

Legislative Assembly

Tuesday, the 22nd September, 1970

The SPEAKER (Mr. Guthrie) took the Chair at 4.30 p.m., and read prayers.

BERNARD KENNETH GOULDHAM

Tabling of Papers: Notice of Motion

MR. BERTRAM (Mt. Hawthorn) [4.32 p.m.]: I give notice that at the next sitting of the House I shall move relative to Bernard Kenneth Gouldham—

That the House do order that the following papers be laid before the House, namely—

An Affidavit of Julian Hymanson sworn on the 4th day of May, 1967;

Affidavit of Blanche Dora Hymanson sworn on the 11th day of May, 1967;

Affidavit of Harry Leger sworn on the 29th day of May, 1967;

Affidavit of Desmond Derepas sworn on the 20th day of November, 1967.

The SPEAKER: Order! I am sorry that I have not been available to see the member for Mt. Hawthorn to discuss the procedure on this matter. As some members know, I have been to Sydney on the business of the House since the last sitting. On my return I had to have a conference with my officers and with the President of the Legislative Council and his officers. In addition, another matter was raised by the Leader of the Opposition. The result is that I have not had time to consider the procedure to be adopted on this occasion. I will look into the matter before the next sitting and, if there are any difficulties, I will advise the member for Mt. Hawthorn privately, immediately, and I will advise the House at its next sitting.

RURAL ECONOMY

Need for Government Action: Urgency Motion

THE SPEAKER (Mr. Guthrie) [4.35 p.m.]: I have received a letter dated the 22nd September, 1970, from the Leader of the Opposition which I shall read. It says—

Hon. H. N. Guthrie, M.L.A.,
The Speaker,
Legislative Assembly,
Parliament House,
Perth.
Sir:

I desire to inform you that with your concurrence which I now seek, it is my intention at the sitting of

the House today to move, as provided for under Standing Order 48, "That this House do now adjourn" to emphasize the urgent necessity for the Government to take further and more realistic and effective action to alleviate the distress in the rural economy resulting from recurring adverse seasonal conditions, falling prices, rising costs and arbitrary restrictions on wheat production and to give full consideration to the implementation of our rural relief laws in their existing or requisitely amended form and to all other means available, to ameliorate the plight of our rural population and to restore to it some hope for the future.

Yours faithfully,

(Sgd.) John T. TONKIN,
Leader of the Opposition

In accordance with the normal procedure, it will be necessary for seven members to rise in their places to support the motion.

Seven members having risen in their places,

MR. TONKIN (Melville—Leader of the Opposition) [4.38 p.m.]: I move—

That this House do now adjourn to emphasize the urgent necessity for the Government to take further and more realistic and effective action to alleviate the distress in the rural economy resulting from recurring adverse seasonal conditions, falling prices, rising costs and arbitrary restrictions on wheat production and to give full consideration to the implementation of our rural relief laws in their existing or requisitely amended form and to all other means available, to ameliorate the plight of our rural population and to restore to it some hope for the future.

For a very long time members on this side of the House have been endeavouring to make the Government appreciate how very serious the situation is in the rural economy. We have done this by means of motions moved and questions asked in the House. Each time the replies have been such as to suggest to us that either the Government does not have a full appreciation of just how serious the situation is or does not have any ideas as to how to deal with it. Gradually we have seen the position worsen.

A number of factors have contributed to the very serious situation. A particularly dry year, from which few districts escaped, was experienced last year. On top of that there have been continually rising prices and costs for things required by farmers. In addition, there have been falling prices for the commodities which are for sale.

We have had a situation where arbitrary restriction has been imposed upon what a farmer may produce. We have had people encouraged to go into new areas without having an opportunity to recover their expenditure in those areas because of a restriction on the amount of wheat they may produce. Many of the country towns are visibly dying. One can see the closed businesses, and one can feel the falling-off in activity. It is perfectly obvious that a number of business people have been called upon to carry financial burdens beyond their capacity in order to assist producers who are not in a position to pay their way. The seriousness of the situation has been emphasised by the number of meetings of farmers, asking for help, which have taken place in various parts of the State.

Very little help has been forthcoming; and that which is being made available is not available to those most in need. For example, the financial help being given through the Rural and Industries Bank is made available on first mortgage. Generally speaking, the people in a position to give a first mortgage are much better off than those who are not in that position—those who are already mortgaged. However, people already mortgaged have no opportunity at all of receiving financial assistance from such a source.

The Government has been depending upon improvements in the weather from time to time and saying, "If we had a few inches of rain the situation would be so very different," when what is required is very careful planning over the whole rural economy in order to determine what should be done. This situation, in many respects, differs very little from the situation which obtained in the early 1930s when it became necessary for the Parliament to enact such legislation as the Farmers' Debts Adjustment Act and the Rural Relief Fund Act. Some farmers are in just as serious circumstances today as they were in the 1930s, but the Government is reluctant to use certain funds which are available. It has said that to do so would in some way have a bad reaction on rural credit.

The Government has been asked if there is any impediment in connection with the application of the Rural Relief Fund Act and the Farmers' Debts Adjustment Act, and the reply of the Government has been that the Commonwealth Bankruptcy Act inhibits the operation of those two Acts and requires that the finances of qualifying farmers be placed under the control of a receiver. Because of that fact and its reaction on rural credit, generally, the Government is reluctant to apply the provisions of those Acts, even though there is no legal impediment. Why should there be any more reluctance now than there was in the

early 1930s when application was made to the Commonwealth for substantial means to enable relief to be given?

If we look at the report of the Auditor-General for the year ended the 30th June, 1969, at page 62 we see this—

Rural Relief.

Commonwealth Act No. 23 of 1935 provided a grant of \$2,600,000 to the State—

"...for the purpose of making payments to or for the benefit of farmers to enable them to make compositions or schemes of arrangements with their creditors in respect of their debts."

The State Rural Relief Fund Act, 1935-1947, defines the procedure in regard to the distribution of the money by the State.

The transactions are recorded through a Treasury Trust Account, the operations upon which from the inception, were:—

	\$
Received from the Commonwealth (no moneys received since 1943-44)	2,566,000
Add—Repayments by farmers—	
Previous years	450,744
	<hr/>
	3,016,744
Deduct—Amount distributed to or on account of farmers (no moneys distributed since 1954-55)	2,586,500
	<hr/>
Balance in hand, 30th June, 1969	\$430,244

What is the Government doing with the money? Has it got the money? Is it just lying idle in some account; and, if so, for what purpose? When is it to be used; and for whose benefit? What right has the State to retain that money for its use and at the same time ask the Commonwealth for an additional \$2,000,000?

We maintain that a further look should be had at the rural relief laws. If they are not appropriate for the present situation, they should be requisitely amended to enable them to be applied. If the reports which occur in the newspapers are to be believed—and I have seen no denial—some people are in dire distress. A meeting of farmers was held on Tuesday of last week in the Esperance district. Unfortunately, I was too heavily committed to be able to attend; but I read in the Press report that some members on the Government side were present, so they will know whether or not it is a true report. The report appeared in *The West Australian* of the 16th of this month and stated—

Claims that some farmers in the Esperance area are unable to raise

finance to buy food were made at a meeting in Esperance today of more than 100 farmers.

It was also claimed that children were being forced to leave school.

Four resolutions were adopted. It was agreed:

- To ask the Government for immediate finance for living expenses for farmers affected by drought. This finance should be available till drought relief or any other help became available.

- That finance should be made available by the Government to cover the cost of the secondary and tertiary education of children from rural areas affected by the current economic situation.

- That the Commonwealth Development Bank should be asked to delay interest and principal repayments on development loans for at least three years and possibly five years.

- That Primary Industry Minister Anthony should be told that the meeting insisted that recommendations for a statutory wool marketing authority should be implemented immediately.

Now, if one reflects upon those resolutions one will see that they summarise the existing requirements of those people. For months I have been wondering, because I have heard this submitted for months, why no action has been taken with regard to the Commonwealth Development Bank in connection with delaying interest and principal repayments. I was down at Jerramungup early last year. This suggestion was put forward and I was told it had been submitted to the present Government. But I have not seen any mention of what has been done in connection with it.

Surely there is a means by which some real financial assistance can be given to these primary producers. Last Friday the Government made an announcement of a grant of \$450 in certain circumstances in a certain limited area, which the people concerned subsequently said caused them disgust. I would like to quote from *The West Australian* of the 19th September an article which reads as follows:—

Jerramungup, Fri: The Stirling zone council of the Farmers' Union decided at Boxwood Hill today to express disgust at the Government's attitude to drought-affected farmers.

It agreed unanimously that the Government's offer of \$450 till after harvest would do little to alleviate the problem caused by constant drought.

It considered that very few could benefit.

In an affluent society it was extremely disappointing that the Government had set its rate of assistance at poverty level.

The president of the council, Mr. L. Gleeson, said later that the level of assistance needed was made quite clear. To procrastinate further would mean disaster.

The council was anxious to see that realistic long-term no-interest loans were made available immediately.

The criterion for these loans should be the cost of maintaining stock over this difficult period or restocking when seasonal conditions returned to normal.

Although I did not hear the discussion, I am reliably informed that there was a discussion on this question on an ABC radio programme this morning. The tenor of this discussion was that only farmers who had crops from which a harvest could be anticipated could get any benefit from this offer of \$450. Those who had no crops against which they could give promissory notes would not qualify for the offer.

I am further told that the assistance was to be made available at the rate of \$30 a week. I do not know whether this is true or not, but the Minister would be in a position to say whether that is the situation. That, however, is what I am informed is to be the basis upon which this assistance is to be given.

The discussion which I am told took place, took place between a representative of the ABC and the gentleman who made the statement to the Press about disgust over the Government aid—a Mr. Gleeson.

I do not imagine that the farmers in that district would express their disgust at this aid if they considered it to be worth-while aid in the circumstances. What is the use of a short-term handout? Obviously what these people need is long-term finance at the lowest possible interest rate, or at no interest rate at all if that can be financed.

Why is it that we are treated differently in Western Australia from the farmers in Queensland? I read in the Eastern States papers—indeed I read it in our own local paper when I returned from the East at the weekend—that the Prime Minister had taken the Government of Queensland to task for complaining that not sufficient Commonwealth aid was being given to drought-stricken farmers in Queensland. In defence of the Commonwealth's attitude the Prime Minister claimed that it was only by virtue of the fact that the Commonwealth had made money available to Queensland that the Queensland Government had been able to pay half the local authority rates for drought-stricken farmers.

When a request was put up in Western Australia for the payment of rates the Premier's reply was that he had no money. Why does he not ask the Prime Minister to treat Western Australia on the same basis as Queensland in this regard? If the Commonwealth can find money to pay the rates of drought-stricken farmers in Queensland and the Prime Minister can boast about it, he should be reminded that a similar situation is to be found in Western Australia.

I asked some questions in the House as to whether the Government was aware that legal proceedings had been threatened in this State over the non-payment of rates. The answer I received did not suggest that the Government was going to do anything about it. Oh, no! All the Minister could do was to refer these people to their sources of private finance from which sources he felt the full measure of money could be made available to pay the rates.

That is why we want the Government to adopt a more realistic attitude, because the money is just not forthcoming from the private sources of finance; it is just not available for this purpose. Either the Government does not know what the situation is, or it is dissembling over the matter.

Point of Order: Time Limit

The SPEAKER: Order! I waited until the honourable member had spoken for 20 minutes. The question has been raised with me by members on both sides of the House as to what will be the time limits on speeches.

As members will be aware, our Standing Order 164 was only adopted in recent years. I must confess that when the Standing Orders Committee considered this matter it did not take into account urgency motions, and no specific provision was made in connection with such motions.

I propose to rule on this occasion—though in the event of the matter arising again I reserve the right to review the position further, and I do not want to bind my successor—that this motion will be considered to be a substantive motion and that the mover of the motion will have unlimited time, as will the principal speaker representing the Government. All other speeches on the motion will be confined to 45 minutes.

I am fortified in my ruling by reference to *May* where a motion for the adjournment of the House in these circumstances is described as a substantive motion. We have in our Standing Orders the same definition of a substantive motion as appears in *May*. As I have said, however, I reserve the right to give this matter further thought should the problem arise again in the future.

Debate (on motion) Resumed

Mr. TONKIN: Thank you, Mr. Speaker. I am glad you came to the same conclusion as I did myself. Rather than raise it beforehand I thought I would leave the matter for you to raise. I am glad you ruled as you did, because it would be difficult for me to deal with the subject in the limited time of 20 minutes if that were to be imposed.

You must have been alarmed yourself, Sir, about an article which appeared in *The West Australian* on the 18th September, to the effect that some new land farmers were being granted the very small concession of being permitted, in certain circumstances, to lease their properties. You must have been further alarmed, Sir, by an announcement that some 3,000 farmers at least were about to walk off their properties. *The West Australian* used the caption that they may be forced off the land. The following is portion of an article from *The West Australian* of the 11th September:—

About 3,000 West Australian grain and sheep farmers now appear to be in a near hopeless financial position and are almost certain to have to leave their farms in the next few years.

Mr. Nalder: Does that suggest they are about to walk off their properties now?

Mr. TONKIN: Some have started. I quote from *The West Australian* of the 19th of this month, as follows:—

16 farmers walk off properties

Sixteen farmers have walked off their properties in the Jacup-Fitzgerald-Wellstead area of the State because of drought and lack of finance.

So the exodus has started. The article says they face a near-hopeless position. Are we to leave them in that situation and just watch them go so that by a process of attrition one after another gives up the ghost? Surely there is an obligation on the Government to try everything possible to limit the number of farmers who will be forced off, and to restore a situation where there will be some hope for them.

It is within my own personal knowledge what the situation was in the early 1930's when farmers were leaving their properties and steps were taken to try to prevent their leaving.

Let us have a look at the report of the trustees of the Commonwealth Loan (Farmers' Debts Adjustment) Act and our Rural Relief Fund Act. I will quote from the report for the year ended the 30th June, 1940, in order to give some idea of how the Acts operate. The report gives the Federal allocations to the farmers, but there is no need for me to read them. They are set out for each 12 months

from 1936 to 1940, with a total allocation of £1,164,000. The report then goes on to say—

The total number of applications received since the inception of the Act is 4,137.

There were 4,137 producers who sought help under this Act which this Government will not utilise because it is afraid of its effect on rural credit. Yet here, in these circumstances, there were over 4,000 applications. To continue—

APPLICATIONS FINALISED.

The number of applications finalised at 30th June, 1940 is 3,427, and the following table is a summary of the dealings in connection with same, the classification of the properties being:—

Wheat and sheep	2,951
Orchard and Mixed	45
Grazing	297
Dairying	134

Then, a summary of 3,427 cases finalised by the trustees as at the 30th June, 1940, is set out as follows:—

	Original Debt £	Paid £	Written Off £	Adjusted Debt £
Mortgage:				
Agricultural	5,034,678	1,106,656	3,928,022
Bank				
Other	5,468,976	195,262	452,628	4,821,086

I would remind members that this was at a time when the income of the State was but a fraction of what it is today. Yet the State and the Commonwealth could then face a problem of that magnitude and deal with it; but today we seem to be completely inept in similar circumstances. The report goes on to deal with machinery, stock, and then rates. This last one is important, so I will read it as follows:—

	Original Debt £	Paid £	Written Off £	Adjusted Debt £
Rates:				
Road Board	93,814	59,082	25,003	8,820
Water Supply	83,682	13,901	69,781
Rents	1,437,407	84,663	1,352,744
Unsecured	1,712,749	477,667	1,151,565	83,217

Obviously this was very substantial financial relief to take the burden off these people. They were not left to face it and walk off. A real attempt was made to deal with the situation and adjust it as equitably as possible; and that is what we are urging ought to be done in the present circumstances. There is a note here which reads—

In addition to the disbursements mentioned in the above return, £44,122 was distributed to Crop Lien holders and other accounts not coming under the general unsecured Schedule.

The report continues—

REPAYMENTS TO THE FUND.

Repayments totalling £6,718.15.0. have been made to the Fund. Of this amount £2,947.1.6. was repaid by fourteen farmers who sold their properties

and were called upon to repay the amount advanced. In 11 cases farmers sold portion of their assets and were asked to repay part of the advance, £968.16.4. being received. The repayments from the sale of assets on abandoned properties amounted to £2,183.10.5. The balance—£119.8.0.—was made up of instalments paid by 8 farmers who were amongst those due to pay their first instalment this year.

ABANDONMENTS.

There have been 111 additional properties vacated since last report, making a total of 161 since the introduction of the Act. Most of the properties are located in the marginal area where farmers have experienced a cycle of bad seasons combined with continued unprofitable prices.

That was a situation similar to the present. However, what we must remember is that a number of these people in the marginal areas have been encouraged to go there. The Government's idea of wanting to throw open 1,000,000 acres a year for the whole period has, to a large extent, been responsible. We must all take the blame because we did not complain about it, but this is what has happened.

The farmers were encouraged to go out and take up this land. As a matter of fact, the Deputy Premier—the Minister for Agriculture—went to some pains during the Budget debate to explain what was being done to ascertain the possibility of going further out into some of these marginal areas. He mentioned the experiments which were being undertaken for this very purpose. On page 2454 of the 1969-1970 *Hansard* one will find this reference—

In 1968, the first experiments were carried out on the newly cleared Johnston Lakes experimental plots. . . . Persistency of these over a number of years will be the best measure of their possible agricultural usefulness. For the information of members I would mention that Johnston Lakes is an area east of Lake King, which is on the eastern edge of the area commonly known as the Lakes district.

So here we are experimenting as to how we can push settlement further out, while at the same time thinking about how we can reduce the number of farmers already on properties.

Mr. Nalder: When was that statement made?

Mr. TONKIN: It was made during the Budget debate last year.

Mr. Nalder: It was referring to experiments being carried out.

Mr. TONKIN: Yes, that is right; and indicating that they were still going on with a view to extending farming. Otherwise they should have been cut off as being of no value.

Mr. Nalder: Are you against research and experimental work in this field?

Mr. TONKIN: When it was obvious we were reaching the stage of arbitrary limitation of production and that farmers in areas which were not marginal were not to be allowed to produce as much as their farms were capable of producing, where was the common sense in sending people out into marginal areas?

Mr. Nalder: The experiments were started in 1966.

Mr. TONKIN: That is the situation we were in.

Mr. Nalder: They were started in 1966. Consideration was being given—

Mr. TONKIN: Does that mean that because experiments were started in 1966 we are to take no cognisance of changing circumstances? That simply because they were started they could not be stopped?

Mr. Nalder: They are stopped now, but they were done in all good faith then.

Mr. TONKIN: They should have been stopped long before they were; because here was the Minister talking about this work last year and explaining it, and there was no suggestion then that it was to be stopped.

Mr. Nalder: Your argument is that you would send the farmers out there without carrying out any experiments. That is what you suggest.

Mr. TONKIN: My argument is that the Government should have realised long ago that this was a hopeless proposition in the context where there was an arbitrary limitation on production by good farmers.

Mr. Nalder: You would have been the first to criticise if we had.

Mr. TONKIN: Most of the farms are capable of producing many times that which they are producing, and so we should not be experimenting on the possibility of extending farming into marginal areas.

It is my belief that the Government has completely disregarded what occurred some years ago when Commonwealth money was made available to buy farmers out in certain marginal areas to stop them from cropping because they were in marginal areas. I believe that since then those areas have been resettled. Now we have reached the stage where the whole matter must be looked at completely, as I have said in the motion I have moved. We must give consideration to every possible aspect to alleviate the distress in the rural economy.

There is no question whatever that there is at the present moment rural distress—and it is widespread distress; it is not limited to a pocket here and a pocket there, but is spread throughout the rural economy.

This has occurred because of a number of reasons: some of the difficulties are due to drought, and some to a recurrence of bad seasons. In some districts there has been only one bad season, and in others there have been two. The situation is so difficult; and it is different in so many places.

To impose a requirement of being able to give a first mortgage in the situation where people are heavily mortgaged already is, in our view, unrealistic. However, if short-term finance is not made available it is inevitable that many farmers will be forced off their properties; and in this situation there is evidence already that people with capital are just standing by waiting for the opportunity to grab up the properties at ridiculously low valuations when they are abandoned and people have to sell at bargain prices.

Should we stand by and wait until that happens; or should we issue stay orders so that we can examine the situation and endeavour to adjust it as was done in the early 1930s? Why is the present situation any different, from the point of view of remedial measures to be applied, from the situation which existed in the early 1930s? The problems are the same: lack of money; inability to pay debts; and the inability to finance household requirements. Something has to be done before the people are forced off their properties. Are we to stand idly by, knowing the inevitability of the situation, or are we to take every possible step to prevent it?

If one looks at the \$450 hand-out by the Government one wonders what the Government expects to achieve. Those who can, have to repay the \$450 after harvest. So they are being asked to mortgage whatever crops they have—those who have crops or who are likely to have crops—to the Government for immediate repayment as soon as their return is received from the harvest. What sort of assistance is that in the present circumstances?

What the farmers need is a moratorium. They need to be freed from the worry and anxiety of their inability to meet debts which are pressing on them. Somebody else has to shoulder some of the burden and, inevitably, this means the Government. Western Australia has been dependent for years upon its rural economy: the producers in the various walks of rural life whether dairying, fruit growing, wheat growing, sheep raising, or any other industry. It is only recently that the mineral wealth, apart from gold, has been developed. However, that development

does not enable us to disregard the plight of the people who have been the backbone of the country.

I ask: How far will the return from the mineral resources see this State if the rural economy collapses? If we have the situation where the farmers have to walk off their land, the country towns will go out of existence. What will then happen to the water supply revenue? There will still be the involvement of capital cost and interest, but with nobody living in the towns to pay the rates. The Government would have to face a very substantial loss in revenue if the country towns no longer continued to exist.

I am not exaggerating at all when I say there is a real danger of this occurring in many of the country towns. One has only to go through the country areas to see it already occurring, and one has only to talk to the business people to realise that they cannot, with the best of intentions, keep on carrying the farmers. The business people have to have finance themselves and if finance is not forthcoming then collapse is inevitable. The farmers, themselves, realise the situation and are trying to help themselves.

A report appeared in *The Sunday Times* of the 13th September, 1969, under the heading "Plan to Help Ease Drought, Airlift for Sheep" as follows:—

Wagin farmers have launched a scheme to bring relief to drought-ridden farmers in the Gairdner river area east of Albany.

They are planning a mass truck lift of breeding ewes to better pastures around Wagin and formation of a hay and grain pool to feed sheep left in the drought area.

This week delegates from the Wagin branches of Rotary, Lions, Apex and the Farmers' Union formed the Emergency Drought Aid Committee to start the scheme.

They hope other branches will be formed in agricultural areas not affected by drought.

This way they expect as many drought-hit farmers as possible to receive aid.

Hay cutting will begin soon at Wagin where crops are recovering well from last year's drought.

Grain harvesting will begin later this year.

The relief committee will ask farmers to give a small percentage of their harvests to the appeal.

"I think the farmers in this area will be able to spare some grain," said the Committee's publicity officer, Mr. Eric Farrow.

"We want a lot of farmers to give a little each and we hope it will snowball."

The committee hopes Wagin farmers will take from 30 to 100 breeding ewes each from the Gairdner river area, and provide them with pasture until drought condition end.

It hopes that Government transport subsidies will help pay the cost of moving the sheep.

Here is an example of people prepared to undergo some financial sacrifice in order to help others of the farming community not so well circumstanced. With that example being set, the Government ought to be going to the limit to provide assistance in this very serious situation. However, apparently the best the Government can do is to offer \$450 in promissory notes with a lien on the crop for those who have a crop.

