

Hon. E. H. Harris: So were the arguments in support of it.

The CHAIRMAN: Obviously the intention is to insert a new clause, but the Assembly's message does not say so.

Hon. E. H. Harris: Would you rule that it is in order?

The CHAIRMAN: It can be in order only by assuming that it is a new clause. It is described as an amendment, but is prefaced by the figure "4," and 'presumably is intended to be a new clause to stand as Clause 4.

The MINISTER FOR COUNTRY WATER SUPPLIES: The original draft contained this clause but, as the measure was initiated in this House, it could not be included because it proposes to appropriate revenue.

The CHAIRMAN: I shall put it as a new clause.

Hon. A. LOVEKIN: The message describes it as an amendment, not a new clause.

The CHAIRMAN: It is obviously a new clause, but it is for the Committee to say whether they will accept it as a new clause.

Hon. E. H. HARRIS: Are we going back on a former decision? Under the Inspection of Scaffolding Act Amendment Bill, members showed a reversal of form that would do credit to a racehorse, and we shall be doing something similar if we accept the amendment.

Question put and negatived; the Assembly's amendment not agreed to.

Resolution reported, and the report adopted.

A committee consisting of the Hons. A. Lovekin, E. H. Harris, and H. Stewart drew up reasons for disagreeing. Reasons adopted and a message accordingly returned to the Assembly.

House adjourned at 9.55 p.m.

Legislative Assembly,

Tuesday, 11th November, 1930.

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

QUESTION—RAILWAYS, DELAYS, COSTS, ETC.

Mr. SLEEMAN (for Mr. Wansbrough) asked the Minister for Railways: 1, What were the hours of train delays owing to congestion of traffic between Collie and Brunswick Junction for the months of January, February and March of this year, including bank engine delays? 2, What were the hours of train delays owing to congestion of traffic between Pingelly and Wagin for the same period, including bank engine delays? 3, What was the cost of maintenance, including relaying of the Collie-Brunswick Junction section, for the past five years? 4, What was the cost of maintenance, including relaying of the Pingelly-Wagin section, for the same period? 5, Which of the two sections necessitates the greater cost of repairs to loco. and rolling stock? 6, What is the mileage of both sections? 7, What is the actual life of rails of both sections?

The MINISTER FOR RAILWAYS replied: 1 and 2, Nil. 3, Separate accounts are not kept for Collie-Brunswick section. 4, Separate accounts are not kept for Pingelly-Wagin section. 5, This information is not available. 6, Brunswick-Collie, 25 miles; Pingelly-Wagin, 62 miles. 7, Brunswick-Collie section, except for sharp curves, was relaid after being in use for 32 years. Pingelly-Wagin rails have been in use for 23 years and are still in good order.

QUESTION—LAND VALUATIONS.

Mr. SAMPSON asked the Minister for Lands: In view of the slump in land values, does the Commissioner of Taxation intend to review and reduce existing valuations accordingly?

The MINISTER FOR LANDS replied: The Commissioner of Taxation cannot alter the departmental values which have been fixed for a quinquennial period. The periods of valuation for land are fixed by Section 37 of the Land and Income Tax Assessment Act.

QUESTION—EXPORT LAMBS.

Mr. ANGELO (without notice) asked the Minister for Agriculture: Has he noticed the announcement in the "West Australian" that 500 Western Australian lambs shipped by the Anchorage Butchers have been sold in London at prices up to 8½d. per lb.? Will he endeavour to ascertain where they were obtained, on what pastures they were fattened, what breeds of rams and ewes were used, and any other information that might be useful to breeders, and have it published for the encouragement of lamb growers?

Hon. M. F. Troy: Did not you see the Minister's statement in the Press?

The MINISTER FOR AGRICULTURE replied: I have noticed the announcement. I shall endeavour to get the information mentioned by the hon. member, but as there were 500 lambs in the shipment, I am afraid it will be difficult to ascertain all the farms from which they were supplied.

ASSENT TO BILL.

Message from the Governor received and read notifying assent to the Industries Assistance Act Continuance Bill.

BILL—TENANTS, PURCHASERS AND MORTGAGORS' RELIEF.

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

BILL—AGRICULTURAL BANK ACT AMENDMENT (No. 2).

Standing Orders Suspension.

THE MINISTER FOR LANDS (Hon. C. G. Latham—York) [4.40]: I move—

That so much of the Standing Orders be suspended as is necessary to enable the Agricultural Bank Act Amendment Bill (No. 2) to be passed through its remaining stages in one sitting.

It is desirable to pass the Bill as early as possible to enable us to obtain money from the Commonwealth Bank, as has been arranged between the Commonwealth and the State. It is necessary to get legislative authority for the bank to pay a rate of interest in excess of that laid down by law. We are permitted to pay only 4 per cent., and it is impossible to obtain money at that rate. We shall have to pay 6 per cent. That is the main provision of the Bill. It has been before the House for some time, and I hope members will assist the Government to pass it through its remaining stages, so that we may get the money.

MR. McCALLUM (South Fremantle) [4.42]: I see no objection to the motion. The Minister was good enough to consult me about it beforehand. I understand the matter is urgent. The Agricultural Bank wants the money, but as the law stands, that institution is not permitted to lift it at the rate of interest required. As the money is essential to push on the bank's work, we can help to pass the Bill so that the money may be made available.

Mr. SPEAKER: I have counted the House; there is an absolute majority of members present.

Question put and passed.

Second Reading.

Debate resumed from the 6th November.

MR. McCALLUM (South Fremantle) [4.44]: As stated, I see no objection to any provision of the Bill. The main provision, as the Minister has pointed out, deals with the money. The other provisions are merely to legalise what the bank has been doing in practice for a good many years.

The Minister for Lands: That is so.

Mr. McCALLUM: It is essential for the bank to continue that work. If the bank does not keep abandoned holdings developed, but allows them to drift into disuse, the assets of the bank deteriorate. In actual practice the bank has been farming such holdings for years past.

Hon. M. F. Troy: I do not think so.

Mr. McCALLUM: I know of instances in which the bank has done so, and this authority should be granted to the bank. However, that is really outside the question of giving the bank authorities power to do what in numerous cases they have actually done. I raise no objection.

THE MINISTER FOR LANDS (Hon. C. G. Latham—York—in reply) [446]: In reply to the remarks of the member for South Fremantle, the Agricultural Bank trustees have actually been entering into agreements, which strictly are illegal, for the purpose of share farming or giving crop leases. They really have no power to do these things under the Act. I dare say the House realises that to-day, more than ever, there is great difficulty in disposing of abandoned holdings, and that it is essential to keep the bank's securities up to a reasonable standard. I do not think the passing of this Bill can prove detrimental, because what it proposes has already been done.

Question put and passed.

Bill read a second time.

In Committee.

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

Clauses 1, 2—agreed to.

Clause 3—Amendment of Section 37:

Hon. M. F. TROY: There is a danger in this clause. The bank trustees have carried on many properties for years, with the result that the liability has increased much beyond the value. If they hope to sell such properties subject to equities, they are hoping for something that will never be realised. I refer to properties on which they have advanced far beyond the value. The danger is that political influence will be brought to bear upon the bank trustees to advance to such an extent that the amount advanced will be lost to the State.

Mr. Willecock: Does not this clause deal with properties after foreclosure?

The Minister for Lands: Yes; after the bank has taken possession.

Hon. M. F. TROY: In that case it is all right. However, in the past the trustees have given way time after time until too much has been advanced. The trustees are to have the responsibility under this Bill, and many new schemes are being put forward of which the trustees are to bear the responsibility. They are taking over group settlements and the Nornalup scheme, for instance. Under the present system, the actual liability in respect of group settlement will not be known by this House. There is great danger that the capitalisations which have been reduced will be built up again. The trustees, under the new scheme of things, will take over the group settlements before a number of areas are in a position to be taken over. From this arises the danger that capitalisations will again be built up. We are going to have a fresh liability for group settlements. Under the proposed condition of affairs the House will not know what is being done. Under the old scheme we knew what money was expended, and the Minister had to give explanations. We have reduced the liabilities of the group settlers by thousands of pounds, and now those liabilities will be built up again. If we are going to give the Agricultural Bank all these powers and put all these schemes on the trustees, the trustees will have to live up to their responsibility. I do not say they will not do it. However, the policy of the Government will be to do certain things, and the trustees will have to do them. Now that all these schemes are being handed over to the trustees, we must be very careful in legislation of this character.

THE MINISTER FOR LANDS: In reply to the hon. member, the Government are asking for this special legislation to carry out what he desires. If the bank have to enter into possession of a property, it is essential that the property shall be kept up to a standard which will enable it to be sold. Already it has often been found necessary to leave the farmer in possession of the property until a sale is effected. The matter of handing over group settlements to the Agricultural Bank Trustees does not come within the scope of this Bill.

Hon. M. F. Troy: Yes.

The MINISTER FOR LANDS: No. Only properties which, having been abandoned, come into the bank's possession will be subject to this Bill. I believe that under the Agricultural Bank the control of expenditure will be stricter than it has ever been. Firstly, at the present time, we have not the money to spend; secondly, it is essential that we should watch most carefully the expenditure of the money we have available. Any number of men capable of farming these lands are anxiously awaiting the opportunity to get on them. I believe there will be no difficulty in placing the abandoned properties. This clause will enable the Agricultural Bank to carry on farming operations until they find people willing to take over properties which have been abandoned. The latter portion of the clause authorises the bank to spread over a number of years any ingoing that may be payable on taking up a farm. The trustees feel that under those conditions they will be able to make better sales than by waiting until they find purchasers with the full amount of the ingoings. The clause is not intended to deal with group settlement at all.

Mr. ANGELO: While approving of the power asked for, I wish to point out that it will be necessary to have a highly qualified officer to determine when the time has come to make advantageous sales. If that matter is to be left to the bank authorities, with all their other work, I am afraid they will not be able to attend to it. A most important point is to know when to sell a farm, especially at the present time, when it is so hard to sell a farm at all. I fear that as the result of hanging on, which the trustees might do until they got what they would consider an advantageous sale, the Agricultural Bank before long would become the largest farmer in Western Australia. To judge the right time to sell requires a man of vast experience. However, I feel certain that the Minister has not overlooked the point.

Hon. M. F. TROY: I agree that under Agricultural Bank control less money will be expended, but I am afraid of the quality of the responsibility thrown on the bank. In this respect I am not afraid of the Minister for Lands, but I am afraid of the Premier. I look upon the Minister for Lands as a practical man, and I do not think he would seek to influence the bank

trustees. But I do know that in the past the trustees have been influenced against their better judgment, and that they have made calamitous mistakes. They have overloaded properties, and some of these the bank are unable to get rid of. In this legislation I consider provision should be made for the appointment of permanent trustees removable for misdeemeanour like any other civil servants. In my opinion, much of the loss that has occurred in farming is due not to the trustees, but to political pressure. The General Manager of the Agricultural Bank is an ideal official, with a fine sense of responsibility. It is Ministerial pressure that has been the trouble all the time.

Mr. Angelo: How do you know?

Hon. M. F. TROY: Because I do know.

Mr. Angelo: Do you know from personal experience?

Hon. M. F. TROY: I know from hundreds of instances. The trustees have been asked to accept responsibilities which they ought never to have been asked to accept. They have stood people by reason of the pressure of Ministers. That has been detrimental to the people in question, and detrimental to the State. I had hoped that in legislation of this character the trustees would be made independent, so as to be able to resist Ministerial pressure. The pressure exercised by some Ministers in the past has been disastrous. From this clause I see serious risk of injury to the State and to the settlers. There is an idea in this country that if a man goes on the land, no matter what he does there and no matter what kind of a man he is, he should be kept on the land for all time by the community. There are some settlers who declare that being primary producers they expect that the whole community must be at their service. It is time the people realised that just as a farmer can sack a man who does not suit him, so the farmer should be sacked if he does not do his job. Some farmers are always stating that the other fellow will not work or do his job; but that does not only apply to some workers, it applies to some farmers as well. When I have heard of some of the agitators at conferences of primary producers and have remembered their files, I have been surprised at their audacity. The farmers must do their job just as any other man. No person has a right to make use of the funds of the State and not be pro-

pared to give a fair deal in return. Some of them have sold wheat under the lap, and sacks as well. Some have carried on dishonestly. I know of such instances, and I shall refer to one: A settler had a block and his wife had another. He had little wheat to put in the pool; the wife always had much wheat to put in it. He always had bad luck; his wife always had good luck. Even his son was able to put wheat in the pool, and the son had no land at all! It is wonderful what sympathy such people can get from the Primary Producers' Association. In one instance, they said to me that a man's case was a bad one, and that the Government—the Labour Government—were putting men off the land. I asked for a specific case. They mentioned an individual who had received notice to quit. I do not intend to divulge anything that should not be disclosed, but it is due to me to state the facts. I said to those who had made the representations to me, "Can you wonder at such a person being put off his property? Be fair! Is it not that man's own fault?" They admitted it was. It is remarkable how such men can continue year after year and be supported by the Agricultural Bank. It is possible only because of political pressure. That is what I fear under the clauses of the Bill. That assistance is rendered little by little year after year. The trustees of the bank cannot accept full responsibility and exercise it accordingly, because they have too much pressure brought to bear on them. If we are to give the trustees the powers outlined, let us go further and give them full responsibility and remove them from political pressure. If we do that, we shall have better farming and farmers of a type who will not talk about their bad luck, and demand special assistance. Under the system I suggest, the farmers on the land will have a better sense of responsibility, and we shall have a better type of man altogether. So long as we continue legislation of the description now under consideration, so long shall we have a poorer type of man on the land. The Primary Producers' Association are always out to criticise the worker who, according to that organisation, does not do his job, but loafs and practises ca' canny. The farmers are no different from other people. If I could have got more support, I would have given the trustees decent sal-

aries and removed them from the possibility of political pressure altogether. With men like Mr. McLarty exercising their responsibilities to the full, the country would reap the benefit.

Clause put and passed.

Clause 4—Insertion of new section between Sections 37 and 38. Money due for fertilisers, etc., and interest to be charged on land, crops, etc.:

Mr. WILLCOCK: The clause seeks to provide power to enable the trustees of the Agricultural Bank to make advances for fallowing. It seems strange that the Government should legislate along those lines, when on the same date the report of the Agricultural Bank trustees is tabled and I find it contains a statement that it is not the policy of the bank to make advances for fallowing.

The Minister for Lands: Not unless repayments are made. You have not read far enough down the report.

Mr. WILLCOCK: I read it hurriedly while the Minister was speaking; but it seems to me that the trustees do not agree with the policy of the legislation introduced by the Minister.

