

play into the hands of the Eastern States, where they have the white woods that we do not grow in Western Australia.

Hon. L. Craig: The fruitgrowers do not desire to use white cases.

Hon. L. B. BOLTON: I believe that is so, but unless the fruitgrowers oppose the move from the very inception the decision in favour of white cases will be forced upon them. The Honorary Minister, in his excellent speech on the second reading, complained that members were prone to criticise the policy of the Government but few offered any suggestion for improvements. In my opinion the best solution of at least part of our present-day difficult situation is to use every possible means to secure the development of our export trade. My recent travels definitely convinced me that there are wonderful markets overseas for our primary products, but there are many difficulties to overcome. One is to get our people export-minded. So few producers and manufacturers agree that it is worth-while, and at the first obstacle they encounter, lose any enthusiasm they may have had. It is the duty and, I am sure, the desire of the Government to assist in every possible way in that direction. With the geographical advantages we have with regard to the Near East and India, if the activities were properly handled and controlled, we could capture and hold a very large percentage of the trade in fresh fruit supplies for those countries. That is the only suggestion I can offer at the present juncture. I regret the necessity for raising a further loan of such magnitude as that covered by the Bill, but in the circumstances I feel perfectly justified in supporting the second reading of the measure.

On motion by Hon. H. V. Piesse, debate adjourned.

*House adjourned at 5.50 p.m.*

## Legislative Assembly,

Thursday, 29th November, 1934.

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

### ASSENT TO BILLS.

Message from the Lieut.-Governor received and read notifying assent to the following Bills:—

- 1, Forrest Avenue Closure.
- 2, Industries Assistance Act Continuance.
- 3, Sandalwood Act Amendment.

### BILL—STATE GOVERNMENT INSURANCE OFFICE.

#### Message.

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

### QUESTION—DAIRYING, BULL SUBSIDY.

Mr. McLARTY asked the Minister for Agriculture:—1, Is there any provision under the zone system for the distribution of dairy cattle whereby a farmer in a particular zone may obtain assistance under the subsidy scheme for the purchase of a bull of another breed? 2, If so, under what conditions is the subsidy granted?

The MINISTER FOR AGRICULTURE replied: 1, Yes, under exceptional circumstances. 2, When a farmer can show that he has consistently bred towards an ap-

proved breed other than that allotted for the zone in which his farm is situated, provision is made to assist in the purchase of a bull of that breed.

### **BILL—AGRICULTURAL BANK.**

Read a third time and transmitted to the Council.

### **BILL—INSPECTION OF MACHINERY ACT AMENDMENT.**

*In Committee.*

Resumed from the previous day. Mr. Sleeman in the Chair, the Minister for Mines in charge of the Bill.

Clause 5—Drivers of electric winding engines used for raising and lowering men to be qualified (partly considered):

The Minister for Mines had moved to insert the following paragraph in lieu of paragraph (ii.) struck out:—

(ii) The board shall exempt from the examination aforesaid any person who is the holder of a winding engine-driver's certificate, and who within one year after the commencement of this section proves to the satisfaction of the board that he has been in charge of and driving an electric winding engine for at least one year within the two years immediately preceding the commencement of this section.

to which Mr. Lambert had moved—

That the amendment be amended by striking out all words after "certificate."

Mr. MARSHALL: We should be told what words it is desired to insert in lieu of the words proposed to be struck out. When operations were begun at Wiluna, there were no drivers who could qualify because electric winding engines were not previously used here. The member for Yilgarn-Coolgardie, I take it, wishes to place all drivers on the footing they occupied before electric winding engines were introduced. To drive a steam engine is more difficult than to drive an electric winder. A competent steam engine-driver could take control of an electric winder with very little risk. Certainly there would not be the risk that would attach to a steam winder strange to the driver. Every steam engine has its peculiarities. Two identical engines, manufactured by the same firm, might vary to such an extent as

to puzzle the driver, and only by practice could he acquire knowledge of the peculiarities. Men holding steam engine certificates were able to drive electric winders as soon as they were installed, and they should not be required to pass an examination for driving such winders. No accident has occurred and no trouble has been experienced through steam engine-drivers taking charge of electric winders at Wiluna. The Minister should agree that every first-class steam engine-driver should be exempt from examination, and should have his certificate endorsed as a driver of electric winders also. Others sitting for certificates in future could be examined as to their knowledge of electric as well as steam winders. The board should not make the examinations too difficult. Members would be astounded if they saw some of the examination questions, which would puzzle a qualified engineer. Winding engine-drivers have no need of such knowledge. The board should have regard for what is necessary and no more. The difficulty of passing the examination has discouraged many men, with the result that at the moment there is a shortage of winding engine-drivers.

Mr. SAMPSON: So long as a driver holds a certificate, the question whether it is for a steam or an electric engine is beside the mark. I had charge of a steam engine—

Mr. Hegney: How long ago?

Mr. SAMPSON: And I also had charge of a steam winch.

Mr. Marshall: Did mother give you one for a Christmas present?

Mr. SAMPSON: I also had charge of a steam engine in the river trade of South Australia. All the verbiage as to what should be done could be dispensed with. So long as a party possessed a winding engine-driver's certificate, it should be sufficient. I support the amendment on the amendment.

Mr. LAMBERT: I suggest that the Minister recommit the Bill in order to permit of the insertion in Section 53A of a new subsection reading as follows:—"Any person who at the commencement of this Act is the holder of a winding engine-driver's certificate shall on application to the board be entitled, subject to Section 57 of this Act, to have a certificate endorsed by the board upon such winding engine-driver's certificate that he is qualified to be employed as a driver in charge of any electrical wind-

ing engine used to raise or lower men." The board already have that power under Section 57. The desire is to obviate the possibility that the board may require drivers experienced with electric haulage engines to submit to a long and quite unnecessary examination on electric appliances. The Minister has already provided for the certificates of such drivers to be automatically endorsed. It should be made clear to the board of examiners that the holders of first-class certificates are entitled, upon application, to have their certificates so endorsed. I agree with the Minister that in view of the possibility of electric winding appliances being used more extensively in the State, new applicants for certificates should prove their knowledge of such appliances. That refers more particularly to the younger generation.

Hon. J. CUNNINGHAM: I hope the Minister will not agree to the proposal of the member for Yilgarn-Coolgardie. The Minister has already been liberal in meeting the position with regard to certificated engine-drivers who are acquainted with the use of electric winding engines. The suggested amendment of the member for Yilgarn-Coolgardie means that the board will be authorised under the Bill, if passed, to issue certificates without knowing if the first-class engine-driver is familiar with the application of electricity to winding engines. Irrespective of what may be said regarding the knowledge of a first-class winding engine-driver who has been used to steam engines, the position remains that he may have had no previous experience of electric winding engines. There is another party concerned: the men who descend into and ascend from the mine. It is for the purpose of safeguarding the lives of those men that the Minister has drafted the amendment appearing on the Notice Paper. The Minister points out to the board, in that amendment, that it is quite just to issue certificates to men who have operated electric hauling engines for 12 months within the two years preceding the proclamation of the measure. As regards other first-class engine-drivers, who have not come in contact with electric winding engines, it is essential that they should pass an examination. The Committee should not consider only the interests of first-class engine-drivers, but also

the lives of the men who are to be raised and lowered.

Mr. LAMBERT: Hoping that the Minister will agree to the new amendment I have outlined, I ask leave to withdraw my amendment on the amendment.

The MINISTER FOR MINES: I have just read the amendment the hon. member proposes to substitute. It has nothing to do with the amendment now before the Chair. I wish hon. members to realise what I think the member for Yilgarn-Coolgardie failed to realise last night, that the paragraph represents a further exemption, and does not impose any restriction whatever. I certainly would vote against the amendment on the amendment. I want to have the right to grant the exemption proposed.

Amendment on the amendment, by leave, withdrawn.

Mr. MARSHALL: The Minister's amendment is severe, especially as electric winding engines are not numerous in Western Australia. The demand for 12 months' experience within two years past is excessive. If a man has driven an electric engine for four weeks, he has shown his competency, more especially if he has had experience in steam. The amendment covers all the drivers in Wiluna, but it may not cover drivers elsewhere, who consequently would be compelled to submit to examination. I do not know that there is much in the contention of the member for Kalgoorlie. The men in question are certificated drivers, and have raised and lowered miners for 10 or 15 or 20 years.

Hon. J. Cunningham: But not with electricity.

Mr. MARSHALL: Where would Wiluna have been had this proposed law operated? Not one of the men there would have been allowed to drive one of those engines. The management rightly accepted certificated men with years of experience in haulage, reasoning, "If they can do that, they can do this." The difference is really in favour of the electric engine, which is far easier to control.

Hon. J. Cunningham: The Minister's amendment provides for the exemption of those men.

Mr. MARSHALL: My contention is that if the amendment is carried, the only men qualified will be those who have had 12 months' experience of electric wind-

ing engines within the last two years. Where will such men drive? One would imagine that electric winding engines were studded all over the fields, instead of which they are very scarce. Why should a man who has been driving a steam winding engine for 25 years be excluded when he could secure a job on an electric winder.

The MINISTER FOR MINES: The effect of my amendment will be to give first-class winding engine drivers an opportunity to go before the board and have their certificates endorsed, so long as they take that action within six months.

Mr. Marshall: That will do me.

Hon. J. Cunningham: I told you you did not know anything about it.

The MINISTER FOR MINES: If those engine drivers do not take that action within six months of the proclamation of the measure, they will have to pass the prescribed examination, and it will be their own fault. As to the references to 12 months made by the member for Murchison, he should realise that that represents a further concession to those engine-drivers. All they will have to do is to show that they have driven an electric winding engine within 12 months and get their certificates endorsed. The effect of the amendment suggested by the member for Yilgarn-Coolgardie would be to nullify the amendment we have already agreed to. He wants the drivers to have an opportunity to get their certificates endorsed at any time without any examination. I have told the engine drivers' organisation that in going so far we have treated their members very well, and I do not feel disposed to go any further.

Amendment put and passed.

Mr. LAMBERT: I move an amendment—

That a new subsection, to stand as Subsection 3, be added to Section 53A as follows:—“Any person who at the commencement of this Act is the holder of a winding engine-driver's certificate shall on application to the board be entitled, subject to Section 57 of this Act, to have a certificate endorsed by the board upon such winding engine-driver's certificate that he is qualified to be employed as a driver in charge of any electric winding engine used to raise or lower men.”

Section 57 provides that the board may restrict or extend privileges conferred by any certificate, and such extension shall be en-

dorsed upon the certificate. I want to be certain that in the exercise of that power the board will not act arbitrarily and withhold certificates from men who have a life-long experience of steam winding engines. What I propose is supplementary to, and not in conflict with, what has already been agreed to.

Hon. J. Cunningham: But that is already in the Bill.

Mr. LAMBERT: But the provision in the Bill is for six months only. A high-powered motor car is infinitely more dangerous than an electric winding engine. If it were not so, I would oppose any relaxation in the requirements regarding the qualifications of winding engine drivers. My amendment is merely a direction to the board that in the exercise of their powers they will not submit the drivers I mention to an examination.

The CHAIRMAN: I rule the amendment out of order as negating the amendment the Committee have just agreed to.

Mr. LAMBERT: I would like some explanation of that ruling.

