

to make insurance compulsory. One matter which has been overlooked I shall endeavour to deal with in Committee. It relates to cases where there is a compromise. In many cases action is taken by an employee when there is grave dispute as to whether any accident did take place within the meaning of the Act. Then, as a compromise, a certain amount is fixed by arrangement and paid into court. In the relevant amendment in the Bill it is only a question of the declared amount. The amount might be totally inadequate for the injury received, but in view of all the circumstances one party is prepared to pay a lump sum and the other party is prepared to accept it rather than test the matter in court. These points can be brought forward in Committee.

On motion by Hon. C. G. Elliott, debate adjourned.

House adjourned at 6.15 p.m.

Legislative Assembly,

Wednesday, 15th September, 1937.

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

QUESTION—INVALID PENSION.

Eligibility of C Class Men.

Mr. NORTH asked the Minister for Employment: 1, What is the official qualification of a C class man? 2, Are C class men usually advised to apply for an invalid pension? 3, Is there frequently or occa-

sionally a difference of opinion between the Commonwealth and the State as to a C class man's eligibility for an invalid pension? 4, Where a pension is granted does a man's family still remain on the sustenance rate or is there a *pro rata* reduction made?

The MINISTER FOR EMPLOYMENT replied: 1, Generally, a person whose physical condition will only enable him to perform work of a light nature. 2, The department is guided by the recommendation of the medical officer. 3, The eligibility of an applicant for an invalid pension is solely a matter for the Commonwealth authorities to determine. 4, When a man is granted an invalid pension, assistance to his family when necessary is rendered by the Child Welfare Department, and the amount of such assistance is determined after a review of all the circumstances.

BILL—FAIR RENTS.

Third Reading.

THE MINISTER FOR JUSTICE (Hon. F. C. L. Smith—Brownhill—Ivanhoe) [4.32]: I move—

That the Bill be now read a third time.

MR. SAMPSON (Swan) [4.33]: I have followed the discussion in connection with the Fair Rents Bill, which appears particularly to affect the goldfields. There is no doubt that rentals are high on the goldfields, and it would appear that the instability of certain fields is the justification for this, if justification does exist. I have a suggestion to make which might popularise the erection of buildings, residential and otherwise, on the goldfields, and might induce investors, individuals and companies, to give greater consideration to this class of investment than is the case at present.

Mr. SPEAKER: The hon. member is not now discussing the third reading, surely?

Mr. SAMPSON: I understood it was quite in order to make some remarks in regard to the Bill at this stage.

Mr. SPEAKER: Yes, but not on investments on the goldfields.

Mr. SAMPSON: I think there will be no difficulty in connecting up the Fair Rents Bill with investments on the goldfields. It is in regard to that aspect only that I desire to speak. Investments on the gold-

fields would be more popular, both with companies that finance this class of building, and individuals, if the position were altered. Many goldfields enjoy but a brief life, and heavy losses frequently arise because of the fact that goldfields which may open up quite attractively in a very short period are unable to provide a profitable return. Because of that, houses are vacated and shop buildings become empty, and time after time those buildings have been moved from one part of the goldfields to another. Some years ago hundreds were moved from Boulder and Kalgoorlie to the agricultural districts. I suggest that the Premier might give consideration to providing for some approved portion of rentals to be free of tax and to continue until such time as the capital cost has been met. After that, it would be quite fair that the tax should be considerably increased. If this consideration were given, the speculative aspect of the construction of buildings on the goldfields would be materially altered, and no doubt those living there would immediately receive an advantage in respect of considerably reduced rentals.

Question put and passed.

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

BILL—JURY ACT AMENDMENT.

Read a third time and transmitted to the Council.

MOTION—NATIVE ADMINISTRATION ACT.

To Disallow Regulations.

MR. COVERLEY (Kimberley) [4.37]:

I move—

That Regulation No. 4, and Part B (III) and Part C (iii) of Regulation No. 9 relating to the Natives' Medical Fund, under the Native Administration Act, 1905-1936, as published in the *Government Gazette* of 2nd July, 1937, and laid upon the Table of the House on 10th August, 1937, be and are hereby disallowed.

I realise that regulations are necessary in connection with most Acts of Parliament, and particularly to govern the Native Administration Act. I am moving to disagree with these regulations in the hope that I will receive enough support from members to have them disallowed and give the Minis-

ter controlling this Act an opportunity to introduce fresh regulations which, in my opinion, would be more equitable to the people who have to submit to them. The regulations will be applicable to the whole of the State. The native problem differs in various localities, and there are three classes of employers of natives who will be controlled by the regulations. This point was made by the Royal Commissioner, Mr. Moseley, who some time ago held an inquiry into native affairs in this State. He considered that the Department of Native Affairs should be controlled from three different angles; that there was a need for three different departments. The imposition of the flat rate of £1 per head, as a premium to be paid to the medical fund by the employers under the regulations being reviewed, further indicates the absurdity of trying to control the department from one centre with one official head on a flat rate basis. Regulation 4 reads—

Subject as in this regulation hereinafter provided, the amount of contribution payable to the fund by the holder of a permit shall be £1 in respect of each and every native employed by him under the authority of the permit.

There follow certain other instructions. This is the clause to which I have taken exception. I want to point out the effect it will have in different parts of the State. A person employing natives in the southern districts in farming operations or some other pursuit will be asked to pay into the medical fund £1 for each native employed. I should imagine that the employers in the southern portion of the State would not engage more than one or two, possibly three, natives at a time. Therefore an employer engaging three natives would be required to pay £3 into the fund. In the northern portion of the State farmers and pastoralists employing native labour under the permit system engage probably from 10 to 15, or even 20, natives. Those men will be asked to pay £10, £15 or £20 into the fund, according to the number of men employed. Further north, in the Kimberleys, employers engage natives on a much larger scale. I know many stations on which from 50 to 90 natives are employed, and the employers will be asked to pay anything up to £90 into this fund. On the face of it most people would say that the employers ought to pay. It would be contended that if a man has 90 employees he should pay the £90. That,

however, is not the whole argument, for we find that we are dealing with regulations that impose other conditions. Before dealing with them, however, I want to enlighten hon. members as to the advantages that the southern employer will have over the employers in the extreme north of the Kimberleys. When the Bill to amend the Aborigines' Act was introduced I realised that regulations would be necessary under the amended Act, but I was somewhat concerned as to the nature of such amendments. I asked what it was proposed should be the amount charged to the employer in respect of the medical fund. The reply was given that the matter had not been finally decided but after some consideration it was expected that the conditions would be the same as those relating to the Northern Territory award. Knowing exactly what the Northern Territory award was I considered that fair and equitable and for that reason I was prepared to agree to the Bill as amended and finally passed by this Chamber. Now I find that there is a vast difference between the flat rate of £1 per head which it is proposed to charge employers here and the Northern Territory award. I want to give the figures to hon. members in order to indicate the difference. The Northern Territory award has a sliding scale as follows:—

Up to two natives employed—16s. per year.
Two to five natives employed—£1 12s. per year.
Five to ten natives employed—£2 8s. per year.
Ten to 20 natives employed—£4 per year.
Twenty to 40 natives employed—£8 per year.
Forty-one or more natives employed—£16 per year.

That is what I had in mind when I agreed to the amending legislation and when I supported the clause that provided for a medical fund. The Northern Territory award, with its sliding scale, is quite satisfactory, and in practice it has operated satisfactorily. I have a little further information on that subject. The Northern Territory medical fund was established in 1933, and thus has been in operation approximately four years. Up to date it has achieved all that was expected of it, and the fund is in credit to the amount of over £2,000. Knowing the conditions governing the employment of natives in the Northern Territory, neighbouring station-owners in Western Australia feel that they are being asked to contribute

too much to our medical fund. If the medical fund contributions in this State were fixed on a sliding scale, such as those in the Territory, and the department found after one or two years' experience that the rate was not high enough, Parliament could always be asked to grant an increase. My experience is that once the Government impose a tax, it is very difficult to get a reduction—in fact, I believe that to get a reduction is unheard of—and if these regulations are allowed to pass, I should say that the contribution will stand for all time, or the only alteration we could expect would be in the shape of an increase. I ask the House to disallow the regulations, so that a sliding scale might be introduced. Then, if the department found that the rate was not high enough and that an increase was necessary, members would give the matter serious and sympathetic consideration. My main objection to the flat rate of £1 per head is that there is no maximum. There is a vast difference between the employer of natives in the southern area, the employer in the North-West or middle North, and the employer in the extreme north. The employer in the southern area, a farmer or pastoralist employing one or two native labourers, pays a wage and provides the keep for those natives, and that is the extent of the employer's obligations. That applies in a less degree in the North-West, for there not only is the native employee paid his wages and given his keep, but often his relations, probably old or decrepit natives, are kept by the employer. In the Kimberleys, however, if an employer engages 10 or 20 working natives, there will be 30 or 40 relations or elderly indigent natives who do not work at all, but who also have to be kept by the station-owner. Of course, they were kept before the amending law was passed. Some stations employ up to 80 or 90 natives, and there would probably be 100 or 150 natives who never do a day's work. They are actually kept in beef or mutton. On each station there are two camps, one for the working natives and one, further away, for the bush natives. On some stations beasts are killed twice a week, but for the bush camp meat is killed once a week. All the stations in the North supply one or two beasts per week for the bush natives. The natives are also supplied with a small ration of flour and tobacco. That is some compensation, and it saves the taxpayers a large amount of money every year. If those indigent natives

were not kept by the stations that employ their relatives, they would be a charge on the State. In those circumstances, I must disagree with the regulation that seeks to impose a penalty of £1 per head for employable natives. The employer of natives in the southern area will pay his £1 per head and will have no further obligation, and surely it is right that the employer who is doing something to relieve the taxpayers of their obligation to the native race should receive some consideration! I could quote other instances to show that this charge will be an extremely heavy penalty on people who are trying to develop the northern portion of the State. There are many places north of the Leopold Ranges practically out of touch with civilisation. I have in mind a married man who runs a few sheep and grows peanuts for a livelihood. He has been established there for five or six years, and he told me that he produced approximately £1,000 worth of peanuts a year. Then he went on to say, "For all that, I have nothing; I have not had a holiday and I cannot see any chance of ever getting one." I said, "How do you account for receiving a return of £1,000 a year from peanuts and having nothing?" He replied, "Look at the tribe of blacks I am keeping." He had 150 natives there, which is a large family to be responsible for. That man has to get his flour, sugar, tea, tobacco and clothing supplies from the southern part of the State. The food supplies are conveyed from Fremantle to Broome and thence taken by lugger 300 miles further north, for which he has to pay an extra £5 per ton carriage. Members can imagine the price of a bag of flour by the time it is landed on the property. These facts are known to the departmental officials. There is an aborigine cattle station within 45 miles of the property that has been conducted by a practical man for some years. He knows the circumstances and he could advise the department on the conditions that prevail there. As the regulation stands, that employer will be asked to lodge £150 if he applies for a permit to employ 150 natives to pick and pack peanuts. I do not know what the department will say, but I do know that that man will not have the money and will not lodge an application for that number. Probably what he will do will be to get £10 from somewhere and apply for a permit to employ 10 natives, and the rest might be working under the law. If he did employ

them, he would probably be taken to the court in Broome, 300 miles away, to be charged with an infringement of the law. As there is a departmental station 45 miles from his property, it would not be difficult to catch him if he employed more than the number of natives for which he had taken out a permit. I admit that the regulations contain a clause that would allow of a refund being made by the department if the employer engaged, say, 100 natives for only one month, three months or six months. Most members, however, have had sufficient experience to know that once money is lodged with a Government department, it takes a long time to get a refund.

Mr. Marshall: Nearly all of it is eaten up in stamps.

Mr. COVERLEY: I cannot approve of a regulation that seeks to impose that handicap on people of the kind I have mentioned. I have already pointed out that the employer in the Kimberleys suffers many disadvantages over and above those of the employer in the southern area. I have also pointed out that a sliding scale would be a much fairer form of taxation for the medical fund. I hope the Minister will see fit, not only to introduce a sliding scale, but also to fix a maximum. I can foresee that other difficulties and inconveniences will be encountered by employers if no maximum is fixed. I have already indicated that there is a large number of hangers-on at the various stations. The greater the number of natives employed, the greater is the number of indigent natives to be cared for. If an employer made application for a permit to employ, say 50 natives, and an inspector, visiting the station three or six months later asked the first bush native he met whether he worked on the station, the native would reply in the affirmative, even if only a piccaninny or a blind gin. All of them would claim to be working. If the inspector happened to be new to the district, he would conclude that he had unearthed some terrible wrong being perpetrated by the employer. He will know that the employer has permits for 30 or 40 natives, whereas about 150 natives are to be seen about the bush camp, all claiming to be employed. Naturally the employer will be brought to court on the ground that he has deliberately deceived the department. All sorts of inconveniences will be imposed on the manager or overseer of the station. Those few facts

are enough to show that there is reason for disagreeing with the regulation and necessity for its alteration. Subparagraph (iii) of paragraph (c) of regulation 4 is practically identical with subparagraph (ii) of paragraph (b). I will read the former subparagraph—

If the employer has sent the native to the nearest accessible hospital or to the nearest protector of natives for medical attention and treatment, and the Commissioner is satisfied that the condition of the native was not serious and medical attention for the native was practicable at the employer's abode or place of business, then if the Commissioner is required by any medical practitioner or by the hospital to pay the cost of medical attention or hospital treatment given to such native, he may do so out of moneys in the fund, but in such case the amount of such expenses shall be deemed to have been paid by the Commissioner for and on behalf of the employer, and shall be a debt owing by the employer to the Commissioner recoverable at the suit of the Commissioner in any court of competent jurisdiction. Any moneys recovered from an employer under this paragraph shall be paid into the fund by the Commissioner.

My objection is that the regulation will defeat its own object. The regulation clearly indicates that if an employer has a sick native on the place and decides that the native is in need of medical attention and goes to some trouble to have the native forwarded to the nearest hospital for medical treatment, and then if on arrival at the hospital the medical practitioner declares that the case of the native is not serious enough to warrant his being brought in for treatment, the Commissioner for Native Affairs turns round and summons the employer who was good enough to send the native in for examination or treatment, and gets a verdict against that employer. If the regulation is allowed to stand, I can imagine an employer being caught once. Possibly the employer has a native coming to him and complaining about a terrific pain in the side. The employer naturally thinks the indications are that it is a case of appendicitis. He goes to the trouble and expense of having the native taken to the nearest hospital. On arrival at the hospital the native may have quite recovered. Thereupon the employer, who has incurred all the initial expense of bringing the native in for treatment, gets an account from the Commissioner of Native Affairs for another £2 or so. I can imagine what will happen to the next native coming along to the employer

and complaining of illness. He will most likely be given a packet of salts and sent back to camp, possibly to die. I cannot imagine a manager or overseer of a station falling into the same trap a second time. It is within the knowledge of people who visit the North that the natives are cunning. It might happen that a station manager or head stockman was preparing to go out to some distant part of the run for a cattle muster, and that a native who was to accompany him complained that he was too sick to go. The case might be fictitious, but still such cases will occur. If the native happened to complain of the pain I mentioned and the manager thought it was an appendicitis case, he would have the native taken in to hospital for treatment. Most of the stations I refer to are from 150 to 300 miles distant from a hospital or a doctor. The only means of transport in most cases would be by motor car or motor truck. The station manager takes the risk. First of all there is the expense of transporting the native. Then there is the loss of time on the station. There is the cost of petrol for the 150 to 300 miles to the hospital. When the manager gets there, the native has recovered, not an uncommon occurrence in the case of appendicitis. An appendicitis case may be very sick indeed for 24 to 48 hours, but after that becomes quite well again for some time. Further, there is the risk of breaking axles or wheels in the course of motor transport in the North-West. In spite of all these considerations, most of the pastoralists see that natives, whether working natives or bush natives, are given a chance by being taken to hospital in case of illness. If this regulation becomes law, however, I do not think much consideration would be given to the poor innocent natives, especially bush natives. If it is the responsibility of station staffs to see that there is an opportunity for a sick native to get to a hospital or a doctor, I do not think they should be asked to pay for medical treatment if it turns out that the native is not as ill as he was thought to be. Hon. members will, I believe, agree that the cost of conveying a native to hospital in the Kimberleys or anywhere in the North-West, is not comparable with the cost in the southern areas of the State. I imagine that the departmental officer who drew up these regulations had his mind glued on the South-West, where all conveniences of

railway and other transport are available and no great cost is involved in conveying a sick person to the nearest hospital or doctor. Not many northern pastoralists will take the risk of sending natives in for medical treatment if they have to pay for the privilege of doing so. In fact, if the regulation is allowed to stand, the majority of stations in the North, if they desire to carry on, will need a medical practitioner on the premises to diagnose cases. I commend the motion to hon. members.