Some suggestion has come from the Government benches that, apart from the Government's reluctance to adversely affect rural credit, there is a feeling that the Bankruptcy Act may inhibit the use of the legislation I have referred to. Well, I do not share that view. I have had a look at the Bankruptcy Act, and the Farmers' Debts Adjustment Act, and I propose to quote a little to support my own point of view. I quote from the Commonwealth Bankruptcy Act, No. 33 of 1966, section 9. It reads:—

This Act does not affect a law of a State or territory relating to matters not dealt with expressly or by necessary implication in this Act.

I have looked through this Act to see if there is any express reference to, or any possible implication regarding, anything inhibiting the use of the Farmers' Debts Adjustment Act, or the Rural Relief Fund Act, and I cannot find anything.

The Commonwealth Loan (Farmers' Debt Adjustment) Act, No. 23 of 1935, was an Act to authorise the raising and expending of certain sums of money to provide for the grant of financial assistance to the States in the making of payments to or for the benefit of farmers, and for other purposes. In subsection (3) of section 6 the following wording appears:—

No grant shall be made under this Act to a State unless or until there is in force in the State legislation constituting an authority empowered on application being made to it, and at its discretion, to take action having the effect of suspending, either wholly or in part, the rights of any secured or unsecured creditor of a farmer against that farmer.

The purpose is not to make the creditors carry the whole of the burden, but to examine the situation. Where the creditors are wealthy finance houses, or stock firms with substantial cash reserves, they are to be prevented from forcing farmers into liquidation. However, where the creditors are in a somewhat similar situation to

the farmers themselves then such money as the Commonwealth provides shall be utilised for the purpose of compounding the debts, or for the purpose of entering into some kind of arrangement.

I repeat: What is the use of having nearly \$500,000 to the credit of a fund for the help of farmers if some attempt is not made to find a way in which the money can be expended before the farmers are forced off their properties? It does not satisfy us on this side of the House to say the reason why the Government does not do this is that it fears a reaction on rural credit. Under those circumstances one could not blame the Commonwealth if it asked for the money to be returned. We are not entitled to have money in the fund and not use it, when the fund was set up especially for the purpose of helping farmers in distress.

I have said that we have endeavoured, from time to time, to bring these various aspects under the notice of the Government. In March of this year, I asked the following questions:—

Has the Government given consideration to the need for providing some protection for farmers in financial difficulty because of drought against demands being made upon them by banks, finance companies, stock dealers and machinery firms?

The reply was—

The Government has been assured from reliable sources that banks, stock dealers, finance companies and machinery firms are giving sympathetic consideration to the financial difficulties of farmers due to drought. Farmers are urged to discuss their problems with those to whom they have commitments or from whom credit is normally obtained.

A lot of help, that is! My next question was—

Has the desirability of introducing legislation to provide for a moratorium received consideration and, if so, is it intended to introduce such legislation?

The answer was—

New legislation is considered unnecessary at this time.

My next question was—

As some farmers are experiencing difficulty in obtaining finance to enable them to carry on, what special assistance is contemplated?

The answer was—

In necessitous cases, drought finance can be made available at 3 per cent. interest as follows:—

- (a) Delegated agency loans up to \$5,000 on seven year term with no repayments in first

two years, for "carry on" finance for purchase of wheat, coarse grains and hay, for agistment costs and for restocking.

- (b) Industries Assistance Board (I.A.B.) advances up to \$7,500, for "carry on" finance, repayable from 1970 income but renewable if necessary to complete repayment in 1971. There must be reasonable prospects of a farmer being able to service such loans and advances, and the existing mortgagees or lienees must give them priority.

A lot of assistance was available under that provision! Then I asked the Minister—

Is he aware that some farmers have received letters from their shire councils threatening legal proceedings for non-payment of rates?

The answer was—

It is usual for final notices to include reference to legal steps which may be taken if rates are not paid.

My next question was—

Has he in contemplation any action to provide for a deferment of rates in necessitous cases?

The answer was—

No. Financial arrangements which most farmers make with bankers and other credit sources usually include provision for rates. It is usual for local authorities to give consideration to deferment of rates under special circumstances.

That is a lot of help from the Government—a failure to recognise the seriousness of this situation and the need for a remedy. To talk about going to the existing sources of private finances is to beg the question.

We say therefore that it is certainly time for more realistic and effective action to be taken to alleviate the distress in the rural economy. We do not blame the Government for the distress. We cite the causes: the drought, the falling prices, the rising costs, the arbitrary limitation upon production. All those are contributing factors, operating with a greater or lesser burden in different places.

Take new land farmers, for example: what a hopeless situation they are in! The situation calls for extraordinary measures; not just sitting by to see what happens and hoping for a shower of rain to remedy matters. So we call for the implementation of the rural relief laws in their existing form; and if they are not satisfactory or appropriate they should be amended. We should then give consideration to all other possible means.

I do not think the Government ought to allow the Prime Minister to fob us off by saying that this is a situation in which we should look after ourselves. If the Government cannot look after it, the reply should immediately be: "We have not the finance to do a worth-while job in this case, so it is useless to throw the burden back on us. What is the nation going to do in the circumstances?" I would not be content with a telephone call or a letter. The Premier should go further and should confront the Prime Minister, and ask him what is the difference between the situation of drought-stricken farmers in this State—thousands of whom are likely to be forced off their properties—and the situation of farmers in other States that have suffered drought.

If ever there was an argument for treating the Commonwealth as one, this is it. The States cannot be isolated. One State cannot be told, "You carry the burden yourself," while another State, which might have more influence politically, is given assistance. We cannot stand for that.

This is one of the most serious situations that have confronted this State for many years. It is the first real test this Government has had to face. Up to now the sailing has been easy, with substantial amounts from the Commonwealth Government and royalties from the mineral development; but it comes up against a problem—the first real problem it has had in the 11½ years of its existence—and, in our opinion, it is not measuring up to requirements. The Government is not entitled to do a little bit here and there—help with freight on coarse grains, and make \$450 available to somebody in another part of the State—and believe that that is dealing with the situation. That just will not do, because we have these farmers whose very existence is now threatened.

I would also like to see much more activity on the part of the Government in connection with the proposal regarding grain alcohol. I do not accept that this matter has been adequately researched or adequately pushed forward by the Government. Too much cold water has been thrown upon the scheme by the Federal Minister, and very little activity and energy have been displayed by the State Government. This matter requires full and adequate research, and it would justify the expenditure of a substantial sum. It would not require as large a sum as the Government has spent on ascertaining whether tidal power will be economic in the north.

The Government did not hesitate to engage a French firm whose representatives came out here, at considerable expense, and submitted a report on the feasibility of tidal power in the north-west. The expenditure of a similar, or

smaller, amount of money on the grain alcohol proposition would be much more justified. It has not been adequately tested. Let us test it out; let it be properly researched, because, in my view, it offers a method of increasing the consumption of a product of which we have plenty in this State.

The Premier, at a conference this morning, emphasised the desirability of expanding our markets for fruit. We should be doing everything in our power to expand the markets for every product we have, particularly in view of the adverse effect that the entry of Britain into the European Common Market could have on the Australian economy. Any proposition that offers a worth-while market for any of our products should be thoroughly examined in order to see if it can be made to work. From the discussions I have had with the scientist who originally put this viewpoint forward, I believe the grain alcohol proposition has real possibilities. The farmers themselves are showing far greater confidence and a greater desire to have something done about it than the Government is showing.

What puzzles me about the whole thing is that the Government could not remain in office if it were not for the support of members of the Country Party. If the utterances which have been made in the Press from time to time can be believed, members of the Country Party are in favour of this scheme for the use of grain alcohol. What are they doing about it? Why do they not stand the Government up and say, "This offers a very real opening for something tangible to be done; now we want it done and we will not be satisfied with talk"? I think they owe it to the farmers; they owe it to the State.

I have not seen one worth-while statement from any source which would enable me to believe that there are not good prospects in the grain alcohol proposal. I have analysed every statement made by the Commonwealth Minister for Primary Industry, and his statements contain nothing but generalities—no evidence at all. We have reached the stage where we want evidence; we want proof. If a scheme is to be thrown aside as being of no value, we want to know the reasons.

So, Mr. Speaker, we on this side of the House make no apology for this motion. We think the seriousness and urgency of the situation justify our moving this urgency motion. Such a motion has not been invoked since we have been in Opposition. When we were in Government there were at least two occasions—there could have been more—when members of the Government, who were then in Opposition, used this means of drawing the attention of the Parliament and the State to a situation of urgency. One occasion was in connection with the wheat farmers,

and the other was in connection with a grasshopper plague which was taking place at the time.

This is a perfectly legitimate matter to deal with, and this means is a perfectly legitimate way to deal with it. If one looks at *Hansard* No. 1 of 1933, on page 1272, one will see the motion of urgency which was moved by the then Leader of the Opposition, who was Leader of the Country Party, The Hon. Sir Charles Latham. The motion was—

That this House do now adjourn to draw attention to the parlous condition of the wheat industry, due to restricted markets and consequent low prices for the coming season, and urge the State Government to negotiate with the Commonwealth Government for a guaranteed price, sufficient to bring the average price at sidings to 3s. per bushel net.

Members on both sides of the House supported the motion because of the urgency of the matter and the necessity for directing attention to it. The situation today is little, if any, better than it was then.

Mr. Lewis: When was the second occasion?

Mr. TONKIN: The second occasion was in connection with the grasshopper plague, and is contained in *Hansard* No. 1 of 1936 at page 579. The member for Mt. Marshall wrote to the then Speaker in the following terms:—

I desire to inform you that it is my intention at the sitting of the House to-day to move, under Standing Order 47A, "That the House do now adjourn" to call attention to the inadequate measures being taken by the Government to cope with the grasshopper menace, particularly in the north-eastern wheat belt.

Seven members stood up and the debate proceeded.

You, Mr. Speaker, and members know that even though that Standing Order has been in existence, up to this time we have not used it for any purpose. But we believe that the serious situation in the rural economy today requires that we should use this method, and I would expect members on the Government side to emphasise the urgency, in order to bring it home to the Commonwealth Government that this is a situation which will not right itself but which requires very definite and far-reaching measures.

Up to now, the Minister has adopted a negative approach. I have the impression that instead of realising there is a serious situation in existence he is, like Micawber, hoping for something to turn up.

Let us have regard to some of the Minister's utterances which appear on page 540 of *Hansard* on the 27th August, 1969.

After a trip through the country with the Minister for Transport, he had this to say—

As a matter of fact, we were agreeably surprised to find that the situation in a number of areas was not as bad as we had been led to believe. When I say that, I do not want to indicate that the position was not serious;

He then went on to say—

... it knows very well that the Government has made every effort to overcome the difficulty that is facing the various areas.

By "it" the Minister was referring to the Opposition. At page 541 of the same *Hansard* he has this to say—

I want to indicate to the House that the Government has been right on the ball on this matter.

I now ask the House to listen to this—

Had there been two or three inches of rain throughout the affected areas within two days, probably we would not have heard very much more about this matter.

Mr. Lewis: What matter is that you are talking about?

Mr. TONKIN: That is the drought. The Minister continued—

This indicates how quickly the whole situation can change. With a good rainfall, the situation can change completely overnight.

Mr. Lewis: That is the drought he is talking about and not the economy.

Mr. TONKIN: Does the Minister think the situation is one whereby we can sit by and wait for rain?

Mr. Lewis: I am not talking about the economy, but the drought.

Mr. TONKIN: I say that this situation is not one whereby we can sit by and wait for rain.

Mr. Nalder: That was 12 months ago.

Mr. TONKIN: That is right, and the situation has been happening all along.

Mr. Nalder: That is right, and action was taken then.

Mr. TONKIN: I still have to see it. If this amount of \$450 that has been provided in the Esperance area to save the position is any indication of the Government's assistance, one cannot expect much help.

Mr. Nalder: It just shows how ignorant you are of the position. You have not taken the trouble to enlighten yourself.

Mr. TONKIN: I continue to quote—

I simply wish to indicate that many farmers have been in the position of being able to meet the situation.

Mr. Nalder: You are talking about something that happened 12 months ago.

Mr. TONKIN: I am talking about what the Minister said on the 27th August, 1969.

Mr. Nalder: Yes, 12 months ago.

Mr. TONKIN: That is plain enough; I know it was 12 months ago.

Mr. Bovell: As far as drought is concerned, the position has changed considerably since then.

Mr. TONKIN: Is there still a drought?

Mr. Bovell: Only in a very small area.

Mr. TONKIN: At this time, in August, 1969, the Minister for Agriculture asked me where the drought was. He said, "Tell me, please, where is the drought?"

Mr. Bovell: Yes, because at that time the local authorities did not wish to declare their areas as drought areas.

Mr. TONKIN: I continue with these quotations from the Minister's speech—

The Government has been kept fully informed of the position and, with regard to the present conditions in the various parts of the State, is in the position of being able to meet the situation to the extent that it is humanly possible for any person, organisation, or Government, to meet it.

In other words, the Government was at the limit of its resources. It did not have any more ideas or any more resources. The Minister went on—

As soon as conditions improve, the Government hopes that farmers generally will be able to operate under normal conditions again.

Of course! As soon as conditions improve! That is, if they do improve. The Minister went on to say—

Prior to the 1st August, the Government appointed a subcommittee of Cabinet, and it also agreed to appoint an advisory committee composed of representatives of various organisations and Government departments who would have some interest in this matter. After discussions with the Treasury, it was decided the Government would pay the cost of transporting coarse grains from the nearest bins to the areas affected.

This was brought about because very little coarse grain was available in the country areas where it was necessary to hand feed stock.

On page 543 the Minister had this to say—

It is up to those in the industry to ensure to the best of their ability that they store sufficient feed for their stock so they will be able to meet a difficult situation.

On page 544 the following appears:—

Further, if the farmers are not in a position to be able to find finance—that is, if the banks or the stock firms are not able to make money available—then the Government will make finance available to help the farmers rehabilitate themselves.

What the Minister did not say was "if they are in a position to give a first mortgage to the Rural and Industries Bank."

Mr. Nalder: That is not correct, and you know it. Either that, or you are ignorant of the situation.

Mr. TONKIN: The answer we got a few days ago was that no money had been advanced by the bank other than against a first mortgage.

Mr. Nalder: You are talking about a different matter altogether. The Leader of the Opposition is absolutely ignorant of the position! Absolutely! He is talking about fodder. He is now talking about finance.

Mr. TONKIN: I am talking about finance available to farmers.

Mr. Nalder: You are right off the ball, as usual! You are trying to talk about something you know nothing about.

Mr. TONKIN: We will go on to see whether the Minister was on the ball.

Mr. Bovell: When the Leader of the Opposition was Minister for Agriculture the same system applied with the old Agricultural Bank. Your Labor Government always insisted on a first mortgage.

Mr. TONKIN: The Minister does not know what he is talking about.

Mr. Bovell: I certainly do! I was a bank officer at the time, and I certainly do know what I am talking about.

Mr. TONKIN: I continue to quote what the Minister said in 1969—

The basis of this will be that once an agreement has been made, finance will be available for the purchase of stock, or for any other purpose to help rehabilitate farmers, at 5 per cent. interest, with a holiday for two years and repayment over five years.

This has been accepted by the farming community as a very generous offer, and its purpose is to help to keep farmers on their properties following the hardships brought about by the drought.

Let me say here and now that that is what the Minister said and not what I said. To go on quoting the Minister—

The committee has met on a number of occasions and has made recommendations on the type of expenditure that should be made—whether it should be by way of subsidy, or loan.

At page 545 the following extracts are taken from the Minister's speech:—

Those of us who have seen some of the pictures which have appeared in the Press and on television know very well that the position has been grossly exaggerated. We have seen photographs showing heaps of bones, dead sheep, and so on, but everybody in the industry knows very well that this is really not a true picture of the position. . . So there is little doubt that the public has been fed exaggerated information. . . I think we all hope and pray that the rain will soon come and that we will not have a situation where farmers will be forced to go through a season wondering what to do next, both in relation to their stock and their seasonal activity.

In many cases that is precisely where they are; wondering what to do next. On page 546 the Minister is reported as having said—

I feel sure the House will not accept the amendment, because we all know the situation has been exaggerated out of all proportion.

If necessary, I could go on to quote further utterances of the Minister in the same vein to indicate that the Government has not a full and proper appreciation, firstly, of the seriousness of the situation and the need to do far more than it has done up to date—far more—and, secondly, that long-term finance is urgently required at the lowest possible interest rate.

Mr. Lewis: Where is it to come from?

Mr. TONKIN: The Government could start by using the \$500,000 in the fund.

Mr. Lewis: When that is used up, what then?

Mr. TONKIN: We will worry about it then. In the meantime the Government should arrange a deputation—and I will go on it—to the Prime Minister to get at least the same treatment for Western Australia as other States are getting. Why should the Commonwealth Government pay rates for drought-stricken farmers in Queensland and refuse to pay the same rates in Western Australia? That is the situation; and what has the Government done about it? Has it made any protest? So we urge that this is the time to make our presence felt to give to the people in the country some hope that we are anxious to do something; whatever possibly can be done. We can utilise the existing legislation and the existing funds and ask for more. So I consider that, in the circumstances, the motion I have moved is thoroughly justified.

MR. NALDER (Katanning—Minister for Agriculture) [5.57 p.m.]: The Leader of the Opposition considers the situation

urgent and I think that all people, not only in Western Australia but also in the whole of the Commonwealth, would agree with him. Western Australia is not an orphan in finding itself in this difficult situation, and I think everybody fully appreciates how difficult it is. To say that the Government has not taken any action in regard to it; to quote statements made more than 12 months ago covering a situation that was developing then; and to make a comparison with the existing situation is, in my view, not fair at all. I say that, because 12 months ago we were dealing with a situation in which Western Australia was just beginning to experience drought conditions. Action was taken by the Government to try to help farmers retain stock on their properties; stock they had built up over the years.

Initially, feed was made available for stock because conditions were deteriorating daily, and because rain did not fall in those areas which were generally regarded as drought areas. We know the whole story. The Leader of the Opposition has quoted from *Hansard* and it is not my intention to go over that ground again, except to say that assistance was granted to farmers at that time to enable them to buy fodder if they were not in a position to do so.

In the early stages it was not considered necessary to make finance available to enable farmers to carry on. This did not come up till later. At a later stage the 5 per cent. interest rate that was being charged for financial assistance was reduced to 3 per cent., and this lower rate applies at the present time.

Where farmers have received financial assistance they are given a two-year respite, and then follow five years in which they have to repay the amount that was made available to them. I speak of farmers in the various categories. In one instance it is assistance to enable farmers to buy fodder, and to meet the cost of cartage; and in this respect I will have something more to say later on.

Many people are aware that in the last eight or nine months finance has been made available to farmers who sought assistance to enable them to carry on. The amount lent for this purpose has risen progressively over the months to something in the vicinity of \$1,750,000 at the present time. This involves some 300 farmers who qualified for assistance.

Mr. Davies: As far as the Government is concerned what is the total amount involved?

Mr. NALDER: Up to the present time the total amount is in the vicinity of \$2,750,000. This includes assistance to farmers to enable them to purchase grain, and to meet the cost of water carting. It also includes the cost of assistance given

by the Government in carting water to key points from where the farmers take the water to their properties.

It is only right that I should reveal to the House what action the Government has taken in an effort to help the farming community. It has to be understood that action has been taken in two directions. In the first instance the difficulty has been caused by the drought; and in the second instance the difficulty has arisen as a result of the present economic situation in which farmers find themselves. I might say that the present economic situation affects not only Western Australian farmers, but farmers throughout the Commonwealth.

As the Minister for Agriculture, I have attended many meetings throughout the State in recent months. I refer to meetings held at Boyup Brook, Newdegate, Gairdner River, Beacon, Wyalkatchem, Tambellup, Badgebup, Frankland River, Lake Grace, and some other centres. Although I did not have prior knowledge of this motion being moved in the House I would point out that the meetings I attended were in the main public meetings arranged by various organisations to discuss the problems facing the farming community, firstly, as a result of the drought and its effects and, secondly, as a result of the economic situation that has developed in Australia.

At the meeting at Newdegate which was held on the 8th June, proposals were put forward on the basis that assistance was urgently required by new land farmers. At that stage the main basis of the complaint was that many new land farmers were affected by the wheat quotas that had been allocated. They had been allocated quotas last year to enable them to deliver grain to various bins in the country. This season it is considered that the quotas that have been allocated to them are in some instances embarrassing, because the farmers in question will be able to plant almost any quantity of wheat they want so that they may continue to develop their properties.

We know the story of wheat production, and it has been outlined on many occasions. The production of wheat in Australia at the present time is over and above what can be readily sold. Every wheatgrower has had to accept a percentage reduction to make it possible to market the wheat that is produced in the country in an average year.

Another request made at the meeting at Newdegate was for a further 1,000,000 bushels of wheat to be allocated to enable the needs of the new land farmers to be catered for. I make special mention of this matter, because the new land farmers have been referred to on a number of occasions. In one of his addresses the

Leader of the Opposition said that millions of acres of land had been thrown open for selection, that there was a demand for this land, and that there was pressure from all sides for additional land to be thrown open. I do not think that anybody from the early 1960s to 1969 thought that what the Government was doing was wrong.

The request which was made at the meeting I referred to was that the Commonwealth Government be asked to allocate another 1,000,000 bushels to new land farmers. Acting on that request I wrote to the Minister for Primary Industry and suggested that the request be considered by the Commonwealth Government, and that if possible assistance be made available to farmers who were developing their properties in Western Australia—farmers termed new land farmers. A reply was received from the Minister for Primary Industry which indicated that it was not possible for him to accede to this request, because an agreement had been reached between the Commonwealth Government and the Wheat Federation of Australia, and the figure which had been allocated to each of the States could not be altered under any circumstances. For that reason the extra 1,000,000 bushels requested for the new land farmers in Western Australia could not be made available. This shows that action has been taken as a result of the request that was made.

Subsequently every effort was made to ensure that every wheatgrower received a just quota. I am sure that everybody realises the position has been well and truly covered by the Wheat Quotas Committee which was set up by the Government of Western Australia. This committee had the task of assessing the quotas for not only the old land farmers but also the new land farmers. Many conferences were held in the months preceding the cropping period so that farmers could be informed as to what wheat quotas they would be allocated. This was advertised and passed on to the farmers from time to time.

In this situation the new land farmers were told that they would be allocated a certain quota, less 20 per cent.—a reduction which all farmers in every State of the Commonwealth had to accept. The new land farmers were allocated 55 per cent. of the quantity that had applied under their quotas, but subsequently it was announced that the quantity would be increased to 66 per cent., which was the amount allocated to the old land farmers. The increase was brought about because some farmers did not grow wheat in this period—and this applies to the old land farmers. Quite a number of them indicated to the Wheat Quotas Committee that they did not intend to grow wheat this year.

For that reason an additional number of bushels were made available to both new land farmers and old land farmers. So there has been an increase in the wheat quotas, although this did not prove satisfactory to some growers who had over-quota wheat last year. It can be argued that the over-quota wheat has been paid for, and those farmers have received an advantage.

In this regard we are aware that increased costs of wheat production and difficulties associated with development have hit a number of farmers severely. I admit that a number of them are experiencing difficulty in meeting the present situation.

Mr. Davies: Would this include a good percentage of them?

Mr. NALDER: It is difficult to assess the exact percentage. A number of the farmers are able to carry on and to finance necessary developments, and they include farmers in a number of categories. I will refer to them later.

Mr. H. D. Evans: Would you care to answer question 27 on today's notice paper?

