

Legislative Council,

Tuesday, 7th September, 1937.

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

ADDRESS-IN-REPLY.

Presentation.

The PRESIDENT: I desire to announce that I presented to His Excellency the Lieutenant-Governor the Address-in-reply passed by the House. His Excellency has been pleased to make the following reply:—

Mr. President and hon. members of the Legislative Council—I thank you for your expressions of loyalty to his Most Gracious Majesty the King, and for your Address-in-reply to the speech with which I opened Parliament. (Signed) James Mitchell, Lieutenant-Governor.

MOTION—URGENCY.

Government Relief to Farmers.

The PRESIDENT: I have received the following letter from Hon. C. F. Baxter—

I desire to inform you that it is my intention at the sitting of the House on Tuesday next, the 7th September, to move under Standing Order No. 59 the adjournment of the House to discuss a matter of urgency, namely, the omission of the Government to make provision towards the rehabilitation of farmers. (Signed) Charles F. Baxter.

It is necessary that four members should, by rising in their places, indicate approval of the motion.

Four members having risen.

HON. C. F. BAXTER (East) [4.36]: I move—

That the House at its rising adjourn to Tuesday, the 14th September, at 2.30 p.m.

There is no need for me to offer an apology for moving this most urgent motion. The matter has been exer-

cising the minds of those who have been aware of the position for a number of years, and they have seen the position gradually become worse. Some 12 months ago it was put up to Mr. Thorby, a Federal Minister who was visiting this State, that one of our most urgent needs was the rehabilitation of our farmers, namely, the replacement of worn-out power plants. During a three-hours' discussion with that gentleman before he returned to the Eastern States, it was decided that I should prepare a scheme. I did so, and submitted the scheme to Parliament, also sending copies to Mr. Thorby and others. Although that was the nucleus of something which could have been done along those lines, apparently no action has been taken. It appears that neither the State nor the Federal Government is in the least concerned about the recovery of those engaged in the farming industry. I went out of my way to deal with the financial assistance rendered to our primary producers by the present Government over a period of years. Last Wednesday the Leader of the House, in his reply, dealt with a maze of figures, which must have taken the Treasury officials many hours to prepare. A lot of the credit taken by the Chief Secretary is comprised in a sum of £3,000,000 having been written off under group settlement, so much on account of repurchased estates, and so much in connection with the Agricultural Bank. Not a word has been said about anything being in the offing, or anything being done to meet the urgent needs, not only of the farmers of the State, but of the State generally. Ever since 1920 farmers' plants have been getting worse. All the work is held up. It is impossible for them to do justice to their positions, or to get out of their troubles. It may be said that a lot has been done for them under the system of Rural Debts Relief. I am ready to agree that a lot has been taken off the minds of those who have had relief under the Act in question. It is a good Act, and has done great service.

Hon. A. Thomson: At no expense to the Government.

Hon. C. F. BAXTER: It has not assisted in placing the farmers in a position to increase production, although it is all right in the way of relief. The most important thing is to place the farmers in a position to get back to the days when they were producing at 100 per cent. capacity. Let me instance seed. Not only for long periods have vexatious delays occurred in the work, but considerable cost has been

entailed in trying to keep the plant on the farm in working order. Farmers have been unable to get half the quantity of land prepared, and have been unable therefore to get off half the quantity of crop. Fully 80 per cent. of the farmers under the I.A.B. are equipped with obsolete harvesters. They make a heavy loss per bushel in the attempt to garner their grain. There are such delays, that other losses, through wind, fire, and the ordinary shedding of grain, are terrific. On top of this there is the extravagant cost of keeping going a lot of old plant. The matter is very important from the point of view of the people of the State. What does the wheat industry mean to Western Australia? From the very time when the farmer fallows his land, the people become interested. From 18 months to 20 months must elapse before the farmer can reap any harvest, but his efforts shed money into different avenues of industry and commerce. The operations go right through until the crop is harvested, money being shed all the time. When the crop is harvested more money is shed through Government utilities, commercial people, and working people generally. Legions of people are making a profit out of wheat until it is shipped away. The important part of the industry is that every bag helps to swell the returns to the State. On the Address-in-reply I stated that our excess of exports over imports last year was less than one and a half million pounds, and that we have interest amounting to £4,000,000 to pay. Unless the State is going to encourage an increase in production we shall never make any advancement. To keep on retrogressing as we have done over a period of years will only add to our difficulties, and yet no Government seems to be concerned in the matter. It is high time those in authority awakened to their responsibilities. There are two ways in which finance could be found. My own view is that a fund of between £200,000 and £250,000 is required to establish the system. No new department would be necessary to handle that money. The Rural Relief Department has already proved that it is competent to handle a fund of that description. If the money were provided the department could arrange with the merchants for the supply of the necessary plant, payment being made over a number of years at a reasonable rate of interest. At present the farmers have to pay half the

cost, the balance being due with the ensuing harvest. Not 10 per cent. of our wheatgrowers could conform to such conditions.

Hon. A. Thomson: It means a Bank guarantee.

Hon. C. F. BAXTER: It means a Bank guarantee before they can operate on such terms. The merchants would be prepared to extend credit if the requisite funds were forthcoming. Even if an amount of £65 were set aside for each farmer then £100,000 would rehabilitate the position of 1,500 individuals. If that provision were made, it would represent a big step towards assisting the farmers by the provision of up-to-date plant. At present some of them may have ploughs and seeders that are in a comparatively satisfactory condition but require harvesters, while with others the position may be reversed. Even though it may involve expense, there is no direction in which expenditure could be incurred that would mean so much to the State as in rehabilitating the farmers on their holdings. It may be urged that the Government are spending £750,000 each year in the provision of water supply and sewerage facilities in the metropolitan area and that that money is earning interest and sinking fund. I am prepared to grant that, but even so, that merely represents taxation. It does not result in producing any more revenue. It might do so if Western Australia were a manufacturing State, but we are not in that position and will not be for many years to come. The most vital need to-day is to lend encouragement to avenues of production that will increase the revenue of the State. It is true that some relief has been accorded the farmers with regard to rural debts, but that provision does not go nearly far enough. If the Government continue to turn a deaf ear to this request and refuse further to assist the farmers, who are in such a desperate position and are confronted with such grave odds in their endeavour to increase production, there remains another avenue, and that is an approach to the Federal Government. The amount allocated to Western Australia for rural debts relief was £1,300,000. Of that, I should say, a little over £500,000 has been earmarked already for debt relief. If the Government are not prepared to help their own farmers in their dire need, surely they could approach the Federal Government and

ask them to amend their legislation so that £250,000 of that which has been provided for rural debts relief, could be used for a rehabilitation scheme for the farmers, which would be far more important than the adjustment of debts. If steps were taken along those lines, it would mean that, by the time a little over £1,000,000 was spent, particularly in connection with the adjustment of debts, the position would be fairly satisfactory in Western Australia. In any event, even if it were not so, the effect of the expenditure would be calculated to speed up the exports of the State. I hope the Government will see their way clear either to provide funds for the rehabilitation of the unfortunate farmers who are struggling in their endeavour to carry through a task that is well-nigh impossible, or else approach the Federal Government with the request I have outlined. It is true that the Federal session is to be very short and may be concluded within a fortnight. Nevertheless, there is still time for action to be taken, and the need is extremely urgent. If I am able to accept the assurance of the Federal Minister, Mr. Thorby, this matter was one of the most vital before the Federal Government 12 months ago, and the problem is certainly still vital. In view of the present political situation, the Federal Government may take some action, and even if they are not prepared to amend the Act, they may decide to advance funds so that a start may be made with the scheme. Something along these lines is absolutely imperative if the harvest is to be taken off successfully next year. The present outlook is that the crops will be satisfactory, but they will have to be very heavy to make good the tremendous losses that will follow through the use of obsolete harvesting machinery. I trust that the outcome of this move to-day will be action on the part of the Government to relieve the farmers respecting the difficulties that confront them in their endeavour to increase the revenue of the State.

HON. A. THOMSON (South-East) [4.50]: I second the motion and do so with the object of drawing the attention of the State Government, and possibly of the Federal Government, to the parlous position in which many of our farmers find themselves to-day. We are hopeful of a bountiful harvest. The Government claim a great deal of credit regarding the expenditure of public money in the metropolitan

area, and it has to be admitted that an enormous volume of work involving sewerage extensions and so forth, all of a reproductive character, has been undertaken. In all earnestness, however, I urge that it is imperative that the Government shall either provide a large sum of money or else furnish the necessary guarantees, so that machinery that is so sadly needed by the men on the land shall be available in time to take off the next harvest. If that course be adopted, it will be a sound investment for the Government and for the State. The provision of new machinery is urgently needed and, if supplied, will mean vastly increased wealth to the State. In his latest report, the Commissioner of Railways made reference to the diminished volume of wheat delivered for haulage, which represented over £60,000 less in freight available for the railways to collect. That was all because our wheat production was so much smaller than previously. It is in the interests not only of the railways, but of others associated with the handling of wheat at Fremantle, and also in the interests of the farmers and country people generally, that consideration be given to the proposal submitted by Mr. Baxter. It is well worthy of serious attention. I hope that any steps taken in that direction with the Federal Government may be successful, although I am rather doubtful about the outcome of any such move. Nevertheless, there is no reason why the State Government should not approach the Federal people on this question. There is no earthly reason why the State Government should not conduct a searching inquiry and, through the Agricultural Bank, make the necessary financial provisions so that the farmers may be in the position to replenish what might be termed their tools of trade. They are certainly entitled to that consideration. Owing to the period of depression through which they have passed and the low prices that have obtained for wheat, the farmers are in a desperate position. In fact, their position is such that machinery manufacturers are not afforded encouragement to make advances to them. The days are gone when a machinery agent would walk on to a farm and say to the farmer, "You can have a harvester and make your first payment out of the harvest proceeds." In these days, they ask for half the price of the machine straight away

and they require a definite guarantee by one or other of the private banks that the balance will be paid. Members generally will appreciate the position of the farmers and I hope that, as a result of this afternoon's effort, good will follow. Public attention must be drawn to the seriousness of the position. Failing immediate provision by the State Government, there should certainly be an appeal to the Federal Government. The matter is of such great importance that I hope the Chief Secretary will bring it before Cabinet, and I trust the latter will agree to provide £100,000 or £150,000 to deal with the position. It could be done. It is said that the State is short of money, but it is amazing to think that if a Minister has a particular leaning towards certain work, the money can be found and the work carried out. From a reproductive point of view and in the interests of the State generally, I trust that Mr. Baxter's suggestion will receive favourable consideration, that the Government will soon be in a position to make a definite announcement regarding the rehabilitation of the farmers, and that we shall learn that the provision of machinery replacements is an accomplished fact.