The CHAIRMAN: It negatives the previous amendment. The matter cannot be discussed.

Mr. LAMBERT: But will you not be kind enough, Mr. Chairman, to give me an explanation indicating how it negatives the previous amendment?

The CHAIRMAN: I have given my ruling. It absolutely negatives the previous amendment.

*Dissent from Chairman's Ruling.*

Mr. Lambert: I move—

That the Committee dissents from the Chairman's ruling.

The Chairman: Send your motion up in writing.

Mr. Lambert: If you, Mr. Chairman, will be kind enough and courteous enough to tell me—

The Chairman: Order! The hon. member is in order in moving to dissent from my ruling, but he cannot talk like that!

*[The Speaker resumed the Chair.]*

The Chairman reported the dissent.

Mr. Lambert: I moved to disagree with the Chairman's ruling for two reasons, the

first being that the ruling is incorrect, and the second that I considered him very discourteous.

Mr. Speaker that is not a reason for disagreeing with the Chairman's ruling.

Mr. Lambert: The principal Act provides for certain discretionary powers in the board. That is under Section 57, and in the same section there is a provision under which any first-class certificated engine-driver can apply within six months. The Minister considers the board would automatically endorse an engine-driver's certificate, entitling him to handle electric winding appliances. That may be true, and if the board endorses the certificate, well and good. But in the exercise of that power the board may refuse to endorse the certificate, and so the intention of the Minister would be negatived. To make sure that the board shall do as the Minister requests, to make it mandatory, I proposed that they shall do so. My amendment makes it mandatory. I desired that it should be a clear direction to the board of examiners. It is supplementary to Section 53A paragraphs (i) and (ii). So I submit that my amendment is in order and should have been admitted by the Chairman of Committees.

Mr. Sleeman: The hon. member says he moved to disagree on two grounds, the first being discourtesy on my part, and the second that his amendment actually was in order. In Committee there is room for only one Chairman, and I suppose if I were to allow the hon. member to be Chairman, I should be most courteous. I am put in the Chair to rule to the best of my ability and decide whether the hon. member's amendment is in order. If there was any discourtesy at all, it was on the part of the hon. member. He has the right to move to disagree with my ruling, but while I am in the Chair I am not going to allow him or any other member to be Chairman; while there I am going to maintain some charge of the Committee, and if I ask a member to keep order, the least he can do is to obey the Chair. If I, as Chairman am to be dictated to by any member, it is time we had another Chairman. As to the hon. member's amendment, I ruled that it is a direct negative to paragraph (ii) which had just been placed in the Bill. That paragraph means that the engine-driver has to prove to the satisfaction of the board of examiners that he has done certain things.

To that, Mr. Lambert moved that any first-class driver has simply to bring his certificate to the board and have it endorsed in such a way as to entitle him to drive an electric winding engine. I hold that is a negative to paragraph (ii).

Mr. Speaker: The Chairman has ruled that the amendment proposed by the member for Yilgarn-Coolgardie is a direct negative to paragraph (ii) already inserted in the Bill. Paragraph (ii) undoubtedly means that before an engine-driver shall obtain a certificate to drive an electric winding engine he shall prove to the satisfaction of the board that he has been in charge of and driven an electric winding engine. Under that paragraph the applicant engine-driver must prove to the board that he has had certain experience on an electric winding engine, while the proposal of the member for Yilgarn-Coolgardie is that the applicant shall have his certificate endorsed, irrespective of whether he has been on an electric winding engine.

Mr. Lambert: Permit me to draw your attention to this—

Mr. Speaker: The hon. member is quite out of order of course.

Mr. Lambert: Section 53A starts off with the words "after the expiration of six months from the commencement of this section." So my proposed amendment is only directional, and is not in any way a negative to paragraph (ii).

Mr. Speaker: I do not think that carries us any further. Paragraph (ii), already inserted in the Bill, insists that the person applying for a certificate to drive an electric winding engine must prove to the satisfaction of the board certain things. The hon. member's proposal is that the certificate shall be endorsed irrespective of whether he has had that experience or not. There is no doubt about this being a direct negative of what has already been passed. I have no option but to uphold the Chairman's ruling.

#### *Committee Resumed.*

Clause, as amended, put and passed.

Clause 6 put and negatived.

Clause 7—Amendment of Section 56:

The MINISTER FOR MINES: I move an amendment—

That paragraphs (b), (c), (d) and the proviso be struck out.

Mr. Marshall: Will the Minister explain why he wants this amendment made?

The MINISTER FOR MINES: I explained last night that most of the clauses of the Bill that were being deleted had reference to haulage appliances. I am striking out everything dealing with such appliances, and this is why these paragraphs should come out.

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

Clause 8 put and negatived.

Clauses 9, 10, Title—agreed to.

Bill reported with amendments.

### BILLS (5)—RETURNED.

1, Constitution Acts Amendment Act, 1931, Amendment.

2, Tenants, Purchasers, and Mortgagors' Relief Act Amendment.

3, Mortgagees' Rights Restriction Act Continuance.

4, Reduction of Rents Act Continuance. Without amendment.

5, Financial Emergency Tax Assessment Act Amendment.

With amendments.

### BILL—LAND ACT AMENDMENT.

#### *Second Reading.*

Debate resumed from 13th November.

HON. C. G. LATHAM (York) [5.35]: This is more of a Committee Bill than anything else. Evidently it is designed to make certain corrections in the Land Act as consolidated last year.

Mr. Marshall: Have some irregularities been discovered?

Hon. C. G. LATHAM: I do not say that, but it has evidently been found that in consolidating the Act the Government omitted to take certain powers that existed in the old Act. I will run through the amendments briefly so that members on this side of the House, at any rate, may know what is provided in the Bill. The first amendment allows the Minister to dispose

of real or personal property. I am of opinion that the powers asked for here are already contained in the Act. One or two alterations may be necessary, but I think the power already exists. It is a great pity that so soon after consolidating an important piece of legislation like this, it is found necessary to amend it. I hope that next year no further amendments will be required, because of the difficulty people have in following an important Act of this nature. The next amendment is to correct certain grammatical errors that have crept in. Power is given to authorise an officer to sign certain documents. Evidently he has signed certain documents, and it is presumed that he had no authority to do so. It is, therefore, intended to ratify certain signatures that have been made since the consolidation of the Act. Provision is made for fixing the maximum area of 1,000 acres for a conditional purchase lease, and to instruct the Registrar of Titles to amend certain documents where boundaries or prices have been altered. Evidently the authorities are of opinion that the registrar had no instruction to make such alterations. Power is given to adjust the price of land that is infested with poison or wodge, and to make an adjustment in respect to payments already made. I think that power also is contained in the Act.

Mr. Doney: That power has been exercised.

Hon. C. G. LATHAM: Yes, for some time, but there may not be power in cases where rentals have already been paid to make the adjustment now proposed. Power is also being taken to defer the payment of rent for a term not exceeding five years, and to extend a lease where the term of the lease has expired, and the Crown grant is due to issue, in which case and for any reason the Minister may think fit, he can extend the lease for a period not exceeding five years. A man may be in arrears for five years, but the Crown grant cannot be issued unless the rentals are paid. On the other hand, the rentals may have been paid, but the necessary improvements may not have been effected, and the fencing may not have been completed. When a lease expires, a Crown grant cannot issue unless the improvements provided by the Act have been carried out. There is also power to adjust

the currency of a lease that contains a home-  
stead farm. Last year the Minister pro-  
vided that in cases where a person took in-  
ferior land, that is, other than first-class  
land, he might take up the equivalent in  
value to the 160 acres of first-class land, so  
that a man might get 320 acres or more of  
inferior land. To enable the authorities to  
do this, it has been arranged that a Crown  
grant for the equivalent area cannot issue  
for seven years, as in the case of the home-  
stead farm. One important alteration has  
been made which was not provided for last  
year. I refer to the taking away from the  
Minister for Lands of power to issue per-  
mits to remove timber, either sandalwood or  
dead wood. This means that the power to  
deal with timber on Crown lands is trans-  
ferred to the Forests Department, whereas  
it was previously in the hands of the Lands  
Department. The Bill gives power to the  
authorities to permit aboriginal natives to  
enter upon any pastoral leases for the pur-  
pose of obtaining their sustenance. I do  
not know whether the member for Kimber-  
ley, whose electorate is probably chiefly con-  
cerned, agrees with that. Natives frequently  
go up there to obtain sustenance.

Mr. Wise: They are all over that country.

Hon. C. G. LATHAM: It is possible, of  
course, that stock will sometimes stray from  
their own lease areas.

Mr. Marshall: Some of them would re-  
quire to be good walkers to get off those  
leases.

Hon. C. G. LATHAM: Power is taken  
in the Bill to adjust Crown rents where a  
pastoral lessee transfers portion of his pro-  
perty to another. Sometimes a man has  
water on his lease, and his neighbour has  
none. By transferring a small portion of  
the lease, he enables the adjoining lessee  
also to obtain water. It has frequently  
been found necessary to effect transfers  
in this way. In order, however, to do  
that, it was necessary for the leaseholder  
to surrender that portion of his lease. Under  
the Bill, authority is issued to the Registrar  
of Titles to adjust the boundaries by an in-  
struction to the Lands Department. Power  
is also given if necessary to adjust the price  
of the balance of the land. In Section 149  
of the Act, it is provided that where there  
is a transfer from leasehold to Crown grant,  
the necessary adjustment shall be made on

the title, and as to any charges against the  
land. Evidently the word "caveat" has been  
left out, and it is proposed to insert it. I  
see no objection to the Bill, nor any reason  
why these adjustments should not be made.  
I think that in most cases there is already  
power to deal with these matters, but there  
are isolated amendments that are necessary.  
In Committee I shall refer to the taking  
away of the authority of the Minister for  
Lands to issue permits for the removal of  
timber from Crown areas. I think that is  
an error in the Bill.

Question put and passed.

Bill read a second time.

#### *In Committee.*

Mr. Sleeman in the Chair; the Minister  
for Agriculture in charge of the Bill.

Clauses 1 to 10—agreed to.

Clause 11—Amendment of Section 106  
of the principal Act:

Hon. C. G. LATHAM: The section it is  
proposed to amend reserves the right to  
the Minister, amongst other things, to take  
away any indigenous produce, rock, soil or  
other material, and to fell, cut and remove  
. . . sandalwood or other woods. Then  
paragraph (c) of the section gives the Min-  
ister power to issue licenses to cut and cart  
away any timber, sandalwood or other  
wood . . . growing or being upon any such  
land. Clause 11 of the Bill proposes to  
strike out the words in the Act "and to fell,  
cut and remove all or any timber, sandal-  
wood or other woods." The section will then  
read, "To take away any indigenous pro-  
duce, rock, soil or other material which  
may be required for public purposes." If  
we leave in the words "or other material  
growing," it will give authority to the  
Minister to issue permits to cut any timber,  
including sandalwood. Therefore I think  
the words "growing or" should be struck  
out of the paragraph in the Act.

**THE MINISTER FOR AGRICULTURE:**  
It was found that the provision in the Land  
Act conflicted with the provision in the  
Forests Act, and for that reason it is de-  
sired to delete it from the Land Act. The  
power will be retained in the Forests Act.  
This is purely a machinery provision and is  
desired by the departmental officers.

