**Mr. GRIFFITHS**: Secession is very important, too, but if we can solve this problem, we shall be able to keep alive until we get secession. There can be no burking the question. There are three outstanding points that must receive attention, the funding of debts, security of tenure to worthy farmers, and sustenance to carry on. I admit that it will be impossible to

see some of the farmers through their difficulties, but they will be only a small proportion of the whole. I can produce evidence which should result in our 80 members of Parliament sending to the mad tariffists in the Eastern States a demand for something to be done to save our primary industries. I have read the evidence tendered by the member for Guildford-Midland (Hon. W. D. Johnson) in which he stated that farmers magnified the effect of the tariff on their production costs. I shall produce good evidence to prove that the tariff is a very big factor in increasing the cost of production. Then there are ocean freights, railway freights, cost of handling at the siding, insurance and other matters which might well be discussed, apart from abattoirs and interest charges. Let me reiterate what I said the other night. I give the Government credit for all they have done, but I join issue with them on the delay in bringing the Royal Commission's report before the House for discussion. The report should have been discussed long since. Even if the Government have not the funds to finance the plan recommended by the commission, would it not have been far better for the House to discuss the matter, show the primary producers the attitude of Parliament, and convince them that a live interest was being taken in their problem? When one goes into the country, it is a common experience to hear people say, "What do the people in Perth trouble about us. They do not know of our troubles."

The Minister for Railways: They should come down and have a look at us.

**Mr. GRIFFITHS**: A city business man said to me the other day, "The farmers will be all right now; wheat is firm and wool prices are better; the farmers will get out of their troubles now." That is where the danger lies. People seem to jump at the conclusion that because there has been a slight improvement of prices, everything will be all right. Those prices may not be maintained for long, though we all hope they will be. There is a belief that farms will now be saleable. So long as farms were unsaleable, farmers were practically assured of being kept on their holdings, but a rise in values may make creditors more hungry to get some of that which is owing to them. Twelve months last July I directed attention to the condition of the farmers. At that time wheat was 3s. 6d. a bushel,

but I pointed out to the House that wholesale seizures of machinery were taking place along the eastern railway. In fact whole trainloads of machinery were being brought down, and a most serious condition of affairs was arising. At that time I had no idea that there would be such a drastic fall in prices as afterwards occurred. As to the urgency of discussing the report, the commissioners stated—I wish to Leader of the Opposition would keep quiet—

Hon. P. Collier: I have been very quiet—in the circumstances.

Mr. GRIFFITHS: The commissioners stated—

Further, your commissioners would impress upon the members of our Legislature that time is the very essence of the contract, and that financial preparations must be instituted forthwith for the harvesting of 1931-32 and cropping and harvesting for 1932-33, so that there will be no heart-breaking, harassing, and unnecessary delays in bringing forward the required legislation.

The Minister for Railways: Is that from the report?

Mr. GRIFFITHS: We know that there is owing at present £21,659,654. The report states—

It is common ground that the world fall in commodity prices has lessened the national income of Australia to such an extent that, in order to meet the interest on external loans, Australia must continue her export of primary products, even if produced at a loss.

Hon. P. Collier: Who said that?

Mr. GRIFFITHS: The Royal Commission. They continue—

The wheat industry has become so essential to the trade of the State that it must be sustained over the present period of price failure.

Mr. Thomson, the manager of the Western Farmers, emphasised the same thing. It would appear, therefore, that it is of vital importance to our State that wheat growing should be continued to our utmost capacity, and that, even if the community were forced to subscribe a very substantial sum to achieve this end, it would definitely be better off than by allowing our production to wane.

The Minister for Railways: Where did you get that from?

Mr. GRIFFITHS: I would point out, with regard to the question of distribution of money from the industry, that in 1921 only £572,000 was paid directly to the com-

munity, whereas in 1931, £2,174,000 was distributed directly in wages for railway men, clerks, lumpers at sidings and at ports, workers in superphosphate factories, and through them indirectly to coal miners in Collie and tradespeople generally throughout the southern sections of the State. In addition to this the community received indirectly £3,469,500 paid out by the growers of wheat for commodities and services of all kinds. In other words, the value of the wheat produced in 1931 was sufficient to provide at least one-fourth of the population of Western Australia, with a living somewhat better than that allowed for in the basic wage. The Royal Commission in another part of their report headed "Carrying on of industry, community obligation" said—

All witnesses examined, including farmers, merchants, storekeepers and representatives of associations connected with the industry, are unanimous in stating the following propositions:—(a) the prosperity of the State depends on the wheat industry; (b) the present financial crisis in the industry to a great extent has been occasioned by the price-failure in the 1930-31 harvest; and (c) the rendering of financial assistance to the farmers at the present time is a community obligation.

The Minister for Railways: We have heard that before from the applegrowers, the pig-raisers, and so on. Everyone says it is a community job to help them.

Mr. GRIFFITHS: By the time I have done, I will show how impossible is the position of persons engaged in the wheat-growing industry, because of the great load of debt that is hanging around their necks. The same position was explained with regard to group settlers last night, when we were told that persons receiving only £6 to £7 a month were called upon to pay £8 a month in interest. One gentleman I was speaking to, referring generally to the industry, said it was not a stimulation of the industry that was required but a rest from their debts; if they could have this burden of debt removed from their shoulders for the time being, they would have a chance to pull through.

The Minister for Railways: Everyone is saying the same thing. The Treasurer is saying it, too.

