

# Legislative Assembly,

Wednesday, 5th November, 1930.

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

## QUESTION—MINING TRIBUTES, GOLD PREMIUM.

Mr. MUNSIE asked the Minister for Mines: 1, Is he aware that Section 152 (b) of "The Mining Act, 1904," is being flagrantly broken by mine managers through their refusal to account to tributeters for 50 per cent. of the premium now being paid on gold? 2, As this is definitely provided for in the Act, what action does the Minister propose to take to see that the law is carried out?

The MINISTER FOR MINES replied: 1, No information on the subject has reached the Department of Mines. 2, It is a matter for legal proceedings, and I have been informed that already some parties have instituted actions.

## QUESTION—SECESSION, REFERENDUM.

Mr. GRIFFITHS asked the Premier: In view of the widespread desire throughout the State for a referendum on the question "Are you in favour of secession from the Commonwealth and the creation of a dominion of Western Australia as a unit of the British Empire," will the Premier inform the House whether he will bring down a Bill during the present session to provide for such a referendum?

The MINISTER FOR LANDS (for the Premier) replied: The matter will receive consideration.

## BILL—HOUSING TRUST.

Introduced by the Minister for Lands and read a first time.

## MOTION—STATE FORESTS.

To Revoke Dedication.

### THE MINISTER FOR FORESTS (Hon.

J. Scaddan—Maylands) [4:35]: I move—

1, That the proposal for the partial revocation of State Forests Nos. 4, 14, 15, 20, 21, 22, 26, 27, 29, 36, 38, 39, and 42 laid on the Table of the Legislative Assembly by command of His Excellency the Governor on Tuesday, 4th November, be carried out.

2, That the resolution be transmitted to the Legislative Council and its concurrence desired therein.

This motion is necessary to comply with the conditions embodied in the Forests Act. Certain lands are dedicated as State forests. It frequently happens that these reserves take in areas that are not suitable for forestry purposes, but answer the purpose in other directions.

Mr. J. H. Smith: Is that an admission?

The MINISTER FOR FORESTS: That has been accepted as a principle all along. It would not be possible to make extensive dedications for forestry purposes without it being found that portions of the areas reserved are really suitable for other than forestry purposes. As time goes on, applications have been made for those areas that are suitable for other purposes. The department are called upon, under the terms of the Act, to submit a resolution of this nature setting out the blocks it is proposed to revoke from dedication. Upon such resolution receiving the assent of both Houses of Parliament, the areas concerned are then taken from the control of the Forests Department and transferred back to the Lands Department. Outside of dedicated State forests, no such action is necessary. The lots referred to in the motion affect 13 State forests which have been dedicated, and 25 areas, these comprising a total of 4,686 acres. That is quite an extensive area considering that our State forests do not comprise a huge territory, as is sometimes assumed. This is not the only revocation that has taken place, nor will it be the last. Others of a similar nature are bound to come forward. In most cases the areas have already been applied for. The applications for

revocation are subject to an inspection being made by the officials of the department to satisfy themselves that the timber upon the areas is not sufficiently good to warrant holding them against selection. The motion I am now submitting is designed to make these particular areas available for selection.

On motion by Hon. P. Collier, debate adjourned.

### **BILLS (2).—THIRD READING.**

1, Roman Catholic New Norcia Church Property Act Amendment Act.

Returned to the Council with an amendment.

2, Reserves.

Transmitted to the Council.

### **ANNUAL ESTIMATES, 1930-31.**

Report of Committee of Ways and Means adopted.

### **BILL—BEES.**

Report of Committee adopted.

### **BILL—FARMERS' DEBTS ADJUSTMENT.**

*Second Reading.*

Debate resumed from 29th October.

**HON. P. COLLIER** (Boulder) [4.45]: It would be easy to offer criticism concerning the defects and shortcomings of this measure, but I confess I find it very difficult to offer any comments of a constructive or helpful nature. This is something in the way of legislation that is unique in this House. It is designed to meet a set of circumstances that have not been experienced before, except on the occasion when the Industries Assistance Act was passed in this House. I can readily understand the difficulty the Minister would have in drafting a Bill of this description, and so I am afraid, while I shall be able to point out some of the defects of the measure, I shall not be able to render much assistance in indicating what better way could be adopted. Circumstances, of course, are governed largely, if not entirely, by the financial position of the State. If the farmers' difficulty were merely a

seasonal one, because of the failure of the harvest, for instance, or of something of a temporary character, and if otherwise the finances of the State were sound and flourishing, it would be comparatively easy for the Government to come to the assistance of those in need, and to help them through their difficulties. But inasmuch as the finances of the State at the moment do not permit of the Government rendering any financial assistance, the task is more difficult. It is clearly understood that no financial assistance to the farmers is to be rendered by the Government under the Bill, except in so far as they will obtain the necessary financial assistance for relieving the farmers from their creditors, if those creditors should be willing to adopt the proposal set out in the Bill. After all, as the Attorney General admitted, the Bill amounts to no more, so to speak, than a suggestion to the creditors as to how they should come together, meet and decide, and act in a manner considered advantageous to the whole, as distinct from what would be beneficial to an individual creditor. To that extent, the Bill amounts to a suggestion and little more. That is to say, should any single creditor decline to have anything to do with the measure, should it become law, and should take advantage of the bankruptcy law, there is nothing to prevent him doing so.

The Attorney General: I am afraid that is probably so.

Hon. P. COLLIER: In that event, the other creditors could take no action regarding the farmer himself or the individual creditor concerned. It seems to me, therefore—and it is a laudable idea—that the Bill provides merely a suggestion or gesture to the creditors to adopt a process that would be to their advantage as a whole, as well as to the farmer himself.

The Attorney General: That is, so long as the Federal bankruptcy law stands.

Hon. P. COLLIER: Yes, and we must assume that the Federal law will stand. There have been suggestions in the Federal Parliament for the alteration or amendment of the Federal Bankruptcy Act; but until action is taken in that direction, we shall have to discuss the Bill before us in the light of the bankruptcy laws as they are at the moment. It is proposed to appoint a board of management and there will be fears entertained in some quarters, I imagine, that one board will not be able to function so as to

carry out all the obligations involved throughout the whole State. The composition of the board of management is fairly well distributed, and all the interests concerned will be represented upon it. There is provision in the Bill for the appointment of inspectors and officers of the board, and I take it the board itself will really be something in the nature, as the name suggests, of a managerial board, while the real work involved in attending to the individual cases of farmers who will have recourse to the board, will be dealt with, as is provided in the machinery provisions of the Agricultural Bank, through inspectors located in various parts of the State to-day. The work will be done as the inspectors of the Agricultural Bank did it last year, when the need for assistance was not so great as it is on the present occasion. The inspectors in the various districts have a knowledge of the farmers in their respective areas. That will tend to facilitate the work of the board and will obviate delay. What I am afraid of is that legislation of this description may have a serious effect on institutions and bodies that have provided credit to farmers in years gone by. Merchants, banks and others, who are so much concerned with farmers' finance, may become timid, and the measure may have the effect of drying up the sources of credit that have been available to the farmers in the past. That is just a possibility arising out of such legislation as the Bill before us. It may be asked, too, if the creditors are willing to act as suggested in the Bill, whether there is any need for the measure at all. They could meet voluntarily and decide to carry a farmer on along the lines laid down in the Bill, or under such conditions as might be agreed upon. Inasmuch as the Bill cannot be effective without the consent of the creditors, it means that the consent of every creditor must be secured in order to carry the farmer on. Should that be done voluntarily, it would render the Bill unnecessary. They could carry the farmer on without the necessity for any cumbersome legislation, involving control by a board over the large number of farmers who will have to be dealt with. It seems to me that if the creditors were able to meet and agree upon the course I have indicated, it would be much preferable to the passing of any legislation at all. Of course, the Government do not come into the matter. At

present they are not in a position to offer assistance and have merely provided the necessary machinery in the Bill, as a suggestion to the creditors and the farmers, as to how they could act together in co-operation to enable the debtor farmers to stay on their holdings and carry on next year. It would be better if a voluntary agreement between the parties could be arrived at, because it would be more satisfactory to the farmers and to their creditors than anything in the nature of compelling legislation of the description now under discussion. I do not know how far it would go because, as the Attorney General mentioned, the Bill is not designed to assist the farmer who has no possible chance of pulling through.

The Attorney General: None whatever.

Hon. P. COLLIER: I presume the creditors would take action in such instances, irrespective of any legislation. In other words, the Bill will not help those farmers who have no chance of pulling through, but it will help those who have a reasonable chance. Then, again, we would have to depend upon the good judgment of the creditors, and if they concluded that a farmer had a reasonable chance of pulling through, it would be to their own advantage to render whatever assistance they could, or to show forbearance regarding debts due, so as to enable the farmer to pull through. It will be in their own interests to do that as well as in the interests of the farmers themselves, provided that the creditors are in a financial position to render that assistance. I do not think a majority of the creditors will be disposed to enforce bankruptcy in any instance where the farmer has a reasonable chance of pulling through. The danger nearly always lies in the power of one creditor to take action under the bankruptcy law. But, again, that can be done notwithstanding the Bill before us.

The Attorney General: I will not definitely accept that to be the position, but I am afraid it is.

Hon. P. COLLIER: I thought that it was admitted.

The Attorney General: There may be some doubt as to whether an act of bankruptcy is committed in calling a meeting of the creditors in the circumstances outlined in the Bill.

Hon. P. COLLIER: You mean that, instead of the farmer, the board may take that action, and that may not involve the commission of an act of bankruptcy.

The Attorney General: Yes, that may be the way out.

Mr. Kennaally: A creditor could apply to the board as well.

The Attorney General: Yes. I will not dogmatise regarding the matter, but that may be the position.

Hon. P. COLLIER: The intervention of the board may not—

The Attorney General: Constitute an act of bankruptcy. That is the point.

Hon. P. COLLIER: That is so. I realise it is a difficult matter to deal with. As to the powers of the board, I suppose that in legislation of this description it is essential that such a board shall have great power. On the other hand, the powers of the board, once a farmer has placed himself under the provisions of the measure, are indeed comprehensive and sweeping. The farmer at once becomes a cipher, and has no say whatever regarding his business. He is not even in the position of a manager, but rather in that of a looker-on.

The Attorney General: Would it not be fair to say that he is in the position of a manager?

Hon. P. COLLIER: He will be in that position, subject to the control of the board.

The Attorney General: A manager is always controlled by the owner.

Hon. P. COLLIER: Yes, by someone else. The board will have power to require a farmer to employ any person in or about his business as manager or in any other capacity at such salary or wages as may be fixed, and may also require the farmer to suspend or dismiss any person so employed, and the farmer must comply with every such requisition. Then there are provisions akin to those embodied in the Industries Assistance Act under which the Industries Assistance Board, once the farmer is brought under the provisions of that Act, has great power in dealing with the farmer's assets and actions. I suppose that is necessary because of the financial interest involved and so, under the Bill we are considering, the financial interests involved require the provision of these powers. Then again, the Bill provides that not only shall

the board have control of the farmer's property and operations, but shall have control over any other property that may be owned by the farmer. If, for instance, a man had a block of land in the city, or a little home in the city the board could take possession of that. It would come right under the control of the board, just as does the farmer. If he had any small business the board could take possession of that, and a receiver could be placed in charge to receive all moneys and control the business. The Bill says the board may by appointment in writing appoint some member or an inspector of the board to be the receiver of any property belonging to the farmer which is not used in connection with his business. I suppose the contention is that if the farmer has any other property outside his farm it ought to come into the scale.