Mr. NALDER: I do not think the Speaker will permit me to do that. In due course that question will be answered. Regarding the steps taken by the Government, a great deal hinges on the approach it has made to the Commonwealth Government. An assessment of the situation has been made, and it is appreciated. It was not necessary for the Leader of the Opposition to refer to this situation. The fact is that we in the Government have travelled thousands of miles to attend meetings of farmers and to listen to their complaints, so we can understand their difficulties. That shows we are prepared to go out and talk to the people and tell them what action we are taking in order to help them over their present difficulty.

On the 8th July the Premier of Western Australia wrote to the Prime Minister pointing out the difficulties which the farmers of this State were facing. The Premier requested that some assistance be given by the Commonwealth so that farmers in the various categories might be able to get over those difficulties. I quote part of that letter to show which sections of the farming community need urgent consideration—

(a) Loans for farm improvements and stock

The main problem confronting farmers for whom this type of assistance is proposed is how to generate sufficient surplus income and to maintain it in the face of a continuing cost/price squeeze. They can only do this by continuing to expand meat and wool production which will require the purchase of additional

stock but many farms will also require pasture improvement and in some cases additional clearing.

It is estimated that 2,000 farmers need and could manage loans for development at an average of \$25,000 per farm. This coupled with existing debt, would result in an average total debt of \$58,000 but the income so generated should be sufficient provided repayments can be spread over at least 20 years. The total required for such a programme in this State would be \$50 million dollars but as such a programme could not be implemented rapidly the requirement for funds would be spread over a number of years.

Mr. Tonkin: What is the Minister quoting from?

Mr. NALDER: I am quoting from a letter which the Premier sent to the Prime Minister in which the Premier sought assistance from the Commonwealth to help the State to overcome some of the difficulties that have been outlined by the Leader of the Opposition.

Mr. Davies: The Premier was a bit hopeful in asking for \$50,000,000.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. NALDER: Before tea I informed the House of the reasons given by the Premier, in a letter to the Prime Minister, for drought assistance to be provided for this State. I indicated that the first part of the letter, referred to as part (a), dealt with loans for farm improvements and stock, and I gave the figures involved. It was estimated that a sum of \$58,000,000 was needed to assist in this direction. The second part of the letter, (b), deals with the reasons for the request for assistance from the Commonwealth. The letter reads—

(b) Amalgamation of Farms

A further group of farmers could be assisted by the introduction of a scheme for wheat and sheep farms similar to the Commonwealth Dairy Farm Reconstruction Scheme. Such a scheme would have a twofold benefit. It would help those farmers, estimated to number about 1,200, who will otherwise be forced to leave farming through inadequate farm size. It would also help those farmers who acquire additional land because of the concessions which could be built into the scheme in the way of write off for redundant buildings, lower interest rates and relatively easy repayment terms.

For 1,200 farmers at \$40,000 per farm, including \$5,000 to write off redundant buildings, at total amount of \$48 million dollars would be required.

(c) Restructuring Existing Loans.

There is another group of farmers who have an average indebtedness of \$33,000 and whose problems would be eased if some restructuring of this debt could be achieved. Apart from Commonwealth Development Bank loans and loans from vendors of farms most loans to farmers are on a relatively short-term basis. The terms are usually one year from stock firms, two or three years from finance companies and four to five years from trading banks. Many capable farmers will be forced to leave their farms unless their debts can be structured onto a longer term basis.

Another possible avenue of Commonwealth assistance, where the Commonwealth Development Bank is already involved, would be the provision of modified terms—perhaps repayment holidays or extended periods for loans, where these were considered in the best long term interests of clients and the rural industry as a whole.

The letter contains the three points the Premier made in his request to the Prime Minister for consideration to be given to providing finance to alleviate the problems facing farmers in Western Australia. In other words, it was a request for immediate carry-on finance, for the rewriting of existing rural loans, and for loans to be made to farmers in special cases. We were fully aware of the importance of ensuring that, wherever possible, everything should be done to keep the man on the land and to help him hold his own in a situation which, very rarely, is experienced by the general community. The situation which is facing the farming community in Western Australia at present is one which the community generally very rarely faces.

When I mention this State, I could refer to the whole of Australia, because farmers throughout the country are affected in much the same way. They are affected by a combination of the two points emphasised in the debate this evening—firstly, the drought, and its effect in the short and long term; and, secondly, the economic situation in which the farming community finds itself today. This position applies not only to Australia but also to many other countries in the world.

Therefore, I think it is important that we should consider the situation that existed as a result of the drought last year and also that which exists as a result of the drought this year. In saying that, I appreciate the fact that the effects of last year's drought have not been fully felt up to the present time. For instance, in the wheatbelt areas last year a number of farmers were receiving money paid out by the Wheat Board. As a matter of fact, it is interesting to note that in 1969 the Wheat Board paid out a sum of

\$144,000,000 to wheatgrowers, plus other moneys which were paid out for other crops of wheat that had been grown in previous years and where the payouts had not been finalised until 1969.

However, this year nothing had been paid out until a few days ago when a sum of \$4,000,000 was distributed. Therefore, although last year the shortage of rain had a big effect on the farming community, because of the payout to which I have just referred it was not felt to the same extent as it will be this year.

Last year 54 local authorities requested their areas to be declared drought areas, either in full or in part; and although I have not been able to find out the exact figure, it is estimated that 36 local authority areas were declared as full drought areas. At this stage I think it is as well to give the history of what happened. On the 31st August this year the Government decided that the areas declared as drought areas would not continue to be so declared, except in cases where the local authority concerned requested further consideration, and a new season would start as from that date.

Up to the present the local authorities of Albany, Gnowangerup, Ravensthorpe, Esperance, and Nyabing-Pingrup have declared parts of their areas to be drought areas, so far as water is concerned. This is a slightly different situation from an area being declared as a fully drought-affected area. As I have just said, a number of local authorities are finding it necessary to request that their areas be declared as drought affected on the basis of water only. To date the drought committee has received applications from the local authorities of Cranbrook, Northam, York, Corrigin, Plantagenet, and Quairading, and I understand other applications are under consideration.

Despite the rains over the last weekend, I understand farmers in some areas are preparing to cart, or have already carted, water for their stock. At this point it might be pertinent to point out that last year the Government paid out a considerable sum of money to assist farmers because of problems associated with the drought conditions to which I have already referred. A sum of \$250,000 was paid out for transport assistance for farmers who were carting grain and fodder for their stock. Also, a sum of \$96,000 was paid by the Government for freight in carting coarse grains back to the country to help feed sheep in the drought-affected areas.

In addition, a sum of \$140,000 was paid by the Government for the cartage of 16,000,000 gallons of water to key points in the various drought-affected areas. This meant that in the main farmers did not have to cart water for more than 20 miles from the depots—to which the water had

been carted—to their farms. Exploratory drilling was also undertaken in a number of areas in an effort to find water locally. In this situation \$200,000 was paid out to help farmers and local authorities. So it can be seen that a total of \$700,000 was paid out in an effort to assist those who at that time were faced with the necessity of having to cart water and feed for their stock.

Mr. Bovell: And it was made available by the State Government.

Mr. NALDER: That is so. The Leader of the Opposition said that because of the priority restriction imposed by the Government on drought relief loans many people were not able to get finance. I have been in touch with the chairman of the drought committee and he informs me that only 20 farmers who had applied for loans could not get them because other mortgagees would not yield their priority. So the number affected was not great. The latest figures—and this is not the exact position—show that approximately 340 farmers have been paid \$1,750,000 for carry-on loan finance.

During his speech the Leader of the Opposition made a good deal of play on the question of the \$450 to be made available to individual farmers. Let me quote the Press announcement made by the Premier. It is as follows:—

Farmers in Western Australia's drought-affected areas who do not have access to finance to meet their personal day to day needs—

And let me emphasise this—

—will qualify for immediate Government assistance under a relief plan announced tonight by the Premier, Sir David Brand.

Before I proceed I want to inform the House that members representing the southern coastal areas, and the strip from Albany to Esperance, requested that an inspection be made of the areas and a meeting convened to allow the people concerned to submit their case and inform the Government exactly what the position was in those districts.

I made arrangements to fly over the affected areas, and I did so a month ago yesterday. I had a good look at Ravens-thorpe and parts of the Gnowangerup Shire. I landed in the Gairdner River area and had a meeting with the local farmers. Speakers there outlined the difficulties confronting a number of farmers, and they pointed out one urgent problem: a number of farmers did not have sufficient cash to buy their bread and butter or, to put it another way, to satisfy their personal needs. The farmers there said it was urgent that some money be made available to allow them to live but, at the same time, consideration should be given to their other requirements in

regard to carry-on finance. The announcement made by the Premier was to cover the request these people made. However, anyone listening to the Leader of the Opposition tonight would think that the announcement was being made in an effort to cover up problems associated with the drought.

Let me emphasise that the finance in question will be made available on the basis of giving money to farmers to enable them to buy their urgent personal needs. This was the extremely urgent reason for which the meeting at Gairdner River was called. Let me continue with the Press release. It says—

The Premier said the assistance will be available to farmers in those areas of the State between Albany and Esperance which had been declared drought areas for the second successive year.

The Government had agreed that after each case had been referred to the applicant's bankers, and provided the investigating team—which was now in the drought areas—was satisfied that a genuine personal hardship case existed, that each individual farmer would be notified that State Treasury advances, on a weekly basis up to a total maximum of \$450, would be payable as from next week to help sustain them and their families.

I interpolate to point out that this means the money will be payable from this week. To continue—

Sir David said the advances would be made against promissory notes which would fall due after the coming harvest.

It makes no reference to what was mentioned, I believe, by the Leader of the Opposition in an interview over the air which, admittedly, I did not hear. I understand, though, that comment was made to the effect that farmers did not have crops in some cases. They do not have to have crops to qualify. If the investigating people go onto the properties and find evidence that money is required immediately to enable the farmers to exist, then this money will be made available. This is the point that was made in the Press release. It goes on to say—

He added that the Government had agreed to this form of immediate assistance so that farmers who were in serious financial difficulties might be able to remain on their properties and complete this year's programme.

An appropriate method of distribution through the Department of Agriculture had been worked out and would be put into action immediately.

This form of Government assistance had been recommended by the Drought Finance Committee which had examined in depth a proportion of the

applications for government assistance from farmers seriously affected by drought.

At this point, I might say that of the 134 applications that have been received by the drought committee, 28 have been investigated at depth and recommendations for immediate assistance have been made in respect of a number of people among those 28. The following is the most important part of the whole statement; namely:—

The Premier said other applications were now being examined with a view to determining to what extent the Government might be able to assist these, and other drought affected farmers with other forms of carry-on finance.

This is what everyone appears to be screaming about, but in actual fact investigation is now being carried out by the drought committee to see what other assistance can be made available to farmers who need immediate carry-on finance. This is the important thing. Some people have suggested that the amount in question is comparatively small, but it is being made available to farmers to provide the carry-on finance which they need for their day-to-day living. When people appreciate this position I am sure they will consider it is a reasonable approach.

I will say that requests have already been made for some assistance so far as the licensing of vehicles is concerned. This factor had not been fully appreciated, but it is now being looked at to see whether some assistance can be made available to help the farmers concerned. We all know how important it is for farmers to be mobile when their farms are quite some distance from the nearest town where they conduct their business.

The fact that carry-on finance is being made available is the important message that we want to get across to farmers, not the fact that \$450 is a pittance and a disgrace to any community. The money will be made available to allow them to live during the coming weeks and to stay on their farms for the rest of the season. In the meantime the Government will look at the finance required to enable them to carry on for the long-term period. The immediate assistance caters for the short term.

It is only proper to mention that a statement was made by the Minister for Primary Industry into the bargain. He stated that it will be necessary to reconstruct the debt situation so far as the farming community is concerned. This statement was released to the Press on the 28th August, 1970. I do not intend to read it because most members would have seen the article or some reference to it. Two, or perhaps three, days later

the Prime Minister himself made reference to a request he had made to the Minister for Primary Industry to make some Australia-wide inquiry into the economic position of affected farmers. I believe I am right in saying this. He also said that officers of the Bureau of Agricultural Economics, which is responsible to the Minister for Primary Industry, had been instructed to carry out the investigation.

It may be of interest to people to know that the investigating body was in Perth on Tuesday of last week. A number of members of the Department of Agriculture, including the director, as well as officers of the Rural and Industries Bank and the Treasury, were interviewed to find out the position so far as Western Australian farmers are concerned. There had been a rumour that the investigation would only apply—or would mainly apply—to farmers in woolgrowing areas. To ensure that this was only a rumour, I requested the director to ask the officers on the inquiry whether it was factual or not. The information given is that it will cover all sections of primary industry. This will mean that those who are in need and those who are finding the going difficult will have their cases looked at, on an overall basis, by the Commonwealth.

Members of the House must be reminded that these things are happening right now in an effort to overcome problems which face primary producers today in Western Australia and, indeed, in Australia as a whole. It is as well for me to state that the Commonwealth will make available the sum of \$30,000,000 to assist farmers whose income has been affected. This will apply mainly to those engaged in wool production who have been affected by the low prices being paid at the present time. Here again, short-term assistance will help the farmer to cope with the immediate future until consideration is given to what can be done to help him on a long-term basis.

Mr. Norton: I assume this is Australia-wide?

Mr. NALDER: Yes, it is Australia-wide.

Mr. Norton: Yet Queensland is to get \$14,000,000.

Mr. NALDER: I have not heard any details of what each State is likely to be allocated. I have not seen that figure. If the honourable member is right, it is interesting that one State will be receiving almost half of the total amount.

Light will be thrown on the situation when farmers have the opportunity to assess the conditions under which the money will be made available.

I want to refer to another matter which has caused farmers—especially those in developing areas—a great deal of concern. Earlier this year I wrote to the Deputy

Prime Minister on the question of extending telephone facilities to the outback. I also took the opportunity to take the matter up with a local representative in the Federal House. Most members would have appreciated the problem faced by many farmers in having to pay anything up to \$4,000 to have telephone facilities extended to their areas. I am sure everybody would agree that the cost would have made it almost impossible for farmers to have the advantage of telephones. This applied particularly to properties in the outback which are far removed from facilities which are available as a matter of course to most people in Western Australia.

The Commonwealth Government gave consideration to the matter and decided to allow the P.M.G.'s Department to take the responsibility for the construction of lines within a 15-mile radius of any centre. Other helpful proposals were put forward for distances much greater than this.

Mr. Sewell: The Commonwealth was a long time in making up its mind.

Mr. NALDER: That is all right. The fact is that it did make up its mind. The member for Geraldton knows that results to approaches on matters such as this do not come overnight. I have mentioned this matter because the action of the Commonwealth Government has been a distinct help to farmers, in developing areas, who should have communication with the outside world.

Mr. Jones: What about electricity?

Mr. NALDER: The Marginal Dairy Farms Reconstruction Scheme has already been announced.

Mr. H. D. Evans: We will discuss that one tomorrow evening.

Mr. NALDER: I have mentioned before that Western Australia was the first State to accept the proposal and the scheme will start operating immediately.

Mr. H. D. Evans: We will discuss this tomorrow night if the motion comes up.

Mr. NALDER: The Leader of the Opposition dwelt for some time on grain alcohol. The position, so far as Western Australia is concerned, has been made well and truly known. At the instigation of the Minister for Industrial Development a survey was undertaken in Western Australia and a meeting was held with the President of the Farmers' Union, who had initiated some of the discussion in the earlier stages.

A conference was held and it was agreed that the question had been taken as far as possible in Western Australia. All possible information had been obtained, but no final decision could be reached on this important matter, which will not operate in one State only. The wheat agreement is an agreement between all wheatgrowing States and, consequently,

it would be necessary for all States to agree. Therefore it was considered necessary to request the Commonwealth Government to carry out further work to enable information on this most important subject to be assessed. Consequently a letter to this effect was sent to the Minister for Primary Industry.

Everybody knows the situation. We are still waiting for a decision to be made on the request to the Commonwealth Government for a fuller and more detailed inquiry than we could undertake in this State.

The Leader of the Opposition referred to a meeting held at Esperance. Members for the district attended that meeting, which took place one week ago today. We know the resolutions which were passed. Prior to the meeting a request had been made by the shire to declare a particular part of the shire a drought area. As a result of that request an announcement was made that the farmers in need in this area would qualify on exactly the same basis as farmers in the Jerramungup-Gairdner River area. This is common knowledge. Other areas have also been notified of the position. I do not know how many applications have been received from the Esperance area, but I know that an officer of the department has been sent to help with the applications. Consideration will be given to them when they have been studied and the individual cases investigated.

I say quite emphatically that I know the Government has been fully aware of the situation which has been developing.

We feel we have done all that we can do under the circumstances, and that the finance required to help keep those farmers who need assistance on their farms is outside the responsibility of the State Government.

I am reminded of an interesting event that occurred only a few weeks ago when an organised group of some 3,000 farmers marched in the streets of Adelaide and approached the Premier of South Australia for assistance owing to the chaotic conditions that exist in that State. What did the Premier of South Australia say? He told the farmers to go to the Commonwealth Government because it is responsible for their difficulties. So it is obvious that the problem does exist in all States.

Approaches have been made to the Commonwealth for help. We are hopeful of receiving some information at an early date so that we can go ahead and make available the finance that is needed. We will then be able to make available short-term finance, provide for the restructuring of debts—because I believe that is important—and then make available long term carry-on finance so that farmers may consolidate their properties; that is,

extend the necessary development, provide pasture and water facilities, replace—in the case of drought—the stock that has been lost or forcibly sold, and, in general, upgrade many of the farms that need to be upgraded to become economical propositions.

Many farmers are already in a position to be able to cater for themselves. I know the position is difficult, and moves have been made to improve marketing facilities for some of the produce from various areas. I would say without doubt and with all confidence that the farming communities will continue. We are not going to sell the farmers down the drain; we will do all we possibly can to keep as many of them as possible on their properties so that they may continue to contribute to the development of this State as they have done in the past. I am sure they will play a most important part in the future of the country.

MR. H. D. EVANS (Warren) [8.03 p.m.]: Three weeks ago less one day I took the opportunity afforded by the grievance debate to make reference to the plight of farmers in Western Australia. At the time I regretted that the Minister for Agriculture was not in the House, and I am pleased to see him here tonight. He made several points with which I would like to deal as I proceed. He said he is aware—as are all members of this House, and, I am sure, everybody in the State—that there are farming difficulties.

There could not be otherwise, judging by the number of Press reports, statements, and articles written by various feature writers and economists—even some politicians and Ministers. But what is not clear is to what degree this difficulty is inherent at the moment. Replies I have received to questions asked have made the situation occluded and obtuse, and it was not until recently that I was able to gauge the existing situation with any degree of accuracy. I am happy to say that with the assistance of several replies, odd newspaper articles, and a report or two, we can view the situation more clearly.

I will start with the report issued by the independent wheat quota committee which shows that at the 30th June new land farmers had received 1,550 of the 9,539 wheat quotas that had been issued. Of those 1,550 farmers, 514 were said to be in serious financial difficulty. That is 39.6 per cent. An additional 425 farmers had financial problems which were immediate. That makes a total—in the new land farmers alone—of something in the order of 939. With regard to established farmers—these are distinct from the new land quotas—we find that a random survey of 348 revealed that 16.6 per cent. were in a serious financial position, and 25.9 per cent. had immediate financial problems. This is the equivalent

of 1,325 with serious problems and 2,077 with immediate difficulties. Of the 9,539 quota holders, 1,839 have serious financial difficulties and a further 2,052 are in immediate difficulty, making a grand total of 4,341 wheat farmers in difficulties. Do not forget, these figures concern only holders of quotas. The figures are remarkable because they indicate that 50 per cent. of all wheat farmers are in difficulty. That in itself is rather frightening.

I turn now to an item to which the Minister has already referred. He said with some note of optimism, hope, or joy in his voice that wheat quotas for new land farmers will rise. They will rise all right; they will rise because 350 other farmers have not planted. So the existing new land farmers' wheat quotas will rise from 55 per cent. of the base quota to 66 per cent. because 350 farmers did not plant. We do not know precisely what has happened to the 350 but I should imagine if they could be tracked down we would find a good number of them are no longer in the farming business at all.

We should have full regard for the significance of the feature article on the front page of *The West Australian* of the 11th September, 1970, headed "3,000 W.A. farmers may be forced off land." So 3,000 farmers are in a hopeless position and that figure includes grain and sheep farmers. This was echoed in an editorial in *The West Australian*. A further 5,000 farmers had trouble financing their existing debts, the average of those debts being \$30,000, and some running as high as \$70,000 to \$80,000. In the same article, the total rural debt is said to be in the order of \$200,000,000.

I think that indicates the extent of the difficulties and the extent of the crisis which is impending. This has not been made public in the House, and we are still groping in the dark trying to get an assessment of the existing situation and it is only bit by bit and piece by piece that we can ascertain something of it. In addition to the numbers, it is the tragedy that accompanies a number of the individual cases which causes grave concern to those on this side of the House.

I have about 50 examples but I have no intention of trying the patience of the House by quoting them all. However, I would like to make reference to three. I referred to the first two examples previously, but having not done justice to them I would like to hark back. The first concerns a farmer from England who took up land in 1968. He has paid a total of \$47,000 and he still has a debt of \$78,000. He brought several tractors and other machinery from England, and now finds himself in this unenviable position. The figures I have mentioned indicate the extent of the disaster to him and others.

This farmer cannot get the Rural and Industries Bank to take over his mortgage. The previous owner is insisting on payment and has indicated, through his solicitors, the action he intends to take. The farmer is unable to receive the \$7,500 drought relief because the previous owner will not allow the bank to hold the first mortgage.

Mr. Lewis: How big is his property?

Mr. H. D. EVANS: I would hazard a guess and say it is in the vicinity of several thousand acres. He cropped 2,200 acres in the first year. There is evidence of his farming capacity; he has not entirely to blame for his position. He is not incompetent; he took the precaution of having a farm advisory consultant—I have his name if anyone wishes verification—examine his activities since he has been on the farm, and the consultant could find no serious fault with his farm management. That is the situation in regard to farmer "A."

Farmer "B" is in much the same position except that his financial involvement is greater. He commenced farming in 1967, and his total purchase price was \$126,000. He has paid \$69,000 to date and has a balance of \$65,600 still outstanding. He had 10 annual payments and he still has eight to go. He cannot meet his current payment or, if he did, he would be that much deeper in debt next year. He cannot obtain the \$7,500 drought relief because the previous owner will not release the first mortgage to the Rural and Industries Bank. He has also been refused an overdraft of \$6,000 by the R. & I. Bank.

The third farmer is in a slightly different class, but he is no less incapacitated by his situation. His tractor has been repossessed by a hire-purchase company, and I have the full story and the correspondence. Without a tractor he has no chance of continuing to put in his crop. If he had the use of his tractor for only a portion of the year he would still be able to achieve that, but at the moment he has no chance. His tractor has been repossessed, he has no chance of meeting his existing commitments, and it looks as though his future is fairly obvious—even though it is bleak.

Mr. Lewis: What is his history? Is he an old farmer?

Mr. H. D. EVANS: He is a new land farmer; but the depth of his involvement is no less.

Mr. Nalder: Is he a wheatgrower?

Mr. H. D. EVANS: He has cropped. The Minister suggested that perhaps the responsibility and involvement of the Government in all this is not great. I would like to disagree with him right from the

start. The Government has made a fetish of the amount of land that it has opened up.

Mr. Nalder: How do you put those words together?