MR. WELSH (Pilbara) [5.11]: In supporting the motion of the member for Kimberley (Mr. Coverley), I agree with him that a maximum charge for permits should be laid down on the lines he suggests. In my electorate the fee of £1 per head would probably be all right. In fact, I believe it would be. There the pastoralists are, in the main, only small holders, and do not employ large numbers of natives. On some stations, however, large numbers of natives are employed, and to pay license fees totalling £50 or £40 or even £30 would come hard on the employers, since, as the member for Kimberley has pointed out, there are always hangers-on or camp natives who have to be fed and clothed, and who should not come under the regulation. As I understand, these camp natives are not employed though in the event of a shortage of other natives one or two of them might be told to do a small job, or perhaps fill a gap. To bring them all under the regulation at £1 per head is too much. A maximum charge should be fixed. Here is a point I should like the Minister to clear up. In the event of a station having permits for the number of natives required during the year, and one of those natives leaving or running away, is it permissible to substitute another native in respect of the same fee of £1? I understood that that was the case, but during the last few days I have heard that in some instances a further fee of £1 has been demanded and collected. That is not right. In the circumstances I have indicated, it should be permissible to substitute one native for another. All protectors should have it definitely laid down to them that that is the case. Interpretations of the Act by different protectors vary. If this question were definitely settled, it would be a great relief to pastoralists in the North. As regards the regulation pertaining to natives

sent to hospital, I agree with the mover that in no case would an employer send a native to hospital unless he considered him a fit case for treatment. In most instances great distances have to be travelled to convey a native from the station to the hospital. In my electorate that distance sometimes exceeds 150 miles. A native is sent in only under the belief that he is ill enough to require hospital treatment. The new regulation leaves the matter entirely to the discretion of the Commissioner. If the native is sent to hospital and the Commissioner considers that the native was not ill enough and need not have been sent in for treatment, the employer is charged hospital fees, which really should come out of the medical fund. If the employer does not send the native to the hospital, he is liable to a penalty under the Act. I concur in the suggestion that this regulation should be disallowed.

On motion by Mr. Nulsen, debate adjourned.

MOTION—STATE'S RESOURCES.

Economic Survey.

MR. MARSHALL (Murchison) [5.15]: I move—

That in the opinion of this House the time is opportune for a survey—

- (1) of all the State's unused natural resources, labour, plant, and material, and
- (2) of the actual cause of the unsatisfied needs of the people;
- (3) how best to bring (1) and (2) together.

A somewhat similar motion has been moved in this House on at least one previous occasion. Irrespective of whether the Government paid heed to its terms, the fact remains that there has been little alleviation apparent regarding either the industrial aspect or the industrialist's point of view regarding the issues at stake. The situation has become so acute that it is aggravated with the passing of each day. The time is long overdue for the Government to adopt a serious view of the anomalies in our daily life. I am doubtful whether we can proceed much further along the road of alleged progress without a catastrophe. From time to time opportunities are taken by members to voice their opinions regarding the unemployment difficulty. Others speak of the deplorable conditions in which the wheat pro-

ducers are existing. Others take the opportunity to inform the House as to the regrettable situation of the dairying industry and the necessity for boards to stabilise it. Again from time to time we hear of the deplorable condition into which the wool-growing industry is drifting. In the discussion of the motion I have placed before the House, members will have ample opportunity to advance their respective ideas as to how our various difficulties may be overcome. The member for East Perth (Mr. Hughes) was quite embarrassed the other evening when he was prevented from giving members the benefit of his ideas as to how cheap homes could be provided for the workers. He will find ample scope under the motion to deal with that particular phase. Likewise, other members will experience little restriction upon their treatment of various subjects under the discussion that can take place on my motion. It goes without argument that we live in an age of inconsistencies, and we tolerate that condition from day to day without much protest. We endeavour to bolster up some of our primary industries by means of bonuses and subsidies. We afford assistance in every direction possible to help those industries to produce, and yet on the other hand our people, who are craving for the commodities that we can produce, are living in a state of semi-starvation. There we have one indication of positive inconsistency. In other words, even locally we do not fully utilise our natural resources, and it could not be said that we had accomplished that end unless every man, woman or child in the State was well fed, clothed and housed. If we lived in an age when the production of the necessities of life was not prevented, then we could argue that scarcity and privation were the order of the day. When, however, we find there is an abundance of all that is necessary for life and yet those goods are destroyed in order to maintain price levels, despite the fact that at the same time thousands of people are unable to be adequately fed, clothed or housed, it seems to me fallacious to suggest that we live in a sovereign State. Quite apart from the question of what can be produced in Western Australia under normal conditions, the possibilities of what excess production was possible have not even been considered. That state of affairs will continue so long as the existing deplorable condi-

tions are maintained under which those engaged in the production of necessary commodities cannot find a profitable market for their output. World conferences of economists, bankers and others have been held to discuss various problems. Pacts have been arranged and signed by nations. We have had the Ottawa Agreement. There have been tariff arrangements between different countries and the Empire and also within the Empire. Notwithstanding that as a result of each effort we were promised the determinations arrived at would materially assist us in our difficulties, our position is becoming gradually worse instead of better. It is true that in Western Australia in 1929 or 1930 our wheatgrowers produced 52,000,000 or 53,000,000 bushels of wheat, at which time other countries were also producing large quantities of that commodity. The position became so acute from an international point of view that a conference was convened in order to ascertain what could be done to market the excess production of wheat, which was designated as the "carry-over" for that year. At that conference there were representatives of all the wheat-growing countries, and yet the only suggestion their combined wisdom could advance was that there should be restricted production. Not one delegate could boast that in his country all the people were able to get all the food they required.

Mr. Hughes: That was the philosophy of restriction and despair.

Mr. MARSHALL: That represented the maximum result of their combined wisdom. Nearly all such conferences have resulted similarly. So difficult did the position of our farmers become from the standpoint of the price receivable for their produce, that the harvest dropped from upwards of 53,000,000 bushels to 20,000,000 or 25,000,000 bushels in the succeeding year. Notwithstanding that there was that reduced output, our people went through the worst experience of hunger and privation we have known. The position is farcical. No Government should remain quiet and permit such a state of affairs to continue any longer. We should have a comprehensive economic survey of the State's productive capacity. When we bear in mind the vast area of Western Australia, we appreciate that it extends from what is

practically a tropical climate down to parts that enjoy the finest climate in the world. The physical capacity of the land to produce commodities is practically unlimited. Seeing that we can produce all the necessities of life, it will readily be agreed that the present position is farcical. In such a State there should be no hunger nor should there be a shortage in any of the requirements of our people. Our wool growers have had a very bitter experience, particularly in the Murchison and certain parts of the North-West. They have experienced a drought that has extended over several years. That in itself has a sufficiently detrimental effect in discouraging production there without the ghastly spectacle always confronting the pastoralists of having to market their wool for sale at less than the cost of production. If all our people were well clothed, the position would not be nearly so bad and there would not be much to complain about. On the other hand, while our wool producers cannot dispose of their commodity at a price that will cover the cost of production, there are many thousands of our people in actual want of that very commodity. I need not remind members of the possibilities of expansion ahead of the wool industry. There are many hundreds of thousands of acres of excellent pastoral country suitable for the production of wool, mutton and so forth, yet that vast area is lying idle to-day. The same position applies to cattle raising. For the benefit of members who have not travelled throughout the hinterland of the Murchison and North-West, I suggest that, with the application of an adequate policy of water conservation in connection with the rivers there, it would be difficult to estimate the quantity of tropical produce that could be grown in that part of the State. An effort was made to produce cotton in the North-West. I do not intend to pose as an expert on cotton production, but at the same time I contend we can have little hope of successfully engaging in that activity in Western Australia if we rely for our advice on experts brought from big cotton producing countries, because, obviously, those producers do not want to lose this market. But from what I have seen of the cotton plants that have been grown here, I am of opinion that if the crop were properly attended to under expert ad-

vice we could get a textile good enough to compare with similar material that we are importing from the Eastern States.

Mr. Stubbs: Why not get the wool?

Mr. MARSHALL: We are getting it, but we require a combination of the two in almost every cloth. This State can produce an abundance of both. Also we can produce an abundance of beef and mutton, and of any other types of meats suitable for human consumption. The possibilities of producing the necessities of life in this State are unlimited. Yet, notwithstanding that storied heritage that has been handed down to us, we have to sit quietly by while thousands starve. Our medical practitioners advise us that mal-nutrition is rampant, that from 30 to 40 per cent. of our children are suffering in this way through having food of insufficient nutriment. I suppose an examination by military authorities, such as that which was held in England some 18 months ago, would reveal something sensational, that it would be declared, as it was in England, that from 35 per cent. to 40 per cent. of the children were not good enough to rear for cannon fodder, that they were not worth shooting. Then, in order that they might become suitably fit and healthy individuals, those military authorities in England did not recommend any method to get over the difficulty by providing them with plenty to eat, but suggested that they should take physical exercise. And to my astonishment I believe the Commonwealth Government are following in the Imperial Government's wake. We shall never solve our problems by adopting methods of that kind. What I said in regard to the production of wool, wheat, beef and mutton applies also to fruit, milk, butter and indeed every other commodity. We can produce an abundance of them all, and now we want to know why it is that the people who actually produce these things are in a state of, if not starvation, at all events deprivation. The producers find themselves in that difficulty, yet there are thousands who want their commodities and are unable to purchase them. I suggest that if this particular aspect appeared in a foreign country and we ourselves were in the happy position of having 100 per cent. efficiency, we would laugh at the idiotic attitude of the Government that permitted that state of affairs to persist. We would ridicule and laugh at that Government. But here, in our own midst, we do not seem to have sufficient energy, or courage, or ambition to ascertain the real cause of our

troubles. Until a year or two ago I never knew we lived in such a precarious age. It is astounding when we analyse it, and just how long we shall exist as a nation, or as part of a nation, is extremely doubtful; because our currency being anchored to gold limits and restricts the amount of money that might be put into circulation for the purpose of providing greater purchasing power for the people. So now I am wondering what would happen, if I assume that it should happen and suppose it did happen, if the bottom were to fall out of the bank vaults in which all the treasured gold is held by the bankers. Next morning, if the bankers found they had not a single ounce of gold, where should we be?

The Premier: It would be all right so long as they said nothing about it.

Mr. MARSHALL: But still, where should we be? We would have to sit down in silence.

Mr. Thorn: It is not gold, but goods, that count.

Mr. MARSHALL: You don't tell me that! There is the principal basis of the monetary system of to-day, that all currency, even though we have got off the gold standard, is still anchored to gold, anchored by bankers, who seem to have sufficient influence to prevail upon almost any Parliament to introduce legislation giving effect to the bankers' policy. Let us have a look at the Australian laws in regard to this. I think the original Act provided for 25 per cent. of gold against the note issue. If that is logical, that currency should be issued only in proportion to the gold. And why is it not pound for pound? Why should there be only 25 per cent. of gold instead of 100 per cent. of gold? However, let us put that aside for the moment. In 1931 that Act was amended to provide for a 15 per cent. cover of gold. There we see the elastic nature of gold when it suits the banks. And, strange to relate, we never missed the other 10 per cent. of gold! As a matter of fact, I do not think that any people, except a few interested in monetary reform, knew that it had gone.

The Premier: Yes, we were told about it.

Mr. MARSHALL: I know that, but when finally they shipped all our gold to a foreign country, they shipped the whole lot and—

Mr. Stubbs: We still live.

Mr. MARSHALL: Yes, we are still living.

Mr. Thorn: And not starving.

Mr. MARSHALL: Some of us are. The obvious fact is there presented that if gold

were at all necessary to govern the currency of any country, it must in the first instance be pound for pound, and then it would be possible to arrange different percentages of cover, and yet be successful. But of course it is not. The only reason why currency is anchored to gold is because gold is controlled by the bankers.

The Minister for Justice: They maintain its value.

Mr. MARSHALL: No, they do not. They put a fictitious value on it. What it can produce, and the exchange for it, is its value. When all our gold was shipped away, they said it was necessary to have some sort of a basis for our currency, and so they linked it to sterling. If gold and silver can work the oracle, why cannot lead or tin?

The Minister for Justice: They linked it, not to sterling, but to sterling credit.

Mr. MARSHALL: That is what I am trying to point out. Nevertheless, we are still linked to gold.

The Minister for Justice: The currency must be linked to something.

Mr. MARSHALL: Yes, and it is obvious that what it should be linked to is the physical capacity of a country to produce wealth. Every debt is paid in kind, not in gold. Every day we are sending goods abroad to pay our debts.

The Premier: But we must have a common measure.

Mr. MARSHALL: Yes, and it should be the production of a country. I am not contending that gold would not be useful for adjusting debts, but I am arguing in regard to the necessity for having it here in order to produce wealth. Take another aspect of the gold question: We have always been allowed to believe that gold never fluctuated in value, that it was of standard price, that every ounce of gold that one could get would represent a given amount in sterling. Strange to relate, about six years ago, the price of gold in this country was £3 10s., whereas to-day it is £7.

The Minister for Justice: That is the price, not the value.

Mr. MARSHALL: It is the amount that it would purchase. We were told that it was at a standard price, and at a fixed value. We found that was not true, that it was not fixed at a certain value.

The Minister for Justice: The weight of the sovereign is fixed.

Mr. MARSHALL: So is an ounce and a dwt. fixed.

The Minister for Justice: That is a different thing.

Mr. MARSHALL: No. It appears that gold can be fixed at any price bankers like to put upon it.

The Premier: It is governed by Act of Parliament.

Mr. MARSHALL: No.

The Premier: We are on the gold standard.

Mr. MARSHALL: The gold standard is only a deception. We were never actually on the gold standard. We only needed to have 25 per cent. of gold in this State.

Mr. Seward: That has nothing to do with it.

Mr. MARSHALL: It has a lot to do with it.

Mr. Seward: Why do not you study the position a bit?

Mr. MARSHALL: It has a great deal to do with it. Gold controls the currency even though we are off the gold standard.

Mr. Seward: It does not.

Mr. MARSHALL: Gold can fluctuate in price values. It is up to £7 an ounce to-day. It would be remarkable if the hon. member had a 12-inch rule to-day and found it a 24-inch rule to-morrow. Whenever a crisis has arisen, the gold standard has always been found to be a failure. For many years there was never any interference with the banks, other than by Parliaments, to give effect to their desires concerning the fixation of the price of gold. Private ownership held full sway and induced practically every country to give effect to those laws which were said to be necessary to maintain the gold standard. In 1914, as soon as war was declared, the bottom fell out of the gold standard, and every bank in the United Kingdom closed down.

The Premier: Except the Commonwealth Bank in London.

Mr. MARSHALL: The branch of the Commonwealth Bank might have kept open, but all the others closed down. If the gold standard has nothing to do with our currency, why could not the banks have carried on business? They stopped all business. The Government called a conference of bankers and obtained the best advice from them. The Government had to create a printing machine and manufacture millions of Government notes, mere

scraps of paper, as Lloyd George called them.

Mr. Hughes: About £260,000,000 worth.