Mr. WELSH: It is proposed to add a new subsection giving the right to aboriginal natives at all times to enter upon any enclosed or unenclosed but otherwise unimproved parts of the land the subject of a pastoral lease to seek their sustenance in their accustomed manner. This, I consider will do considerable harm, as we know natives roam at will through paddocks where sheep are depasturing. As a rule, the natives travel with dogs and it is not a fair thing that they should be allowed to disturb sheep that may be near wells. The natives get rations, but they go on what is called a walkabout and hunt for game. Their movements are detrimental to sheep, which may be driven miles away from the wells.

Mr. WARNER: What the member for Pilbara said regarding natives wandering about with dogs and doing harm to sheep is perfectly correct. The effect of the presence of the natives and their dogs around wells is serious for the pastoralist, and often results in losses of sheep by reason of their being kept away from water. I suggest that the whole of paragraph (c) in the Bill be struck out.

Hon. J. CUNNINGHAM: The Leader of the Opposition suggests the striking out of the words "growing or" from Section 106 of the Act, but if those words are deleted, there will be taken away from the Crown the authority that is now exercised over conditional purchase land in respect of the removal of sandalwood growing on those lands. It will be remembered that there was a long discussion on this question last year and it was urged that the Crown should waive its rights to sandalwood growing on lands taken up for settlement. The Act, however, was amended to protect the sandalwood. Now, if the words are struck out as suggested by the Leader of the Opposition, we shall alienate from the Crown the right to collect royalty and control the sandalwood growing on Crown lands.

Hon. C. G. LATHAM: This refers only to pastoral leases, and it takes away from the Minister authority to issue permits for the removal of sandalwood or other timber. The intention is to do what has already been the legal right of the Forests Department. I contend the words "growing or" will include timber and sandalwood.

Mr. WELSH: I move an amendment—

That in line 2 of Subclause 2 the words "enclosed or" be struck out.

I have never known of aboriginal natives being refused permission to roam about the country, but it is not right that they should be allowed to enter upon an enclosed paddock where sheep are grazing, because that means the natives' dogs will hunt the sheep all over the place.

Mr. WARNER: The Minister should accept this amendment. Natives are never interfered with when only wandering about looking for food. But this subclause gives them power to roam all over any station, and go through enclosed paddocks where stud sheep are kept. So because of these two words in the subclause, the natives probably would inflict hundreds of pounds worth of damage.

The MINISTER FOR AGRICULTURE: Prior to 1932 all pastoral leases included the provision that natives might seek their food on any enclosed or unenclosed but otherwise unimproved part of a pastoral lease. When the 1932 amendment was introduced, that provision was struck out.

Hon. C. G. Latham: We tried to insert it, but the Committee refused.

The MINISTER FOR AGRICULTURE: I do not know what would happen if the aborigines were not entitled to go on an enclosed or unenclosed area. Where are they to go?

Hon. C. G. Latham: Most of them are employed on the stations.

The MINISTER FOR AGRICULTURE: I assume the pastoralists would determine where they should go.

Mr. Warner: Well, you are not allowed to shoot them, you know.

The MINISTER FOR AGRICULTURE: They depend on the goodwill of the pastoralist. If we were to strike out the whole of Subclause 2, the natives would not be permitted to go on either enclosed or unenclosed land. I understand that those who were responsible for having this provision left out of the 1932 Act have now withdrawn their objection. At all events, the natives will not know what is in this measure, but will accept the pastoralist's directions as to where they may go. This provision was inserted in all pastoral leases prior to 1932.

Hon. C. G. Latham: That is not correct.



**The MINISTER FOR AGRICULTURE:** Yes, in all pastoral leases. However, the authority was removed in 1932, and the Aborigines Department desires that it be included in the Bill.

**Mr. WELSH:** I hope the amendment will be agreed to. At present natives are permitted to go through paddocks and hunt, but under this provision they will be entitled to roam through paddocks where lambing ewes are enclosed.

**The Minister for Agriculture:** What is the practice to-day?

**Mr. WELSH:** They are allowed to hunt through paddocks, but not where sheep are running. Nobody wishes to stop the natives from roaming where they will do no harm. They are given a perfectly fair deal.

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

**Mr. WELSH:** Aborigines already have the privilege to go on the land, but I should not like to see it established as a right. In ordinary circumstances, no objection is taken to their going on the leases.

**Mr. COVERLEY:** I support the amendment. I understand that a similar provision appeared in legislation years ago. An attempt was made to re-insert it in 1932, and I moved that it be struck out. If the aborigines were once given to understand that they could travel through the paddocks with impunity, they would make a practice of it. The natives do not travel without their dogs, and this would have a disturbing effect on the sheep, particularly during the lambing season. The dogs belonging to natives also have a detrimental effect on cattle. It is a well known fact that cattle and blacks will not mix. Natives have been allowed to travel without interference, but they are warned to keep away from certain waterholes and from lambing paddocks. I have not heard of the natives having been harassed to any extent since the provision was deleted. If the words are not struck out, the natives will have legal right to enter property from which they should be excluded. It would be sufficient to give them access to areas not fenced or improved. I do not think it was intended to give them the right to travel through portions of a lease reserved for ewes in the lambing season.

**Mr. MARSHALL:** I support the amendment. The lessee should have control

over that portion of his lease which is of vital importance to him, especially if he is a wool producer. Whether the words are included or not, the aborigines will not be allowed to travel on a lease unless the holder approves. The lessee must be permitted to carry on his industry unmolested by anyone, and this provision would be contrary to the covenant under which the leases are granted. Nobody has a right to enter a lease and disturb the lessee in the peaceful pursuit of his occupation. If the amendment be passed, the balance of the proposed new sub-section will be useless, unless further amendment be made. I take exception to the inclusion of such a provision in this measure. If we wish to do anything for the aborigines, it should be done by a separate Bill. The Government propose to grant certain concessions to the aborigines by a provision in the Land Act. On the same principle, we should provide for their education under the Education Act, for the issuing of clothing and rations under the Child Welfare Act, and for the right to engage in gold mining under the Mines Regulation Act. The Aborigines Department would be well advised to ask the Minister to bring down a Bill to amend the Aborigines Act. It is time comprehensive legislation was framed dealing with aborigines in general. The present legislation governing them is obsolete, and in certain circumstances may be said to have led to persecution of the race. I support the amendment.

**Hon. C. G. LATHAM:** No provision was made for this in the Land Act of 1888. If the Department of Lands included this provision in their documents they must have done so without legal authority. The Bill of 1932 embodied a clause exactly like this one. It was put in at the suggestion of the Aborigines Department. Parliament, however, turned it down at the instigation of the member for Kimberley, and that was a definite instruction to the Lands Department to remove this provision from the conditions appertaining to leases. If there was no need for it then there can be little need for it now.

Amendment put and passed.

**Mr. WELSH:** I move an amendment—

That after the word "unenclosed" the words "but otherwise" be struck out and "and" inserted in lieu.

I do not want to give the natives the right to go upon these leases unless they are subject to some control.

Hon. P. D. FERGUSON: I support the amendment. At the same time I consider it our duty to give aborigines the right to go upon any land that is not fenced or unimproved, although it may be contained within the boundaries of a pastoral lease.

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

Clauses 12 to 15, Title—agreed to.

Bill reported with amendments.

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

#### *Second Reading.*

Debate resumed from the 13th November.

HON. C. G. LATHAM (York) [7.48]: Members will agree that the introduction of this Bill must convey to them as well as to the whole community the parlous condition of our agricultural industry. Having that in mind, we must also remember at what tremendous cost the industry has been built up. It has been founded by the muscle and brains of some of Western Australia's best citizens, backed by the finances of the State and those of private enterprise. It is as well to realise what has been the outcome of that development. During the last 13 years, £60,000,000 worth of wheat has been exported from Western Australia, and during the last ten years over £34,500,000 worth of wool has been exported, half of which has come from the agricultural areas. From these figures members will realise the tremendous wealth constituting our exports during those periods. I should like to contrast the importance of our primary industries with that of our secondary industries. Of the whole of Australia's exports only three per cent. represent the products of secondary industries, the remaining 97 per cent. being made up of primary products. We must realise from a national standpoint what this actually means. The exportation of wheat and wool, and of course gold as well, has enabled Western Australia, and Australia as a whole, to pay all the overseas interest bills, to meet interest payments on a total of over £600,000,000. Moreover, that exportation has furnished credits

in London for all the goods imported by Australia. Naturally, imported goods are paid for by exports in the form of wheat, wool, and gold, and a few other products. A great deal more money has to be found overseas, and the primary industries find that also. Our pound notes are of little value in London except when backed by our exports. The Bill proposes to give some relief to those who have rendered the State a national service. To that I consider they are entitled. Of our wheat production 85 per cent. is exported, and approximately the whole of our wool. Indeed, the only wool used in Western Australia is that used by the Albany Woollen Mills. A realisation that nearly all the wheat and wool we produce is exported, enables us to realise the importance of primary industry to Western Australia. Moreover, the opening-up of our agricultural areas has been the means of providing a great deal of employment. Hundreds of miles of railway have been built because the wheatgrowers have opened up the country.

Mr. F. C. L. Smith: Built out of the loan funds to which you object.

Hon. C. G. LATHAM: I wish the hon. member interjecting would occupy his seat more frequently, because then he would know that I have expressed no such objection. There is no harm in using loan funds to build railways, provided of course that the railways pay.

The Minister for Mines: Not too many of the agricultural railways pay.

Hon. C. G. LATHAM: The Minister for Mines had better consult his colleagues. The lines that do not pay are some of the lines running into the mining areas.

The Minister for Mines: I know that too.

Hon. C. G. LATHAM: I am surprised that the Minister interjects as he does. He should know how little Western Australia loses over its railway system as compared with other States. It follows that some of our railways must be paying. The agricultural lines are those that pay.

Mr. Wansbrough: Most of the agricultural railways do not pay.

Hon. C. G. LATHAM: The non-paying lines I refer to are those in the outer mining areas, and those in the South-West which were put down for the purpose of opening up the country with a view to re-

moval of the timber and the establishment of the dairying industry there. There is no complaint whatever about the use of borrowed money for railway construction, none whatever. During the 14 years I have been in the House there has never been any objection on that score. Just recently we authorised the construction of two railways, and there was no opposition to them. We know that all our railways are built out of loan funds.

The Minister for Mines: Those who introduced the Bills admitted that neither of the two railways would pay for some time.

Hon. C. G. LATHAM: The interjection of the member for Brownhill-Ivanhoe (Mr. F. C. L. Smith) was rather inopportune. As regards the interjection of the Minister for Mines, I think the line from Geraldton outward will speedily pay.

The Minister for Mines: I also admit that.

Mr. Doney: Everybody who knows the country to be served admits that.

Hon. C. G. LATHAM: Some members are irresponsible. After all, though, we do not judge the intelligence of the Chamber by the few who speak out of their turn.

Mr. Hegney: Not all the intelligence is on your side of the House.