Mr. H. D. EVANS: Just a moment! I want to draw the attention of the Minister to a statement he made. He chided the Leader of the Opposition when he interjected and asked the Leader of the Opposition how he could possibly suggest that the Minister could be culpable in allowing land to be opened up. Well, let me show the Minister. In *The Sunday Times* of the 25th August, 1968, there appeared a very pleasing photograph of the Minister along with a statement he made. The Minister said—

Overall progress in Western Australian agriculture is expected to continue at a rate similar to that of recent years.

And so it goes on. The article was lucid and well written. However, in that same month the Minister for Primary Industry (Mr. Anthony) issued a warning that he could not foresee much prospect of the first payment for wheat of \$1.10 continuing, and had it not been for the intervention by mainland China in wheat buying, the lower price would have struck home then. The Leader of the Opposition quoted last year, and the Minister still pointed out, the achievements in this regard; yet 12 months before Mr. Anthony had held out the red light. Indeed, in 1967, Mr. Anthony drew attention to the impending difficulties in the wool industry. Yet we still have this fetish, I think it could be termed, of opening up 1,000,000 acres a year, or 18,000,000 acres in 20 years. I think this indicates that the Government has some responsibility for the situation. In addition, had some of the land opened up been the subject of close scrutiny it would have shown, particularly after an examination of the report of the Rural Reconstruction Commission of 1944, that a number of these areas had already been included in the marginal areas reclamation scheme which takes in Kalannie, Southern Cross, and other areas.

Mr. Lewis: Have you talked to the farmers in those areas?

Mr. Nalder: You would not get much credit for calling them marginal areas.

Mr. H. D. EVANS: This indicates that there is a degree of responsibility which the Government is trying to deny, and I am merely trying to indicate that it is wrong in doing so.

Mr. Bovell: The Government has never shirked its responsibilities.

Mr. Jamieson: I thought he would be getting to you.

Mr. H. D. EVANS: In addition, there was the question of the availability of finance, which is not available now. Development loans were not a great problem at those stages.

Mr. Nalder: How wise the honourable member is.

Mr. H. D. EVANS: We must not forget that the Bureau of Agricultural Economics tried to show that the situation was coming to a halt very shortly. But nobody paid much heed to that. Mr. Anthony, himself, certainly did not.

So the whole climate was pointing at development; the whole atmosphere was conducive to settlement, and the slogan was: "Go west young man." After what has taken place and the facilities that have been made available, I think we would be correct in saying that the Government is not altogether completely exonerated.

Mr. Bovell: If you had been Minister for Lands you would not have released the land.

Mr. H. D. EVANS: We will welcome a few remarks from the Minister at the appropriate time. We have already had an indication of what transpired, but it would seem to me that some form of rural reconstruction has become absolutely necessary at this stage.

Mr. Rushton: What about spelling it out in detail?

Mr. H. D. EVANS: I will be coming to the honourable member in a moment.

Mr. Bovell: The member for Warren is used to talking to school children; he does not like anything adult.

Mr. H. D. EVANS: The Minister heard the Leader of the Opposition draw attention to what could be done in the way of some rural relief. As a matter of fact, the report of the trustees of the Rural Relief Fund for the year 1941 makes some fairly interesting reading.

It can be seen that in the 5½ years ended the 30th June, 1941, there had been a total allocation of funds of just over £1,200,000—just short of \$2,500,000. In the summary of what has been achieved is given a rather additional figure to the one quoted by the Leader of the Opposition, but the original debt of \$31,000,000 was adjusted down to \$23,000,000. Nearly \$3,000,000 was paid out, and something like \$6,000,000 or more was written off. So the balance achieved was over \$9,000,000, or thereabout.

If this were translated into terms of modern currency—and we must remember that all this happened more than 24 years ago—it would show what could be done today; even with a modest beginning such as the balance that is left within the two funds—\$27,000 for assistance to distressed farmers and a further \$430,000 in the

Rural Relief fund. When a similar situation, or one very parallel to it, was met some time ago in the early 1940s, such a revolving fund achieved a great deal.

The actual machinery is already there. We have the Farmers' Debts Adjustment Act, the Rural Relief Fund, and the Industries Assistance Act; so there is very little excuse for the present Government not taking some action.

When I wrote to the trustees of the Rural Relief Fund on the 9th July, the reply I received was that the possible implementation of the Acts was one of the measures that was being considered. It would seem that a lot of considering is being done by this Government.

Mr. Nalder: I am glad you are giving us some credit.

Mr. H. D. EVANS: I was told that both Acts are current but the necessary administrative machinery to implement the provisions of these Acts is not in operation at this time. On the 8th September I again received much the same reply in answer to a question I asked.

I do not intend to labour the particular point of the possibility of a fund of this nature being reinstated. However, I would like to point out what the Minister has said. In his contribution to the debate on this motion he virtually stated that this has nothing to do with the State Government; that the rural reconstruction scheme, being an economic matter, is the concern of the Commonwealth; and that although the State Government has some responsibility in the matter of drought relief it has none in the overall picture.

Mr. Nalder: Don't let your imagination run away with you altogether. Stick to the facts.

Mr. H. D. EVANS: That was virtually what the Minister said.

Mr. Nalder: Be dinkum. That is all we ask for. Talk about something you know.

Mr. H. D. EVANS: The Minister mentioned the application that was made to the Prime Minister. He then said that the Government had taken drought relief measures but could not do anything about the economic situation until the Commonwealth came into the picture.

Mr. Nalder: Produce your proof where I said that.

Mr. H. D. EVANS: The Leader of the Opposition is prepared to go on the deputation.

Mr. Nalder: It that all you have to go on? Perhaps you would like to go on the deputation also.

Mr. H. D. EVANS: If the measure of the effectiveness of the Minister's action is the degree of the disharmony and the crisis in the rural sector at the moment then he has not gone very far.

While I am on the subject of finance, I would like to refer to a couple of points which the Minister raised. Regarding the \$450 to which the Minister alluded, and in respect of which he castigated the Leader of the Opposition, I heard the report of an interview which took place this morning. Whether or not the Minister intended something different, the impression gained by the zone president of the Farmers' Union in the area concerned is fairly definite. Not only he, but other farmers in the area have the same understanding. Somebody is at fault. The zone president takes it to mean that, firstly, it was an extension of drought relief, and, secondly, it would not be available unless there was a crop over which a promissory note could be taken.

Mr. Nalder: That is not the case.

Mr. H. D. EVANS: That was the impression the zone president gained.

Mr. Nalder: Have you read the news item?

Mr. H. D. EVANS: To paraphrase two lines of the interview, the inquirer said this amount would barely pay the grocery bill. The rather contemptuous reply to this remark was that the amount would not pay the cost of the petrol to obtain it. So, the degree of effectiveness of the \$450 will not be very great.

While I am on the question of drought relief I refer to an article which appeared in the Press on the 17th October, 1970, under the heading "Council says Government lags on drought aid."

Mr. Nalder: I would point out that we have not yet reached October, 1970.

Mr. H. D. EVANS: This refers to a statement made by the shire clerk of the Gnowangerup Shire.

Mr. Rushton: It is easy to knock the steps taken by the Government. What about offering a solution?

Mr. H. D. EVANS: The shire clerk mentioned in that article that the whole shire had been declared a drought area except for a small section in the extreme north-west, and that his council was extremely concerned about the lack of quick action by the Government to assist farmers in drought-affected areas in the shire. He said further that the indications were that some immediate relief would be provided by the Government while more permanent measures were taken in an endeavour to keep farmers on their land where practicable. He then said that at this stage no farmer in any affected area of the shire had received direct Government aid for any purpose during the current emergency period. This conflicts with the degree of efficiency that the Minister has claimed in respect of administering drought aid.

Mr. Nalder: I ask again: What was the date of that article?

Mr. H. D. EVANS: I said the 17th October, but I meant the 17th September.

Mr. Nalder: That was less than three months from the time I first went out to meet the people affected.

Mr. H. D. EVANS: Apparently they are not impressed with the degree of efficiency in administering the drought aid.

Mr. Nalder: Apparently because they do not understand what it means.

Mr. H. D. EVANS: To turn to the financial measures, the Leader of the Opposition has mentioned the three Acts under which steps can be taken by this Government. If this is the only solution, then it requires strong persistence on the part of the State Government with the Commonwealth. I am rather hard pressed to reconcile a report which appeared in *The West Australian* of the 21st August under the heading of "Gorton rejects plea for drought money" with what the Minister has said.

If Mr. Gorton has rejected the plea I wonder on what grounds he did so. He is a humane character. Is the reason for the rejection of the plea for drought relief the same as that for the rejection of the appeal for housing assistance? In the appeal for housing assistance it turned out that the State had \$2,000,000 available. Did the Prime Minister feel that on this occasion a similar condition existed in respect of the finances of Western Australia? I do not know, but I am saying that Mr. Gorton is not an unreasonable man; yet he has rejected the plea for drought relief. I cannot help but wonder whether the reason was that he was pleased with the finances of the State.

Mr. Court: We must remember to quote that in the Senate election campaign. It looks very good in print!

Mr. H. D. EVANS: While we must have regard to the financial situation and the need for immediate action, something further is required; that is, reconstruction of rural industries by sound rural policies, which up to date have been somewhat lacking.

I would like to make reference to several aspects: an examination of the wheat quota situation, the anomalies it contains, and the desirability of making available the transferability of quotas. This could be done through a properly constituted Government authority, in the same way as bonds are handled by a Government authority. Such an authority would have several advantages. This idea is not new; it has been propounded by various experts and economists. At least it will have the advantage of allowing the law of comparative advantage to prevail.

It would mean that when there is a difference in the farm costs involved in the growing of wheat, the fellow who is in the position where he has very high farm costs would be able to let his quota out on a yearly basis for a start—to see how it went. So, there would be the possibility of someone with costs of production at 90c a bushel being able to show a profit by taking full advantage of the technological advances which have been made.

I think that a statutory meat marketing authority should have been introduced a long time ago. I can recall that the member for Collie moved that a Select Committee be appointed to go into this matter. I can also recall how one of the most innocuous documents whichever came before this House was introduced by the Minister. It was from a committee which the Minister appointed and which probably had no teeth in the first place. It certainly brought about no change in the overall meat marketing situation in this State.

Coupled very closely with that is the lack of abattoir facilities, and these are important changes which should have been introduced long ago, and they have an interlocking relationship with the rural economy.

The Leader of the Opposition referred to grain alcohol and the current studies which have been undertaken by a French firm prepared to expend quite a number of millions of dollars to try the viability of this particular venture. This is something else which should have been investigated to its fullest extent.

I think the Minister for Industrial Development made a reply which suggested that all that should be done had been done. I cannot go along with that, having regard to what the committee in one of the wheatbelt towns is doing in enlisting the aid of the French firm. This is something which should be a Government responsibility, or at least the Government should be fully involved. The subject of marketing has already been dealt with, and I do not intend to labour that either.

No-one should underestimate the point made by the Leader of the Opposition that it is not only the rural community itself as such which will suffer—indeed, it is already suffering. All the industries, services, and ancillary facilities dependent on the rural community will also be affected. I would like to quote just one line from a letter received from a business man in the wheatbelt area. The significant part is as follows:—

There is a depression in rural activity in the eastern wheatbelt. A good proportion of farmers cannot or will not meet their local trade commitments unless under the threat of a summons.

This is the experience of a businessman, and, of course, he is only one, and this situation has only just begun so far as he is concerned.

I cannot overestimate the need for every effort to be made by this Government and, indeed, by every State Government, with regard to tariff policy as it exists in Australia today. The present policy which has been built up is an inequitable one, to say the least, and as a consequence rural industries have been seriously disadvantaged.

Mr. Court: It has been the salvation of many.

Mr. H. D. EVANS: Professor Gruen of the Monash University has been commissioned to engage in research on this subject. He has been granted a fellowship and one research fellow and three research assistants to investigate the alternative tariff policies available. This illustrates our lack of knowledge of this tariff matter; and the fact that a \$27,384 research grant should have been made available for this purpose indicates the degree of urgency which is felt about it.

Mr. Court: How sincere are you on this tariff policy when, in point of fact, it is Labor Party policy?

Mr. H. D. EVANS: The tariff policy—

Mr. Court: It is Labor policy.

Mr. H. D. EVANS: Just a moment. The Minister can have a chance to speak in a moment. At present, we have, built up by a Government, a tariff policy protecting inefficient industry. We must have due regard for industry efficiency. We cannot go along completely with everything that has happened in the name of tariff.

Mr. Court: Labor is one of the greatest advocates of tariff protection for secondary industry.

Mr. H. D. EVANS: Of course, the policy is to remain; but there is a case for a compensatory tariff bounty, for the very good reason that on the one hand the total cash equivalent of tariff protection afforded to secondary industry is estimated in the Vernon report as being \$1,500,000,000 a year, while on the other hand the total cash equivalent to rural industry is in the vicinity of \$200,000,000 a year, which is about one-fifth of the protection afforded to secondary industry. So we have the danger of a serious imbalance in this situation.

The fact that these figures do exist suggests there is a very strong case for a compensatory tariff bounty and this is being disregarded by people who hold the same views as the Minister for Industrial Development.

Although the tariff started off purely as a revenue-raising means, it has long since become a means of adjusting the economy and it is regarded more in this light than

as an indirect taxing device. This is just another illustration of why existing rural policy needs to be examined. I would point out that the calculation of direct and indirect cost disability in the wool industry works out to about 25 per cent. of the total cost, and this is brought about by the direct and indirect consequences of tariff. So if we have this situation, surely we have a case for examining the possibility of instituting a compensatory tariff bounty.

Mr. Court: But there are bounties of considerable size already in existence.

Mr. H. D. EVANS: I now make reference to the very point that a Commonwealth survey was conducted in all States—and it would have embraced Western Australia—and such a survey is desirable and necessary. However, I do not think that such a survey is wholly the prerogative and responsibility of a Commonwealth body. I think the State Government has a definite responsibility in this field and it is one it is not meeting at the moment.

Not only is immediate financial help required in, perhaps, the categories the Minister has suggested—different finance for the different categories of financial difficulties being experienced—but also long overdue is an examination and recasting of existing rural policies that are being applied at the moment; and in both of these areas the Government is, upon examination, found wanting.

MR. NORTON (Gascoyne) [8.39 p.m.]: I rise to support this motion, and I do so with some considerable knowledge of what has occurred and what is being experienced by farmers. I have an extensive knowledge of what occurred in the 1930s, as during that time I was in four totally different parts of the State. That was during the depression years and the years in which the farmers probably faced some of their biggest setbacks.

In the first part of the 1930s I was in an area around Dalwallinu, and then I went to Carnarvon, Bruce Rock, and finally to the south-west. Consequently, I gained a really good insight, as it were, into all sections of the agricultural industry.

With that background I have been taking particular interest in various articles appearing in the Press, and particularly in the reports appearing in *The Countryman* following interviews with the Minister for Agriculture or his attendance at various meetings.

I intend to deal quickly with just a few of these matters. First of all, I would like to mention an article which appeared in *The West Australian* of the 31st October, last year. The article was headed, "More output needed, farmers told." The article was a report on a paper given by Mr. David Coutts of the Western Australian University's John

Thompson agricultural economics centre. At that time the farmers were experiencing the first effects of the drought conditions, and they were also experiencing the first effects of the wheat quota system. Mr. Coutts pointed out that wheat and sheep production would have to rise by 5.5 per cent. per annum to maintain a profit of \$5,300 on an average farm. He said sheep numbers would have to increase by 3.8 per cent. and wheat acreages would have to increase by 4.7 per cent. Pastoral income would have to rise by 15.5 per cent. per annum, and the number of sheep would have to increase by 14.4 per cent.

In the 10-year period to June, 1968, farming costs rose by 2.47 per cent. per annum and farm production rose by 1.16 per cent. That is not a very bright outlook added to the drought situation. It seems to me that tonight, the Minister dealt particularly with the drought, and not so much with the economic situation. A drought situation can come and go fairly quickly, but a depressed economic situation takes far more getting over and far more working out.

It is very interesting to look at the articles which I have, and which are taken mainly from *The Countryman*. That newspaper is very moderate in its outlook, and it does not go in for sensational headlines. The two principal writers know their job. The first article I refer to concerns a deputation to the Premier. For some unknown reason the Premier, apparently, refused to have the Press representative at the meeting. The reason why, I cannot say. Mr. Forrester, who led the deputation, said he had no objection whatsoever in that respect.

The Premier is said to have given the deputation a sympathetic hearing, but he pointed out that any financial assistance would have to come from the Commonwealth Government. That may be so to a certain extent, but, as I will point out later, because of the two Acts we already have on our Statute book, that does not always have to be so.

After the deputation Mr. Forrester said that he told the Premier some farmers would be forced into bankruptcy unless they received assistance; the farmers' borrowing powers had disappeared and if they experienced another bad season they would be unable to get enough money to put in the next year's crop. Mr. Forrester further said there was an urgent need for short-term finance to help farmers over their immediate difficulties and that a long-term scheme was needed to ensure the continued development of new areas.

The new land area problem seems to pop up all the time. I can understand this because the new land settlers have not had time to establish themselves properly and obtain a return other than from grain.

I was also very interested to read the report of a meeting held at Newdegate where the Minister for Agriculture met some 350 farmers. The meeting lasted for six hours, and apparently continued later outside the hall. More than 350 farmers—most of them from new land areas—packed the hall for the meeting, which was chaired by Mr. Forrester, the General President of the Farmers' Union.

The farmers had gathered to hear the replies to questions put by a delegation of new farmers to the Premier (Sir David Brand) on the 7th May. This is the meeting to which I previously referred. The report of the meeting claimed that Mr. Nalder was very evasive. Whether that is correct or not I do not know, but that is the report which appeared in the paper.

A series of questions was asked of the Minister. He was asked whether the State Government, because of the way it promoted new farming areas in Western Australia, could be held responsible for the plight in which the settlers now found themselves. Perhaps the Minister for Lands could be responsible. However, Mr. Nalder replied that he neither agreed nor disagreed with that question. He said that the new land farmers were a special case. I know that if I were a farmer in need of assistance I would have a special case just the same as anyone else.

The Minister was also asked if new land farmers could be given any assurance which would make them stay on their farms. Mr. Nalder said it was not for him to advise. I do not think I would have advised them, but if we go back to the 1930s we will find that the marginal lands were not as far inland as they are today. Previously the new farming land was not considered suitable for farming.

Apparently, at the conclusion of the meeting, Mr. Nalder said that if by the end of August no satisfactory progress had been made regarding new land farmers' problems he would attend another meeting at Newdegate. The Minister kept his promise and on the 18th of this month he went to Newdegate but did not have a general meeting of farmers; he had a meeting of delegates. I have been looking for the report of that meeting.

Mr. Nalder: It was in Saturday's paper.

Mr. NORTON: Yes, I have found it. I understand the Minister took with him a reporter by the name of Quin.

Mr. Nalder: No.

Mr. NORTON: That is what I was told.

Mr. Nalder: No, that is not correct.

Mr. NORTON: The report is, as I see it, that 16 farmers had walked off their properties. Is that the report the Minister is referring to?

Mr. Nalder: That was supposed to have been made by the officer sent down by *The West Australian*.

Mr. NORTON: Is that the report of the meeting, because it does not mention the Minister? There is mention of 20 delegates representing 2,000 farmers from the Newdegate area. I think that is the only matter the report refers to so I am still waiting to hear what the Minister said in respect of the pleas.

Mr. Nalder: It was a very successful meeting.

Mr. NORTON: It does not say so in the report.

Mr. Nalder: I cannot force *The West Australian* to print what happens.

Mr. NORTON: One would think that either *The West Australian* or *The Countryman* would give some report of the meeting. I am wondering whether the Press was admitted.

Mr. Nalder: The Press were there and the representatives of Four Corners were there.

Mr. NORTON: In the same paper, and right alongside the previous report I have referred to, appears an article headed "Disgust Over Government Aid." This is from Jerramungup, and it states—

The Stirling zone council of the Farmers' Union decided at Boxwood Hill today to express disgust at the Government's attitude to drought-affected farmers.

Mr. Nalder: There was no reference to the resolution passed expressing appreciation of the Government's approach.

Mr. NORTON: There is no indication that the Minister was present; there is no comment; we can only take it for granted that the Minister did not say very much, if he was present. After all, he did not tell us anything of consequence this evening when he spoke.

The Minister also attended a meeting of Beacon farmers on the 18th June and repeated a promise that he would come back at a later date, but nothing further was heard. I notice in the report that the Minister said it was estimated that approximately \$80,000,000 was required to service the farming community to enable it to stabilise. I think the figure mentioned tonight was \$50,000,000.

Mr. Nalder: That was in one category. If the honourable member had listened, he would realise that I also quoted an additional figure in another category.

Mr. NORTON: It was somewhat difficult to follow the Minister. I point out that the Minister himself referred to the figure of \$50,000,000.

I am interested in another matter which is not immediately related to drought areas or wheat quotas but which does affect a

certain facet of the industry: I refer to the marketing of mutton and lamb. A meeting was held in the Milling hall and this matter was discussed.

The Government could do quite a deal more in this direction to assist farmers so far as abattoirs are concerned. When there is a glut on the market, I am informed that export buyers experience great difficulty in obtaining a quota to get sheep slaughtered. Apparently there is some form of monopoly and when the saleyards are glutted with sheep some of the smaller exporters who buy a line of sheep find that they must hold them for days before they are able to get them through the abattoirs.

If these exporters could buy regularly, it would be possible to raise the price of mutton for export and in the yards by at least 3c a pound.

The SPEAKER: Order! There is far too much talking going on in the House.

Mr. NORTON: On a 50-lb. sheep this would mean an increase of \$1.50 per head. This extra amount would be an asset to the farmers. I noticed a headline in *The Countryman* on the 30th August which said, "Drought Relief Concessions will Terminate 31st August, 1970." However, it is stated further down in the article that special conditions may attach to certain areas to enable them to be redeclared drought areas. I think it is foolish for the drought relief conditions to be cancelled. Why not let them continue? If they were continued, those who required relief could obtain assistance as and when necessary.

The Esperance meeting has been referred to and, consequently, I do not intend to deal with it again.

Two extremely efficient Acts, passed by the State Parliament, are on our Statute book. These two Acts proved themselves in the 1930s. They are not outdated because of the similar conditions which applied at the date of their inception. The provisions in those Acts, if enforced, would lead to the rejuvenation of the farming community.

Probably the most important feature of the legislation is that the Government can create a moratorium. As I see it, it is not a moratorium in the true sense of the word. Instead, it is a stay order which can be issued in respect of individual farmers; it does not have to be issued in respect of all farmers. It can be put into effect at the request of a farmer or a creditor. Once a stay order is issued, the affairs of the person concerned are examined by a director appointed, or by committees set up, under the Act. As a result of the examination, decisions are made in respect of the assistance a farmer should receive.

In the 1930s the price of wheat was as low as 10c to 15c a bushel, according to the siding to which it was delivered. Today the price of wheat is higher than that, but when we look at today's price in the light of the quota system its value is reduced very considerably. Therefore I would say that the value of wheat today to the farmer is no more than it was in the 1930s. As I say the quota system is responsible for this.

If we look at wool, which is grown from the north to the south of the State, we find that the price of wool dropped in the 1930s to as low as 10c a pound free on rail Fremantle. By the time the farmer railed the wool the price was probably as low as 7c or 8c a pound. Only in this morning's paper I saw that the price of wool in Queensland averaged 30.83c a pound at a sale. We should compare this with the price of 10c a pound in the 1930s.

Mr. Young: I think the honourable member means 10d.

Mr. NORTON: I mean 10c or 1s. It was down to this price by the time we take into consideration freight and every other cost.

Mr. Young: It was lower than that.