The Attorney General: If he assigns his estate, automatically all his property ceases to be his.

Hon. P. COLLIER: Yes. It seems to me it will appear to the farmer's mind a very hard thing to have complete control of everything taken out of his hands; the management of the farm, disposal of the products, and the management of any other property may go right out of his hands. Of course in the present circumstances many of the farmers would have no alternative, except to assign their estates. Then those estates automatically would pass out of their hands, just as they will pass to the board.

The Attorney General: The estate does not pass to the board. The board can control it. In the same circumstances, under existing legislation the farmer ceases to have any interest in it.

Hon. P. COLLIER: Yes. He ceases to have any voice in it when the board takes control, but he does continue to have an interest in the property until or unless it is finally disposed of. Tremendous powers are granted to the board. I am not sure whether they are all necessary. That point should be discussed in Committee. If the Bill reaches the Committee stage, it will certainly require to be very carefully examined in all its several clauses in regard to the powers conferred on the board, and other phases of it as well. The Attorney General referred to three dips in the lucky bag. I do not know whether he meant that they were to be in the order set out in the Bill, first, sec-

ond and third. The proceeds of the farm will be put into a fund.

The Attorney General: The member for Leederville called it a jam tin.

Mr. Panton: When it comes to the third dip, the thing will not hold as much as a jam tin.

Hon. P. COLLIER: The first dip is to meet current expenses, the second to provide for a reserve for the future, while the third is for the preferential creditors. The first is to meet current expenses, the expenses of taking off the crop. It would cover, too, the immediate cost incurred during the present year. The reserve for the future would be to enable the farmer to carry on throughout the year in order that he may put in next year's crop. Then No. 3, the preferential creditors, they will be all the other preferential creditors, ranking equally. The trouble this year will be to get these other preferential creditors all to agree to this proposal under the Bill; because the No. 3 people are not likely to get anything at all this year. And certainly they will not if they take action; except that some individual creditor might recover. By taking action—if the Bankruptcy Court is still open to him—he may recover, whereas under this there is not much likelihood that the No. 3's will get anything.

The Attorney General: Taking action under the Bankruptcy Act will not help the individual.

Hon. P. COLLIER: His action will force the whole of the estate into bankruptcy, and he will take his share with the rest of the creditors.

The Attorney General: Yes, he will get only his share. He will be cutting off his nose to spite his face.

Hon. P. COLLIER: If they could get preferential advantage by taking action, there would be a rush of them of course.

The Attorney General: Yes, the whole thing would go fut.

Hon. P. COLLIER: It will be for those concerned, the creditors, to carefully weigh the situation and decide whether they are going to get their own interests better served by carrying on or by taking precipitate action. Again, that is if they are in a financial position to carry on. That will be the trouble for the merchants and traders doing business with

the farmers. Particularly will it be a difficulty for the small country storekeeper. The small country storekeeper and the merchant are together in this case; they all sink or swim together. But a great number of the country storekeepers who have been giving credit to the farmers will not be able to carry on unless the merchants continue to give them credit throughout next year. And in some parts of the wheat areas where the crops were failures last year—the Bullfinch district, and other parts—the small country storekeepers were very heavily hit indeed. It is very questionable whether another bad year on top of one bad year will not be too much for some of them. In some areas this will be the third year in which the farmers have had nothing, and the storekeepers and the merchants have not got anything. Whether they will be able to so arrange their finances as to carry on during next year, is questionable. I am afraid the farmer will again want assistance from the storekeepers; that is to say, the proceeds from his harvest this year will not be sufficient to pay the costs of it and leave him a surplus that will enable him to provide out of this year's crop for himself, for all his sustenance next year, and for the putting in of next year's crop. I am afraid that at the present price of wheat he will not be able to do that, and therefore the merchants and storekeepers will have to assist in carrying him on.

The Minister for Agriculture: If the price were to rise, the position would be very different.

Hon. P. COLLIER: Yes, that would solve the trouble. If the price were to go up even by 6d., or if the Commonwealth Government or some other authority were to give a bonus of 6d. per bushel, the major number of the farmers would get through without any legislation of this kind. I believe the addition of 6d. per bushel would enable them to carry on. But I am no judge of the market, and indeed nobody can tell whether the price of wheat is likely to go up. I hear to-day that Canada is shipping large quantities of wheat to Europe. That, of course, will have a depressing tendency on the price. That is the position. Sixpence or a little more per bushel would enable us to dispense with legislation of this kind. I assume that most of the farmers will not sell straight out this season's crop at present prices. They will

pool it or store it in the hope of getting better prices later. That will mean they will have to carry on with an advance of only 1s. 4d. or 1s. 5d. per bushel from the pool.

Mr. Willcock: It will be one of the first jobs of the board to decide whether or not the crop is to be sold straight out or stored or pooled. It will be a pretty big decision for the board to make.

Hon. P. COLLIER: It may be that time will show that a decision to sell straight out at present prices would have been a wise one. But I venture to say that if the board should decide to sell at present prices, there would be such an uproar from all the farmers affected by the decision that the board would be struck out of existence—notwithstanding that, as I say, ultimately time may prove that the board were right.

The Attorney General: The board may try to get the farmers to decide that.

Mr. Willcock: The board themselves will have to make the decision.

The Attorney General: Yes, in each case.

Hon. P. COLLIER: There is no farmer in the State to-day, no matter how hard pressed he may be for money, but would take the risk of pooling his wheat or storing it in the hope of securing a better price later.

Mr. Patrick: He certainly would not sell it voluntarily.

Hon. P. COLLIER: No, only the severe compulsion of economic necessity would induce the farmer to sell at present prices.

The Minister for Lands: If he is not forced by his creditors.

Mr. Willcock: The farmer does not know what the price is.

Hon. P. COLLIER: Many of them last year made a mistake in not selling at the first price offering.

The Minister for Agriculture: It cost some of them many hundreds of pounds.

Hon. P. COLLIER: Yes, it has meant that some of them have had to give a lien over their new crops. That, coming on top of the present prices, is likely to spell disaster for some. It is a most difficult position to deal with. It is very hard to offer anything in the way of constructive assistance, simply because of the difficulties of finance everywhere in Australia at the present time. If the Government could find the money, if things were in any way approximately normal, then instead of introducing legislation of this kind we would be justified in paying

a bonus of 6d. per bushel and letting the farmers carry on. Of course those who were hopelessly involved would have to get out. But neither the State nor the Federal Government is in a position to give any financial assistance—unless there should be adopted the suggestion made in some quarters that we should have an increase in the note issue to provide for the payment of a bonus this year, and that the notes be destroyed after the harvest is reaped and realised. I am not sufficient of an economist to say whether it is a sound proposition or not.

Mr. Angelo: Or who will destroy the notes.

Hon. P. COLLIER: We should have to watch him, or he might get away with them.

The Attorney General: To an ordinary plain person it does not seem very sound.

Hon. P. COLLIER: It does not seem very sound to me.

The Minister for Agriculture: I will take the job on.

The Attorney General: What, of destroying the notes?

Hon. P. COLLIER: So far as I can see, the Commonwealth Government could not give any bonus or payment by any other means. The State Governments and the Commonwealth Government are falling behind to the extent of hundreds of thousands of pounds, and I cannot see how it will be possible for any one of them to balance the ledger this year. That being so, there is no possible means whereby the Commonwealth Government could pay any bonus or render any assistance, except by increasing the note issue. If that were once done, claims would be advanced by dozens of other industries for an increase of the note issue to help them out of their difficulties.

The Attorney General: And if the Commonwealth started with £20,000,000 they might get up to £120,000,000.

Hon. P. COLLIER: Unfortunately the farmers are not the only people in difficulty, and if there was an inflation of the note issue for the benefit of the farmers, other sections would ask, "Why not for me?" and it would be very hard to resist the demands. It is unfortunate that the prices of wool and wheat are so low as to necessitate something being done. If the Bill should become an Act, I only hope that the

creditors and all involved will see the wisdom of co-operating and taking advantage of it. What I fear is that legislation of this kind will have a harmful effect upon credit in many quarters, and that the sources whence farmers have been able to obtain credit in the past will, because of interference of this kind, not be available to them in future. It is wise to guard against anything of that sort happening. At present I am inclined to vote for the second reading of the Bill, so that we might more thoroughly discuss its provisions in Committee.

**MR. J. I. MANN** (Beverley) [5.18]: It is very regrettable indeed that the primary industry of the State has now reached a stage when legislation is necessary in order to try to solve the difficulties confronting the producers. We are placed in a most difficult position in seeking methods to save the situation. It has been a constant cry recently that the man on the land is producing the real wealth of the State. If we cast our minds back to pre-war days, we can recall that the farmer was just a mere unit of the community, endeavouring to eke out an existence. It was the war that enabled the older farmers to become firmly established and to improve their farms and to purchase holdings for their families. As the representative of a farming community, I claim that the primary producer has been the hardest hit of all during the last 10 or 15 years. To offset the higher prices he received after the war, wages increased and the cost of production increased, and simultaneously the hours of other workers were reduced. I intend to support the second reading of the Bill. While it might have some effect in the direction of assisting the farmer, it is questionable whether anything can save him at present. The Leader of the Opposition mentioned that 6d. a bushel might assist the farmer. That would be only a temporary expedient.

The Attorney General: And it would cost £1,250,000.

**MR. J. I. MANN**: I believe that 80 per cent. of the farmers are practically bankrupt, and the pastoralists are in no better position. The low values ruling for wool and sheep during the last year or so have placed the sheep breeder in a hopeless position. No doubt opposition will be offered to

this legislation from all quarters, but surely to Heaven if the farmer is to continue to produce the wealth, the benefit of which is reaped by the State, some consideration should be given to him. Unfortunately, when a farmer becomes embarrassed, there is a tendency for creditors to rush in and secure what they can. Even if the Bill be passed, there is a danger that the provisions of the Federal Bankruptcy Act will be invoked and will upset any good that might result from the measure. The Attorney General referred to the fact that 15 per cent. of the farmers were in such a position that they would never make good.

The Attorney General: Surely I did not mention any percentage!

**MR. J. I. MANN**: I understood the Attorney General made that statement.

The Attorney General: If I did, I was quite wrong.

**MR. J. I. MANN**: In my district many settlers have been placed on the land east of Naremburn during the last few years, and are located 40, 50, and even 60 miles from a railway. They will produce 50,000 bags of wheat this season and most of it will have to be carted for distances of 40 to 45 miles. Those men went into that area with the intention of trying to make good, and the Government who placed them on the land cannot disclaim responsibility for their present position. The Premier might say that it is not the responsibility of the Government, but the Government have advanced loans through the Agricultural Bank and must accept responsibility for the position in which those settlers find themselves to-day. I hope something will be done to assist those farmers. Many of them have given four or five years of their life, have battled stoutly and lived very hard lives, with no possible hope of securing education for their children, and surely they are entitled to consideration. I venture to say the day is coming when the farmers will refuse to tolerate the existing conditions, due to the high cost of production and to their being taxed in every possible way, instead of being assisted. I am satisfied that the Governments have endeavoured to crush them with constant taxation.