HON. J. CORNELL (South) [4.58]: I cannot allow such a motion to go without offering a few remarks. In my opinion, this move is calculated to do more harm than good to those whom its promulgators have set themselves out to assist. Mr. Baxter referred to an interview he had with the Federal Minister, Mr. Thorby, and the scheme he had drawn up. When Mr. Thorby was in Western Australia, the representatives of the Returned Soldiers' League waited on him and submitted several proposals to him. I am afraid they wasted their time where Mr. Thorby was concerned. If Mr. Baxter's move had been in condemnation of the attitude of Mr. Thorby, I would have supported him. The present position is untenable. We should face the situation fairly and squarely. The moving of the adjournment of the House to draw attention to what Mr. Baxter desires will not get us anywhere, in view of the fact that we knew three or four years ago that help was required in this direction. Anyone familiar with the agricultural industry, not only of this State but throughout the other wheat-growing States of the Commonwealth, knows that for over three years practically every wheat farmer has

been operating with obsolete plant. Over and over again the need for something to be done to remedy the position has been pointed out to the State Governments concerned and to the Federal Government. Now we want to know if the position is this: Is it the prerogative of Governments to-day to supply the primary producers with all their wants and requirements? We have reached this position, that it is generally recognised that the farmer is worthy of all the assistance that can be rendered to him. The farmer does not work so much for himself as for the man who supplies him with his tools of trade, or alternatively, the man who has supplied him with other necessities. Certainly the farmer is not working for any Government. During the last decade, each Government, irrespective of political flavour, have endeavoured to assist the farming industry, recognising that it is the backbone of the community. But I want to know what the merchants have done for the farmer, what the machinery agents have done for him, and what has been the assistance rendered him by stock and station agents. What are those people doing? They are carrying on purely commercial enterprises, and they want their pound of flesh. I have been associated with the farming industry almost since my birth over 60 years ago, and I have seen the farmers come through two bad depressions. They came through both those earlier ones in much the same manner as they came through the recent one, namely, they tightened up expenditure and saved all that they could. I say it is not the prerogative of the Government to do everything for the farmers. Moreover, the Government have not really the necessary funds. The £200,000 that Mr. Baxter spoke of would not buy harness for the few horses left in the agricultural industry to-day. I understand that there are 10,000 clients of the Agricultural Bank, and I know quite a few of them personally. The amount mentioned by Mr. Baxter would give them £20 a piece. Of what value would that assistance be? We should join the other States in asking the Federal Government to release a quarter of a million pounds for rural relief purposes. No part of the Commonwealth funds can be given to this State, unless it be given to the other States also. The Commonwealth Constitution will not permit of a form of assistance being given to Western Australia, except it be given also to the other States. I agree that, perhaps, some more might be done by the

State Government for the farmers than has been done, but it would be altogether unreasonable to expect that the Government should provide all the assistance necessary. There is that section of the community who live on the farming industry but are not prepared to relax some of the stringent conditions that they set up during the midst of the depression.

Hon. L. B. Bolton: Are they doing much for themselves?

Hon. J. CORNELL: They are doing it pretty well. I have not seen that many of them are going bankrupt.

Hon. L. B. Bolton: Do you want them to do so?

Hon. J. CORNELL: No, but they might have a little more consideration for the chap on the land who is striving to make two ends meet.

Hon. L. B. Bolton: If they were to go bankrupt, they could not help anybody.

Hon. J. CORNELL: If the man who supplies the primary producers with their tools of trade were prepared to give them the same terms as he gives to some of the gentlemen here, to whom he sells motor cars, he would confer everlasting benefit on the cocky.

Hon. A. Thomson: There must be more profit in motor cars than in agricultural machinery.

Hon. J. CORNELL: No doubt. The average price of wheat in Western Australia has been 5s. per bushel for the last 12 months. That is the average price that the Westralian Farmers' pool secured. But the cocky has to replenish his plant, and when he does buy a machine he is subject to hire purchase agreement conditions. My advice to members who represent farming communities is to bestow a little of their criticism and opposition to the chap that wants half the price of a harvester before he will supply it. With those few remarks, I will conclude.

HON. E. H. H. HALL (Central) [5.7]: I was glad to hear Mr. Cornell say he thought the Government should have done a little more than they have done to help the farmers. Unfortunately, the action of the Federal Government, in the distribution of the Rural Relief Fund, has resulted in a very great injustice, an injustice that I do not think was contemplated by many of the people of Australia, one at which I heard the ex-Leader of this House express his sur-

prise at Dalwallinu 12 months ago; I refer to the discrimination that was shown in the benefits received under that Act by the secured creditor, and the want of recognition of the claims of the unsecured creditor, who, in most instances, are country storekeepers. When one thinks of the disparity of the preferential treatment meted out to those two classes for their assistance given to the farmers of the State, one feels that the Government might do something to fix up matters somewhat. It is common knowledge that it is not of much use to ask the State Treasurer to come to the assistance of our farming industry, because we have been told over and over again that he has not the necessary money. It seems to me that we are drifting back to pre-Federation conditions. This thing only requires to go on long enough when many of our native-born Western Australians who voted against Federation—as I did myself—will be forced to the conclusion that there is only one thing for it, and that is to get in with the big chaps over East for the financial assistance which is absolutely necessary if we are to carry on. So I say that if the State Government cannot do it, they ought to get both Houses of Parliament behind them, approach the Federal Government, and ask for assistance for the agricultural industry. I have heard it said many times, and once more to-night, that the financial emergency tax was imposed for the purpose of finding work for those unfortunate people who had been thrown out of employment as the result of the depression. That has been denied by the Government. However, if it were thought necessary—I think it was necessary—to introduce that tax in order to provide work for the unemployed, I think it is just as essential that a tax should be put on to those who can afford to pay it for the provision of funds for the rehabilitation of the farmer. If that were done, those who have undoubtedly benefited by the agriculturists' efforts should be made to pay something towards helping the industry; that section which has benefited so considerably from the primary industry should be forced to pay up something towards helping it along. I will support the motion.

HON. C. H. WITTENOOM (South-East) [5.12]: I will support the motion brought forward by Mr. Baxter; indeed, I am glad he has brought down such a motion. Appar-

ently we are going to have a good season, judging from the present look of things, and possibly we are going to have a bumper season, such as often follows droughts. But the farmers cannot benefit from a good season unless they have good machinery and good horses, and unfortunately their horses are very old and their machinery is not only obsolete but is worn out. As Mr. Baxter said, it would be for the good of the State generally if our farmers were materially assisted. We continually hear references to money being spent in the metropolitan area. Now it seems there is to be another £80,000 spent on a new bridge at Fremantle. Surely it is not necessary to spend all that money when the farmers so seriously require assistance! Surely a new bridge could be erected at a later period!

Hon. G. Fraser: You are the only person in the State that thinks so.

Hon. C. H. WITTENOOM: The agitation for that bridge has been going on for many years, and it could go on a little longer. I am glad the motion has been brought down, and I agree with Mr. Hall that a special tax for the assistance of the farmer would actually be for the benefit of the State.

HON. W. J. MANN (South-West) [5.0]: I support the motion. I have no brief for the machinery merchants, but we should be fair and recognise the fact that over a number of years most of the machinery companies have been fairly good friends of the farmers and have assisted them in every way possible. The resources of the machinery merchants however are limited, and they can only go a certain distance. I am told that many of them have given credit to such an extent that they have had to curtail their liberality. The whole of Australia lives on the proceeds of the agricultural and pastoral industries, and unless those industries are flourishing, Australia must have a lean time. We find from the latest Federal budget that the Commonwealth this year expect to receive by way of revenue over £85,000,000 as against £82,000,000 odd last year. Actually, the increase over last year will be £2,383,000. According to the Federal Treasurer, most of that will come from the increased prices for agricultural and pastoral commodities. Therefore, if, as suggested by Mr. Baxter, the Federal Government render assistance, even in a small way, in comparison with what will be received by the Commonwealth from these industries, it will be well worth the effort.

HON. L. B. BOLTON (Metropolitan) [5.3]: I join country members in supporting the motion, but, unlike Mr. Mann, who holds no brief for the machinery merchants, I can claim that I do hold some sort of brief for that section of the community. Nobody in this House has more sympathy for the farmer than I have and, in speaking of the farming industry, I do so with personal knowledge. I can also speak from the other angle. Only a few days ago I met a farmer friend of mine, and inquired of him how things were. He replied, "I am O.K. now; I have never been happier in my life." That was before the rain had fallen. I asked him what had brought about that happy state of affairs, and he said, "I owed £7,000 or £8,000 on the farm, and I got out of it, under the Rural Relief Act, for about £900." I ask Mr. Cornell, who paid that £7,000? Most of it was lost by the machinery merchants, and so, while I say that the farmer is entitled to every sympathy and assistance he can possibly receive at the hands of anyone willing to help him, I do not forget that the machinery merchants have sat behind him for years, and they are now entitled to ask for better conditions than they have had in the past. I know how important it is that the average farmer should have new machinery, but I feel that since the wonderful rains have fallen within the last few weeks, there will be a better opportunity for the farmer to get new machinery and perhaps under even better conditions than operated in the past. Quite a number of farmers may now be able to secure new harvesters, and, if we are to have a bumper crop, new harvesters will be very necessary. In my own district a farmer using obsolete machinery in a bad state of repair lost at least two bags to the acre of a wonderful crop of barley he had last year. Seeing that he sold it at 4s. a bushel, he probably lost the price of two harvesters by not having good machinery. I support the motion, and hope that members will give the matter a little more thought than I think Mr. Cornell did.

HON. H. V. PIESSE (South-East) [5.9]: It is also my intention to support the motion. As a practical farmer and one who has travelled considerably through the province I represent during the last 12 months, I am aware of the difficulties being experienced by farmers because of the lack of good machinery and by their having to work worn-out horses. A little while ago I was on one farm where I saw a man with a 4-

furrow plough. Two furrows were lifted and he was endeavouring to put in a crop with old horses and the two furrows. I suppose the area that man would seed this year would be in the vicinity of a hundred acres whereas, if the Government had obtained Federal money and had assisted that man to obtain new plant, a considerably greater area would have been bearing. We who represent the country provinces know only too well what is going on. The Rural Relief Fund has been of great help to farmers, although it has been a hardship to many of the country storekeepers. All the same, I am of opinion that the fund has been of valuable assistance. Unfortunately we find that many of those who owe money to merchants have not played the game. They have abandoned those to whom they owed money and have started dealing with others, and paying cash and perhaps obtaining a slightly lower price for their requirements. That is one phase of the rural relief business to-day that has made merchants who have lost money rather bitter. When I was in New South Wales, I was told that a movement was on foot to obtain the permission of the Federal Government to set aside a portion of the rural relief money for the purpose of providing plant and restocking farms. No better organisation than that already set up under our Rural Relief Act could be found to control this work if the money were made available by the Federal Government. From the experience I have had with farmers, and from the knowledge I have gained by acting as trustee for farmers, I know of the disabilities under which they suffer, and when I hear Mr. Cornell say that the machinery merchants are not doing their part, I reply by stating that I give credit where credit is due. I also give credit to the Government for the great assistance they have rendered to farmers, but I agree that they could have been more forceful in obtaining additional money from the Commonwealth Government. But for the rains which have fallen the machinery merchants might have found themselves in a desperate financial position. The Agricultural Bank Act has done quite a lot to curtail the credit of the farmer. We all know that that Act will not permit merchants to sell to the individual farmer without the consent of the Bank trustees. I feel sure that if the amendment which is now before another place goes through confidence will be restored, and it will be pos-

sible for farmers to purchase new machinery. I am not here to advocate the virtues of the stock or machinery firms, but I do believe in giving everyone a fair deal, especially those who have assisted the industry. Undoubtedly the stock firms of Western Australia are to be congratulated on the manner in which they have, in many instances, carried farmers through. I know of one instance where a man had 40 sheep when he came under the Rural Relief Act, only six months ago, and now has 800 sheep, a nucleus which will enable him to carry on and buy new machinery and horses. All who have money invested in stock firms must be protected, and it is only reasonable that they should be paid interest. I am glad that Mr. Baxter moved the motion, and I give it my cordial support.

HON. J. M. MACFARLANE (Metropolitan-Suburban) [5.27]: I also have much pleasure in supporting the motion, but I have no intention of condemning the Government for not having done their job, because I feel that the conditions have during the past few months been somewhat cloudy to give any hope for relief. The last few weeks, however, have altogether changed the outlook and the prospects of farmers, but if they are in a bad way in respect of machinery for taking off the crop, the Government should certainly give the matter urgent attention, so that the farmers might be assisted.

The **PRESIDENT**: Order! Will the hon. member resume his seat? I must interrupt the debate, unless the Council otherwise orders, under Standing Order 114.