The Minister for Lands: You have not read it closely enough.

Mr. WILLCOCK: There have been differences of opinion as to whether the trustees of the Agricultural Bank should make advances for fallowing and continue that policy under conditions that were stressed by the member for Mt. Magnet, in which highly undesirable clients have received assistance. Some of those farmers have gone in for expensive tractors on comparatively small holdings, whereas three or four horses would have done the work satisfactorily. Apparently the trustees take exception to that policy, whereas that enunciated by them is one that we could all endorse. If that policy were given effect to impartially by someone with a full knowledge of the facts, men who had no possible chance of success, after ample opportunities had been afforded them to demonstrate their capabilities would be put off their farms without hesitation. Such men would be refused further assistance from State funds. On the other hand, such men have been helped continually until the capitalisation of their holdings has been increased to an enormous

amount. I have heard it said, with regard to the activities of the Industries Assistance Board, that if the wheat grown by a considerable number of people to whom assistance had been extended for sustenance and other purposes over a period of years, were calculated, it would be found that the wheat produced under those conditions cost 10s. per bushel. We should accept our obligations in regard to this matter, and see that the system is not abused. We can exercise our charitable instincts privately as we may desire, but when it comes to providing State funds to individuals who have been carried on for years until it has become obvious that they have no chance of succeeding, we shall not do our duty by the State if we allow it to continue. I presume that next year will be the testing time for a great many of those who have been engaged in farming operations here. While it is the policy of the State to carry on people who have a reasonable chance of success, in these times those who have not indicated their desire to meet their obligations over a period of years, should receive no further assistance. Parliament should stand behind the trustees of the Agricultural Bank, and no Country Party member or any other member of Parliament should endeavour, as in past years, to secure further consideration for people who have indicated no sense of responsibility. There seems to be a desire on the part of many people who have dealings with the Agricultural Bank, to become indebted to that institution to the fullest possible extent. I trust the Government will insist on the policy laid down by the trustees of the bank being adhered to. If that were done, the State would benefit considerably. The Government should take no notice of any special pleas advanced on behalf of the poorer type of farmer, and if the Minister adopts that attitude, he will have the backing of Parliament as a whole. The clients of the Agricultural Bank should stand on their own merits, and there should be no special pleading for those who do not demonstrate their ability.

The MINISTER FOR LANDS: What the Government ask for is power to take automatically liens over crops to make advances on short-life work such as fallowing, fertilisers or bags. In the past, the trustees have agreed to that policy, and, in fact, it was done during the time the ex-Minister for

Lands was in charge of the Lands Department. The trustees have come to an understanding that in instances where the money has been repaid, that money can be re-advanced, but they do not propose to increase the liability on a block through providing a second advance for fallowing when the farmer concerned has not been able to repay the first advance.

Mr. Willcock: The report says, "Advances for fallow will not be continued."

The MINISTER FOR LANDS: The policy of a board is set out in paragraphs 1, 2, 3, and 4. Paragraph 4 says—

Advances for fallow will not be continued. Settlers who have received advances for this purpose will be required to repay same before further assistance will be given.

That bears out what I have already said. So long as the money is repaid, it will be available to the farmer for re-advancing, but a farmer will not be allowed to continue year after year to receive assistance from the bank along the lines indicated, unless he builds up a tangible asset and is able to redeem the advances made.

Mr. Willcock: Will you give us an assurance that you will stand behind the trustees of the Agricultural Bank?

The MINISTER FOR LANDS: As to the fears entertained by the hon. member, we have not the money to do what he suggests even if we had the desire. So far as I can speak on behalf of the Government at the moment, I can assure him we do not desire to interfere with the conduct of the Agricultural Bank. Neither will I admit that members sitting on the Government side of the House have exercised any undue influence. Even if I were to admit that they had, I would have to go further and say that that influence had not been exercised by members of any particular party, but by members sitting on the other side of the House as well.

Mr. Willcock: I know it referred to members of all parties.

Hon. M. F. Troy: No, it referred largely to members on the Government side of the House.

Mr. Willcock: It was not solely confined to them.

The MINISTER FOR LANDS: It was certainly not confined to members of the Country Party. Country Party members,

as well as other members, realise their responsibilities to the people. This clause is only to provide automatically securities for advances already made. I do not think there is any dispute about what is in the Bill; it is only a question of what has led up to it. I have never brought undue pressure to bear on the Agricultural Bank trustees; I do not think it is in the interests of the State that that should be done. The trustees have been extremely liberal. It is unwise to ask the bank to make a second advance for fallowing when no asset has been created by the first advance, which has not been repaid. We want the industry carried on, but we have not the money to pay unduly for it. I will always use my influence against interfering with the policy of the trustees.

Hon. M. F. TROY: The Minister says the trustees do not propose to advance for fallowing unless the previous advance for fallowing has been repaid. In such a position there will have to be other circumstances taken into consideration. For instance, if a drought occurs, or if it be a year of bad prices, the farmer will not be able to repay his previous advance. In those circumstances, it would be an unwise policy for the trustees to refuse any further advance. On the other hand, if a farmer, although he has had a good crop, with decent prices, does not repay the previous advance for his fallowing, I can quite understand the bank refusing to advance him any more for fallowing. Indeed, in those circumstances, it is the duty of the trustees to take action against the farmer. On more than one occasion complaints were made to me against the attitude of the trustees and I was reproached by settlers for standing behind the trustees and telling them to foreclose. Whenever I took up that attitude, it was not because I was unsympathetic to the settlers, but because I had reason to believe that the men to whom the trustees had refused further assistance were not really triers. In those circumstances it is not the duty of the State to stand behind a settler. As a matter of fact we are in grave danger of creating a type of farmer who does not admit very much responsibility. Many of them to-day do not know what they are up against. They think there is still unlimited money and that it is only hardness of heart in the Government that is keeping it from them. It is nearly time that

all parties in the House told the farmers of their actual responsibilities, making it clear that the farmers are entitled to justice, but nothing more than justice. So I say the policy of the trustees is a wise one. I go further and say that it is not wise to refuse a fallowing advance because the previous advance has not been repaid, and still allow the settler to carry on.

The Minister for Lands: They will not do that.

Hon. M. F. TROY: They have done it.

The Minister for Lands: Only under your control.

Hon. M. F. TROY: Time after time have the trustees had to give way. Never was I guilty of pressing the trustees, but I still say that to allow a man to farm without fallow and still keep him on the land is entirely unwise. The only sound policy for the trustees is to insist upon fallowing, and to make no advance to any farmer who has not fallowed. Farmers should be advised to do their work themselves, keep down the capitalisation, save money, and farm from the very beginning, as against gambling on the season.

Clause put and passed.

Clause 5, Title—agreed to.

Bill reported without amendment and the report adopted.

Third Reading.

Bill read a third time and transmitted to the Council.

BILL—FARMERS' DEBTS ADJUSTMENT.

Second Reading.

Debate resumed from the 6th November.

MR. GRIFFITHS (Avon) [5.27]: I resume the discussion on this Bill weighed down with a sense of responsibility. For I realise that the position is an extremely grave one, and I am anxious to see that the best shall be done to assist the farmers in their present distressful conditions. I find myself, as the Leader of the Opposition did the other night, faced with the fact that there is very little scope for constructive criticism or for anything that can be very helpful in the bringing forward of something that will be useful to the man

on the land. Coming down from a big meeting at Merredin on Thursday morning last, I read the reported speech of the Leader of the Opposition. It struck me as being very fair, well balanced and with no attempt to belittle, fully recognising the difficulties of the Government in trying to arrive at a satisfactory solution of the farmers' problems; which in this State are everybody's problems, because the whole of the industry is resting upon the question whether we can keep the farmers on their farms, or whether we are to have a wholesale exodus, bringing in its train a state of chaos and financial stagnation. The Leader of the Opposition said the suggestions contained in the Bill were only suggestions after all, and that any creditor would still be able to have recourse to the provisions of the Bankruptcy Act. That is quite true. The member for Guildford-Midland (Hon. W. D. Johnson) at the Merredin meeting said he felt quite satisfied that no State Government could frame legislation that would solve the problem now confronting the primary producers. The Leader of the Opposition stressed the fact that the State Government were cramped and confined by the over-lordship of the Federal Bankruptcy Act. It seems to me that we are cramped and confined at every turn by the Federal Government. I think we all feel that whilst this Bill may assist in carrying the farmer over his present difficulties—that is all we can reasonably look for to-day—it may possibly have the effect of drying up some of those sources of credit which will be so necessary in the near future for the carrying on of the industry. The treatment of this Bill at the hands of the Leader of the Opposition afforded me a great deal of pleasure, as did the openmindedness and fair-dealing of that hon. gentleman. The member for Guildford-Midland (Hon. W. D. Johnson) spoke of it at Merredin in a very fair way, and also as to the limitations of the Government in being able effectively to deal with the problem. I was rather surprised, however, on Thursday to note that the hon. member had somewhat altered his views, for he could see very little of good in the Bill then. Whilst we may agree that the measure is one that rather suggests some kind of machinery whereby we can get creditors together with a view to their assisting the farmers over their difficulties, I do not think any of us is

justified in condemning its provisions in a wholesale manner. Surely it will be admitted that it is an earnest attempt to overcome the difficulties. We know that wild utterances have been made in the country. Perhaps we ought to allow those responsible for them a little latitude, and show a little charity towards them because of the irritated condition of their minds. They have been asked to grow more wheat. They have responded gallantly to the appeal, and to-day we have beaten all records. These people now turn round and say, "For what purpose have we grown this record crop, and to what extent are we to benefit? They feel that, having played their part, something should be done for them. Owing to a variety of causes, they are faced with a very difficult position. They are about to see their labours go for naught, and many of them are faced with ruin. They have grown more wheat, probably at a loss of 1s. or more per bushel. They have in many instances grown not only a crop but a crop and a half, and facing them is a scramble and a rush on the part of creditors, as a result of which they are likely to be forced into the bankruptcy court. In that way they will lose all they have laboured for over a period of years. Members will agree that when I speak in the House I do not detain them very long. I do, however, want to tell the House, the country, and the city particularly, that the feeling of irritation that exists in the country is no flight of imagination. It is no exaggeration to say that there is a greatly increasing movement on the part of farmers to hold up their wheat, to refuse to deliver it, to hold up the railways, and to hold up Western Australia, until something definite is done to indicate what they are to receive for their crops.

Mr. Panton: They are talking direct action, are they?

Mr. GRIFFITHS: I would remind the hon. member who talks about direct action—

Mr. Panton: You are the one who is talking about it.

Mr. GRIFFITHS: That an example has already been afforded by certain sections of the community. These farmers are talking of taking direct action. They cannot altogether be blamed for that.

Mr. Panton: We ought to abuse them as they abused us.

Mr. Corboy: They attacked our side for it.

Mr. GRIFFITHS: Desperate men do desperate things.

Mr. Corboy: That does not apply when it is the other fellow.

Mr. GRIFFITHS: It must apply to these people.

Mr. Panton: Nothing justifies direct action.

Mr. GRIFFITHS: We know there is this movement abroad. We have evidence that some of these individuals have been around canvassing that concerted action should be taken to hold up supplies until they get something definite from the Government. We know these people are going around the country asking what members of the Nationalist Party, the Country Party, and the Labour Party, are doing in Parliament for them, and how much they care what happens to them. We hear all these things. I have even heard hints that Messrs. Bryant and May should be appealed to for the taking off of the crop.

Mr. Patrick: Not from any dinkum farmer, I hope.

Mr. GRIFFITHS: I am glad to say, not from any dinkum farmer. I want it to go clearly forth to the merchants and the city generally, to the suppliers of oil, of sacks and other requisites, to the creditors of the farmers, that the time has arrived when, if the industry is to be carried on, they must exercise a spirit of forbearance and goodwill, and a certain amount of toleration in the arrangements they make for the assistance of the farmers. I recognise the difficulties they experience in regard to money matters. Theirs is going to be a particularly hard task. A great deal of the success that may attend this legislation will depend upon the ability on the part of merchants and others to finance the assistance they may give to those engaged in the agricultural industry. I have been told that attempts have been made to secure financial assistance. If the Bill is to meet with success it will have to be upon a spirit of forbearance and mutual goodwill. The necessity for urging this is that the whole structure of commerce and industry in Western Australia hangs upon our great primary industry. If this topples, the whole scheme goes by the board, and the State will suffer such a disaster that those who are interested in primary production will not care to contemplate it. The member

for Guildford-Midland said he did not think any Bill that could be framed by the State Parliament would satisfactorily overcome the present position. The solution lies in a higher price being obtained for wheat. It is suggested that the only way to get this is by a guaranteed higher price, and this guarantee will have to be forthcoming from the Federal Government. I would like at this stage to refer to a paragraph I read in the paper coming down in the train the other morning. This referred to a meeting of Ministers of Agriculture to be held at Canberra, at which the whole position of the wheat industry was to be discussed. I hope that to-morrow we shall hear something of a more encouraging nature than we have had in the past. The paragraph in question is as follows:—

According to the Acting Minister for Markets (Mr. Forde), who arrived in Melbourne from Canberra yesterday, the Federal Ministry is aware of the difficulties confronting the wheatgrowers of Australia, and is desirous of helping them for several reasons. The Ministry realises that a failure of the wheat-growers would involve a great increase in unemployment, among other undesirable consequences, and it is therefore taking the initiative in an attempt to discover how prospects can be improved. It is for this reason, Mr. Forde said, that a conference of Ministers for Agriculture from all the States would be held at Canberra on November 10th, concurrently with a meeting of the Federal Loan Council.