Hon. C. G. LATHAM: I am prepared to bow to the superior knowledge of the member for Middle Swan (Mr. Hegney). To return to the subject, the industry to which the Bill proposes to give some relief has been the means of building an enormous mileage of roads. Hardly any portion of Western Australia that has developed does not owe its recent advancement to the agricultural industry. I need only refer to the city of Perth and the seaports. The recent expenditure at Geraldton is due simply to the fact that the back country there has been opened up lately. I give credit also to the mining industry for its share in the opening-up of Western Australia. However, let us admit that there is no portion of this State that does not owe its development to agriculture. It follows that the State as a whole, in times of difficulty such as the agricultural industry has been and is experiencing, should bear some of the burdens of that industry. All this development has taken place practically during the last 25 years. Of the last 14 years, 10 were highly prosperous, with the

result that the industry was allowed to get into debt. For this there were two reasons. One was that the high prices of wheat and wool caused the industry to be regarded as a good investment. Money being plentiful, machinery firms gave extensive credit to farmers. Again, banks and other institutions freely made advances to them. During the last three years the industry has got into a difficult position, and some relief is necessary. It is proposed to give that relief on the lines indicated by the Minister for Lands when introducing the Bill. It is just as well for the people of the State, irrespective of who they may be, to realise what they owe to agriculture. Immediately the prices of wheat and wool fell, hundreds of people were thrown out of employment.

Mr. Hegney: If the people had purchasing power, the price of wheat would rise.

Hon. C. G. LATHAM: I have mentioned that about 85 per cent. of our primary products are exported. Unfortunately we have no control whatever over the prices they realise. If, of course, we had any control over that phase, we would be able to fix a price that would be remunerative. The position is remarkable. To-day we are talking of improving the conditions of the people, but little is being done to improve those of the men on the land who have been assisting in assuring the well-being of the section we class as wage earners.

Mr. F. C. L. Smith: They must vote for the wrong party.

Hon. C. G. LATHAM: I do not know about that. The hon. member is probably the best judge of that, but if we may determine the point on the basis of articles that appear in the Press under his name, he is indeed a very bad judge! Although we talk about bettering the conditions of the wage earners, the farmer is not even earning wages but is getting further into debt. That is due to no fault of the people of the State or of the farmers themselves, because during the past few years the latter have worked harder on the land than ever before. The production per acre has been equal to that recorded at any previous period since the inception of the industry, so the farmer has done his part. Nevertheless at the end of the year he finds he is worse off than ever. When we review the position of farmers in the South-West and the agricultural areas generally, we find they are to-day in a similar position to that

of the wage earners 40 years ago. I admit that a great deal has been done for them during the past three trying years in order to render what assistance has been possible and Governments, Federal and State, financial institutions and commercial houses have endeavoured to help them. Now an appeal is being made to the general taxpayers as a whole to assist in according the agricultural industry further relief. They are asked to accept the burden involved in writing down the debts of the farmers so that their liabilities will be such as can be borne. To-day the farmers are overloaded with indebtedness. When I made the statement in this House that the amount of debt on the individual farms was not excessive, I was severely criticised by the Minister for Lands. At the time we were discussing the report of the Royal Commission on the Agricultural Bank's operations and I was referring to Agricultural Bank indebtedness, not to outside debts. The Royal Commission worked out the liability on each farm as representing under £2,000 and, in my opinion, a 1,000-acre farm ought to be able to carry that indebtedness. Unfortunately, however, that represents the least of the debts of a farmer. Other indebtedness that presses heavily upon him are his interest charges, amounts owing to merchants for machinery, for the purchase of stock and for the provision of other necessities. Those are the things that have given rise to his present position and placed him under such a heavy load of indebtedness. I am not one of those who think that with the writing down of the indebtedness everything will be all right. Unfortunately, that will not be the position. Such writing down will assist the farmers materially by giving them more heart and helping them to realise that others besides themselves appreciate the hopelessness of their position. What is really required is a better price for the farmers' products.

Mr. Coverley: And a reduced interest bill.

Hon. C. G. LATHAM: Unfortunately with wheat at 2s. a bushel—it is 1s. 10d. a bushel on a 5d. rate—the position is not very bright. Most of the wheat sold was on a rate quoted at 4d., but the rates are rather higher than that and would average from 4½d. to 5d.

The Minister for Agriculture: On an average?

Hon. C. G. LATHAM: Yes, the average would be about 4½d. The Minister knows, as I do, that most of the wheat is produced on the outer edges of the settled districts. The Wheat yield along the Great Southern and just east of it and from the areas hugging the coast going northwards is much less than the volume produced in the outer areas. For instance, the wheat produced upwards of 80 miles from Geraldton is greater than the quantity produced nearer that port.

The Minister for Agriculture: But the freight rate would not be 4½d.

Hon. C. G. LATHAM: Yes, the figures were worked out and the freight came to 4.76d., which is slightly more than 4½d. If we were to average up the freight on the total quantity of wheat transported over the railways, it would represent nearly 5½d. per bushel.

Mr. Mann: The average would be about 4½d.

Hon. C. G. LATHAM: I should say a little over that figure.

Hon. P. D. Ferguson: At any rate, the quote was on the basis of 4d.

Hon. C. G. LATHAM: Yes, but most of the wheat came from the outer districts. A reduction of the debts of farmers is not the only step required to help the men on the land. Every assistance that can be rendered should be forthcoming, and I am pleased that the Federal Government propose to do something in that direction. Our problem to-day is not so much one of production, but of securing markets. I suppose the present is the first year this State has had a carry-over from the previous harvest. This year old and new wheat shipments are being exported at the same time. Old wheat is being despatched from Fremantle and new wheat from Geraldton. This carry-over from one harvest to another represents a big problem.

Mr. Wansbrough: We cannot rectify that.

Hon. C. G. LATHAM: Not individually, but probably we could do something to force the Federal Government to a realisation that they cannot keep our ports closed against importations and at the same time expect our primary industries to carry on. I previously pointed out that 85 per cent. of the wheat we produce is exported and, roughly, 93 per cent. of our wool.

Mr. Wansbrough: Wear more Albany cloths, and you will assist the woolgrowers.

Hon. C. G. LATHAM: Are we not doing that? These are our problems. Writing down indebtedness will not assist unless markets are provided for our products. Fortunately the W.A. Wheat Pool has been able to get rid of our wheat, although no doubt the price secured was reasonably low. At any rate, it is satisfactory to know that a market was secured by the pool, because there are other firms who have not yet been able to sell their last season's wheat. That phase of the business must prove a source of worry to us, because there is so much money locked up in the country districts.

Mr. Wansbrough: What quantity is stored?

Hon. C. G. LATHAM: I have not the figures at the moment.

The Minister for Agriculture: We are better off than are the other States.

Hon. C. G. LATHAM: Yes, the Eastern States are in a far worse position.

The Minister for Agriculture: A large proportion of the wheat there has been carried over.

Hon. C. G. LATHAM: The satisfactory position in this State is due to the W.A. Wheat Pool, the biggest wheat handlers in the State, selling the wheat at a price that probably merchants would not regard as the best to be obtained, but the great point was that the wheat was sold before it left the State. The trouble with sales of wheat is that once the wheat is sent out on the water with no arrangements made for a sale, it is available to the highest bidder at the other end. The problem is to get markets, and the only way that can be done is by the Federal Government realising that we must have exchange of goods. I agree that there is a little brighter outlook just now, due to the fact that there are some country members in the Federal Cabinet who have an appreciation of the difficulties of the primary producers. I believe that all Governments in good faith carry out this policy, but I am afraid they lack understanding, they do not realise the difficulties. When the markets were closed against us by prohibitive tariffs, it immediately set up a difficulty for the primary producers in Australia. Fortunately, the Federal Government have been able to negotiate some trade treaties between Australia and Belgium. Bel-

gium will take some of our wheat, but we must take some of her goods in return. While we owe a tremendous amount of money overseas, and there is so much we cannot produce for ourselves, we must exchange goods with other countries. The trouble is that the primary producer is unlike the wage-earner who, when he feels he is not getting a reasonable deal, goes to the Arbitration Court and secures an increase in his wages. I have read that presidents of arbitration courts have said that if an industry cannot pay the required wages, that industry should be closed down. But we have reached the stage where some of our major industries cannot afford to pay wages, and yet we cannot afford to close them down. It shows what weird ideas some arbitration court presidents have of industry. And the manufacturer fixes the price of his goods and sees to it that it is a remunerative price. The only man who lets the other fellow fix the price is the primary producer; it does not matter whether it be eggs, or butter, or anything else, he says to the other man, "What will you give me for it?"

The Minister for Agriculture: That cannot be said about butter, for there we are on London parity.

Hon. C. G. LATHAM: Let us reserve what we have to say about the butter industry until the new Bill comes down.

The Minister for Mines: The farmer does not always have to wait for the purchaser to fix the price.

Hon. C. G. LATHAM: I will take the Minister for Mines to ten towns along the railway where he will find that the producer goes in and asks the storekeeper what he is paying for butter.

The Minister for Mines: As a general rule, the price of butter has been fixed for at least four years past.

Mr. Mann: Nonsense!

Hon. C. G. LATHAM: I will bring it back to the Minister to-night. He knows that the cream producer does not fix a price for his own cream: the manufacturer fixes the price for it. Will the Minister not admit that? The producer has to take what the manufacturer offers him. I hope the legislation to be introduced will provide some relief in that direction.

Mr. Hegney: Does not the law of supply and demand fix the price?

The Minister for Agriculture: That law has been repealed!

Hon. C. G. LATHAM: In Western Australia the law of supply and demand is that we fix the price of nearly all of our goods on London parity, except, of course, butter, and probably bacon. But even then the manufacturers fix the price. The man who sells his pigs, the man who produces butter, the man who grows wheat, and the man who grows wool have no more opportunity of fixing the price of their commodities than they have of flying. I want members to realise that truth when they talk of the man on the land and say he ought to do this or that. He cannot do it, because he is not in a position to do it. Despite the fact that we have had Labour Governments, both Federal and State, they have been unable to do much towards improving that position.

The Minister for Mines: There is one thing they did which you have not done.

Hon. C. G. LATHAM: It is very easy to make an interjection like that, but it conveys very little. The Minister for Mines is in the habit of making interjections without knowing his subject.

The Minister for Mines: Who gave water supplies to the agricultural industry? Did you do any of it?

Hon. C. G. LATHAM: The Migration and Development Commission did it.

The Minister for Mines: Nothing of the kind. The Labour Government did it, and immediately you got into office you stopped it.

Hon. C. G. LATHAM: I do not think we shall proceed farther along that line.

The Minister for Mines: Because you do not like it. It does not suit you.

Mr. SPEAKER: Order!

Hon. C. G. LATHAM: The Minister knows that the schemes put in were furnished out of cheap migration money. So much of it was going about that the Government did not know where to spend it, and so they looked to the agricultural industry. The importance of this industry is brought home to us when we realise the amount of money it actually brings to Western Australia; and when we cannot get a market we shall realise also how closely we are dependent on that industry.

Hon. N. Keenan: What bearing has this on the Bill?

Hon. C. G. LATHAM: It has some bearing on it, and that bearing is the reason why the farmers are in trouble.

Mr. Marshall: A sort of ball-bearing.

Hon. C. G. LATHAM: In this morning's paper I noticed that the Federal Government propose to render some assistance to the industry. They propose to raise 12 or 15 million pounds, which is to be advanced to farmers interest free for the purpose of paying, or at least adjusting, their debts.