Mr. MARSHALL: I thought it was £300,000,000. Where was the gold standard then? When it suits the banks, they do not bother about gold. These notes were distributed throughout the banks of England. We remember the slogan "Business as usual." Lloyd George slumped. He tried to get the public accustomed to the notes. He held them up and said, "Look at them; what are they? Rags and paper."

Mr. Stubbs: Germany did the same thing.

Mr. MARSHALL: And what did they represent? The confidence of the British Empire, he said.

Mr. Sampson: The stability of the Empire.

The Premier: They are legal tender. That is what gives them their value.

Mr. MARSHALL: It is the Government guarantee behind them that sufficient wealth will be produced to reach the value of the notes issued. Look at our present position. Every Government in the Commonwealth is perpetually borrowing and telling the people they are going to borrow more. On the other hand, they are at their wits' end to know where they can further exploit the avenues of taxation to pay their liabilities and give them the right to go on borrowing.

Mr. Hughes: And the lender does not get gold, but a scrap of paper.

Mr. MARSHALL: They are all scraps of paper. The Treasurer has reached the position when he cannot find any more money for the employment of the people of this State, and he can impose no further taxation. He is now taking out of the pockets of the people by way of taxation approximately five millions of money.

The Premier: About four millions.

Mr. MARSHALL: It is well over four millions. It was four and a half millions on the occasion of the last Budget, and has increased since then. This money represents purchasing power taken out of the pockets of the people, who are robbed of the possibility of spending that money by having to pay interest on borrowed credit. The money borrowed was money manufactured by the banks. When the Treasurer goes on the market for a

loan, it is underwritten. He does not go to the bank with a motor car, and take out in legal tender, or gold, or both, the actual amount of the loan that is underwritten and take it to the Treasury; the bank merely enters the amount in its ledger, and the Treasurer operates with cheques upon it. Not a penny-piece, represented by legal tender, is borrowed. The credit is issued on the guarantee of the Government that the producing capacity of the country is great enough to enable the amount to be repaid at a given date. We do not borrow money from the banks, but we borrow credits manufactured by them. We have to pay back in full something the banks did not lend us. All they did was to give us credit. To pay that back in full we have to exploit the toiling masses of the country who are left in work to provide the interest on the bank-created loan. We can be guided by the fact that in recent years no Government of the Commonwealth has moved except at the dictation of the banks. The Treasurer, the Deputy Treasurer, and the Minister for Works in turn have attended the Loan Council meeting.

The Premier: And the Minister for Mines.

Mr. MARSHALL: They have taken across their schedule of works and the estimated cost thereof, and all the necessary paraphernalia to show what is required to carry on the affairs of the State.

Mr. Stubbs: Do you propose to abolish the banks?

Mr. MARSHALL: No. Although they have pared down their estimates to the lowest figure, after having a conference with the other Premiers and two members of the Federal Government sitting at the Loan Council, they receive just what the banks give them. For years I do not think any member of the Loan Council has been successful in getting the money applied for. The debt structure of this country has reached such a height that if more money were borrowed the position would become so burdensome that no State would be able to collect sufficient taxation with which to pay the interest. Those concerned are therefore steadying down. They must either do that or the interest rate must come down, that being the next step.

The Premier: That step was taken.

Mr. MARSHALL: It must be done. As we are compelled to borrow, the structure must ultimately reach such a height that it will of its own volition topple. This situation is only being carried on now at the ex-

pense of the individuals of the country, who are sacrificing what is barely sufficient to provide food and clothing and all-insufficient housing. Our primary producers are making sacrifices, and living in a state of servitude in order that interest may be paid. Never is this burden challenged. Every time a pound of flesh is paid. Never is there a whimper from any Government. We are reaching the stage when the structure will of its own volition topple. All money, irrespective of whether it is legal tender or credit, is controlled by the banks. I gave this illustration on a previous occasion. If the banks control all forms of legal tender and credit, and the Government owes a million of money, that million of money cannot be repaid until the Government borrow another million with which to do so. That is what has happened here.

Mr. Stubbs: You ought to have been a banker.

Mr. MARSHALL: Yes.

The Premier: You are altogether too radical.

Mr. MARSHALL: That is what we are doing.

Mr. North: The whole world is in the same boat.

Mr. MARSHALL: I agree.

Mr. North: But the countries concerned will find a way out.

Mr. MARSHALL: If members will look over the Budget when it is brought down, they will see a list of all the loans that have been raised on behalf of the State. They will find that not one has been fully repaid. They have all been the subject of conversions. Some of the loans have been repaid in part, but never yet has a loan at the date of maturity been paid in full.

Mr. MacCallum Smith: What about the Goldfields Water Supply loan?

Mr. MARSHALL: That was paid out of the sinking fund. While we set about paying off that particular loan we borrowed three times as much for other works. When we pay off a loan we have to go on the market to float a conversion loan, and so we perpetuate the position. I have another point to make. We must expect that for all time unemployment will be with us. That is obvious, and with scientific methods applied to production and distribution the number of unemployed must of necessity increase. We could obviate that, of course, by preventing scientists from making further discoveries. If their services are not to be

utilised to assist in production and distribution, then we should stop them immediately. Again we have the invidious position that the Commonwealth Government are spending large sums of money annually on scientific research, trying to show the farmer where it is possible to grow two blades of grass where one grew before.

Mr. North: Trying to create unemployment.

Mr. MARSHALL: That is the point. The farmer cannot to-day sell the one blade of corn that he is producing, and yet we are spending thousands of pounds on scientific research in the direction of making him produce two blades of corn.

Mr. Thorn: But that is so in all cases.

Mr. MARSHALL: My illustration is general. All that we are doing is to waste money, unless we are taking advantage of the results of scientific research. When we apply those results to other forms of industry, it will mean the displacement of workers. What is the use of attempting to patch up this deplorable state of affairs—I refer to unemployment—in the manner we are doing? Here we have a Government at their wits' ends to find jobs on which to spend money so that the greatest amount of labour may be provided for those in need of work, and that same Government are going out of their way to give a man a wheelbarrow and a shovel, knowing well that the steam shovel which we have will do 50 times more work than one individual can do. That is the position into which we have drifted, and the Government are at their wits' end to know how and where to provide labour to absorb the unemployed.

Mr. Sampson interjected.

Mr. MARSHALL: There are many fortunate people who have never known what it is to do a hard day's work, and who do not know what it feels like to go without food. Is not this heritage of ours sufficiently prosperous to grant comforts to those in need of them. Reverting to the position that has been brought about by the application of science to industry, we know that machines are displacing manual labour, and that in many instances those machines can be manipulated by women and children. I read in a newspaper only the other day that a cotton-picking machine has been invented in America, and that machine when in full swing will displace 2,000,000 negro cotton pickers. We can produce all the necessities

of life, but the purchasing power of the people is too low. Moreover, people cannot produce at below cost price, and until we get over that difficulty we are not likely to have any alleviation of the deplorable condition in which thousands of our people find themselves to-day. I suggest that the Government should take a serious view of the financial position of the State, and I suggest further that they should get expert advisers to tell them whether the existing anomalies can be overcome, whereby the consumer and the producer can be brought closer together, and in that way perhaps make life more comfortable and happier than it is to-day. I submit the motion.

MR. NORTH (Claremont) [6.8]: I remind the house that we carried a motion very similar in terms to the present one as recently as last session. Therefore I take it that the hon. member's speech really means that he wishes to urge the Government to take some action with regard to the investigations to which he referred. I was hoping that when the Government appointed the Royal Commission to inquire into the question of youth employment, they were partly influenced on that occasion by the resolution passed by this House last session. I realise fully that all the discussion to-day regarding finance may now be of no avail since we have had the report of the Royal Commission on banking. The finding of that Commission was a good one, and as the months go by it will receive more and more support, and may even be adopted as the policy of industry. The people themselves may yet decide their own policy, whether it be the policy of the party in power or any other party. With regard to the other side of the motion, the physical side, I feel that perhaps we should look in another direction. I am going to say frankly that we have been for nearly 100 years living under a false economic outlook, and it was not until a year or so ago that Mr. Keynes disclosed to the world that we were all wrong, that our outlook was fallacious. That was the position when the depression came, and when we found that prices had fallen. Economists told us that we would have to consume less, because the markets were overloaded, and also under the Premiers' Plan we were told that we would have to take less. All that was most ab-

surd. Highly paid professors were issuing these instructions. The second stage came in America, and it followed the instruction to produce more and consume less. This second stage was the old method that was adopted when prices fell. Then we were told to produce less and consume less. The next stage was that we should produce more and consume more. That had a more healthy sound, but unfortunately it brought us back to another stage which we are now on the verge of approaching. The National Bank in their circular issued about a month ago pointed out that there was a need to overcome the price wage spiral. As soon as we produce more we must consume more. With the stage we have now reached and the new stage we are approaching there is, I think, room for action. The action I have urged in this House is to repeat what was done with regard to flying before the war. When Bleriot first crossed the Channel, and when flying was just starting, the "Daily Mail" offered a prize of £10,000 to encourage flying. It may be said that that journal did more for aeronautical progress than anything else. Flying was put on a practical basis, and the war did the rest. We have a similar opportunity to-day, and if we adopt that line that I have tried to stress, to meet the problem arising from what has been advocated by economists, to produce more and use more, we shall be going along the right lines.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. NORTH: I shall contribute only a few further remarks on this very important subject, because I feel it has been dealt with so many times before that it is unnecessary to say much more. The Federal Royal Commission on Banking has already disposed of the larger part of the problem as it affected us. As regards the physical standpoint, I suggest that for many years we have been misled by economists who have now changed their point of view and are advocating the enjoyment policy as against that of abstinence. The latter policy was largely due to the general tendency of people when they experienced famines and other disturbing experiences to tighten their belts when things went wrong. When, however, people found that things also went wrong because we had too much of various things, it was not recognised it was time to

alter that policy. We have now, however, reached the stage when, as argued by Mr. Ridgway in the Federal Arbitration Court, the policy of produce more, consume more, should be advanced and it was met by increasing the Federal basic wage by 6s. a week. In the past such increases in wages led to the difficulty involved in rising prices. It has occurred to me that we might endeavour to make a contribution towards a new solution of the problem, not an intrinsic solution, but with a view to encouraging the greatest brains of the world to offer their proposals to overcome the price-wage difficulty, we should offer a prize of £100,000, or some other substantial amount, which would interest those who deal in a big way with the larger affairs of the world. By that means we might encourage them to devote their brains, time and energies to a solution of the problem. At present many of those people are giving attention to private projects and hardly ever appear on the surface in public life. This price-wage spiral is the crux of the position. The Federal Arbitration Court has been functioning for many years and that has always been the major problem before it. When the court raised wages to meet new prices the situation was stabilised for a short time only. If it can be shown to the State Government, or better still to the Federal Government, that there is within reach a device that could be operated by either the State Arbitration Court or the Federal Arbitration Court or by both of them, which would result in prices remaining substantially stable, results might be achieved, although at various times wages would have to be increased as machinery and other devices improved productivity. If that could result, we would approximate nearer to the ideal and would enable the enjoyment policy to really supersede the old policy of abstinence. It has been suggested that by punitive taxation on a very high profit ratio and almost infinitesimal taxation on the low profit ratio, something of the sort might be done. Again it has been suggested that the court should consider fixing a salary rate for the entrepreneur that would work in with wage fixation, and leave all profits over that fixed salary rate to be accrued later, and to be referred back. Any device of that kind might have the effect of making the price level stable, and it would be very easy for the court to fix increased wages as the situation regarding mechanical

production improved. With that humble suggestion of a rich substantial prize for competition, I will leave that phase of the subject. I would merely add that I have, after many years of quarrelling, arguing on platforms and discussing economic problems with people, come to the conclusion that economics is like religion, and it is as necessary to respect the other man's point of view regarding economics as it is with regard to religion. It does not do to endeavour to convert people who hold different views. Each has a different way of looking at the problem, quite different from that which I may hold. I have seen more hostility evidenced and venom caused by discussions of various theories of economics than with regard to any other subject. It is true, however, that, as a result of our experiences in that direction, we have to-day economic agnostics who are not prepared to say what should be done. That may be all right, but I think it is possible to have differing points of views on these questions and it is also possible that those holding varying views may be equally right, according to the outlook of each individual. A great many people believe in the theory of the mind of the sage in the body of the savage. That has reference to the Robinson Crusoe way of living. Some consider it is a splendid way. I am not prepared to argue against their contention. If they believe in sugar-bag economics, which means going about in the simplest of garb, strutting about through the vegetation and eating nuts and so on, why should they not do so? If that were the majority view of the people in Western Australia, I should support it. Let the majority have their way! There are other theories, and if a majority supports them, let them have their way! We have had many economic theories developed from time to time; sometimes concurrently in different parts of the world. In the same way, we have at the present time on the Atlantic four separate aviation theories being tested out. We have the very high powered British Government type; the clipper seaplane, the composite aircraft plane and the standard type of plane all engaged in testing out their theories with regard to trans-Atlantic flights. Each theory is being tested out with a view to attaining the one objective, and who can say which of the four theories is the cor-

rect one? So I feel it is a very good thing for the world to-day that we have in different countries differing theories regarding the economic ills from which we suffer, ranging from the so-called nature state to the full-blown standard of complete living. I shall not endeavour to say which is right, but there is one basic principle for which I would contend. Behind all these various systems there will be agreement on the point that whether we commence our advocacy from the simplest nude cult up or from the most extravagant form of living we can conceive, what we should strive to achieve is at least a system whereby the body will be healthy, under which there will be no malnutrition, and everyone will enjoy a fair amount of good, nourishing food. Something of the sort is essential so that we may at least raise the people to a high standard that can be maintained. I feel that there was unanimity on the one point as the result of the depression throughout the world, namely, that whatever else we do the problem of malnutrition must be cleaned up. So long as that is done, I shall be no longer interested in other phases or whether we shall go back to the days of Erewhon or Samuel Butler and start smashing machinery, or again whether we will be able to enjoy the civilisation that is still around the corner. I am very pleased that the member for Murchison (Mr. Marshall) brought the matter up, and that the Government had that Royal Commission on youth problems. I think we shall receive some interesting contributions from the Commissioner when he issues his report. It may be as far as we can go in Western Australia, for the financial aspect is a Federal matter. In concluding I would like to add a few remarks which I omitted before in connection with the price-wage spiral. I would add that the price-wage spiral is not only soluble by competition. It is possible that action is being taken now, unknown to me, towards a solution. I do know that in a recent report of the National Bank the problem was discussed in this way: By reason of raising the wage by 6s. a week, employers would be able to increase their turnover considerably, and by means of that increased turnover and improved processes might thus achieve the fixed price level at the increased wage. If they do, there is no need for any inducement being offered, but I am doubtful if they will because, almost

at once, following an increase of wages in Melbourne, there came a complaint that rents were going up, and prices too. So the problem still remains and I hope that sooner or later there will be competition which will offer very substantial opportunities for a solution of that problem, so that, when it has been accepted, the Federal and State Arbitration Courts may be clothed with powers to put that advice into operation.

On motion by Mr. Doust, debate adjourned.

MOTION—TRANSPORT, PASSENGER SERVICES.

MR. CROSS (Canning) [7.43]: I move—

That, in the opinion of this House, the Transport Board should be requested to fully investigate metropolitan passenger transport services, including Government-run services, with a view to making a report to Parliament giving recommendations for more satisfactory and improved facilities for the community.

Probably 90 per cent. of the population of the greater metropolitan area are concerned with the passenger transport services in operation. In fact, I would say that almost everybody in the community at some time or other is affected by the passenger transport services operating in his particular district. Men have always been interested in the changes which have taken place in transport methods from time to time. The occasion is within the memory of most of us when slower means of transit than those at present existing were the only ones available. In earliest history men had to walk everywhere. They soon got tired of that and began to use other means of locomotion. They made use of horses, asses and chariots. Later on they used the wherry; that is, those people who had a sufficient purse, or were situated in a convenient place. In the sixteenth century came the hackney and the stagecoach, which were used by the richer people. Later on came the new and improved method of transport—the railway. The railway has been followed by electric trams.