Further down the Minister refers to the question of guaranteeing 2s. a bushel. I do not know how that would help because we can get more than that to-day without any guarantee. Perhaps he referred to a bonus. The Minister then went on to deal with the quota, and struck an optimistic note, though I do not know upon what grounds. He said he felt confident that before long an average price of 3s. a bushel would not be too much to expect for next year's crop. I sincerely hope that optimistic prognostication will be fulfilled, and that we shall get at least 3s. a bushel. In the meantime we have received anything between 2s. 2½d. and 2s. 6d. That is an impossible price from which to expect any farmer to realise any amount that will be satisfactory to his creditors. There are one or two things I would like to point out with regard to the Bill. It is called "An Act for the adjustments of farmers' debts and the equitable distribution of crop proceeds, and for other

relative purposes." We might interpolate into this interpretation such words as these; before "adjustment" the word "suggested," and after "purposes" the words, "By co-operation amongst creditors, and by the exercise of goodwill and forbearance for the good of the Commonwealth." It may be that the Bill can be regarded as little more than a gesture to creditors and farmers to come together in closer relationship to enable them both to carry through. The measure must be limited by the operations of the Federal bankruptcy court, the over-lordship of the Federal authorities. I have gone to some trouble to find out what was meant by a paragraph that appeared in the paper dealing with the Federal bankruptcy law, and a possible loophole for the State Legislature. The paragraph is as follows:—

Under an arrangement made by the Vice-President of the Executive Council (Senator Daly), Senator Lynch (W.A.) to-day interviewed the officers of the Commonwealth Attorney General's department on the relation of the Commonwealth bankruptcy law to legislation contemplated by the Western Australian Government for the protection of wheat growers faced with bankruptcy. Senator Lynch said that State legislative action was urgently necessary to enable the farmers to keep their property, but there was a fear that when passed it might prove invalid because of the provisions of the Commonwealth Act. He was informed that in the opinion of the department the Western Australian Government were quite free to enact protective legislation on the lines of the measure introduced in South Australia for a similar purpose. Subsections (c) and (j) of Section 52 of the Federal Bankruptcy Act might be considered to apply, but the Federal law left a loophole for the State Legislatures to give protection. The Debt Adjustment Act of South Australia, 1929, availed itself of this power in Sections 7 and 8, and amply covered the points raised respecting the proposed legislation in Western Australia.

Sections 7 and 8 of the Federal Bankruptcy Act are supposed to cover the position as far as we are concerned. Section 7 reads—

No proceedings under this Act shall be invalidated by any formal defect or by any irregularity unless the court before which the objection is made is of the opinion that substantial injustice has been caused thereby and that the injustice cannot be remedied by an order of that court.

Whether that means that it will overcome any difficulties so far as the legal enactment applying to this State is concerned, I am

not sufficiently versed in law to say. Sections 8 reads—

The Governor General may by proclamation declare that this Act shall with such modifications and adaptations as are prescribed be extended to any territory.

I presume that is what the Federal Crown Law officials are looking upon as being calculated to enable the State Legislature to stiffen their legislation or even to carry out the Act as we are proposing to do now. I will allow some of our legal gentleman to thrash out the question whether there is anything in that proposal or not. It is fully established, so far as the State Legislature is concerned, that there can be little more than a gesture on the part of the Government. Take, for instance, when Parliament opened on the 30th July, having been in the country and knowing then the serious state of affairs looming ahead, I asked a question of the Premier with regard to the wholesale seizure of hire purchase implements that was taking place and the likelihood of there being in consequence a considerable curtailment of cropping operations if that state of things were allowed to go on. I also drew attention to the disastrous effects of the hire purchasing and seizures, and I asked whether the Premier would call a meeting of farmers, bankers, merchants and others interested, with the idea of getting them to come to an equitable arrangement. I suggested some form of protection or a partial moratorium—that word we all hate so much—and I was told that as occasions arose the matters would be taken into consideration. The Country Party lost no time—

Mr. Corboy: They should not, because they have half the Cabinet seats.

Mr. GRIFFITHS: Yes, they did their part when the matter was brought prominently before them. A committee was appointed consisting of the member for Beverley (Mr. J. I. Mann), Mr. Glasheen from another place and myself, to go into certain matters, and we interviewed the Attorney General and the Minister for Lands. There was no time lost—and I should like this to be known throughout the country—in preparing legislation that would be calculated to help the farmer.

Mr. Kenneally: They made a very poor attempt.

Mr. GRIFFITHS: I question whether any Government could have moved more rapidly in their attempt to do something that would be calculated to help the farmer.

Mr. Sleeman: So long as you are satisfied it is all right.

Mr. GRIFFITHS: What the member for Fremantle thinks is quite apart from what I think. Anyway, I am not worrying about him. Wheat prices have fallen to a level that is absolutely unpayable, but the farmers, having been put on the land, there is a clamour that at any cost it is the State's duty to keep them there. For any section of the community to expect that at other times would be wrong, but in the present period of abnormal conditions it is most important that the industry should be kept going. There must be a certain amount of relaxation so that these people may be kept in their homes. The worst that could happen would be a general scramble amongst the creditors. That would mean wholesale bankruptcy and the general collapse of the industry. Take the scheme that is proposed: It will leave farmer creditors with less than they are entitled to and less than what they have counted on. Whatever is done will have to be carried out quickly. In 1914-15 there were difficulties then that beset the Government, but they are far worse to-day since in 1914-15 there was money available. To-day a similar position has arisen except that it is in a worse form, and there is absolutely no finance to enable the Government to carry out what would save the necessity for a Bill such as the one we are discussing. I have already emphasised the fact that this legislation may have a weakening influence by reason of the over-lordship of the Federal Bankruptcy Act. So far we have no power to do those things that we think should be done. As a matter of fact, we differ as regards the legality of some of the things that it is proposed shall be done. Whether the Bill will operate successfully or not will depend upon the provisions of the Federal law being suspended, and also upon the goodwill of the creditors. As I see the position to-day, any disgruntled creditor can upset any arrangement that may be entered into. The case of every individual farmer will have to be investigated and dealt with separately. There are peculiar circumstances surround-

ing each case, and when we come to the matter of conflicting preference claims, it will be found they are of such a nature that each creditor will be out to try to get a bigger pool from the division. That will make it a hard job for any board to operate the provisions of the measure. It has been proved even during the last two years that there is no common policy amongst the merchants themselves. Even under the Federal Bankruptcy Act, when an arrangement has been arrived at, there have been one or two creditors who have been anxious to upset the arrangement entered into by trying to get preference for themselves. Whatever may be the outcome of the Bill, it will have its drawbacks; merchants may refuse to assist in respect of the future. When introducing the Bill, the Attorney General clearly set out that he considered there would be a general tendency to come under the arrangement set out in Clause 25 because of the widespread nature of the trouble, in that the creditors, for their own protection, will practically be forced to come in and really get the protection of the Bill. I have had a considerable amount to do with estates that are in the hands of trustees, and I have found that even after arrangements have been made, there have been continuous problems to handle and that the trustees have had setbacks every now and again. But whilst I have no brief for the trustees, they have been met at every turn with all kinds of difficulty and that, I am afraid, will be the position as far as the Bill we are discussing is concerned.

Mr. Corboy: Do you think the board will handle the position any better than the trustees are doing?

Mr. GRIFFITHS: When we remember that one man has as many as 150 inspections to carry out, it will be difficult to say. But I do not intend to go into details. I am with the hon. member to the extent that I am not altogether enamoured of the idea of the board being capable of dealing with the position expeditiously and overcoming the troubles.

Mr. Corboy: With the number of cockies they will have to handle for a start, it will take them three years to sort them out.

Mr. GRIFFITHS: That may be so. Another weak point is that it is presumed that it would be possible to get the creditors to come together in agreement. Past experi-

ence is that this is almost impossible. There is a class of creditor that will help to carry a man on, but he requires to know a good deal about him. But most creditors will shy at that fence because they will be fearful of getting deeper into the mud. Once a man has risked a certain amount of money he wants to know how he stands before he goes any further. Then there is also the question of payment for supplies. Many will jibe at that. It is presumed that the creditors are financially sufficiently strong to carry the farmers through. I doubt very much whether it will be found to be the position. Of course, it is an easy matter for many of us to criticise and to destroy, while we do not suggest anything in the way of construction and help for the Government. A Bill such as this should not be treated as a party measure because the position is too serious. What is required now is calm reasoning and discussion of the means whereby existing difficulties may be overcome. I could get up and pull the Bill to pieces. I could contend that it was absolutely useless. Anyone could do that. But we must make an effort to do something for the farmers. If anybody can show the Government some better way of helping the farmers, let him do it. The Attorney General is open to receive suggestions that will help to make this measure workable. What we should strive for is to provide legislative machinery whereby all parties interested may reach an agreement. When members suggest dropping the Bill, they are adopting a wrong course. We must do something to foster a spirit of goodwill and forbearance on the part of all concerned. We must endeavour to get the farmers carried through their present difficulties, which are of such a nature that prompt action is essential, combined with a spirit of goodwill. The people generally ought to recognise that the whole fabric of industry depends upon the successful continuance of primary production. There are a few points to which I shall refer now, but shall deal with more fully in Committee. The Bill provides that 1 per cent. of capital moneys and 2 per cent. of other moneys should be utilised for administrative expenses. In Committee I propose to move a limitation to the following effect, "But the whole of the sum deducted under this and the proceeding subsection shall not exceed 5 per cent. of the gross

profits of the crop realised and of the moneys collected under the Act." It is a decided flaw in the measure that no limitation is provided. I think the Federal Bankruptcy Act provides a maximum of 5 per cent. I hope the Attorney General will consider the proposal and find means to restrict the unlimited field for expense presented by the Bill. Another flaw in the Bill is that any farmer may make application to the board to be brought under the operation of the board and, after a meeting has been held, he shall give a statement of accounts. It seems to me that when application is made to the board a statement of accounts should be presented to justify his being called before the board and to justify the board's taking him under their wing. To allow a creditor to make a similar application, as is provided in Clause 9, Subclause 2 may give rise to a good deal of unnecessary expense. If a farmer needs the assistance of the board he will make the application, and there should be no need for any creditor to do so.

Mr. Corboy: If the Federal Bankruptcy Act is suspended, the creditor will have no remedy at all.

Mr. GRIFFITHS: No.

Mr. Corboy: You want the Federal Bankruptcy Act suspended?

Mr. SPEAKER: I wish to remind the member for Avon that on the second reading the main principles of the Bill may be discussed, but the clauses and details should be considered in Committee.

Mr. GRIFFITHS: I quite realise that, but there are points to which I wish to refer. There is the question of wages for a farmer's son. I know of farmers who would rather have one of their own boys to work for them than two outsiders. The explanation is simple; the new arrival has had no experience of farm work, whereas the son has grown up on the farm. Farmers ask why a boy in those circumstances should not be given £1 a week and his tucker for helping to take off the crop that he helped to put in. Another point not altogether in the best interests of the farmers is the prohibition of outside work. A farmer under the board is not to be allowed to undertake contracting or any work apart from his own farming. To some extent that may be necessary, but doubtless there will be times when farmers could work outside, helping others to put in a crop, for instance, and thus earn

a certain amount of money to help to reduce their own liabilities. Provision should be made to enable the farmer to undertake outside work if the board consider it will help the position.

Mr. Corboy: Why not allow him to undertake it provided it is not detrimental to his own property?

Mr. GRIFFITHS: The hon. member has expressed it better than I had done.

Mr. Corboy: You are stealing all our thunder. You opposed that the other night.

Mr. GRIFFITHS: I have not opposed anything of the kind. I have been trying to judge the Bill fairly clause by clause.

Mr. SPEAKER: The hon. member is not permitted to deal with it clause by clause on the second reading. Once more I call his attention to that fact.

Mr. GRIFFITHS: The measure would give the board absolute control. The farmer, on the other hand, would have no redress if the board did not carry out their duties properly, or if, by neglect, they involved him in loss. There should be some provision for redress, as in the Federal Bankruptcy Act, if the work is not carried out as it should be. A very sore point with the farmers is that relating to secured creditors. This has been represented to me not by one person but by scores of interested people, who complain that the Agricultural Bank has been securing signed orders against wheat, giving that institution the power to take not only current interest but arrears of interest and principal. If I were a farmer, I would gladly give the Agricultural Bank the desired lien, because I do not think the bank would expect or would attempt to take more than one year's interest. I think I should prefer to be in the hands of the bank rather than in the hands of an outside creditor. Still, there is a good deal of feeling in the country against the action of the Agricultural Bank in securing those liens. Farmers are saying that the Government departments are more severe than are private creditors. I have a letter from a farmer in the Yilgarn district protesting that while he owes some £500 and has been called upon to give a lien for that amount, his next-door neighbour who also owes £500 has been called upon for a lien to the amount of only £300.

Mr. Corboy: Do you think your attitude is fair? You know that where the trustees are doing that, they are doing it

for the farmers' benefit. You are getting a sort of shandy-gaff credit out of something you know is right.

Mr. GRIFFITHS: I do not want any shandy-gaff credit, as the hon. member describes it.

Mr. Corboy: That is what it is. The trustees are doing the right thing by the farmers.

Mr. GRIFFITHS: It may be so, but I wish to get a statement made in this House that will satisfy the farmers that nothing unjust is contemplated. I wish to get it publicly announced that where the Agricultural Bank trustees are calling up those liens, it is with the intention of protecting the farmers.

Mr. Corboy: Every farmer knows that that is so.

Mr. GRIFFITHS: There is no idea of getting that shandy-gaff credit of which the hon. member spoke. The idea is to enable the farmers concerned to understand the position.

Mr. Corboy: And they do understand it.

Mr. SPEAKER: Order! This argument between the member for Avon and the member for Yilgarn-Coolgardie must cease.

Mr. GRIFFITHS: I do not wish to engage in any argument with the hon. member. Regarding hire-purchase agreements, the Government have taken a wise step in insisting upon implements remaining on the farm if a general arrangement is arrived at. Such protection is necessary. I have quoted in this House some shocking instances of hire-purchase iniquities perpetrated only quite recently. I know of glaring instances in which some part of a harvester or the whole machine has been removed from the farm just when the crop was about to be taken off, because the owner could not get all he wanted out of the pie before other creditors came in for their picking.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. GRIFFITHS: I have certain matters to bring forward which may be of interest to the Attorney General. Since that Minister is not present, they may be brought under his notice by the Minister for Lands. I propose to quote extracts from correspondence that has reached me from the wheat

belt. I wish to show the feeling of farmers with regard to the Bill. One farmer writes—

The Bill does not give farmers very much protection. Clause 26 annuls the whole thing, for if a creditor takes a farmer to court and gets judgment, that ends the whole thing. Another thing, a farmer who has employed his own son as a farm labourer for the last 12 months cannot pay him any wages, but he can employ an inexperienced new chum who may not be able to do half as much work as one's own son. Yet he will be paid. The attitude of the Agricultural Bank regarding orders is causing much anxiety to all of us. The threat of withholding wheat and hanging up the railways and the State is no idle one.

Another extract may also be of interest to the Attorney General. It is as follows:—

In my opinion, the scheme of a board, in fact, the whole scheme, is too cumbersome. Clause 25 is a farce. Firstly, I think you cannot set aside the registered security of a mortgage on land, nor divide it amongst the farmer's creditors.