The Minister for Agriculture: I understand the Federal Government will hold the States responsible for the principal.

Hon. C. G. LATHAM: I will tell the Minister what is going to happen in respect of that. It is proposed to apply this money to the debts of the farmer, and the farmer will have further to mortgage his property. I presume the State Government will become the mortgagee, guaranteeing the repayment of this money to the trust fund for the purpose of rendering still further assistance. I should like to know whether it is proposed to relieve the mortgagees of some of the moneys secured by mortgages. Evidently the Commonwealth Government are not going to provide any cash to relieve the farmers of indebtedness to the Crown. The Commonwealth proposals will do something towards assisting the farmers and at any rate, will enable them to see daylight. There are some farmers whom it would be impossible to assist, and I note with pleasure that provision is made for the money first to be used in the interests of farmers who are on good land.

The Minister for Agriculture: I think that is sound.

Hon. C. G. LATHAM: Very sound.

The Minister for Agriculture: I do not think that any policy will carry the lot.

Hon. C. G. LATHAM: While that will render assistance to wheat farmers, it will not render assistance to the settlers of the South-West, because they have no indebtedness other than that to the Crown. Unless assistance is provided to enable them to secure fertiliser, etc. I do not know how they will get on. How far the farmers of the wheat belt will be enabled to see daylight, I do not know. It is proposed to assist them this year by giving them 3d. per bushel of wheat produced, and to pay 3s. per acre. Consequently they will get it

both ways—on a bushel and on an acreage basis.

The Minister for Agriculture: That is so.

Hon. C. G. LATHAM: The balance will be used for distribution amongst those farmers who have suffered from rust or drought conditions. I suggest that it would be advisable for the Minister to hold up this measure until the Minister for Lands reports after the conference in Canberra on Monday next. It will be necessary to make provision for mortgages. If we are going to find money for the payment of debts, some security will have to be taken. I do not know what sort of arrangement will be made, because no doubt the Government will require a first mortgage and complications will result.

The Minister for Agriculture: We do all our business through the Agricultural Bank.

Hon. C. G. LATHAM: But there will be clients outside the Agricultural Bank. The Bill before us deals not only with Agricultural Bank clients but with clients outside the Bank. Provision has been made in the Agricultural Bank Bill to allow Bank clients to enter into an arrangement for a reduction of debt, and under this Bill provision is made for those farmers who are not under the Agricultural Bank. I think it will be necessary to draft other legislation, because statutory power must be given to secure the repayment of the money to be advanced. Otherwise the Crown will stand to lose the whole of it.

The Minister for Agriculture: All of the money, if any, you will find will be distributed through the Agricultural Bank.

Hon. C. G. LATHAM: Are we then going to leave it entirely to outside mortgagees, whether the Associated Banks or others, to determine whether there will be an adjustment of debts on the lines suggested by the Federal Government? If outside creditors already hold a first mortgage and we have to secure the State for advances to be made for the adjustment of debts, we would want some security, and they would not be likely to forego their first mortgage in favour of the Agricultural Bank unless we first passed legislation. The Minister would be well advised to defer this Bill until Tuesday, by which time we should have some information as to the Commonwealth proposals.

The Minister for Agriculture: Would such provision be made in this Bill. Would it not be in the Agricultural Bank Bill?

Hon. C. G. LATHAM: I think it should be made in this Bill. The object of the measure is to provide for the adjustment of debts of farmers outside the Agricultural Bank, though Clause 5 will probably affect Agricultural Bank mortgages. We have provided in the Agricultural Bank Bill that the commissioners may write down indebtedness on the farms over which they hold security, conditional upon outside creditors writing down their debts. In this Bill all we provide is that the Director shall make the adjustment of debt outside the Agricultural Bank, that is on the advice of the commissioners that they propose to reduce a farmer's liability, and additional powers are given to deal with those outside the Bank—those under mortgage to the Associated Banks and other mortgagees, as well as outside creditors. Even then I think legislation will be required to bring all those who receive the proposed assistance under the Agricultural Bank.

The Minister for Agriculture: It appears to me that the Commonwealth Government intend to hold the State Government entirely responsible for the repayment of the money.

Hon. C. G. LATHAM: I think so, too exactly as they did with the first wire-netting advance provided for the State. The first lot was interest free, but the State was held responsible for the repayment of the capital money to the Commonwealth Government. If we are entitled to £3,000,000 under the Commonwealth proposals, the State will be responsible for the repayment of the money but the interest will be met by the Federal Government. Interest will not be charged against us.

Mr. SPEAKER: The hon. member is getting well away from the subject matter of the Bill before the House.

Hon. C. G. LATHAM: It is difficult to discuss the Bill without touching the other subject. The Bill proposes to reduce the liabilities of farmers, and this is the machinery by which it can be done. The proposal of the Commonwealth Government is identical, except that the Commonwealth propose to raise sufficient money with which to pay off the adjusted debts.

The Minister for Agriculture: The Agricultural Bank Act and this measure will mostly provide the machinery.

Hon. C. G. LATHAM: I consider that those measures will provide the basis.

Mr. SPEAKER: There is nothing in this Bill relating to what the Federal Government propose to do at present.

Hon. C. G. LATHAM: No.

Mr. Raphael: You are on a guessing competition.

Hon. C. G. LATHAM: If I cannot discuss what is ahead of us, the Minister must proceed with his Bill, but even now I suggest that he postpone consideration until we know whether the measure will meet requirements. Otherwise, in a few days we shall have to discuss the matter all over again. Anyhow, I support the second reading, and hope we shall get the Bill on the statute-book as early as possible.

MR. McDONALD (West Perth) [8.29]: I regard this legislation as of considerable importance, not only on account of the primary producing industries upon which everyone recognises the State depends, but also on account of the fact that it has very wide repercussions throughout the general financial structure of the State. I am aware that there is nothing in this Bill in the way of provision for reduction of debts that cannot be effected under existing legislation. Under the ordinary Federal bankruptcy legislation any farmer or other debtor can call his creditors together, and they by the requisite majority, which is less than four-fifths, the figures quoted in the Bill can agree to reduce his debts, or can even agree to wipe them out altogether if they like to take that extreme course. The position of the farming industry in Australia is due to worldwide conditions. It is apparently considered by legislators of the primary producing States that ordinary bankruptcy legislation would not meet the circumstances. They have considered that the position of the farmer is due largely, if not mainly, to conditions for which he cannot be held responsible. He should, therefore, they think, be assisted by special legislation under which he may receive certain protection in respect to his liabilities, without having to go through the procedure of bankruptcy and having some stigma attaching to him by resort to bankruptcy legislation, a stigma which, if it does exist, it would not be fair to attach to farmers who are not to blame for the circumstances in which they are

placed to-day. Legislation of this kind, which is the first that we have introduced to reduce debts, is of importance to every section of the community. It affects all classes of traders, and the whole financial structure of the State. One consideration alone would enable the House to realise the effect of legislation of this kind. It is now proposed, with the consent of a certain majority of the creditors, that the unsecured debts of a farmer may be written down. As the Leader of the Opposition has said, that is not necessarily the end of the story. What the trader, the merchant, the storekeeper and financial institutions generally have to consider is, will there be another writing down after the first one?

The Minister for Mines: If prices do not rise, yes.

Mr. McDONALD: If that is so, we find a new order in finance. It will be attended by certain dangers. I hope we will surmount them, as we have surmounted other dangers. Since the fall in the price of primary products three or four years ago, it is safe to say that the creditors of the farmers have shown a very great deal of consideration on the whole towards their debtors. I think there is hardly a case in the last three years where a farm has been sold by the mortgagees. If there are cases, they are few and far between. I do not think there is a case in which a farm has been sold by a bank, though here I speak subject to correction. This has been represented to me as being the case. The creditors, storekeepers, merchants and other suppliers of the farmers, who have let them have goods or finance during the last three years, have been supporting the farmers. For the farmers' sake and their own they have desired to keep them on the land. They have given them additional credit, and have laid out further funds to enable them to tide over their difficulties, and in the hope of better conditions arriving sooner or later. If a writing down comes now, these people may say, "What if another writing down comes in another year's time, are we safe in giving further advances?" Will that have an adverse effect upon the position of the farming industry to-day? The farmer is not the only person concerned in the fall of the price of primary products. There is also the grower of wool. A couple of years ago an appeal was made by representatives of wool asso-



ciations to members of Parliament and others asking for their support of legislation for the benefit of wool growers. A fortunate rise in price put the wool growers in a better position, but since then wool has gone down again.

Mr. Mann: It went down 50 per cent. last year.

Mr. McDONALD: Yes. Those engaged in the wool industry may feel it necessary to come in and obtain the benefit of legislative protection, and possibly protection by way of a reduction of their debts. At present I think they are not covered by this Bill, and that large pastoralists are not expected to come under this class of legislation. But the wool industry may seek legislation. Storekeepers and small traders in the country will also feel the effects, along with those with whom they deal and to whom they supply goods. If we are to pass legislation providing for the writing down of debts of one section of the community affected by the fall in the price of primary products, might we not find difficulty in fairly resisting a demand by other sections for similar treatment, if they also are affected by the decline in the price of these products? Another consideration, and a more optimistic one, is that if we write down at present the amount of the indebtedness on farms, we will be writing down on the basis of the lowest price of wheat in the recent history of wheatgrowing.

Hon. P. D. Ferguson: You can only write down to the productive capacity of the farms.

Mr. McDONALD: That must always depend on the price of wheat. A low-grade gold mine may pay if the price of gold is high. The same thing applies in the case of the productive capacity of a wheat farm. We may be writing down debts on the basis of a low market value for wheat. If we had written down the debts of the wool growers two years ago, we would have been faced almost immediately after by the dramatic rise in the price of wool, which would have rendered the writing down rather absurd. Unfortunately, there has been a re-action in the case of wool. Wheat prices are phenomenally low, but it is thought by good judges that sooner or later the economic conditions, the cost of producing wheat, must bring back the price of wheat to a higher level than obtains to-day.

Mr. Stubbs: It is 25 per cent. below the cost of production now.

Mr. McDONALD: Yes, and it cannot remain there. Another consideration raised by the Leader of the Opposition was: are we by this legislation attacking the symptoms and not the causes? In other words shall we not perhaps comparatively rapidly find that by reciprocal trade, by some reconsideration of our tariffs, such as has been recommended by Mr. Cordell Hull in America, we shall be able to re-establish trade, and place our wheat and wool in the markets where people are calling out for them, and at prices which, although not inflated, will be immeasurably better than those which appertain to-day. Thus the difficulties of our farmers may be resolved by the cause of those difficulties being removed. The difficulty, I may say, of legislation of this kind appears to have been strongly felt by the Agricultural Bank Royal Commission, because, as I read the report, they were unable to bring themselves to the stage of recommending legislation for the reduction of debts. I may remind hon. members of what the Royal Commission said on page 69 of their report—

Your Commissioners are further of opinion that the adjustment or conditioning of debt should be left to voluntary arrangements between the farmer, his mortgagees and creditors. The interference of the State with the contractual relations disturbs business and restricts credit.