Hon. G. W. MILES: I move—

That the debate be continued.

Motion put and passed.

Hon. J. M. MACFARLANE: I am quite convinced that there is a good deal to be said for all parties. Certainly there are many regrets as regards cropping during the past few years. I do, however, wish to state my view that business men and merchants, especially machinery merchants, are as sympathetic towards the farmer now as ever they were; but they have gone through their parlous time in the same way as the farmer has done. They have to look at the present prospects of a better harvest, and therefore view the situation from a different angle. If they were here to be questioned,

we would undoubtedly find that they were organising methods for giving a measure of relief. But that measure will not be fully adequate. I therefore suggest that consideration be given to the action that has been suggested, so that early assistance may be rendered towards rehabilitating machinery, especially harvesters, and supplying horses where required. These things are necessary in order that the harvest may be taken off economically, thus enabling the farmers to secure the full benefit of whatever the season may bring.

HON. G. FRASER (West) [5.33]: I oppose the motion, but not because I am in any way unsympathetic towards the farming community. I have listened attentively to the debate, and so far I have not heard one suggestion from any speaker which would result in assistance to the farmers.

Hon. H. V. Picse: Mr. Wittenoom gave one.

Hon. G. FRASER: Not one speaker so far has offered any suggestion by the adoption of which the Government can help the farmer. If criticism is to be merely destructive—

Hon. C. F. Baxter: Do not talk nonsense. You had better go back to school again.

The PRESIDENT: Order! The hon. member should not make that remark.

Hon. J. Cornell: Let us send both hon. members back to school!

Hon. G. FRASER: What is the use of moving the adjournment of this Chamber without offering suggestions for assistance?

Hon. E. H. H. Hall: I suggested a tax.

Hon. G. FRASER: If a tax were proposed by the Government, the hon. member interjecting would be one of many opposing it.

Hon. E. H. H. Hall: I request you, Mr. President, to ask the hon. member to withdraw that statement. It is offensive to me.

Hon. G. FRASER: I withdraw, but I shall be greatly surprised if the hon. member favours anything in the direction he has indicated.

Hon. E. H. H. Hall: I have done so in the past, anyhow.

Hon. G. FRASER: I hope the hon. member will do so in future. The adjournment of this House for one week would not assist

the farming community. I fail to understand why a motion of this kind should be brought before the Council, which is not the Chamber in which most members of the Ministry are to be found. In another Chamber there are many representatives of the farming community, and that is the Chamber in which the Government of the day initiate most of their legislation. Why this Chamber should be picked for the moving of the motion I do not know. If we adjourned for six months it would not assist the farmer in any shape or form. Most hon. members who have spoken so far support the motion, but the present Government have done all they possibly could to assist the farming community.

Hon. E. H. H. Hall: Oh no!

Hon. G. FRASER: It has been openly admitted during the debate that the State Government have rendered great assistance to the farmers.

Hon. E. H. H. Hall: You ought to be pleased with that.

Hon. G. FRASER: I am. But why move the adjournment of the House?

Hon. J. Cornell: That is only a way of getting out what one wants to say.

Hon. G. FRASER: I know all about that. But to move the adjournment of the House for a week over a matter like this will not improve the position.

Hon. C. F. Baxter: Do you support Mr. Hall's idea of putting on a tax?

Hon. G. FRASER: I will not pledge my support until I know what it is I am asked to support. The object of the mover's organisation would be better served if he took steps to have the motion introduced in the only Australian Parliament in which something could be done in the direction desired.

Hon. C. F. Baxter: What organisation are you referring to?

Hon. G. FRASER: The Country Party organisation.

Hon. C. F. Baxter: That has nothing whatever to do with it.

Hon. G. FRASER: That may be so, but this Chamber cannot assist the farming community. I should have thought the hon. member would have had the motion introduced in the only political sphere where

something could result from it, namely, the Federal Parliament.

Hon. C. F. Baxter: You cannot teach us.

Hon. G. FRASER: I am not attempting to teach the hon. member.

Hon. H. S. W. Parker: Cannot we in this Chamber assist the people?

Hon. G. FRASER: Not in connection with the farming industry, any more than we have been able to do so in the past. We have enacted all the legislation ever brought here to assist the farmers. The farmers have had a wonderful go from this Chamber during past years.

Hon. J. Nicholson: Was not a suggestion made to try to get assistance from the Federal Parliament?

Hon. G. FRASER: Yes, but it would have been better if this move had been made in the Federal Parliament.

Hon. J. Nicholson: It is necessary for the sake of those requiring aid to support the motion.

Hon. G. FRASER: I shall not support the motion, which I regard as useless. A protest would be futile.

HON. V. HAMERSLEY (East) [5.37]: Unlike the last speaker, I support the motion. We know that over the depression period nearly all farmers were struggling on with old machinery, which in the interim has become much worse. During the years of poor prices they were not in a position to renew as much of that machinery as was necessary. Renewals would have been made by the farmers in earlier years if prices had been better. It must not be forgotten that although there was a splendid price for wheat last year, many of our farmers had no wheat to sell. Those in the worst position of all were the farmers whose machinery had been worn out in the earlier years. They have had no credit and no help to put themselves in a position to take advantage of recent profitable prices and of the promise of good prices for the next year or two. To assist such farmers would also assist the State as a whole through the railways and the various branches of trade and commerce. We know that broken-down machinery has been the curse and the downfall of many farmers whose intentions were of the best. In the early stages of their operations it was not considered by the Agricultural Bank

that they had sufficient areas cleared to justify the Bank in supplying them with new machinery. Accordingly they were left with secondhand or thirdhand machinery. Many crops were ruined because of the thirdhand machinery farmers were compelled to use. Moreover, the new machinery purchased by many wheatgrowers some years ago is now worn out. It is a question of getting over an area of ground with old machinery and worn-out horses. We have all tried that, and we know how costly it is. Mr. Hall made a good point in referring to emergency taxation. During the depression that taxation was imposed to provide the Government with funds so that employment or sustenance might be found for persons unable to obtain work. That money could now well be diverted into another channel. It would still provide employment for the workless if only they would go on the farms. With good machinery the farmers would be able to show much more satisfactory results. There is a great dearth of labour, which is unobtainable in many farming areas. Farmers with crops have plenty of work ahead of them, and there would not be anything like the same need for financial emergency taxation if the results from that taxation were diverted from sustenance, as suggested by Mr. Hall, to the replacing of old machinery and worn-out horses.

Hon. G. Fraser: Do you suggest sending the men on sustenance out on farms at 30s. or 35s. per week with two homes to keep up?

Hon. V. HAMERSLEY: I suggest no rates of pay. I have seen men on pretty good wickets but not earning the money they were paid. The farmer must get results for the money he pays out. It matters not in the least whether the wage is 35s. per week or £35 per week, provided the man earns it and results are obtained from it. The unfortunate feature is that throughout the whole of Australia we are living on borrowed money. That is why we are all in rather a sad condition. In all directions we see men striking, and not merely getting cuts restored to them in various State departments such as railways, works, and main roads. During the depression there was a general cut. Thanks to the better times that cut has been restored. But the men are not satisfied with having the cut restored. From the Press we learn, day by day, that they are very dissatisfied. There are rumours of strikes. Now, the farmer cannot go on strike. He must go on producing as hard as he can and

take what he can get in the world's market. He knows full well that his losses will be greater if he pays any of the fancy rates that many people are expecting to obtain. The farmer realises that he has to take what he can get for his produce and he can only pay out in proportion to what he receives. He is prepared to pay full value for the work done. If these rates are received in other departments of life, it can only be mostly on money we are borrowing abroad, and the probability is that we will not be able to pay it back. For that reason alone our pound is not worth its full 20s. I support the motion and congratulate Mr. Baxter on moving it. I hope it will at least have the effect of drawing attention to this matter and that the State Government and the Federal Government will see to it that some support is given to the farmers in the direction of the rehabilitation of machinery: I hope that the benefit will be spread a little further. There are many pastoralists to-day in an equally serious plight as any farmers of the country and many of them deserve some help to enable them to restore stock that has been depleted almost entirely on some stations. I have pleasure in supporting the motion.

HON. T. MOORE (Central) [5.47]: I understand from Mr. Baxter's remarks that he has moved this motion with the idea of drawing the attention of the State Parliament and the Federal Parliament to the parlous condition of the farming industry. All members who have had a chance of going around the country districts know that his remarks regarding machinery were not exaggerated. Those who have spoken to-day have spoken only of the worn-out harvesting machinery. To those who are not initiated, it may seem that all would be well with the State if that difficulty was overcome, but much damage has been done to the present crops owing to the fact that ploughing was carried on with worn-out ploughs. This trouble was accentuated by three dry seasons. Farmers could not afford to buy the necessary first-class machinery and had to battle along with the old ploughs, even borrowing from each other on occasions. In districts where some farmers were able to buy new discs, other farmers alongside borrowed and put on their machines the discs which were discarded. This is a very bad

state of affairs, but it is what is actually happening. Already much damage has been done to the crops of the farmers concerned and the State as a whole. The State cannot get along without the farmers. If the farmers do not prosper, the State will not. It is disconcerting to find that, owing to the bad conditions, the young sons of farmers are leaving the farms. There is plenty of evidence of that. The necessity for using all the old and worn-out machinery does not provide young men with any incentive to carry on the work.

Hon. G. W. Miles: There will be no farmers at all in a few years' time.

Hon. T. MOORE: That is so. The young fellows are going away from the farms and that is a sad state of affairs. I have often remarked that one great handicap under which the farmers are placed is that, in purchasing their machinery on the hire purchase system, they have to pay far too much. It is a great pity we have not had a fund established to provide for all the machinery to be purchased on a cash basis. As a result of the findings of the Banking Commission, some great change is foreshadowed and there is a possibility that an outcome will be the establishment of a rural bank by the Commonwealth Government. That bank is not likely to prove of much use unless each State is allowed to administer the funds provided by the bank because we all have different requirements; but it would be a great load off the farmers if they were in a position to buy their machinery on a cash basis. They would get it much cheaper and would be in a better position to meet their commitments than they are to-day. A man is in a very bad way when he has to pay 10 or 12 per cent. for terms over a period of years, particularly if during that period there are bad seasons. The period for repayment is lengthened and the interest bill accrues. I hope that as a result of this motion, not only the Government, and not only this House, but all parties will take notice of the plight of these men. I have said before that it is the duty of those who are in Parliament to urge their party to do all that is possible to put farming on a sounder footing than has been the case in the past. The farmers have not been put upon a sound footing. They have

lived a hand-to-mouth existence for years and on that account we are getting nowhere. Now that a change is proposed, as a result of the Banking Commission, I hope that all parties will get together so that we may ensure that the bank will function in such a manner that farmers will be able to purchase their machinery on a cash basis. It would take a tremendous load off their shoulders. I support the motion.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [5.53]: The mover of the motion stated that he had no apologies to offer for having taken this method to bring before the notice of the Government the position of the farming section of the community. I am not going to quarrel with that statement, but I do think that apologies are due from one or two members for the statements they have made in support of the motion. Mr. Baxter said that it was just about time the Government were awakened to their responsibilities in regard to the rehabilitation of the farming community. I would like to ask the hon. member and some of his supporters if there is any Government in the whole of Australia that has done as much for the farming community of its State as has been done by this Government for the farming community of Western Australia. In replying to that question, if they are at all reasonable or honest, they must admit that in no other State of the Commonwealth has the same effort been put forward in that connection as has been put forward in this State. I thought when I replied to the Address-in-reply debate that the survey I then gave of the financial position of the State as a result of what has been done by the Government and other Governments of the State would at least have prevented a repetition of some of the statements made here to-night.

Hon. G. W. Miles: Some of the hon. members were not here to hear your statement.