I hope the Attorney General, when replying, will state clearly what Clause 25 means. In the country there is a mistaken idea with regard to it, many farmers believing that it will give a secured creditor the opportunity to step in and seize the whole proceeds of the crop, provided his claim covers it. The letter proceeds—

The bank stands supreme, but when it comes to the other trading securities the position is different, and I feel that lienecs should rank equal with other creditors, after provision has been made from crop proceeds to carry on. There exist hundreds of liens on crops to secure payment of over advances on last year's wheat, on current and deferred oil, fuel, bags, sugar, machinery, spare parts, stores, etc., as regards which, if Clause 25 operates, there will be nothing to carry the farmer on with; and as proceeds will be a long time coming in, these lienecs will see that proceeds are held in escrow until they each and collectively are safe, and that will be long after seeding. If we carry the Bill, chaos will ensue. If we do nothing, chaos also will ensue. I am more convinced than ever that in order to give every farmer, merchant, trader and banker a square deal in the unprecedented position, Federal purchase is the most workable scheme to adopt.

The letter then enumerates bonuses and protective duties which have been granted to other industries, the production of galvanised iron for instance, and points out that when we want a bonus on wheat or a bonus on gold we cannot obtain it.

Mr. Sleeman: Who is the writer of that letter?

Mr. GRIFFITHS: An old friend of the hon. member's, from the Trades Hall.

Mr. Sleeman: What is his name?

Mr. GRIFFITHS: He used to be in charge of the Trades Hall. I have had handed to me by the member for Katanning (Mr. Piesse) what strikes me as rather a useful suggestion contained in a letter received from his electorate. The writer sets out the position where a storekeeper is carrying on a farmer by a purely private mutual arrangement. He suggests a Bill to suspend the power of repossession of machinery under hire purchase agreement, and the legal recognition of friendly agreements as binding for at least 12 months.

Mr. Sleeman: From whom is that suggestion?

Mr. GRIFFITHS: It has reached me from the member for Katanning, but I do not know the name of the writer. No doubt the member for Katanning can furnish it. The suggestion might well receive the Attorney General's attention. I have stated some objections I see to the Bill. At the same time, I am quite convinced that if we do nothing chaos will result. On the other hand, attempting to do something amounts to trying to make available some method by which the farmer may be carried over the present difficult time. I am greatly troubled not only as to the present, but also as to the future of the industry.

MR. CORBOY (Yilgarn - Coolgardie) [7.40]: Originally I desired to take up some time on this measure, but I have no wish to hamper the object of the Government to finalise the Bill one way or the other, so that they may know where they stand on it. However, I do feel that one should express one's views, particularly when a large proportion of the people residing in one's electorate are so vitally involved. May I repeat also what I said by way of interjection when the Attorney General was speaking, that to some extent this is a lawyer's Bill, drawn by a man not cognisant of the farmers' difficulties, but obviously conversant with the desires of the creditors. I do not wish for a moment to say anything harsh of my good personal friend the Attorney General, but I have been struck by the circumstance that throughout the passage of the Bill he has been noteworthy by his absence, while the Leader of the Government

for the time being, the Minister for Lands, is apparently piloting the measure through the House. The Minister in charge of the Bill seemingly takes no interest in its being expedited or retarded. The Attorney General has just come in, too late to reply to my remark.

The Attorney General: Make it again.

Mr. CORBOY: I am not looking for a fight to-night; but what I said was that I had been somewhat struck by the persistent absence, during its passage, of the Minister who introduced the Bill. Apparently the hon. gentleman has relegated all responsibility for it to the Minister for Lands, who has devoted keen attention to the debate. The pill was coated with a little sugar in the first instance, and I assure the Attorney General that it is well-meant. I have been astounded also by the attitude of the member for Avon (Mr. Griffiths). I still do not know just what course that hon. member is going to take.

Mr. Sleeman: He says he is satisfied with the Bill.

Mr. CORBOY: There are 36 clauses in the measure, and the hon. member apparently has been satisfied 13 times and dissatisfied 18 times. I never encountered such an attitude before. The hon. member has devoted the last hour and a half or more to pointing out defect after defect in the Bill. He could not see anything right in it. He showed that it would not do anything for the people he represents, and that it does not propose to do anything for them. However, he offered no constructive suggestion which could be utilised in Committee for the benefit of farmers and storekeepers. Eventually he concluded by expressing himself as satisfied with the Bill. That is an attitude which I must admit I cannot comprehend. One matter brought forward by the hon. member I feel it only right to speak about. It is the attitude of the Agricultural Bank trustees and their efforts to secure wheat orders and so on from settlers. In my opinion, the hon. member's remarks were a shandy-gaff attempt to curry favour with settlers who are dissatisfied when asked to make those orders, while at the same time the hon. member does not wish to declare himself absolutely opposed to the policy of the trustees. He knows, and I know, and I am sure every ex-Minister on this side of the Cham-

ber and also the present Ministers know, that just now the only desire of the Agricultural Bank trustees is to keep every decent settler on his block. Their one desire is to assist a man to stay on his block if he is a genuine trier. I consider it utterly wrong of any hon. member to attempt to curry favour with someone or other by throwing mud at the trustees, who are not here to defend themselves. I speak from personal knowledge of the subject when I say that in every instance where the trustees have collected money from a settler, that money has gone out to him again during the ensuing 12 months. The trustees used the money to keep the trier on his block. They collected the money only in order to prevent its being grabbed by hungry creditors, who would not have given the settler one penny of it back. The member for Avon knows that, and knows that that has been done in his electorate just as it has been done in mine. The Agricultural bank trustees deserve great credit for their action. No one is infallible, and doubtless individual cases of hardship have occurred. But the trustees cannot be expected to be thoroughly cognisant of every detail of every case coming into their hands. It is only to be expected that in the thousands of cases dealt with in various districts, there must be an odd one or two in each electorate in regard to which some injustice is done. In each instance of an injustice in my electorate, I have placed the facts before the trustees, and they have done their level best to rectify the position. It is only fair that the trustees should be defended against such charges as those made by the member for Avon (Mr. Griffiths). Of course, the Minister has a duty to the trustees to defend them, but as he is their mouthpiece, it is possible that his statements will not carry as much weight as the defence of private members who have dealt with the trustees directly and found them doing their duty as honourable men. As the member for Avon truly said, the keeping of the wheat-growing industry in operation is most important. We can go further and say it is more than important. The continuation of the industry is tantamount to the maintaining of the blood stream of the community of Western Australia. If the industry ceased tomorrow, then, to a great extent, Western Australia would cease as well. That

is the problem we are up against. We must face it in order that we shall see to it that no grave setback attends the activities of the wheat growers. It is rather remarkable, seeing that the farmers are the people most vitally concerned in the legislation, because the whole of their livelihood has gone under the present conditions, to find that every gathering of farmers held throughout the wheat belt, irrespective of whether the meetings were called by members of Parliament, or were called without the assistance of politicians in any direction, have unanimously declared themselves opposed to the Bill. Not one gathering of wheat growers has supported the measure. Surely, as the people most vitally concerned have indicated their opinions, their wishes are entitled to consideration. As the Bill is designed to render assistance to between 8,000 and 10,000 farmers, with their wives and dependants, and seeing that the Bill has been almost unanimously opposed by them, they must be convinced that the measure is useless to them.

Mr. Doney: Or they do not thoroughly understand the Bill.

Mr. CORBOY: I admit there is that factor, but I think the Bill has received sufficient publicity to enable everyone interested to understand its purpose.

Mr. Doney: Not necessarily.

Mr. CORBOY: Regarding the two meetings with which I was associated, I can inform hon. members that I went to the trouble to procure sufficient copies of the Bill to enable me to distribute them throughout the audiences, and to give the farmers half-an-hour before the meetings in order to discuss the measure. I do not suggest that they thoroughly grasped all the contents of the Bill in that half hour. In fact, I would defy some people to grasp the contents of the Bill in half a year. At the two meetings I attended there was almost a unanimous decision against the measure.

Mr. Doney: Were you able to explain Clause 25 to them?

Mr. CORBOY: Yes, and I will give the hon. member some information regarding Clause 23 and other clauses as well. He should read in conjunction with Clause 25, Clauses 11 and 29.

Mr. Doney: I have done that already.

Mr. CORBOY: If he were to do that he might have a better grasp of the Bill than

he has now. It is but a few months ago that the merchants in the city arrived at a mutual arrangement between themselves, and after meetings with the people concerned, almost exactly the same as that to be established by the clauses of the Bill.

Mr. Thorn: Then why are they getting it now?

Mr. CORBOY: The merchants arrived at a decision, but they have not honoured it; and there is nothing in the Bill to compel them to do so. They decided that they would carry the farmers on for six months, but they did not do so. They carried them on for a few months and then apparently considered the asset was not sufficiently good, so they dishonoured their undertaking, and now we have before us a proposal to set up a board. We know what has happened in the past. After the merchants arrived at their decision, and had continued for a little while, one or two of the hungrier creditors jumped in and demanded liens. The inevitable result was that others rushed in to protect their interests, and there was a regular deluge in which the farmers were swamped. We had the same old spectacle of those grabbing who were in a position to do so. It was again a case of first in, first served. The result was that the man who hopped in first got what he wanted, and the others received nothing. Thus we have had a repetition of the spectacle apparent in years gone by. There is nothing in the Bill to prevent a repetition of that sort of thing. There is another aspect that appeals to me. The Bill was drawn up by someone not conversant with the position in the country districts. You, Mr. Speaker, are better acquainted with that position than anyone else in the House, but it must be obvious to anyone aware of the conditions, that the country storekeeper carries a greater burden of the responsibility than any other individual in the community. When I asked the Attorney General, by way of interjection, when he was moving the second reading of the Bill, whether the country storekeeper was represented on the board, he replied that the storekeeper owed the merchant, and that the merchant would be his representative on the board. That is tantamount to saying that a man's creditor is his representative.

The Attorney General: Is not the country storekeeper a merchant?

Mr. CORBOY: Does the Minister interpret the clause to mean that?

The Attorney General: Under the clause, a merchant means any merchant. It does not necessarily mean the big merchant.

Mr. CORBOY: I am not a lawyer, but I take it that the merchant referred to in the clause means a wholesale merchant. As a matter of fact, the Attorney General's interjection confirms me in that belief, because he said that the storekeeper owed money to the merchant and the merchant was his representative.

The Attorney General: I did not say that. What I said was that all merchants, whether a country storekeeper or a town storekeeper, who is a wholesaler, are in the same box together.

Hon. M. F. Troy: A merchant can be a merchant, big or small.

The Attorney General: Of course. It means a country merchant as well as a town merchant.

Mr. CORBOY: I am dissatisfied with the explanation furnished by the Minister. But let me assume it to be correct. Will the Attorney General say that a small storekeeper from Southern Cross will get the same hearing on the board as will Wigmore or others? Of course not! The representative on the board will be the representative of the big wholesale merchants.

The Attorney General: Do you want a special representative on the board for the country storekeepers?

Mr. CORBOY: They are entitled to it.

The Attorney General: If that is your only objection, it can soon be overcome.

Mr. CORBOY: I can assure the Attorney General that that is not my only objection, although it is one. The country storekeeper is carrying a great proportion of the burden to-day.

The Attorney General: Of course he is.

Mr. CORBOY: And he is not to be represented on the board, nor is there any such intention. If the answer furnished by the Attorney General was logical, when he said that the merchant to whom the storekeeper owed money would be the latter's representative on the board, then there is need for two representatives on the board only, one to represent the Agricultural Bank and the other, the Associated Banks. That must be obvious because when we go beyond the

merchant we get to the Associated Banks, and therefore the representative of the Associated Banks must be the representative of all the other creditors. It may be surprising to the Attorney General, but I know country storekeepers who have sunk as much as £30,000 in this business. They are men who have carried on in small country districts, and have sunk all they possess in helping the farmers, and yet they are not covered by the measure. They have sunk their life savings or money they have raised through speculations, and every penny of it has gone into helping the farmers, but the Bill has nothing for them at all. In 99 per cent. of the instances I refer to, the country storekeepers are unsecured creditors. When we peruse the clauses of the Bill, it must be apparent to any hon. member that there is not the shadow of a chance of the unsecured creditors getting anything at all. They are the last who will receive consideration.

The Attorney General: How do you suggest the board may do harm to the country storekeepers.

Mr. CORBOY: The immediate effect of the introduction of the Bill has been—

The Attorney General: That is not the point. You believe the country storekeeper is not represented on the board?

Mr. CORBOY: Yes.

The Attorney General: Why do you suggest that the board would do anything to hurt the country storekeepers?

Mr. CORBOY: I am not suggesting that the board will do anything to the hurt of the country storekeepers beyond the fact that the board itself is in existence.

The Attorney General: But you object to the personnel of the board?

Mr. CORBOY: Yes. If the country storekeepers were represented on the board, they might be able to get better consideration.

The Attorney General: But the board will make distributions as determined by the measure.

Mr. CORBOY: Then the Minister admits that the country storekeeper has little hope of getting anything at all. The immediate effect of the Bill has been that country storekeepers have been compelled to cut off completely the food supplies of their customers. They are unsecured creditors and there is no prospect of their being able to secure any return. Yet it is these people that the Government ask shall continue to

keep the farmers going for another 12 months. The Government will expect them to do that.

The Attorney General: No, they will not.

Mr. Doney: If they get the cash, what guarantee would they have?

The Attorney General: They get the first call on what there is.

Mr. CORBOY: They do not.

The Attorney General: They do.

Mr. CORBOY: The Minister does not know his own Bill.

The Attorney General: Well, demonstrate that point.

Mr. CORBOY: I will; they do not get the first cut.

The Attorney General: They do.

Mr. Doney: You had better demonstrate it before you forget it.

Mr. Willcock: What about wages?

Mr. CORBOY: That is not a first charge. The member for Geraldton (Mr. Willcock) is under the same misapprehension. There is a lot that will be paid for before that.

The Attorney General: Current expenses are the first charge.

Mr. CORBOY: They are not. Surely the Minister should know what the Bill contains. I will deal with that particular phase. If the Minister will refer to Clause 11, he will see in Subclause 2 the following:—

A stay order shall direct that no action, execution, distress for rent or other process or proceeding shall be commenced or proceeded with or put into force against the farmer or his estate or effects, except by the leave of a judge or magistrate.

If he next turns to Clause 25, he will find, in Subclause 1, the following:—

Notwithstanding anything contained in this Act, any creditor who holds any mortgage, lien, pledge, charge or other security on or over any property of the farmer shall be entitled to take the full benefit thereof.

That refers to secured creditors.

Mr. Willcock: You cannot stop him taking the full benefit.

Mr. CORBOY: Of course we cannot. Clause 29 prescribes that—

Subject to the rights of any holder of any mortgage, lien, pledge, charge or other security, the board shall from time to time apply the moneys received by it from the disposal of the farmer's crop in payment of all current expenses, etc.