**MR. WILCOCK**: Oh no!

**MR. J. I. MANN**: The farmer must realise that it is necessary for him to organise.

Mr. Willcock: You are talking to the farmer now.

Mr. J. I. MANN: At present he cannot profitably grow a crop. I am satisfied that next year only 50 per cent. of the present acreage will be put under crop. It is a hopeless task for farmers to crop as extensively as they have done in the past, and it will be found they have no intention of doing so. A man is better off in town receiving sustenance than battling out in that country.

Mr. Willcock: Talk a bit of sense instead of playing up to the farmers!

Mr. J. I. MANN: The storekeeper has played an important part in keeping the farmers on their holdings, and I hope consideration will be given to him. He should be allowed a reasonable preference in the distribution of profits. In many parts of the country storekeepers have been compelled to close their doors or to conduct business on a cash basis. I hope the Bill will be passed as early as possible. Undoubtedly various amendments will be suggested in Committee, but I do not think the measure will be made a party question. Members of the Opposition realise how serious is the position, especially as a large number of them are engaged in farming, just as we are. I hope the best endeavours will be made by all members to assist the farmers to the fullest possible extent.

MR. SAMPSON (Swan) [5.26]: I cannot claim to be a farmer, although the fact of having been born on a farm perhaps causes me to feel specially sympathetic towards him in his difficulties. Many of the difficulties confronting the farmer to-day are due to the excessive tariff. His product is sold in competition with that of other countries, and the commodities he has to buy are loaded heavily in price. No matter how hard the farmer works, he is invariably faced with difficulties. It is claimed that the wheat grower might pull through the present trouble but for the fact that the commodities he needs are costing much in excess of what is fair. When I say "fair," I mean in comparison with the price he obtains for his product. His requirements are loaded with high duties, consequent on the settled policy of Australia—the determination to establish secondary industries. That is a very commendable determination, and I hope it will prove possible

of realisation, but the price we are paying for it is very high, and I am firmly of opinion that the present tariff duties are excessive. I have not the figures showing the cost of agricultural machinery, but we know it is very high. Machinery from Toronto, Canada, can be sold here in competition with that made in Australia, and this notwithstanding the great distance the Canadian machinery has to be transported. That is proof positive of the unfairness of the charges for the Australian article. I recall that when I was very young I heard my father say he had sold his wheat for 1s. 10d. a bushel. After the Attorney General introduced this Bill, I wrote to a friend in the Kellerberrin district, a man who has been farming for a number of years, and he informed me that wheat could be produced profitably at 2s. 6d. per bushel if the loading could be removed from the commodities to which I have referred.

Mr. Willcock: Surely he is not entering into an orgy of expenditure on machinery and other things now!

Mr. SAMPSON: That is true; but, as the hon. member knows, many farmers are still in debt. Their promissory notes mature with a rapidity which only those who have signed such documents can appreciate.

Mr. Willcock: With a sickening regularity.

Mr. Kenneally: That also applies to interest charges.

Mr. SAMPSON: I quite agree with the member for East Perth (Mr. Kenneally) that interest charges should be reduced. It is gratifying to know that in odd instances the hon. member and I can agree.

Hon. P. Collier: I think interest is a greater burden on the farmer to-day than the tariff is.

Mr. SAMPSON: I cannot agree offhand to that statement, but I do agree that it is most inequitable that at a time when difficulties are greatest the cost of the use of money should be increased. I venture the opinion that if we could revise the whole tariff position, the majority of our difficulties in primary production would be at an end.

Mr. Kenneally: And so would the secondary industries.

Mr. SAMPSON: In my opinion, an Australian workman is equal to a workman in, say, England. I claim that as a compositor I am as capable as the average compositor in the Old Country.



Mr. Sleeman: You did not claim that on the Bill dealing with agricultural machinery.

Mr. SAMPSON: Here is the hon. member fighting a forlorn hope. If Western Australian produced machinery is satisfactory and will stand up in comparison with the machinery of other countries, there will be no need even for the help which the member for Fremantle (Mr. Sleeman) offers. I hold that the Australian workman is able to turn out as much work as the workmen of other countries, but he in turn is loaded and carries a burden. One is tempted to refer to the cost of sugar. I do not wish to do so; it has been mentioned so often. Still, when one realises that over £1 per head is paid by every man, woman and child in this country in order to enable Southern Europeans to produce sugar in Queensland, one can understand something of the difficulties that face us—all bound up in the accumulated effects of the heavy tariff. That is a shocking thing, and yet our farmers are supposed to overcome the difficulty of transport over long distances and to compete with those countries of the world which pay the lowest wages. They have been able to compete up to the present, and many of them have done well. The work of the farmers has resulted in good profits to them, and Western Australia has made great progress because of what they have done. Now, unfortunately, because of countries which previously did not enter into the competition of the wheat market—or had not done so for years past, and I refer particularly to Russia—our farmers find themselves in a most awkward position. The same difficulty applies to other commodities. I was pleased to hear what the Leader of the Opposition had to say about the storekeepers. I am well aware that many farmers are indebted to country storekeepers for consideration. The country storekeeper is sympathetic; he is not by any means always a hard business man. If that were the case, there is an odd member or two of this Assembly who would be better off materially than he is to-day. I will not labour that aspect, Mr. Speaker, because if I did you might personally feel inclined to vacate your position temporarily for the purpose of coming down to the floor and adding your support to my remarks. The wheat-grower depends on the storekeeper, and the storekeeper has been most helpful to him in the past. The storekeeper also must be protected during the troublous times Western Australia is now passing through. I hope

that in Committee it will be possible to provide consideration for those who have themselves shown so much consideration to the wheat-grower, on whom the State depends. A question might be asked at this time regarding the incidence of land tax, particularly as relating to agricultural lands. Is it intended, I wonder—

Mr. SPEAKER: We are not dealing with land tax now. The hon. member is out of order.

Mr. Panton: The hon. member had a good chance the other evening.

Mr. SAMPSON: Very good, Sir. I wished to stress an added difficulty, but I will deal with it at another opportunity. The problem which the Mitchell-Latham Government are facing at this juncture is one of great difficulty, and I am indeed pleased that the Attorney General has given his attention to the preparation of this Bill, which I hope will prove helpful. I am not too enthusiastic about it at the moment, but that may be because I do not understand the position as fully as I should. I am convinced, however, that the Attorney General not only is sympathetic but will take a proper view of the whole position, and that every consideration will be given to amendments which may be brought forward with a view of affording protection to the farmer and to those associated with him in his work, at the same time bearing in mind the needs of the State. I hope that by this measure and by other means the farmer will be enabled to make, if not a profit, at least sufficient to enable him to remain on the land. That is the problem which the farmers of Australia are now facing. I believe our wheat farmers are in a better position than the wheat farmers of the Eastern States. Indeed, I believe that Western Australia generally is in a better position than any other part of the Commonwealth. Still, our difficulties are indeed great; and in view of that knowledge it is doubly gratifying that at such a crisis all parties approach the Bill with the one object, that of assisting the State to progress and those who work here to secure a living from their work.

MR. BROWN (Pingeilly) [5.34]: I entertain no doubt that many of my constituents will apply to come under the jurisdiction of the board to be created by the Bill. Let me commend the Government for introducing a measure which is certainly quite novel and may perhaps be described as unique.

Necessity has compelled the introduction of the Bill. Wonder is often expressed why our farmers have got into their present position. They are up against tremendous difficulties although they have never experienced poor prices. The poor prices are only ahead of us. Last year many farmers sold their wheat at 4s. 10d. per bushel. Others stored their wheat, and I am sorry to say that some of these still have their wheat and are in a particularly bad way. I repeat, it is strange that our farmers should find themselves up against it before they have experienced low prices. Is it possible that farming will not pay in future? Or does the explanation lie in the difficulties under which our farmers have laboured? In my opinion many of our farmers are over-capitalised. No matter what happens now, such farmers will not be in a position to make good. I consider that the Bill will only prolong the agony for a good many of them. The measure can merely protect them against certain creditors. The Bill contains many anomalies. These may be rectified, though I am doubtful on that point because of considerations of legality. Nevertheless, we shall be compelled to protect the farmers to a greater extent than the Bill proposes. It has been mentioned, though not in this House, that about 15 per cent. of the farmers are in such a bad way that no board would take them on, and that indeed the creditors would not allow them to go on the board. It is believed that about 8,000 farmers would want to go on the board.

Hon. P. Collier: What is the total number of farmers in Western Australia?

Mr. BROWN: About 18,000.

Hon. P. Collier: You are only about 50 per cent out.

Mr. BROWN: It is considered that about 15 per cent. of the farmers are in such a bad way that the board to be created under the Bill would not take them on. If the creditors decided by a majority that a certain farmer should be carried on, the board would still have power to refuse him. Suppose 15 per cent. of our farmers were thrown off their farms. That would mean about 1,200 farmers being dispossessed. With their dependants, it would mean that 3,000 or 4,000 people would be thrown on the unemployed market. We have too many unemployed already to put our farmers in that position.

Mr. Sleeman: What are you going to do about it?

Mr. BROWN: I maintain that the only salvation for over-capitalised farmers is to write a considerable amount off their holdings and give them another start.

Hon. P. Collier: What do you want us to do—write everything off and let them start again?

Mr. BROWN: Otherwise there is the possibility that 200,000 acres of land will be thrown out of cultivation. If a man is up against it, and so over-capitalised that he cannot get any more money on his holding, it stands to reason that he has improved his property to such an extent that the bank will advance no more on it. A certain amount of improvement must have been effected, mostly in the way of clearing. If farmers in that position are not allowed to remain on their holdings, a considerable area of land will not be put under cultivation, and the whole State will be the loser by not having the produce for transport over our railways and for export. That would not be a good policy by any means.

Mr. SPEAKER: I am afraid the hon. member is getting beyond the scope of the Bill in talking about writing-off capital. There is nothing in the Bill dealing with that matter. I must confine the hon. member to the four corners of the Bill.

Mr. BROWN: I was trying to bring in that aspect, on which some provisions of the Bill have a bearing, particularly Clauses 14 and 25. I am endeavouring to express my views as to how those men could be maintained on the land.

Mr. Panton: How often do you suggest we should write down the capital?

Mr. SPEAKER: Order! I will not allow the hon. member to discuss the question of writing down capital.

Mr. BROWN: A number of these men we know are down and out. There are dozens of them in my electorate who are in that unfortunate position. Unless assistance is given to them, and unless they are brought under the jurisdiction of the Bill, I fail to see what good the Bill will do. We know it is proposed that if a man decides to come under the board and he is accepted, he will have to give an account of everything he produces on the farm, even to the sale of a dozen eggs or a single sheep skin. We are well aware that temptations will be put in

the way of farmers who will come under the board, just as happened with regard to those who were under the Industries Assistance Board. As a matter of fact, the temptations under the proposed board will be even greater. I ask also whether it will be possible for a farm to be run by a board that will be established in Perth, or perhaps a board composed of people living in the country, but who will still be under the jurisdiction of someone in Perth. It will not be possible to carry on operations successfully if that is to be the position.