THE CHIEF SECRETARY: That is not my fault. I will admit that the statement was a very comprehensive one and one that required to be read carefully to get its full significance, and I propose to reiterate a little of what I said then. The moving of this motion has been taken advantage of by a number of members who have supported it to show their electors that they are prepared, whenever opportunity offers, to press the Government to do something which has

not been done before, although they know full well that the disabilities under which the Government have been suffering during recent years have made it impossible for the Government or any other Government to do what they are now asking should be done through the motion before the House. The words of the motion include the following:—"to discuss a matter of urgency, namely, the omission of the Government to make provision for the rehabilitation of the farming industry." After listening to the debate it seems to me that the word "rehabilitation" has assumed a somewhat new meaning. Apparently rehabilitation means the provision of farming machinery for farmers of this State under long terms and under the same conditions as those on which advances have been made in years gone by, and has no reference whatever to assistance which may be rendered to the farming community in other directions. To rehabilitate, in my mind, means to re-establish, to reinstate; in other words, to place the farmer in the position that he was supposed to be in during the years when the industry in this State was supposed to be prosperous. I hope members will notice that I used the word "supposed." To that end the Government in the last few years have committed themselves in a way which is very serious to all concerned. As a result of what has been done we are to-day obliged to meet an added load of interest and capital charges which, as I pointed out the other night, for one year alone—last year—approximated the amount received last year from the financial emergency tax. That reminds me that the suggestion this afternoon is that a sum of some hundreds of thousands of pounds should be provided for this purpose by the Government. I would like to ask how the Government are going to provide it. Are we to take it out of loan moneys? Are we to increase our borrowings for this purpose? If we do so, are we to increase our taxation to meet the additional load? I cannot reconcile some of the remarks made this afternoon with the remarks made during the Address-in-reply debate, the tenor of which was that we should do away with the financial emergency taxation, that we should reduce taxation. I cannot reconcile that plea with the suggestion that we should provide hundreds of thousands of pounds for all sorts of things, including the provision of new machinery for the farming community. We have

members to-night saying, irrespective of what the position might be and irrespective of what has been done, that what this Government should do is to increase loan borrowings to provide new machinery for the farmers of this State. One hon. member was honest enough to say that if necessary we should increase taxation for this particular purpose. I leave it to members to reconcile those views, if they can. I desire to review a few statements I made on the Address-in-reply debate the other night because they have an important bearing on this question. I believe that I understand the position of the average farmer as well as does any member of this House.

Hon. J Nicholson: You are interested in a farm, are you not?

The CHIEF SECRETARY: Yes, unfortunately. I realise that unless the farmer is possessed of adequate and efficient machinery, he cannot get the best results from his labours, but I also realise that if the farmer is so involved in debt that it is not possible for him to meet his interest charges, sooner or later—perhaps I should say sooner rather than later—he must cease operations altogether. Those facts have been realised not only by me but by Governments. As a result of that recognition, the Government have taken all the steps available to them as a Government to relieve the farmer of his obligations in that direction. There are hundreds of farmers in this State who could not possibly have carried on, even had they been given new machinery, unless there had been some adjustment of their financial position. That will be recognised even by those members who have been so critical of the Government this afternoon. On account of that fact, the Farmers' Debts Adjustment Act was put into operation. In this respect we have done more and have made greater progress than has any other State of the Commonwealth. It will be understood that as I had no real knowledge of what was likely to be disclosed during this debate, I have had no opportunity to delve into new matter. Consequently, much of what I have to say may have been given before, but like Mr. Baxter, I make no apology for repetition of this kind, which, I believe, will be for the benefit of critics of the Government who seem to think that all we have to do is to take care of the farmers, reduce their indebtedness and attend to their machinery. The total allocation to Western Australia under

the Farmers' Debts Adjustment Act is £1,300,000, a figure that has been quoted by other speakers this afternoon. Of that amount, we had received to the 30th June, 1937, £464,000. To the same date the percentages received by the different States of the amounts allocated to them by the Commonwealth were—

	Per cent.
New South Wales	12
Victoria	23
Queensland	6.5
South Australia	16
Tasmania	19
Western Australia	36

Thus in the activities carried on under that particular Act, a much larger percentage of farmers in this State have been assisted than in any other State of the Commonwealth. The report of the trustees of the Rural Relief Fund Act, 1935, contains some very illuminating statements. I do not propose to read them all; members may read them at their leisure, but it is interesting to note that the trustees pointed out precisely what has been stated by members here. The words are—

The trustees are still concerned at the poor condition of the equipment of many farmers, and adhere to the opinion that portion of the fund could be used to advantage in assisting, where necessary, to replace worn-out machinery and horses.

The trustees feel that their work would be more effective if advances could be utilised for the purpose indicated.

Those also are the views of the Government. The views expressed by members this afternoon are by no means new. Mr. Baxter told us that he saw Mr. Thorby during his visit to the State, put up a scheme to him and suggested that a certain amount of money should be provided by the Commonwealth in order that farmers might be supplied with machinery. Mr. Baxter was not the only one who did that. Mr. Thorby was approached officially on the matter, and an effort was made to secure a sum of £300,000 to be used for this purpose, but without result. So it cannot be said that no effort has been made by the Government to secure assistance in that direction.

Hon. A. Thomson: No visible effort.

Hon. C. F. Baxter: I do not think that matter was made public.

The CHIEF SECRETARY: I believe it was.

Hon. C. F. Baxter: Then I must have missed it.

The CHIEF SECRETARY: There is no question about it. The Commonwealth Government have made it clear that this money could not be used for the purpose. An amendment of the Act would be needed to allow any money from this particular allocation to be used for machinery replacements. I mention this to show that the present Government have not been unmindful of the opportunities that existed by utilising some of the money for the purpose, but it was not possible for us so to use it. May I ask, particularly those members who have been so severely critical of our actions, what part of the assistance given to the farming community during the last two or three years could we reasonably have withheld with a view to assisting farmers to replace worn-out machinery? Take the position last year, when, unfortunately, we experienced a very severe drought. The Government were faced with additional expenditure on that account—expenditure that could not possibly be foreseen 12 months ago. No less a sum than £161,000 was provided for drought relief alone, apart from other assistance rendered. In other ways the Government provided thousands of pounds, of which I gave details last week, for the assistance of farmers. Had the Government said to the farmers, "We are very sorry but we cannot find any money for drought relief, though we propose to find money for new machinery," I can imagine members rising in their places and condemning us for making money available for the machinery firms of the Commonwealth, rather than for the assistance or sustenance of farmers affected by drought. All said and done, it is the relative value of the use to which money is put that has to be considered. The Government, I contend, have done at least a fair thing. We have not been able to do all we should have liked to do, but we have done as much as was possible in the circumstances. A sum of £200,000 was mentioned by Mr. Baxter as the amount required for a start. Is the hon. member aware that last year over £200,000 was spent by the farming community of this State for the importation of agricultural machinery in

excess of the amount spent in the year previously?

Hon. C. F. Baxter: Yes.

Hon. W. J. Mann: That was because farmers had not been purchasing machinery in the previous five years.

The CHIEF SECRETARY: They have not been purchasing machinery for many years, and it will be a year or two before they will be able to purchase all they would like. I presume that if the season continues to be satisfactory, quite a large percentage of farmers, particularly wheatgrowers, will be in a position to improve their machinery as a result of their efforts and of the prices they will receive for their product. Therein lies the solution of most of the farmers' difficulties. Given good seasons and good prices, their outlook would be completely altered. If they have a margin over the cost of their operations, seeing that so many farmers have had their debts adjusted, they will probably be prepared to put the excess back into their farms for the purchase of machinery and for improvements generally. That seems to me to be the only real solution. No matter how much money we provide, unless we have good seasons and good prices, the agricultural industry of this State, or of the Commonwealth, can never be prosperous. While speaking on the Address-in-reply debate last week, I dealt with the more important matters raised by various members, but I also stated that certain information that had not then come to hand would be made available as opportunity offered. One subject I had in mind at the time was that of assistance to farmers on repurchased estates. On this question one or two members were rather critical of our actions, but on looking up the facts, I find that there was no room at all for criticism. Almost all the repurchased estates have been written down in value considerably, and regarding the estate mentioned by Mr. Wood, Avondale Estate, although there has been no writing down, there is a particularly good reason for it. There are only two farmers on that estate who have endeavoured to meet their liabilities, and what applies to Avondale applies to a number of other repurchased estates. I admit that all of them are not in the same position; there are one or two shining examples. Speaking in a general way, a great number of those settlers have not endeavoured to meet their responsibilities. Some of them have not paid the interest on their liabilities for periods of six, eight, ten and even 15 years. Yet they

have been allowed to remain on those repurchased estates—estates bought at great expense—and the fact that they have not met their liabilities means that there has been a great accumulation of interest arrears. I have a list of the various estates affected and should like members to have the information.

Sitting suspended from 6.15 to 7.30 p.m.

The CHIEF SECRETARY: I was dealing with the question of repurchased estates. There was no power under the Land Act to revalue repurchased estates until the Act was amended, I think about two years ago. During that period a considerable sum has been written off the following estates:—Yandanooka, Mendel, Kockatea, Guranu, Woongoondy, Carnamah, Inering, Quelagetting, Moulien, Yarra Yarra, Brooklands, McKenna, Bucklands, Pallinup, Noombling, Hinkley, Kuminin, Herdsman's Lake and Peel. All these repurchased estates have been revalued, the amount involved being very considerable. That has only been made possible as a result of the action of the Government, after the Land Act was consolidated, in bringing down an amendment to allow this writing down to take place. I have been supplied with certain information which is rather illuminating, showing the extent to which the Government, through their various departments, have acted with a view to placing the farmers in a position to meet their liabilities and at the same time carry on. It has always been understood that when the debts were adjusted they would be adjusted to such an extent as to allow the farmer to meet his liabilities and continue his operations. With bad seasons following the adjustments it has been difficult for them to carry on and they have had to apply for additional assistance to the department concerned. In many cases this assistance has been granted but refused in others. I could not help thinking during the debate that it was rather strange to hear the criticism that the Government have not done more than they have done particularly in the way of supplying machinery. The Government were prepared to go to the length of writing down the debts of numbers of members of the farming community to the extent mentioned by one member, and to the extent to which I will refer later, and at the same time to assume additional responsibility by providing further moneys so that the farmer might carry on. It is only reasonable, therefore,

that farmers should accept this money in a manner that would give to the Bank, or whoever advances it, the rights that we claim under the Bank Act. Where we have made seasonal advances it is necessary for the Agricultural Bank to protect itself. It makes advances so that the farmer may carry on for the season. It is only reasonable that he should be prepared to do with the Agricultural Bank what he would have to do in the case of a private bank, namely, give a guarantee that the money would be repaid out of the proceeds of the ensuing crop. I referred to the activities of the Rural Relief Fund. I omitted to mention one or two things which appeared in the report of the trustees. The cost of administration under that Act is borne by the State. No charge is made for it. The staff number 27, comprised of 19 males and eight females. In view of the volume of work performed, the administrative expenses are reasonable. The State bears the whole cost. It is necessary to refer to the work done up to the 30th June last. The number of applications and accounts finalised to that date was 1,422. Following is a summary of the dealings in connection with some of the classifications of the properties:—Wheat and sheep, 1,273; grazing, 85; orchard and mixed, 13, and dairying, 51. The total amount of debt involved is £6,223,995, of which £432,999 11s. 5d. has been paid, and £1,448,173 written off, leaving an adjusted debt of £4,342,823. These are big figures, and point to the absolute necessity for something of this kind being done. In view of my previous remarks bearing on the number of cases dealt with and the proportion of the money which has been allocated to this State and used already, members will realise that the Government, by means of the trustees of this fund, have been aware of the necessity for doing something, and have done more than any other Government have done in that direction. Their activities should be considered satisfactory by all who understand the position. Government departments are debarred by Federal legislation from sharing in distributions from the fund. Any writing off that takes place as a result of the activities of the trustees is a total loss to the departments involved.