All secured creditors have to be paid before a penny is available for the discharge of current expenses.

The Attorney General: No, no. Only the people who have a lien on the crop, on the very income; but the mortgagee, for instance, does not come into the thing, unless he chooses to exercise his powers.

Mr. CORBOY: Cannot he do that? The lien would not apply if the holder of it did not care to exercise his right.

The Attorney General: A secured creditor with a mortgage can close the thing up whenever he likes.

Mr. CORBOY: And every one of those firms holding liens must be paid before a penny is available to the settler.

The Attorney General: That is the law now.

Mr. CORBOY: That is so. Your Bill does not alter the law one scrap, nor do I think you could alter it. You are simply substituting in the State law an Act which will replace what already exists in the Federal bankruptcy law; that is all. It is a case of tweedledum and tweedledee. What does it matter to the farmer whether he is under the Federal Bankruptcy Act or this measure?

Mr. Parker: He can select which he will come under.

Mr. CORBOY: Yes, he has the choice between being hanged and being shot. The Minister admits it is simply a substitution of a State department for the existing Federal bankruptcy court. I am not suggesting that the Minister can do any more; I do not think he can. At every meeting I have addressed in the country I have made it clear that I do not think any State Government can do any more than simply substitute State legislation for Federal legislation. It is something that only the Federal Government can handle. It is a national crisis, not a State crisis.

Mr. H. W. Mann: Do you not think it can be handled with sympathy?

Mr. Willcock: Sympathy without cash is not much good.

Mr. CORBOY: The whole problem is undoubtedly an economic one. The farmer in Western Australia is not up against the question of whether or not he is operating under the Federal Bankruptcy Act. That is not his problem; his problem is that wheat is costing him 3s. 3d. per bushel to grow, and he cannot get more than 2s. 3d.

for it. That is his problem, and the Bill makes no effort to solve it. As a matter of fact, the State Government cannot be expected to make any attempt to solve that problem. I am not such a carping critic as to hound down the Government because they have not solved the existing economic crisis, which is in evidence all over Australia and indeed all over the world.

Mr. Kenneally: Even though they promised to do so.

Mr. CORBOY: I am not going to be a carping critic in that respect, but I do say that the Government's energies could have been more wisely devoted to endeavouring to secure some action by the Federal authorities to solve the problem, rather than by legislation of this sort which, as the Attorney General admits, merely substitutes State action for Federal action and accomplishes the same end.

The Attorney General: No, I did not say that.

Mr. CORBOY: The principle is the same. You place a man under a trustee and you administer his estate.

The Attorney General: But the one measure is for winding up, while the other is for carrying on.

Mr. CORBOY: Is it so? As a matter of fact, in my electorate there are men who for the last three years or more have been operating under trustees appointed under the Federal Bankruptcy Act, and are still on their blocks and still being carried on by those trustees with the idea of eventually paying their debts and holding on to their blocks.

Mr. Piesse: You must admit the process is costly.

Mr. CORBOY: Unfortunately it is too costly. Even now, a friend of mine is having tested in the Federal bankruptcy court the cost which is being charged to him by the trustees. Undoubtedly the trustees will have to climb down. Under the Bankruptcy Act the charges are limited, and if that limit is exceeded, one can have the charges reduced by the court. But this Bill has no limit; the man is to be charged whatever the process costs. Goodness knows what that is going to be when another board of trustees sets up another Government department with all its officers and inspectors.

Hon. M. F. Troy interjected.

Mr. CORBOY: It is not my place to limit them; but neither it is the Government's place to ask them to give away a guaranteed maximum of 5 per cent. and take a pig in a poke. I am very dubious of what it will cost, but I certainly think it will exceed 5 per cent.

Hon. M. F. Troy: Much will depend on the type of man they are dealing with.

Mr. CORBOY: Exactly the same position applies to-day with the men already under trustees under the Bankruptcy Act. If a man is of the right type, he is still on his block and getting whatever he needs to carry on until he clears his debts. The proposed board cannot do more, cannot say to the waster, "All right, we will keep you going." This Bill offers no solution of the problem the farmer has to face. Clause 30 provides for the distribution of the proceeds amongst the creditors, first of all for the wages of any employee not being a member of the farmer's family. A great many farmers have working for them sons to whom they pay, say, £1 per week and keep, and those sons are worth considerably more to their fathers than would be any hired employee. But those lads who have stayed at home with Mum and Dad are not to get any consideration, although they are just as much employed as are outside men to whom £3 10s. per week is paid.

Hon. M. F. Troy: In the past, they looked to get the property when Dad died.

Mr. CORBOY: Now it is to be the creditors who will get the property.

The Attorney General: There is nothing novel about that.

Mr. CORBOY: No, but it is harsh. Why say that a member of a man's family working for his father shall lose all right to be a preferential creditor as a wages man, simply because of the blood relationship?

The Attorney General: So, too, as between husband and wife in point of income taxation.

Mr. McCallum: And, under the Workers' Compensation Act, the relationship between father and son.

Mr. CORBOY: The present crisis is being handled very differently from the crisis in the wheat growing industry in the drought year of 1914. I do not wish to refer to the class of Government then in office, but in those days means were found to assist a man to stay on his block despite the fact that his income from the farm was

not sufficient to pay his debts and allow him to carry on.

Mr. Angelo: Means could be found then, but they cannot be found now.

The Minister for Lands: Lang, no doubt, might help us.

The Attorney General: Tell us how to find the means. We will be very grateful and will immediately withdraw this measure.

Mr. CORBOY: In the troublous times of 1914 when the wheat industry went through a very grave crisis, the Labour Government then in office found means to establish through the Industries Assistance Board the essential machinery to meet a man's liabilities and keep him on his block.

Mr. Angelo: We had not gone a million then.

Mr. CORBOY: It would not be too bad if we could go another million now to keep the wheatgrowers on their blocks. I only wish we could borrow it to-morrow; it would be a jolly good investment.

Mr. H. W. Mann: If the price of wheat at present was what it was in 1914, there would be no difficulty in financing the farmers.

Mr. CORBOY: This Bill is only dodging the crisis. As the Attorney General admits, it is a measure which substitutes A for B in doing the same job. The Federal authorities are doing it, and now we are going to do it. It is just the same in all broad principles as they are doing. The Bill is not going to give the farmer a penny more for his wheat, but is simply going to substitute a new authority for one already in existence for carrying on the farmer and administering his estate. The present crisis does not involve the question whether or not the farmers are going to work under trustees. A great majority of them will have to. Some action is necessary to get the farmer out of his economic difficulty, because he will have to sell his product for less than it is costing him to produce it. If one reads his newspaper correctly, the proposal of the Federal Government of a 2s. guarantee for wheat will not solve the problem. If they offered a 2s. bonus, we could all go home rejoicing.

The Minister for Lands: We would not go on with the Bill if they did that.

The Attorney General: It would not help us for very long.

Mr. CORBOY: A 2s. guarantee means nothing.

Mr. SPEAKER: There is nothing in the Bill about a bonus.

Mr. Munsie: There is no guarantee that the farmers will get it.

Mr. CORBOY: No. What is needed is a guarantee of a price that will enable the farmer to meet his liabilities and carry on for the next 12 months. This Bill does not offer him that, nor any other solution of his difficulty. It contains all sorts of provisions that are abhorrent to farmers. During the last fortnight I have discussed it with many hundreds of them. Almost each one can find a new line that applies differently as compared with its application to another man, and the direction in which it stings him.

The Attorney General: It will not sting him in any way unless he likes to accept the benefit of it.

Mr. CORBOY: The farmer's creditors decide whether he shall have the benefit of it or not.

The Attorney General: If he does not like the benefit he need not take it.

Mr. CORBOY: The creditors decide that; not the farmer. The farmer has no say in it.

Hon. M. F. Troy: Neither has any other man if he is bankrupt.

Mr. CORBOY: He has no say under the Federal Bankruptcy law. This is simply a duplication of those provisions under which these men are already working. I refer to the Federal bankruptcy law. It does not offer the farmers any solution of their problem. Instead of wasting the time of the House with measures that will not get the farmer out of his difficulties, I urge, if they cannot do anything, the Government should do their utmost to induce the Federal Government to do something worth while to meet this economic crisis.

MR. MILLINGTON (Mt. Hawthorn) [8.17]: I am disposed to welcome the Bill because of its good intentions.

Mr. McCallum: A certain road is paved with those things.

Mr. MILLINGTON: The present road is so difficult and disastrous for those concerned that it cannot get much worse. This is an attempt to introduce something under the shadow of the Federal law, an attempt at conciliation. When the board is constituted, an endeavour will be made to establish peace by negotiation amongst the contending

factors. All I desire to discuss is the board. Apart from the 36 clauses of the Bill, its whole success depends on whether the board can carry out the work imposed upon them. If that be so, the measure will do some good. I am aware that the present law is not popular. I remember representatives of the farmers complaining bitterly of the attitude of public or private trustees who had been managing bankrupts' estates. The Bill seeks to constitute a public body which will take the place of existing trustees. According to the Attorney General the board will do this work much more cheaply than the other people. Complaints have been rife concerning the excessive charges made by public trustees. I am pleased the Attorney General believes that in this respect the State can beat private enterprise, and that the board when constituted will give satisfaction to the farmers and administer their affairs better, cheaper and more equitably than is the case at present. The board will comprise representatives of the Agricultural Bank, the Associated Banks, the merchants, the Government, and the farmers. It will thus constitute representatives of conflicting interests, set to manage a concern, each endeavouring to manage it and put it on a proper basis, as well as satisfying all the creditors, the Agricultural Bank, the Associated Banks, the merchants, the Government, and the farmer himself. The work before this board will be stupendous. In view of my experience of the I.A.B., I can see endless difficulties ahead. Let us assume there will be 10,000 farmers to consider. Many of these will not desire to have anything to do with the board, because they will have made their own arrangements. There are others with whom the board will desire to have nothing to do. Many hundreds, and probably thousands, of farmers will be most anxious to take advantage of this measure. My experience tells me that each individual will insist upon interviewing the board and will claim that his is a special case. Their difficulties have not arisen this year. There are others who, in the past when seasons and prices were good, went behind. They could not make farming pay. In a time of crisis they will insist upon receiving protection at the hands of the board. That body will have the utmost difficulty in classifying the farmers, particularly the thousand or so who will desire to come under the protection of the law, but with whom the board may desire to

have nothing to do. For quite a number of years, in good times, many of these men have been wasting their time as farmers. This has merely meant the climax for them. It will be found that the board will not be prepared to carry them on, once they find out their position. A good deal of their time will undoubtedly be taken up in discarding those with whom they will decline to have anything to do.

The Attorney General: Do not you think the creditors will prevent their coming under the Act?

Mr. MILLINGTON: There will be a representative of the creditors on the board.

The Attorney General: They will not come under the Act unless the creditors decide they shall do so.

Mr. MILLINGTON: The board will be representative of all interests. Someone has suggested that the country storekeeper should be represented. He will have to be heard, not only because of past debts, but because of the necessity to provide for the future. Without the country storekeeper it will not be possible to go very far. Just as the storekeeper was the prospector on the goldfields, so has he been the farmer in the agricultural areas. If things look blue on the farm, the outlook for the storekeeper is dark. The interest of the storekeeper is undoubtedly in the farming districts, quite apart from any Act which may be passed. He has been particularly hard hit.

Mr. Willcock: And he only gets a crushing every 12 months, unlike the storekeeper on the goldfields.

Mr. MILLINGTON: Farmers are not particularly favourably disposed towards the measure. They thought some means would be found whereby they could receive more direct assistance. They expected the Government would evolve some extraordinary means to help them. The position has been compared with the drought of 1914. At that time the Government had no alternative other than the course they followed. There were no crops and there was no seed. They had to buy seed and feed for the farmers' horses, and the animals had to be sent to other districts. This year there is plenty of seed, feed and fodder for the stock, and from that point of view things are entirely different. In all the circumstances the farmer must be carried over until such time as he has a chance to right his position. There is, of course, no pos-

sible hope of evolving any miraculous type of assistance. When people say they will not accept this Bill, they must not forget that independently of it they are still in a bad position. The Bill has not anything to do with the market price for wheat, nor will it accentuate the position in any way. It seeks to establish a better means of communication between the parties concerned. The alternative is to have no Bill and carry on under the Federal laws.

Mr. Willcock: Even if the Bill passes there will be no alternative.

Mr. MILLINGTON: If the Bill passes, the people concerned can decide whether they will take advantage of it or act under the Federal laws. In any case the Federal laws will continue to operate. There is nothing to prevent people from adopting the measures already existing to overcome their difficulties. This Bill seeks to do things in a more expeditious way, and to endeavour to bring creditors and debtors together in the hope of an amicable arrangement to carry on being evolved between them. The success of the Bill depends upon the administration. I was struck by the suggestion of the member for Katanning. I think the administration will be most complicated. I know the difficulty in dealing with these people. They will insist on seeing the members of the board, and will insist on coming to Perth to do so. The same thing occurred in connection with the I.A.B. How would it be possible for the board to visit the Esperance district or other districts far removed from the city? If the Bill is to be administered successfully throughout the State, other authorities must be constituted besides the central board to deal with cases. Powers will have to be delegated to subsidiary boards and local arrangements must be made to deal with local problems. I hope the Attorney General does not think the central board can handle 10,000 farmers.

Mr. Piesse: Many of the boards could operate under a friendly agreement.