Mr. GRIFFITHS: I now wish to draw a comparison between pre-war and present conditions. A report was drawn up recently

showing how hopeless was the position of the farming community by reason of the added burdens which have been put upon it. I wish to draw attention to the extra cost of establishing a reasonably equipped 1,000-acre farm in 1930 compared with pre-war, including the cost of fencing, water supply and buildings. In the former period the cost would have been £2,232 and in 1930 it was £3,442, an adverse difference of £1,408. These particulars were recently compiled by a committee. Their comments upon this statement were that the average farmer working a property of this size would not harvest more than 2,400 bushels of wheat, and that if he sold at the then price of 1s. 8d., this would not mean more than 1s. a bushel to him. After paying for super, bags, etc., this would leave him £120. The interest at  $7\frac{1}{2}$  per cent. on the extra cost of establishing his farm, namely, £1,400, would come to £103, leaving him only £15. In other words, practically the whole of his returns would be required to meet the interest on the increased cost of production, and even with wheat at 3s. a bushel he would have very little left, especially after allowing 5 per cent. for depreciation of plant and 5 per cent. for improvements. At the present time numbers of farmers would be unable to carry on along these lines. The one thing that offers hope for the saving of the industry is a reduction in the cost of production. If our primary industries succumbed, what would happen to our secondary industries, which are dependent upon the primary industries for their markets?

The Minister for Railways: What would happen to the farmers if the secondary industries failed?

Mr. GRIFFITHS: The other night I had the temerity to draw the attention of members to the plan that was put forward by the member for Nedlands (Mr. Keenan). At the time it was first mentioned it was talked of as repudiation. The plan is as follows:—

A commission consisting entirely of practical business men should be charged with the duty of assessing the equitable value of debts due by farmers. By this I mean what, if no outside cause or influence intervened, would be a fair figure at which to value such debts, having regard to the risk of repayment by the present debtor. Then, in addition, this commission should be empowered to recommend that in all deserving cases the State should issue bonds to the amount of such

figure, payable at a minimum date of 10 years hence, and bearing interest at the rate of 4 per cent. per annum. Lastly, the State should take first mortgages on the land, as security for repayment of the amount of the bonds issued and interest thereon.

We know that under the Premier's Plan contractual obligations have been set aside in many instances. To look upon this suggestion as an interference with contractual obligations, is to take a narrow view. Let me take the average Industries Assistance Board farmer. He gets into difficulties and eventually is put off his holding. A big debt has accumulated. A new man comes along and is offered the farm. He will not take it because he feels he is not getting value for his money. After a time the debt is cut down. That principle will have to be followed with many of our farmers. There will have to be some cutting down, some readjustment of debts, in order to give them a reasonable chance to carry on. It is all very well for members to joke about these things. We have only to get amongst these people to find out their real position. I have known men for 21 years, and have seen them go on to the farms, and I know, too, that they have lost their all. They are good men who went up there full of faith and hope. They took their families with them, they were never slack in their work, and did everything well. Now, with impaired health and with a farm of little or no value, they have nothing left. They feel there is no prospect before them because of the accumulated debts around their necks. The position for them is pretty rotten.

The Minister for Railways: After 20 years?

Mr. GRIFFITHS: Yes. One man is a Mr. Bagshaw, who gave evidence before the Royal Commission.

The Minister for Railways: If that is all he has after 21 years, I reckon that farmer is no good.

Mr. GRIFFITHS: The Minister reckons a lot. This is a typical case. I have heard a lot about misfits and failures, men who have not been doing their bit. But this particular case appeals to me. I was on the wheat belt when Mr. Bagshaw first went there. I saw the opening up of Bruce Rock, Kuminin, and Kunnunoppin and all the districts within 50 miles of Merredin and Kellerberrin. I well remember when this

particular man went out there. In the course of his evidence he said—

I have spent 21 years up there. I set out full of hope, confidence, grit and determination to make a do of things. What do I get for it after all these years? Sacrifice, living away from my fellow men. We are in a family under conditions which the average city dweller cannot appreciate. I have to turn round and pay for the privilege of having sacrificed my life to my State. Little did I think when I went up there that 20 years hence I would be pleading the cause of my fellow men before you. With hope shattered, ambition gone, health impaired, with the added years to my life and possibly another 15 years of this sacrifice sticking out under any system which may be brought forward and under which a man who has tried to make a do of things in his life is handed out a paltry dole. Is that the way to treat a man who has tried to build up a security in his State? Emphatically it is not. My evidence will reveal to you, I hope, a simple, equitable-to-all-sides plan, a workable plan, that will cost the State nothing beyond its initiation.

The Minister for Railways: That is only dealing with generalities.

Mr. GRIFFITHS: I was in the district when this man arrived there. For many years he lived there without any railway communication, and he naturally accumulated debts. He is now up to his neck in debt and cannot get out of it, through no fault of his own. Notwithstanding this, his statement is referred to as a generality.

The Minister for Railways: Probably some of his neighbours have done well.

Mr. GRIFFITHS: Not many settlers in the Welbungin district have done well. For many years these men had to go 40 miles into Kellerberrin, or Nungarin. Starting off in that way they were certain to have an accumulation of debts. Then there was the 1914 drought, followed by some fairly decent seasons, but nevertheless their debts accumulated, and they have not been able to overtake them. Then they may have had fires.

The Minister for Railways: And hail.

Mr. GRIFFITHS: They have had two years of rust. This year is not too good for them; indeed, all through these men have had circumstances very much against them. The Royal Commission insist upon the importance of reducing production costs, as without such reduction amelioration in the condition of the key industries, wheat and wool, cannot be expected. As has been pointed out, two plans were put forward by the Royal Commission. The first plan was

for farmers who might be able to get on under trustees. The second plan arranged that after a certain period the debts should be considered and cut down, but did not recommend operation over any long series of years. The plan recommended by this Chamber was that debts should run over a period of ten years. We know that something is being done in regard to bulk handling, and that the experiments carried out here are meeting with a fair amount of success. Something may result from them, and every hon. member will be in accord with reduction in the cost of handling at sidings. Mention was made by the member for Beverley (Mr. J. I. Mann) of port charges at Fremantle. The Royal Commission reported on that aspect—

Port Charges.—We have made exhaustive inquiries into the relation to the port and the handling charges as they affect the rates of freight and it has been confirmed by several witnesses that if such rates were reduced it would be correspondingly reflected in the rates of shipping freight. We particularly desire to emphasise this fact. The following comparative statement is illuminating:—

Costs of loading wheat including berthing dues, stevedoring, income tax on freight on ships:

Port Charges.	Per Ton.	Per Bushel.
	s. d.	d.
Australia ... ..	11 6	3·7
South Africa ... ..	5 11	1·9
South America ... ..	5 6	1·75
Canada and U.S.A. ...	3 4	1·05
India ... ..	3 8	1·2

Coming to Fremantle we can make comparisons of port charges between 1914 and 1931 (not including Commonwealth dues). In 1914 a steamer of 10,048 tons paid a total of £71, and in 1931, the amount came to £137. It is significant that the following amounts have been transferred from the Harbour Trust accounts to Consolidated Revenue:—In 1926-27, £159,857; in 1927-28, £143,197; in 1928-29, £173,984; in 1929-30, £200,529; and in 1930-31, £121,225. The Royal Commission reported further—

It might be pertinently stated that the Fremantle Harbour Trust is a taxing machine chiefly on the primary producer, and it might be conceded that the burden falls mainly on primary producers and most certainly does, as in years of heavy production of wheat and wool, the exports so considerably exceed imports.

In the charges for handling wheat direct to ships ex railway trucks, the Fremantle Harbour Trust charge for slinging or working bags to elevator approaches is .25 pence per bushel, whereas in Bunbury, with facilities far inferior to those of Fremantle, but where labour is controlled by the merchants, or shippers, the cost is .214 pence per bushel. This leads your Commissioners to the conclusion that costs could be reduced by eliminating the Harbour Trust's intermediary service on the wharf and allow the handling to be controlled by the merchants or pool.

In the case when wheat is stacked into shed, and subsequently shipped, the Fremantle charge is .758 pence per bushel at outports; it is received into shed, stacked, and reloaded into trucks for one penny per bag each service or .66 pence per bushel with poorer facilities.

Storage charges for wheat at Fremantle are exorbitant and are more than 100 per cent. higher than outports; the Fremantle Harbour Trust charge is one-sixth of a penny per bag per week plus 20 per cent. surtax, whereas private firms at outports charge one-twelfth of a penny per bag per week and, in one case, a reduction of one-third was made on and after the 1st April last. The conclusions are evident.

In the evidence of excessive port charges at Fremantle, it is not surprising that the following is emphasised: "The Western Australian and other Australian ports are considered to be among the highest in the world." The average loading cost at Fremantle for wheat vessels, is a little over 6s. per ton compared with 2s. 2d. to 2s. 11d. at Canadian ports, 4s. 11d. Buenos Ayres, and 3s. 4d. at Capetown.

I am elaborating on these points because I want the matter made quite clear.

Hon. A. McCallum: As regards those last figures you quoted, the places in question have bulk handling.

Mr. GRIFFITHS: The figures are for general cargo.

Hon. A. McCallum: The figures you quoted are for the whole of the port, without distinction.

Mr. GRIFFITHS: Production costs must be reduced. There are certain ways in which that can be done. The Fremantle Harbour Trust is a taxing machine. In 1918, upon my return from the Eastern States, I pointed out how excessive the trust's storage charges were. The total charge for storage of wheat at that time was £11,000. A sum of £6,000 was, very quietly, knocked off that total some time after my motion was discussed. I do not often blow my own trumpet, but on that occasion I think I accomplished something. As to cornsacks, the Commission reported that

since 1914 the wharfage through shed increased by 100 per cent., direct to trucks by 101.2 per cent., handling through shed by 75 per cent., direct to trucks by 71.44 per cent., harbour improvement rate, through shed by 20 per cent., and again direct to trucks by 20 per cent. The approximate charges per ton of 40 cubic feet are given as follows: In Sydney 9s. 9½d., in Melbourne 10s. 4d., in Adelaide 11s. 2d., and in Fremantle 13s. 0½d. Direct from ship's slings to rail the charges are: Sydney 1 13/16d. per doz., Melbourne 2d., Adelaide 2d., and Fremantle 2½d. Taking the charges as a whole, one finds that Fremantle and other Australian ports are the dearest in the world. Seeing that the Fremantle Harbour Trust has paid over £700,000 into Consolidated Revenue in five years, it appears that something could be done to reduce Fremantle port charges.

The Minister for Railways: Those payments do not make up for the losses of the Railway Department in transporting wheat cheaply.

Mr. GRIFFITHS: As regards wool, the Commission report—

Your Commissioners note the great increase in the rates of freight on wool, as between 1913/4 and 1931. In 1913/4, the ruling rate was 5/8th of a penny per lb. against practically 1½d. per lb. at present, just 1/8th of a penny over 100 per cent. increase. The Shipping Companies state that with the present condition of the import trade, and the high rates charged at Australian ports, their earnings are not commensurate with their costs, and so the primary producer becomes the buffer. On a bale of wool of 312 lbs., the pre-war freight was 16/3 against 27/7½ to-day, with a lower market.

Your Commissioners are satisfied that the brokers organise display, and sell the wool in a manner which compares favourably with the Eastern States centres. The costs in commission are in favour of South Australia, and your Commissioners recommend the local Woolbrokers' Association to bring their rates and conditions into alignment with the conditions which appertain to South Australia, remembering that every fractional reduction helps the present position. The question of abolition of rebates of commission from brokers to sub-agents should be considered by the Woolbrokers' Association.

The handling charges are governed by the Arbitration awards, and should wages be reduced, the growers should receive a corresponding benefit.