The Minister for Agriculture: But a farmer will still be able to run his own property.

Mr. BROWN: Yes, but it will be under the jurisdiction, or the guidance, of someone else. That will be a serious mistake; in fact, it is one of the weaknesses of the Bill. It is possible that a farmer may have some ideas mapped out, and that he may want to carry them out, say, over a period of two or three years. Then an inspector may come along and say to him, "You must not do that, you must follow my instructions." When we deal with a farmer in that way we will dishearten him.

Mr. Millington: Some of them require interference of that kind.

Mr. BROWN: I will admit, of course, that a farmer will not be permitted by the board to buy a motor car, but in the back blocks there are farmers who have suffered from a shortage of water and who have had to rely for their water supplies on what has been conveyed to them by motor trucks. We know that, but for motor trucks, those farmers would not have been able to exist where they are. On the other hand, it may be that the prices they have paid for their motor vehicles have been an important factor in landing them in the position in which they now find themselves. Then, again, if farmers did not have these conveniences, the State would not have produced such an immense quantity of grain that we shall have as our yield this season. Western Australia is a primary producing country and we cannot get away from that, and if we place any hindrances in the way of the farmers, our production will decrease and it will be a bad thing for Western Australia.

Mr. Panton: We grow some timber, you know.

Mr. Marshall: And wool.

Mr. BROWN: I admit that we must have mixed farming. A man who is under the board may find himself in the position of having fenced in his property preparatory to putting some sheep on it. But if he cannot get the stock by reason of his inability to buy it, his feed will go to waste. Under the board he may be bound down to such an extent that his property will be of no use to him. What I am afraid of is that, after the board has been in existence for a couple of years, it is possible that many farmers will find themselves deeper in the mire than they are to-day. That is not a very nice outlook.

Mr. Panton: Do you think they would be better without a board?

Mr. BROWN: No. In my opinion the proposal is a move in the right direction, but I would be sorry if what I have heard outside, and in this House also, came about; that is, that a good many of those who are on the land at the present time should be turned off it because they are wasters. Does any hon. member really think that a man is a waster who will spend eight or ten or even fifteen years of his life, with his wife and family, on the land, if he has no intention of going through with it? Many men have gone on the land determined to make homes there for their wives and families and to see it through. Now, under the Bill, the board may come along and say, "You are up to the end of your tether; you have had as much by way of advance as you are likely to get, and we shall not carry you any further." What will be the result? Only one thing, and that is to go off the property. Then what will become of the land? It will not be possible to sell it.

Mr. Marshall: What becomes of the property of the working man in the city when he is turned out?

Mr. BROWN: I admit that something will have to be done for him, too.

Mr. Marshall: The Government are always prepared to help the farmer.

Mr. BROWN: Of course. Where would Western Australia be but for the agricultural industry?

Mr. Angelo: There are more farmers on the Opposition side than on this side of the House.

Mr. BROWN: The farmer has brought prosperity to Western Australia. Now when prices are low, there is chaos in every industry. Why? Because the farmers are

not getting a fair return for their commodity.

Mr. Marshall: Who helped the farmers to go on the land? Did they go there by themselves?

Mr. BROWN: The hon. member forgets that many men went on the land with a fair amount of capital.

Mr. Marshall: Very few.

Mr. BROWN: Quite a fair number of them, and many have lost everything.

Mr. Marshall: So has the working man in the city lost everything. But he is of no consequence, at all.

Mr. SPEAKER: Order! I ask the member for Murchison to keep order.

Mr. Marshall: Where would the farmer be but for the assistance that he has had?

Mr. BROWN: It is the farmer we have to look to because he will yet prove to be the salvation of Western Australia.

Mr. Panton: You are not encouraging him very much just now.

Mr. BROWN: When the mining industry went down, the agriculturists came to the rescue. History may repeat itself and again we may have to depend on the man on the land. What happened in the early days of Victoria? When the goldfields of Victoria went down, a big section of the mining community turned their attention to cultivating the soil.

Mr. Panton: Farming in Victoria was an industry before gold was found there.

Mr. BROWN: And now Victoria is the most prosperous State in Australia.

Mr. Panton: I don't agree with you there.

Mr. SPEAKER: I ask the hon. member to deal with the Bill. We have nothing to do with the position of Victoria.

Mr. BROWN: I was only replying to interjections.

Mr. Hegney: When the purchasing power of the consumer is restricted, it is reflected on the farmer.

Mr. BROWN: The hon. member forgets that if a farmer has money he creates the purchasing power of the consumer. I know the member for Murchison (Mr. Marshall) will not agree with me. But reverting to the Bill: when a meeting of creditors is called, it rests entirely with the majority of the creditors as to whether or not they will recommend the farmer to go on the board. However, the Bill is an honest attempt by the present Government to do

something for the men on the land who are up against it. I maintain that if nothing is done to keep on the land those farmers who are feeling the effects of the times, it will be bad for the State. The Bill requires a good deal of consideration, and I hope the Government will not take it into Committee this week. Various meetings are being held throughout the country and the provisions of the Bill are being well considered. It is quite possible that something tangible may result from those meetings, amendments may be suggested that may be of advantage not only to the farmers but to everyone concerned.

Mr. Marshall: Don't try to speak on the clauses at this stage. You are not permitted to do so.

Mr. BROWN: I hope the Minister in charge of the Bill will defer the Committee stage until a later date, so that we may know what those who are interested really require. If in the end we can bring back prosperity to the men on the land, everyone will share in that prosperity, including those in whom the member for Murchison is so interested. I know that some people will say that the cost of production is too great, and that that is why the farmers find themselves in a difficult position. I hope I shall not be ruled out of order if I say that if we tackled the Arbitration Court, we might be able to do something.

Mr. Marshall interjected.

Mr. BROWN: I quite agree that heavy machinery bills and interest have been to a great extent responsible for the present position of many farmers. All the same, I hope the Government will pay some heed to the suggestions that will be placed before them by the people in the country who are giving consideration to the matter, and then we shall be able to make an honest attempt to do something for those on the land and bring to them and to the State greater prosperity than is being experienced to-day.

**MR. KENNEALLY** (East Perth) [5.57]: Any measure introduced by the Government having for its object the protection of the homes of the people which have been established at considerable expense and toil on their part, and that will prevent those homes from being lost, will receive my hearty support. It is to be regretted that the position in which a section of the farming

community find themselves warrants the introduction of legislation such as the Bill we are now considering. I feel sure that every member will hold the opinion that where the homes of the people, and their earnings for years past, are in jeopardy, it is right that the Government should try to bring together all the interests that are calculated to give the required protection. The measure provides for a stay of proceedings in connection with rent charges. I am going to deal with that aspect of it. A stay order is arranged for. Under that order, no action or proceedings shall be taken by way of distress for rent due. Seeing that, owing to the present price of our primary products, it has been deemed necessary to bring down legislation of this kind, I should like to receive an assurance from the Government that the same class of action will be taken to protect other people. I am referring now to those whose homes in the metropolitan area or the country towns are in jeopardy because of the existing position. What are the Government going to do for them? When I was speaking the other evening, the Minister for Lands interjected that a move in that direction would be made. It would greatly assist me to give more support to the Bill now before us if I had an assurance from the Government that the people I speak of will in reality be assisted, and that the steps proposed to be taken will be provocative of some good. The farmers are undoubtedly in a bad way. Members of this House would desire that everything possible should be done for them in their hour of need. Though prices are low, we do not want to see them driven off their holdings. A farmer's holding is his home. Seeing that he is to be protected, we are entitled to ask what is being done for the other people I have mentioned.

**The Minister for Railways:** Here is the first draft.

**Mr. KENNEALLY:** Of the new measure?

**The Minister for Railways:** Yes.

**Mr. KENNEALLY:** Is it proposed by that draft to save the home on which a man has paid a given sum of money?

**The Minister for Railways:** You want to anticipate too much.

**Mr. KENNEALLY:** I want to give whole-hearted support to the Bill now before us, seeing that it will protect the homes of a section of the community that is so well entitled to that protection, but I could do so more readily if I knew that those who began to

suffer before the farmers did would come in for a similar measure of protection. It is proposed that when the necessity arises the farmer will get relief, and everything on his farm in the way of plant, machinery, etc. will be protected. In the case of the other section of the community, on whose behalf I am speaking, it is not a question of whether they may be in that position; it is a question of their now being in it, and of occasion for relief having existed for a considerable time. The farmer has invested money in his home and we want to protect it for him. At the same time, we know of numbers of working people in the city and the country towns who have also invested their life savings in providing homes for themselves. I know of people who have over a large number of years been able to pay off as much as £400 as part purchase of their homes. Through no fault of their own, they have now lost their employment, and the creditors are coming down upon them. In their case, it is not a question of its being possible that they will get into financial difficulties, but it is a question of their having been in that position for some time. If it is logical to protect the home of the farmer, it is equally logical to protect the home of those people in the city and country towns who are in danger of losing the houses they live in. If we can pass legislation to protect the man who has invested £1,000 in his farm, we can pass other legislation to assist the man who has invested only £400 in the purchase of his home. All I ask is that uniformity of treatment shall be meted out to all. If we knew this would be done, we could the more wholeheartedly support this particular Bill. The Government should state at once if they intend to bring down legislation to protect those who require just as much assistance as the farmers, who, it is anticipated, may need help in this matter.

**Mr. Willcock:** There are people who have spent £100 on the part purchase of their furniture.

**Mr. KENNEALLY:** Yes. So far I have been dealing with the man who is purchasing his home. I now wish to refer to the share farmer. He is in the same position as the man who is renting a house and desires to have all the chattels contained therein protected against seizure.

**The Attorney General:** The share farmer is not a tenant in that sense.

**Mr. Willcock:** He has the land for 12 months, and for this, together with his lab-

our, he pays a certain price. He also has plant and machinery upon it.

**Mr. KENNEALLY:** If a man is a share farmer, he is to a certain extent the tenant of the man whose land he is farming.

**The Attorney General:** He is never a tenant.

**Mr. Willcock:** Bills of sale can be taken over his plant and machinery, and we want to protect those implements.

**The Attorney General:** Tenancy does not apply to that.

**Mr. KENNEALLY:** If a man's furniture is taken away from him, his home is practically gone. If the owner of the farm decides to put out the share farmer, that person becomes homeless.

**The Attorney General:** A share farmer does not pay rent. He only hands over portion of the crop he gets off the land.

**Mr. KENNEALLY:** If a creditor, the owner of the property, comes down upon him and puts him out, he loses his home.

**The Attorney General:** That might happen.

**Mr. KENNEALLY:** At last we have an analogy between the two. The share farmer under those conditions needs protection. The Minister will also agree that men in the city in a similar position require protection. If that is admitted, it is simply a question of intimating that the necessary legislation will be brought down at an early date. Members must all agree that whether it be the home of a farmer in the country or of an artisan in the city, protection must be given to it. The need for that protection is made more manifest in times like the present than on any other occasion. Many people cannot, without assistance, maintain possession of their homes. If we move in the direction of protecting the homes of the farmers we should do so also in the direction of protecting those of artisans. I hope the Government will be able to give the House some idea of their intentions, especially in view of the interjection of the Minister for Railways that he is already in possession of a draft of a Bill dealing with the matter. I would certainly be diffident about supporting the Bill now before the House if I thought that legislation of this kind would apply only to one section of the community.