[Resolved: That motions be continued.]

Mr. CROSS: Electric trams were followed by petrol-driven motor buses and now comes the trackless tram, or trolley bus. Knowing the discontent and controversy which exists at present in various

parts of the country and the dissatisfaction in many instances concerning the passenger transport services, I consider that the time is ripe for an inquiry, so that many of the mistakes made in the past may be avoided. I notice that on the return of the ex-Lord Mayor recently from a world tour he made some interesting comments in regard to transport services in other countries. I propose to read a few of the reported remarks published in the "West Australian" in the form of an account of the proceedings at a civic reception. According to the "West Australian" the ex-Lord Mayor of Perth said that the use of motor buses was becoming more general in the countries he visited. "But in all my travels and as a result of specific inquiries, I do not know of one instance where trolley bus services are being inaugurated," he added. "There is a great dependence on the more mobile type of bus, so many of which are used here." As far as I know the then Lord Mayor of Perth created a precedent in making those statements and committed the unpardonable offence of introducing controversial matter into a speech at a civic reception, speaking, too, as he has now admitted, on a subject in which he was interested. Those statements, coming from a man in such an eminent position, might possibly have some influence on any inquiries which might be made. Incidentally, those statements are not true. I propose to bring undeniable proof to show that the statements made by Mr. Poynton at that reception are misleading. Whether they were made in his own interests or not, I cannot say. A man in such a position, and interested in the subject, should not have given voice to his opinion on a subject which is controversial in this State. I have taken the trouble to obtain some remarks, the source of which I will quote, by authorities on this subject, which will show that the statements made by Mr. Poynton are definitely not true. First of all I wish to quote from the magazine "Modern Motor-ing" of February of this year, as follows:

A return has recently been issued by the Ministry of Transport giving particulars of the tramway undertakings in Great Britain, excluding the tramway undertakings of the London Passenger Transport Board for the year ended the 31st December, 1935, for companies, and for the 31st March, 1936, for local authorities.

The report gives some very interesting figures. Most of them I do not desire to repeat, not wishing to weary members. But one comment, amongst many others, says—

Furthermore, the tramways road mileage at the end of the period covered by the return was 95 miles less than that at the end of the preceding 12 months, a decrease largely attributable to the revulsion in favour of omnibuses or trolley buses. With regard particularly to trolley vehicle undertakings in Great Britain, again excluding the London Passenger Transport Board undertakings, the number of passenger journeys during the year was 375,514,000, as compared with 309,489,000 in 1934-5, an increase of 21.33 per cent.

Relating to the operation of road transport services provided by the local authorities and the London Passenger Transport Board, figures are given showing the remarkable popularity of this form of transport. I want members to notice that for the period I have quoted these latest returns issued by the Ministry of Transport show that the passengers carried by trolley buses in Great Britain increased last year by 65,000,000. I propose to give some further evidence, to quote some extracts from the published report of a special deputation appointed by the Belfast Corporation to visit English centres and inspect the trolley bus system. Comment on the subject is given on page 790 of "Modern Motoring" for February, 1937. The article is headed, "Trolley buses making great progress," and it reads as follows:—

In view of the rapidly growing tendency in London and in other large cities and towns, both in this country and overseas, to convert electric tram systems for operation by the more mobile, less noisy and more economic trolley buses, the following extract from the recently published report of the special deputation appointed by the Belfast Corporation Tramways Committee to visit English centres for the purpose of inspecting trolley bus systems, will be of wide interest.

This report gives some of the advantages of trolley buses, even over the petrol-driven buses and the Diesel engine and crude oil buses. It says—

One of its advantages is that tramway fares can be approached more readily with trolley buses than with ordinary buses. Experience shows that the life of a trolley bus is considerably in excess of the life of the petrol or Diesel engine bus. Trolley buses can operate at a scheduled speed, approximately 12 per cent. to 20 per cent. faster than trams and almost every day the inauguration of trolley buses has been followed by an increase of passenger traffic on the affected route, such in-

crease varying from 10 per cent. to 30 per cent. Having regard to various factors governing the operation of trolley buses, we are confirmed in our opinion that the decision to operate an experimental service on one route in Belfast is a sound one.

Further on in the report is another comment showing that the places that have introduced trolley buses are increasing their number. The article continues—

It will be recalled that the Huddersfield Corporation recently decided to augment their present fleet of 37 Karrier trolley buses, and placed an order for 85 additional chassis to the value of nearly £100,000.

The March issue of "Modern Motoring" contains a paragraph and an advertisement showing that South Shields had put in their third repeat order for trolley buses, and members will find on page 82 of that issue the comment, "More trolley buses for South Shields."

Mr. Thorn: Are you agent for them?

Mr. CROSS: It reads as follows:—

Following the inauguration of the South Shields trolley bus services in October, 1936, when four 4-wheelers were placed in service, further orders for similar vehicles followed, the most recent being for 12 double-deckers.

Coming down to the June issue of "Modern Motoring," we find on page 167 confirmation of the fact that Huddersfield Corporation are continuing to replace tram cars by the more mobile trolley buses, and that 85 are now on order. That was in June, 1937. In the same magazine for July, 1937, we find an announcement that Wolverhampton, which introduced the trolley buses first in 1923, and has had long experience of trolley bus operation, has placed its ninth repeat order for more trolley buses, and that they have ordered both four-wheel and six-wheel double-decker buses. That the changeover is not confined to one or two places is seen by the August number of "Modern Motoring" which arrived in Perth from Great Britain yesterday. It must have been known that I was in search of up-to-date information. On page 305 is an article headed "The progress of the Trolley Bus," which contains most interesting information. Let me read a few extracts—

On the score of comfort, the trolley-bus has the advantage of running on pneumatic tyres instead of steel wheels. It is essentially a quiet vehicle whether compared with tram or motor bus, for there are no rails and no gear-changing. It will accelerate more quickly and more smoothly than a motor bus, and as its speed is 15 to 25 per cent. greater than the

tramcar, it gives its passengers a better service and helps to speed up traffic generally . . . The travelling public has been quick to appreciate its advantages, and almost invariably the introduction of trolley buses has been followed by a substantial increase in the number of passengers carried.

Then it goes on to deal with the progress of the London Passenger Transport Board, which, it says, furnishes a striking illustration of a great public authority's belief in this modern form of municipal passenger transport. On page 308, a continuation of the same article, is a reference to Reading—

At Reading there has been an increase of 43.8 per cent. in the number of passengers carried on a route converted from tramcars to trolley buses. Not all this increase came from new traffic; there was a decrease in the passengers carried by motor buses running over the same route, which proves that the public has a decided preference for the smoothness and quietness of the trolley bus.

Mr. Sampson: Were the fares the same?

Mr. CROSS: No references to fares is made in this article, but the annual report of the London Passenger Transport Board indicates that in every case the fares on the trolley buses are lower than those on the petrol-driven buses. The next paragraph refers to Walsall and furnishes similar proof of the popularity of the trolley bus—

On one route 110,000 passengers a week are now being carried by trolley buses against 86,000 formerly carried by tramcars.

Another reference is made to Huddersfield—

Huddersfield is another town where the trolley bus has proved its advantages over the tramcar. Recently a further order was placed for 85 six-wheeled double-deck buses which will displace the remaining tramcars in this Yorkshire town, and bring the fleet up to 126 vehicles. This and the Bournemouth purchase are the two largest orders placed by any provincial authority, and furnishes abundant proof of the high reputation enjoyed by trolley buses.

Further on the article says—

The latest trolley-bus types are most reliable vehicles, their working life being longer than that of petrol or oil-engined buses, due chiefly to two fundamental differences in design—the absence of a gearbox and clutch and the even torque of the electric drive In connection with its longer life it is interesting to note the official attitude towards the trolley bus. The Ministry of Transport, for the purposes of loans, computes the life of a petrol or oil-engined bus at eight years and the trolley bus at 10 years; in other words, the trolley bus gives 25 per cent. longer service.

Now I wish to give a few extracts from the annual report of the London Passenger Transport Board, dated the 29th October, 1936, as follows:—

On the 1st July, 1933, when the board began their operations, there were only 18 miles of trolley-bus route. At the close of the financial year under review there were 61 miles operated and 105 miles in process of conversion. By reason of the smaller size of the trolley buses, as compared with the tramcars displaced, and by giving a closer and regular interval service, the car mileage by the trolley buses on the converted routes showed an increase over that formerly operated by tramcars of about 24 per cent. Yet, in spite of this increase in mileage, the receipts per car mile increased by five per cent.

The cost of operating trolley buses has not yet been finally ascertained, but the results are sufficiently satisfactory to justify the board in arriving at a general decision to complete the substitution.

There are indirect advantages which weigh in arriving at this decision. The removal of the tramcars improves the fluidity of the traffic on the streets, and should therefore be beneficial to the bus and coach operations of the board, for there is scarcely a street with a tramcar which is not also served by one or both of these means of transport. There is also a better opportunity to co-ordinate the road services of the board. The board therefore propose to have a Bill introduced in the coming session to invite Parliament to grant power to complete the conversion of tramways to trolley buses.

The London Passenger Transport Board is also keeping its eyes open to what is happening in other places. On the 10th December, 1936, the board's magazine made an announcement as follows:—

The survey carried out by the American Transit Journal recently shows that trolley buses are particularly popular in cities of intermediate size comparable with Nottingham.

It goes on to say what is happening in America. It mentions that Canada is considering buying some 200 trolley buses. I have another extract from the "Transport World," a magazine dealing with various forms of transport. The extract is—

In this issue we print a table showing all the trolley buses at present in operation and on order in the United Kingdom. This is an up-to-date revision of the table which has previously appeared in the "Transport World" It shows the mileage and number of vehicles used by each undertaking, the seating capacity, the numbers supplied by the various makers of chassis, bodies, and electrical equipment. There is now a total of 1,606 trolley buses operating on 480 route miles, while 553 more vehicles are on order. The most important change in the last 12 months or so

is that London Transport has now 490 trolley buses running and 393 more on order. The total will interest an increasing number of transport operators, engineers, and others, especially as recent changes and developments have been so extensive.

On the opposite page there is a reference to trolley buses in Great Britain and an article headed "Great increase in number and popularity." On the opposite page appears a table which is published at intervals by the "Transport World" giving details:—

The number of undertakings is now 32, but two are not yet in operation. These are Hull and South Shields. The vehicles for the first routes have been ordered. Including these two corporations the number of systems has increased by three, the third one being Reading. Trolley bus powers were obtained last session by Manchester Corporation which in July authorised the installation of a route of 6½ miles for which 43 trolley buses will be required.

Before trolley buses can be run in Great Britain, and tramways converted into trolley buses, companies and municipal corporations must have the permission of Parliament. Up to March, 1935, approval had been given for 642.7 miles, and by August, 1936, 864 miles had been approved, an increase of 221 miles. The route miles in operation in March, 1935, was 381, but in 1936 it was 481, an increase of 100 miles. The route miles under construction in 1935 were 25.2, and in August, 1936, they were 41.26. The trolley buses in operation were as follows:—

	August, 1936.	March, 1935.	In- crease.
4-wheel single deck ..	307	314	7
4-wheel double deck ..	209	132	77
6-wheel single deck ..	67	61	6
6-wheel double deck ..	1,507	601	456

The totals show an increase of 1,108 from March 1935 to 1,640 in 1936, an increase of 532. Trolley buses on order in August 1936 were 519, whereas in March 1935 they were only 275, an increase of 244. It is of interest to note the number of these popular vehicles on order, namely 275 in 1935 and 519 in 1936, an increase of 244. Another point of interest is that the number of 6-wheel single deck conveyances has remained almost stationary, the figures being 67 and 61 respectively. The greatest augmentation is in the 6-wheel double decker, the increase being 456. The following are the details of buses on order for September 1936:—Derby 10 6-wheelers; Grimsby 10; Huddersfield 8; London 393; Newcastle-on-Tyne 6; Portsmouth 61 4-wheelers; St.

Helens 7 4-wheelers; South Lancashire 2 6-wheelers; Teeside 5 4-wheelers and Wolverhampton 11 4-wheelers. This improvement in trolley buses is not confined to Great Britain. The United States is the home of petrol-driven omnibuses. In 1930 America had 100 trolley buses, but in 1937 it had 2,000. I have here a list of the cities in which the services are either running or in process of conversion to the trolley bus system. This list includes such places as Rockford, New Orleans, Portland, Cleveland, Boston, Memphis, Indianapolis, Dayton, Philadelphia, Chicago, Brooklyn and Toledo. Now for the latest information. I have here an extract taken from the "West Australian" on Monday of this week—

In the early hours of to-morrow morning the last tramcar will leave the streets of West London and enter its depot at Hammersmith. Only two hours later the first trolley bus of a hundred which are replacing trams in this section will be on the streets.

This is the biggest stage in the conversion of tramcar routes to trolley bus working yet undertaken by the London Passenger Board, and will bring the total of new road vehicles placed on the roads since the board was formed in 1933 to 2,630.

Tramways everywhere are regarded as obsolete. One of the greatest advantages of the trackless tram or trolley bus is that it can be run on local products. Taking into consideration that point, and also the fact that petrol buses or crude oil buses are run on imported petrol or oil, the ex-Lord Mayor of Perth was wrong in stating that he had made specific inquiries into the subject. He made that statement at a civic reception when it might have been detrimental to local industry. For that matter, I do not know that the ex-Lord Mayor of Perth is a fervent advocate of local industry. A few days ago my attention was drawn to the fact that the Midland Railway Company, of which he is the general manager does not burn Western Australian coal; and I have never heard of the ex-Lord Mayor advocating the use of local coal. The Midland Railway Company does not burn an ounce of it on its line. Trolley buses can be run on current generated from coal produced in this State. Referring generally to the Government-run services, either of electric trams or trolley buses, I may observe that these services provide work for men with families, and that they pay away in wages a greater proportion of their revenue than any of the

privately-owned concerns of a similar character. The latter usually employ a driver and no conductor, or a driver and a girl-conductor. At least it can be said for the Government-run services that each vehicle provides work for two men. The time is ripe for a full inquiry by the Transport Board. The board should put up a report and submit recommendations with a view to providing better services for the people. I do not know that there is any better example of the disadvantages attaching to the present tram services than those which mark the service operating in South Perth. What applies to South Perth applies, though in lesser degree, to Wembley, Maylands and other localities. The population of South Perth has increased by thousands since the tram service was inaugurated there. The distance from the Perth Town Hall to Como is 6.18 miles. The time for the running of that service when the trams do run through is scheduled at 35 minutes. The usual running time from the Perth Town Hall to the Zoo, where most of the trams terminate, is from 30 to 32 minutes for a distance of just under five miles. In the past numerous deputations on this subject have waited upon the Minister, as I shall remind the hon. gentleman in a few minutes. I shall also have something to say regarding his replies to the deputations.

Mr. Marshall: You have two other services besides the trams.

Mr. CROSS: I know all about those other services. Let me remark that the Government-run ferry service is by no means too satisfactory. Presently I shall mention that service also to the Minister. He told the latest deputation that he would put on an extra tram at peak periods to run between Mends-street and Como. That certainly represented an improvement. He also agreed to let the Perth trams run from the Zoo to the city at 9 o'clock on Sunday morning. That is not satisfactory. It is an improvement, but an extra tram should have been put in, since what has happened is that a tram has been taken away from one set of people and put in at a different time for another set of people, thus dissatisfying them. I have here a letter, dated the 8th September, from the Rev. John T. McMahon, of South Perth. It reads—

My Dear Mr. Cross,—On behalf of my people who live between Barrack-street and Tate-street I request your influence in restoring the

old timetable of a Sunday morning tram leaving Barrack-street. By altering the time of the first tram, it reaches the Zoo at 9 a.m., but my people living in that area cannot get to our church in due time for 9.30 a.m. service. The early tram is now too early, and the second tram too late. My people fill that tram each Sunday morning, and now they are very upset with the alteration. Thanking you for your help in the matter, Yours sincerely.