Mr. NORTON: I can mention a lower price if the honourable member wishes. I will say that the price in those days was 5c a pound. If we take this figure and compare it with the 30c a pound which is obtained today we will find that the return for wool today is as low as it was in the 1930s, when we take into consideration the increased costs of working a station or a farm today. It was at this difficult period that the Farmers' Debts Adjustment Act was enacted.

My first encounter with the effects of the depression in farming areas was at Wubin. At that time I happened to be working for F. W. G. Levy. I was on a top wage of 25s. a week and kept for a 60 to 70-hour week. After this I took various other jobs, one of which was with a machinery firm. I went out between Wubin and Morawa to pick up abandoned machinery from farms. Believe me, it was pitiful to go round the farms and see the state they were in. If those people had been able to hang on a little longer they would not have had to leave their farms.

I then went to Carnarvon where I saw something of the distress in the pastoral industry. At that time owners of sheep stations had to go to stock merchants and ask them, "Can I buy a pound of butter or tea today? Can I have a singlet for myself or for my wife?" Depending on whether the merchant said "Yes" or "No", the pastoralist either obtained or went without what he had requested. At that time farmers were not covered by the Farmers' Debts Adjustment Act.

The Hon. F. J. S. Wise was the member for the district at the time and also, I think, Minister for Agriculture. He came to an agreement with the stock firms and said, "You write off so much and the State will write off rentals for a number of years." In this way the pastoralists managed to get back on their feet and, in many cases, they lived to reap the benefit.

When I left the Carnarvon area I went to the Bruce Rock area which, as many members know, was an area of mixed types of farming, old and new. There were the old-established settlers and the new farms in the outer areas. The Farmers' Debts Adjustment Act had just come into full swing, with the old Agricultural Bank on the financing side.

Whilst the storekeepers and some of the business people condemned the Act at the time, because they virtually had the credits they gave the farmers written off to as little as one shilling in the pound, they did not realise that if the farmers had declared themselves bankrupt they, as unsecured creditors, would have lost everything. Under the Farmers' Debts Adjustment Act farmers were able to receive regular sustenance, superphosphate, fuel, and oil, which enabled them to carry on.

The same situation existed in the dairying areas, which were not affected quite so much, but in some cases relief was given to dairy farmers. When that Act was enforced, if a dairy farmer got behind with a hire-purchase agreement, for instance, the company concerned was quite willing to repossess the item formally and to write out a new contract which spread the payments over a greater number of years. That meant a great deal to farmers in those days. It was only a small amount but it gave farmers a lift and enabled them to carry on and overcome their disabilities.

The final section in the Farmers' Debts Adjustment Act terminates the Act every five years. In the first place, I think the term of the Act was for two years only. I was very interested to hear the Minister for Lands boom up that Act when he moved for its continuance in 1966. He said—

The Farmers' Debts Adjustment Act provides the machinery enabling a farmer to apply for a stay order whilst his case is investigated by the director and submitted to the trustees when warranted. It is complementary to the Rural Relief Fund Act through which advances are made for adjustment of farmers' debts in instances of national emergency.

I think this is a national emergency in which this Act could be revived. The advantages are considerable. If the Minister had been a farmer instead of a banker, he would probably have had a greater

realisation of the advantages. In the agency section of the Rural and Industries Bank we virtually have a branch of the old Agricultural Bank, and it is available to stand in for this type of thing.

As the Leader of the Opposition said, the Farmers' Debts Adjustment Act did a wonderful job in assisting the rehabilitation of farmers. I commend to members the speech of The Hon. F. J. S. Wise during the second reading debate on the amending Bill in another place. It is interesting to know the amount of money that has been made available through that Act to help farmers in one way or another.

These Acts also assisted businessmen in the long run, but although businessmen, too, lost quite a bit of money, not many of the assisted farmers looked back and said, "I will give you something off my old debt."

Mr. Bovell: Many country storekeepers were close to bankruptcy, if they were not actually bankrupt, because of the difficulties in getting their accounts in during the depression years in the 1930s.

Mr. NORTON: That is quite correct, but if the farmers had not been assisted under the Farmers' Debts Adjustment Act the storekeepers would have got nothing. The farmers received their regular sustenance and were again able to spend money with the storekeepers.

When the Minister was speaking a while ago, I interjected that Queensland was getting \$14,000,000. I quote from *The Australian* of Saturday, the 19th September, in which the following appeared:—

Federal Government assistance to Queensland for drought relief would probably be about the same as last year, the Prime Minister, Mr. Gorton, said yesterday.

Mr. Gorton said the Federal Government had provided "around about \$14 million" to Queensland last year.

So I take it that this year Queensland will receive another \$14,000,000, which will mean that in two years that State will have received \$28,000,000 for drought and other assistance to agriculture.

I wonder where we are falling down, that we cannot get even a fraction of what Queensland is receiving. Are we putting up our case in the correct manner? The Leader of the Opposition has said he would be very pleased to go with an all-party deputation to put a case to the Federal Government, so that this State could fully operate the Farmers' Debts Adjustment Act and the Rural Relief Fund Act. The trustee provisions for the disbursement of funds for the rehabilitation of farmers are contained in the Rural Relief Fund Act. I support the motion.

MR. SEWELL (Geraldton) [9.08 p.m.]: I support the motion moved by the Leader of the Opposition. I think all members were interested in what he had to say, even though some might have been inclined to criticise and condemn him. The operation of the Farmers' Debts Adjustment Act and the Rural Relief Fund Act in the 1930s was outlined by the Leader of the Opposition and the member for Gascoyne.

It seems to me that people who live in the city often need to be reminded that primary production is much more important than they think it is. So much is said about industrialisation, iron ore, nickel, bauxite, and other minerals, which are being pushed to their utmost by the present Minister for Industrial Development—and more power to him—but we must not forget our primary industries. Without our primary industries, many of the smaller country towns would go out of existence, and if that came about in a country like this, goodness knows what would happen.

In the last 15 or 20 years a great deal of land in this State was brought under cultivation that should never have been brought under cultivation in our time, even with the advent of scientific farming, trace elements, and so on. The land I refer to—and our farming friends know it better than I do—is the yellow banksia sand that will grow nothing but a few wild pears, stunted banksia, and small cyprus pine. Even after cultivation, planting, and the addition of superphosphate, it will only carry about two bob-tailed goannas per acre.

That is the land which some of the new farmers that have been referred to are trying to farm. I say it is the responsibility of this Government—or any Government at all—not only to do as the Minister for Agriculture suggested and upgrade many of those farms, but also to downgrade some of them right out of existence. The people who put in work and finance to start the farms should be compensated in some way. I think it is most unfair for any authority to advertise in the way that has been done and to allow people from other States to come to this State to try to farm land which, frankly, I would say is not worth two bob per thousand acres.

We have heard much about drought. As I understand it, a drought occurs when a certain part of the State, or all of it, receives little rain and is therefore short of water. It would seem to me that at this stage the troubles being experienced by the farming community in outer districts—and particularly down in the far south—are not only those associated with a lack of water, but are also those due to a lack of control of prices for goods and

services. Neither the Federal Government nor the State Government has paid any attention at all to this matter.

The farmers I am talking about were permitted to go onto the land almost willy-nilly with no thought being given—as far as I can ascertain, anyhow—by the Government. The land they went onto is such that it needs superphosphate. The high cost of superphosphate, the high cost of machinery, and the high cost of putting sheep onto this type of country have forced them into the position they are in now.

The Minister told us how kind the Federal Government was in reducing the terrific fee it intended to charge for telephone lines in outback places. I reminded the Minister that the Commonwealth was a bit longwinded in doing it. I do not think it was such a kind action on the part of the Federal Government, because those charges should not have been even considered by worth-while men with the good of their country at heart. It would not hurt the pockets of the people in the big cities if telephone facilities were provided free to the farmers, because they are the people who are getting the country going.

The Premier is not in his seat, but it does not really matter because he knows as well as I do that his electorate is one of the best electorates in this State as far as primary production is concerned. I have stated that in the House previously. I would not hesitate to say that most of the farmers in that area are in a reasonable position, and they look like having a particularly good season this year. However, what about the farmers who came here from the Eastern States, from England, and from America, too—and also the city people who thought they would like to set up their sons on a farm—who put themselves into debt raising finance to purchase developed farms? They now find they are up against the iniquitous thing we call the wheat quota system. Those people may have paid \$60,000 or \$80,000 for their properties, or else put down a good deposit.

I know of cases—and I am quite sure the Minister for Education knows of some in his electorate—where the quota barely allows the farmer to make a living, and certainly does not allow him to earn sufficient money to pay off the amount he owes on his farm. What will happen to those farmers? Will they lose their quotas? In many cases the amounts owing run into thousands of dollars.

Mr. Lewis: If they had no quotas they would still have nothing to live on.

Mr. SEWELL: I think perhaps the Minister should see that his counterparts in the Federal Government look at some of the large wheat quotas—even in this

State—and withdraw or reduce them and give the extra to the people to whom I am referring.

Mr. Lewis: If we took away the wheat quotas altogether, they would never survive.

Mr. SEWELL: Of course, we know that is impossible at the present time because of the restrictions all over the world. However, from information given to me I believe that some people in the Eastern States who call themselves farmers have businesses in Melbourne and Sydney, and they should not have a quota at all. This applies also to some people in this State, but not to the same extent. I think this matter should be looked into.

The member for Gascoyne mentioned the question of the Midland Junction Abattoir. From information given to me I believe—and there will probably be more of this later on—that the present Government has more or less given Eastern States people a control or monopoly over certain sections of the abattoir, and the people in this State who go onto the market to buy for export have been squeezed out. If this is correct I think it is a pretty poor show and something the Minister should look at.

Mr. Nalder: You would not swallow that information?

Mr. SEWELL: Even if there were only six local buyers they would provide competition, and this Government is supposed to be in favour of competition. If any housewife were asked, she would agree that the price she pays for mutton by the time it reaches her kitchen is beyond all reason compared with the price received by the farmer. I heard on the ABC news tonight that a farmers' organisation in Victoria—I cannot think of its name—had, in co-operation with Tasmanian vegetable growers, approached some of the trade unions in that State to ask for their help in counteracting the iniquitous price increases in frozen vegetables.

The Queensland Premier had something to say about it and he is going to hold an inquiry. I do not know why he does not do something more definite, because I believe the prices in that State have increased 100 per cent. The farmers in Victoria are doing something about it—it will probably be in the Press tomorrow—and they have approached 16 trade unions. It seems a pity that more of this had not been done before.

It is not my intention to go over the ground that has been so ably traversed by previous speakers, especially the member for Warren, who produced some interesting figures. As far as drought conditions are concerned, in the area I represent the season dried off quickly last year.

I am sure the Premier will agree with me that we look like having a bountiful harvest this year.

I repeat what I asked the Minister in the first place: What will happen to those farmers who are in financial trouble? Will the previous owners take back the farms? What will happen to those who have put in, say, 400 acres of wheat; who have been given a certain quota; who have averaged, say, 10 or 12 bushels over a number of seasons; and who, because of good rains this year, will probably crop 20 bushels per acre? What will happen to that over-quota of wheat?

Will it be accepted by Co-operative Bulk Handling Limited and, if it is, what will farmers receive for it? It seems to me that if the position is not watched and control exercised over it, blackmarketing could result. I support the motion moved by the Leader of the Opposition.

MR. LEWIS (Moore—Minister for Education) [9.21 p.m.]: To some degree perhaps it is unfortunate this motion has been sprung upon the House, otherwise all of us would have had greater opportunity to make some deeper research to combat some of the arguments that have been advanced this evening. I must concede that the Leader of the Opposition was reasonably fair in his summing up of the reasons for the present economic situation of farmers. He said this was due to a number of causes and we know this is so. In particular, it is due to the bad seasonal conditions last year when there was a drought; and there is still a drought in some parts of the State. We admit it is partly due to high costs and restriction on production because of wheat quotas. However, I think he said, a little unfairly, that it was also due to the encouragement the Government had given to land settlement.

We heard the member for Warren speaking in the vein of, "I told you so" when he referred to certain areas of the State that were more or less condemned as marginal areas many years ago. He referred to the statement made by Mr. Anthony and the warning he had given about wheat production, and he said that this State should have seen the red light at that time and should have discouraged production. More recently we listened to the member for Gascoyne telling us again of the conditions in the 1930s. He pointed out how heart-rending it was for him to move among farmers who had been dispossessed of their assets. I can assure him that whilst the onlookers see most of the game the players get most of the bruises and, at that time, I was one of those who received some of the bruises.

Reverting again to the speech made by the member for Warren, he referred to the marginal areas: those areas in the Kalannie and Lake King districts, and

others. In 1927 those areas were condemned. They contained what was known then as the 3,000-farm scheme. I think the officer who was responsible for the recommendation that the farmers in those areas should be removed and placed on other properties was Dr. Teakle, and I hope I am not attributing this statement unfairly to him because I think he was quite a competent officer. Unfortunately, what did the farmers in those areas find? They found that they could be allocated other farms in a more suitable area provided they, first of all, got rid of the farms they possessed, because they were already condemned. There were no potential purchasers and so they had no option but to remain on their properties.

Many of the farmers who remained in those areas will now say how fortunate they are, because in some parts they claim they are now growing bigger and better sheep than anywhere else in the State. I think I could also claim that many of those who prospered in the marginal areas of the State have since produced much of the agricultural wealth of Western Australia.

I now come to the statement made by Mr. Anthony. I have here a copy of the address he made at Dalby, Queensland, on the 23rd March, 1970, in which he referred to the future of the wheat industry in Australia. I would like members to take particular note of the quotation I am about to make in view of the fact that we have listened to previous speakers who have said that we should have known of the present situation because of the warnings that were given. The following are extracts taken from Mr. Anthony's speech:—

International Wheat Council reports show the volume of world trade as highly variable.

This is referring to the world trade in wheat. Continuing the quote—

It was:

36 million tons in 1958-59;

62 million tons in 1965-66, the highest ever; and

45 million tons in 1968-69, having decreased in three consecutive years.

These figures alone provide enough for me to talk about for all the time available today. But I don't want to go into detail. I have highlighted them early in the piece because they represent the outcome of a whole complex of factors. Anyone trying to study those factors will agree that the industry is as volatile and unpredictable as an industry can be. The variations reflected in the trade figures indicate fairly clearly the difficulty of

putting together a concise yet revealing account of what has taken place, and of drawing from it some pointers as to future developments.

Whilst these enormous changes in trade were taking place, there were also great changes in acreage, production and stocks.

To pick out the highlights of the past 10 years:

world acreage planted increased from about 497 million to 549 million, or 11 per cent.;

production went up from about 264 million metric tons to 327 million, or 12 per cent.;

but end-of-season stocks in the five major exporting countries (U.S.A., Canada, Australia, E.E.C., Argentina) fell from 60 million tons in 1958-59 to about 33 million tons in 1965-66, but were back to 62 million tons in 1968-69.

From that it can be seen how difficult it is for anyone to predict what the world wheat market will be this year, next year, or in five years' time.

Mr. Norton: That is all the more reason to give the farmers a go.

Mr. LEWIS: I would say we should give them a go at all times. In a State the size of Western Australia, with its variation of seasons—I am talking now particularly of the wheatbelt—it is always possible to find farmers who are doing very well. We can find farmers who are doing very well today. However, it is also possible always to find farmers who are not doing at all well. In fact, due to a run of good seasons and fairly reasonable prices, some farmers have been able to stay on their farms, but they are now sailing fairly close to the wind. They have remained on their properties only because of fairly good seasons and reasonably good prices, but last year they found that the seasonal conditions were going against them and that the prices for their products were going down.

Mr. Sewell: And there was no control over the prices of the goods they had to buy.

Mr. LEWIS: The member for Geraldton has made a good point; there was no control over the prices of their products and very little control of their costs of production.

Mr. Sewell: And there was no control over the price of petrol.

Mr. LEWIS: Many of these farmers are now voluntarily leaving their farms. Some of them are in the fortunate position of having trade skills and therefore they can readily be absorbed in industry in the metropolitan area or in the larger country towns. Others are not so fortunate and

they will need trade training of some sort to enable them to take their places economically in an urban area.

However, I am not one of those who can readily accept the situation that, because of the present era of low prices aggravated by some adverse seasons, we should accept a general exodus from the farming community as being inevitable. I think such a situation is too tragic to contemplate. If this occurred it would not only be bad for the country and, in many instances, disastrous for the individuals affected, but also it would have adverse consequences on people in country towns; that is, the labour forces; the business people; those engaged in ancillary services, such as transport services; machinery manufacturers; fertiliser manufacturers; and those service organisations that normally help to keep the farming industry in a reasonably prosperous state. They too are all feeling the heat of the present situation.

Most of the businessmen concerned are carrying fairly heavy loads of unpaid accounts. So when the Government gives consideration to doing something for the primary industry it cannot be insensitive to the similar severe financial circumstance that the business people of the town are experiencing. The two are interdependent; the prosperity of the one means the prosperity of the other; and, of course, the reverse also applies.

We must also bear in mind that a general exodus from the country areas will have an adverse effect on the social life in the country. A few youngsters less on the school bus will mean that the contract school bus service would revert to a subsidised service under which the parents who remain would have to contribute something, because there would not be enough children to make the service as economically viable as when there is a sufficient number of children available.

If there were fewer youngsters in the classrooms the school in question would lose a teacher and could be downgraded. Apart from this, sporting facilities and amenities would not be available because there would not be sufficient people to maintain a tennis club or a football club; there would not be a sufficient number of people to warrant swimming pools and many of those other features which generally make living more comfortable in the country. Services such as electricity and water supplies would become less economic because of the fewer people requiring them.

In my view any exodus from the country would automatically place a blight on country life; it would create a situation which is too awful to contemplate. I feel it would be a kindness to some of those farmers to whom I have referred—those who are sailing close to the economic wind—if, over the years, they were eased out of their present situation and rehabilitated in an urban position.

It is very difficult to obtain fairly exact and reliable information as to just how widespread and deep this economic depression is in the country areas. I do not suggest it is not serious, because it is. I cannot, however, accept that there is a widespread crisis. There are individuals who have already reached a crisis in some areas, and they have had to face up to the position.

I have had discussions with one or two bank managers to whom I put the question, without mentioning any names, as to how well farmers in the areas concerned are making out in the present situation. I was told that the great majority of them would see it through provided they gave greater attention to their farm budgeting, farm management, and those sorts of things; they would see it through if they leaned a little more on the expert advice which is now more freely available.

There are one or two, however—and I am now quoting the words of the bank managers in question—whose farms are too small to enable them to make an economic go of it, and they were advised to put their farms on the market. I remarked that this was unfortunate for them, because many of the farmers concerned would be too old to find a job in the metropolitan area within their physical capacity.

Mr. McIVER: Who purchased these properties?

Mr. LEWIS: It is possible the farmer alongside them would purchase the properties in question. Part of the submission to the Commonwealth Government is that finance be made available for this very purpose. I remarked that some of the farmers who were displaced of necessity would find difficulty in getting re-employment.

Mr. Tonkin: The Minister for Industrial Development suggested they should go on the pension.

Mr. LEWIS: However, in the cases mentioned to me—and they were not individual cases—I was told that the farmers in question would be able to get out with sufficient equity; that they would not need employment. This, of course, would not apply in all cases.

The member for Warren mentioned three cases, one of which was an English farmer who came here and invested in a farm and paid out a lot of money. We are, of course, sorry for such people, but we cannot say that this is a typical case. I do not know whether the honourable member gleaned his information from a Press report; nor do I know whether any expert research has been carried out into the number of farmers involved. I find it difficult to accept the assertion that there were 3,000 such farmers. The member for Warren could be right; I do not know, because I have not seen any exact figures.

Mention was made of new land farmers who did not have a wheat quota. Many of these people did not grow wheat, and when they did it was merely to break up the land preparatory to growing pasture. Many of them were allocated a quota when they did not need it, and they have said as much.

Unless something is done about the factors mentioned by the Leader of the Opposition—those relating to low prices and high costs—we will get a repetition of the position, despite any good seasons we might have. While today an economic unit might be considered to be 3,000 acres or 5,000 acres—I do not know what the acreage would be, and of course it depends solely on the individual—

Mr. Tonkin: And the size of the wheat quota.

Mr. LEWIS: That is a temporary expedient and I will not go into that aspect at the moment. The present situation will surely recur, and if things are allowed to continue as they are it will only be a matter of time before we feel that 3,000 acres is too small a unit; that to be economic the unit should be 5,000 acres or more.

Greater attention must be paid to correcting the factors which have contributed to the present situation. I am now not talking about seasonal conditions, but the low prices received for products and the high costs which must be met. Greater attention should be paid to the question of research which is the responsibility both of primary industry and the Government. More research must be made into better marketing methods. I refer particularly to wool; and I can say now that the Government has endorsed the principle of statutory marketing for wool. There are, however, many bridges to cross before we can achieve our desired objective.

This is one of the ends to which we must work. We must obtain more expert advice into farm management and we must train more of our farmers in better systems of farm management.

As an active farmer I got by very well, but nowadays with the high costs and the low prices the farmer has to be more than a good farmer. He has to be a good manager, also, and he must not be averse to seeking expert advice. At the same time he has to be careful that, after having sought expert advice, he does some thinking himself and applies that advice with discretion and sound judgment.

I think more emphasis can be placed on farm budgeting. I am thankful to know that many bank managers are insisting on farm budgeting, despite the fact that they have confidence in their customers as being good farmers, stock managers, mechanics, and what goes to make good managers. Many farmers have never given attention to farm budgeting, which is a requirement

that the present situation demands. I believe that greater attention must be given to this aspect.

At the same time I believe that more research has to be made into the development of new and better pastures, into stock diseases so as to avoid losses, and into lamb mortality. Throughout the years much research has been done by the Department of Agriculture and great achievements have been made in these fields. However, in my view the research has to be extended further.

I believe that greater attention has to be given to better methods of applying farm finance. There was a time when a farmer could approach his bank and obtain an overdraft, the rate of interest being calculated on the daily balance. The farmer could buy anything he wanted to, whether it was a new tractor or something else, or he could spend it on the construction of a new dam or on clearing. He could spend the money on anything which contributed to his livelihood as a farmer.

Nowadays when a farmer approaches his bank for a loan for capital expenditure the practice is to divert the loan into a term loan, and this is generally at a higher rate of interest. Under this type of loan the farmer is obliged to make repayments every six months or so, in order to liquidate the capital debt over a fixed period of eight to 10 years, and sometimes over a shorter period. I believe that farm finance deserves more generous treatment than that, and requires a longer term at a cheaper rate of interest.

When we turn to farming costs—and this aspect was mentioned by the member for Geraldton—a contribution is needed from industry itself. I listened with interest tonight to hear the farmer being referred to as the backbone of the country. I heard that expression twice in this debate, and it could have been uttered more than once by members of the Opposition. Coming from that source it is news to the farmers!

Mr. Bickerton: What would you like us to call him?

Mr. LEWIS: The farmer would be tickled pink to think he had to get into the present crisis, and be the subject of an attempt to make political capital out of his adversity, in order to bring forth the comment that he is the backbone of the country. This will not deceive the farmers one little bit. If we were to ask the farmer what made up his high costs, he would mention the over-award payments and the cost of everything that he buys, including machinery. This is where I would like more research to be undertaken.

The member for Gascoyne referred to the price of wool in the 1930s. I know only too well what were the prices of wheat and wool; I sold wheat at 1s. 8d. per bushel and wool at 10d. per pound. If I had before me the relative prices of

various pieces of machinery as at the present time, compared with what they were 30 years, or even 10 years, ago, the difference would stagger some members. The position of the farmer is affected not only by the proliferation of costs, but by the deterioration of the service that is given to every piece of machinery that is sold.