Mr. MILLINGTON: A mutual arrangement would enter into the whole business. Unless each party is prepared to concede something, the Bill will be inoperative. We must have regard for the experience gained under the I.A.B., and those who came under their direction. In those times, when the responsibility was taken off the farmer, there was a disposition on his part to lean on the board and throw the full responsi-

bility upon the board. It will be found in this case also there will be the same incentive to throw the responsibility upon the board, particularly in the case of the man who is so deeply in that he does not care what happens. It will need very close supervision on the part of the board to see that the work is properly done and that the farm is efficiently operated. I believe too that as a result of this crisis there will be not only classification of farmers, but independent of any law that may be in existence, a great many of the farmers who have been carrying on for a number of years will find that this will be the end as far as they are concerned. The farmers will have to satisfy their creditors, by their past actions, that they will be able to carry on. Immediately an inquiry is made, there will be a weeding out process, and many will have to show more justification for being carried than the mere fact of expanding their chests and saying, "We are primary producers." The member for Mount Magnet knows something of what takes place as far as the Agricultural Bank is concerned. The officers of the bank have a personal knowledge of all their clients. In the bank we have in existence a machine that has been built up for years, a very efficient machine. The board proposed to be appointed will require to get a record of all the farmers, everything in connection with the way in which those farmers have carried on their business. Records of the farmer will be secured from the bank, the merchants and the local storekeepers and the board will then determine whether a particular farmer is worth carrying. The Agricultural Bank has that advantage, because the bank is an established machine in active operation; but just as there was a difficulty in the early days of the Industries Assistance Board, so will there be a difficulty in starting this proposed board. Every new department that is created, whether State or Federal, is to a certain extent inefficient. It is not as efficient as an older established branch of the service. Here again there will be a difficulty, because to an extent the interests represented on this board will be conflicting, and after they have satisfied the farmer, they will have to satisfy in turn each of themselves. Then I think that independently of the opposition that will come from the farmers themselves, we

will find that there will be violent opposition from the merchants and storekeepers if they think they are going to be bound by the provisions of the Bill. I think they will come to the conclusion that they should please themselves, and it will not matter whether any board determines that farmers can be carried on. The merchants will please themselves whether they advance any produce or credit to enable the farmer to put in his crop. Certainly this would not be done unless the farmer can demonstrate that he is worthy of being carried, and I am certain that a considerable percentage of farmers will not be able to show that. The board will have this class of farmer continually on their doorstep. There will also be endless correspondence in the Press. I do not envy the board their job in view of our past experience, and I think it will be found that the board will have to devise ways and means for getting over many difficulties. It will be found that the whole success of the board's work will depend upon administration. Another point is that I think the measure has come before us too late. I am afraid the board will not be able to get sufficient information to establish itself properly, and do all the work that it will set out to do. There will not be a possible hope of getting a proper record, and an inventory of the farmers' positions in the time at its disposal. Therefore instead of so much attention being given to the machinery clauses, the matter needs to be thought out, and it will require all the initiative at the disposal of the Government so that all the farmers throughout the State may be covered. I consider that the whole of the attention of the Government and the experts should be devoted to devising ways and means not only to carry on the work of the central board, but also to arrange for the constitution of a subsidiary authority so that the farmers throughout the State may be provided for. I feel friendly disposed towards the Bill, because independently of all criticism and of all conflicting interests, this is a genuine attempt on the part of the Government to meet the difficulty. Provided everyone concerned enters into the spirit of the thing, it will be possible to effect a betterment of the present conditions. It is no argument against this Bill to cite the position as it is, to cite all the disasters that exist. This is an attempt

to ameliorate the conditions of things, and should be commended. Those who are particularly concerned about the machinery clauses, will be able to deal with them fully in Committee. In the meantime I suggest that the success or otherwise of the Bill depends on whether we can constitute a competent board to handle the existing condition of things hurriedly and effectively. I have already mentioned that in the past work of this description has been done by old established departments. I can never remember a newly created department having been able readily to deal with problems of this description. So it will be necessary to get those already having a knowledge of this business to undertake the work, a knowledge that will prove invaluable when the administration of the measure is put in hand. In the hope that the good intentions of the Government may be realised, I have pleasure in supporting the Bill.

MR. DONEY (Williams-Narrogin) [8.40]: Criticism of a difficult Bill of this character is a very safe and easy task. I can say for the member for Yilgarn (Mr. Corboy) that he carried out that safe and easy task, with a surfeit of gallantry, but it was not remarkable that from start to finish we got nothing from him in the way of constructive suggestions. I make no specific reference to that hon. member or any hon. member when I say that quite a few members of this House have plainly put in a great deal of their time in deliberately manufacturing difficulties and bogeys wherewith to frighten themselves and others. I have the feeling that any difficulty that has been referred to, and the treatment of which might come within the scope of the Bill, should not be regarded as insuperable. I consider that the Bill requires only a full explanation to dissipate the difficulties that seem to be surrounding it. The member for Guildford stands quite by himself in his unrelieved condemnation of the Bill. He cannot see in it one tiny little thing that is right or proper; apparently not even that helpful clause which deals with hire purchase creditors makes any appeal to him. But leaving him on one side, it may be claimed that the Bill has had a cheering reception indeed. One might go further and say it has done some good already

in that it has caused the member for Kanowna (Hon. T. Walker) to emerge from his temporary retirement and give to the new members their first taste of his eloquence. I think it is a tribute to the importance of the Bill that the hon. member—the ex-Speaker—should have selected it whereon to make his first speech of the session. This is an important Bill, perhaps the most important introduced since the session opened. Judging from a number of meetings held in the country, several of which I attended, from my own observation and knowledge, and from what I have seen in the Press, there is an insistent call and an obvious need for legislation of the type aimed at, but not necessarily secured by this Bill. Certain members have criticised it on the ground of its tardy appearance, but it should be conceded in fairness to the Minister that it has been a most difficult Bill to construct. There have been so many conflicting interests to co-ordinate and so many requirements to provide for that there has been inevitable delay. It could, of course, have been introduced earlier but had it been introduced earlier it would have been ill-balanced and incomplete. Therefore, though the Bill may be impracticable in parts, it provides a foundation on which we can ultimately construct a Bill that will give satisfaction. Even now it is a long way from being imperfect, but such imperfections as are present are not the result of any set purpose, nor have they been allowed carelessly to creep in unawares. Members will probably have a busy time with the Bill in Committee, but it is our duty to handle it as simply, as economically, and as efficiently as possible. Here I might say that I was very pleased, and so I imagine were most other members, to note the extremely helpful attitude of the Leader of the Opposition. I can only hope that both sides of the House, when the Bill reaches the Committee stage, will have no desire other than to try to improve the Bill. We have regretfully to admit that farmers from one end of the State to the other are standing on the brink of ruin. There is no doubt whatever about that, and for the sake of the farmer and every man, woman and child in the State we must do our utmost to avert that ruin. The farmers must be saved and, with all its imperfections, the Bill does indicate the manner of their salvation. I fer-

vently pray that the Bill may succeed. It is not stretching the imagination to say that we are sailing in a leaky ship, that it is a case of all hands to the pump, and I hope that not one member of the House will be mean enough to withhold his assistance. I have been to quite a number of meetings held in connection with the Bill and most of those meetings, I do not mind admitting, were, at the outset anyhow, full of the thought that the Bill should be withdrawn. But after the Bill had been explained, either by the Minister or by some hon. member with a lesser knowledge of its provisions than that held by the Minister, the meetings with one exception perhaps, were prepared to admit that the Bill was good provided it was amended in certain directions. It is perhaps rather too far fetched to say that those who came to scoff remained to pray, but one might truthfully say that those who came to criticise remained to praise. There are many obstacles in the way of those who are constructing the Bill. The State's financial position is an obstacle. We all recognise that the equitable distribution of the farmers' proceeds is a matter of grave difficulty. The Federal Bankruptcy Act plainly is an obstacle. The cumbersomeness of the task that the Bill has set itself is another obstacle. Those obstacles cannot be swept away, but I do say they can be catered for, and that this Bill makes a very brave and honest attempt to cater for them. I was surprised that certain members of this House considered there was an assured escape from our difficulties merely by inflating the note issue. They claim that to be a very simple way out of our difficulties. I do not doubt its simplicity, or apparent simplicity, but I do say that it is utterly futile to expect salvation from that direction. Time was when we paid with gold for all our requirements. We then created a judicious leaven of notes and put them into circulation. The result was not that we purchased anything more but that we purchased the same goods as before and paid a little more for them. In the course of time we doubled the note issue, or rather printed notes of a face value double the value of the gold reserve. We did not, as some foolish people expected, buy double the quantity of goods; we merely bought our require-

ments but paid double the price for them. At present we have a note issue totalling in face value probably three times the value of our gold reserve, but we are not, as we know to our cost, purchasing three times the quantity of goods that we purchased with gold. We are purchasing precisely the same quantity but are paying just about three times the amount we then paid.

Mr. Willcock: That is not right.

Mr. DONEY: I am giving what, in my opinion, is right. The hon. member is entitled to hold the contrary opinion if he so desires. The point is that if paper money, unsupported by any gold reserve, is capable of the wonderful things claimed for it, why not let us have millions and millions of notes, get away from the laborious task of gold mining, and restrict our efforts to the printing press? We know full well it is not to be accomplished in that simple way.

Mr. Munsie: I do not know of anybody who ever advocated that. I have not heard or read of anybody who did.

Mr. DONEY: Without going too far into the question, that was seriously put forward in this House a few nights ago. I shall not mention the name of the hon. member who suggested it.

Mr. Munsie: It was not put forward. You are misrepresenting what he said.

Mr. DONEY: I am not misrepresenting anyone; I mentioned no name. I might add that there are others who consider that the Associated Banks and the Commonwealth Bank could help us. I say they could help us if they would. We readily realise that the deposits in the banks are materially less than they were five or six months ago, but I have not noticed any signs of real distress amongst the banks. It is, I suppose, that they are behaving in a normally shrewd way, as becomes banks—that they are just careful and nothing more. I imagine they are waiting to see whether some scheme cannot be evolved that will leave them comparatively free of responsibility. But I think that as a last resource—

Mr. Angelo: The Eastern States have not been backward in assisting us.

Mr. DONEY: I am not disputing the helpfulness of the banks in the Eastern States to Western Australia. As a matter of fact I join with those who say they have performed, in respect of our needs, a very real service. The point I am making at the

moment is that, as a last resource, if the flood waters were reaching their own doors, all the banks would straightway rally to the succour of their securities. I wish to make it plain that I am not joining with those who would criticise the Associated Banks by way of saying they are not doing their duty by us in this present crisis. Quite the contrary in fact. Many meetings have been held in the country having as their object the withdrawal of the Bill. Some want this scheme substituted, some that scheme, some another scheme, but the fact that no one scheme seems suited to all sections is pretty plain evidence that neither this Bill nor any other which might be submitted to us has any hope of satisfying more than just a section. If we withdrew the Bill and put some other in its place, that other Bill would of a certainty reap the same old crop of objections that this Bill has reaped. Admittedly there are quite a few weaknesses in the Bill, one or two major weaknesses, quite a few inconsistencies and inaccuracies. I am not going to take them clause by clause and examine them. I have already learnt that that cannot be done on the second reading, but it seems to me to be essential to widen the basis of the word "farmer" and make it include the wool man. The wool man at present is experiencing as many difficulties as the wheat man, or nearly so. I think it would be quite proper to include his difficulties and their correction within the scope of this Bill. I should like to make brief reference to a matter that has already been referred to, namely, that the board must be run as economically as efficiency will permit. Therefore, in the interests of economy, expedition, and smooth working, it should be mandatory upon the board—and not left to their discretion, as is the case now—to utilise to the fullest extent possible the field officials and machinery generally of the Agricultural Bank. They have all the essential data at their command, they have a very full knowledge naturally, since it is part of their duty, to know the local conditions, the personal security, and so forth. I imagine that no one here would for a moment doubt the capacity, knowledge, experience, sympathy and understanding of the trustees of the Agricultural Bank, or would doubt the capacity of the various field inspectors of the Agricultural Bank to render a report upon the position of any

farmer quickly and accurately. It would seem to me to be the height of stupidity to discard entirely machinery so useful and already in existence and working. I think it is the intention of the Government to do what I suggest, and my idea in bringing the matter forward is to make it mandatory upon the board to use existing machinery and not to leave it to the board's discretion. If that is not done, there certainly will ensue very heavy delays and muddle as well. The very newness of the board would be its major weakness. The fact that it is a new broom stands for little indeed. Many members can recall, politically speaking, quite a number of new brooms that have been responsible for some very dirty jobs. I join with those who declare that there should be a number of local boards whose activities would be subsidiary to the main board. I suggest that the local boards consist of three members, namely, the district inspector of the Agricultural Bank, one member to represent the creditors, and one to represent the farmers. Considering that the interests of each of those three parties would be so vitally involved, I imagine they would probably be prepared to act on such a board for no remuneration at all, or at least for a very small sum. Their principal value would lie in the fact that they would understand local conditions well and they would also save a great deal of time. It would follow as a natural consequence that the board should adopt the boundaries of the present Agricultural Bank district division. They have all the machinery to step into the work and straightway carry on. Clause 9, Subclauses 1 and 2, give to the board pretty wide discretion. I refer to the fact that the board may accept or decline the application of any farmer. I can only hope that the board will exercise that discretion very tolerantly and generously. We can all remember that during the currency of the Industries Assistance Board, there were many enjoying its benefits who did not deserve them, but I think it can be claimed that during the past three, four, or five years the Agricultural Bank trustees have managed by selection and by the exercise of judgment to cleanse the ranks of their clientele until now those farmers who remain are deserving of the utmost generosity and assistance that the proposed board will be able to afford. This

Bill, anyhow, represents to them—if I may so phrase it—their last line of defence; the last line of defence against creditors and against the extremely harsh circumstances of low prices. I fervently hope it is a line of defence that will not fail. The provision with regard to hire-purchase agreements I regard as wise. In the past such creditors held the key to the position, controlled the position entirely. Frequently they had exercised the rights given them under the agreements to force repossession at a moment highly inconvenient to the farmer. Certainly there have been times when by their forbearance they have contributed materially to the success of the season. But, equally, there have been occasions when by the arbitrariness of their conduct they have induced failure. At all events, I am especially pleased to know that this difficult question has been catered for in the Bill. Clauses 17 to 21, inclusive, appear to me unduly harsh; and in Committee I shall take the opportunity of seeking to delete the one which is the harshest. The essence of all those clauses is to restrict unduly the farmer's freedom. We all know that just now the farmer is right on the brink of despair, that any little thing irritates him, that his nerves are right on edge. Therefore, if we can ease the position a little by softening the clauses in question, I think it our duty to do so. Personally I consider that the discretionary powers given to the board under the clauses I allude to, should be exercised with the utmost generosity. I hope the board will not interfere, unless it is absolutely necessary, with the internal working of any farm, but will restrict their actions to the manipulation of the security and to the equitable distribution—so far as it is possible to distribute them equitably—of the farmer's proceeds. Quite a few references have been made to the probability of bankruptcies. Whether this Bill passes or not, I fail to see that the present situation is likely to breed an undue crop of bankruptcies at all. The secured creditor is certainly unlikely to attempt to sell on a market so depressed as is the present market. It is always possible that on such a market for farms as we have to-day, the secured creditor selling may find the amount of his mortgage not realised. Assuredly there is even less inducement for the unsecured creditor to have a man adjudicated bankrupt, particularly as the unsecured

creditor knows that upon a sale being made the whole of the proceeds would most likely go into the coffers of secured creditors. The greatest danger is run by those good farmers who have a farm worth, say, £10,000 carrying a small mortgage of say one, two or three thousand pounds. It is well known that there are many such cases. A farmer so circumstanced does stand in dire peril of being foreclosed upon, since a farm of that kind finds even now a ready sale. In conclusion, if the Bill does not go through—though I have little fear of that result—there certainly will be a wild scramble for this year's proceeds by the several creditors of the farmer, with the natural and inevitable result that practically not a penny will be left to carry on with. Though it is somewhat outside the present Bill, may I add that I would like to see the Agricultural Bank disclose their policy for the year. I am strongly supporting the second reading of the measure, and I trust that every hon. member will bend his energies to the task of making the Bill as workable and as acceptable as the many difficulties surrounding it will permit.