So the Commissioners were impressed with the difficulty of legislation of this kind, on account of the reactions it has on all people in the community in which such legislation is introduced. The Bill before the House proposes to deal with all our farmers. The Agricultural Bank Royal Commission reports that there are approximately 18,000 farmers in Western Australia. Of these 18,000 farmers, 11,623 are clients of the Agricultural Bank. As regards the Agricultural Bank this House has recently passed legislation under which the Bank commissioners will be empowered, if they reduce the amount of debt to the Bank, to arrange with other creditors for reduction of the amount of the debt. Therefore, as regards the Agricultural Bank and its clients this House has passed legislation by which the Bank commissioners may facilitate some relief to the farmer in respect of all his debts, both s

cured and unsecured. That legislation provides machinery which can be taken advantage of by the majority of the farmers in this State. The machinery in the Agricultural Bank Bill is perhaps freer from difficulty than the machinery proposed to be set up in this Bill, because the Agricultural Bank, which is the mortgagee and will deal with its own moneys, may legitimately approach the other creditors of the farmer and make some proposal just in the same way as any private mortgagee, say the A.M.P. Society, may approach a farmer and his creditors and make suggestions for a general readjustment of his affairs. In the case of the Agricultural Bank, it is not the State as such stepping in and interfering with the contractual relationships of the people of the community, but it is the State in its capacity of mortgagee and creditor stepping in and making proposals for the adjustment of the debts of people who are indebted to the State as mortgagee.

Hon. P. D. Ferguson: Is not the farmer allowed to make suggestions?

Mr. McDONALD: I think every farmer will make suggestions. I expect that all the 11,623 farmers on the Agricultural Bank will make suggestions. They have nothing to lose and everything to gain. Again, there is the size of the organisation involved in dealing with his machinery even as it affects the Agricultural Bank alone. If we have some thousands of farmers all coming along simultaneously—having nothing to lose and possibly something to gain—to demand an adjustment of their debts on the basis of the productive capacity of the farms, something which can only be ascertained by an examination of each individual farm, then it is quite apparent that a tremendous task is involved in carrying out the provisions of the Agricultural Bank Act alone.

Mr. Doney: There are numbers of up-to-date security reports on the files of the Bank.

Mr. McDONALD: That may be so. If it is so, that may make the task of the Bank commissioners easier. But even apart from that, there will be an immense task in front of them in carrying out the authority which has been given to them to adjust the debts of farmers who owe money to the Bank. All those farmers will put in their applications during the first month, or I shall be greatly

surprised. I agree with the Leader of the Opposition in asking the Minister to defer the Bill in view of the arrangements now being proposed by the Commonwealth, because the Commonwealth proposals, if I may mention them briefly, involve, as I read them, a reduction of debts. They contain arrangements by which unsecured creditors will reduce their debts to a certain extent, in return for the assistance which is to be given by the Commonwealth.

Hon. P. D. Ferguson: Would not secured advances be covered by that?

Mr. McDONALD: I am not so sure. It is possible.

The Acting Premier: One knows nothing about that matter except what one reads in the Press.

Mr. McDONALD: I do not know how far that may be official.

The Acting Premier: The other day we read that the loan had been oversubscribed by seven millions. The next day we read that the over-subscription was only a couple of thousand.

Mr. McDONALD: That certainly is a slight variation. However, we all know that the Commonwealth is going to give a large sum of money to the primary industries, of which sum this State will get part.

The Acting Premier: We are "going to get it."

Mr. McDONALD: I do not know on what terms the money is to be made available. It has been suggested that the money will be free of interest, with repayment of principal. But, whatever the terms may be, it may be—I do not say it will be—worth our while to take the money. Perhaps we may refuse it, but there is a possibility that we may take the money the Commonwealth make available, on whatever terms it is made available.

Member: There is a faint possibility.

The Acting Premier: We are not going to take it on conditions of low interest for a year or two and then full interest with repayments of principal.

Mr. McDONALD: The fact remains that money is going to be offered to us, and that when the money is offered to us it will be offered for the relief of the people whom this Bill proposes to help. When the money is offered by the Commonwealth, it will no doubt be offered subject to certain conditions. I agree with the Leader of the Opposition in saying that it seems undesir-

able to commit ourselves to any terms in this Bill until we know whether we are going to be offered the Commonwealth money, and, if so, upon what stipulations it is going to be offered. It may be that the whole basis of the scheme will have to be altered. Now I propose to have a word or two to say regarding the provisions of the Bill.

Mr. Marshall: What have you been doing so far?

Mr. McDONALD: I have been dealing with the principles of the Bill, and have been speaking as a farmer, one who is interested in the farming industry.

Mr. Marshall: A farmer!

Mr. McDONALD: Yes, a farmer in a large way, a good farmer, and, Mr. Speaker, a financial farmer.

Members: Hear, hear!

Mr. Sampson: Truly a rara avis.

The Acting Premier: I did not think there was such a person.

Mr. McDONALD: An Act was passed in 1931 that provided for the protection of the farmer from proceedings by his creditors. The Bill proposes to set up machinery by which the debts of unsecured creditors may be written down. There are two ways of dealing with a farmer's indebtedness. One is by writing it down or reducing it, and the other is by conditioning his debts. As far as I can understand the term "conditioning," it does not mean writing down, but putting the debt in a suspense account to remain there, without interest, for a time until we know how things are going.

Mr. Marshall: I wish they would condition my debts!

Mr. McDONALD: New South Wales passed legislation to condition debts, not to write them down, whereas South Australia passed an Act to reduce the debts of farmers. The South Australian legislation was passed last year, so it is too early yet to determine how far that Act has proved successful. The New South Wales Act has been in force for two years, and so far the legislation does not appear to have proved very successful, because a comparatively small percentage of farmers there have taken advantage of the measure. The Bill proposes to follow somewhat the lines of the South Australian Act. It applies to all farmers, and the basis of the scheme for the reduction of debts is that the measure of relief is to be determined in the light of the productive capacity

of the farm, and the farmer's ability to pay his debts and meet his liabilities is based thereon. The Bill, as drafted, does not seem to take into account any other assets belonging to a farmer. There are farmers who have assets apart from their farms. When the Bill is dealt with in Committee that phase will require consideration, because creditors are hardly likely to agree to reduce the debts of a farmer on the productive capacity of his farm when he may have other property. I know of one farmer who owns a house in South Perth and another who has a house in Mt. Lawley. Such assets as those are to be left outside the scope of the scheme. It will be necessary or at least fair, to provide that the farmer shall disclose to his creditors all his assets whether they are represented by his farm or not. The creditors have a reasonable right to know those details before they reach a determination as to whether they will agree to the writing down of the farmer's debts, or just how far they will consent along those lines. The Bill also sets out that the unsecured debts of a farmer may be written down if the creditors decide to do so by resolution carried by a majority of at least four-fifths of the creditors in value. The term "creditor" includes, apparently, secured creditors. Therefore a mortgagee will vote as to whether the farmer's debts shall be written down. He will vote as to whether unsecured debts are to be written down, but his own cannot be so dealt with without his consent.

Mr. Stubbs: That is not quite fair.

Mr. McDONALD: That is a point to be considered when the Bill is in Committee. We can easily see what might take place. Should there be an Agricultural Bank mortgage representing four-fifths of the farmer's total liabilities, the commissioners of the Bank could say that the unsecured creditors would have to take 50 per cent., and the commissioners could enforce their decision in spite of the opposition of the unsecured creditors. In the same way, if an outside mortgagee's claim represented four-fifths of the farmer's liabilities, he also could dictate to the unsecured creditors how much they could take under this scheme. Of course, the unsecured creditors have recourse to an appeal to a judge, but apart from that, a great deal of power seems to be placed in the hands of the mortgagee.

Mr. Stubbs: Is that provision in the South Australian Act?

Mr. McDONALD: No, it is included in the Bill under discussion. It seems to me it may be necessary to provide that the majority should be four-fifths in value, and should embrace a certain number, say one-half, of the creditors of the farmer. Then the Bill sets out that the debt of the first mortgagee shall not be reduced without his consent. The measure refers to the first mortgagee only. There may be quite a number of first mortgagees interested in a farm. One may hold a first mortgage over the land; another may hold a first mortgage over the stock; a merchant may hold a first mortgage over the machinery; someone else may have a first mortgage over the crop. It will be necessary to ascertain what is meant by the first mortgagee, and the Bill does not afford any indication on the point. Moreover, the first mortgagee sometimes happens to be a person who has advanced merely a small amount on the farm, whereas the second mortgage may have much more owing to him than the first mortgagee. Notwithstanding that, the debt of the second mortgagee may be reduced without his consent, while that of the first mortgagee cannot be so dealt with unless he consents to the reduction. I propose to refer to only one or two other features of the Bill that will require particular consideration in Committee. Reference is made to guarantees. The Bill provides that if the mortgage security is written down, the guarantee respecting that debt may be written down proportionately. It is difficult to see why the guarantee should be written down. It is not necessary, because in a number of cases the money is advanced mainly on the security of the guarantor. A man, say, has a son who takes up land, and money is advanced to him on the security of, say, his father, who is quite well-to-do and a man of substance. There is no adequate reason why the guarantee should be written down as against an unsecured creditor such as a storekeeper, who might be in a parlous condition. The Bill goes on to say that a guarantee may be written down by a resolution of the creditors. It doesn't say by what majority. In the case of debts the majority has to be four-fifths in value, but the Bill simply says that in the case of a guarantee it shall be

written down by a resolution. Here again it is necessary to say what is meant by that, and whether the same majority is to operate in regard to a guarantee as will operate in regard to a reduction of debts. There are various other circumstances in connection with the machinery of the Bill which can be referred to in Committee. I do not intend to touch upon them now, but I still consider it would be in the interests of good legislation if the Minister deferred further consideration of the Bill until we have some information as to the effect of the Commonwealth-wide plan for rural relief which is now being considered by the assembled Ministers for Lands of the various States at Canberra. When we get that information we shall be in a much better position to determine what shall be done by this legislation.