Hon. J. Nicholson: That is under the Rural Relief Act?

The CHIEF SECRETARY: Yes. The Water Supply Department, State Sawmills,

and State Implement Works, are all unduly penalised by the Federal legislation. If these were private concerns, they would have benefited by that legislation.

Hon. H. V. Piessé: The machinery debts are still owing to the State Implement Works?

The CHIEF SECRETARY: Some are still owing, but a tremendous lot has been written off.

Hon. H. V. Piessé: They have accepted the same proportion as others, have they not?

The CHIEF SECRETARY: The figures are astounding. I think the proportion would be greater than in the case of private concerns.

Hon. J. J. Holmes: According to your figures, 33 1/3rd has been written off the total indebtedness.

The CHIEF SECRETARY: I do not know what the percentage is. I have particulars of a number of revaluations which have taken place on properties under the control of the Agricultural Bank. The number of revaluations made since the Commissioners took over up to date, was 7,211. The amount written off for the two years to the 30th June, 1937, was £3,129,195. When all the writing down has been completed, the amount written off will be added to the loan debts on which interest and sinking fund would have to be paid from general taxation for approximately the next 50 years. That is an important point. These figures are included in the summary I gave a few days ago to this House. Another interesting point is that the amount of interest, sinking fund and loan charges on the expenditure of land settlement on undertakings which now come under the control of the Agricultural Bank is £716,000, or more than 30s. per head per annum of the total population. That is another illuminating point, and has a bearing on the figures I have mentioned. With regard to the writing down under the F.D. Act, information has been supplied to me by the Agricultural Bank as follows:— Under Section 11 of the Farmers' Debts Adjustment Act, the Bank has approved of writings down in the case of 524 mortgagors, a total of £632,680, averaging £1,207 per account. Under Section 65 of the Act, 293 accounts were written down, a total of £175,873, or an average of £600 per account. I have some particulars of individual ac-

counts which have been written down. Leaving out names, they are as follows:—

			Amount approved for writing down.		New assessment,
			£	s. d.	£
No. 1	...	...	2,924	0 0	2,001
No. 2	...	...	5,470	0 0	2,766
No. 3	...	...	4,429	0 0	2,785
No. 4	...	...	5,525	0 0	2,600
No. 5	...	...	4,405	0 0	3,450
No. 6	...	...	5,643	0 0	4,000
No. 7	...	...	4,427	0 0	2,000
No. 8 (under Sec. 65)	...	...	3,215	0 0	3,125
No. 9	...	...	3,110	15 10	2,760
No. 10	...	...	3,007	17 9	2,075

These are actual instances that have been quoted to me to show how accounts have been written down. One member, during the discussion, told us of what a farmer had said regarding his writing-down, and who added that he was quite happy seeing that his indebtedness had been written down from several thousand pounds to a few hundred. I do not doubt those figures, but I should imagine that he would feel the happier because of such an experience.

Hon. J. M. Macfarlane: So would we all.

The CHIEF SECRETARY: It is a fact that liabilities totalling £11,000 have been written down to £3,000, and other liabilities of £10,000 to £2,000. It will be conceded that there cannot be any complaints from the standpoint of the writing-down that has been authorised, but it must not be forgotten that when amounts are owing to the Agricultural Bank and other departments of the State, it simply means that the taxpayers must carry the burden of the interest and capital charges on that money for many years to come. While the debt is written down for the individual, it is not disposed of from the State's point of view. I am afraid that quite a proportion of members of Parliament and a particularly large number of the general public entertain the idea that because a debt is written off, that is the end of it and no one has any need to worry about it. It seems to me that the worry commences only after the writing-down has taken place, and that worry has to be shouldered by those who are charged with the task of carrying on the affairs of State.

Hon. J. M. Macfarlane: The store-keepers have to carry their burden.

The CHIEF SECRETARY: Yes, they have had a pretty bad time.

Hon. J. J. Holmes: And this is the result of the nationalising of the agricultural industry!

The CHIEF SECRETARY: When Mr. Thomson was speaking, I could not help thinking that if it were possible for the Government to do what they are asked to undertake, we would be getting very close indeed to the objective of one of the political parties in this State, and that the people in this particular industry would indeed be socialised. Writing-down has taken place from very large sums to comparatively small amounts. Despite that, we have been told we must provide further money in order to afford the farmers the wherewithal to do their work. Then because it is not possible for those people to carry on owing to the shortage of money, we were told that the Government must provide sustenance in order to keep them going. That has been the process in vogue recently, and last year the Government had to provide a considerable sum of money because many farmers suffered from drought conditions. The Government do not complain about that, because it was the only course to be pursued. On the other hand, the Government do say that we cannot do that and at the same time find money for the other things that some members seem to expect us to do. I would draw members' attention to the fact that when a previous Government were in power they raised £600,000 under the Finance and Development Act for the very purpose of rehabilitating the farmers. From the information supplied to me, the then Government did not do anything in this direction at all, but they used the money in order to provide sustenance for the farmers at the rate of 30s. a week. There was an instance of money having been raised for this particular purpose, and yet, according to my information, those concerned did nothing towards providing new machinery for the farmers, as the present Government are requested on this occasion. I desire to reiterate very briefly figures that I had prepared to show the amount of money that was involved last year in losses on account of agricultural development. I have pointed out on many occasions that the summary I refer to is illuminating, and it cannot be divorced from the subject matter of the

motion under discussion. The agricultural development losses for 1936-37 were as follows:—

	Capital Charges. (Interest, Sink- ing Fund & Ex- change.)	Net Earn- ings.	Deficiency.
	£	£	£
Agricultural Bank	318,498	64,125	254,373
Industries Assist- ance Board ...	93,887	17,706	76,181
Soldiers' Settlement	283,653	130,407	153,246
Group Settlement	244,320	17,769	226,551
Rabbit proof fence	15,235	13,832	29,067
Agricultural devel- opment generally	141,445	14,074	127,371
Totals ...	£1,097,038	230,249	866,789

Hon. J. J. Holmes: For one year?

The CHIEF SECRETARY: Yes.

Hon. J. J. Holmes: That is worse than I predicted.

The CHIEF SECRETARY: I wish to draw a comparison between that total deficiency of £866,789 and the total received by the Government from the financial emergency tax, namely, £971,372. That shows that the policy of the present and previous Governments with regard to assistance for the development of agriculture has been expensive, and while we have to meet charges under that heading year by year, it is not possible for the Government to do much more than they are now doing, except in one of two directions. We must increase our loan borrowings, which is not our desire and which will not be possible without the consent of the Loan Council, or we must increase taxation to an extent that will prove unbearable to the people. That is the only conclusion that one can come to on perusing those comparative figures. I desire to give a little more information on somewhat similar lines, and the details, I think, will go further to prove the very great difficulty that the Government experience regarding the question raised in the motion. I have a summary of the assistance given to the primary industry for the three years ended the 30th June, 1937. It is very comprehensive and I think it will be found, on perusal by members, to be easily understandable. It is framed in such a form that members will be able to appreciate the various headings and I submit the table in detail because I consider

it is the only way by which members can reach a proper understanding regarding the assistance given to primary industries of this State for the period of three years to which I have referred. The table is as follows:—

**ASSISTANCE GIVEN TO PRIMARY INDUSTRY THREE YEARS ENDED
30th JUNE, 1937.**

DEBTS WRITTEN OFF.

<i>Lands Department—</i>	£	£	£
Repurchased Estate Leases—Amounts written off (active leases)	121,404		
C.P. Leases repriced—Amounts written off	98,299		
Pastoral Leases—Rents remitted under Act of 1936	35,028		
		254,731	
<i>Agricultural Bank—</i>			
Bank—Amount written off	637,431		
S.S.S.—Amount written off	387,459		
Group—Amount written off	1,710,621		
I.A.B.—Amount written off	556,398		
		3,297,909*	

(* Includes £632,680 under Part XI., F.D.A. Act, inclusive of Esperance, and £175,873 under Sec. 65 of Bank Act.)

Water Supply Department (Country)—

Water Rates written off (includes £6,793 under F.D.A. Act)	34,077	3,586,717
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CONCESSIONS, ASSISTANCE, ETC.

<i>Lands Department—</i>					
Repurchased Estate Leases—Arrears to 30-6-36, suspended for three years	249,212				
C.P. Leases—Arrears of rent capitalised over balances of terms	147,167				
		396,379			
<i>Agricultural Bank—</i>					
To assist settlers in carrying on for the last three financial years, the following assistance has been granted:—					
	1934-35.	1935-36.	1936-37.		
	£	£	£		
Direct Refunds	54,465	22,056	31,952	Total	108,473
Approvals under					
I.A.B.	Nil	103,947	201,684	Total	305,631
Wire Netting payments to Commonwealth in excess of receipts from settlers (Total £51,943) for three years				20,221	
				434,325	
					830,704
					4,417,421

**INDULGENCES.—ARREARS OF RENTS, INTEREST AND WATER
RATES OUTSTANDING.**

<i>Lands Department—</i>		
Land Rents owing to 30-6-37 (ex Rep. Estates suspended three years)	595,744	
<i>Agricultural Bank—</i>		
Interest owing to 30-6-37 on "active" holdings (interest on "reverted" holdings, £758,298, not included)	1,205,068	
<i>Water Supply Department (Country)—</i>		
Water irrigation and drainage rates owing at 30-6-37	171,862	1,972,674
		£6,390,095

The approximate Interest which has to be found on the amount of £6,390,095, at the average Loan rate of $4\frac{1}{2}$ per cent., is £279,562

If members will compare those particulars with the amount received from income taxation, they will see that there is very little difference between the two. So in that regard we have on the one hand the income tax and on the other the financial emergency tax. Yet we are told that this Government have been remiss in their atti-

tude towards the farmers because we cannot find half a million to provide new machinery and power for the farmers. We are told we have not done our duty, but have treated the farmers in a way that cannot be justified.

Hon. A. Fraser: A Country Party Government would have been all right whatever happened.

The CHIEF SECRETARY: It makes one think of it in that way.

Hon. L. Craig: Those arrears were written off in how long a period?

The CHIEF SECRETARY: In three years. Notwithstanding that all this has been done and that the Agricultural Bank has accomplished remarkably good work since its reorganisation, Mr. Thomson says there is no reason at all why the Agricultural Bank should not take steps to provide the necessary machinery for the farmers of the State.

Hon. A. Thomson: The Government, through the Agricultural Bank.

The CHIEF SECRETARY: Just so, the Government through the Agricultural Bank. The hon. member said there was no earthly reason why it should not be done.

Hon. A. Thomson: And I will continue to think it.

The CHIEF SECRETARY: Of course the hon. member will continue to think it. We do all we can for the farmers by way of help to carry them on, and then we are told that because we have not found a large sum of money to provide them with machinery, we have not done a fair thing by them. I make the definite statement that, so far as assistance to primary industries is concerned, no Government in the world, certainly no other State Government in the Commonwealth, have done anything like what we have done during the last three years. When we consider what it means to provide full power and new machinery for the farmers, I think the remarks of Mr. Cornell were illuminating when he showed that the amount of money mentioned by Mr. Baxter, £200,000, would mean only £20 to each farmer if there were to be an equal distribution. As a matter of fact, if all the farmers of the State were to be provided with new machinery, the total cost would be tremendous.

Hon. A. Thomson: Not all the farmers require that.

The CHIEF SECRETARY: But the hon. member has declared that it could be done

through the Agricultural Bank, that provision could be made for the supplying of machinery to all farmers, or at all events to all farmers who consider that they require it.