Something might be done in regard to ocean freights, but so long as we continue our present one-sided tariff and kill trade and



get other countries up in arms against us, so long will ocean freights remain high. If steamers have to come here in ballast, overseas freights will be proportionately increased. Again, there is the question of insurance. The Press has recently published a great deal of correspondence relating to insurance against hail. It has been contended that the conditions are most unfair. I shall not go into details, though I may mention that one witness before the Royal Commission described the insurance rates as "legalised robbery." A general scheme of co-operative insurance, such as exists in New Zealand, should be established here. If the industry is to be placed on an economic basis, that feature will have to receive attention. I have heard it repeatedly said that the flour tax would not bring in any appreciable returns. However, during the last season a substantial sum could have been raised from a tax on flour, a sum that would have helped to bridge the gulf between the farmer's receipts and expenditure. As to livestock I shall not say much. It is more a matter for members like the mover of the motion. However, I may state that a farmer in a pretty big way of business at Tammin was approached by certain stock owners with a request to attend a sale in the South-West. He did attend, but could not make anything like a decent deal, prices being high. He reproached the people who had brought him all that way without his finding any deal that might have been of use to him, and asked could they not make some sort of transaction that would pay his expenses? He made the deal, and took the stock back. He is a smart dealer and among his purchases were some young dairy stock that he sold in the district. He kept within coo-ee of the amount paid by judicious dealing. He paid £700 for the stock but when everything was cleaned up, he found he was £25 to the bad in cash and he had, in addition, to feed the stock, and so on. He approached the stock agents and pointed out the position he was placed in. He had done business with the firms representing many thousands of pounds and he asked them to cut down his interest. They would not budge, but demanded their full 8 per cent., which the stock agents require for any accommodation granted. Over and over again stock agents have been approached, but they will not budge regarding their re-

quirements. This is a national problem. The whole structure of the State rests upon primary production, and unless serious attention is given to this phase of the agricultural problem, there will be a bad crash. It is high time that people realised the position and took the necessary steps to help the farmers out of their difficulties. I have already dealt with a number of other points mentioned by the Royal Commission, while others have been attended to by the Government. The stored wheat problem is a sore point with the farmers, and a huge amount of money is involved. I am told that John Darling & Son and Bunge are meeting many of their clients by making substantial reductions, and I believe the oil people are also endeavouring to reach the same end. It is only fair to mention that, because they are trying to assist the farmers who are in a serious position. The minority report submitted by Mr. Farrall is interesting. I have spoken to many farmers who, given anything like a decent price for their output, will be in a favourable position, and I realise what the future holds for them. In his minority report Mr. Farrall said—

The evidence submitted to your commission proves that wheat growing cannot be continued on present prices. This fact is fully borne out in the majority report, and unless some provision is made to ensure that wheat-growers are recouped at least the cost of production, a state of collapse must assuredly follow.

Mr. Wansbrough: What was the price of wheat then?

Mr. GRIFFITHS: It was, I think, 1s. 6¾d. Mr. Farrall continues—

The community generally must show a readiness to sustain the industry on which they are so dependent. The exportable value of last season's crop is estimated to be worth at least £4,500,000, and the value of this monetary circulation amongst the banks, railways, merchants and workers clearly evidences the benefit that is being derived from the industry. The effect of the withdrawal of such an amount through the collapse of the industry should be obvious.

Hon. P. Collier: Who says that?

Mr. GRIFFITHS: Mr. Farrall, in his minority report.

Hon. P. Collier: That report has been tabled, and we do not want you to read it.

Mr. GRIFFITHS: Why do you not read it yourself? I will read what I like.

Hon. P. Collier: We have seen the report ourselves.

Mr. GRIFFITHS: Too often reports are tabled here, but are not studied by members.

Mr. Panton: You speak for yourself.

Hon. P. Collier: At any rate, we have this report before us now.

Mr. GRIFFITHS: I will read just what I like.

Mr. SPEAKER: Yes, with the permission of the Chair.

Hon. P. Collier: Take it as read!

Mr. GRIFFITHS: I have read through the evidence taken by the Royal Commission and I found that the member for Guildford-Midland (Hon. W. D. Johnson) stated that the farmers had magnified the effect of the Federal tariff and that it did not represent such an important phase in the cost of production as had been suggested.

Mr. Panton: He is a farmer and should know something about it.

The Minister for Railways: He is a St. George's-terrace farmer.

Mr. Panton: He is a pretty good one.

Mr. GRIFFITHS: I will give the House some interesting figures dealing with that phase. A brake drum for a motor truck was invoiced at a value of £23 0s. 7d. Customs duty on 936 lbs. at 2s. a lb. amounted to £93 12s. with 2s. 1d. on the casing. Primage duty amounted to £1 0s. 6d., and the sales tax to £117 1s. plus 20 per cent., amounting to £3 10s. 1d.

Hon. P. Collier: There should be a tax on bores.

Mr. GRIFFITHS: On an article priced at £23 0s. 7d. the cost was increased to £121 5s. 5d. That is one little item. With regard to timber, building material, iron and goods of that description, the tariff imposts are very heavy. I recently arranged with a young fellow to cart some material to my son's farm. He told me that his truck, harvester and spare parts were saddled with sales tax that imposed an additional £40 or £50, which was a pretty bad knock for a young fellow starting out on life.

Hon. P. Collier: Rather discouraging.

Mr. GRIFFITHS: On implements there has been an increased duty representing 59.38 per cent. as between 1913 and 1931. On tools of trade, there has been an increase of 77.73 per cent.; on harness, an increase of 42.3 per cent.; on corn sacks, parts, etc., an increase of 23.72 per cent.

Hon. A. McCallum: Now you are telling us some secrets!

Mr. GRIFFITHS: On fertilisers there was an increase of 25 per cent., which the Customs authorities, by manipulation in some instances, have increased to 33 per cent. Sheep dip has increased by 25 per cent.

Hon. P. Collier: There should be other dips provided here.

Mr. GRIFFITHS: In 1903, three harvesters could be bought for £183, but in 1931 one harvester costs the farmer £200. There is an absolute embargo so far as barbed wire and other lines are concerned.

Hon. P. Collier: There should be another embargo here, too.

Mr. GRIFFITHS: We know what has happened regarding our trade with Fiji as a result of the imposition of tariffs. We were carrying on a good trade with that country, but now it has been practically lost in its entirety. In South Africa a statement was made by a British manufacturer in Natal that owing to the drastic legislation in Australia that caused an embargo here, he had suffered a loss of many thousands of pounds. He had spent over £30,000 in installing new machinery to deal with South African wool instead of Australian wool. That has been one effect of the tariff. Then again, our trade with New Zealand has diminished to an alarming extent. Another instance that was brought under my notice was where a man had applied for foreshore rights in order to instal an engine in a small vessel. He found that it would have involved him in a cost of £1,100, so he went to Singapore to instal the engine there. The Government should be able to lend great assistance regarding tariff matters, and give a hand to those influential bodies in Victoria and New South Wales who are concerning themselves with that object.