**MR. ANGELO** (Gascoyne) [6.10]: The Attorney General, in introducing the Bill, explained fully why it had to be brought down. The Leader of the Opposition has confessed that he can suggest nothing better. The subject is a difficult one. We know what the farmers have to contend with, and we must endeavour to help them in some way. The chief object of the Bill appears to be to protect them against their creditors, more especially the unsecured settlers. Unfortunately some creditors are in a position to take advantage of others, and "put the boot in." The Bill is designed to put them more on an equal footing, so far as claims upon farmers' estates are concerned. When a farmer gets into difficulties, he will, under this Bill, be able to appeal to a specially constituted board to help him out of them. It is in regard to the board that my chief anxiety exists. I do not think the board will give the satisfaction that is indicated in this Bill. A few years ago I had a lot to do with the Industries Assistance Board and the Agricultural Bank on banking matters. I know how long it takes these institutions to make full investigation and to deal with cases of farmers. I anticipate, if the Bill becomes law, that the board will be rushed by a thousand or more farmers within a month or two applying to them for relief, and asking them to take charge of their affairs.

**Mr. Wells:** That would justify the existence of the board.

**Mr. ANGELO:** But I am afraid the board would not be able to give relief to so many people at once. There is bound to be congestion. Every case will need to be fully investigated. In the conduct of farmers' affairs skilled men are required, skilled not only in accounts but in farming matters. The board will have to direct the farmer how to carry on operations.

**The Minister for Railways:** Not necessarily.

**Mr. ANGELO:** The Bill says so.

**The Minister for Railways:** Not until the creditors and the debtors alike decide. If they mutually agree otherwise, there is no necessity for the board to intervene.

**Mr. ANGELO:** During the last 12 months I have met many farmers who have got into difficulties. I have recommended them to go to trustees, especially in cases where I realised that they were good farmers but had

business men. I thought the best thing for them to do was to put their affairs into the hands of a trustee, who could approach the creditors and make the necessary arrangements to overcome the situation.

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

Mr. ANGELO: Before the tea adjournment, I was pointing out that the part that concerns me most regarding the Bill is whether the board will be able to function as satisfactorily as the Government anticipate. Some years ago, when I was more intimately acquainted with the details of banking than I am now, I had occasion to visit the Industries Assistance Board and the Agricultural Bank frequently. I can assure the House that I found it took considerable time to carry out the business regarding which I was interested. I have the highest regard for the officials of the Agricultural Bank and those who carry out the duties associated with the Industries Assistance Board. On the other hand, the detailed work necessary in dealing with farmers' accounts takes considerable time. I also know that when a farmer comes to town to put his affairs in the hands of a trustee, it sometimes takes days before the necessary investigation can be carried out fully. The farmer is not always provided with his accounts from his various creditors. Quite a large proportion of the farmers are by no means good business men. Many of them do not know where they really stand, and sometimes it takes days before the trustee is able to prepare a statement of a farmer's accounts. The Bill provides that the unfortunate farmers are to come to the board. It practically invites them to do so, and they will come in their thousands. At any rate, I fully expect that there will be quite 1,000 farmers who will do so. How can the board possibly cope with the work involved in a satisfactory manner? There is bound to be congestion and delay, and we cannot afford delay when cropping has to be carried out and fallowing done. It is not merely a matter of investigation; the board must decide on the policy to be adopted by a farmer and tell him what he has to do. That will apply in many instances, and I do not think the board can possibly do it. Let us hope I am wrong, and that the board will be able to function satisfactorily. The Bill provides that the board will be able to delegate

its powers to subordinate officers. I am satisfied that only men skilled in finance are capable of determining whether a farmer has acted along right lines in the past and is likely to make good in the future, should be allowed to carry out the work on behalf of the board. I am afraid the board will find it hard to secure the services of an adequate staff. At present the officers of the Agricultural Bank are working as hard as they possibly can. The Government will not be able to secure men from that institution. I know that the banks are undermanned, owing to the extraordinary amount of work that accumulates during hard times. It is in hard times that the banks find work more exacting, not in good times. Even the trustees are almost swamped with the work of their farmer clients, and I do not know where the board will be able to get a staff to enable it to function properly. I suggest that provision be made in the Bill whereby should it be possible to do so, accountants will be permitted to undertake this work. We should allow qualified accountants to take over portion of the work involved in addition to, not in conjunction with, the board itself. Trustees should be licensed for this particular work, and they should put up a guarantee that they will give effective and honest service to the farmer.

Mr. Wells: You mean that they should be allowed to do that work apart from the board?

Mr. ANGELO: Yes; I do not think the board will be able to cope with all the work, and, therefore, trustees should be allowed to assume responsibility for portion of it.

Mr. Piesse: Something like that is done now.

Mr. ANGELO: I do not think so. At any rate, I think provision should be included in the Bill so that trustees, at the request of the farmer, may call friendly meetings of creditors. That is a suggestion I make, because I do not think the board will be able to carry out the necessary work in time to enable farming operations to be continued without a break. If the services of trustees are to be continued, and they are allowed to take over part of the work, those trustees should be properly licensed and give a guarantee of good behaviour. I know some trustees who are doing excellent work in assisting farmers in a most satisfactory way to keep going. Unfortunately, we have heard of some trustees who are not

giving quite the satisfaction they should. It is said that the Bill preserves the rights of mortgagees. The Attorney General pointed out that secured creditors are not affected in any way. On the other hand, we must not forget that the affairs of the farmers will be taken out of the hands of the mortgagees if the former come under the scope of the board. After all, one of the qualifications that a banker seeks, when making advances to a client, is the personal equation. He desires to know his client, and likes him to come before him every now and again so that he may know exactly what the farmer is doing. To a great extent, that position will be altered because of the Bill. The board will take the control of the farmer out of the hands of the bank altogether.

Mr. Doney: But the banks will have their representative on the board.

Mr. ANGELO: But that individual will be the representative of the Associated Banks, and not of the particular bank that has had dealings with an individual farmer.

Mr. Doney: But their representative will look after the interests of the bank.

Mr. ANGELO: Yes, but the manager of the bank likes to know his clients, and I can assure the House that the personal equation goes a long way when assistance is being granted, or continued. No provision is made in the Bill regarding the position of the bank that has advanced all the cropping expenses to a farmer for the coming harvest. Many banks have done that without requiring bills of sale or even a mortgage. They have advanced the money simply on the personal qualifications of the farmer. They have not asked for any further security. Yet those banks are to be left out of it, whereas the positions of other creditors will be safeguarded.

Mr. Doney: What about the storekeepers?

Mr. ANGELO: They will come into it. I do not say the storekeeper will be allowed to "put his hand in the bucket," as has been suggested, at the right time, or that he should not have put his hand in first of all.

Mr. Doney: I think he should be allowed to.

Mr. ANGELO: Anyhow we can discuss that matter during the Committee stage. The banks that have carried the farmers on during the present season, should receive consideration when hands are "put in the

bucket." Provision is included in the Bill empowering the board to borrow money to carry a farmer on. Where will the board borrow the money?

Mr. Munsie: Perhaps the board can get some of that  $4\frac{1}{2}$  per cent. money that South Africa received.

Mr. ANGELO: I wish to goodness some of that could come to Western Australia. Perhaps that cheap money was obtained through talk of secession, and I think we had better keep on talking it here. In any event, where will the money come from that the board will be able to borrow?

Hon. P. Collier: What security can the board give?

Mr. ANGELO: Quite so.

Hon. P. Collier: Therefore, where can the board get the money?

Mr. ANGELO: That is the point.

Mr. Piesse: Is there no equity in the farm?

Mr. ANGELO: If there were sufficient equity, the banks would carry the farmer on without the necessity for the board to be appointed under the Bill. I tell the House candidly that I am afraid the banks will not lend money to the board for two reasons: In the first instance the banks will lose control of the farmers once the board steps in.

Mr. J. H. Smith: But the banks will help to constitute the board.

Mr. ANGELO: I know that all right.

Mr. Doney: Do you suggest that the banks have the money to lend the board?

Mr. ANGELO: No; I am coming to that point.

Mr. Wells: In some instances, the banks may have more confidence in the board than in the farmer.

Mr. ANGELO: Yes, there may be exceptions; but, generally speaking, the banks like to have control of farmers' affairs entirely when they lend them money. In the second place, I do not think the banks have the money to lend the board. That is perhaps a hard thing to say, but we have to look at the position of the banks operating in Western Australia to-day. To lend strength to my argument, I shall quote the banking returns. For the quarter ended the 30th September last year, the banks in Western Australia had advanced in this State £19,283,000, and the deposits with the banks totalled £10,706,000. For the quarter ended the 30th September last, the bank advances



increased to £19,936,000, while the deposits dropped to £9,617,000. That is to say, the advances had increased by £653,000, and the deposits had fallen by £1,089,000. We cannot get away from the fact that the Associated Banks have loaned in Western Australia more than double what they have received in deposits.

The Minister for Agriculture: It is a new country.

Mr. ANGELO: Quite so, and the older States have not objected. But all the other States are up against it now and are beginning to say, "Why should all the money we are finding in the way of deposits go to Western Australia?"

The Minister for Lands: We offer good security.

Mr. ANGELO: Yes, we have the better security to offer, because our lands are not highly capitalised, as are the lands in the Eastern States, and therefore the prices of our lands are on the up grade. So, besides the banker's usual safe margin of security, he has had also rising markets to further protect him. But that is gone now, and the value of our lands has decreased alarmingly. And unfortunately the price of wheat has been reduced to such an extent that we do not really know what is the value of our lands, farming or pastoral; for, after all, the value of the land must be based to a certain extent on what one can make out of it. If we cannot make anything out of the land owing to the low prices of wool and wheat, where is the value of the land? All the banks operating here operate also in the Eastern States. They have been very good indeed to Western Australia. But the majority of their shareholders are in the Eastern States and the banks are controlled in the Eastern States, and their depositors in the Eastern States are beginning to say, "Is it fair that Western Australia should be singled out for this favourable consideration?" Therefore I think there will not be the money available in Western Australia in the future that there has been in the past, and especially not for farming business. As I have already said in this House, advances to farmers are the poorest class of advances that a bank can make, from a profit-earning point of view. I am not casting a slur on the farmer when I say that. But when an advance is made to a farmer, all the bank gets is its interest twice a year. There is

no exchange, no commission, no collateral advantages as there are in commercial or mercantile business. And of that 19 millions odd, about 50 per cent. in Western Australia has been advanced to farmers. When the bill says the board can borrow, I should like an explanation as to where it is going to borrow anything. I am afraid we shall have to find a good deal more money in order that our Agricultural Bank may assist a lot of the farmers. Mention has been made of the rate of interest charged. The rate of interest charged is dependent on the rate of interest a bank has to pay for its money. The Federal Government have been offering ridiculously high rates of interest for loans, up to 6¼ per cent., and at the present time the Metropolitan Water Board in Melbourne is offering 5½ per cent. for fixed deposits, and the savings banks have increased their rates. In view of those facts, how could a bank carry on its administration and make adequate reserves for losses while charging less interest than it is charging to-day? It is only because the banks in their wisdom in years gone by built up large reserves that they have been able to find the money they have loaned to us during recent years. We are all anxious to help the farmers and to that end get the Bill through. The chief virtue of the Bill is that it will compel the minority of the creditors to bow to the will of the majority.