It is no wonder the people are dissatisfied. On Sunday morning they get a 35-minute service from South Perth, and that service has up to 45-minute intervals. On Sunday morning the trams run through from the Perth Town Hall to Como, and are tabled to leave Como at 10.15, 11, and 11.45. Strange to say, although the time of the run on Sunday morning is 35 minutes, the tram is given 45 minutes running time. Consequently people who have waited possibly 45 minutes for a tram, having just missed the one in front, have to be satisfied with a crawl into town, because the tram has 45 minutes to do a 35-minute run. By trolley bus it would be a run of less than 30 minutes. Is it any wonder that people are dissatisfied?

Mr. North: Ask for buses and you might get trolleys.

Mr. CROSS: We shall be glad to get them. On week-days three trams are on the South Perth service, running between the Town Hall and the Zoo. That is from 9 a.m. to about 4 p.m. What is required, and what a recent deputation asked the Minister to put on, is a 15-minute service. This would have required an additional tramcar. The Minister's reply to that deputation was that the department had not sufficient cars, but that he would consider putting on an extra tram, or extra trams, when the trolley bus service was established on the Claremont run. But there are plenty of cars available in the barn during the time I speak of. On Monday evening, at 5.35, the busiest time in the tramway service, I went into the carbarn and saw ten cars parked in the barn, all of them in running order. At that very time people were crowded like sardines not only on South Perth trams but on other lines as well. I repeat once more, is it any wonder the public are dissatisfied with the tramway service? On Sunday evening, when people want to get home or go to church, South Perth has a 40-minute service. Trams leave the Town Hall at 6.10, 6.50, and 7.30. I suppose we can expect some improvement in the summer time, because the authorities will desire to cater for the beach traffic. My contention is

that the department should cater for their regular patrons, who use the service all the year round. The South Perth tram line is one of loops. I have made a few trips just to see where I consider some improvements could be effected. I found that the average time lost in waiting at loops on the line represented three minutes per trip, or 10 per cent. of the running time. When the cars are proceeding in the direction where they have to pick up or drop the heaviest loading—it is rarely that a car will carry heavy loadings both ways—they have to waste much of their time in the loops. I am definitely of the opinion that if the tram service were converted to a trolley bus service, it would mean that there would be no waiting at the loops, no crawling along the track to enable the other tram to cover the journey between loops, and, with no additional hardship to the men, a 25 per cent. better service could be provided with the same number of buses as there are now trams operating. South Perth has such a large population that the district requires up-to-date facilities. On the 12th October, 1936, a deputation representative of the South Perth Road Board and residents of the district waited on the Minister and asked for the conversion of the tram system to a trolley bus service, and for an entirely new service that would serve a thickly populated area that to-day has no service at all. We suggested that if the trolley bus service were inaugurated, the buses should leave Fremantle-road at Carrington-street, proceeding along that street to Coode-street, thence to Como, and back to Fremantle-road by either Preston-street or Thelma-street. Something of the sort is positively required. The people at South Perth are exasperated. I will not apologise for continually complaining regarding this subject. The Transport Board should conduct a thorough inquiry into the grievances of my electors with regard to this problem. As to services south of the river, I suggest that a full inquiry be conducted regarding the Causeway service with a view to making possible alterations and improvements. I dare say that the people at Maylands, Inglewood, Wembley, and even those residing in Hay-street, could suggest improvements in their services. In these days, people require more comfortable, more frequent and quicker services.

The Minister for Employment: Why?

Mr. CROSS: To march with the times. In summing up, I suggest that the Transport Board should report upon the advisa-

bility and possibility of conversion from the present tramway system to a trolley bus system, and on the question of whether it would be advisable—to my mind there can be no doubt on the point—that lines with loops should be the first to be converted. I suggest that the Transport Board also give consideration to the requirements of other services south of the river. It is an undeniable fact that motor and bus traffic is increasing over the Causeway, and although it is only six or seven years ago that it was widened, in my opinion the width of the Causeway to-day is totally inadequate to cope with the traffic that passes over it each day. I suggest that the Transport Board could report on the advisability and possibility of the provision of a new causeway, and at least the immediate provision of a special extension for the use of cyclists. Every day thousands of bicycles pass over the Causeway, and I would like those in authority to visit that bridge sometimes at night, for they would then appreciate the fact that after dark bicycles represent a perfect menace to other traffic. There is a reason for that. There are quite a number of red Neon signs in the vicinity of the Causeway, and the reflection from those lights in the water on the surface of the road at night time, makes it difficult for motorists to determine whether the red lights ahead are merely the reflections from the Neon signs or the rear lights of cyclists. In my opinion a special track should be provided for cyclists. The Transport Board could also report on the services south of the river. Another matter they should report on is whether what I suggest could be done, whether it is required, and when it is required. In my opinion, the board would suggest that the alteration should be effected in the immediate future. There is no reason why it could not be done and provision for the bridge made from the metropolitan motor fees, or, perhaps, from the Federal Aids Roads Grant. It is imperative that in the near future some attention be given to the Causeway, which is one of the busiest traffic arteries in the State. If the board consider that the South Perth tram system should be converted to a trolley bus system, and that it cannot be done immediately, they might suggest that the tram line be duplicated from the Causeway to Angelo-street. That would effect some improvement. Then, again, why cannot the tram line over the Causeway be duplicated?

The Victoria Park people suffer equally because of the loops on the Causeway. If one undertakes a trip by tram to Victoria Park or South Perth, it nearly gives one the horrors. First the tram leaves the Town Hall, and, when at the car barn, it is probably delayed because some of the cars in the barn have to be shunted. There is probably a delay of two or three minutes there, and then further delays on the Causeway. Sometimes the car is hung up because another from Victoria Park is on the Causeway, and it has even been necessary at times for the car to be shunted back to enable the oncoming car to negotiate the loop. The people become exasperated; in fact, they are not too pleased at all. They come into town and have to shunt from the middle of the Causeway to the other end, they get hung up on the loop, and the tram arrives late. We will never get satisfaction while we have a single line. Looplines are no good at all. The people are demanding an improvement. Even if the Transport Board say that a general policy of conversion should be adopted at the earliest possible moment, they might also recommend improvements in the interim. They might also suggest whether it would not be advisable to convert the whole of the transport services and place them under a trust, similar to that in Great Britain. That is what I would suggest. Certainly the matter should receive consideration. Take the trams. There has been no improvement, or scarcely any improvement in them since their introduction. One car has now been upholstered, and it is much appreciated. But all cannot be improved because the Government have no funds. If a special trust were created—a semi-governmental body under the control of the local authorities who are most interested—they would have separate borrowing power, and the people would see that the local authorities gave the service which was desired. It would be better if such a board could control the whole of the passenger transport service in the metropolitan area, taking over the private buses as well.

Mr. North: Would you compensate the private bus owners?

Mr. CROSS: Yes.

Mr. North: That is better.

Mr. CROSS: Why not? I do not believe, and the hon. member does not believe, in confiscation. I believe in fair play. With the co-ordination of services under one control such as is the case in London and many

other places, we would get more satisfactory services. The Transport Board should give some consideration to that matter and make a recommendation. At the present time there is hardly any such thing as co-ordination between the metropolitan transport services. There is only a 40-minute service to Como Beach. People using the Victoria Park tram service reach the Causeway only to find that the tram for Como has just gone, and they have to wait 40 to 45 minutes for the next. That is not service nor co-ordination. With proper control we would get more satisfaction.

Mr. Nulsen: Where is the money to come from?

Mr. CROSS: My friend asked me where we would get the money. Such a trust as I have suggested would have separate borrowing powers. People in the metropolitan area pay for these services and they have a right to receive that for which they pay: but they are not getting efficient service. Take the South Perth ferry. We should get a report about that from the Transport Board. There has been sufficient profit made on that service from the money paid by the people using it, to provide an up-to-date service. Money to provide a better service has been placed on the Estimates about ten times, and wiped off. It is not going to be wiped off this time, if I can help it. The Transport Board could say that another ferry boat must be put on this year, in spite of other commitments. That is only fair play. Train transport should also be looked into. The Transport Board might be able to suggest some improvements in connection with the Perth-Fremantle and Perth-Midland Junction train services. Sometimes one has to wait an hour for a train for stations between Perth and Midland Junction. The Transport Board might suggest that the Commissioner should provide one or two single-coach railcars, so that a 15-minute service could be conducted all the time between Midland Junction and Fremantle. Who will say that the people do not want it? Why are they travelling by other means? They arrive at the station to just miss a train and are told that the next does not leave for three-quarters of an hour or an hour. That is why they use other means of conveyance. The only reason the tramway service is losing passengers every year is that other forms of transport are giving more frequent and quicker services. That

better service cannot be given by trams, but something better than either the petrol buses or the trams can offer can be given by the more mobile, non-smelling, free-from-noise trolley buses. Only good can come out of such an inquiry as I ask the House to agree to, in order that the mistakes of the past may be avoided in the future and improvements made in the interests of the people. I am hopeful that members will support the motion, so that not only the South Perth people, but the rest of the long-suffering public may be able to have the facilities they pay for. They do not ask the country people to pay; they themselves have to pay.

Mr. Marshall: If Mr. Poynton gets before this board, he might upset your arguments.

Mr. CROSS: Mr. Poynton will have a job to upset anything.

On motion by Minister for Works, debate adjourned.

BILL—AGRICULTURAL BANK ACT AMENDMENT.

Second Reading.

Debate resumed from the 25th August.

THE MINISTER FOR LANDS (Hon. M. F. Troy—Mt. Magnet) [8.49]: The Agricultural Bank Act, under which the administration is now operating, was passed in 1934, and the Commissioners took over the administration on the 18th March, 1935. The present Act is based upon the report of the Royal Commission appointed to inquire into the Agricultural Bank, and nobody has ever attempted to prove that the report of the Commission was in any material sense incorrect. The Commission found that the affairs of the Bank were in a deplorable position, that the stability of the Bank was undermined, that many clients regarded their obligations to the Bank with indifference and contempt, and that political interference was destroying the efficiency of the administration. The Managing Trustee, in giving evidence before the Royal Commission, said—Certain actions had not been taken because if the trustees had not subordinated their discretion to Government policy the trustees would have very soon been replaced by men who would subordinate their discretion to the will of Parliament.

As was previously pointed out in this House, every conclusion arrived at by the Royal

Commission was as a result of evidence given by the officials themselves. Numerous files support that evidence. Parliament acted none too soon in reconstructing the Bank and establishing it on a basis to enable it to resist the importunities of politicians, engage upon a policy of revaluation and reconstruction and establish a proper relationship between it and its clients. Considerable progress has been made with this work. The Commissioners have already engaged upon a policy of reconstruction and revaluation, with the result that the revaluations to date number 7,211, which include debt adjustment and revaluation of reverted holdings. The amount written off for the two years ended June, 1937, was £3,129,195. This carried interest of approximately £130,000 per annum. When the writing off is completed the amount written off will be added to the dead loan debt, on which interest and sinking fund will have to be met from general taxation for approximately the next 50 years. The general taxpayer is called upon to make up the leeway with regard to interest and other charges owing to the Bank and allied institutions to an amount of £710,351 annually. The other night the Leader of the Opposition said the Government might do this and that with the financial emergency taxation. I suggest to him that this is what the Government are doing with the emergency taxation, amounting to £800,000 or £900,000. As I have shown, the general taxpayer will have to pay £710,000 annually for the Agricultural Bank losses, and that must be paid from the financial emergency tax or some other tax. So when the critics opposite tell us what the Government might do, they might well pause and consider what the Government are really doing. It excites my resentment when I know that my constituents, miners away in the back country, go down 2,000 feet into the bowels of the earth and give their lives to the industry, coming up spitting out their lungs. Those men never have a home made for them, never have any security given to them. They may have but one day's work and then be sent on tramp. There are no workers' homes for them, no wholesome employment in a good climate, yet those are the men who are finding the interest which clients of the Agricultural Bank do not pay, notwithstanding that the Bank is giving settlers every opportunity to follow a healthy

occupation with the possibility of a home and an independence. The Bank is continuing the policy of writing off settlers' liabilities, and when the revaluation is concluded the community will be called upon to bear a much heavier burden than is generally accepted. Before the enactment of the Agricultural Bank Act in 1934 no power was given the Bank to write down the liabilities of existing settlers. When Parliament conferred that power on the Commissioners and provided the relief which is now being given so generously, it also provided that the Bank should, for the future, have some control over the assets of the farmer and his income, so that there should be no evasion of obligations to the institution that had financed the development of his farm and the basis of all the farmer's operations and of his livelihood. The Commissioners naturally are insisting upon this principle, and there can be no honest objection to their insistence. But that attitude is meeting opposition from a section of their clients, some of whom in the past have had little regard for their obligations to the institution. Were the Bank a private institution and not a State institution there would be no agitation whatever. It is significant that the clients of the private banks or their political representatives call for no special legislation to force concessions from the private banks. They would not think of doing so, but they have no hesitation in grasping opportunities to exploit the State and to encourage individuals in the mass to exploit the State without regard to the rights of other sections of the community. Clients of private banks would not think of demanding a writing down or of demanding other things which the member for Greenough (Mr. Patrick) and those behind him now require for Agricultural Bank clients.

Hon. P. D. Ferguson: We urged it all through.

The MINISTER FOR LANDS: Then why did you not bring it about? Where is your legislation?

Hon. P. D. Ferguson: Has not the member for Katanning (Mr. Watts) a Bill before the House now? Why don't you be fair?

The MINISTER FOR LANDS: Members opposite were in office for three years, yet did nothing in the matter. They did nothing to help the farmer to meet his obligations.

Hon. P. D. Ferguson: And you continued the legislation that we had brought down.