MR. WILLCOCK* (Geraldton) [9.7]: I realise that there is not much to be said on the Bill, except perhaps that one might continue to find fault with the many different provisions it contains. When the measure was announced, the general opinion was that the Government ought to devise some scheme which would enable them to assist the farmers to remain on their holdings. Upon the Bill being sent to people who desired to see its contents, there was general and keen disappointment that the Government were unable, owing to the financial position, to accept any financial responsibility for keeping the farmer on the land. There are but two expedients for helping people, institutions, or States, that are in financial trouble—either one comes actively to their help, or one ensures for them protection in some way. The only means of actively assisting people on the land is to provide finance. Of this the Government admit there is no possibility. The other alternative is to ensure to some extent that people in difficulties shall be protected as adequately as is possible in the circumstances. Like many members who have spoken, I find there is nothing we can do to give protection outside the existing Federal bankruptcy law.

Seeing the necessity for protecting the interests of certain people to some extent until this time of stress is ended, I considered it the duty of the State Government to make representations to the Commonwealth Government in favour of the suspension, in some degree, of the provisions of the Federal Bankruptcy Act, so that the State Parliament might pass a measure dealing adequately with the finances of distressed farmers. Without the suspension of the Federal Bankruptcy Act this Bill must be almost useless. While most people undoubtedly applauded the action of a Western Australian representative in the Federal Parliament who made representations in favour of suspending the Commonwealth bankruptcy legislation, I consider that the matter was sufficiently important for the State Government themselves to have made representations to the Federal authorities, instead of leaving it to a private member. Undoubtedly the State Government would have more influence with the Commonwealth authorities than would a lone representative of this State in the Federal Parliament. On all sides there is a general recognition that it is desirable to do something in the interests of the people on the land. No matter what may be evolved from this Bill, the attitude of all sides of the Chamber is one of active assistance, so that if possible we may make out of what is admittedly an imperfect measure—not to use a harsher term—something of use to the farmers in this time of stress. No doubt all members have been inundated with correspondence from constituents who desire to have all sorts of amendments moved so as to provide a means of carrying on during the next 12 months, amendments designed to afford people who in ordinary circumstances are able to carry on, some measure of protection during the next 12 months. The Bill is designed to give protection and assistance. One member has described it as a pious wish. The Leader of the Opposition has said that it is a gesture expressive of our desire to see the farmers' creditors come together. Personally I think it is a means of helping the farmers to help themselves to get through this time of stress by co-operation. As a State we cannot do much in the matter. It appears to me that the financing of any measure of assistance which would represent a real support to the farmer

is a national obligation. Like other members, I see a ray of light for the provision of some measure of finance through the conference taking place to-day or to-morrow at Canberra between the various Ministers for Agriculture. The banks say they cannot undertake the responsibility, having advanced all their available resources. The Governments are in an even worse position, because they are responsible for financing themselves in their own functions, and have levied on savings bank funds and other resources. Throughout Australia savings bank funds, instead of increasing and rendering more resources available for the assistance of the agricultural industry, have been depleted at the rate of about £500,000 per month. Governments therefore cannot finance by that means. We must put that idea out of our minds entirely. But what has brought to the people of this State, and particularly to its farmers, such keen disappointment is the fact that the Governor's Speech promised the introduction of a measure to provide more capital to finance agriculture.

The Minister for Lands: We thought we could do so.

The Attorney General: It must be remembered that the Niemeyer agreement was come to after that.

Mr. WILLCOCK: There are other methods of getting money for agricultural advances than that of going on the open market to raise loans.

The Attorney General: I wish you would tell us what they are.

Mr. WILLCOCK: The Government knew what steps they were going to take when they made that promise as late as three or four months ago. It is not a promise that can be placed in the same category as the Premier's promise when discussing the question of unemployment, that work would be found for all. The obligation which the people expected the Government to live up to was made at the opening of Parliament, in the Governor's Speech—

Parliament will be asked to consider a Bill to authorise the trustees of the Agricultural Bank to raise money for the bank's requirements, in order to secure funds for development.

That statement of policy buoyed people up to the extent of believing that at least finances were going to be raised for the assist-

ance of the farmer. Every member who visited centres 20 miles away from Perth during the last election must know that if there was one subject of absorbing interest to the agricultural community, it was that of rural credit. The proposal of the Labour Government to establish a rural bank interested the agriculturists directly. I do not think there was any meeting I addressed at which I did not mention the subject, or else questions were asked relating to rural finance. Invariably, when matters were discussed after the meetings had closed, the discussion always arose as to the possibility of providing rural credit that would be of assistance to the farmers.

Mr. Angelo: Did anyone suggest where the capital would come from?

Mr. WILLCOCK: The Government had four months after the elections during which to consider that phase, and go into the finances generally. After that interval they announced through the Governor's Speech that they intended to raise money for this particular purpose. Hence the disappointment that has been expressed because the Bill does not provide any financial assistance to the farmers. It merely provides the procedure by which creditors may come together and help themselves and the farmers to overcome present difficulties. While the Premier may say that he did not know the position of the finances in relation to the unemployment problem, he announced his intention of providing money for the Agricultural Bank to assist the farmers, and now we find that no attempt has been made with that specific object in view. I do not know whether the Government have decided that it is impracticable, or whether Sir Otto Niemeyer's report precluded them from raising money for the Agricultural Bank.

The Minister for Works: Of course it did.

Mr. WILLCOCK: We admit the difficulty of raising money to carry on the agricultural industry, and we recognise the importance of doing so because it involves the solvency of the State. It would not matter much if that money were raised by the issue of debentures.

The Attorney General: It does not matter how the money is raised.

Mr. WILLCOCK: No. I understood the Government had in mind the possibility of

raising funds outside the ordinary loan requirements just as some of the various institutions in the other States are able to raise money to carry on their activities.

The Minister for Works: That was the intention. It was to borrow money like the Metropolitan Board of Works can borrow it in Melbourne.

Mr. WILLCOCK: Is there any reason why that cannot be done?

The Attorney General: Whether there is or not, it cannot be done at present.

Mr. WILLCOCK: Why is that?

The Attorney General: The agreement with the other Premiers was that it would not be done.

Mr. WILLCOCK: I thought that meant that the money for public works and so on would be limited.

The Attorney General: No; the agreement was that no body of any description would borrow money.

Mr. WILLCOCK: But has any other body borrowed money?

The Minister for Works: The Water Supply and Sewerage Board in Melbourne have borrowed funds.

Mr. Angelo: And paid 6½ or 6¾ per cent.

Mr. WILLCOCK: We admit the necessity for providing financial assistance to the farmers. There is no provision in the measure, so far as I can see, under which money will be provided. The Government and the banks cannot do it, and the farmer-debtors are already heavily enough in debt to the people who advanced money to them in the past, and the last-mentioned are not likely to be disposed to advance them more money. Thus there will be nothing done in the way of financing the farmers. That seems to be the whole position. The farmers were buoyed up by speeches and promises by various Ministers that the necessary finances would be raised. I am not discussing the Bill in any carping spirit, but I am afraid that unless the necessary credit is found, the board to be set up will be useless.

The Attorney General: The board will have power to raise money if they can get it.

Hon. M. F. Troy: How will the board be able to raise money?

Mr. WILLCOCK: Money will be necessary for sustenance, for the purchase of super, for horses, for spare parts or for

oil, as well as for many other articles without which farming operations cannot be carried on. The Bill may be a gesture as to the means that can be taken to render assistance all round, but that seems to be the extent of good that the Bill will do. I want to correct some gross exaggeration that has been voiced on both sides of the House regarding the position of the farmers. We have heard it variously estimated that from 80 to 100 per cent. of the farmers are absolutely insolvent. That is a very poor advertisement for the State. Farmers who have been on the land for the past 15 years, with the advantage of good seasons and prices, should not be in a position to confess, at this stage, that they are insolvent, or that they should allow it to be said publicly on their behalf that such is their position. Such a statement must amount to a reflection on the land settlement policy of the State.

The Minister for Lands: That position is created only because of the low value of their products, which brings down the value of their assets.

Mr. WILLCOCK: That phase requires careful consideration. The gravest feature of the present conditions arises from the uncertainty regarding the future. If the Government were in a position to announce that they had a million pounds at their disposal to assist in carrying on the agricultural industry during the next 12 months, we might find that the results of the harvest would be insufficient to pay for the cultivation and taking off of the crop. That is the most serious phase. It is not so important that we cannot get the necessary financial assistance, as is the fact that with present low prices it is apparently difficult to produce wheat at such cost as will enable it to be sold at a profit. If that is to be the position, then we would be much worse off as a result of the expenditure of a million pounds in assisting the industry. I do not wish to discuss the Bill at length, but I want to refer to one or two clauses that affect general principles of procedure. With regard to the allocation proposed, the Bill arbitrarily decides the preferences to be given in the allocations of proceeds in contra-distinction to the ordinary procedure under the bankruptcy laws.

The Minister for Lands: We are carrying them on.

Mr. WILLCOCK: I can quite imagine the rush of people who are first-preference creditors.

The Minister for Lands: They are not doing it.

The Attorney General: I have not noticed any enthusiasm on the part of anyone.

Mr. WILLCOCK: There must be some such inclination on the part of people who will get first preference.

The Minister for Lands: I should like to meet those people.

Mr. WILLCOCK: There must be more inclination on their part than on the part of those who will have the second or third dip into the bucket. I can quite understand that those who will have the third dip in the bucket can see no virtue in the Bill. They may prefer to abide by their rights under the Bankruptcy Act and take steps to protect their own interests. Such people will stand out of any agreement, and that will mean the end of the concord and co-operation that could arise from the operation of the Bill. Such creditors will take the means at their disposal to conserve their own interests. Another point is that the Bill provides that any individual creditor who may feel disposed to provide credit to carry on an individual farmer, and who may advance up to £300 or more to enable the farmer to provide vital necessities for the season, will be without protection at all. An unsecured creditor may come along, and after the value of the estate has been increased by the addition of the £300 lent by the individual I referred to, institute proceedings with a view of making the farmer assign his estate, and then that unsecured creditor will derive a greater share of the assets than would be his under other circumstances. And the man who goes out of his way to assist the farmer by providing the extra £300 will not receive any proper protection. We should provide some statutory authority so as to protect that man's position to the extent of recovering to him the full amount of assistance rendered by him to the farmer. We should look carefully into that phase and make provision accordingly. There are people who will take all sorts of advantages to conserve their own interests. I think we should protect that position and see that the people who do put in money to carry on the farmers have their interests

conserved. I really believe that under the Bill the estates will be much more economically managed than they have been in the past. Some members have said there is no limit to the amount the board may charge for the administration of an estate, but I think with the Attorney General that these estates will be more economically managed than they would be outside the provisions of the Bill. The board is to be formed of public-spirited men for the purpose of carrying on the industry. I suppose they will be paid for their services, but certainly they will be imbued with the idea that their responsibility is to carry on the farmers at the least possible expense. So I think that instead of what has happened during the past three or four years, when farmers have gone under trustees at considerable expense to themselves, if unfortunately they have to come under the control of this proposed board at all events their estates will be administered more economically than they have been in the past. I do not see very much of a practical nature in the Bill, but it is an attempt to do some good. The farmers are most disappointed at finding there is to be no financial aid for them, backed by the Government. I have had letters from numbers of people in my electorate, all of whom appear to think the Government should guarantee the farmer, that it would cost the Government nothing, that all they would have to do would be to guarantee. Of course we know that a guarantee means that if the farmer does not pay, the guarantor has to pay. I feel sure that if it had been in the power of the Government they would have done it without any outside influence. As I say, the Bill does not carry much of a practical nature, but I do think there may be some good come out of it. In Committee we may be able to amend it in a way that will make it of considerable assistance to the farmers, carrying them through a period of great difficulty. I hope the meeting now being held at Canberra will arrive at some conclusion that will assist us in this national emergency, and render aid to a lot of farmers who otherwise will be forced off their holdings.