Mr. Sleeman: How can it compel them?

Mr. ANGELO: It does so by agreement and it will, too, if we can get that amendment. That is the chief virtue of the Bill.

Hon P. Collier: It helps bring in the minority, but I do not know that it compels them to come in.

Mr. ANGELO: We require to get the Bill through as soon as possible. But, sometimes the more haste the less speed. I am wondering whether by the appointment of a special select committee that would get through its work quickly, in not more than a week we could render the Bill more satisfactory than it is. I should like to see on that select committee the Leader of the Opposition, and another member from his side. Then probably we should be able to amend the Bill so as to make it a little more satisfactory than it appears to be at present. That is only a suggestion. It is a most important Bill and its successful operation will mean

a great deal to the farmers. On the other hand, any weaknesses contained in the measure might well nullify the good it is intended to do. So if we could get a select committee to go thoroughly into the Bill and bring down a report and recommendations in a week's time, it would be the most advisable course to take. However, I will vote for the second reading, hoping that during the Committee stage—if the Bill does not go to a select committee in the meantime—we shall be able to suggest some improving amendments.

**HON. T. WALKER** (Kanowna) [7.5.]: Let me first of all congratulate you, Sir, upon your exaltation to the Chair which I recently occupied. I feel sure that no more serviceable servant of the House than yourself could be procured in this Assembly. I have been wondering as I listened to the debate whether anyone on either side of the House was really in earnest in recommending and supporting this measure. Faults, failings and grave forebodings have been expressed by almost every speaker, and I am inclined to think that those who have forebodings as to the success of the measure have their views well based in fact. It seems to me, reading the Bill dispassionately, that it is no more than a sort of pious prayer to creditors: "Will you please hold your hands off; will you please carry on your clients for another season; in other words, will you forego all your contracts, will you set at naught the force and stability of law, and quietly give way to the exalted sentiments of mercy and compassion and take pity on the distressed farmer?" That is about the whole substance of the measure—pity for the farmer. Well, we all must pity him. None of us can blame him, for if there is one thing this Assembly has done for the last 20 years or more it has been to encourage the opening up of the country; the settlement upon our lands of poor and almost penniless citizens, some of them inexperienced in every knowledge of farm work and cultivation. There they are, because we have urged those who could find no other avenues for their labour to settle on the soil, and we have looked upon them more or less as the nation's saviours. Because of the decline of the gold yield, with the comparative failure of our timber sales abroad, with the inability to exploit the baser metals of the earth and with the general failure to find

means of balancing the credit between nations, obtaining a balance of trade—with all these facts facing us at every point of investigation, we have been compelled to fall back upon the primary products of the soil. We have been proud hitherto that we have been able to hold up our heads with the world, amongst the most civilised and commercialised nations of the globe, owing primarily to our wool produce, and latterly we have been proud of our great achievements in the wheat yield. You, Sir, can remember, and I can also well remember, when there were only a few scattered farms not far to the east of Pinjarra. When we ranged as far as Northam and Kellerberrin, we thought we were getting into the wilderness. In those days the yields were such that we could not possibly think of sending ships abroad laden with that merchandise. As a matter of fact, we then imported the very necessities that are now supplied to us by our wheat yield. We have grown tremendously since that time when we imported, for we now expect a harvest of up to 200,000,000 bushels for the whole of the Commonwealth. And take our own yield; think of the contrast between 20 years ago and now. In times of adversity when our Treasurer needed money, we looked to our harvest to replenish the Treasury and help to build our rising towns and to beautify the metropolis. But the aspect has entirely changed. We have no longer those hopes, not because the country is poorer, not because the yield is smaller, but because of the abundance of agricultural products, we are in a state of financial paralysis. There are no markets for our products.

What is the good of such a measure? I admit its good intention. I admit it contains the merit of an exalted philanthropy in intention. But where is the practical, the real, the genuine value of a measure of this kind when the wheat cannot be sold that will pay—I was going to say—a tithe of the expenses of its production? At the present moment there is more than a year's supply of wheat on the world's market and we are just going to pour in the richest of our harvests, our phenomenal season's yield, to swell the market. As has been said to-night, we are offered 1s. 5d. per bushel. Can we cure that disease or misfortune or failure of the present method of conducting the business of the world by appointing a board in Perth? Can we alter

that fact? It is the ominous future that the farmer has to dread. It is the outlook. What is to reward him for his long years of privation, of suffering, of self-denial, and continuous application to labour from the rising to the setting of the sun? What is to repay him for all that? What prospect is there ahead of him? Can we settle these ominous difficulties by getting representatives of the Agricultural Bank, the Associated Banks, commercial men and the farmers to sit in conclave in Perth? Will that give him hope? Will that give him strength to carry on the business?

Let me say this is no longer a mere farmer's business; it is no longer an individual enterprise. It is the enterprise of the nation. It is the nation's resources; it is the State's means of solving its own financial difficulties. Therefore it becomes a national matter. When I speak of the farmer I do not allude to him alone as one skilled in the cultivation of the soil. I look upon him chiefly as a worker, as a toiler, as a labourer. No man in this country is more entitled to the term of labourer than is the average farmer of Western Australia. His lot regulates and influences the lot of many others in the country. If the farmer is prosperous and his wheat brings good prices, and he is able not only to pay his back debts but to lodge something in his bank for future service, then industry starts, then the railways pay and the men upon them can be regularly and constantly employed and receive good wages. Through the agency of the circulation of the wealth thus employed, the cities and towns are built, the shops are kept open and flourishing, and all the employees of those institutions have their weekly wages and salaries and are able to meet their obligations to their tradesmen. But stop that source of supply, cripple it, and what becomes of all the dependent industries? What becomes of all those people dependent upon the wages list? It is a disaster to this country that this country has not brought upon itself.

There are a variety of causes, I admit, some so subtle that I make no pretence of tracing them, but some things stare us in the face. We have incurred an enormous debt and that debt, because of the lack of funds of trade, has to be paid in gold, much of which has been produced in this State. That gold has not gone to the centre of the British

Empire so much as it has been buried in the vaults of New York, where it is not necessary for the increase of credit, where it is as useless as if it had never been dug from the earth, where it confers no benefit upon America's people but has been a curse, for in that richest nation of the world to day there are not hundreds and thousands but millions of unemployed. Our gold is lying idle in a foreign country, and in the meantime we are crowding into the great store houses of the world the accumulated cereal wealth, the wheat of not this nation alone but of all the wheatgrowing nations of the earth. It is a spectacle that bids me think we have got some disease in our body politic, in the international relationship, in the standard of wealth, when our granaries and our storehouses are overcrowded, filled beyond measure, and people are begging in the streets for the meal they need, and sleeping under the sky exposed to the cold blasts of winter. While there is enough food stored up, unsaleable, to feed every inhabitant of the earth for years to come, yet stomachs are empty and forms are wasting and becoming feeble and spiritless because of the very abundance of the things they need. There is something wrong. We cannot put a shin plaster on the misfortunes of the hour and cure the malady that the farmer, in common with others dependent upon him, is suffering. We must go deeper.

May I suggest it is the duty of the Government in a time like this to discard some of the traditional and established customs and habits and opinions and take a new step. It is admitted that the farms are valuable. It is admitted that the wealth they produce is worth something. What is to prevent our yeoman nation, our own State, from creating a credit for its own grain? We know that if all the debts of the world were to be called up and paid in cash, there would not be enough cash in the world to pay them. The world is run by credit. Its machinery is credit. Its means of distribution is credit. We never see the salary we get for our duties. We write a piece of paper and give our names to what is called a cheque, and our debts are paid. We pass our cheques on from one to another. So the nation pays its debts, and what is needed now to solve this evil is the storage of our own grain in the manner of the old Egyptians, to keep it in stock, and issue our legal

notes against it until the market becomes payable.

I somewhat dread the possibility of the market speedily recovering because, as I remarked, we are two years ahead with the wheat supply of the world, and as we encourage land settlement, better methods of cultivation, the use of higher fertilisers and more skilled application of industry, the crops of the farmers become larger and larger and our supplies increase accordingly. There are not enough mouths in the world to eat all the wheat, because what is going on here is going on abroad. They are hewing down the forests of Canada and putting the plough, with highly specialised machinery to drag it, all through those great western plains, and even on the hillsides of that great territory north of the United States. And are they not doing the same in the Argentine and in other South American republics so much nearer to the European markets than we are? More and more land is being brought under cultivation every year. More wheat is put upon the market every year. And, to make matters worse, even in Oriental countries, the countries that should be our market, in India, in Japan, in China, they are cultivating our cereals, the cereals upon which we depend for our existence. Year by year, as skill and power and industry increase, is the market more glutted. What a doleful picture one might paint if one did not feel it a species of sacrilege to do so! Think of our fathers leaving their holdings, the homes that have sheltered them during the years of their adversity, poor and imperfect and ugly as some of those homes are! They have to leave even those homes and swell the army of the workless many in our cities and towns. Take the wives who have shared their misfortunes, who have braved the battle as much as their husbands have, who have known what want is, who have had to strain with an energy, and all the qualities of a woman's kindly nature, to keep the family even ill fed and ill clad. Are these to swell the camp of the sorrowful and the needy?

What a spectacle for a nation growing as it is, a nation with all our wondrous possibilities of untold wealth, with mines unsunk, with everything that mortal needs for his comfort and his necessities in this world! Men, poverty-stricken men, packing up their bundles and trying to get to a city

or a town where they may meet with the cold charity that must result from the multitude of applicants—what a doleful spectacle! Can the Government design no better means of solving the farmer's difficulties? The relief here in Perth has to be paid for out of the farmer's earnings. Talk as we like beside the question, it is a species of confession of bankruptcy that is demanded of every indigent farmer. He has to submit to a board not of experienced men altogether in farming, but chiefly of merchants and associated banks; true, including the Agricultural Bank. They sit in converse. What can they do? How can they visualise or understand the conditions of the men in my district, north of Esperance, who since before 1911 have exhausted what capital they had and have been compelled to strive with all the difficulties that isolation implies, distance from Perth, increased cost of carriage of everything they need, whether by sea or by rail. They have borne it. They have been helped, it is true, by the Agricultural Bank; and there is no institution in the world for which I have more respect than I have for the Agricultural Bank of this State. True, those men have been helped; but to-day they know not how they stand—in debt, a gloomy future before them, no market for their wheat, or else a market at a price that will not pay them. How can a board sitting in Perth, however well-intentioned and cultivated in all the means and methods of commerce, possibly understand the personal equation and the local conditions in that distant part of our country? It is impossible for them to do it. Yet that is the only method proposed. The strange thing is that this very board is to have power to direct the individual farmer who knows his particular class of land, direct him to do this and that, to put a crop in here or put a crop in there, to stop this part and keep this out for this year—direct him from Perth how he shall farm at Red Hill or Grass Patch or Scaddan.

The Minister for Railways: Hear, hear!