**MR. DONEY** (Williams-Narrogen) [9.3]: Despite the fear expressed by the member for West Perth, I prefer to join with the Leader of the Opposition in regarding this question from the point of view of the farmer himself. I feel relieved that at long last this measure is before us. Nor do I think it wise to weave a host of other complicated problems into this discussion. I do not think that is going to do any good at all, and so I prefer to restrict my remarks to the subject matter of the Bill. This measure seeks to give statutory effect to a portion of one of the planks in the Country Party's platform. Therefore I am unlikely to be a party to opposing the progress of the measure through the House, although I admit it does not go nearly as far as probably we would have pushed it had we had the numbers, instead of those numbers being with the Government. I agree, too, that the introduction of the Agricultural Bank Bill was an ample excuse for bringing down this measure. Obviously the one Bill is complementary to the other, and I think that by and by, when the two measures are in operation, we shall find them dovetailing very satisfactorily indeed. At the same time I do not imagine that these two Bills will adequately clean up the position that confronts us—very far from it. There are too many types altogether to be catered for, and too many opposing interests to be reconciled. No matter how comprehensive the Bill or how fair or how ingeniously constructed, it cannot be expected to work that

kind of miracle, and it may yet be found necessary—I hope it will not be—to introduce some form of compulsion before we can put the farmer in a position to pay his debts without going to the Treasury for assistance. I hope that compulsion will not be necessary. It certainly will be a great achievement for this State if it can manage to carry out this big job without having recourse to compulsion. The productivity of the farm, and the farmer's ability to pay as instanced by that productivity, will be the basis upon which the new values will be determined. It is difficult to see how any other basis could have been decided upon. I think that if that basis is sympathetically interpreted it will suit both the farmers and the creditors, provided those who will compute the measure of productivity are competent men. It is fortunate that the director will have on the field staff of the Agricultural Bank quite a number of men able to give him expert assistance in that matter. I have no doubt the men who will be chosen for that task will be men who, on account of their knowledge, will commend themselves both to the farmers and their creditors. The director and those associated with him will be faced by a huge task which will have very far-reaching effects. I question whether the House even now realises how far-reaching those effects will be. The director and his staff, with their experience of the last four years, probably can carry out this big job as well as, possibly better than, any other men I could think of as being likely to be appointed. The clause dealing with the rights of the first mortgagee is a little ambiguous. Its first part clearly implies that the security of the first mortgagee cannot be interfered with without his consent. That seems to be all right, but the proviso to the clause nullifies that immunity, or at all events indicates that frequently it will be nullified to a large extent. The proviso seeks to suspend the liabilities of the farmer under his personal covenant. That, of course, is a pretty big thing, and may quite easily involve a material interference with the rights of the first mortgagee. Very often the personal covenant is a far better security than the security afforded by the farm itself. Members will realise that frequently

no loans would be made to farmers at all without the assistance of that additional security represented by the personal covenant. No doubt the Minister for Agriculture, in due course, will be able to give an acceptable explanation as to how far, whether wholly or in part, that covenant will be suspended. I feel that by maintaining the asset at a productive value, the Director and his staff have performed very meritoriously indeed. But for the introduction of the Farmers' Debts Adjustment Act in 1931, probably another 1,000 farms would have been abandoned, which would have meant another 1,000 homes wrecked and possibly 3,000 or 4,000 people forced to seek State aid. I hope the House will not depend upon this legislation to do everything. No legislation that we could pass could be depended upon fully to rehabilitate the agricultural industry. I suppose that fact is generally realised. Nothing could do that but a rise in commodity values high enough to bridge the gap between the farmers' costs and the farmers' prices. Lately there has been quite a deal of pessimistic talk about the industry. To some extent I suppose it has been justified. We have to admit that the immediate outlook is depressing, but it always seems to be necessary, particularly in this State, to cultivate an outlook of confidence, and no doubt there are ample grounds for such confidence in this State. All of us, I believe, recognise the paramount importance of wheat as a national need. In an emergency we can easily do without gold; for a while we can do without wool, but never, except for a very brief period, can we do without food—that is to say, without wheat. It would appear, therefore, that of all the big industries wherein we in this State have concerned ourselves, the industry surest of all of survival is the gentle art of growing things to eat, wheat in particular. Economically there is nothing more necessary than wheat. This industry or that industry might quite easily, in times like the present, drop by the wayside, but never wheat. I am supporting the second reading. A great deal of additional finance will plainly be necessary successfully to carry out the work suggested by the Bill, but that, of course, is the responsibility of the Government, and I think we may take it for granted that they have adopted the necessary precautions.

**MR. MANN** (Beverley) [9.14]: I am pleased that the Government have introduced this measure because for quite a period the idea has been prevalent that the time was not yet ripe for an adjustment of debts. The impression seemed to be that the industry must carry on under the present burden of debt, and that a day of recovery was being awaited before any adjustment of indebtedness could be undertaken. To my mind that day is far distant. The Government are to be congratulated on having introduced the measure in the hope that some adjustment of debts will be made. The Leader of the Opposition and the member for West Perth suggested deferring further consideration of the Bill until we hear the result of the conference to be held in Canberra. That suggestion is wise to an extent, but I consider that on the return of the Minister for Lands, it will possibly be found that other legislation will be necessary, probably of a much wider nature, to assist adjustment. The discussion to-night has centred mainly around the adjustment of debts and the methods to be applied. I take the view that owing to the parlous condition of primary industry in Australia, and more particularly in this State, where the farmers have neither the wealth nor the reserves possessed by those in the East, adjustment will be essential, but hand in hand with adjustment it will be necessary to find markets for the commodities that Australia is growing. It will be useless to write down debts and place primary industry on a reasonably safe basis unless we are able to find markets to absorb our commodities. If such markets be not found, our position must become more desperate as the years go on, and, as the member for West Perth said, further writing down will have to take place. As an exporting State, our most important commodities for marketing abroad are wheat and wool. We were led to hope that wool had become more stable in price, but we have witnessed a drop of 50 per cent. and this has had a vital effect on the men engaged in the industry. This year we have been fortunate in our export trade of lamb and mutton, but if the embargoes which have been placed upon the primary commodities of Australia are to be maintained, our position must become desperate. I refer to the action taken recently by the British Minister for Agriculture, Major Elliott,

who undoubtedly is endeavouring to adopt an agrarian policy in the British Isles. While we have been fortunate in our exports of lamb and mutton this year, I am afraid that trade will be hit very hard next year. The Acting Premier made an interjection regarding the Commonwealth Government laying down a hard-and-fast rule as to how the money to be advanced should be expended. I believe that the Commonwealth will justify their action, but it would not be wise to adopt a policy for application to the whole of Australia. In each of the States the conditions of the industry differ and the production costs differ, and it is necessary that we should have a policy suited to this State. I have often wondered why the Government have not sought to develop the market for pork that undoubtedly exists in the Far East. We grow large quantities of wheat each year with little hope of selling it at other than a low figure. If we could convert much of that wheat, which is almost unsaleable, into a commodity like pork for which there is a demand, it would find a market in various foreign countries that are large consumers of pork. But we seem to continue year after year the policy we have followed so long of merely exporting the natural commodities, and we are now faced with the position that there is very little chance of marketing them. I am glad that the Government have framed this measure.

Hon. P. D. Ferguson: It was framed by the previous Government.

**MR. MANN**: Unquestionably that is so, and it has played an important part in assisting a large number of farmers. The Act has been administered in a remarkably fine manner. This Bill has been brought down with the object of making a definite attempt to readjust the debt position. It is time that was done. I hope, as the Leader of the Opposition has said, that the Bill will be passed without undue delay and find its way upon the Statute Book. Some people have said that we have turned the corner. Unless indeed we do turn the corner and do something for this industry, the number of unemployed must be enormously swelled. We have also heard references to bad farmers, to wasters on the land. I think they are things of the past. Those who have remained on the land for the last five years, with practically no capital, and have continued there in prefer-

ence to accepting sustenance rates in the city, are worthy of every consideration and of the best possible rehabilitation scheme. There are no wasters on the land to-day. Farmers may be heavily involved, but such has been their spirit that they are worthy of the utmost consideration. If their condition remains as at present, and there appears to be no hope for our primary industries, and they sink to a level 50 per cent. below the present one, then the outlook for the State, for the city, for our farmers, and the people generally will be black indeed. I hope when the Minister for Lands returns from the Eastern States we shall hear that the position has been finalised amongst Ministers concerning the relief to be afforded by the Federal Government. The Commonwealth authorities must realise that it is necessary for them to come to the assistance of the primary producers. All Federal Governments, of whatever political faith, have looked upon the secondary industries as the more important to Australia. At last they have been brought to a realisation that the primary industries play the greater part in the welfare of Australia. It is possible that with rapidly changing events throughout the world further readjustments may take place. For a long time the idea has existed that the day for the adjustment of debts is not due. The situation has to be faced, and to-day is definitely the time when it should be faced. This legislation should do a great deal to restore confidence. There is the condition of the farmer himself to be taken into consideration. He is living in a state of uncertainty, with a burden of debt around his neck. He is being harassed at every turn. No matter how he may try, he cannot give of his best under such conditions. What is required to-day is something that will restore his confidence. If confidence is restored to men they have a better chance of succeeding. I congratulate the Government on bringing down the Bill, and hope it will soon be placed upon the Statute Book.

**HON. P. D. FERGUSON** (Irwin-Moore) [9.25]: The remarks of the Minister for Lands when bringing down the Bill provide ample justification for the action of the previous Government in introducing this protective legislation in the interests of farmers, who have been hit so badly in recent years.

The Minister remarked that nearly 2,000 farmers have received protection since the inception of this legislation. I think we can safely say there would be a similar number who, without actually coming under the provisions of the Act, have received some protection as a result of its being on the statute-book. The figures indicate how well justified the former Government were in bringing down this legislation. It is provided that the Act shall remain in force for another three years. That and other matters contained in it are the natural corollary to the Agricultural Bank Bill, and also a natural corollary to four years of depressed commodity prices. We are now facing a fifth year of unprofitable wheat and wool prices. The time is, therefore, opportune for the introduction of legislation that will afford further assistance to those engaged in our primary industries. The Bill provides for a measure of voluntary writing down of farmers' debts, on a co-operative system as between the farmer and his creditors. The farmer may submit a scheme for the writing down of his debts. If the director considers that the scheme is neither fair, equitable, nor practicable, he may, with the approval of the farmer, alter the scheme prior to its being submitted to the creditors. He must keep in mind the productive capacity of the farm and the ability of the farmer to stand up to the obligation that he will assume on the writing down of his liabilities. The provision for a four-fifths majority before the scheme can be sanctioned is probably a wise one, although I think that in most instances it is unnecessarily high. A majority of three-fifths would be sufficient to put into actual operation a fair and equitable scheme for the adjustment of debts as between the farmer and his creditors. These seem to be the main provisions of the Bill to which I accord my hearty support. The Leader of the Opposition and the member for West Perth (Mr. McDonald) referred to the necessity for delay in finalising this Bill until we know the details of the conference that is to be held in the Eastern States on this and other subjects. That is most necessary. If we are to take any notice of the writing on the wall, and of what has appeared in the Press and elsewhere, we must agree there is a reasonable prospect of the Federal Government providing considerable sums for the assistance

of distressed and over-burdened farmers. I have no doubt a number of important matters will be decided before the conference is concluded, but be that as it may, it is extremely likely that a good deal of what takes place will require to be incorporated in this legislation. We must remember that there are many distressed farmers and other people on the land in this State who are not clients of the Agricultural Bank. I refer to the 2,000 or 3,000 persons who are settled on the lands within the holdings of the Midland Railway Company.

Mr. Seward: Half of them are not on the Bank, according to reports.