Hon. J. J. Holmes: I have been buying land for 50 years, yet never have I had a single penny written off.

The CHIEF SECRETARY: I am going to conclude by again referring to Mr. Baxter's statement. In his earlier remarks the hon. member said that nothing had been done by the Government for the farmers. He must have been referring to this question of machinery, because obviously he must have known that a tremendous lot has been done by the present Government for the farmers. Yet from his remarks one would assume that no assistance whatever had been granted for any machinery and power throughout the agricultural industry. We admit that not as much has been done as the hon. member thinks should have been done, but still I repeat that a very great deal has been done. The criticism that has been levelled at the Government this afternoon makes me feel that the representatives of primary producers in this House are somewhat ungrateful for the efforts that have been made at the expense of other sections of the community. But what struck me most forcibly was that much of the criticism should have been levelled at the Commonwealth Government. The Commonwealth Government for years past have been comprised of men who belong to the same political faith as those who have been so critical here this afternoon, and so it seemed to me that a great deal of the criticism that was levelled at our present Government should have been aimed at the Federal Government.

Hon. J. Cornell: And that Government found about fifteen millions.

The CHIEF SECRETARY: When a large amount of money has been found, sometimes it comes to a question of which is the better way in which to utilise that money. From time to time decisions have had to be made by this and other Governments, and we have adopted the principle of doing that which we believed at the time to be in the best interests of the industry and of the State.

Hon. A. Thomson: That is a matter of opinion, and our opinion is that assistance should have been given for machinery.

The CHIEF SECRETARY: Yes, your opinion is that, having got as much as you possibly could by those other means, you are

now prepared to concentrate criticism on the Government in the hope of producing further assistance, having no regard for the responsibilities of other people in this connection. I venture to say that as a result of our experience a different Government, supported by the hon. member, would never have done as well as we have succeeded in doing during the past three years. I do not propose to say any more on the motion, other than to add that full opportunity has been taken to reiterate criticism which was given on a previous occasion and to which I thought I had fully replied. The motion itself cannot have any particular effect, except to give publicity to the views of the mover of the motion and those supporting him. I claim that the Government have done the best possible in all the circumstances. We believe we have been more than fair to the primary industries of the State, and the policy of the Government is that as opportunities offer we shall be prepared to do our best in the interests of the primary producers of this State, but we cannot do the impossible, and that should be recognised by the mover of the motion.

HON. C. F. BAXTER (East—in reply) [8.8]: The Chief Secretary in his opening remarks referred to the position in which he was placed in regard to getting notice of this motion. As was customary, early yesterday afternoon I forwarded a copy of the motion to the President and to the Chief Secretary's office, but apparently the Chief Secretary was not available at that time. A great deal has been said in regard to the motion, and the Minister declared that some members were talking to their electorates. During the long period of years I have occupied a seat in this Chamber, nothing has been further from my mind than to inaugurate a movement that would find special favour with my electors. The object of this motion was to get at all costs something to relieve the intolerable position in which our farmers are placed. In this respect it was very pleasing to hear that the Rural Relief Board had expressed its view in terms almost the same as my own. Their estimate was £300,000 for the very same object I have in view. One member of this House, in belittling spirit, mentioned the trifling amount the farmers would receive from an equal distribution of a sum stated by me. But surely the hon. member knows that only the approved clients would receive

any benefit whatever from such a distribution. Moreover, there are not 10,000 of our farmers resident on their properties in Western Australia to-day. Unfortunately for the State that number is grossly exaggerated. I mentioned that £250,000, not as a grant, but as a sum that would be repaid in, say, five years at a reasonable interest rate. The Minister referred to the financial emergency tax, and indeed the whole of his speech was devoted to justifying the Government in what they have done for producers in writing off sums that the Government could not possibly have recovered; accumulated charges, accumulated over a long period of years. I congratulate the Government on having written them off, but just the same they had to be written off, and even had they not been written off, then the amount referred to by the Minister would have had to be met. The Minister mentioned millions of money. But when he refers to other Governments he must not forget that his Government were responsible for a very large amount of those accumulated charges. I hear in the House and sometimes in the street references to the costly nature of the group settlements; but who created the heavy charges on group settlements?

Hon. G. Fraser: Who started them?

Hon. C. F. BAXTER: I admit that they were started by the Government with which I was connected, but who carried them on? I was a Minister of the Government who started the group settlements, but it was left for members of the present Government to attack me in my charges. Mr. Angwin, one of the leading members of the Labour Government, did attack me, saying many things that were derogatory to group settlement. I said that group settlement must eventually make a loss of £6,000,000. Not that I did not believe in group settlement; I had every faith in it, but it was the administration that was proving costly. Mr. Angwin took up the cudgels on behalf of the Labour Party, and it was that party that set up the huge expenditure since complained of.

Hon. J. Cornell: But the hon. member continued the process when he came back to office in 1930.

Hon. C. F. BAXTER: Only in an attempt to clean up the muddle. As members know, South Australia spent a huge sum of money on the rehabilitation of the farmers, and following on that received £150,000 from

the Federal Government for expenditure in that direction. Victoria spent a large sum of money in the same way, and New South Wales spent a lot of money out of the State bank for the rehabilitation of the farmers.

Hon. E. H. Angelo: Yes, over a million.

Hon. C. F. BAXTER: Yes, over a million. Yet the Minister said that in this State the money could not be found.

The Chief Secretary: I will stand by the statement I have made.

Hon. C. F. BAXTER: I, too, will stand by the statement that I have made. There are four wheat-growing States where farmers are in a bad position in respect of their machinery and plant, those four States being New South Wales, Victoria, South Australia and Western Australia, and Western Australia is the only State where money has not been expended to replace worn-out machinery. The Minister referred to the fact that the previous Government had raised £650,000 in the Eastern States. If my memory serves me correctly, and it is usually pretty good, the only amount I can remember as having been raised by that Administration was a sum of £100,000, which was required for the purchase of super. that was urgently needed, and the funds that were available to the Government at the time totalled only £50,000. The State did raise £650,000 in the Eastern States for the purpose of assisting the farming industry—

Hon. J. Cornell: And I doubt if it has been paid back.

Hon. C. F. BAXTER: I doubt that, too. One of the statements the Minister made was that the Government had found money for drought relief. They were entitled to find money for drought relief even to a greater extent than they actually did. According to the "West Australian" of the 9th November, 1936, £1,000,000 was provided by the Federal Government for drought relief, and the publication of that fact brought forth a statement of gratification from Mr. Curtin, which was also published in the "West Australian." Could not some of that £1,000,000 have been made available for assisting farmers to renew worn-out plant?

The Chief Secretary: The hon. member knows very well that £1,00,000 was not found. What he is saying is pure misrepresentation.

Hon. C. F. BAXTER: If it was not found, was it guaranteed?

The Chief Secretary: You know all about it.

Hon. C. F. BAXTER: I do not. All I know is what appeared in the "West Australian" that £1,000,000 had been provided for drought relief in Western Australia, and in that newspaper there were two references to the fact.

The Chief Secretary: I have been fair in my criticism to-night and I expect the hon. member to be fair also.

Hon. C. F. BAXTER: I am quite fair and all I have done has been to quote from the "West Australian." If the Chief Secretary states that the amount was never received I shall accept the statement.

The Chief Secretary: You know the full facts of the case.

Hon. C. F. BAXTER: I do not. Not once have I ever in this House stated anything that I have not known to be true. In this particular instance I am guided by what appeared in the newspaper. I remembered having seen it, and I looked it up during the tea adjournment this evening. It is set out there plainly that the amount was made available for drought relief. Whether it was actually received or not, I do not know.

The Chief Secretary interjected.

Hon. C. F. BAXTER: The Minister has no right to accuse me of misleading the House, and I am surprised at his taking up that stand. If the money was not received, I will accept his statement. It seems a very strange thing, all the same. A lot of money is borrowed and spent to provide employment, and if we keep on spending money in a manner which does not return interest or sinking fund, where are we going to end? Shall we ever get rid of unemployment in that way? Of course not. There is only one way in which we can provide employment, and that is to find money to re-establish our primary industries. It is not only the farmers that I am thinking of, but I am thinking also of the finances of the State, which are in a parlous condition, and unless something is done to re-establish primary industries, we are only delaying the recovery of the State. I regret that the Minister cannot give me an assurance that something will be done, even under the Rural Relief Act, that some money will be diverted into channels for the rehabilitation of machinery and plant on farms. I am sorry it has not been possible to get anything definite from the Minister, some-

thing that would have been pleasing to hear. Nothing can now be gained by prolonging the debate, and therefore I ask the leave of the House to withdraw the motion.

Motion, by leave, withdrawn.

QUESTION—GOVERNMENT TENDER FORMS.

Hon. A. THOMSON asked the Chief Secretary: Will a tender for any public work, wherein the conditions of contract giving preference to financial members of recognised unions are deleted, be considered?

The CHIEF SECRETARY replied: No objection has been raised to the conditions providing for preference to members of recognised unions as incorporated in Public Works tender forms, and should a tender be received with such clause deleted, the tender would not be considered.

QUESTION—WORKERS' HOMES, GOLDFIELDS.

Hon. H. SEDDON asked the Chief Secretary: 1, What were the various occupations of the persons for whom workers' homes were built on the goldfields, and the number of persons in each occupation? 2, What was the amount of deposit charged in each case, and the cost of the building? 3, What was the amount of the applicant's yearly salary as stated by each approved applicant?

The CHIEF SECRETARY replied: 1, Miners 4, mine timbermen 3, machine miners 2, mine engine-drivers 3, mine tool-sharpener 1, mine assayer 1, mine mill hand 1, mine platman 1, mine pumpmen 2, mine trucker 1, mine engine greaser 1, mine pipe fitter 1, Government battery labourer 1, School of Mines official 1, railway employees 2, truck drivers 3, shop assistants 2, horse driver 1, labourer 1, ice cream departmental manager 1, refrigerator mechanic 1, carpenter and builder 1, journalist 1, electrician 1, tailor 1, plumber 1, Forestry Department employee 1, total 40. 2, Deposits range from £15 to £104. Average deposit £20. Capital costs of building range from £351 to £570. Average cost £428. 3, Yearly income of applicants ranges from £208 to £370. Average income £300. It is not considered desirable to publish individual details, but a statement has been pre-

pared which will be supplied to the hon. member for his own information, if he so desires.

QUESTION—POLICE BENEFIT FUND.

Hon. H. SEDDON asked the Chief Secretary: 1, What was the amount paid by the Government to the Police Benefit Fund on the £ for £ basis for each of the past five years? 2, What amount was contributed per annum for the past five years on the basis of £300 towards cases which received a special gratuity on account of the police officer being killed?

The CHIEF SECRETARY replied: 1, 1932-33, £4,750; 1933-34, £4,800; 1933-35, £4,575; 1935-36, £4,535; 1936-37, £4,800. 2, 1932-33, £240; 1933-34, £240; 1934-35, £240; 1935-36, £270; 1936-37, £300.

MOTION—NATIVE ADMINISTRATION ACT.

To Disallow Regulations.

Debate resumed from the 26th August on the following motion by Hon. G. W. Miles:

That the regulations (Nos. 1 to 9 inclusive) relating to the Natives' Medical Fund under the Native Administration Act, 1905-1936, as published in the "Government Gazette" on the 2nd July, 1937, and laid on the Table of the House on the 10th August, 1937, be and are hereby disallowed.