Hon. T. WALKER: The hon. gentleman need not think that he is specially flattered, for there is another place there called "Collier." How can the board understand the conditions of the settlers in that part of the State? The conditions there differ in almost every respect from those in the established wheat belt. It is true that there are certain rules and regulations applying to all

parts of the farming districts; but it is becoming more and more known that there are peculiarities of soil and peculiarities of conditions in the Esperance district which require special treatment in order to make farming a success. We are only just beginning to find these things out. How can we expect the board without experience, never having been in that part of the country, to solve each individual case in the whole of that growing district? It is an absurdity. Neither direction nor management from Perth would save that district; but financial security, financial help, will save it. The hon. member who interrupted me by his laughter will well remember what expedients his Government employed in the early stages of the Esperance settlement, especially after the great drought of 1914, expedients which served their purpose for the time being. The Government of that day did not embody expedients in an Act of Parliament, but utilised them through the agency of the Department of Agriculture. Creditors were consulted, brought into line, and much was done by personal interviews on the part of the officers of the Agricultural Department. The creditors stood by and waited without an Act of Parliament. A measure of this kind will possibly create resentment on the part of some creditors, make them more relentless.

But so far as creditors are concerned, let me say that no class in that part of the word has done more to keep the Esperance district going than have the storekeepers. They have brought themselves to the verge of bankruptcy in standing by the settlers. Yet there is nothing in this measure that helps the storekeepers or takes their place. Are they to be made to wait still longer and longer, to stand by the settlers for years to come? No provision is here for them; but there is provision to pay the board, to pay the servants of the board, to create another department, an additional burden upon the farmer. The farmer has to pay for everything. He has to pay for those who will direct him what plough he is to put into a certain paddock upon his holding, and upon what date he is to do the ploughing. I would have wished that the present Government had gone as far as was done when the Labour Government were in office, during that trying period of the drought when we truly created a board, not to boss, direct,

and order, but to give the farmer a surer chance of living through his adversity from season to season, from sowing to harvest. There is nothing of that in the Bill. What better off will the bulk of the farmers be if this measure is enacted? The farmer has the means of assigning his estate to his creditors as things are, and this measure merely represents an assignment, a handing over of all he has, upon which, not he, but the board, if they are able, may borrow money. The farmer himself has no say. The board may borrow if they can find a lender. But as for the man himself, he has quietly to do what he is told, to sit in his hopeless misery, in his dejected and sorrow-stricken home. That is what the Bill provides for. I do not know whether it can be made good in Committee. I am afraid it cannot, because, as I have already said, all there is to it is a sentimental hope that creditors will agree to allow a man to live. That is all the measure contains. It has no power otherwise. It substitutes one class of machinery for another. It takes out of the hands of the Industries Assistance Board and the Agricultural Bank the generous and genuine sympathetic help that has been given to the settler in past years, and puts it into an unknown entity, a board that may be utterly inexperienced and incapable, a board distant from all the great centres of agricultural activity as we here to-night are from the far east of cultivation and from the northern parts of the Geraldton district. It is not too late now for the Government to create credit, as lesser institutions, lesser powers in days gone by created it. If they like, they can issue notes against the unbounded wealth of this great State. It has been done to construct even small public works, and in the early days of this State, you, Mr. Speaker, will remember that even in the timber industry notes were distributed from one firm to another. Although it is admittedly a serious danger, yet many a nation in the midst of its dangers has pulled through by the creation of credit. It was done just after the civil war of America, and there are people living in this House who can remember afterwards the scorn that was heaped upon what were then called the "shin plasters" and "green backs" of the American currency. Yet they tided the nation over a difficulty, and that difficulty overcome, they became the foundation of that

fabulous wealth that exists in America. I shall express the hope that some radical alterations will be made in Committee. Out of sympathy for the farmers I desire to help them, and even to clutch at a straw to give them that help. I shall vote for the second reading, but only in the hope that in Committee we shall find more practical means of going to the assistance of those unfortunate people on the land who, through no lack of duty or efficiency have created an unsaleable asset for Western Australia, and have made themselves poor in consequence.

**MR. PIESSE** (Katanning) [8.34]: Before addressing myself to the Bill, I may be permitted to congratulate our old, esteemed and honoured friend, the member for Kanowna (Hon. T. Walker) on his excellent address, and on the views expressed by him on behalf of the farmers of the State. May I also express my appreciation of the efforts put forward by the Government, and by the Attorney General who introduced the Bill, the object of which is to meet in some way the special needs of certain members of the farming community, who, I am sorry to say, find themselves in embarrassed circumstances. Every member who has spoken to the Bill realises that there is a grave responsibility resting on the Government and upon members generally to try to evolve some scheme by which the farmers may be assisted in this period of their special need. The Bill may not meet with the approval of a majority of members, and it has been freely criticised by the Press and throughout the country. I think, however, that most of the critics have overlooked the fact that the Government have endeavoured to bring in a measure which it is hoped will be only of a temporary nature. The Government are seized with the importance of trying to adjust farmers' finance so that the farmers may be able to meet their engagements in the extraordinary conditions in which they find themselves. Perhaps it is well for us to review the position of the primary producer generally in this State, and we might be excused for going back and learning why a majority of the farmers, particularly the wheat growers, have not been able to carry on their operations. Probably there are members here who have a longer and a wider experience than I have, but having been born here and having been associated all my life with agriculturists, I

think I may be permitted to speak with a little authority. There are not many in the city engaged in business who are able to understand first-hand the difficulties concerning the successful carrying on of the farm, and more particularly the special need of the primary producer when he finds himself faced with the difficulty of financing his undertakings. It is a serious position for a farmer who, through no fault of his own, finds himself hard up against it after having devoted years of his life, with his wife and family, to the work of trying to place his property on a sound footing. Particularly is this harder after having been buoyed up by good prices, such as 2s. 6d. or 3s. per pound or even more for wool in boom times, and 7s. 6d. a bushel for wheat. Then to be suddenly faced with low-market rates ruling for everything, he finds himself in the unenviable position from which it is impossible to extricate himself without humane treatment and practical help. I hope the measure will be looked upon as a humane one that will tide the farmer over a difficult period. At the same time we want to be careful not to jeopardise our credit. I, for one, do not believe that 75 per cent. of our farmers will have to face the Bankruptcy Court because of the low price that is ruling for wheat, a price that may be low for one year only. But I am fully seized with the seriousness of the position and the responsibility that rests in the first place on the farmer himself, and next upon those who are assisting, as well as the responsibility that is now imposed upon Parliament. I can only hope that the Bill when it is in Committee will be amended so that it will be made workable and will have the desired effect of giving temporary assistance to farmers in financial difficulties, and will enable them to make honourable and reasonable adjustments to tide them over the present year. For all we know, wheat may rise in price in the near future, and probably before next year's crop is harvested there may be a substantial increase in its value. For myself, I am not expecting that, because from the knowledge we can gain with regard to crops in other parts of the world, it does not look as if we are likely to get anything like the price we received last year. However, the price may rise to 2s. 9d.

or 3s. per bushel before the present year is out, and so it is necessary at this stage of the history of our primary production to assist the farmer who finds himself in an embarrassed position to bridge the difficulties, and to prevent him from being unduly harassed by his creditors, and not allow one creditor to come in and secure undue preference over another. If the Bill does nothing more than to stay proceedings and give the farmers time to adjust their finances, and to make the best of the approaching harvest, then I think it will accomplish some good. So far as I can see, that is what the measure is intended to do, and it goes even further than that because it makes provision for the carrying on of the farm. The Government would have been well advised to bring down two separate measures, one similar to that passed in South Australia two or three years ago and called "The Debt Adjustment Act." That Act gave somewhat similar protection to the farmer who found himself in difficulties. On making application to a judge or to a magistrate for a certificate to stay proceedings, he secured the required relief. That is the first thing the Government might have done almost as soon as Parliament assembled. We could have got that through and given effect to it immediately, and would then have been able to allay the minds of many of our farmers and settlers of the worry and anxiety they are now suffering. They would have had time in which to adjust their business with their creditors. The Bill provides for carrying on the farmers. I am advised by those who know that in its present form it cannot give effect to that desire, more particularly as that affects country storekeepers and financial institutions. One board cannot deal with the whole matter. The Government should amend the Bill so as to give a central board control over the financial aspect of the individual farm, but delegating the method by which it shall be carried on to the local people who are interested, those who understand local conditions and the methods of the individual farmer, those who can assist him with the necessary capital, and those who understand how to adjust his affairs in the most practicable manner possible. That sort of thing has to a large extent been carried on for years. What the Bill purports to do in the way of carrying on the farmer

has in the past been done by country storekeepers in the first place, assisted by the banks, by merchants and wool brokers, by the much maligned machinery agents, and by fertiliser manufacturers, all in conjunction with the banks. No scheme which provides for a central board carrying on the farmers can be successful. If the work is to be done in a practical manner, it must be carried out by the local people. We cannot expect a central board to understand the special difficulties of the Esperance district, as pointed out by the member for Kanowna (Hon. T. Walker), or of the northern end of the wheat belt, or those of the western wool grower along the Great Southern. It would be more practical to delegate all these powers to local boards. I hope the Bill will be amended in that direction. Members of those boards would doubtless serve in an honorary capacity, although the chairman might be given his out of pocket expenses. The whole thing can be run more efficiently and economically than under the proposed method. We must not forget the important part played by country storekeepers and the Agricultural Bank in the early history of our development. Had it not been for those institutions, the Associated Banks would not have come along as soon as they did. They were the people who established values, and made it possible for the Associated Banks to finance still further the operations of the farmers. In the early days of the advent of the Associated Banks into our agricultural districts, money was plentiful and cheap. Advances were made by the banks at as low as 5 per cent., and they were competing with each other for business. To-day money is dear. The banks, however, have not lost their confidence in the country. The stockbrokers have also been very good and have been the means of introducing a lot of new capital. Unfortunately for the country there have been too many borrowers, people who had so little capital of their own that they had to borrow from the very outset. I know of occasions, in the early days, when storekeepers had to advance wire to farmers because the Agricultural Bank could not then lend money for that purpose. In those days the Agricultural Bank would not consider an advance until the land was fenced in. I have not lost faith in the country. This year the price of our

products has fallen extremely low, but it will not always remain so. We have seen wheat almost as low in price as it is to-day. It was sold 35 years ago in the Eastern States at 1s. 8d. a bushel.

The Minister for Lands: The cost of production was much lower then.