Mr. SPEAKER: Has this State anything to do with the tariff?

Mr. GRIFFITHS: I wish particularly to emphasise the fact that the tariff has an important bearing upon primary industry here.

Mr. Corboy: We have nothing to do with the tariff.

Mr. GRIFFITHS: Many bodies in the Eastern States are endeavouring to bring the Federal authorities to their senses.

Hon. P. Collier: Their senses!

Hon. A. McCallum: We should organise here to bring some people to their senses too!

**Mr. GRIFFITHS:** The Government might be able to aid the bodies in the Eastern States to secure an alteration of the tariff.

**Hon. P. Collier:** Give us your opinions instead of reading those of others.

**Mr. GRIFFITHS:** I have not memorised the list of bodies, so I fear I must trespass on the time of the Leader of the Opposition. The list I have includes the following:—

Chamber of Automotive Industries, Graziers' Association of Victoria, Graziers' Association of Riverina, Housewives' Association, United Country Party, Women's Section of the United Country Party of Australia, Australian Association of British Manufacturers, Importer Section of the Melbourne Chamber of Commerce, Town and Country Union, Chamber of Agriculture, Victorian Wheatgrowers' Corporation, Henry George League, Sugar Consumers' Association, Victorian Producers' Corporation, Melbourne Corn Exchange, Australian Dental Association, Victorian Cool Stores Association, Victorian Fruit Council, Victorian Fruit Marketing Association, Retail Tobacco Sellers' Association of Victoria.

In addition there are 22 other important bodies in New South Wales, Queensland, Western Australia, and Tasmania. It is sufficient to show this House that the Tariff Reform League is a power operating in the East. If only we would put the whole weight of our Parliament behind it, we might succeed in getting some tariff reform. I know a farmer in a fairly big way who has been experimenting on his farm. Recently he imported some black barley that he thought might do well in his district. It is very discouraging to a man like that, who is doing his best to improve the crops and so improve the country, to find that such huge expenses are piled on to what he might import. Purchased in New Zealand, his barley cost him £12 5s. Then there was customs duty £1 19s. 5d., harbour trust charges 9s. 2d., inspection charges 3s. 4d., customs entry and agency 10s. 6d. Altogether the charges amounted to £9 7s., or nearly as much as the original cost. I believe the Government have been taking some steps towards bringing about reciprocal Empire trade. It is important to us, because we have a very good market in Great Britain. Things have been moving rapidly in England, with a view to improving the relations between the Homeland and the overseas Dominions, but in the past there has been a marked reluctance on the part of the people at Home to

recognise the claims of our own farmers. Consequently no preference has been shown to us, but an absolutely open market has been maintained in England for the surplus products of every country in the world, to be dumped there to the prejudice of our own products. However, things are now shaping well in the Old Country, and so we may soon be reaping an advantage. But there must be reciprocal trade. We cannot expect the Old Country to do all the giving, and so we must be prepared to meet her half-way. In conclusion, I repeat that I do not come here pleading any soft stuff. The member for Yilgarn knows as well as I and many other members that something radical must be done for the assistance of the farmer, and there must be some measure of security given to those deserving it before there can be anything like a return to prosperity—the conditioning of debts and means to carry on.

**MR. BROWN (Pingelly) [9.35]:** It would have been preferable if at this stage we could have some assurance from one or another of the Ministers and been taken into the confidence of the Government as to the actual financial position. Conditions have materially changed since the issue of the Royal Commission's report. At that time the prices of farm products were very low, but since then the price of wheat has increased to 3s. 6d. a bushel. I understand the finding of the Commission was that wheat should not be less than 3s. a bushel to be profitable to the farmer. I have been pioneering, not only in Western Australia, but also in Victoria, and I can say that some farmers will never make a profit, while others, practical men, cannot fail to prove successful. At present many a farmer is in financial difficulties through no fault of his own. After the war, during the peak period, prices of farm products were very high. Many successful farmers entered upon a policy of expansion by making additions to their farms, possibly with the intention of providing for their sons. However, they bought land at peak prices, and shortly afterwards the prices of farm products fell. Those men had to pay a very high rate of interest to the bank, and in consequence some of them are now in financial straits. It is to such farmers as those that we should give every possible consideration. Our land settlement conditions are altogether too

liberal. Many a man taking up land has not £20 to his credit, and a few years later he may be owing anything up to £5,000. We have been altogether too liberal, and those men have not made the best use of the money advanced to them. One might ask what they have done with that money. The Royal Commission recommended that arrangements should be made between the debtors and the creditors. I take it that is being done. Of course each case should be considered on its merits. Another recommendation was that 5 per cent. of the gross proceeds should be returned or worked out pro rata over a number of years. But what can we do? Can we fund those debts over a number of years? Even if wheat were at 6s. a bushel to-morrow, many farmers could not make good, because they are carrying such huge overdrafts and other debts. When prices are very low it is a mistake on the part of the mortgagee to repossess, because there is then no market for the land; but immediately things improve there is a danger of the mortgagee foreclosing and leaving the farmer to walk off the property with nothing at all. It is those men who should have protection. When a man deals privately with another man, naturally he will pay his debt if he possibly can, and when he is not in a position to pay it the Government will have to come to his assistance. The Government have done a lot for the farmers. They have passed the Farmers' Debts Adjustment Act, the Mortgagees' Restriction Act, which has meant a great reduction in interest, and now they have repealed the land tax so far as it relates to farmers. Could the Government have done more? Have they the means at their disposal to do more?

Mr. Sleeman: What do you think?

Mr. BROWN: Well, as I have said, I should have liked the Premier or one of the Ministers to give us some information.

Hon. P. Collier: They didn't have a chance. You got up too quickly for anybody else to rise.