Mr. Bertram: In these days the quality of goods is poor.

Mr. LEWIS: It applies right through. Today there does not seem to be the same pride in achievement as there used to be years ago.

Mr. Jamieson: You seem to be making out a good case for price control.

Mr. LEWIS: I do not know what is the answer to this problem. A contribution from all parties is needed to improve the overall position; and in this regard I do not exempt excessive profits, because these are only made out of high retail prices along the line. A contribution must be made by many people if the prosperity of our rural industries is to be maintained. May I remind the House that of the total production from our rural industries, two-thirds is contributed by the wheat and sheep farmer.

In conclusion I say that the present position is serious, but it is not irretrievable. Like the Minister for Agriculture, I believe there is a great deal of hope in the future, but a good deal of work has to be done by many people and by many sections of the community to place the rural industry in the position where it should be.

MR. McIVER (Northam) [9.46 p.m.]: As the House is, no doubt, aware my electorate embraces a very large rural area. In speaking to this urgency motion I do so with a sense of responsibility to the people of the rural areas of the State. I was very interested to hear the contributions by various speakers; I will not reiterate what has been said, but I will put forward views which I feel will be of assistance in relieving the present economic situation in the rural districts. I draw the attention of the Government to various aspects which it should take into consideration, in view of the present situation. The Government has not made any moves in this direction; it fears that if it did it would offend the people who strongly support it politically.

The Minister who has just resumed his seat mentioned the general situation in the country towns, and what he has said certainly applies to my electorate, which consists of the Northam district and a part of the eastern wheatbelt, and it is one of the more static and more financial sections of the agricultural parts of Western Australia. It consists of well-established farms.

Let us not run away with the idea that the farmers in my district are not affected by the present economic situation. During the last 12 months there has been a great influx into the towns of people, who until recently had worked on farms for many years. To give an example, I know of one farm employee who had worked on a farm for 17 years, ever since he left school. Unfortunately, because of the present economic situation his employer—the farmer—has had to put this worker off. With the influx into the towns of such people, who have lost their employment on farms, the housing situation has been aggravated. Not all of these people have been able to obtain work, and it is fortunate that at the present time several public works contracts are being executed in the district. Some of these people have been able to obtain temporary employment on those projects.

I will now quote what the member for Mt. Marshall said in his contribution to the Address-in-Reply in 1969, and this appears on page 8 of the 1969 *Hansard*—

The small or low income farmers are facing very difficult times, but many of these people, because of their intense love of the land, and because farming is a way of life they cherish, are quite prepared to accept a relatively low monetary reward for their labour—but a reward which at least provides their families with a standard of living comparable with the rest.

Let us examine this a little further. I know of one farmer in the wheatbelt whose house has been condemned, and he has to vacate it. He has five children and has no chance of obtaining a bank loan because of the present rural economic situation. What can he do? The Minister for Education has suggested that he should find other employment. However, when a person is approaching 50 years of age, this is not very easy to do. He could walk off the land because, let us face it, certain syndicates are quite willing to buy up large agricultural areas.

I will admit that this farm is not a very large one. In fact, it does not contain 2,000 acres. However, the fact remains that this farmer knows nothing but farming, because it is the only thing he has done all his life. In fact, his father and his grandfather before him worked the property. Consequently, it is not easy for him just to walk off and find other employment, especially at his age.

We have heard tonight how the Government has assisted the farmers. I would say the Minister for Agriculture would not be aware of this, but only a matter of weeks ago an instruction was issued by the Water Supply Department office at Northam to the effect that in future no warning letter is to be sent following the issue of the rate notice. If the rates are not paid, the water is to be cut off immediately, and the instruction is to be strictly adhered to.

Mr. Tonkin: That is a great way to help the farmers isn't it?

Mr. McIVER: Certainly, it is a great way to help them! I do not think the Government is sincere in its attitude to the primary producers. It could help them in many ways. I believe this particular instruction should be rescinded immediately. It must apply to the rural section and not just to the town, because surely such a differentiation would not be made; and what an injustice the instruction is to the people of the community.

I want to highlight in this House the situation concerning Western Australian abattoirs. Over the last 12 months we have read in the Press and in various other reports of the problems of the abattoirs. We have heard that it is of paramount importance that another abattoir be established at Katanning. However, I wonder whether the problems of the abattoirs have really been examined in order that further assistance might be granted to the primary producer. This I believe is the very nerve centre of the problem and it is through the abattoirs that the primary producer should have a far greater market for his stock than he has at present.

I believe the Midland Junction Abattoir Board has become a power unto itself. I do not know why the Minister does not exercise his right in this regard. It is his prerogative to move in and ensure there is an equal distribution of killing space afforded to all concerned. This is not the case at present.

I want to quote from a letter from an exporter, written to the meat executive of the Farmers' Union, and dated the 15th September. The Minister is quite aware of this exporter because he has had several conferences with him. The following I feel are the relevant sections of his letter:—

The imbalance of allocations has created a deplorable situation, which is having such a detrimental effect on the price of sheep, in as much as, only a few operators can buy mutton at Midland Junction, and this is preventing genuine buyers from bidding on sheep.

Would not members think that with the rural economy in its present state every opportunity would be taken to intervene in such a situation at the Government abattoirs to ensure that the primary producer obtains at least a fair deal? From time to time we have heard from members in this House concerning the price paid by the consumer and to the producer. There is quite a disparity.

Mr. Nalder: What do you suggest is the answer to the problem?

Mr. McIVER: I would suggest that the large monopolies which have come here from the Eastern States should be placed on the same competitive basis referred to by the exporter I quoted instead of their being given preferential treatment.

Mr. Nalder: There is no preferential treatment. The people who kill at the abattoirs over the 12 months are given the same percentage as any other person who purchases sheep.

Mr. McIVER: I am very surprised to hear that.

Mr. Nalder: It is a fact. You need not be surprised. It is a fact.

Mr. McIVER: We have received evidence to indicate that they are getting 65 per cent., and 80 per cent. at Robb Jetty.

Mr. Nalder: That is because they have had that percentage all the year. That is the reason.

Mr. McIVER: Very well. Let us examine this interjection of the Minister for Agriculture. This exporter says that in the glut period he has the market to give the farmer an extra 3c on his sheep if given the opportunity.

Mr. Fletcher: Is that per pound or per sheep?

Mr. McIVER: Per pound. Let me quote further from this letter, as follows:—

The authorities claim they give preferential treatment to certain operators because they operate the year round. We consider this is nothing but evasive action on their part.

May I explain that it is only possible to purchase mutton for export when there is a surplus of mutton, and we experience a period each year when there is no surplus. During this period, the local trade can pay in excess of export prices (e.g. last year, local butchers paid 4-5c per lb more).

Therefore, it is impossible for exporters to compete, and we warn the producers against accepting this claim as convincing.

If the farmer wants true value for his sheep in Midland he must insist that all preferential treatment being given by the Abattoirs, be abolished. Both Establishments are public utilities, and the Authorities who govern them should do everything to encourage as many operators as possible, instead of giving preferential treatment to a favoured few, at the expense of the farmer.

Mr. Gayfer: What if you gave it to the whole industry?

Mr. McIVER: I would say that the honourable member who has just interjected would know far more than I do about this; but what I am pointing out is that surely the Minister could have more extensive inquiries made at the abattoirs.

As the result of questions and pressure from this side of the House we have had the Clayton report made available to us.

This does not give us very much information. I will quote from the report of the committee of inquiry into the mutton and lamb industry in Western Australia, as follows:—

The Committee studied records of *Hansard* which revealed that Members had expressed an awareness of the concern felt by farmers, particularly during 1968, at the disturbing trend in reduced prices of sheep and wool in the face of rising production costs. This had resulted from representations of farmers to Members and from statements made by farmers at several public meetings. Members were also concerned that, although prices received by farmers for sheep and lambs were considerably lower than those for the corresponding period of the previous year, the major portion of the reduced cost to the butchers was not being passed on to the consumer.

It was appreciated that there are a large number of people involved in bringing livestock from the producer to the consumer, and the animals themselves vary considerably in quality, weight and skin value.

I want to emphasise at this stage that the exporter to whom I was referring purchased sheep at \$2.60 each. On the sale of the skin he received \$2.40; so, in actual fact, he paid only 20c for the sheep. I ask: What would the farmer receive out of that? Not very much. To continue—

Because of these complexities in the meat industry, it was recognised that the Committee was likely to experience difficulty in obtaining reliable figures and it was suggested that it be given specific powers of investigation. However, it was considered that no special powers should be conferred upon it.

It is quite obvious that the terms of reference of the Clayton committee did not go far enough; they were not broad enough, and whether that was by design or accident, I do not know.

Regarding the inquiry into the abattoirs, we hear a great deal about the industrial unrest and it seems to be directed towards the militant workers, as we see them referred to in the Press. Why does not the Government get down to the fundamental facts of the trouble, and give equal distribution of killing space?

Mr. Nalder: The member for Northam should approach the board to see what its views are.

Mr. McIVER: Surely the Minister has the power to go to the abattoirs to find out for himself.

Mr. Nalder: What; direct the board? You are like a babe in the woods. Fancy a Minister directing a board.

Mr. Tonkin: A wink is as good as a nod to a blind horse.

Mr. McIVER: I think the situation should be completely examined, and the Eastern States combines should be stopped from obtaining a monopoly.

Mr. Nalder: I am afraid the member for Northam is talking of something he knows very little about. I will arrange for him to meet the board, if he so wishes, to discuss the matter.

Mr. McIVER: Can I take a couple of employees with me?

Mr. Nalder: You can take as many as you like with you; I will not mind that one bit. You will be put on the right track.

Mr. Cook: While the Minister is in a generous frame of mind, what about a workers' representative on the board?

Mr. Nalder: The member for Albany should ask the Labor Party why that did not occur when Labor was in Government.

Mr. McIVER: If I could be permitted to resume my speech . . .

Several members interjected.

The SPEAKER: Order! Order!

Mr. McIVER: Perhaps, to wind up the interjections—

Mr. O'Neil: And the debate.

Mr. McIVER: —is it not a fact that the Minister has already stated he can do nothing in this matter? Did the Minister agree that what I have said is going on and that he can do nothing about it?

Mr. Nalder: Every effort is being made to overcome the difficulty, and I can assure the member for Northam—and other members—that this problem will not occur again during another season.

Mr. McIVER: To conclude my reference to the Clayton report, I will quote from page 23, as follows:—

It would be natural to endeavour to maintain or increase margins on say, beef, when the margins on mutton or lamb fall. Handling beef is probably more costly than lamb and mutton and being a more valuable commodity could perhaps justifiably carry a larger mark-up. If this principle is recognised the retailers costs of 11.5 cents per lb. attributed to both lamb and mutton could be excessive.

As very few businesses operate alike in the meat industry and there are numerous variations in operation, manufacturing, treatment processes, marketing and distribution, the Committee experienced difficulty in ascertaining the profit margins obtained by wholesalers and retailers separately.

As each member has a copy of the report from which I am quoting, I feel it is not necessary to emphasise further what the report contains. In my opinion it was a waste of money appointing the committee of inquiry because the terms of reference did not go far enough. The report does

not contain any conclusive evidence, and the committee of inquiry achieved absolutely nothing.

I will not reiterate what has been said previously, so I will conclude by saying that a very serious situation exists right throughout Western Australia. Nothing can be done by first one member, and then another, slugging it out in this Chamber.

The Leader of the Opposition has requested that an all-party deputation meet to discuss the problem, and that a deputation be sent to the Federal Government to request additional funds. I think that nothing could be fairer. There is nothing to lose, and everything to gain. I urge members to agree to the request put forward by the Leader of the Opposition.

MR. GAYFER (Avon) [10.07 p.m.]: When this question was first raised by the Leader of the Opposition I was somewhat intrigued by what is, evidently, an ancient custom. I was intrigued because, like a lot of other members, I am not used to this particular form of attack.

After listening to the Leader of the Opposition, and referring to the *Hansards* he enumerated, I was able to find out that one of my predecessors in the Country Party—The Hon. Sir Charles Latham—did, in fact, introduce a similar motion on a critical subject. My research disclosed that at the end of the debate he withdrew the motion after everybody had got their feelings off their chests, and had said what they wanted to say.

Knowing the courtesies which the honourable gentleman opposite always extends to us, I feel sure he will follow the parallel all the way through.

Mr. Tonkin: That is right; that will be done.

Mr. GAYFER: I saw the Leader of the Opposition smile twice tonight, and to me that is an excellent sign. For that reason, I am not going to say what I intended to say when I attempted to catch your eye, Mr. Speaker, just before the Minister for Education spoke.

I think a lot of crocodile tears have been shed, and there has also been a lot of the routine, "I told you so."

Mr. Davies interjected.

Mr. GAYFER: Incidentally, I will come back, later, to a previous interjection from the member for Victoria Park, to show that he knows precisely nothing about agriculture. I will leave that aside for the moment.

I must apologise to the Leader of the Opposition for even being in some doubt as to his sincerity in moving the motion. I apologise, for I honestly thought there was some hint of trying to get on the bandwagon and of trying to whip up enthusiasm amongst farmers to the effect that they were backing the wrong party and had

voted for people who were not doing the right thing. I see now that he meant nothing like this. Likewise, the member for Warren did not really mean anything except that the Opposition wanted to have, as it were, a stomach winge over the whole matter. However, the matter is not as light as that. I happen to be at an advantage; I happen to be a farmer.

Mr. Bickerton: I thought you were going to say you had a bigger stomach.

Mr. GAYFER: I admit that interjection is rather neat, too. However, I have not had to go on a diet as the member for Pilbara has in recent times.

Mr. Bickerton: I don't know anything about that.

Mr. GAYFER: The matter is of supreme importance.

Mr. Tonkin: Hear, hear!

Mr. GAYFER: Nobody denies the importance. Nobody denies that there is still a great deal to be done. Nobody in this Chamber could deny that the Minister for Agriculture has given a very good resume of what has taken place in the last two years. Nobody could deny that the Premier sent a letter to the Prime Minister which fully expounded the position in this State. It was stated that \$50,000,000 will be required to enable the industry properly to get back onto its feet. This is an enormous sum of money. Do we go it alone or must we ask for Federal assistance? If everybody opposite and 75 per cent. of the members on this side were in agreement, they would say, "We will stop all activity in the metropolitan area this minute. We will not ask for hospitals or any other public facilities to be built. We will put the whole of our revenue into the pockets of those farmers who are really suffering in certain agricultural areas."

This goes for half the trade unionists, the white collar workers, and all others who have received a very good lift in recent times. It goes for all the decisions reached at arbitration over the last few months to the advantage of people who were supported in their claims by many members of Parliament. I point out that these are the same members of Parliament who at the present time are weeping tears over the state of the farmer. We must remember that the farmer cannot fix the price of his article. He is wholly and solely reliant upon world conditions. He is in the position where nothing can help as much as an alteration in the law of supply and demand. This is universal.

I have heard speeches tonight condemning the Government for opening up 1,000,000 acres of land a year. I have files in my office of hundreds of persons who have asked why they were not able to acquire land in the Land Board allocations which were made over the

three to five years prior to last year when things started to get difficult. Every member of Parliament has received the same sort of correspondence. The people ask, "Why were we missed out? Why does the Government not open up more land? Why bother about experimental farms at Forrestania and Esperance and other pilot farms? Why listen to the Minister for Agriculture? Why listen to the Premier when he says that the State cannot put in the roads and schools which would be necessary with more land development? Why bother about that? Give us the land and the rest can come later."

The urge was upon us to open up all the State and give it away overnight to those who wanted it. However, caution prevailed. There were certainly those who said, "Watch it! What lies around the corner tomorrow is virtually unknown."

As a matter of fact I gave some warnings myself in 1967 and I do not want the Deputy Leader of the Opposition, whom I must welcome back, to interject on this score. I should like to read one small portion from that speech which has nothing to do with my thoughts—somewhat like those of Nicodemus—about the future. I would like to refer to one part which really is intriguing. I was talking about Canada and said—

In Alberta many acres of farming land have recently been opened up, and there are still 12,000,000 acres left. In the last few years the Government of that Province settled 6,500 homesteaders into economic units. Therefore it was rather surprising to me to find another Western Australia in Canada on the move.

We were not the only State that was taking advantage of the world demand for foodstuffs, clothing, and everything else by opening up land. Australia was not the only country in the world which was enjoying an era of prosperity so far as farmers were concerned. Let me say there were not many farmers at that time who even thought it was possible for a recession to be around the corner and possibly ruin for those farmers who had not endeavoured to consolidate their position during the high income years experienced through the 1950s and into the 1960s.

However, this does not get away from the motion before us at the moment, a motion which, "Urges that the House do now adjourn." I have never heard of anything so silly in all my life.

Mr. Sewell: It suits me.

Mr. GAYFER: I will admit it is rather late for the member for Geraldton. As there will be no intermission I can assure him that the whip will give him permission to retire.

Mr. Jones: It would be the first time he had.

Mr. GAYFER: I cannot see what good we could achieve by adjourning. I had hoped for a sincere and concentrated effort by all members to arrive at something of consequence from debate—something that would alleviate the problems experienced by farmers. I refer to the brilliant oration of the Leader of the Opposition and that of the *pro tem* minister for agriculture, the member for Warren. I refer to the orations of all the other *pro tem* ministers around the place who most likely will have to sit on the Leader of the Opposition's knee when and if members opposite form a Government. Never mind! They were quite enlightened speeches as, similarly, were those given by members on this side of the House.

Therefore, a concentrated effort to do something has been made. Cognisance will be taken of the very few constructive comments which I have heard from members opposite. However, nobody has come forward with positive answers. Figures have been taken from *Hansard* to indicate how badly the farmers are placed. We know this, because we live it. My own bank account is overdrawn as much as anybody else's on a comparative basis. This will come as a shock, I know, to many members on the other side. We are all in it. The member for Mt. Marshall is in it in that terrible marginal area of Kalannie which, together with Southern Cross, has the biggest wheat bins in the State. It goes right through to the territory of the member for Merredin-Yilgarn, which was absolutely the pick of the State as far as cereal growing was concerned. Nevertheless, they are marginal areas and should never have been opened up, according to some criticism that has been made.

Mr. Dunn: Back in 1961.

Mr. GAYFER: However, I do not consider this kind of comment constructive criticism. The honourable member concerned was merely talking on matters about which he really knows nothing.

Let us say that what we have listened to this evening is most helpful. If ever there is a Government which can cure the ills which are with us, it is our present Government, because members of the Country Party are closer to the farmers than the Labor Party will ever be or, for that matter, possibly some of my colleagues on the benches on this side of the House.

Mr. Graham: We have read what the farmers are saying about you, too.

Mr. GAYFER: Hullo! A maiden speech?

Mr. Graham: I was speaking a long time before you were born.

Mr. GAYFER: The honourable member is starting to look his age.

This Government is in a better position to treat the situation than an alternative Government would be. I also think the Minister is to be commended for at least making a real attempt to follow up the

complaints of the farmers. He has attended a large number of meetings and has travelled, at the drop of a hat, to any meeting that has been called. The meetings have been spread over many areas—into the member for Mt. Marshall's area and the member for Roe's area—and they have been what might be termed "sticky" meetings. After the meetings a vote of thanks has always been passed, and there has always been a fair news coverage of what has been put to the Minister and his answers.

I will admit that the farmers also have the attitude that not enough is being done, and I agree with them. I agree that considerably more money is required. I agree that at this stage the Premier's letters to the Prime Minister are of paramount importance, especially those dealing with the economic crisis that is at present facing primary industry. I feel that it is almost criminal that this State's appeals for drought relief should be knocked back, when it applies for \$2,750,000, compared with the sums that have been granted to the other States by the Commonwealth Government. In essence, I do not disagree with the Opposition on this point. We have been short-circuited to a degree.

There is one small matter with which I am afraid I cannot quite agree. This was mainly put forward by the Minister for Education, and it relates to the rehabilitation of farmers. I realise that if the dairy rehabilitation scheme were extended into the other agricultural areas it would provide an opportunity for those who leave the industry to do so with some dignity. This is greatly desired by many farmers who are at present facing difficulty. Being a co-operationalist from way back, I feel that those farmers who are of the opinion that their holdings are uneconomic should combine their holdings and form co-operative companies.

There is no earthly reason why this could not be done, at least until this period of recession has passed. A similar motion was dealt with in 1933, and we have come through that period. Being a farmer who lives on hope, I am absolutely positive that we will pass out of this period of recession very shortly, and nobody, other than the fatalists who have no feeling for the farmers who have always lived on hope, could say otherwise.

I can see nothing wrong with co-operative farming. If two, four, six, or eight farmers wished to pool their land, they could take out a proportion of the established value of their properties from the total collective farm, and work on that farm instead of employing labour, with one man looking after the machinery, one doing the cropping, and cutting down on the number of tractors by working around the clock; in other words, working several properties as a commune. They would

still own their land. This method could be tried in an endeavour to weather the storm, because there is no market for farms at the present time. Let us find out what can be done. There are many treatises on this type of farming, to which I commend interested members.

I do not intend to support the motion that is before us. I do not think the Leader of the Opposition will require me to do so. In turn, I now give him credit for having brought this matter to the House to be aired. I think those who have contributed to this debate have been fully aware of the problems that face the industry and I feel sure that their comments are intended to be instructive to the Ministers.

MR. MCPHARLIN (Mt. Marshall) [10.28 p.m.]: In speaking to this motion, I would first of all like to comment that we learn from day to day. In my short experience, no motion of this nature has yet come before the House. Thus we continue learning from one day to the next.

I believe that in moving the motion the Opposition had some sincere feelings for the farming community, but if one examines what the Government has done in the last 12 to 18 months in regard to the drought situation that exists in many parts of the agricultural areas, one has to concede that the Government has taken a realistic view and has attempted to assist the farmers.

In the Budget last year the Premier allocated \$1,000,000 for drought relief, and I recall that I asked him at that time whether he considered \$1,000,000 would be sufficient to cover the requests for drought relief that would be received from the farming industry. The Premier replied that he did not know, because it was an unknown quantity and it was possible that more money would be needed. Tonight, the Minister for Agriculture said that a sum of \$2,750,000 had been spread over freight on coarse grain, agistment of sheep, water carting, and other drought relief. I believe the Government has taken positive action to assist the farmers who are in trouble.

The member for Avon defended the Government's policy of opening up tracts of new land in the last few years. As the member for Avon said, there was a great demand.

In some instances there would be an average of four applications for one block of land. It was very popular. Demands were constantly made to members of Parliament to have more land opened up, because many farmers wanted to extend their holdings in order to establish their sons on the properties acquired. Therefore the Government should not be condemned but applauded for the move it took in this regard, because it met all the requirements of the times for those people who were anxious to take up more land. It is all

very well to criticise after the event because hindsight is very easy to acquire, but at the time we did not see any brilliant economists coming forward to advise the Government about what the situation would be in the future.

Reference was made to the drought when it started to have some effect, and comment was also made of the reluctance of many shires to declare their areas as drought areas. This was very true. Many shires were feeling the pinch and, because of the stigma that would be attached to their areas, they were most reluctant to declare them drought areas.

Some comment was also made at the time about the visits the Minister for Agriculture made to country areas. I accompanied the Deputy Premier to many of the meetings that were held in various parts of my electorate and on all occasions he gave a sympathetic hearing to any problem that was raised in regard to drought, wheat quotas, wheat prices, or any other matter. Further, when he returned to Perth consideration was given to the requests that had been made to him to alleviate the plight of many farmers in drought stricken areas. At no time has the Minister for Agriculture adopted an attitude other than that which I have mentioned.