Hon. P. D. FERGUSON: Many hundreds are settled on Midland Railway lands. The circumstances of these people also must be taken into consideration when assistance is being meted out to those engaged in the industry generally. They will be entitled to just as much financial help from funds made available by the Commonwealth as any other farmers in Western Australia. But I wish to point out to the Minister—and this is important and will require the careful consideration of the Government—that those settlers will not be able to give the Government a first mortgage. They have on many occasions been excluded from the benefits of financial assistance rendered by past Governments. However, the time has arrived when their position is so desperate that they cannot be left out in the cold any longer. If several millions of pounds are to be made available to the farmers of Australia generally this year, it is essential that the settlers on the Midland concession, who have been so badly hit this year by the depredations of rust in their crops, should be given a generous meed of assistance. In my opinion it will tax the ingenuity of the Government to discover a *modus vivendi* by which those farmers can be assisted, in view of the fact that they are not in a position to give the State or the Commonwealth a first mortgage over their land. The holder of the land which is in process of being purchased from the Midland Railway Company cannot give a first mortgage, the land being held by the company. It seems to me that negotiations will have to be entered into between the Government and the representatives of the Midland Railway Company here in order to

overcome the difficulty. In connection with the supply of wire netting, for instance, attempts have been made to induce the company to agree to the Government having a first mortgage over the land in respect of the cost of the wire netting; but so far the company have not seen fit to agree. To-day however, the position of their clients is so desperate that I venture the opinion that if the matter were taken up seriously by the Minister for Agriculture with the general manager of the Midland Railway Company in Western Australia, some means would be devised by which the Midland farmers could be assisted. I want the Minister to get in early with the general manager of the company, because if the matter is delayed the negotiations might go on too long to result in any material benefit to those farmers, who, I emphasise, are entitled to the same consideration as farmers in other parts of the State. It is no fault of theirs that they find themselves in the position of being unable to give a first mortgage security to the Government. If no other way can be devised, it might be necessary to make sufficient of this prospective money available to pay off the Midland Railway Company. The amount would be large, but most of the land held by Midland farmers has been held for so many years that the great bulk of the purchase price has been paid. In a great many instances only a small amount remains to be paid to the company. It might be found possible to obtain sufficient funds to pay off the whole of the indebtedness to the company, and then the Government could secure first mortgages. It is the duty of the Government to do what they can in this regard. I wish to point out to the Minister in charge of the measure that if the question of the Commonwealth loan is finalised before cognisance is taken of these vital considerations, that important section of our farmers—many of them in my electorate—may be left out of the financial assistance which is about to be rendered.

The Minister for Agriculture: Do you think the company would meet the Government in regard to writing-down?

Hon. P. D. FERGUSON: I do not think the company would raise any serious objection to that. I should think they would be wise, in their own interest as well as that of



the purchaser, to participate in the writing-down scheme.

The Minister for Agriculture: Has the manager that power?

Hon. P. D. FERGUSON: He is manager and attorney, and I think he can do anything he likes. While I approve heartily of those provisions of the Agricultural Bank Bill and of this measure which provide for the writing-down or conditioning of farmers' debts, in my opinion the Government have not gone the best way about it. The Agricultural Bank commissioners will have their hands full in dealing with the task that confronts them. If a board had been set up representative of the farmers and the creditors, with a chairman appointed by the Government, it would be a wise step. The chairman might be an officer such as the Director under the Farmers' Debts Adjustment Act, who has a close and intimate knowledge of the affairs of most of the distressed farmers in Western Australia. Such a board would probably have done the job better, and certainly with more expedition, having in view all the time the same policy for all farmers. Surely that would have been better than letting the work be undertaken by two different bodies. The Bank Trustees have quite as much as they can do with their own job, and it is not fair to place on their shoulders the additional job of writing-down. An independent board constituted as I have indicated could have done the job better and more quickly, and thereby have given great satisfaction not only to the farmers but also to the creditors. However, the fact that I do not agree with the method adopted by the Government to bring about the desired result is no reason why I should oppose the Bill. I give the measure my hearty support. I do hope there will be no unnecessary delay. In view of the fact that our farmers are now facing the fifth year of disastrous prices, and not only losing their labour but in many cases losing part of their capital, the time is ripe for us to get on with this job. If it is done quickly, it will prove far more effective.

On motion by Mr. Seward, debate adjourned.

## BILL—PUBLIC DENTAL HOSPITAL LAND.

*Second Reading.*

### THE MINISTER FOR AGRICULTURE

(Hon. H. Millington—Mt. Hawthorn) [9.38] in moving the second reading said; The Bill is a small measure rendered necessary by the fact that the Crown grant of Perth Lot 654, situated in Pier Street, was issued to the Perth Dental Hospital Incorporated—now the Western Australian College of Dental Science and Perth Dental Hospital Incorporated—for the purpose of a site for a public dental hospital. When the association proceeded to have plans prepared for the building, it was ascertained that the site was unsuitable in many ways, particularly as for a dental college and hospital a frontage of approximately 100 feet facing a permanent south light is considered necessary, if it can be acquired in a suitable position. The Pier-street site has only a 64-feet frontage to a west light, which would mean an additional yearly cost of maintenance owing to the need for the daily use of powerful artificial lights, and would necessitate the erection of a three-storied building with provision in the foundations for the addition of another floor later. The flights of stairs needed would prove most trying to old age and invalid pensioners and the extra floors would interfere with the centralised control of patients, staff, etc., which is essential in a dental hospital. The association has under offer a site in Murray-street that fulfils the requirements for a dental hospital and would enable the accommodation to be provided in a two-storey building with a 70 feet frontage to a southern light. The price asked for the block is almost identical with that which the institute can receive for the present site.

Hon. C. G. Latham: Have they a buyer for the present site?

The MINISTER FOR AGRICULTURE: Yes, if the Bill be agreed to. Of course, they cannot sell before legislative permission is granted them, as the land is vested in the association for a specific purpose. The institute is doing very valuable public work at a small cost to the State, and the Government are desirous of assisting the organisation. The Bill contains the power to enable the transaction to be completed and, with the approval of the Governor in Council, to effect the necessary mortgage, pro-

vided the proceeds are utilised for the purposes of the hospital. The two sites are considered to be of practically equal value but if there is any surplus in the proceeds obtained for the present site, it has been arranged that the surplus shall be held by the association in trust and utilised in connection with the construction and equipment of the new hospital. Any small excess in the value of the Pier-street site will be offset by the lighting and other advantages of the Murray-street site. As this particular transaction has not been completed—it cannot be completed until the Bill is passed—and it may be necessary to purchase other land, the new site is not specifically mentioned in the Bill. It has been arranged that power shall vest in the Governor to approve of the sale and the purchase of a suitable site. The Government will, therefore, be in a position to be satisfied that any other proposal is reasonable before asking for the approval of the Governor in Council. I have lithos showing the position of the present site in Pier-street and the proposed site in Murray-street. The Murray-street site is two blocks down from Havelock-street and the authorities regard it as suitable.

Hon. C. G. Latham: I thought we were led to understand that the hospital had to be near the Perth Hospital.

**THE MINISTER FOR AGRICULTURE:** Yes, but now the Dental Board say definitely that the present site is unsuitable, for the reasons I have already indicated. The matter has been carefully examined by the officials and they are satisfied that the site is unsuitable. In any event, permission has to be granted before the change can be effected and that is the reason for the introduction of the Bill. I move—

That the Bill be now read a second time.

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

## **BILL—WORKERS' COMPENSATION ACT AMENDMENT.**

*Second Reading.*

**THE MINISTER FOR EMPLOYMENT**  
(Hon. J. J. Kenneally—East Perth) [10.46]  
in moving the second reading said: The Bill will amend the Workers' Compensation Act and deals with two phases. Section 7

of the Act deals with industrial diseases under the Third Schedule, and that is the first matter affected by the Bill. Members will recollect that recently we dealt with a Bill to amend the Mine Workers' Relief Act. The effect of the first amendment embodied in the Bill will be to make a similar alteration to the Workers' Compensation Act as the previous Bill did to the Mine Workers' Relief Act. The amendment deals with the issue of provisional medical certificates enabling men to obtain employment in a mine prior to medical examination by an officer of the Commonwealth Health Laboratory. Members will recollect from the debate on the Mine Workers' Relief Act Amendment Bill, that that measure contains a clause providing that if a provisional certificate were issued by a local medical officer that enabled the worker to obtain employment, and it was subsequently found, on examination by a representative of the Commonwealth Laboratory, that the worker was suffering from an industrial disease at the time the provisional certificate was issued to him, he was not entitled to claim compensation under the Act. Under existing conditions the man would become entitled to £750 under the Workers' Compensation Act. The amendment embodied in the Bill contains a similar provision whereby the worker placed in the position I have already indicated will not be entitled to the compensation provided in the Third Schedule of the Workers' Compensation Act. Another portion of the amendment affects the First Schedule. It will make it clear that Section 14 of that Schedule is intended to apply to the Second or Third Schedules, when applicable. The other amendment included in the Bill deals with the question of medical boards and medical referees. Provision is contained in the Act whereby, should a doubt arise as to a worker's fitness to resume work, his case shall be submitted to a medical referee. If either party is not satisfied with the decision of the medical referee, the Act sets out that either party may appeal to a medical board of three members. Seeing that invariably the person who did not get the decision of the medical referee appealed to the Medical Board, the custom has grown up that the parties should go direct to the Medical Board rather than to the medical referee. That was all right until it was challenged, and found to be illegal. It would have been better for the

parties to go direct to the Medical Board seeing that ultimately they got there; but legally they were not entitled to go to the Medical Board until they had been through the channel of the medical referee. The second amendment provides that the parties, by mutual consent, can submit their case to the Medical Board instead of first going to the medical referee. There are one or two subsidiary clauses which make the decision of the board, final and conclusive, as it would have been if approach had been made through the channel of the medical referee in the first place. There are only two other small features to which I will draw attention. One is the provision that any special expenses incurred as the result of going direct to the Medical Board—other than the fees of the members of the Medical Board, which under the Act are paid out of Consolidated Revenue—shall be met by mutual agreement. Before deciding to go to the Medical Board, the parties may agree as to who shall pay the special expenses, and in what proportion. Failure to come to such an agreement will mean that those additional expenses shall be paid by the party against whom the Medical Board's decision is given. In Section 20 of the First Schedule of the existing Act it is provided that agreements made between the parties shall be forwarded to the local court for registration. Since the Bill makes provision for a new form of agreement between the parties, to submit the matter direct to the Medical Board, if we do not specially exempt that agreement from Section 20 of the First Schedule, it will be necessary for all such agreements to be registered as before. So provision is made in the Bill that these agreements will not require to be registered by the local court. I move—

That the Bill be now read a second time.

On motion by Mr. McDonald, debate adjourned.

*House adjourned at 9.55 p.m.*

## Legislative Council,

*Tuesday, 4th December, 1934.*

Bills: Financial Emergency Act Amendment, 3A. ...	PAGE 1693
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Mine Workers' Relief Act Amendment, 2A. ...	1711

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

### BILL—FINANCIAL EMERGENCY ACT AMENDMENT.

*Third Reading.*

Read a third time and returned to the Assembly with amendments.

### BILL—AGRICULTURAL BANK.

*Second Reading.*

**THE CHIEF SECRETARY** (Hon. J. M. Drew—Central) [4.37] in moving the second reading said: This Bill is introduced as the result of the report of the Royal Commission into the activities of the Agricultural Bank. The report of the Commission indicated that many reforms were necessary to ensure the stability of the Bank, and the Government have considered it advisable to submit legislation with a view to reconstructing the institution. The main principles of the Bill are—the Bank will be administered by commissioners; it will be removed from political control; it will be vested with borrowing powers up to a certain point and subject to the approval of the Governor and Parliament; the staff, except in certain instances which will be explained later, are to be engaged outside the Public Service Act and may be dismissed by the commissioners if they fail to give satisfaction; the right to grant or refuse advances under the Act will rest with the commissioners; subject to the consent of the Treasurer, the commissioners may suspend or postpone payment of the whole or any portion of the indebtedness of a borrower; and with the approval of the Governor, they may, in certain circumstances, write off or reduce his aggregate liability.

Hon. J. Nicholson: Do you think that would be wise?