Mr. BROWN: Can the Government give effect to any of these recommendations by the Royal Commission?

Mr. Panton: Do you not know what is in the minds of the Government you are supporting?

Mr. BROWN: To a certain extent, yes. This is one of the best agricultural Govern-

ments we have ever had in Western Australia.

Mr. Panton: Then why all this talk?

Mr. BROWN: Then we come to Agricultural Bank liens. The bank is repossessing a lot of farms; in all, about 500.

The Minister for Lands: Is the bank repossessing them, or are the farmers abandoning them?

Mr. BROWN: Well, the farmers are unable to carry on.

The Minister for Lands: Can you say that the bank is repossessing farms?

Mr. BROWN: Yes, I know it. The bank has given some farmers 14 days in which to pay their interest, otherwise the farms will be repossessed.

Mr. Panton: And do you think it a good agricultural Government that would give such instructions to the bank?

Mr. BROWN: I know there are individual cases of hardship created by the Agricultural Bank repossessing farms instead of giving the farmers another chance. And it is generally on properties that have been purchased at a high figure from the Agricultural Bank, farms that have been repossessed.

Mr. Sleeman: They are as bad as the metropolitan landlords.

Mr. BROWN: Now we come to assistance given to farmers in the way of super. and bags. I think the Government are doing very well indeed.

Mr. Panton: Doing magnificently!

Mr. BROWN: Yes, they are keeping a lot of people on sustenance.

Hon. P. Collier: They are really a wonderful Government!

Mr. BROWN: Yes. Certainly they have their faults.

Mr. Panton: Oh no!

Mr. BROWN: But I do not think their faults are as numerous as those of the previous Government. If the Labour Party were in power, would they be doing as much for the farmers?

Hon. P. Collier: Oh no!

Mr. BROWN: The Commission recommended that 5 per cent. of the gross farm revenue received should be paid to the settler for his own use and that the balance should be paid into the fund. Has that been given effect to? Can the Government give effect to it?

Hon. P. Collier: You had better give notice of those questions.

Mr. BROWN: A bonus of 4½d. per bushel is to be paid by the Federal Government. Is that to be paid direct to the farmer, and is it to be allowed for the farmer's own use or is it to be handed over to a trustee?

The Minister for Railways: You cannot tell until it is paid.

Mr. BROWN: The Commission also recommended that a sum of £350,000 should be provided to finance 2,000 settlers. Can the Government give effect to that?

Mr. Sleeman: No.

Mr. BROWN: What does the member for Fremantle know about it? These are matters of vital interest to the men who are producing the real wealth of the country.

Mr. Panton: You are not getting many answers to your questions from the Government.

Mr. BROWN: The Government desire to have the views of members, and then they will be in a position to put all the points together and see whether something can be done.

The Minister for Railways: They will be like a porcupine with all those points.

Mr. BROWN: The Commission also recommended that the wheat pool should be the sole acquiring agents. At present a good many different people are handling the farmers' produce.

Mr. Panton: That is the trouble.

Mr. BROWN: It means that the cost of handling is too great. If one firm were responsible for the whole of the handling, costs could be reduced and the producer would be the gainer by the reduction.

Mr. Panton: That is logical.

Mr. BROWN: It is questionable, however, whether that is a matter on which the Government could take action. It is probably a matter for the farmers themselves, who, by united action, could work to that end. The Fremantle Harbour Trust charges are too high. We have been told that the Trust made a profit of about £200,000.

Mr. Panton: What did they do with it?

Mr. BROWN: I do not know.

The Minister for Railways: Gave it back to the producers.

Mr. Panton: You are expecting too much from the Government.

Mr. BROWN: The Commission recommended that legislation should be passed to give effect to their proposals. That is why the member for Beverley has tabled the motion.

Mr. Panton: No, he only asked the House to consider the matter.

Mr. BROWN: In portions of Western Australia, particularly in the South-West, wheat is not grown and farmers depend upon sheep-raising. A man has to hold a fairly large area of land to run sheep, probably more than he would require for wheat growing, and the Commission suggest that Agricultural Bank rents and interest should be suspended for two years. Can the Government agree to that?

Mr. Sleeman: No.

Mr. BROWN: The Government should consider it. The whole of the wheat-growing countries of the world are feeling the effects of the depression and efforts are being made to devise means to relieve the producers. I believe that prices will automatically right themselves. When a certain line of produce fails to be a paying proposition, many people abandon its production and turn their attention to other things. Consequently, there is a decrease of production and the price rises. What is causing the price of wheat to rise at present? Russia has not her usual quantity available for export, and in America the visible supply is falling short of expectations. Speculators in Chicago are beginning to operate again. Only recently the price of wheat dropped 3d. or 4d. a bushel, but according to the newspapers of yesterday and to-day, crops are not so good and there will not be the quantity of wheat available to carry over. The Commission recommended a sales tax on flour.

Mr. Panton: That would cost the Government too much for bread for sustenance.

Mr. BROWN: A sales tax of £7 10s. a ton could be imposed on flour.

Mr. Sleeman: Then we would want a State flour mill.

Mr. BROWN: There would be no justification for that. The farmers would get the benefit of a sales tax on flour, and it could not go into better hands. If the farmer has money, he spends it and it circulates throughout the country. I realise, however, that a sales tax, to be satisfactory should apply Australia-wide. Western Australia has only a small population but has a large quantity of wheat for export, and consequently a sales tax applying locally would not be of very great benefit. The Federal Opposition proposed a sales tax on flour, but the Federal Labour Party would

not agree to it. The Commission referred to railway freights. The freight on stock has increased by 57 per cent. A farmer who sends sheep to market is getting as little as 4s. and 5s. for them. When the freights were increased, he was getting perhaps 30s. for similar sheep, but the 57 per cent. increase is retained even now when the price of sheep is so low.

The Minister for Agriculture: That was the increase on pre-war rates.

Mr. BROWN: Yes.

Mr. J. H. Smith: The price of sheep was not so high in pre-war times.