In accordance with my understanding of the situation, in my speech on the Address-in-Reply this session I referred to the fact that the Government had applied to the Commonwealth Government for some assistance for those engaged in agriculture in this State. In the speeches made this evening it has been revealed that this has been done and extracts have been read from the letter that was sent by the Premier to the Prime Minister. This action illustrates that the Government is serious in its approach to the situation and in recognising the difficulties that are faced by farmers.

Little has been said tonight about the effect of the cost-price squeeze. Reference has been made to members of the farming community who are unable to pass on the costs of production in their operations. Farmers have little or no say in what they can obtain for their products and yet they have to pay increased costs for the materials that are necessary to carry on their business. Part of the increases in costs of production to farmers lies in the increase in wages and cost of materials and, as the Minister for Education has pointed out, those persons who are making high profit margins cannot be exonerated.

However, the numerous strikes that have occurred in the last 12 months or so are not conducive to keeping costs down or to assisting the farming industry in any way. In fact, strikes do not help the industry in any way whatsoever; they have an adverse effect. For example, strikes that occur in the transport industry delay the carriage of goods to the farming community and this has an adverse effect on their operations.

Further, the wave of strikes in the last 12 months or so has not been conducive to harmonious relations between members of the striking unions and those engaged in primary industry. It is therefore to be hoped that by the use of more conciliation and arbitration, and discussions between representatives of unions and industry, such disputes will be settled more amicably in the future.

The district of Mt. Marshall and marginal areas have been mentioned several times. On two occasions the town of Kalannie was referred to. The remarks that were made were true years ago. A marginal area was one that was drawn on a map by the old Agricultural Bank. On one side of the boundary a farmer could be in a marginal area, but on the other side, separated only by a fence, a farmer could be outside of it. The term does not mean much these days, because some marginal areas are among the most productive in the State as a result of improvements that have been made in farming methods and the modern machinery that is now used. So the term "marginal area" is rarely used these days, because its significance has been eroded by the production history of farms in those areas which were termed marginal many years ago.

The member for Northam referred to something I said in the speech I made on the Address-in-Reply last year. He pointed out that I had stated that small farmers would be prepared to accept a lesser income provided they were allowed to carry on their farming operations. According to the policy laid down by some of our economists at the present time, they suggest that the process of drop out of some uneconomic farms should be speeded up. I would point out, however, that to some farmers farming is more than a living; it is a way of life, which they do not wish to give up. It has been expressed to me that some farmers would be prepared, rather than face the horrible prospect of leaving the farms they have endeavoured to develop the whole of their working lives, and on which they have raised their families, to accept a smaller income provided it was possible for them to remain on their properties.

It will be found that this is the attitude that has been adopted by some farmers and it has been fostered by the Government, because, as the Minister for Education remarked, he would not like to contemplate a mass exodus of farmers from the agricultural industry, but would prefer to see farmers remain on their properties. This is the policy which the Government should pursue. Members of the Country Party have discussed this matter on numerous occasions and it has been agreed that at the present time the Government is attempting to do something about the situation. Through force of circumstances, if it is inevitable that some farmers are unable to continue farming, I

feel sure the Government will institute some form of training for them to enable them to fit into another occupation if they desire to do that. Therefore I do not agree with the motion moved by the Leader of the Opposition.

In the past 12 or 18 months the Government has worked very well towards assisting the farming industry, and I feel it will continue in its policy of helping to keep farmers on their farms in a manner similar to that which is being adopted in the case of the rehabilitation of the dairy farmers.

SIR DAVID BRAND (Greenough—Premier) [10.41 p.m.]: I will not keep the House very long, but I feel there are one or two points which should be clarified in regard to the approaches we have made to the Federal Government, particularly in connection with the amount of \$14,000,000 which was referred to by the Prime Minister as a grant for help by way of loans to the Queensland Government.

It is natural that some anxiety should be expressed when, in our case, a request for a much lesser amount was rejected; particularly when it was rejected not once but three or four times. The Prime Minister and his Government made it abundantly clear that so far as we were concerned they felt that this State could carry the responsibility.

I have listened to this debate with a great deal of interest and it is a good thing that speakers have been able to express opinions and air those opinions about the problems besetting the rural industry. However, nothing new was mentioned tonight; nothing was said that has not already been said in one direction or another. Indeed nothing was referred to that has not already been examined by the Government.

Where the Government has not been able to move in the matter there is still, of course, time available for us to take some action. Varied opinions exist as to the solution of the problem and there are certainly varied opinions as to why those problems have developed.

A number of speakers have already referred to an article which appeared some time ago and which was headed, "Three Thousand Farmers Must Leave the Industry"; or words to that effect. For my part I felt the article did exaggerate the situation. I was, however, very pleased to see an editorial in *The Countryman* of the 17th September which, incidentally, has not been quoted tonight. We often hear such editorials quoted from the other side of the House, but the members of the Opposition must have missed this one, which is headed, "Farmer Loss Is Questionable." It reads—

So it's goodbye to nearly one quarter of WA's wheat and sheep farmers.

That is the message conveyed by a report in *The West Australian* last week.

The editorial goes on to say that it did not really believe that this position existed at all and it was regrettable that such a note was struck. This, I think, might have expressed the opinion of many people.

I represent 4,000 or 5,000 farmers; certainly a great number of new land farmers who took up blocks on the western side of the Midland line and later east of that line. A large number of these people had new land.

In travelling around the whole of my electorate—and I have visited a number of shows over the last few weeks—I have not discovered the pessimistic note one is led to believe exists, particularly after hearing what has been said here tonight. Real problems certainly do exist and there are cases of farmers being faced with the problem of having to leave their properties.

I must say, however, that this has been the experience over a number of years; even during the good years through which we have passed when wool was £1 a pound. Some farmers were not making the grade even then; they were coming and going and being forced off their farms because of the ordinary problems which beset farmers all the time. They were forced off because they were not able to make the grade; because they were inefficient and not good managers; or because they had fallen on bad times in one way or another.

It is gratifying to know that so far not many farmers have had to walk off their properties and the Government of Western Australia has endeavoured to help these farmers to remain on their farms.

I must congratulate the Minister for Agriculture on his coverage of the Government's actions over the last year or two during which time he has had to face almost insoluble problems. I am willing to say that it would not matter who was Minister for Agriculture during this time, he would have found it impossible to satisfy everyone. Whatever decisions such a Minister might have made, they certainly would not have met with applause from certain sections.

But the present Minister for Agriculture has gone out and explained the position to the people at public meetings from north to south; he has explained to them the attitude of the Government and the interest and sympathy the Government has in this regard. It goes without saying that we are anxious to keep people on their farms for the very reasons explained by the Minister for Agriculture; and for the reasons referred to by the Leader of the Opposition when talking about the country towns.

We do not want these farmers to come into Perth. Having lived as a young boy on a farm during the depression years,

I believe it is important that we prevent the economic loss that was sustained during those years, particularly in connection with the land. We must do all we can to ensure that farmers stay on their farms, if it is at all possible to keep them there.

I was ready to write to the Prime Minister in the first place in respect of our drought problems and in connection with the money we had spent on the easement of those problems. I might say that we have written a letter to the Prime Minister—a letter which was quoted tonight—for long term assistance; and that is the matter that counts.

I would like to explain the position about the \$430,243 which has been mentioned several times and which was referred to in a question asked by the Leader of the Opposition. In referring to the Rural Relief Fund he asked—

- (1) Since the 30th June, 1969, what transactions have been recorded in the Treasury trust account relating to the Rural Relief Fund set up under the Act of 1935-47?
- (2) What was the amount by which the fund was in credit at the 31st August, 1970?
- (3) What obstacles, if any, are in the way of the money in the fund being used to help farmers who are at present in serious financial difficulty?

The following reply was given by the Minister for Agriculture on my behalf:—

- (1) NIL.
- (2) \$430,243.

The reason given for not expending the money or having it available to the Government was—

- (3) The Commonwealth Bankruptcy Act which inhibits operations of rural relief boards. It is understood that the Federal Government has decided to introduce legislation to enable these boards to operate effectively.

The position is set out very clearly in *The Australian Financial Review* of the 28th August. Mr. Hughes—the Attorney-General—indicated that the Commonwealth was willing to amend the Act in order that a total of \$7,700,000 held in the various State funds might be released for rural reconstruction. As a matter of fact the article in question is headed, "First step on rural debt reconstruction?"

Queensland, Western Australia, and I think New South Wales, have substantial amounts of money in the fund which, at the present time, is being held because of an Act—the Federal Bankruptcy Act passed in 1960. This prevents the States from adopting the procedure which is necessary to use those funds. I think the Leader of the Opposition said tonight he doubted

whether this was a legal problem. Whatever be the problem, it is now to be eased by an amendment to the parent Act. Presumably, in due course, we will be able to proceed to spend the money in whatever direction we care to.

The point of the \$14,000,000, which went to Queensland last year and which was the subject of an answer given by the Prime Minister when he referred to a statement by the Governor of Queensland after he had toured the hinterland and the drought areas, has been raised. The Prime Minister said that his Government had provided \$14,000,000. When we compare the provision of this \$14,000,000 with the rejection of the request of Western Australia we must recognise that the people become puzzled. Some areas of Queensland have experienced drought conditions for six years.

I took the trouble to refer to some Commonwealth papers dealing with the Commonwealth financial aid. I found that of the \$14,000,000, approximately \$5,000,000 was made up of loans and \$7,300,000 was made up of subsidies for transport, and the cost of cartage of water, cartage of stock to and from agistment, and of fodder, and \$1,500,000 for employment by local government. That totals just under \$14,000,000. The Commonwealth has made the financial aid available on a formula which it applied to Queensland; and this was the same formula that we used to arrive at the assistance given by our Government to farmers in Western Australia. The vast difference between the amount of \$14,000,000 for Queensland and \$2,000,000 for Western Australia is that the problem in Queensland is very much greater than the problem in Western Australia.

In Queensland huge areas of country are experiencing drought conditions, and hundreds of thousands of stock are being transported hither and thither. For that reason the amount has reached a total of many millions of dollars; and that is why the Prime Minister referred to the amount of \$14,000,000. What is more, the Prime Minister thinks the amount could be \$14,000,000 again for this year. This indicates the impact of the drought in Queensland.

On the other hand, following the rains which fell in this State as late as last night giving great and real relief, we can hardly say that the position in Western Australia created by the drought is as difficult as the position in Queensland. For that reason I do not think the Prime Minister will change his mind. He looks upon Western Australia as a State being capable of carrying the burden of \$2,000,000.

However, this is only a temporary matter. Unless we are able to obtain a very large amount of money, as referred to in the letter I have mentioned, in respect of Western Australia, we will not have secur-

ity in the rural industry for a long time to come and some of the people affected will go by the board. I only hope that the indications by the Federal Government of the action which it may take as a result of sending to Western Australia officers of the Bureau of Agricultural Economics—as mentioned by the Minister for Agriculture tonight—to find out what the position is, will relieve the position in Western Australia. No doubt as time goes on, other officers from the Commonwealth will be coming over to try to work out a final report on the position.

This is one way in which the rural industry of Australia can be helped. We must not overlook the fact that Western Australia is not the only State where the rural industry is in a sorry plight; all the States in Australia are suffering the same fate, for the reasons given by the Leader of the Opposition: the low price of wool, the low price of wheat, the wheat quotas, and increased costs.

I was pleased to hear the Minister for Education refer to the contribution which we must all make for the purpose of relieving some of these problems, and we should not leave the solution to one section of the community in order to overcome the difficulties of increased costs. All these problems are part of our economy and of our society. Unless costs can be kept down, Australia as an exporting country will face real competition and, indeed, over-production.

It has been said tonight that the law of supply and demand is supreme. I agree that it is. For this reason it is essential to impose wheat quotas. I would like to point out that a tremendous amount of thought and time has been devoted by many sections of the people to arriving at an equitable quota system. I realise there will be inequities all along the line for a long time to come. Sometimes people come to me with their problems, and I feel it would be a very real contribution if we could ease them. However, when I talked the problems over with the committee concerned and with other authorities I had to agree that by putting one problem right we might create another problem for a single individual or for a group of people.

Mr. Bickerton: You oppose an adjournment.

Sir DAVID BRAND: That is right.

Mr. Bickerton: I would like you to keep on going until *Gretel* wins the next race.

Sir DAVID BRAND: Unless we are able to restrict the production of wheat we will have quotas for many years. Naturally I oppose the adjournment of the House. This is a matter for the Opposition to decide—we take a vote, or the motion is withdrawn. In this instance the Opposition has a great political opportunity, and no doubt if we were on the

opposite side of the House we would take similar action for the simple reason that the Government would find it very difficult to resolve the problem. This is home-made action for the Opposition. There is no ready answer to the problems mentioned tonight. I oppose the motion.

MR. TONKIN (Melville—Leader of the Opposition) (10.58 p.m.): Its purpose having been served, I ask leave to withdraw the motion.

The SPEAKER: The Leader of the Opposition has asked for leave to withdraw the motion. Is there any dissentient? As there is no dissentient, leave is granted.

Motion, by leave, withdrawn.

WORKERS' COMPENSATION ACT AMENDMENT BILL (No. 2)

Returned

Bill returned from the Council without amendment.

QUESTIONS (29): ON NOTICE

1. NATIVES

Assimilation into Urban Communities

Mr. RUSHTON, to the Minister for Native Welfare:

- (1) With regard to the continuing endeavour of the department to integrate Aboriginal families into the urban community, for how long does the department interest itself in the settling in of these selected families?
- (2) In the interests of the selected families' assimilation into the local area, what measures are employed to ensure overcrowding does not occur through relatives and friends moving in?
- (3) Since the implementation of this policy how many Aboriginal families have been housed in—
 - (a) metropolitan urban areas;
 - (b) country urban areas?
- (4) What have been the successes and problems encountered in implementing this policy?

Mr. LEWIS replied:

- (1) For as long as the responsible departmental officers consider necessary, each case being considered on its individual merits. The time could vary from two weeks to two years or more.
- (2) Regular visits from whatever homemaker service applies, together with random visits from departmental officers. In addition, complaints from local authorities or neighbours are promptly investigated.
- (3) (a) 121.
(b) 383.

- (4) The policy is considered to be successful as the great majority of Aboriginal families have settled into their new homes satisfactorily. The major problem has been the prevention of overcrowding resulting from the inability of the department, so far, to provide sufficient homes for all Aboriginal families requiring them.

2. HEALTH

Handicapped Children's Centre: Armadale

Mr. RUSHTON, to the Minister representing the Minister for Health:

- (1) Has the department taken steps to have land available for a handicapped children's day centre and/or work shop in the Armadale region?
- (2) If "Yes" how far has this land acquisition progressed?

Mr. ROSS HUTCHINSON replied:

- (1) Yes.
- (2) The department has supported a request through the Lands Department for an appropriate area of Crown land. No specific site has been suggested by the Slow Learning Children's Group.

3. GOLDMINING INDUSTRY

Preservation

Mr. T. D. EVANS, to the Premier:

- (1) Has his attention been drawn to the column "Notes on Politics People and Places" by Jack Costello syndicated in the *Kalgoorlie Miner*—(page 7, the 10th September, 1970)—entitled "News item raises hopes for Gold"?
- (2) Would he consider conveying the essence of Mr. Costello's argument for a long-term preservation of the Western Australian goldmining industry to the Prime Minister?
- (3) Has he had a reply from the Prime Minister to his letter seeking the right of audience for a deputation concerning the goldmining industry?
- (4) If (3) is "No" what other action has he taken or will he take in an attempt to have the Commonwealth Government review its subsidy decision?

Sir DAVID BRAND replied:

- (1) Yes.
- (2) Regard is being paid to all sources of information.
- (3) Yes—telephonic advice has been received that the representations made, including the request to receive a deputation, are currently

before the Prime Minister. I was further advised by telephone that a letter is on its way.

- (4) Answered by (3).

4.

HEALTH

Hollywood Medical Centre: Geriatric Accommodation

Mr. FLETCHER, to the Minister representing the Minister for Health:

- (1) Were the plans for the Hollywood medical centre available in 1964; if not, when?
- (2) Has a geriatric block been constructed?
- (3) Was this considered suitable for such a purpose?
- (4) If not, are tuberculosis and coronary care patients at present occupying the accommodation?
- (5) Is it ideal for coronary care treatment?
- (6) Is a second geriatric block under construction?
- (7) Is there any assurance that this will be suitable for the purpose rather than for other classifications of patients?
- (8) When will the geriatric block be ready for occupation?

Mr. ROSS HUTCHINSON replied:

- (1) Initial site master planning was commenced in 1964. This was completed in 1965, together with a model and a report indicating phasing, general facilities to be provided on site and financial programme. This was given very wide publicity at the time over Press, radio, and television. Indeed, the model was at Parliament House for some time. Detailed plans of individual buildings are prepared as required in accordance with phased programme.
- (2) to (4) No. As stated in all publicity releases, a long-term treatment block containing 109 high quality beds was completed in 1969. 50 tuberculosis cases, 8 monitored coronary care cases, 16 post coronary care cases, and 35 medical cases are accommodated in this building.
- (5) Yes.
- (6) Not a second block—the geriatric block of 152 beds is under construction.
- (7) This building is designed specifically to cater for geriatrics and all beds will ultimately be required for this purpose. Initially 60 beds will be designated as geriatric, 30 beds psychiatric, and 62 beds medical.
- (8) September, 1971.

5. HEALTH

Hotels: Clean Glasses

Mr. LAPHAM, to the Minister representing the Minister for Health:

- (1) Has the Cottesloe Town Council requested action by him to provide that it be compulsory for hotels to serve drinks in clean glasses and refrain from the practice of simply refilling the glass without it being washed after each use?
- (2) If so, has consideration been given to this matter, and with what result?

Mr. ROSS HUTCHINSON replied:

- (1) and (2) No.

6. MINISTERIAL RESERVE

Bakers Hill-Koojeddah-Wundowie Area

Mr. McIVER, to the Minister representing the Minister for Mines:

- (1) Is the Bakers Hill-Koojeddah-Wundowie area covered by a ministerial reserve?
- (2) If so, have any rights temporarily to occupy any part of this reserve been granted and, if so, to whom?
- (3) Have any mining tenements been—
 - (a) applied for;
 - (b) granted, in this area?
- (4) If any mining tenements have been applied for, what minerals have been specified in the application?

Mr. BOVELL replied:

- (1) Yes in respect of Crown Land. Temporary Reserve No. 2755H created the 20th January, 1964, for vanadium.
- (2) Yes. Rights of occupancy over Temporary Reserve 2755H were granted to Garrick Agnew Pty. Ltd., on the 23rd March, 1969, and have been renewed to the 25th March, 1971.
- (3) (a) Yes.
- (b) Yes.
- (4) Bauxite, vanadium, titaniferous magnetite, titanium, silver, zinc, nickel, copper, lead, clay, feldspar, quartz sand, fireclay, and silica.

7. SHEPPARTON PRESERVING COMPANY

Agreement: Termination

Mr. H. D. EVANS, to the Minister for Industrial Development:

- (1) Has the agreement made between Shepparton Preserving Company Limited and the Government in

October, 1969, to establish a cannery at Manjimup been terminated?

- (2) If so, when, and on what grounds?
- (3) Did the company make a feasibility study before entering into the agreement with the Government?
- (4) Did the Government require a feasibility study to be made before entering into the agreement?
- (5) If "No" to (4), why not?
- (6) With whom does the control of the cannery site on the South Western Highway, Manjimup, now rest?
- (7) Did the Government assist the Shepparton Preserving Company Limited in the development of the site through loan finance or in any other way?
- (8) If so, to what extent?

Mr. COURT replied:

- (1) Not formally. However, from discussions I had with company representatives on Saturday, the 12th September, it would be realistic to assume a notice that the company desires to determine the agreement under the provisions of clause 26 will be given.
- (2) See answer to (1).
- (3) As far as I am aware, yes. We inquired at the time and were advised very detailed studies and assessments had been made. In fact, much information was sought from us and supplied. There were many detailed discussions with Department of Industrial Development officers who were entitled to assume the company had a thorough knowledge of what was involved.
- (4) Yes. The Government co-operated in a study by supplying information on various matters including availability and price of land, feasibility of rail connection and availability of sufficient water for processing.

For a long time it was not practicable to close the gap in the economics sufficiently because of the freight costs on sugar and tinsplate to Manjimup. These items are sold on a "capital city" price basis.

However, after detailed discussions and studies on the question of rail freights resulting in the special rail freights quoted in the agreement plus potentially better buying methods, the company thought the position was economically manageable.

It should also be appreciated that the question of fruit growing and canning in the south-west had been the subject of prolonged studies and negotiations by the State Government for many years in the search for a company able and willing to undertake this type of project. We are also mindful of the fact that SPC is one of the most experienced and the largest single cannery of its kind in the southern hemisphere.

(Note.—In case the honourable member seeks to relate this study to the comments of the new chairman and reported on page 1 of *The West Australian* on the 16th September, 1970, it should be noted that he was referring to the records of SPC at Shepparton and not to the State Government's studies or records. Also, the former general manager is no longer with SPC and the board is changed from the one at the time of the negotiations for the 1969 agreement.)

- (5) See answer to (4).
- (6) The State, except 2 acres 4 perches registered in the name of Mr. V. Purdy.
- (7) No.
- (8) See answer to (7).

8. HOSPITAL

Denmark

Mr. H. D. EVANS, to the Minister representing the Minister for Health:

- (1) Have there been any alterations to the original plans for the renovations and alterations of the Denmark Hospital?
- (2) If so, what is the present intention in regard to alterations at this hospital?
- (3) What stage in progress has been reached?

Mr. ROSS HUTCHINSON replied:

- (1) Yes.
- (2) The staff quarters building which was to have been remodelled and linked to the hospital by covered way was found to be structurally unsuitable for alteration. It will be demolished and a new building made up of factory built units will be supplied instead. This has allowed greater freedom of planning and will result in better facilities.
- (3) Sketch plans have been completed and working drawings are being prepared.

9.

MILK

Supply to Government Institutions

Mr. H. D. EVANS, to the Minister for Agriculture:

- (1) How many contracts for the supply of milk to Government institutions have been granted since the Milk Act was amended in May, 1970?
- (2) Will he indicate the institutions concerned, and the supplier in each case?
- (3) On what basis was the selection of each supplier determined?

Mr. NALDER replied:

- (1) Nil.
- (2) and (3) Answered by (1).

10. MENTAL HEALTH SERVICES

Planned Expenditure

Mr. DAVIES, to the Minister representing the Minister for Health:

- (1) What firm plans have been made in regard to the Government's announced intention to spend some \$5,000,000 on mental health services during the next five years?
- (2) How much money has been spent, and in what direction, since the plan was announced?
- (3) What are the details of the Government's overall intentions in this regard?

Mr. ROSS HUTCHINSON replied:

- (1) It is assumed that the honourable member is referring to the Five Year Plan for Mental Deficiency tabled herewith, which was made available to all members of Parliament.
- (2) 1968-69—\$245,560, made up as under—
 Pyrtton—\$197,433.
 Croyden Hostel—\$26,469.
 Nathaniel Harper Homes—\$21,658.
 1969-70—\$456,750, made up as under—
 Pyrtton—\$243,486.
 Belmont Hostel—\$67,460.
 Bassendean Hostel—\$82,590.
 Land—Nulsen Haven—\$30,134.
 Collier Day Activity Centre—\$20,997.
 Scarborough Hostel Furniture—\$6,294.
 Other items—\$5,791.