The MINISTER FOR LANDS: I hope Parliament will throw out this Bill. Members opposite have no hesitation in grasping any opportunity to exploit the State on behalf of their constituents at the cost of other sections of the community. That should be discouraged by the House, for I hope I am speaking to members who have a due sense of responsibility to all sections of the community. Not only does the legislation under discussion propose to exploit the Agricultural Bank and the community but it proposes to exploit them in the interests of one section only of the producers, and that section is already receiving a generous writing down. This legislation is also designed to deny the Agricultural Bank its moral and legal rights in the interests of other financial institutions and thus re-establish a condition which operated prior to the enactment of the Agricultural Bank Act of 1934. I wish to impress upon the House that this legislation is in the interests of one section only—the clients of the Agricultural Bank. What about the other farmers who are clients of other financial institutions? There is no legislation to relieve them. But the Agricultural Bank is a Government institution and so, plunder the Government, plunder the country, in the interests of one section only, and that section the clients of the Agricultural Bank! The Bill even attacks sections which existed in the Agricultural Bank Act of 1903 and its amendments. This Bill attacks, not the Act of 1934, but sections in the Act of 1906—sections that have been in operation for 30 years and accepted for 30 years. It must be borne in mind that the clients of the Agricultural Bank are in a very different position as compared with the clients of the Associated Banks and other financial institutions. The debts due by farmers to the private banks are payable on demand, and the banks control the settlers' accounts absolutely. All income received from any source whatever is paid into the private banks' accounts, and thus the banks are able to keep control of all their clients' operations. A very different state of affairs obtains with the Agricultural Bank. The loans made by the Agricultural Bank are for an extended period, and repayments are not demanded until ten years have elapsed. The Agricultural Bank does not control the accounts of its clients, and so it is imperative it should

have some security over the produce of the farmer and his stock, as is provided in the Agricultural Bank Act of 1934, and as members of the Country Party were compelled to provide under Section 37(a) of the Agricultural Bank Act of 1930. The reasons that actuated the Mitchell-Latham Government to provide under Section 37 (a) of the Agricultural Bank Act of 1930 were the reasons that actuated the Collier Government in enacting Section 51 of the Agricultural Bank Act, 1934. They represent one and the same principle. Now members opposite, who insisted on a lien over the farmer's crop under the Act of 1930, say it is all wrong, and they tell the farmers that it is a scandal that we insist upon what they enacted. The member for York, in his speech on the Agricultural Bank Act Amendment Bill in 1930, gave the reason for taking a lien over a farmer's crop. It is recorded in "Hansard." He said that the Bank must have this power; otherwise it would never get its interest or repayment of the advance. It was provided that the lien on the crop came after the lien held by the Industries Assistance Board. Now members opposite want to wipe out the Industries Assistance Board lien as well as the Agricultural Bank lien, both of which they insisted were necessary in 1930 when the farmer was getting 1s. 10½d. a bushel for his wheat. I am surprised at their impudence in telling the farmer that they are standing behind him. I am surprised at their temerity, dishonesty I will call it, in telling the farmers at their conference that they were going to vote for the Bill. Have they told the farmer that in 1930, when he was getting 1s. 10½d. for his wheat, they brought in the same legislation and insisted upon it? During this discussion I hope members will make themselves fully acquainted with these facts. What was right in 1930 when wheat was 1s. 10½d. a bushel is apparently wrong now when wheat is 4s. 1d. a bushel. The Commissioners of the Bank have never exercised their rights harshly. The member for York, in speaking on the amending legislation in 1930, said that the Bank had been a most generous institution. So it has been. Any man speaking honestly in this House could not say otherwise. Although a number of ex parte statements were made during the debate on the Address-in-reply, I repeat the Bank has been most generous. In one instance recently, the Commissioners wrote down a debt of £11,500 to £3,000. How in the name of Heaven could a man get an ad-

vance of £11,500 if the Bank had not been over-generous and when the Act provided that the maximum advance should be £2,000. Yet we are told that this is a harsh institution, and that it is crushing the farmers. I shall give the facts of what has been done to show the exceeding generosity displayed by the Agricultural Bank. I said that the Commissioners of the Bank had never exercised their rights harshly. Once the settler has met his statutory obligations, and provided he maintains the security, no obstacle is put in the way of his trading and farming operations. There is nothing new in that principle; every financial institution insists upon it. I want to deal with the principles of the Bill, leaving the important amendments until later, so that members will see exactly what this Bill proposes, although I should be very doubtful if any member opposite would have introduced such a measure had he occupied a seat on this side of the House. When members opposite were in power of course they did not introduce such a Bill; they introduced something vastly different. The member for Greenough is apparently anxious that principal repayments shall be made annually instead of half-yearly, as at present provided in the Act. The amending Act of 1934 stipulated that the repayment of instalments and interest should not commence until ten years after the advance had been made, and the advance was repayable over a term of 20 years. That is an exceedingly liberal provision. With the half-yearly system in vogue for paying instalments, the Bank is better able to keep in touch with the financial affairs of its customers. This principle operates with every public department and also with the private banks. It is often more easy to pay interest and instalments half-yearly than to pay the total annually, but despite the provision in the Act there has never been any difficulty placed in the way of a settler who wished to pay his interest or his instalments of principal annually. All he has to do is to make the necessary arrangements with the Commissioners of the Bank. It is when we come to consider the proposed amendment to Section 51 and other amendments contained in the Bill that we begin to appreciate their infamous and confiscatory character. First it is proposed to repeal Subsection (b) of Section 51 of the Agricultural Bank Act of 1934. If the proposed amendment becomes law the Commissioners will lose any right to secure the

repayment of moneys advanced to finance the farmers' seasons' operations. Every year the Commissioners make refunds of interest and principal to farmers to help them in carrying on the year's operations. From this source the Bank last year advanced £31,952. That is the principle followed every year. The hon. member proposes that in future these advances shall be in the nature of an unsecured debt. They are now secured by lien on the crop for the year, because the farmers' security is mortgaged up to the hilt. He proposes that these advances shall not be made repayable from the season's crop, but that they shall be an unsecured debt. If the amendment is carried it goes without saying that the settler would suffer most, because no refunds would be made in the future. What institution would make advances on the security of a crop knowing that the security was to be confiscated? The Agricultural Bank would not make the advances, and the chief sufferer would be the farmer. The Commissioners are not entitled to make refunds without some security, but the principle behind the amendment is that the Commissioners shall give all and get nothing in return. That is the spirit which permeates the whole of this amending Bill. The measure proposes also to destroy the statutory charge of the Industries Assistance Act, the Discharged Soldiers' Settlement Act and the Group Settlement Advances Act, over produce. The provision in the present Act merely continues the law contained in the Agricultural Bank Act of 1906. It is proposed to destroy the Bank's rights contained in the Acts, which were passed not in 1934, but in 1906, 31 years ago. The rights of the Bank have never been challenged until this day. In the past members opposite have insisted on the rights of the Bank under these Acts being maintained. The Industries Assistance Act was enacted in 1915 to provide seasonal advances to farmers. The Industries Assistance Board loaned money on practically no security, because the farmer was up against it and had no security to offer. The Industries Assistance Board was brought into operation by this legislation, passed at the instance of the then member for Guildford (Hon. W. D. Johnson). It enabled advances to be made to farmers on the security of the crop and the produce, because the farmer had no other security to offer. His land was already mortgaged up to the hilt. He could not have got advances except by this

special legislation. Now the member for Greenough proposes to wipe out the Bank's rights by this new legislation. Members opposite are not attacking the Act of 1934, but the provisions of an Act which they administered during all the years they were in office. Large sums of money were loaned under this authority, and large sums were loaned last year and this year. But the farmer has no security to offer for such advances. A charge is made upon the general assets of the farmer, including the growing crop and the proceeds of the farm. As the advances are made on practically no security, it is necessary that a comprehensive statutory lien should be taken over everything, subject of course to the rights of prior encumbrances. If the proposals contained in the Bill are carried, the Commissioners will lend no more under the Industries Assistance Act. Why should they do so when they get nothing back? What Government would find the money for the institution that lent money on no security? Would the people of this State tolerate a Government which made advances of that nature? What would happen if the Bill were passed would be that the farmer would suffer because the Bank would lend no more money, and no treasurer and no private institution would advance a shilling in the circumstances. Westralian Farmers would not advance a shilling in such circumstances, and no organisation whatever would advance money. But members opposite want the Bank to continue to do this, and to please their constituents would plunder the country. Under this proposed legislation the farmer would be able to repudiate his obligations, obligations entered into this year. This year the sum of £201,000 was advanced by the Industries Assistance Board to help the farmer to produce his crop. The hon. member's Bill proposes that £200,000 and the millions that were spent before shall be confiscated and repudiated. The advances would be an unsecured debt. The farmer would have no legal liability. The rights of the Bank in respect to I.A.B. advances would disappear. The amounts involved would represent an unsecured debt. I pointed out that the Bank by the powers given under the Industries Assistance Board have advanced £201,684 this year, and made refunds of interest amounting to £31,952. If the rights of the Commissioners are taken away by this Bill, it will mean that the

settler would not only repudiate his former obligations, but repudiate obligations into which he entered this year. Under the conditions prescribed in this Bill the Commissioners would not have advanced one penny. The second mortgagee or any other creditor will be entitled to come in and profit under the expenditure approved and advanced by the Bank to finance the season's operations. The second mortgagee will come in and take all the proceeds from the farm, proceeds that had been made possible by the Bank's advances this year. He could take everything and the Bank would get nothing. The road would be made clear for anyone who held a bill of sale to come in and take all the proceeds. This is a Bill which, we are told, will help the farmers. It is also proposed that the Bank shall be entitled to only one year's interest on the crops and other produce derived from land mortgaged to the Commissioners, and that that charge shall not apply to butter-fat produce where the production thereof is of small account. But who is going to decide what is "of small account"? The Bank would have to send an inspector to the farm to find out. The onus would be on the Bank. I challenge members opposite to bring forward a single instance where the Bank has prevented the farmer from utilising his butter production to his own advantage when it forms a very subsidiary part of his business. The amendment puts upon the Commissioners the responsibility of proving that the butter-fat produce is of small account, whereas the onus of proof should be on the settler, because he is the man who is responsible for the payment to the institution. It is provided that the Commissioners at most are to be entitled to one year's interest on the crop, wool and other produce derived from lands mortgaged to the institution. This is intentional. The Commissioners will be able only to get interest from lands mortgaged to the Bank. This makes it possible for a client to have one property mortgaged to the Bank and to hold another property in the name of his wife or his children, or even himself, not mortgaged to the Bank. He could then claim that all the produce, or most of it, came from the other farm, and that the farm mortgaged to the Bank produced little or nothing. In this way he could evade his obligations to the Commissioners and pay nothing. There are such instances. I know of settlers in this country who hold farms mortgaged to the Bank and also other farms in their wives' names not mortgaged to the bank; and I

know of instances in which the settler rarely gets a crop but his wife gets good crops. I know an instance where the settler rarely had a crop and his wife always had a good crop, and where in one year the settler's son, who had no land, had 600 bags of wheat for sale. Here is another instance. A settler, who before the war was in partnership with his brother, upon returning from the war went to the Repatriation Department with a proposal to buy his brother out for £900. The property passed into his hands, subject to returned soldier's concession. His brother proposed to go back to the mother, who was stated to be ill. His brother got a send-off, being presented with a travelling rug and a bag, but went back to the farm from which the Repatriation Department had bought him off. Moreover, the repatriated brother married a war widow, and she too got a farm under returned soldier's concession. The brother who was bought out is back on the old farm, and has been building up a farm not mortgaged to the Bank, whereas the Bank got no interest.

Mr. Thorn: Are not those isolated instances?

The MINISTER FOR LANDS: The hon. member knows that the party opposite put a settler off a farm because he was never getting anything, while his wife was getting good crops.

Mr. Thorn: That was another isolated instance.

The MINISTER FOR LANDS: They put that man off the farm; they evicted him. There are plenty of instances in Western Australia of men who hold farms while their wives hold small blocks, and the wife's land is always productive. The wife's land is not mortgaged to the Bank, but the husband's farm is. I will give another instance. I know of one place in Western Australia where the Government years ago put 12 cows on a settler's property. Those cows had no progeny, but the cows on a property in the name of the settler's wife had two or three calves a year. The settler himself had nothing, but his wife had a private account in the bank in a country town only a hundred miles away from Perth.

Mr. Thorn: That is very funny, but you would not condemn the whole farming community for that.

The MINISTER FOR LANDS: Certainly not. But I want to tell the House that when

a Bill provides that the Bank shall get only one year's interest on a property mortgaged to the Bank, that is done deliberately. Why is it provided in this Bill that the Bank can get only one year's interest from the produce of a farm mortgaged to the Bank? Is it not possible for the hon. member who introduced the Bill to have in his mind the instance I have quoted where the farmer's wife had a farm or the farmer's daughter had a farm, or the farmer himself had a second farm not mortgaged to the Bank? In that instance, the proceeds came from the farms not mortgaged to the Bank, and the farm mortgaged to the Bank produced little or nothing. Can it be said that that is not deliberate? Section 37A of the Act of 1906, as amended, provided that the charge applied to crops produced on any lands occupied or used by the borrower, irrespective of whether the lands were mortgaged to the Bank or not. This section was introduced by the Mitchell-Latham Government, and was embodied as a necessary principle in the Bill of 1934. The Mitchell-Latham Government enacted that section because of the necessity for it. They provided that a charge was to be levied on all the lands, whether mortgaged to the Bank or not. They did not allow any escape from that. Now hon. members opposite would tell us that what they did themselves is an entirely wrong thing. They provided that this charge should apply not only to the land which the farmer himself had and which was mortgaged to the Bank, but to any other lands which he held. Now hon. members opposite say that must not be at all. Now they say that is wrong. Since hon. members opposite did it themselves, have we not paid them a compliment in adopting it? What has happened since? The Leader of the Opposition and the member for Irwin-Moore (Hon. P. D. Ferguson) and other members opposite find that legislation which they themselves passed is such a wretched piece of legislation as to cause great injury to the farmers. As I have said, the farmer can evade his obligations. I do not say all farmers evade their obligations, but we are not dealing with all farmers. Hon. members opposite, by their action, show that some farmers are dishonest. It has been said that I attacked the farmers. I never have attacked them. There are thousands of good farmers, and they will not have this legislation at all. The farmer if

he desired could not evade his obligations to any other institution, because those institutions, particularly private banks, have control of the farmer's assets and all his operations. There is no legislation suggested that the private banks shall not have charges or liens over the farmers. The private banks have charges over the whole of a farmer's land and over everything else. The private banks are in a position to be fully seized of the whole of the farmers' affairs. Any member who has had dealings with the private banks knows that the banks have control over the whole of their affairs—and farmers do not mind it either. Moreover, some private banks, under their mortgage provisions, have control over all the farmers' assets, over the food on their shelves, the cutlery on their tables and the furniture in their houses. Hon. members opposite complain that, after paying his interest, the farmer has no control over his assets. That is not correct. If a farmer pays his interest he is entitled to deal with the balance of his property as he wishes, subject only to his statutory charges and obligations regarding any security of the bank in respect of assistance rendered to him. I refer to such obligations as advances under the Industries Assistance Act to enable the farmer to put in the new season's crop. But no client is entitled, after paying interest, to sell the security held by the bank. He is not entitled to sell his sheep that are under lien, or horses that constitute part of his farm plant or any of his securities without the Bank's consent. No one does that. Members opposite would not do that. Would any member of this House lend money to an individual and then allow him, merely because he paid one year's interest, to sell the security on the basis of which the money was lent? Of course he would not. There may have been one or two instances in this State of settlers being embarrassed because of some administrative act, but that is no reason why the whole principle should be attacked. Every settler has perfect liberty, provided he pays his interest and maintains his security. That is what he must do for any institution in this or any other country. Should he desire to sell portion of his security, the farmer must ask permission of the licensee. He must go to the bank and say, "I want to sell these sheep and finance a fresh undertaking." That is all the farmer is asked to do. If some restraint were not

exercised, a settler could sell produce that is obtained as the result of finance arranged through the I.A.B. He could abandon his holding and, merely by paying one year's interest, retain any additional benefits himself. I know of an instance in the constituency of the member for Greenough (Mr. Patrick) in which the settler had paid nothing for years, and I am told that he sold all his stock and went off with £2,000—and the Bank got nothing. The Bank is to have no rights at all, but if the second mortgagee advances money to enable the settler to put in a crop, despite the effect of the proposed amendment, he will be entitled to a refund of the advances made plus interest due. If the Bill be agreed to, the Industries Assistance Board will have no rights at all. On the other hand, any private person will be entitled to his dues. If the Agricultural Bank is the first mortgagee and by virtue of the provisions of the Industries Assistance Act advances £500 to a farmer to enable him to put in a crop, the Bank will not be entitled to the refund of that money. On the other hand, a second mortgagee may make an advance to that farmer and he will be entitled to the refund. The hon. member proposes by this legislation that the rights of the first mortgagee shall be set aside in order that the second mortgagee, or any other creditor, may step in and profit in consequence. The farmer is told that this is to be done in his interest! He is not told that the intention is to paralyse the Bank, so as to allow the second mortgagee under this legislation to step in for his portion. There is no doubt about that. Members opposite have not told the farmers that. They may have been told that members opposite are going to hamstring the Bank, but they have not been told that it will be in the interests of the second mortgagee and other creditors. They will be able to take what the first mortgagee is entitled to get but cannot receive in consequence of this legislation. In other words, the second mortgagee will enjoy the rights denied the first mortgagee, and that only because the first mortgagee is a Government institution—the Agricultural Bank. That is the explanation. A Government institution is to be plundered by the patriots of the Opposition. That is how they propose to secure votes. They are going to corrupt their constituents and say, "We have tied up the Bank, and now we are entitled to get your votes." So for mere votes, members opposite are going to plunder this country. What I have just said did happen prior to

the passing of the Agricultural Bank Act of 1934. That is what happened before the enactment of Section 51. If the Bill be agreed to, it will happen again but in a wider sense, because rights under the Industries Assistance Act, the Discharged Soldiers' Settlement Act and the Group Settlement Advances Act, measures that were passed years ago, will be set aside. At least one thing I can say about it is that members opposite are thorough in their legislative proposals. They want to set aside legislation that they themselves enacted years ago in order that someone else may come in to reap the benefit, not the farmers themselves but some of their other creditors. If the Bill be passed, the Bank will have no control over its securities and will be defenceless. There is no doubt in my mind as to what will happen if the Bill be passed. While the member for Greenough would deprive the Bank of its just, legal and moral rights, he shows the utmost consideration for the rights of other mortgagees, and, as I have already explained, he proposes to destroy the Bank's securities in order to enable settlers to repudiate their obligations to the Agricultural Bank in favour of the second mortgagee or any other person. He releases the produce of the farmer from the lien only to make it available, not to the farmer, but to some other party. That is his intention. That hon. member did not tell the farmer that he was doing that splendid thing. I have been informed that the National Party will support the Bill because they are business people and this is a business proposition. The object of this move is not for the Bank, but for the machinery merchants, the private banks and private creditors. They can all come in now and secure what? What the Agricultural Bank is entitled to receive because of the advances made.