HON. E. H. ANGELO (North) [8.25]: Unfortunately, I was away in my electorate when Mr. Miles moved for the disallowance of these regulations, but I have since read his speech, and also those of Mr. Holmes and the Chief Secretary. I have also carefully perused the regulations themselves, and I find there are three points which, to my way of thinking, do not appear quite satisfactory. The first is the amount fixed as the contribution by the employer to the medical fund established by those regulations, and also the use that is to be made of those funds; secondly, the absence of any definition of the word "employee." That, I consider, is very necessary; and, thirdly, I do not by any means agree that the onus should be placed on the employer as to whether he should bring the native in for treatment. Regarding the first, the amount fixed as a contribution, as has been pointed out, is considerably in excess of what is asked for in the Northern

Territory, but there is a more important objection, and that is, the meaning of the regulation that covers this contribution. According to the regulations themselves, it looks as if the money raised by the pastoralists is to be used to defray the medical and hospital expenses and maintenance of any native who might fall ill or become diseased or suffer injury, whether the native be indigent or not.

The Chief Secretary: Did you say raised by the pastoralists?

Hon. E. H. ANGELO: By the employers. But when the Minister was speaking he pointed out that the fund would be used for the working natives of the pastoralists and also the indigent natives on the various stations, or other indigent natives as well as those at present maintained from the resources of the department. There must be a misunderstanding there. Is there to be a separate fund raised by the pastoralists for their own natives, or is that fund to be used for the relief of indigent natives in the South-West? According to the Minister, it is to be used only for the natives on the stations. If that is so, very little objection can be raised, but I think the pastoralists are justified in saying that they should not be asked to contribute any portion of the money they find for natives in the South-West. And we know that there are numbers of such indigent natives in the South-West. Taking the broad meaning of the regulation, that money would be used for any native anywhere in the State. On the other hand the Minister tells us that it would be used for the pastoralist's own natives.

The Chief Secretary: I did not say the pastoralist's natives only. I pointed out how the regulation would affect pastoralists.

Hon. E. H. ANGELO: The Minister stated—

It is the intention of the department to bestow the benefits of the fund upon the working natives, their dependants, and the indigent retainers on the various stations.

The Chief Secretary: That is quite true.

Hon. E. H. ANGELO: The hon. gentleman's statement continues—

All other indigents will, as at present, be maintained out of other resources of the department and will, as in the past, receive hospital and medical attention.

The Chief Secretary: That is right.

Hon. E. H. ANGELO: I am afraid I must have misread the regulation, because it cer-

tainly seems to me to leave it open to be used for natives in the South. I will read the regulations again—

(A) Where the native is not employed, or, where the native being employed the employer is not required by the Act to hold a permit to employ such native, the Commissioner may use moneys out of the fund to defray the whole of the cost of medical and hospital expenses and the maintenance of the native during the period of his illness, condition of disease, injury, or accident, aforesaid.

(F) Subject to the foregoing paragraphs of this regulation, the Commissioner may as and whenever he shall think fit use the moneys in the fund to defray the medical and hospital expenses and the maintenance of any native who falls ill or becomes diseased or who suffers any injury or accident whether such native is indigent or not.

If the Minister is right, a little alteration is required in that regulation and could easily be made.

The Chief Secretary: You must remember that the pastoralists are not the only employers of this labour.

Hon. E. H. ANGELO: But how many employers are there in the South?

The Chief Secretary: More than there are pastoralists.

Hon. E. H. ANGELO: Yes, but not to the extent of the number of natives employed. My second objection is that there is no definition of the word "employee." Who is going to define what an employee is? To my mind there are only two classes of employees by pastoralists in the North. There is the male employee, who is really a stockman, because, after all, natives do not do much work on stations except looking after the sheep and the cattle. The other employee is the house gin. But, in addition, there are numbers of other natives on the stations. There is the old native who comes up to water the garden in return for a little tucker or some sweets. Perhaps the work occupies him for half an hour or so. Who is going to say whether that old man, or possibly it may be an old gin, is an employee or not? For every employee the pastoralists must pay £1 per year. The definition should be properly set out. On some stations there are boys who jump up on the trucks to open gates. Surely they cannot be employees.

The Chief Secretary: Who said they would be employees?

Hon. L. Craig: Who said they would not?

Hon. E. H. ANGELO: It is not the Minister who will have to say what natives are employees. We have a head of a department, the Commissioner of Native Affairs.

Quite rightly, many heads of departments like to make their departments payable. The Commissioner's views may not be quite so considerate as the Minister's.

Hon. H. Seddon: Should not the heads try to make their departments payable?

Hon. E. H. ANGELO: Yes; but is it fair to the pastoralists that an old native—

The Chief Secretary: We have an extraordinarily fair agreement in these matters.

Hon. E. H. ANGELO: I am merely suggesting that that is one of the little additions that could be made, the definition of "employee." The other objection I have is to the regulation throwing on the employer the onus of deciding whether a native shall be brought in for treatment or not. I am afraid that if that regulation stands, it will act just in the opposite direction to that intended by the Minister. If the regulation is left in, it may have the effect of causing many natives, who should be brought in immediately, to be left until their injuries or illnesses develop rather more seriously. I fail to understand why that regulation has been introduced. As regards the fee of £1 per head, I do not think the pastoralists would raise any great objection to it, provided they are not employing too many natives. Most of the pastoralists perhaps employ only from one to a dozen or so natives, but there are stations in the far North which employ numbers of natives. If the Minister could see his way to have a maximum contribution fixed for, say, 16 natives and over at £16, bringing the maximum here into line with that in the Northern Territory—

The Chief Secretary: That would make the position impossible.

Hon. E. H. ANGELO: Perhaps we need not stick to the number 16; but we can make a fair concession to stations employing, say, 50 or 60 natives. It is hardly fair, when we know the pastoralists are up against it, to ask for £1 for every native employed. In case of illness or injury the pastoralists have to bring these men in and take them out, besides providing medical supplies on the stations. The Minister said recently that the effect of this regulation would be to relieve the pastoralists from liability under the Workers' Compensation Act. That is so; but if a native fell ill and the employer had to bring him in and take him out again, the insurance company would pay for that. On the other hand, under the

scheme here proposed, the employer would have to pay the cost. There is nothing very much to cavil about. With attention to these little points, the matter could fairly be left to the Minister's consideration, having regard to the case put up by the three North-West members, who probably know the native question just as well as the Commissioner does. An opinion is held by many people that native labour is very cheap labour. I have never agreed with that view. Native labour is convenient labour, but is not by any means cheap labour. Many stations, especially in the lower North, would not be at all sorry if the natives were taken clean off their hands. However, the natives have been bred on the stations and have lived there, and there is a certain amount of sentiment attached by pastoralists to having their own natives stick to their stations. I ask the Minister to see whether he cannot agree with the views expressed by the members for the North-West. The result of that would be, I feel sure, to make everybody satisfied. The Minister was very nice indeed in telling us last session how satisfied the Government were with the treatment of natives by pastoralists. Again, Mr. Moseley in his report eulogised the pastoralists for their treatment of natives. I feel sure that we are not going to quarrel over small regulations such as these. I feel sure, also, that the Minister will see his way clear to have the suggested alterations embodied in the regulations, thereby satisfying everybody.

HON. A. THOMSON (South-East) [8.42]: At the risk of being told that I am not conversant with the subject, I wish to refer to a suggestion made by Mr. Cornell, that these regulations should be withdrawn and that the matter should form the subject of a conference. When Mr. Miles spoke I was under the impression that the regulations dealt solely with natives in the North. Here possibly the Chief Secretary may say that I am not too conversant with the subject, but during the week-end I was at home and it was brought to my attention that the regulations apply in the southern district and there are having an effect totally different from what the Chief Secretary believes. I have been told of a native in respect of whom the fee of £1 had been paid for a permit working only a few days on a farm and then leaving that

particular farm. I know the Chief Secretary will reply that if the farmer in question applies for a refund, he will get it.

The Chief Secretary: I was speaking on a different aspect.

Hon. A. THOMSON: I acknowledge that I am not fully conversant with the subject. However, I desire to raise a point which was brought to my attention. The native in question went to another farmer, who again had to get a permit and again had to pay £1. Thus it is quite possible in the southern district for a native to work for a number of farmers, each of whom would have to pay the fee of £1.

Hon. J. J. Holmes: That would apply equally in the North.

Hon. E. H. Angelo: The native can be changed around.

Hon. A. THOMSON: All I can say is that one of the police officers who issue permits is acting in a totally different way. He insists upon receiving £1 from each farmer who wants to employ a native. I should say that I only got this information at second-hand.

The Chief Secretary: There is provision for the casual employee.

Hon. A. THOMSON: The police in the district I have in mind insist that every farmer who employs a native must pay the fee of £1. During the discussion it has been pointed out that the pastoralists of the North would save a considerable amount of money by paying only £1 per native instead of workers' compensation insurance. If a farmer in the Great Southern District wants to employ a native for a week or a month, he has to pay the £1. I do not know whether it would be permissible under the regulations, but certainly it would be much cheaper for the farmer to obtain what is termed a comprehensive insurance policy. In that case the cost would be only a shilling or two per native.

The Chief Secretary: If you had read the regulations, you would have seen how the matter stands.

Hon. A. THOMSON: I am only pointing out how the matter is being dealt with by the police in the Great Southern District. I have now drawn the attention of the Chief Secretary and of hon. members to the subject. If these regulations apply as intimated by the Police Department in the Great

Southern District, they should be reconsidered.

On motion by the Honorary Minister, debate adjourned.

MOTION—STATE TRANSPORT CO-ORDINATION ACT.

To Disallow Amendment to Regulations.

Debate resumed from the 26th August on the following motion by Hon. A. Thomson:—

That the amendment to the Regulations made under the State Transport Co-ordination Act, 1933, as published in the "Government Gazette" on 18th June, 1937, and laid on the Table of the House on 10th August, 1937, be and is hereby disallowed.

HON. H. V. PIESSE (South-East) [8.45]: I intend to support the motion because the regulation will make it somewhat more difficult for those who apply for licenses, although the Minister, when speaking on the subject, said that the regulation was brought in to make matters easier for those who were transporting goods to the country. There is very little for me to say in connection with the matter, except that I intend to vote in support of the disallowance of the amendment to the regulations.

HON. A. THOMSON (South-East—in reply) [8.46]: I hope members will agree to the disallowance of the amendment to the regulations. The regulations it is sought to amend have been in existence since the proclamation of the Transport Act. On the whole it can be said that they have been very effective in enabling the board to impose such conditions upon those applying for licenses as to make it almost impossible for them to carry on profitably. For the information of hon. members I propose to read something which reveals the actual conditions which one has to sign when he obtains a license. For obvious reasons I do not propose to mention the name of the man concerned. The conditions are as follows:—

Route: 1. Between the metropolitan area (any point within a radius of 15 miles from the G.P.O., Perth) and the "Dale-Wandering area bounded as follows:—On the east by a line parallel to and 10 miles west of the Great Southern Railway line; on the west by the Perth-Albany main road; on the north by a line running east and west through Beverley; and on the south by the Pinjarra-Narrogin

railway line (in accordance with paragraph (a) of Condition No. 1 hereunder).

2. Between any point within such Dale-Wandering area and Narrogin (in accordance with paragraph (b) of Condition No. 1 hereunder).

3. Between any point situated within the Dale-Wandering area and Popanyinning or Pingelly railway stations (in accordance with paragraph (c) of Condition No. 1 hereunder).

Conditions: 1. This license is granted solely for the purpose of carrying (a) on route (1) as set out above only (i) on the inward journey to the metropolitan area (a) goods other than wool produced by the consignor thereof within the Dale-Wandering area (including rabbits trapped within such area); and (b) goods other than wool which have been used by the consignor thereof in connection with his fixed place of business within such area, and which are not sold or intended for sale by the consignor; (ii) on the outward journey from the metropolitan area—(a) goods for use by the consignee thereof on his property within the Dale-Wandering area, and (b) goods for sale by the consignee thereof at his fixed place of business within such area, where such business is bona fide, established therein at the date of commencement of this license for the purpose of selling such goods. On route (2) as set out above only and not more than once in any month (i) on the inward journey to Narrogin, livestock produced within the Dale-Wandering area; and (ii) on the outward journey from Narrogin livestock and mill produce for use within such area; (c) on route (3) as set out above only, general goods to or from rail at Popanyinning or Pingelly: Provided that the licensee shall not convey on the public vehicle from the metropolitan area to the Dale-Wandering area any goods which are sold or delivered or intended for sale or delivery by the public vehicle or any other vehicle to any place not situated within the Dale-Wandering area described in this license.