- (3) As in the booklet tabled.

The booklet was tabled.

11. WORKERS' COMPENSATION

Payments: Delays

Mr. JAMIESON, to the Minister for Labour:

- (1) Is he aware that despite assurances to the trade union movement, continued delays through no fault of the worker are being experienced in the payment of workers' compensation by the State Government Insurance Office and other approved insurance companies?
- (2) Will he consider introducing penalties either in the form of fines or the additional payment of compensation where such cases exist?

Mr. O'NEIL replied:

- (1) I am not aware of the position with other approved insurance companies, but the State Government Insurance Office welcomes advice of any specific delay to enable it to trace the cause and rectify any hardship. If the honourable member knows of any such case, the State Government Insurance Office will be only too happy to investigate.
- (2) In the past, when such specific inquiries have been made by the State Government Insurance Office, it has been found that the delay is reasonably well spread between employee, employer and insurer. In these circumstances, it would not appear that the introduction of penalties as suggested is warranted.

12. NATURAL GAS

Pipeline: Route

Mr. BRADY, to the Minister representing the Minister for Mines:

- (1) Has Bechtel Pacific Corporation Limited made a firm decision for Government approval regarding the route for natural gas being piped through the metropolitan area to the south-west, etc.?
- (2) Can he now state the proposed route of the pipeline?
- (3) Have feasibility studies been taken for both Gingin and Dongara gas to be used, as separate concerns, and as one project?

Mr. BOVELL replied:

- (1) An application has been made by the participating companies in WAPET—namely, California Asiatic Oil Company, Texaco Overseas Petroleum Company, Shell Development (Australia) Pty. Ltd., and Ampol Exploration Limited—for a license to construct and operate a pipeline from the

Dongara gas field to the Pinjarra industrial area. A proposed route has been nominated by the applicant.

Bechtel Pacific Corporation is employed by the applicant to carry out certain work in connection with the pipeline.

- (2) A map showing the route of the pipeline proposed by the applicant is available to the public for inspection at the Mines Department.
- (3) Feasibility studies conducted by and on behalf of the operating company, WAPET, in respect of the Dongara field, show that there are sufficient quantities of gas to make the Dongara to Pinjarra pipeline a viable proposition.

The Gingin field is at an early stage in its development, and reliable estimates of the gas reserves cannot be made until further testing and drilling is carried out.

13.

TRAFFIC

Albany Highway-Maddington Road Intersection

Mr. BATEMAN, to the Minister for Traffic:

With regard to the dangerous situation at the intersection of Albany Highway and Maddington Road, Maddington, will he advise—

- (a) the result of any traffic counts during the last 18 months and the date of the next projected count;
- (b) details of any police recommendations with regard to traffic conflict at this point;
- (c) its approximate priority with regard to traffic lights at this junction;
- (d) the number of fatal, major, and minor accidents reported in this vicinity from the 1st July, 1969?

Mr. CRAIG replied:

- (a) The Main Roads Department has no traffic count available for this intersection. Arrangements will be made for a count to be taken.
- (b) There have been no police recommendations regarding traffic conflict at this location.
- (c) On the basis of recorded accidents this intersection does not have a high priority for traffic control signals. Following the introduction of priority roads the Main Roads Department is investigating the need for additional traffic

signals to facilitate the crossing and entering of such roads. This intersection will be considered as part of the investigation of Albany Highway.

- (d) From the 1st July, 1969, to the 7th September, 1970, accident figures are as follows:—

Fatal—1.

Injured—5.

Major—6 (includes accidents where injuries are sustained or damage in excess of \$100 in the aggregate occurs.)

Minor—Figures are not recorded, as there is no necessity to report such accidents.

14. HERDSMAN

Resumption for Industrial Purposes

Mr. BERTRAM, to the Minister representing the Minister for Town Planning:

- (1) Is it his intention to allow part of Herdsman to be resumed for industrial purposes?
- (2) If "Yes" when, how much, and why?

Mr. LEWIS replied:

- (1) There is no present intention to resume any part of the Herdsman locality for industrial purposes, nor to add to the existing industrial zones under the Metropolitan Region Scheme.
- (2) Answered by (1).

15. SHEPPARTON PRESERVING COMPANY

Agreement: Termination

Mr. BERTRAM, to the Minister for Industrial Development:

- (1) Has Shepparton Preserving Company Limited determined its agreement with this State dated the 15th October, 1969?
- (2) If "Yes"—
 - (a) how, and when did it do so;
 - (b) what grounds, if any, did the said company give for determining the said agreement;
 - (c) what sum has the State lost and what damages has the State suffered in consequence of the determination and how are these amounts calculated;
 - (d) what action has the State taken so far to recover the losses and damages, and what further action does it propose to take, and when, and why;

(e) does the State intend to exercise all of its rights and remedies against the said company;

(f) If "Yes" when; and

(g) If "No" why?

- (3) Did the State require the said company to make a feasibility survey before entering into the said agreement?
- (4) If "No" why?
- (5) If "Yes" what was the precise result thereof?

Mr. COURT replied:

- (1) Not formally. However, from discussions I had with company representatives on Saturday, the 12th September, it would be realistic to assume a notice that the company desires to determine the agreement under the provisions of clause 26 will be given.

- (2) See answer to (1).

- (3) Yes. The Government co-operated in a study by supplying information on various matters including availability and price of land, feasibility of rail connection and availability of sufficient water for processing.

For a long time it was not practicable to close the gap in the economics sufficiently because of the freight costs on sugar and tinplate to Manjimup. These items are sold on a "capital city" price basis.

However, after detailed discussions and studies on the question of rail freights resulting in the special rail freights quoted in the agreement plus potentially better buying methods, the company thought the position was economically manageable.

It should also be appreciated that the question of fruit growing and canning in the south-west had been the subject of prolonged studies and negotiations by the State Government for many years in the search for a company able and willing to undertake this type of project. We are also mindful of the fact that SPC is one of the most experienced and the largest single cannery of its kind in the southern hemisphere.

(Note.—In case the honourable member seeks to relate this study to the comments of the new chairman and reported on page 1 of *The West Australian* on the 16th September, 1970, it should be noted that he was referring to the records of SPC at Shepparton and not to the State Government's studies or records. Also, the former general manager is no

longer with SPC and the board is changed from the one at the time of the negotiations for the 1969 agreement.)

(4) See answer to (3).

(5) Company representatives concluded a project was viable and negotiated an agreement with the State which was executed with the authority of the board of directors and ratified by Parliament in 1969.

16. POLICE OFFICERS *Workers' Compensation*

Mr. T. D. EVANS, to the Minister for Police:

Further to his answer to question 10 of Wednesday, the 16th September, and having regard to section 5 of the Workers' Compensation Act, can he further detail what compensation or remuneration is paid to a police officer who sustains personal injury and resulting incapacity within the meaning of section 7 of the abovenamed Act—

- (a) during the period of incapacity;
- (b) for residual injury such as is compensated for under the second schedule to the said Act;
- (c) for a permanent injury, which only crystallises after the injured person has ceased to be a police officer?

Mr. CRAIG replied:

Section 5 of the Workers' Compensation Act specifically excludes a member of the Police Force except in the case of a member who suffers personal injury by accident in the course of his employment and dies as a result of that injury. Having regard to that section, the answers to the questions are—

- (a) to (c) Nil.

However, under police standing orders, a member of the Police Force who suffers illness or injury is entitled to extensive sick leave in addition to medical and hospital expenses. If incapacitated, he is retained on full pay in some suitable position if at all possible. Persons who resign from the force are not entitled to these benefits.

17. DOMESTIC DOGS *Savaging of Sheep: Shooting*

Mr. DAVIES, to the Minister for Agriculture:

- (1) Are owners of sheep allowed to shoot domestic dogs where such dogs are savaging or molesting such sheep?

- (2) If so, by what authority are they permitted to take such action?
- (3) Having taken such action, does the person concerned have any further responsibility?

Mr. NALDER replied:

This question should have been directed to the Minister for Local Government, but on his behalf I will supply the answer.

Mr. Davies: I will accept it, and I apologise.

Mr. NALDER: The answer is as follows:—

- (1) Yes. If field, yard or paddock is enclosed and dog not accompanied by or under control of its owner or any other person.
- (2) Section 22 of the Dog Act.
- (3) Not under the Dog Act.

18. EDUCATION

Australian Education Council Survey

Mr. WILLIAMS, to the Minister for Education:

In regard to the nation-wide survey of education needs for the next five years undertaken by the Australian Education Council, what were the Western Australian committee's recommendations in respect of the administrative structure, organisation, and establishment required to achieve informed, progressive, and efficient administration, effective two-way communication and desirable human and public relations?

Mr. LEWIS replied:

No detailed examination of the administrative structure of the department was undertaken as part of the survey. However, increases of approximately 50 per cent. in the number of Education Act personnel and 100 per cent. in the number of Public Service staff were recommended for the five year period. It was considered that such an increase should enable "informed, progressive, and efficient administration, effective two-way communication, and desirable public relations".

19. EDUCATION

Australian Education Council Survey

Mr. RUSHTON, to the Minister for Education:

In regard to the nation-wide survey of educational needs for the next five years, undertaken by the Australian Education Council, what were the Western Australian committee's recommendations in

regard to the establishment of educational facilities, the development of appropriate building designs, the erection of new school buildings and the upgrading of existing ones?

Mr. LEWIS replied:

Provision of educational facilities (i.e., site, buildings, etc.)—

(a) Sites—estimated cost—\$15,000,000.

(b) New educational buildings:

Type of Institution	Number	Cost \$
Primary schools	55	6,000,000
Secondary schools—Metropolitan	10	13,500,000
Country	6	
Occupation centres	3	550,000
Teachers' colleges	2	6,000,000
Total		\$26,650,000

(c) Additions to existing schools:

Location	Prim- ary class rooms	Cost \$	Second- ary class rooms	Cost \$
Metropolitan	800	12,000,000	540	8,100,000
Country	200	4,000,000	60	1,200,000
		Total		\$25,300,000
Agricultural education				2,000,000
		Total		\$27,300,000

(d) Incidental needs \$3,160,000

(e) Replacement of outmoded accommodation:

Metropolitan	515 classrooms	\$7,920,000
Country	355 classrooms	\$7,280,000

20. EDUCATION

Australian Education Council Survey

Mr. CASH, to the Minister for Education.

In regard to the nation-wide survey of education needs for the next five years, undertaken by the Australian Education Council, what were the Western Australian committee's recommendations for—

- the recruitment and supply of teachers and professional supporting staff, having regard to salaries, conditions, promotional opportunities, allowances, housing, workloads, and general professional status and requirements;
- the preservice and inservice education of teachers;
- the recruitment and supply of ancillary staff; and
- scholarships, allowances, and bursaries to individuals and other educational organisations?

Mr. LEWIS replied:

- (i) Recruitment and supply of teachers:

The survey states that to achieve the Education Department goal

of maximum classes of 35 for primary grades, 30 for lower secondary and 20 for upper secondary by 1979, it will be necessary to recruit teachers from elsewhere as there will not be a sufficient number of suitably qualified fifth year students to enter the teachers' colleges. To satisfy anticipated intake requirements sources of additional teachers suggested in the survey were; recruitment of teachers from overseas; employment of teachers in the community willing to undertake part-time duties; recruitment to teachers' colleges of graduates and married women.

- Recruitment and supply of professional supporting staff:

For the purposes of the survey non-certificated personnel working within schools were classified as para-professional or non-professional.

Para-professional personnel included persons who have specialised training or skills to enable them to perform tasks of a semi-professional type, e.g. laboratory technicians, library assistants and teacher assistants. It would be necessary to treble the existing allocation of library and laboratory assistants while a system involving a generous allocation of teaching aides was advocated.

Non-professional personnel involved such persons as clerical assistants, registrars, caretakers, gardeners and cleaners. Most schools were seen as being favourably situated as far as these people were concerned and it was believed that an increase of approximately 20 per cent. on the present allocation would meet all needs.

- (iii) Salaries, conditions (other than smaller classes, more equipment and better buildings), promotional opportunities, allowances, housing, workloads and professional status were recognised as influencing teacher quality but as the terms of reference did not require a separate consideration of these factors no detailed examination was made.

- (b) (i) Pre-service education of teachers:

It was assumed that the minimum training period after completing five Leaving Certificate subjects, including English, would be 3 years or its equivalent.

- (ii) In-service education of teachers:

Provision was made for the needs of an increasing number of teachers undertaking Teachers' Higher Certificate studies through the Teacher Further Education Centre. It was suggested that the future development of in-service education should include an increase in supervisory assistance to schools, the extension and diversification of existing courses and the extension of residential in-service courses. To meet the latter need it was suggested that a residential in-service centre capable of accommodating 60 persons would be required.

- (c) The recruitment and supply of ancillary staff:

Ancillary staff may be considered as para-professional staff and this has been discussed under (a) (ii) but the term may be interpreted to include professional and para-professional personnel employed under the Education Act and engaged in advisory and administrative duties. It was estimated that the number of central office

personnel so employed would increase by 50 per cent. over the present level.

- (d) (i) Secondary school scholarships and teacher education bursaries:

In costing this item provision was made for the increased cost due to greater enrolments and the increase in the amount of the award to ensure that the value of the scholarships and bursaries did not fall.

No new scholarships or bursaries were suggested.

- (ii) Allowances to other educational organisations:

This was not seen as a need of the Education Department.

Mr. Tonkin: It sounds like a Dorothy Dixier, to me.

Mr. LEWIS: Well, it was not; I can assure you.

Mr. Tonkin: Well, look at the answers to questions 18, 19, and 20.

The SPEAKER: Order!

Mr. LEWIS: I did not word the question.

The SPEAKER: Order!

21.

TRAFFIC

Oxford Street: Congestion

Mr. BERTRAM, to the Minister for Traffic:

- (1) Will he examine the traffic congestion and dangers occurring in Oxford Street between Vincent Street and Woolwich Street, with a view to—
 - (a) eliminating the right-hand turn from Oxford Street into Newcastle Street at peak traffic periods; and/or
 - (b) placing a zig-zag line on the northern approach to the crosswalk which is situated at the junction of Oxford Street and Newcastle Street; and/or
 - (c) taking such further or alternative action as may be necessary?
- (2) If "Yes" to either of (a), (b) or (c), will he advise the action, if any, proposed?

Mr. CRAIG replied:

- (1) (a) Accident records held by the Main Roads Department do not indicate any undue hazard in Oxford Street between Vincent Street and Woolwich

Street. Some traffic congestion can be expected in this major shopping area with its attendant kerbside parking. Banning of the right hand turning movement could overload the already heavily trafficked control signals at Vincent and Oxford Streets.

(b) The provision of a zig-zag line on the northern approach to the crosswalk would interfere with the road marking associated with the adjacent traffic control signals at Vincent and Oxford Streets.

(c) The extension of the Mitchell Freeway through Leederville will completely change the traffic pattern for this area. Therefore no further action is contemplated until planning of the freeway is further advanced.

(2) Answered by (1).

22.

TELEVISION

Provision in Remote Areas

Mr. RIDGE, to the Premier:

(1) Has he been informed of a Commonwealth Government scheme which is intended to facilitate the introduction of television to out-back areas?

(2) If "Yes" what are the requirements for local authorities to participate in the scheme and, if any, what aid is extended as a form of encouragement?

(3) Is he aware that as a result of a study conducted by the Australian mining industries council and later negotiations with the Postmaster-General's Department, several mining centres in the north will shortly have television?

(4) To enable the authorities in other remote centres to consider the feasibility of installing television transmission equipment will he—

(a) make representations to the Australian Broadcasting Control Board and request that tests be conducted in all northern towns to determine if programmes can be successfully transmitted with relatively low cost equipment;

(b) seek details of the recommendations made to mining companies by the Australian mining industries council and authorise the distribution to local authorities of a detailed summary of requirements and estimated costs?

Sir DAVID BRAND replied:

(1) Yes.

(2) to (4) These questions refer to matters which are the responsibility of Commonwealth authorities. However, inquiries are being made and the honourable member will be further advised.

23.

MINERAL CLAIMS

Rent

Mr. GRAYDEN, to the Minister representing the Minister for Mines:

(1) What was the total area of Crown land allocated by means of mineral claims during the years 1965-1970, inclusive?

(2) What was the total amount of rent paid to the Mines Department by the holders of such mineral claims during each of the years referred to?

Mr. BOVELL replied:

(1) The specific information is not compiled by the Mines Department.

Table 6 in the Mines Department Annual Report contains statistical data of areas applied for and in force as at the 31st December each year. These figures are not confined to mineral claims on Crown land, but include mineral claims on reserved lands and on private property. In addition some mineral claims are surrendered or forfeited each year.

It would, therefore, require a search of each mineral claim in each of the years referred to to obtain the information requested, and this would require many man-hours work, which the department can ill-afford.

(2) Rents received on mineral claims have never been collated separately from other mineral rents and cannot now be ascertained from available accounts records.

There are over 30 different types of mining tenements and to keep separate accounts for each would be impracticable and not warranted. In addition it would be necessary to segregate those on private property and reserved lands to answer the question.

24.

TEMPORARY RESERVES

Payments

Mr. GRAYDEN, to the Minister representing the Minister for Mines:

(1) What was the total area of Crown land allocated by means of temporary reserves during the years 1965-1970, inclusive?

- (2) What was the total amount paid to the Mines Department by the holders of temporary reserves during each of the above years?

Mr. BOVELL replied:

- (1) The specific information is not compiled by the Mines Department.

Table 6 in the Mines Department Annual Report contains statistical data of areas applied for and in force as at the 31st December of each year.

Subtraction of one year's figures from that of the succeeding year does not give the area requested by the honourable member. For example it would appear that if the figures for 1965 were subtracted from those for 1966 as shown in the 1966 annual report this would give the area granted during 1966, but to this figure it would be necessary to apply areas relinquished and cancelled in 1966 to obtain the correct area granted.

To extract this information from the Mines Department registers, files and plans would require a major research project entailing a great number of man-hours work which time the department can ill-afford.

- (2) Rents received from temporary reserves have never been collated separately from other mineral rents and cannot now be ascertained from available accounts records.

25. EDUCATION

Changed Methods

Mr. RUSHTON, to the Minister for Education:

- (1) Has he read two articles appearing in *The Australian* dated the 14th August, 1970, by Eric Cummins, headed "Run Your Schools As You Like, Heads Told", and the 17th August, 1970, the leading article titled "Freeing the Schools"?
- (2) If "Yes" and considering the extent and variety of the changes said to have been introduced and implemented in education in South Australia, will he advise the House of his department's evaluation of the worth of these changes?
- (3) Is there an intention of introducing such changes in education in Western Australia?

Mr. LEWIS replied:

- (1) Yes.
- (2) and (3) The statements referred to set out procedures that have been operating in Western Australia for some years. Teachers

in Western Australia have the freedom to conduct courses as they choose, bearing in mind that the best interests of the child must be their main concern. The article by Eric Cummins states that teachers have the opportunity to "vary courses, alter time-tables, organize the school and to experiment with teaching methods, examinations and extra-curricular activities". These opportunities exist in Western Australia but probably to a greater degree in the primary than the secondary school whose courses of study have, until recently, been governed by the requirements of external examinations.

The Dettman report of 1969 set out principles providing for greater flexibility in catering for the needs of individual students in high schools and the Board of Secondary Education, which was established as a result of that report, safeguards standards while allowing schools freedom of operation. The track system and upgrading referred to are similar procedures to the "levels" approach in secondary schools and cross grading in primary schools, both of which are in operation in schools in this State.

The practice of involving students in decision making is not new to Western Australia and, in fact, has met with a good deal of success in this State but in the final analysis, it is the teacher or principal who must accept the responsibility for decisions. It is possible to delegate authority but not responsibility and principals should be guided by, but not bound by, the decisions of the students.

26.

NATIVES

Housing: Carnarvon

Mr. NORTON, to the Minister for Native Welfare:

Has he received a report from officers of his department since the beginning of August on native housing at Carnarvon and, if so, will he table a copy of the report?

Mr. LEWIS replied:

- (a) Yes. Further to my answer to question (5) on the 13th August, 1970, I have received a report from the District Officer, Carnarvon, which confirms that there is an acute shortage of houses for Aborigines at Carnarvon. Every effort is being made within available financial resources to relieve this position, which is not peculiar to Carnarvon.
- (b) No, but the file would be available in my office.

27. WHEAT AND SHEEP FARMERS*Financial Position*

Mr. H. D. EVANS, to the Minister for Agriculture:

- (1) Has he read the article by C. W. Quin on page 1 of *The West Australian* dated Friday, the 11th September, 1970?
- (2) If so, is it factual that about 3,000 wheat and sheep farmers are in a near hopeless position, and another 4,000 to 5,000 farmers are having trouble servicing debts?
- (3) If these figures are not correct, would he give an assessment of the position?

Mr. NALDER replied:

- (1) Yes.
- (2) The data available from sample surveys indicate that on the assumption that present levels of prices and of production continue, the overall position of farmers would be generally in accord with the assessment published by Mr. Quin.

The figures were related to grain and sheep farmers rather than "wheat and sheep farmers" mentioned in the question.

- (3) Answered by (2).

28. MINISTERIAL APPOINTMENTS*Number and Terms of Employment*

Mr. TONKIN, to the Premier:

- (1) As it appears from information which he has supplied to Parliament that of 542 ministerial appointments made and which are not considered to come within the general scope of the Public Service only 53 have been made under the authority vested in the Governor-in-Council, upon what authority were the other 489 appointments made?
- (2) Has the Auditor-General in any way queried the appointments?

Sir DAVID BRAND replied:

- (1)

Department	No. of Employees	Authority
Medical	52	Hospital Act and Section 74 Constitution Act.
Public Health	13	Section 74 Constitution Act.
Mental Health	82	Mental Health Act Regulation 35.
Agriculture	1	Section 74 Constitution Act.
Child Welfare	286	7 Seconded from other Departments; all others Section 74 Constitution Act.
Immigration	12	Section 74 Constitution Act.
Public Works	31	2 appointed under State Trading Concerns Act; remainder Section 74 Constitution Act.
Premier's	4	Governor in Council.
North-West	3	Governor in Council.
Town Planning	1	Governor in Council.
State Housing Commission	3	Section 74 Constitution Act.
Agriculture	1	Governor in Council.

- (2) The Auditor-General advises that he has not had occasion to query any of these appointments.

29. GOVERNMENT DEPARTMENTS*Outside Public Relations Officers: Use*

Mr. DAVIES, to the Premier:

- (1) Does the Government use any public relations firms or officers—other than those appointed full time to the various departments—on a part-time or consultative basis?
- (2) If so—
 - (a) what are the names of the parties involved;
 - (b) by which departments are they used;
 - (c) what is the cost involved in each case during the past 12 months?

Sir DAVID BRAND replied:

- (1) Yes.
- (2) (a) W. W. Mitchell and Associates.
Ross Elliott Media Service.
Timothy Taylor Research and Public Relations.
- (b) Agriculture.
Chief Secretary's.
Education.
Industrial Development.
Medical.
Premier's.
Transport.
- (c) W. W. Mitchell and Associates—

	\$
Agriculture	1,276
Industrial Development	12,148
Premier's	580

Ross Elliott Media Service—

	\$
Chief Secretary's	2,000
Medical	2,000
Transport	2,000

Timothy Taylor Research and Public Relations—

	\$
Education	3,250

**MARKETABLE SECURITIES
TRANSFER BILL***Introduction and First Reading*

Bill introduced, on motion by Sir David Brand (Treasurer), and read a first time.

House adjourned at 11.30 p.m.