Mr. Marshall: The Bank built up the security in the first place.

The MINISTER FOR LANDS: It is common knowledge that the Agricultural Bank has certain statutory rights and charges under the various Acts placed under its control. In the first place, there is the Discharged Soldiers' Settlement Act of 1918, which gave the Bank a prior charge over all the soldier settlers' assets. That was done because the State purchased the land, which at that stage comprised the whole of the farmer's security and was not then loaded up. Then the State had to make advances to provide stock to enable the settlers to carry

on. Hon. members opposite passed this legislation in 1918. It has operated all these years, and now they want to set it aside so that someone else shall get what the Agricultural Bank is entitled to. I have already referred to the fact that these Acts have operated from 11 to 20 years, and under them the Bank has a first charge not only for a year's interest but for all seasonal advances. The members who passed this legislation have been telling the conference of farmers that it is iniquitous; that these Acts which they passed and administered all the years they were in office—not merely three years but the years before that—are iniquitous. It is proposed in the Bill that, in the case of the Industries Assistance Act and the Discharged Soldiers' Settlement Act the security is to extend only to the borrower's land, a security which would be of no value whatever. The security is no good because the land is loaded up to and beyond its capacity. We have had to wipe out liabilities to the extent of £3,000,000. That security is no security whatever for any advances made under any of the Acts the Bill proposes to wipe out. The same applies to the provisions of the Industries Assistance Act. That Act was passed because the security of the farmers was mortgaged to the hilt. The property would not carry any more liability. Therefore the Industries Assistance Board was introduced to render help. Members opposite want to set that aside. The securities under all these Acts are very precarious. The provisions of the Industries Assistance Act are utilised to make advances for seasonal operations, and a lien automatically applies over the crop and other produce. A lien as against the land and other farming assets would not be of any value because that security is already mortgaged to the hilt in a majority of cases. The securities under these Acts are very precarious and it was for that reason that Parliament intended the charge to extend in much the same way as a bill of sale over present and after-acquired property. Last session when introducing the first Bill, the member for Greenough said that the Bill proposed to bring the Discharged Soldiers' Settlement Act, the Industries Assistance Act, and the Group Settlement Advances Act under this Bill for the purpose of uniformity, but that is not the reason for the Bill at all. The

real reason is to free the crops and produce from the Bank's lien for the repayment of seasonal advances. The hon. member may say it is not so, but it is. That is the legal interpretation of the Act. If the Bill becomes law, the Bank will be forced to rely upon its security in land for the repayment of all advances under these Acts, and the land does not constitute an adequate security for many types of advance, because the land is already loaded up. What will happen is that the second mortgagee will automatically take advantage of what the Bank is forced to give up. The result will be that, instead of the Agricultural Bank having a first charge on the crops, woolclip or butterfat, some other institution will claim the proceeds under a bill of sale. That is what is going to happen. Some other institution will come in first, and the Bank will be last, and a long way last. The hon. member professes to act more responsibly when he proposes to give the Bank a charge over livestock purchased with advances under the Acts mentioned, but this charge is somewhat intangible. The stock purchased under these Acts may be dead. They are dead in many places, and the Bank's security has disappeared, and there may not have been any progeny. The Bank has had its experience in this connection, for it is often claimed that the stock supplied by the Bank are barren, while the settler's private stock depasturing on the same holding are extraordinarily prolific. Hon. members cannot deny that settlers have stated that their wives own the cows, or their sisters, or brothers own them. The settler himself has none. I could give many such instances. Settlers have said the banks took the cattle but that the cattle did not belong to them—the settlers. I could give many instances in which the stock does not belong to the farmer, but to other members of the household. A further provision of the Bill is to the effect that the Commissioners are not to have any security against the book debts of the borrower. It may happen that borrowers very often come in late in the season and obtain loans, giving as security for the loan, orders on wheat merchants. These moneys are advanced by the Commissioners, as a rule, under the provisions of the Industries Assistance Act. We have already made advances for the purchase of sacks, twine and machinery parts, and sustenance, and the farmer, wanting

some of these things urgently, says he will give a lien over the wheat. The money owing by the wheat merchant is a book debt, and according to the provisions of the Bill, the order, on the security of which the money is advanced, is to be no good, so that the Bank will have no claim for the repayment of money it is advancing to-day. That will become an unsecured debt. In the process of time they hope it will be wiped out, just as we are wiping out millions now. The Bill reeks with repudiation. The member for Greenough goes further. He attempts to provide an artificial valuation for the purpose of writing down a farmer's indebtedness to the Bank and proposes to strike out of the Act the provision that the Commissioners, in revaluing a property, must have regard to the likelihood of the securities appreciating in value. Section 65 of the Act of 1934 provides—

Where the Commissioners are satisfied (a) that the value of any security or securities formerly vested in the Bank or any of the transferred activities and vested in the Commissioners by this Act is insufficient to cover the aggregate amount due by any borrower on all accounts secured by such security or securities; and (b) that there is no reasonable likelihood of the securities appreciating in value so as to cover such amount and of the borrower being able to meet his indebtedness etc., the Commissioners may write off and reduce the aggregate indebtedness to such sum as the securities can carry.

Before 1934 the Commissioners had no power to write down and our friends opposite gave them no power. The only thing our friends opposite did in their three years of office was to bring in a special Bill to provide under Section 37A that the Bank should have a lien over the crops. There is not the slightest reason why the Commissioners should not have regard to the securities appreciating in value. Everything depends upon seasons and prices, and would it be fair to value properties on depression prices in a depression period? But if the method which the sponsor of the Bill sets out is fair, why not apply it to farmer clients of other institutions? Why concentrate on plundering the State? If these principles are sound, permit everybody to enjoy them. But these proposals have never been accepted by any Government in Australia. When our friends opposite were in office all they did with the existing farmers' legislation was to provide for liens on the crops. They gave no power to the Bank authorities to write down. But

we gave the Bank that power, and the Bank has already written down properties to the extent of £3,000,000. But why should the Commissioners have no regard for the appreciation in value of a farm? Why should they be forced to accept the price of wheat as being 3s. a bushel at the port, wool at 6d. a lb. at the port, and fat lambs at 10s. at the siding? There is not the slightest reason why the Commissioners should not have regard for an appreciation in values but if members opposite want the Commissioners to ignore such a principle why did they not provide for it three years ago? If members opposite think the Bill fair, why do they not apply the same principle in other fields? These proposals have never been accepted by any Government in Australia. The hon. member, when introducing the Bill, said that his basis of revaluation was recommended by the Royal Commission on the Wheat, Flour and Bread Industries appointed by the Commonwealth Government. It was put up as a scheme for debt adjustment to carry a settler on, not as a basis on which to determine land values. The recommendations were made to the Commonwealth Government, which was expected to legislate in accordance with those recommendations. But the Commonwealth Government have entirely ignored the recommendations, and nowhere have the recommendations support in law. They have not been adopted by the Country Party, nor by the National-Country Party Government. Moreover, the circumstances have materially changed since the time when the Commission made their recommendations, and primary products are now at a much higher level than they were at the time the Commission issued their report. Although no Country Party Government in Australia, and not even the Federal Government which appointed this Commission, have adopted these recommendations, the member for Greenough seeks to impose the obligation on the Commissioners of the Agricultural Bank to value their securities for writing-down purposes on this and no other basis. I have already said that the member for Greenough is adopting an entirely artificial basis for valuations. It is of no use attempting to assign an artificial value to a thing. Every farming property, and everything for that matter, has some value, and the value of the thing in question is what it might reasonably be expected to realise. This depends

upon a number of factors—the question of the productivity of the soil, the rainfall, the situation, the prices of commodities, they all govern the question. The member for Greenough decides that every farm should be valued with wheat at 3s. per bushel f.o.b., wool at 6d. per lb., farmers' lots f.o.r. at shipping ports and fat lambs at 10s. per head at sidings. That would mean, allowing for freight and handling, wheat at siding 2s. 7d. per bushel, and wool 5d. per lb. I have taken out some figures to illustrate the position that would arise if we blindly attached ourselves to these figures. The present price of wheat is round about 4s. 3d. per bushel, and the average price over the last 20 years works out at 4s. 9¼d. per bushel, whereas it is proposed to adopt 3s. as a static figure. At the recent conference of the Primary Producers' Association the delegates voted that the Commonwealth Government should provide legislation to give a price for wheat of 4s. per bushel f.o.b. However, putting that aside, since the hon. member would have every farm valued on wheat at 3s. per bushel, wool at 6d. per lb., and fat lambs at 10s. per head, how would he like to have his own farm valued on the same terms?

Mr. Patrick: You can have it on the same basis if you want it.

The MINISTER FOR LANDS: Modesty is the strong point of some of our members, just as it is with delegates to the Primary Producers' Association. I cannot understand the insincerity of those people. They have indulged in a propaganda of all for the farmers, day after day the year round. But for the man that really supplies the money out in the back country, they have no consideration at all. I can claim that we have done many things for the farmer. We have considered him in every way, and no other Government in Australia has done so much for him. Members opposite, during the years they were in office, did nothing except to bring in legislation that they now say is utterly wrong and should never have been introduced. The proposed basis for wool is more absurd because the average price for wool over the last 20 years is 15.15d. per lb. f.o.b. Those are the figures of the Government Statistician, and the hon. member wants the farm valued on wool at 6d. per lb. What would that mean if we agreed to it? I am sure members would never agree to it with their eyes open. No member

of this House would be game to go on the public platform and advocate such principles. And let me remind members once more that the taxpayers are expected to bear this loss in the interests of one section of the farmers only, and that section the clients of the Agricultural Bank. Fat lambs, the clause provides, are to be valued at 10s. per head at sidings, whereas the present price ranges from £1 to £1 5s. and the f.o.b. price is higher still. But the hon. member is not satisfied even with that; he goes still further. The proposed new Section 66A provides that the value of the securities is to be based on the productive capacity of the property, having regard to existing stocking facilities and improvements. It is tantamount to saying that the loafer or the man who has worked his property inefficiently is to get benefits because of his inefficiency. The productive capacity of the property, the stocking facilities and improvements! What do those factors depend upon? In this State we can see improved farms alongside farms that are virtually unimproved. Yet the man who does not improve his farm, and who has not done his job is to have his property revalued on the productive capacity, existing stocking facilities and improvements and to get an advantage over the efficient farmer.

Hon. P. D. Ferguson: That man would lower the productive capacity of his farm. What you are saying is misrepresentation.

The MINISTER FOR LANDS: In a State like Western Australia who is going to settle those points? One farmer gets 15 bushels and another farmer gets 20 bushels.

Mr. Patrick: On similar land?

The MINISTER FOR LANDS: Again, the farmer who does not exterminate the rabbits but allows his property to be overrun with the pest and impoverished as regards feed, or the man who has neglected to look after his property in other ways, is to get the benefit from his neglect. I repeat that if this method of valuation is to be compulsorily imposed upon the Commissioners of the Bank, it should also be imposed upon other lenders of money on the security of rural properties, and provision should be made to the effect that private banks and other financial institutions shall accept a writing-down of their debts on the same basis. Having destroyed the Bank's authority and its control over the funds advanced and placed the institution in the position of a

beggar, the member for Greenough submits further proposals intended to deprive it of the means of protecting itself against the misuse of funds advanced and the neglect of its securities. He proposed that the Commissioners shall not exercise any of the powers or remedies conferred upon them by the Act. First of all, he would compel the Bank to write-down values according to his valuation, and then take away what remedies were left to the institution. For instance, if money advanced had not been economically expended, the Commissioners could not refuse to pay any further instalment of the advance to the settler except by an order from the resident magistrate. If a settler secured an advance and misappropriated any portion of it, the Commissioners could not refuse to pay the balance except by an order from the resident magistrate.

The Minister for Works: That is a beauty!

The MINISTER FOR LANDS: Any other individual in the State could refuse in similar circumstances without an order from the magistrate. If a settler appropriates money advanced to him, the lender can immediately stop any further advances, but the Commissioners of the Bank are not to have that right. If the money advanced has not been applied to the purpose for which it was advanced, the Commissioners cannot call upon the borrower to repay the money without an order from the magistrate. If a settler has misappropriated the money, he cannot be compelled to repay it without an order from the magistrate. This is to apply only to clients of the Agricultural Bank, and not to other farmers. The Bank would be unable to enforce its securities for non-payment of interest without an order from the magistrate. Members should bear in mind that, at this stage, most of the Bank's rights would have been removed, including the lien against the produce for all advances made this year, and all that would remain to the Bank would be the interest for one year. If the settler did not pay his interest, the Bank would be unable to enforce the security for non-payment without a magistrate's order. If a borrower did not keep buildings, fences, fixtures and improvements in good order, the Bank could take no action against him without the consent of the magistrate. Private banks could take action; everybody else could take action, but the Commissioners would have to go to the magistrate, who would know nothing about the matter

and would probably give the borrower another chance. The Bank could not prevent the owner letting the land or entering into cropping arrangements, or prevent him from transferring the equity of redemption without an order from the magistrate. Notwithstanding that the arrangement might be entirely unsatisfactory to the Bank, and that the security might be jeopardised, the Bank could not challenge the action of the settler without going to the magistrate. Any other man could do it, but not the Bank without going to the magistrate. Do members think that any sane Parliament would permit the Agricultural Bank to conduct its business under those conditions? Is this a lunatic asylum? Could anyone believe that any Parliament would allow the Bank to advance moneys in this way? No sane man would think of it. Still further responsibility is to be placed upon the Commissioners, to make an application for an order to proceed and to prove a number of facts which are obviously impossible. In the first place, they are to prove—

(a) Whether the default giving rise to the application has been caused or contributed to by any reprehensible conduct, mismanagement on the part of the borrower, rendering him undeserving of the benefit of this section.