Mr. PIESSE: I know the cost of production has gone up. We are not going to say that the bottom has fallen out of primary production and that the price will not improve. The farmer must be a man of hope. He has never wholly failed in the past. When wheat and wool prices went down 30 years ago, our land values went down. Science has since helped us and has guaranteed us some return, with increased production. We are growing twice as much wool on our sheep as we did 30 years ago. With the aid of fertiliser we are now assured of a crop. What we need to do is to handle our farms better. That is where the success will come in, especially while the price of wheat is so low. There has been too much by way of trusting to luck in our farming methods. Many crops have been only scratched in, in order to sow a large area of land. Farmers have taken greater risks than they were entitled to do, and have done so on borrowed money. I am glad this is regarded as a non-party measure. Members opposite are entitled to credit for the sympathy they have shown to farmers. When in office they were prepared to help them in every possible way. It is as much the duty of the members opposite as it is the duty of the Government to do something for the farmer. I feel sure that in Committee we can make the Bill a workable one, and that some protection and relief will be afforded to our primary producers. We should prevent farmers from rushing their wheat on the market and selling it for what it will fetch. I agree with the Leader of the Opposition that many producers will have to sell their wheat unless something is done to prevent it. They will not try to store it or pool it. They will say they are being pressed for payment and that they are obliged to sell. Someone is sure to be trying to get his account paid. The same thing will apply to wool. There will be no place in which to store these primary products. They will be sent to the nearest siding and be sold as quickly as possible for what they can fetch. If the Bill becomes law, it will enable a

farmer with the consent of his creditors to hold on to his wheat for a few weeks so that he can get the best possible result from his harvest. If he can improve on the price to the extent of 6d. or 1s. a bushel, so much the better for the farmer, the creditors and the country. Anything is better than to allow him to rush his wheat on the market at present prices. If that happened it would discourage our farmers and affect our security, and make it almost impossible for many people to carry on. I hope the Government will be prepared to amend the Bill, and that they will show more faith in the creditors than they appear to have done. The creditors, after all, have been carrying the farmers. Their confidence must be sustained, as well as that of the banks who have stood behind the farmers. All sides must co-operate and work together for the common good. If the money is in the country, it should be used so that the best possible price can be obtained for the wheat that is produced. If the Government do not intend to find any money, the Bill cannot be of any practical use to carry on the farmers.

Hon. P. Collier: It is clear that the Government do not intend to finance anyone.

Mr. PIESSE: I hope money will be found from the Agricultural Bank so that the clients of that institution may be assisted. A certain amount of money will have to be found to finance these farmers, otherwise a large percentage will be unable to put in crops during the coming year. Notwithstanding the low price, numbers of farmers will be able to make arrangements to carry on so long as they are not unduly harassed by their creditors. Some will be helped by the banks and others by the storekeepers. A certain number will, however, be unable to carry on at these low prices because they will be without any financial assistance whatever. These will probably have to face the bankruptcy court. Some may call private meetings of their creditors and make an assignment under the Bankruptcy Act. I have no doubt that a large number will be carried on by the storekeepers, but some protection will have to be afforded in regard to the adjustment of debts. It is necessary to provide that some creditors do not rush in with the object of getting the first bit of money that is available to the exclusion of the others. The debtor will have to be protected against impatient creditors of that class. I have had a lot of experience in connection



with assigned estates and other financial operations in various districts at times when it was hard to secure funds or for the banks to assist farmers, and I am pleased to say that on the whole the trades people, including country storekeepers, have behaved well in helping the agriculturists. The traders have not been philanthropists, and so long as they have sought to obtain a reasonable profit only, no one has been able to quarrel with them. We should be thankful that we have business people prepared to take risks, almost to the point of risking ruin, in order to assist the farmers, and we should give them credit accordingly. The merchants on the whole have been very patient. We must be prepared to protect people who have rendered assistance in the past as far as we can. I am glad the Bill does not seek to interfere with securities, nor does it suggest a moratorium. I am informed by people who know more about it than I do, that anything of that sort would ruin our credit. I hope the Bill will operate in such a way that it will deal effectively with the essentials necessary to enable the farmers to overcome present-day difficulties. With reference to the hire purchase problem, I am advised by someone who has gone carefully into the question, that the provisions of the Bill should be made retrospective. One of the greatest difficulties country storekeepers have had to contend with arises out of the hire purchase agreements in connection with machinery. After providing a farmer, for instance, with all that was necessary to enable him to continue operations, the storekeeper finds that the machinery merchant steps in to repossess, say, a drill or some other implement the farmer is about to use. Very often the storekeeper is forced to settle the machinery merchant's account so as to protect his own interests, failing which repossession takes place. Sometimes two-thirds of the purchase price of the machine may have been paid by the farmer, and repossession represents a serious loss to him, besides hampering him in his operations. I shall not refer to the question of interest beyond to say that unless we protect those who have provided advances, even though the actual cash may not have been advanced, there will be a reaction on the part of business people who will not extend further credit. It is not a new departure for such legislation to be introduced. Unfortunately, in South Australia somewhat similar legisla-

tion had to be passed. In some districts there droughts have extended over the past six or seven years. In the year that Western Australia passed the Industries Assistance Act, South Australia adopted legislation along somewhat similar lines in their Drought Relief Act. The object of the measure was to help farmers to carry on by providing seed wheat and fertiliser. In the last four years the advances made under their Act to farmers have totalled about £1,372,000. That was a big undertaking. The Act is administered by a board controlled by the State Bank of South Australia. The director of the bank is the director of the board, and under the board of management there is one man who acts as superintendent and controller of the department. I had the pleasure of meeting him and spent three hours in his company going through the different Acts that apply to the position there. I have provided copies of the measures to the Minister. If one man is able, under the direction of the board, to carry out the administration of the Act in South Australia for so many years, I do not see why a properly constituted board should not be able to administer the Bill now before us, especially if provision is made for the appointment of someone to act along the lines followed by the superintendent in South Australia. Although the Bill is merely for the purpose of adjusting farmers' debts and carrying them on by means of the value of their produce—in other words, the industry is to be made to carry itself—I am afraid that before very long, and perhaps before Parliament is adjourned, the Government will find it necessary to provide practical and material assistance in the shape of advances to enable a number of farmers to carry on. I hope the Bill will be agreed to, and I support the second reading.

On motion by Mr. North, debate adjourned.

## **BILL—ROADS CLOSURE.**

*In Committee.*

Mr. Richardson in the Chair; the Minister for Lands in charge of the Bill.

Clauses 1, 2—agreed to.

Clause 3—Closure of portion of North-road, Albany:

Mr. WANSBROUGH: At whose request is the road to be closed? As member for the district, no suggestion of any such move has been made to me.

The MINISTER FOR LANDS: The road runs to the Commonwealth rifle range and has never been used. I am advised that there is no objection to the closure, and that the Albany Road Board and the Albany Municipal Council are in agreement.

Clause put and passed.

Clauses 4 to 6—agreed to.

Title—agreed to.

Bill reported without amendment and the report adopted.

### **BILL—VEXATIOUS PROCEEDINGS RESTRICTION.**

*In Committee.*

Resumed from the previous day. Mr. Richardson in the Chair; the Attorney General in charge of the Bill.

Clause 2—Interpretation (partly considered)—agreed to.

Clauses 3 to 6, Title—agreed to.

Bill reported without amendment and the report adopted.

[*The Deputy Speaker took the Chair.*]

### **BILL—UNIVERSITY BUILDINGS.**

*Second Reading.*

**THE MINISTER FOR LANDS** (Hon. C. G. Latham—York) [9.18] in moving the second reading said: This is a Bill for an Act to authorise expenditure by the Senate of the University of Western Australia out of certain trust moneys known as the Hackett bequest, the amount being required for the completion of the University buildings at Crawley. The University authorities are desirous of erecting certain buildings at Crawley. The buildings are to be erected on the understanding that the Government will find the sum of £85,000, made up as follows:—£25,000 as compensation for an amount of £21,000, being tax on the bequest of Sir John Winthrop Hackett, and £60,000 being the Government's independent contri-

bution to the cost of erecting a suitable building for physics, chemistry and agricultural science. The promise regarding the £25,000 was made some time ago and was later agreed to by the present Premier, while the amount of £60,000 it was always understood would be available for the building to house the physics, chemistry and agricultural science department. Under the Bill the University will within two years from the commencement of this Act, complete the buildings, and on the lodgment of a certificate by the architect, the Government will pay the amount set out in Clause 5, namely (a) £25,000 and interest at 5 per cent. from the 12th September, 1930, such interest to be capitalised. (b) Amounts up to £60,000 expended by the University in erecting the buildings for physics, chemistry and agricultural science, together with 5 per cent. per annum on the amounts expended in progress payments, such interest to be capitalised up to the date of such lodgment. The Bill provides that if the University make a loss in the realisation of any investment, and provided the Treasurer has consented to such realisation, the loss shall be deemed an expenditure in the erection of the building. Of course it is not expected that any loss will occur, but the provision is necessary under the Trust Funds Act. The principal and capitalised interest in respect of the £85,000 mentioned in Clause 5, shall be paid by the Government to the University over a period of 30 years in annual sums covering payment of interest and principal, and such annual sum will be charged to the Consolidated Revenue Fund. It is proposed that the capital amount with interest shall be reducible in half-yearly payments. So on the £85,000, the half-yearly instalment with interest at 5 per cent. will be £2,750 0s. 10d. and the yearly contribution will be £5,500 1s. 8d. The principal is to be repaid in 60 half-yearly instalments. The £85,000 does not include capitalised interest on progress payments in completing the building. In order to finance the construction of the building for the various departments mentioned in Clause 4, the Bill empowers the University Senate to realise upon so much of the investments as may be thought necessary, provided that as repayments are made by the Government under Clause 6, the Senate shall restore the amount obtained by the realisation of securities. It is not

proposed that the Government shall find any money at all at the moment. The buildings will be erected by the Senate, who find the whole of the money. All that the Government will do is to guarantee to repay the money, namely £85,000. Of that amount, £21,000 was taken by the Government, I believe it was in the form of probate duty, and it is now proposed to repay it in this way. In addition, the Government are to find £60,000 as their contribution towards the erection of the building. But as the Government are not finding the money at the moment, the University will find the whole of the money, the Government undertaking to repay it by half-yearly instalments.

Mr. Pantou: When do the Government start to pay out?

The MINISTER FOR LANDS: On the completion of the building; after the architect has certified that the buildings have been completed. Then the Government will begin their half-yearly payments. I do not think there is anything else in the Bill I need touch upon at this stage. I believe the Leader of the Opposition knows a good deal about the arrangement entered into, because the transactions were carried on during his term of office. The Government are anxious that the Bill should pass as quickly as possible in order that the work may be started. The University are prepared to get on with the work at once, and of course it will absorb a certain number of persons now out of employment. So I hope the House will agree to the Bill as quickly as possible. I move—

That the Bill be now read a second time.

On motion by Hon. P. Collier debate adjourned.

*House adjourned at 9.25 p.m.*

## Legislative Council,

Thursday, 6th November, 1930.

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

### QUESTION—WYNDHAM MEAT WORKS.

*Employees' board and fares.*

Hon. J. J. HOLMES asked the Minister for Country Water Supplies: 1, Do the Wyndham Meatworks employees receive board and lodging in addition to the wages shown in the return laid upon the Table on the 30th October? 2, If so, what was the average cost per man for board and lodging? 3, If board and lodging are not included, what was the average cost per man for board and lodging? 4, What price per lb. was charged for meat supplied to the Wyndham boarding-house during the year ended 31st December, 1929? 5, What profit or loss is shown as the result of the boarding-house branch of the works? 6, Were the employees' steamer fares paid in addition to the 15s. per day paid whilst travelling to and from Wyndham? 7, If so, what is the average cost per man for steamer fares from Fremantle to Wyndham and return?

The MINISTER FOR COUNTRY WATER SUPPLIES replied: 1, Only canteen employees and drovers, as provided for in the industrial agreement. 2, 19s. 2d. per week. 3, £1 11s. 3d. per week. 4, Meat is not purchased during the operating season. Canteen supplies are drawn from the slaughtering department. A nominal charge of 3d. per lb. is debited to canteen accounts. Meat is purchased between seasons (after cessation of freezing opera-