Mr. BROWN: One member of the Commission, Mr. Farrall, presented a minority report. He recommended a compulsory wheat pool. It is a question requiring serious consideration whether a compulsory wheat pool would be in the best interests of the country.

The Minister for Lands: We had a compulsory wheat pool.

Mr. BROWN: Never.

The Minister for Lands: Yes, we did, and you know it.

Mr. BROWN: During the war we did, but war-time conditions were different from those obtaining at present. Emergency measures had to be passed at that time. Mr. Farrall also recommended that the price of wheat be fixed for home consumption. That would involve the imposing of a sales tax. He also recommended legislation to levy a general tax to raise sufficient money to recoup the grower at least the difference between the market price and the direct cost of production, estimated at 3s. a bushel. Since then the scene has changed. Wheat is worth approximately 3s. 6d. on a 4d. freight.

Hon. A. McCallum: No, it is not.

Mr. BROWN: I think it is.

The Minister for Lands: No, 2s. 10d.

Mr. Panton: He is only 2d. out.

Mr. Withers: But 2d. on millions of bushels means a lot.

Mr. BROWN: If a farmer gets 3s. or 4s. a bushel for his wheat, no doubt he will be able to decrease his liabilities. Will he be able to obtain further credit? If he acts honestly by the Government, the bankers and the merchants, I have no doubt that they will show their faith in him and will grant him further credit.

The Minister for Lands: Grant him further credit!

Mr. BROWN: If a man owes a certain amount of money, he has to live, and if he pays off portion of his liabilities, he may be worse off than he is to-day.

Mr. Panton: The Government are not as good as you thought they were.

Mr. BROWN: Still, we have to remember that managers of big concerns are merely paid servants and that the shareholders are asking for some return on their investment. That cannot be overlooked. The shareholders are only asking for what is due to them. It may be necessary to introduce legislation to deal with the matter. The Farmers' Debts Adjustment Act has accomplished some good. When it was introduced we were afraid it would not prove effective, but it has turned out better than was expected. The Mortgagees' Rights Restriction Act is also benefiting many people apart from the farmers. It is not the farmer alone who is in difficulties. People all over the country are experiencing trouble.

Mr. Withers: What do you suggest to assist the others?

Mr. BROWN: The Government are assisting the workers who are unemployed by granting over £600,000 a year for sustenance. We, as custodians of the public purse, have to consider how we are going to raise that money. Can we continue to grant that relief without imposing additional taxation?

Mr. Panton: When do you have your next party meeting?

Mr. BROWN: I want to know whether the country can stand increased taxation. The only way of saving the country is to keep the farmers on the land, and when they are made prosperous, the whole community will be prosperous.

Mr. Withers: That will be a continuous process.

Mr. Panton: If you force the Government to do that, you will get a backing from the cross-benches.

Mr. BROWN: I was struck with the extracts from the South Australian Act quoted by the member for Katanning. That Act is more drastic than ours. Under it a man may not repossess farming machinery.

The Minister for Lands: Then you know very little about the Act.

Mr. BROWN: We are told that machinery is being repossessed. What did the member for Narrogin say the other night?

Hon. P. Collier: What did he say?

Mr. BROWN: The report of the Royal Commission did not give the greatest satisfaction to the producers. At their conference a special committee was appointed to go into the pros and cons of the report. The farmers would have liked it be more drastic. The Wheatgrowers' Union does not approve of it. Most of the farmers are asking for more consideration than is recommended by the Royal Commission.

Mr. Coverley: You ought to join the Wheatgrowers' Union. They would assist you.

Mr. BROWN: We are told that the only way to protect those farmers who are involved is by means of a moratorium.

The Minister for Lands: I thought you were advocating more credit. Now you are advocating a moratorium.

Mr. BROWN: I am telling the Minister what some people say.

Mr. Panton: He is telling us what the man in the street says.

Mr. BROWN: That is not the man in the street.

Mr. Panton: Who told you?

Mr. BROWN: It might have been the Wheatgrowers' Union.

The Minister for Lands: You can speak with authority over there for the Wheatgrowers' Union.

Mr. Panton: We have more wheatgrowers here than you have over there.

Mr. BROWN: I know the disabilities, the difficulties and the privations suffered by the man on the land. He went there to make a home for himself and his family, and become an asset to the State. There must be some writing down in the case of those men who are involved. They cannot succeed while the load of debt remains upon their shoulders. The average price of wheat cannot exceed 4s. a bushel, and in the case of those who are in debt this price will not pay. There are some farmers, who are not in debt, who could make wheatgrowing pay at 2s. 6d. a bushel, but the involved man could not make it pay at 4s. a bushel.

Mr. Wansbrough: You would treat them all alike.

Mr. BROWN: If a property is abandoned, the Agricultural Bank or one of the associated banks, as the case may be, calls for tenders. It may be that £4,000 is the value of property and £2,000 only is offered.

Mr. Doney: Who pays the balance?

Mr. BROWN: The taxpayers. Why should not the original owner have the property written down by £2,000, to enable him to have a fresh start, instead of the newcomer getting all the benefit of the work he has done? The man who loses his property probably ends up on the dole. Farming 20 miles from a railway will not pay. There are some people who are 50 miles away from a railway.

Mr. Coverley: They were enticed out there.

Mr. BROWN: Not by the present Government. The previous Government did that by promising a railway.

Hon. P. Collier: They did not.

Mr. Withers: At all events they went to the promised land.

Mr. BROWN: What chance is there of the Government building a railway?

Mr. Panton: Have not the present Government carried out the promises of the previous Government?

Mr. BROWN: They had to carry on with what the previous Government did in this respect.

Hon. A. McCallum: The Premier said he was going to build every line authorised by Parliament.

The Minister for Lands: He did not say when.

Hon. P. Collier: He was only speaking for the life of the present Parliament, not for all eternity.

Mr. BROWN: Conditions have changed. When the Labour Government went out of office wheat was 4s. 9d. a bushel, but that did not leave a penny in the Treasury for the incoming Government.

Mr. Panton: If wheat was 4s. 9s. then, why did you not keep the Labour Government in office in order to sustain the price of wheat?