Who is going to prove reprehensible conduct, and what does it mean? The Bank must go to the magistrate and prove that the farmer has contributed to the trouble by reprehensible conduct. Who is going to prove that? Would any farmer have the desire to go to the court and swear that a neighbour had been guilty of reprehensible conduct? That would be asking too much of any farmer or even of a member of Parliament. Where would the Bank get its evidence? Would not the Bank get this sort of thing, "So and so is a great type, a splendid man." Then there is the charge of mismanagement on the part of the borrower. Who is going to prove that? It has occurred time after time, and the Bank has not taken action, until forced in the end to do so. The hon. member knows that men have had £7,000 or £8,000, and mismanaged their business all the time. The Bank has to prove the general misconduct of the borrower and his past relationship with the Bank. The Bank has to prove whether the default has been brought about by circumstances beyond the control of the borrower. The Bank has to prove that default in the payment of one

year's interest has been brought about by circumstances beyond the control of the settler. Who is going to prove that? Would any farmer go to the court and say that a neighbour had not carried on his farming operations properly? If he did that, every organisation in the country would denounce him. He may be blackballed and boycotted. What would the neighbours say? They would say that the settler had been ill, that the family had been ill, or that the horses had become sick, or that the man himself had had bad luck. They might say that the grasshoppers had eaten him out or any one of these things. Have settlers not posted notices stating that a certain man had been evicted by the Government? The notice would read, "A settler has been evicted from this place; no other person must take occupation here." Would the settlers go to the court and support the Bank? No! Would I go even if I knew anything against a farmer? It would not be my business. I would not want to be boycotted and black-listed or stand badly with my neighbours. Where would the Bank get its information? Have settlers not gone to sales and threatened that people must not buy the stock put up for sale? The Bank would not be able to prove anything, because no one, except their own officers, would give evidence. What happened to an officer in the South-West? He came to me and said he was resigning. I asked for his reasons. He said, "I cannot do my job and live in the community. My wife cannot be insulted every time she goes to a meeting or a dance." There are instances of that kind in this country. Members opposite would give the farmers something; they would not give to anyone else. Would they give evidence against anyone in their own electorates? Would the member for Avon or the member for Irwin-Moore or the Leader of the Opposition do so? Of course they would not.

Mr. Raphael: What about the member for Swan?

Mr. Sampson: If the member for Victoria Park did it would not make much difference to the decision.

The MINISTER FOR LANDS: Another provision is whether the management has taken into consideration whether the settler has had a reasonable chance of meeting the requirements of the Bank in respect to advances made. How have all these liabilities

been incurred? The Bank was authorised to advance up to £2,000. True, further amounts were advanced under the Industries Assistance Act. Some of these people have been on their properties for years. One man owed £9,726 and had £7,376 written off. Another man owed £11,000 odd and had £8,592 written off. Others have had written off £8,700, £8,300 and £7,200. How did these things happen? Evidence on that point was given before the Royal Commission. People have been given chance after chance. Mr. McLarty stated and others stated that this was due to the pressure of politicians.

Hon. P. Collier: Mr. McLarty told me of it.

The MINISTER FOR LANDS: Files have come to me by the dozen. I have said, "Why do you not take some action? Why was this allowed to go on?" The answer was that Mr. So-and-So had called in about it. Members opposite are not satisfied now because they can no longer call in. They have a grievance because they cannot influence the Commissioners. The member for Williams-Narrogin said that he never criticised, because he wanted to please me. However, I find he had no such intention. The magistrate has to be satisfied that dispossession would cause the settler no hardship. How could it be proved that dispossession would cause no hardship? The Bill was brought in with this provision last session, but the provision was left out of this Bill because members opposite knew that it would be ridiculed. The member for Katanning (Mr. Watts) and the member for Greenough (Mr. Patrick) co-operated in drafting the Bill, and introduced it. Well, let us all go to the magistrate whenever we are affected by any inconvenience. If the magistrate possesses all this capacity and knowledge, let us have the benefit of it all round. But even if the provision was reasonable, the magistrate could not be a competent authority to judge such matters; and so the Bill proposes not only to make the Bank's administration impossible but to put the settler in a position to neglect the security and defy the administration. No member of this House can afford lightly to vote for the second reading of the Bill. If he does, he must take a full measure of his responsibility to the whole community. In these days all sorts of irresponsible proposals find support in the community, but it is

expected that in Parliament, at least, members will act with a full sense of their responsibilities. That is what is expected of them here. While sitting in Opposition they may be irresponsible. I suspect hon. members opposite would be very sorry if the Bill were passed and if they were over here and had to administer the measure. They would have a very hot time. In my opinion it is essential to lay down the principle that the relationship between the Bank and the settler is that of lender and borrower. That is why the Bank was initiated. No settler was forced to take a loan from the Bank—not one of them. The Government of this State in years past created the Agricultural Bank to advance money on certain securities to assist the settler to create a farm. The settler, in borrowing money, agreed to pay back every shilling of that money to the community with interest. That was the term of the contract. The policy now advocated by too many people is that the obligations to the Bank should be regarded lightly, as though they began with the mere signing of a piece of paper which carried no legal or moral obligation. Owing to the depression, and the fall in prices which has affected the agricultural outlook, some borrowers, and more particularly their Parliamentary representatives, are taking advantage of the occasion to propagate the view that the Bank has no rights and that the borrowers have a moral right to repudiate their obligations. This Bill proposes to insist upon that as a legal right. The member for Greenough is the spokesman for that section of opinion. He is the sponsor of the Bill in that regard. The hon. member himself would not do a day's business on the same conditions. He never has done a day's business on the same conditions. I am sure that this attitude of mind on the part of the settler is due in large measure to the difficult times through which we are passing, and calls for our understanding and sympathy; but this House will not be permitted to ignore the facts. I have heard it stated in this Chamber that the relationship between the client and the Bank is that of partners. That is sophistry and is not accepted anywhere else. The relationship between any bank, any lender of money, and a client is not that of partnership. The relationship is that of lender and borrower. If the lender wants to be gener-

ous, he can be generous; but nobody has any right to force him to be generous in the circumstances. When the Workers' Homes Board build a worker's home for a client, that is not by any means regarded as a partnership. When the Government make a loan of money to any industry or enterprise, that is not regarded as a partnership. It is expected that the borrower will repay; but it is a prerogative of the Government to reduce the debt or entirely obliterate it, subject to the sanction of Parliament. And that is the attitude which must be taken by this House with regard to the Agricultural Bank. If there is one person more than another in this community whose interest it is to recognise the sanctity of contracts, it is the landholder, the man who claims he has a stake in the country and has something to lose. One may expect a different view from a man who has nothing in a country, no work, no home, and little opportunity for a decent existence; but it is the last thing one would expect from a landholder who has something to lose. The Government are generous. The Government are making concessions everywhere. As I have already told the House, the present Government and the Collier Government in 1934 gave the Agricultural Bank and the Lands Department authority, never before possessed, to write down debts. I repeat that, acting on that authority, in two years the Bank has written down debts of settlers amounting to £3,129,195, and the Lands Department has written down farmers' debts amounting to £228,000. Did hon. members opposite take that authority? They had three years in office during the worst depression in prices for primary products, but they never introduced legislation to reduce debts owing to the Government. The present Government amended the Land Act, giving the Minister power to write down repurchased estates. During the last two years we have written down repurchased estates to the extent of £228,000. We have done that with the authority of Parliament. Has any other Government done it in two years or in any number of years? No. No other Government even amended the Land Act to give power to revalue repurchased estates.

Mr. Patrick: They were written down years ago.

The MINISTER FOR LANDS: An Act was passed in 1934 to give further relief to the farmers. Members opposite did not in-

introduce a bit of legislation to alleviate their condition. The work of writing-down is being continued, and it is estimated that the Bank will, before it is finished, write down liabilities amounting to about £6,000,000 on which the community will probably pay £240,000 in interest. Despite that, members opposite say that that is not enough. They say, "We are going to clean you out and take everything away from the Bank. We are going to take everything from you except one year's interest which you cannot get unless you go to a magistrate. We will force you to write down on an artificial basis that does not exist."

Mr. Patrick: You have an imagination.

The MINISTER FOR LANDS: That is not a fair proposal. Yet it was hawked round the Primary Producers' Conference, and received the blessing of that gathering. No wonder! It is solely in the interests of private creditors, not in that of the farmers or of the State. The Water Supply Department has also written off considerable amounts, and that is the proper method for making such adjustments. There must be an investigation of all the facts, consideration given to what the property may bring, and also to the prospect of prices improving or not improving. That is the way this problem should be dealt with. I have probably used some hard words during the course of this debate, but I think I am right in saying, with every degree of justification, that this Bill could be entitled, "a Bill to Legalise Robbery and Repudiation." It does nothing else. It is calculated to bribe and corrupt that section of the farming community that comprises clients of the Agricultural Bank. It is a bribe to farmers who owe money to the Agricultural Bank only and provides nothing for the farmers who are the clients of private institutions. This Bill confers no advantages whatever on any other section of the farming community. It is safe to say that no Parliament would ever have established the Agricultural Bank on such a basis as is contemplated in the Bill. Although there are Country Party Governments in Australia, not one of them has introduced legislation of this character. Not one has attempted to do so. A Parliament that could rob, in the interests of private business, an institution financed by the State as the Bill proposes, in that it seeks to set aside the Agricultural Bank's lien in order to allow the second mortgagee to come

in and reap benefits, would be hard to find—although it may be possible that in some Parliaments there are irresponsible minority elements similar to that sponsoring the Bill under discussion. Summarised, the Bill repudiates the Bank's rights to security for advances and debts contracted under the Industries Assistance Act, the Discharged Soldiers' Settlement Act, and the Group Settlement Advances Act. It also repudiates the Bank's right to insist upon repayment of interest and principal refunded and advanced as against the season's crop and produce. It obliterates nearly £200,000 advanced during this year, and any other advances are converted into unsecured debts. It makes the collection of the Bank's interest almost impossible in providing the client with every opportunity to escape payment. It permits, and encourages, repudiation of contracts and will create a general contempt for the Bank's undoubted rights. It will restrict the farmer's credit because the Bank will not make any more advances, and takes away the Bank's security not for the benefit of the farmer but for his private creditors. It provides for a writing-down on a purely arbitrary basis, and that basis is fixed ridiculously low in order that the farmer may secure a home, a property and an independence at the expense of other sections of the community on conditions that are not only grossly unfair, but without a tittle of justification. The second mortgagee and other creditors, from whom nothing is demanded in the Bill, will be placed in a position of great advantage at the expense of the Agricultural Bank and the taxpaying community, and last, but not least, it makes the Bank subservient to the borrower, and will eventually bring about the utter ruin of the institution. But the Bill provides for even more than that. When the settler has been permitted to repudiate and secure a farm by legalised robbery, he may neglect the property; he may be unsatisfactory in every sense; he may treat his responsibility to the Bank with contempt; he may even be dishonest. But the property cannot be repossessed except by an appeal to the magistrate, and the Commissioners of the Agricultural Bank are put in a position of having to prove misdemeanours that it would be impossible to prove, because, in the first place, the magistrate is not a competent authority, and, secondly, because, apart from

their own officials, it would not be possible for the Commissioners to get supporting evidence. If the principles in the Bill became law, no Government would be justified in advancing any further moneys to farmers—not one shilling. The Bank would not be justified in advancing money that could never be recovered. In fact, the institution known as the Agricultural Bank might well disappear, because all that will be necessary, if the Bill be agreed to, is that those who are prepared to pay interest may pay it direct to the Treasury, and those who do not want to pay interest need not pay any at all. Who would justify the continuance of an institution to advance money to persons who have no responsibility for repayment, particularly in the knowledge of the fact that the law of the country made it possible for the borrower to regard his obligations with indifference, if not with contempt? The sponsors of the Bill are the Country Party. They cannot claim that they are acting in ignorance of what will happen if the Bill be passed. I have said before, and I repeat it for the last time, that in 1930 members opposite introduced an amendment of the Agricultural Bank Act to provide that the Bank should have a lien on the crops. They did that because they recognised the necessity for it. If there was no necessity for it, why did they take that action? Because they recognised the necessity for it, the Bank was given the authority sought in that legislation. The Country Party were the sponsors for that which they now, with their tongues in their cheeks, bitterly condemn and say is iniquitous. They condemn as iniquitous that which they sponsored a few years ago. This Bill is not intended, in their minds, to pass. They hope it will place some members in this House in an awkward position. They recognise that some members have agriculturists in their electorates, and so they hope to put those members in a hole. They have introduced the Bill in that spirit, and have done so grossly unfairly.

Mr. Marshall: You are like the Agricultural Bank, and will have nothing left to say soon.

The MINISTER FOR LANDS: I have discussed the Bill thoroughly. I think that everything I have said is true because I have the opinion of the Crown Law authorities in that regard. I have not made my

statement without getting legal advice on it, and it is accurate in every particular. I say this is a piece of legislation introduced by the party opposite to popularise themselves. They are up for auction, bidding for support.

Mr. Thorn: You are always at it, any way.

The MINISTER FOR LANDS: No person could go to some electorates and oppose a party that brings in a Bill like this. They will say to their electors, "See what we tried to do for you, and could not." They will say, "See what we will do for you when we get back," but they will not do anything when they get back. I have seen Country Party and National Party members sitting cheek by jowl but they would not last for two minutes in a city constituency if they agreed to legislation of this character. Every interpretation of the Bill which I have given is the Crown Law opinion and not mine. May I conclude by telling members what the Government have done for the farmers in the last two years? For the year ended June, 1937, the people of this country found £710,351 to pay the Treasurer interest which the farmer could not pay. That money was taken out of the pockets of workers in this country who cannot go before a magistrate, who have no security and no independence. That money came out of their pockets. The farmer pays no taxation. He says he has no income so he cannot pay taxation. If the agriculturists are impoverished, it is impossible for them to pay. This money has been paid at the expense of those men in the community who are partly on the basic wage, and by men who are on only temporary jobs, getting frequently less than the basic wage because they are on part-time employment. It is paid at the expense of people in the mining industry who are working in the most unhealthy occupation in the world.

Mr. Marshall: The rottenest occupation that could be found.

The MINISTER FOR LANDS: They pay the interest and they never get an independence and a home.

Mr. Marshall: To an early grave; that is where they go.

The MINISTER FOR LANDS: Losses incurred in the development of the agricultural industry cost the State £866,000 annually. That represents money which has been

expended on agricultural development which does not pay interest, but members opposite say, "That is not enough; we want more; we will take it out of your pockets by legal compulsion; we will make you write down further amounts; we will see that the debtors have a contempt for you." But they will not do anything of the kind if we can prevent them. The money written off by the Agricultural Bank during the last few years totals £3,297,909. The Industries Assistance Board wiped off £1,058,000. The Industries Assistance Board, which makes advances on no security except the crop, of which the hon. member intends to deprive it, wrote off £431,693 during this year in respect to farmers' debts. Now the party opposite says, "You have written that off but you will get nothing. The farmer need not pay interest. Go to the magistrate and prove what you cannot prove." The Lands Department has written off this year £351,327, and the Water Supply Department £36,000. The Agricultural Bank interest in arrears totals £2,335,274. The figures for the active holdings are £1,205,000. Arrears in respect of land rents total £844,956, and outstanding water rates owing by farmers £162,647. Hon. members opposite say we have not done anything for the farmers and that they are the saviours of the farmers. In the three years while they were in office they did nothing, yet they come along, now they are in opposition, and they say to the farmers, "We are the people who would try to do things for you by means of this Bill." Members opposite may go around the country and promise that but I will guarantee they are not game to ask us to go to the farmers' conference and give the true facts.

Mr. Patrick: Yes, they are.

The MINISTER FOR LANDS: They are not.

Mr. Patrick: You can go whenever you like.

The MINISTER FOR LANDS: The principles in this Bill are not the principles of the hon. member. They never were his principles, nor his family's principles. The hon. member never was responsible for this Bill, and his family was never responsible for such principles. It is not part of their nature, not part of their make-up. I draw the attention of the House to the fact that last year we received from the Federal Government £200,000 less than we should have

had, because, according to the Federal Government, of our extravagance in land settlement. They said, "You can afford to be extravagant and spend money. We will penalise you and you will get £200,000 less." Do hon. members think that any Premier would go to the Loan Council knowing that this Bill had been passed and try to get money from the Council? The Loan Council would say, "You can be very generous; you can give the country away, and then come to us begging for money; you will not get it; you can do what we cannot do." If this Parliament wants to make a name for itself by legislation of this character, it will make a name for itself, but I tell the member for Greenough that if he succeeds in getting Parliament to pass the Bill, in years to come when he and his colleagues sit here, having sown the wind they will reap the whirlwind.

On motion by Mr. Boyle, debate adjourned.

House adjourned at 10.48 p.m.