5. The licensee shall not, without a permit, allow the public vehicle to carry goods for hire or reward or for any consideration except such goods as are herein approved and on the route endorsed on this license.

7. No staging shall be permitted in the operation or in connection with the operation of the public vehicle. In this condition the term "staging" includes—(a) the picking up for conveyance by the public vehicle of any goods which have been carried to any point by any other vehicle (whether licensed or not under the Act) for the purpose of being transhipped to or conveyed by another vehicle; and (b) the setting down by the public vehicle or transhipment from the public vehicle of any goods for the purpose of the same being carried by any other vehicle whether licensed under the Act or not.

I have quoted that to show what the present conditions are. They are conditions under

which I would not like to take on the task of endeavouring to make a living as a carrier. I do not propose at this stage to discuss the Transport Act, because I am hoping at a later stage to introduce a Bill similar to that which I introduced previously. Since the board have been in existence, all the conditions necessary have been imposed, and the regulations in question are just stretching out a little more and making the net tighter so that the unfortunate people who are endeavouring to make a living by supplying necessary transport find it more difficult to do so, and existence is made more expensive for people in the country.

The Chief Secretary: Your friends will not thank you for this.

Hon. A. THOMSON: Some of them may not; some of them will. If this amendment were liberalising the regulations it would be all right. The board have been able to carry on under the existing regulations, and after studying the matter very carefully with others I consider that things should be left as they are at present. I hope members will support the motion.

Question put and a division taken with the following results:—

Ayes	..	..	..	..	7
Noes	..	..	..	..	10
Majority against					3

AYES.

Hon. L. B. Bolton
Hon. E. H. Hall
Hon. V. Hamersley
Hon. W. J. Mann

Hon. H. V. Piesse
Hon. A. Thomson
Hon. C. H. Wittenoom
(Teller.)

NOES.

Hon. J. Cornell
Hon. L. Craig
Hon. J. M. Drew
Hon. E. H. Gray
Hon. W. H. Kilson

Hon. J. M. Macfarlane
Hon. G. W. Miles
Hon. T. Moore
Hon. H. Seddon
Hon. G. Fraser
(Teller.)

Question thus negatived.

BILL—FEDERAL AID ROADS (NEW AGREEMENT AUTHORISATION) ACT AMENDMENT.

Second Reading.

Debate resumed from the 2nd September.

HON. W. J. MANN (South-West) [8.53]: One of the important amendments to the Federal Aid Roads Agreement provided in the Bill is that deleting forestry from the benefits derived from the expen-

diture of the additional 1½d. per gallon returned to the State from the proceeds of the petrol tax. As a set-off against that there is a widening of the avenue of expenditure of the amount mentioned by the inclusion of works connected with transport. Both are of importance to Western Australia and additional expenditure on both can be justified. I offer no objection to the proposal but I would have been better satisfied had the Minister on the second reading been able to assure us that the exclusion of forestry was not going to mean the withdrawal of Federal aid in that sphere. There is still much to do in the direction of handling and conserving this very fine asset. We must have close supervision of cutting activities in order that there shall be returned the highest possible degree of marketable timber. Reforestation, regeneration, and the avoidance as far as possible of fire losses by constant vigilance all directed towards ensuring permanence of this very valuable asset must be maintained. Our forest areas, although extremely valuable, are limited, and everything possible should be done to preserve them. This year forestry was responsible for the introduction into this State of no less a sum than £752,000, all of which was new money. It is pleasing to know that large orders are still being obtained, and that at the present time many men are finding lucrative employment on the mills and in the bush. We hope that that will continue for many years. We representatives of the forest country are therefore very anxious that the value to Western Australia of this industry shall be emphasised, and because of its importance the expenditure necessary to ensure permanence will be readily provided. Regarding the money returned to the States by the Commonwealth for road purposes, we, in order to be fair, should admit that, considering the aggregate amount made available by the Commonwealth, Western Australia cannot unduly complain. There are many people who claim that the Federal Government should return to the States a higher percentage of the petrol tax, and I agree with them. I consider that the logic of that contention is borne out by the fact that the Commonwealth Government this year have recognised that a greater proportion of the petrol tax should be returned to the States in that they are providing an additional £700,000

for roads. The amount of the petrol tax retained by the Commonwealth, compared with that expended for the direct convenience of those who actually contribute is, in my opinion, out of proportion. Until last year the Commonwealth retained 4½d. per gallon and handed back to the States for very necessary road construction and maintenance 2½d. per gallon. My view is that the position should have been reversed. Now, however, the Commonwealth are taking 4d. a gallon and returning 3d. a gallon to the States, and the amount is still out of proportion. I should like the Commonwealth to give a little further recognition to the States, perhaps next year.

Hon. L. Craig: Is it not a ten-year agreement?

Hon. W. J. MANN. That is so. However, we must recognise that, with the steadily increasing expenditure on social services, defence, etc., the Commonwealth are finding a difficulty to provide for all the claims made upon them, but we do feel that this State has a good case in asking that the assistance hitherto given to forestry should be continued. The Commonwealth Government have to provide huge sums this year for non-reproductive requirements. They have to find £11,500,000 for defence, unfortunately. Though this is very necessary expenditure, it is not going to be reproductive in the direct sense. It may be reproductive in the sense that it will ensure a little greater national security, but it will not help Australian development. This is a very heavy additional burden for 7,000,000 people, of whom only about one-third can be termed earners. Regarding that portion of the agreement that makes it obligatory for the State to attend to roads serving Commonwealth activities I wish to urge the claim of two small pieces of road that come in that category and have been neglected for years. One is the road leading from Dunsborough to Cape Naturaliste. The last time I travelled over that road its condition was positively dangerous. As a result of strenuous efforts through Federal members, the Commonwealth Government agreed to find £100 if the road board provided another £100. The other is the road from Flinders Bay to Cape Leeuwin. Both of those roads serve Commonwealth activities and the section from Flinders Bay to Cape Leeuwin, only about three miles long, was in a very bad state when last I travelled over it. I hope that,

as additional money will now be available, those two roads and the claims of the people who use them, chiefly lightkeepers, will receive recognition. I wish to acknowledge the excellent work done by the Main Roads Board throughout the State. Through their efforts road travel during the past few years has been made a pleasure, whereas previously it was nothing more or less than a physical trial. There is one other road to which I hope the Main Roads Board will give attention during the coming year, and that is the road serving the town and district of Collie. The road from Roelands to Collie should be bitumenised as early as possible. It is one of the roads in the hills where there is a heavy rainfall; the traffic on it is heavy and in bad weather there is always a good deal of re-filling and other work necessary to keep it in anything like trafficable condition. The road board have stood up to the job very well, but the Collie people have received very little assistance from the Main Roads Board other than through the main arterial Perth-Bunbury road and they feel that they have a definite claim. If at all possible I hope the Main Roads Board will give attention to that work during the coming year. I understand that the Government are anxious that this Bill should be passed as early as possible in order that they might collect money that is available and cannot be lifted until the Premier has the authorisation of this Parliament to sign the agreement. I have pleasure in supporting the Bill.

HON. J. CORNELL (South) [9.10]: I support the second reading, and as Mr. Mann has put up a plea for three or four roads, I desire to follow his example by getting in early. I wish to put in a plea for about 70 miles of road; I might as well ask for the lot. As the Main Roads Board will have additional money as a result of the passing of this Bill, they should declare a main road from Perth to Kalgoorlie. The road from 15 miles east of Merredin to Coolgardie, which comes in the Coolgardie-Yilgarn Road Board, has to be maintained by the board, though about 90 per cent. of the users do not reside in the district and do not pay rates or taxes to the district. If there is one road in the State that should be declared a main road right through, it is the section from Coolgardie to Kalgoorlie.

Hon. T. Moore: That makes two.

Hon. J. CORNELL: Yes. I venture to say that considering the amount of traffic carried by that road, there is no other road in the State that can be compared with it for its condition. If any extra money is available, I hope it will be used on those roads.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—MAIN ROADS ACT AMENDMENT.

Second Reading.

Debate resumed from the 2nd September.

HON. A. THOMSON (South-East) [9.14]: I support the Bill. With Mr. Mann I should like to pay a tribute to the Main Roads Board and express appreciation of the work they have done on the roads throughout the State. The board's engineers and staff are doing excellent work, and are making a first-class job of the roads. This means that the maintenance and upkeep are minimised. Those who have to travel long distances in this State can now do so with pleasure compared with the purgatory to which they were formerly accustomed. The agreement which was brought into existence when the late Alex. McCulloch visited the Eastern States at the request of the Bruce-Page Government provided for the fund being distributed on a basis of three-fifths population and two-fifths area. Dr. Earle Page, who was in charge of the Federal Government at that time, put that into the agreement, and it proved of great advantage to Western Australia.

Hon. J. Cornell: I think Mr. Bruce put that in, not Dr. Page.

Hon. A. THOMSON: Dr. Page was the originator of the suggestion. He had a grasp of the position in this State, and realised that we had an enormous area to develop. Possibly we should have received more than we did. Previously we received 2½d. That figure has now been increased to 3d. It is estimated that the additional ½d. will give £100,000 to Western Australia, of which the Commonwealth Government may call upon one-twelfth to be spent on roads lead-

ing to Federal property, or under the control of the Federal authorities. The Commonwealth, therefore, have reserved the right to demand that £8,000 per annum out of the £100,000 shall be spent as is desired by the Federal Government. The £92,000 is a very handy sum for this State for use in repairing and reconditioning bridges. I understand the agreement has not been signed, but the Government have anticipated things by utilising portion of the £100,000 in the erection of a bridge over the Canning River.

The Chief Secretary: You are speaking to the wrong Bill.

Hon. A. THOMSON: These two or three Bills are so closely associated that I may be speaking to the wrong measure. I should like to draw attention to the Marine Drive at Albany. From the scenic point of view it is one of the most beautiful drives in Western Australia. As it is part of Defence property, and in Federal territory, neither the road board nor the municipality is in a position to keep it in repair. I suggest for consideration that a portion of the £8,000, which may be called up by the Federal Government, should be used to bitumenise this particular drive. The expenditure of an additional £100,000 in this State will provide work for more people. I am not going to suggest that the road workers should be employed on full time. Western Australia has derived one advantage from the depression, namely that many miles of good roads have been constructed which otherwise might have remained in abeyance. I support the second reading.

HON. V. HAMERSLEY (East) [9.22]: I presume that provision has been made for developments in connection with aviation, so that the State can apply money in that direction if necessary. Probably that is the idea behind the clause of the Bill in question. I note the words "or other works connected with transport." It may be that the money can be used for the establishment of tram tracks or the provision of trolley buses.

Hon. J. Cornell: The hon. member is speaking to the Bill that has just been passed.

The PRESIDENT: The House is considering the Main Roads Act Amendment Bill. There are three Bills which have a certain bearing one upon the other.

Hon. V. HAMERSLEY: Seeing that the matter to which I refer relates to a Bill which has just been passed, I can say no more. In my view a vital point has been missed.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—MAIN ROADS ACT AMENDMENT ACT, 1932, AMENDMENT.

Second Reading.

Order of the Day read for the resumption from the 2nd September of the debate on the second reading.

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 9.30 p.m.