Mr. BROWN: We know the price dropped.

Hon. P. Collier: Because we went out of office.

Mr. BROWN: We have to export our surplus and sell it at the world's price.

Hon. A. McCallum: The whole country collapsed as soon as we went out.

Mr. BROWN: Things would have been worse if the hon. member's Government had remained in office. I think they are thanking their lucky stars they are not in power.

Hon. A. McCallum: We have no lucky stars.

Mr. BROWN: With regard to farming 20 miles from a railway, this is one direction in which the Government will fulfil their promises.

Hon. P. Collier: How do you know?

Mr. BROWN: I know that in the case of those farmers who are on salty country, far removed from a railway, everything possible will be done for them. There is no doubt Western Australia will overcome its difficulties.

Hon. A. McCallum: Your remarks will send up the price of wheat.

Mr. BROWN: Western Australia will pull through.

Mr. Panton: In spite of the Country Party.

Mr. BROWN: Yes. Times have changed a little, seeing that prices are better to-day than they were a few weeks ago. Nevertheless, many farmers have huge debts to pay. Their creditors are looking for some of the proceeds of the harvest, and I have no doubt that large numbers of farmers will be in a worse position next year than they are in to-day. I know we cannot borrow money just now, and that any money we do get is either earmarked or spent. What money we can get is to be put into work that will absorb the unemployed. It is an absolute necessity that we get our citizens back to work. As long as so many are out of employment, the country cannot be prosperous.

Hon. P. Collier: How are you going to get the people back to work?

Mr. BROWN: That is the point. Members opposite cannot suggest anything.

Hon. P. Collier: We did not go around the country as you did, saying what you were going to do, and how you were going to do it—fooling and misleading the people.

Mr. BROWN: We did not do that. Surely there is sufficient intelligence in this House to suggest a plan that will bring Western Australia out of its slough of despond.

Hon. P. Collier: But you said you had a plan.

Mr. BROWN: We are working on the plan evolved at the Premiers' Conference. South Australia has passed through more troublesome times than we have. South Australia has had four successive years of drought.

Members: Six years.

Mr. BROWN: Not of complete drought. However, on most of the wheat lands of

South Australia nothing could be grown. The South Australian people were helped by their Government.

Hon. A. McCallum: A Labour Government.

Mr. BROWN: We must keep our farmers on the land. While they are producing something there, they are an asset to the country. Our gold industry is reviving, but we depend almost entirely upon the pastoral and agricultural industries to keep the State going. I acknowledge that the gold industry is playing an important part. Let us hope the 30 per cent. rate of exchange will be maintained.

Hon. P. Collier: It was down to 26 per cent. yesterday.

Mr. BROWN: Even that is a fair thing. The Western Australian primary producer will benefit by the rate of exchange, though it is a disadvantage to the Government. As Western Australia is exporting a great deal more than she is importing, the rate of exchange is of the utmost importance. I can come to no other conclusion that that this debate, if it does not do much good, will do no harm. It will give members an opportunity to express their views and to evolve some scheme even better than the Royal Commission's recommendations.

The Minister for Railways: Notwithstanding all the evidence the Royal Commissioners heard, they were not unanimous.

Mr. BROWN: Only one Commissioner dissented, and he was slightly more drastic than the others. The evidence given came from some of the most practical men in all walks of life.

Hon. P. Collier: What has been the result? It is months since the Royal Commission reported.

Mr. BROWN: That question is being asked now in Parliament.

Hon. P. Collier: Months after the report was furnished, and within a week of the closing of the session!

Mr. BROWN: Yes; but all these things which I have mentioned have proved of great benefit to the producers. What the Government have done is now made known to the world. With the means at their disposal, they have done some good. Have they the finances to do anything more, and to do it without additional heavy taxation? I should have liked the Premier or another Minister to speak earlier in the debate, so as to enable us to judge on that point. I



sincerely hope that the Government will do their utmost, as far as their means allow, to give effect to the Royal Commission's recommendations.

On motion by Mr. Doney, debate adjourned.

### BILLS (2)—RETURNED.

1. Dividend Duties Act Amendment.
2. Stamp Act Amendment (No. 4).  
With amendments.

### BILL—LAND AND INCOME TAX ASSESSMENT ACT AMENDMENT (No. 3).

#### *Second Reading.*

Debate resumed from the previous day.

**HON. P. COLLIER** (Boulder) [10.18]: I welcome the provision in this Bill to enable taxpayers in future to pay their income tax by monthly or other periodical instalments. This, I consider, will be of great advantage to taxpayers, especially in these times, when it is so difficult to find money to meet one's obligations in that direction. I do not, however, support the second proposal of the Bill, enabling the Commissioner of Taxation to instruct an employer to deduct from the wages or salary of the employee the amount that may be owing for income tax.

The Premier: I will agree to the deletion of that.

Hon. P. COLLIER: If that provision is to be deleted, I have nothing further to say.

Question put and passed.

Bill read a second time.

#### *In Committee.*

Mr. Pantou in the Chair; the Premier in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Section 55:

The PREMIER: I move an amendment—

That Subclause 5 be struck out.

Amendment put and passed; the clause, as amended, agreed to.

Clause 3, Title—agreed to.

Bill reported with an amendment.

#### *Standing Orders Suspension.*

On motion by the Premier, so much of the Standing Orders were suspended to enable the Bill to pass through its remaining stages at this sitting.

#### *Remaining Stages.*

Report of Committee adopted.

Bill read a third time and transmitted to the Council.

*House adjourned at 10.26 p.m.*

## Legislative Council.

*Thursday, 19th November, 1931.*

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The PRESIDENT took the Chair at 4.30 p.m., and read prayers.

### PAPERS—IRWIN COAL DEPOSITS.

**THE CHIEF SECRETARY** (Hon. C. F. Baxter—East) [4.32]: At the request of Mr. Hall, I desire to lay on the Table the papers relative to the Irwin coal deposits. I move—

That these papers do lie upon the Table of the House.

Question put and passed.