HON. M. F. TROY (Mt. Magnet) [9.34]: With some other members who have spoken I feel that the Bill is hopelessly inadequate to meet the situation that has arisen in this State. While I say that, I do

not propose to be critical, for I realise that the position is really beyond the resources of the Government. We are up against a most crucial situation, the value of our products having fallen to such an extent that the producer is not able to realise a price that will enable him to pay his way. I admit the difficulties which must have confronted the Government in framing a measure of this character. No compulsion can be used, because there is the Federal Bankruptcy Act and any of these farmers can be made bankrupt. So this legislation has been introduced with a view to getting the parties together in an endeavour to have the industry carried on until the farmers get out of their difficulties. This will be a colossal task for any board. Much will depend on the personnel of the board and the goodwill of all the parties concerned. If the creditors have not goodwill towards the legislation, nothing can be done, and if the board is not a competent board and a tolerant board and a sympathetic board, there will be very great friction and not much result. I cannot conceive of any board administering the affairs of all the farmers who will seek the protection of this legislation. As the member for Mount Hawthorn (Mr. Millington) pointed out, every farmer will want to see the board. That is quite natural, for all his interests are involved; his very future is involved, and every action taken by the board will not meet with his concurrence, and so the board's time will be more than fully occupied. I really cannot see how one board can hope to deal with the thousands of farmers who will come under this legislation. I have no objection to the proposed personnel of the board; it is quite right that all these varying interests should be represented. I am prepared to think that even if the storekeeper in the country is not entitled to be called a merchant, the merchants, who have a common interest with the country storekeeper, who is a client of theirs, will consider his interests also. I am sure all interests are pretty well represented on the board, but I fear the task is beyond the capacity of a board of any character. We have been told that all the farmers are very much disappointed with the Bill, because they hoped there would be financial aid to carry them on, that at all events for the next year they would be seen through their difficulties. Of course the reason why nothing of

the sort is proposed is that the Government have not got the necessary money and the money cannot be secured. Although as the member for Geraldton pointed out, the Government did promise to amend the Agricultural Bank Act for the purpose of raising money to finance farmers, apparently the Government find that that cannot be done. I do not blame the Government, for they are learning. As time goes on, they find that a lot of things they promised to do cannot be done. I expect that after three years in office they will be much wiser than they were a few months ago. Everything will depend on the board. I should not like to be a member of that board, for the life of a member will not be worth living. Every person whose interests are being administered by the board will at one time or another come into conflict with the board. The board will take out of the settlers' hands all his activities. The farmer will not be able to do anything without the consent of the board. The board may direct him to do this or do that, to expend money as they think fit, although he does not think it fit. He will be entirely in their hands. I think one Minister has said that this legislation was for the purpose of keeping the creditor in his place. As a matter of fact it will be found that the creditor represented on the board will keep the farmer in his place and the farmer's individualism will be powerless. The board will have full power to take over his operations, to direct him to do the things they think are in the best interests of the administration of his estate, and to take the cost of cropping from the proceeds of the farm. There are given to the board powers which cannot be exercised, or at most can be exercised in only very few cases. The board having taken over a farmer, may demand from the creditors certain guarantees as to the payment of any loss on the administration of the farm. Many of those farmers are very much involved; a large number of them have been put on the land during the last six or seven years and for the whole of that time they have been engaged borrowing and spending money in the development of their properties. Many of them are involved to the extent even of £2,000 or £3,000. In the face of the market to-day, what creditor is going to take the risk of guaranteeing any expenditure under the Bill? If any creditor does that sort of thing

he will be deserving of a crown; because not many creditors will do it to-day, even for the best clients amongst the farmers. Men who do not owe a penny cannot get a penny credit on next year's operations. If the farmer who owes nothing cannot get credit, how can one who is hopelessly involved expect any credit? The method of distribution of the proceeds will call for some comment in Committee, and probably we shall be able to get an amendment there. Certain people are given consideration as against other clients, but I presume the Minister in charge of the Bill will justify this in Committee, so I will not unduly press it now. It is quite reasonable that all the current expenses in providing the present year's crops should be paid, and the expenses of the administration, and such allowance for the farmer as the board may deem necessary. The board will have a very unenviable task in determining what is necessary expenditure for the maintenance of a farmer and his family.

The Minister for Lands: Your Government did not when they allowed £7 per month under the Industries Assistance Act.

Hon. M. F. TROY: But this Bill allows nothing. Our Government paid actual cash, but this Government puts it in the hands of the creditors, the board, to say just what the farmer shall have for the reasonable requirements of himself and his family.

The Attorney General: Not the creditors.

Hon. M. F. TROY: The Government with which I was associated allowed £7 per month plus the credit the farmer got from the merchants. The member for Yilgarn-Coolgardie (Mr. Corboy) complained that wages are to come nearly last. That is in Clause 30. Why should a man who draws his wages from the farm take fourth or fifth place in the list of creditors? He probably has a family to keep, and his reasonable requirements must also be considered.

Mr. Wilson: He should come first.

Hon. M. F. TROY: He may be a married man and have a family. Provision is made for the farmer and his family; what about the requirements of the wages man?

The Attorney General: He comes under current expenses.

Hon. M. F. TROY: Then why put in wages again later on?

The Attorney General: The debts mentioned in Clause 30 are the debts which have

already accrued, and are due when the farmer goes under the board.

Hon. M. F. TROY: I will be satisfied so long as the wages of the man employed on the farm are included under current expenses. It is just as essential they should be included as it is in the case of the requirements of the farmer.

The Attorney General: I will be receptive of any suggestions of that kind.

Mr. McCallum: What about the three months preferential claim under the bankruptcy law; that is taken away from him?

The Attorney General: I would not say that. I will listen to any reasonable arguments that are put up with regard to amendments.

Hon. M. F. TROY: The member for Yilgarn complained that farmers' sons were not to be allowed their wages. I do not complain about that. It was the good old custom that the sons helped their farmer parents. We have all done it. Those who went on the land in the early days did not receive much in the way of wages, but they felt it their duty to assist. People may not like duties, but I do not think there is anything wrong in the farmer's son helping to build up the home and assist the family. In the nineties when the banks smashed in the Eastern States and a great depression occurred, thousands of men came to Western Australia, worked in the mining industry, and sent the money back to their parents. That is a good thing, and I like to see it. It is sometimes necessary that the sons of farmers should make little sacrifices towards the upkeep of the home. We have reached a crisis in this country, and the sons of farmers should be prepared to assist in building up the property in which later on they will have an interest. It is their place to look after that work. If I were the son of a farmer, I would feel exactly the same way. It is the duty of a farmer's son to build up the property in which he ought to have an interest later on. It has been done thousands of times in Australia, and it will not do young men any harm if they have to do it again. It is a good thing for them, builds up their character, and gives them a sense of responsibility. I do not mind if sons of farmers receive no wages for 12 months. They may have to wait even longer, because the present condition of affairs will not pass for the next year or two. The

Bill does not provide for one thing, and I hoped it would. As it is hopeless to expect the Government to provide finance, I can see their difficulty. The Bill does nothing for the farmer who has paid his debts for the current year, but cannot get credit for next year. He is probably the most desirable type of farmer in the country. He is economical, saving and dependable. Although he has done his best, has got probably a 20-bushel average, the price is not sufficient to enable him to pay his way, and provide for fertiliser and labour next year. For that man, the best type of man in the industry, the Bill makes no provision. He can get no assistance from the banks, or the merchants, and is left without any credit. The Bill, however, provides for the needy. It also provides for some types of men who will force themselves under the board, but who have not tried to make good in years past. They will be helped along, but the man who has tried to remain solvent will get no assistance. It is no use the Minister saying these men will not go on the board. There will be such a clamour for it that no Government will be able to resist it. Immediately the board tells a settler his condition is such that he cannot take advantage of this legislation, they will be denounced from one end of the country to the other. The board's position will become impossible, and they will be forced to take on these people. The Industries Assistance Board took on some very poor settlers, and continued to carry them on because the conditions of the country necessitated their doing so. The people I speak of will bring pressure to bear upon Ministers, upon this House, and upon the board. It is no use the Attorney General taking consolation from any belief that these undesirable people will not get on the board, for they will do so and will be there to the end. When the board conclude their labours the capitalisation involved will be such that it will not be covered by the equity. This Bill is to operate only until March, 1932, and those settlers who come under it will be carried on until March, 1932. The member for Geraldton suggests that the most serious aspect is that wheat cannot to-day be produced at a profit. To my mind the most serious aspect is that this legislation will not cease in March, 1932. It will be re-enacted then. If the country has

any money to spare it will have to be more liberally used than is the case to-day. My fear is that whatever we may think regarding present conditions, and whether it pays to grow wheat or not, we have no alternative in this country but to grow wheat. We have a large area of land which, apart from the raising of a number of sheep, a few pigs and some cattle, is fit for nothing else but wheat growing. That is its natural use. Unfortunately, it is our largest industry to-day, and will remain so, if we can produce wheat profitably, for many years to come. We have therefore no alternative. We must stay in the business until other people get out of it and leave us a market. The position facing us to-day is that this is no temporary crisis. We have arrived at a time when good prices have induced all the wheat-growing countries to rush into the business and flood the market. Now is the struggle to see who can hang on the longest in the growing of wheat, in order that when the market is re-established they can get the benefit of it. In the re-establishment of that market, some wheat-growing countries will go to the wall. This legislation will not cease in 1932, but will be re-enacted. I hope I am not a bad prophet; I feel convinced I am a good one. We must stay in the business; we must carry on economically, and must do the best to meet the situation and pay our way. We must prove to the world that we can grow wheat cheaper than Canada or America. When we have done that, the market may be re-established and we will get remunerative prices, and will stay in the business. This legislation will be necessary until then. I can see no alternative. I have attended many meetings in the country during the last few weeks and have been struck by the settlers' outlook upon affairs. At those meetings I have heard the Government condemned. It will not be pleasing news to the Country Party to learn that the Primary Producers' Association and their representatives in Parliament are utterly condemned. The settlers say they have failed to keep their promises, and that their only recourse is to look to the Federal Government as they cannot depend on their own people. I cannot help feeling a pity for their outlook. It is remarkable that although the schoolmaster has been abroad in the land for many years, and people ought to think, very few

of them do think for themselves, and very few think anything but small things when they think at all. The people have the idea that tons of money are available, and that the Government could bring down all kinds of measures but that they have no goodwill towards them. Let us realise the position honestly. No Government can do much nowadays. We are really a futile lot. In the absence of money we cannot do much. The best thing we can do, if we hope to help our people, is to tell them the facts and say, "You are up against it; you must farm economically and carefully; you must reduce your acreage and farm the best of your land, and get the highest possible results from it; you must keep sheep, pigs, and live on the products of your farm; you must prove to the world that you can farm cheaper and better than others can do." If our farmers will do that, we shall have a fine, dependable, stable body of men upon whom the country can rely, no matter what difficulties arise. When we reach that stage we shall have no need for this type of legislation.

THE ATTORNEY GENERAL (Hon. T. A. L. Davy—West Perth—in reply) [9.57]: I should like to see the words of wisdom, with which the member for Mt. Magnet (Hon. M. F. Troy) concluded his speech, applied to all the people of Australia, whatever their activities may be.

Hon. M. F. Troy: I have no objection.

The **ATTORNEY GENERAL**: There can be no doubt that Australia cannot hope to last as a civilised community unless every one of her activities is carried on at a profit. I did not embark on the preparation of this measure with the slightest degree of enthusiasm. My position is more like that of the hypothetical physician, who is ordered to cure a patient but told he must not use any of the cures known to effect a remedy.

Mr. Kenneally: Being a lawyer that is out of place coming from you.

The **ATTORNEY GENERAL**: Precisely. As I expected, this measure has been treated with about as much enthusiasm as I had for it myself. It has been described to me by a gentleman who took some share in its preparation as being damned with faint praise and praised with faint damns.

Mr. McCallum: There will be no flowers at the funeral.

The **ATTORNEY GENERAL**: Not if it has a funeral. I think there would be some honest regrets if the measure did not become law. The criticism offered by the Leader of the Opposition, the member for Mt. Hawthorn, and the member for Mt. Magnet, was fair and reasonable. The details can well be left to the Committee stage. I have some alterations myself to suggest when the time comes. One member waxed somewhat eloquent regarding the constitution of the board. My own view is that the exact constitution of the board does not matter in the slightest degree. The personnel of those who make it up is quite a different matter. I agree with the member for Mt. Magnet that if we do not get the right men to the board, we shall have a nasty mess. But whether the board are chosen to represent farmers, or merchants, or country storekeepers, or for that matter lawyers or doctors, I do not think matters in the slightest degree, because the board's job will be to take each individual estate and manage, or direct the management of, that estate not in the interests of the various persons mentioned but in the interests of proper management, since the distribution of proceeds is going to be a hard and fast matter and the board will be quite unable to show any favouritism towards any particular section of the creditors or, for that matter, to the farmer. So I say to the country storekeeper that the fact of his not being expressly mentioned as a person to be directly represented on the board need not disturb him in the slightest degree. If I thought that as a matter of fact the storekeeper would be any better off by having a direct representative on the board, I would raise no opposition at all to such a proposal; but I consider it a matter of absolute indifference so far as his interests are concerned. It is quite impossible to compare this Bill with the Industries Assistance Act. That Act is an utterly different measure, leaving the broadest discretion to the Industries Assistance Board, not setting forth methods by which the available assets would be distributed but arranging for the advancement of money by the board with a complete security to the board. Another criticism which has been raised is as to the width of the powers of the board. I myself do not think that these powers, or any sub-

stantial part of them, are likely to be used. The way I visualise what will happen under the board is that a man will make his application, that the board will call a meeting of his creditors, and that the creditors, if they think fit, will decide that he goes under the board. Where he is a decent man who has shown himself a reasonably skilful farmer, honest and hardworking, he will be left to work out his own destiny without any interference from the board at all. In fact, I think his position will be similar to that which occurs constantly at the present time, where a man calls a meeting of his creditors, and the creditors, having a sound respect for his integrity, say "You have a chance; go away and carry on, but carry on under the supervision of Mr. Jones, the accountant, and send him a statement of your affairs every fortnight."

Mr. Willcock: "And do not contract any more debts."

The ATTORNEY GENERAL: Yes. "Play fair, let our representative, this accountant, know what you are doing, and we will carry you on."

Mr. Corboy: Is not that exactly what the Bill proposes?

The ATTORNEY GENERAL: I say I visualise that that is what will happen in a great many cases of people coming under the board.

Mr. Corboy: And that exists already?

The ATTORNEY GENERAL: It exists already, but at present it is frequently prevented from existing by reason of the fact that any one obstreperous creditor can prevent its coming into existence. It is said that the same thing could happen under this Bill. Probably it can.

Mr. Corboy: At the present moment.

The ATTORNEY GENERAL: I am not going to admit for one minute that it is by any means certain. The Bill has been drawn with a realisation that probably any creditor can at any time invoke the aid of the Federal Bankruptcy Act; but he may buy a nasty law suit in the process. My experience is that as a general rule the mark who will not come in with the rest and do what is fair, is not a man very anxious to spend a bit of money in testing whether he can still go under the Federal Bankruptcy Act. I am satisfied that this Bill will be a powerful lever to bring into line the one

man who so frequently crops up to prevent the sensible, amicable arrangement which I sketched to hon. members a minute ago as being frequently in vogue.

Mr. McCallum: Will the Bill bring that creditor into line?

The ATTORNEY GENERAL: A meeting of creditors is called, and the majority decide that the man goes under the board.

Mr. McCallum: The other creditor will stand out.

The ATTORNEY GENERAL: He can only stand out if he is prepared to test whether the Federal Bankruptcy Act can override this measure.

Mr. Corboy: But you cannot dispute that.

The ATTORNEY GENERAL: I say it is arguable. My friend smiles with an air of legal superiority.

Mr. Corboy: No. You, yourself, said so in introducing the Bill.

The ATTORNEY GENERAL: I said that probably it is so, but I think it is distinctly arguable. There must be an act of bankruptcy before—

Mr. Corboy: Of course a lawyer would not live unless things were distinctly arguable.

The ATTORNEY GENERAL: I do not deny that in our private, non-political capacity we certainly earn our living thanks to the fact that things are arguable.

Mr. Corboy: That was not meant personally.

The ATTORNEY GENERAL: Still, in all sincerity I say to hon. members it is by no means beyond argument that the Bill may stand pat in spite of the Federal Bankruptcy Act. It has been suggested, for instance, that there must be an available act of bankruptcy before a man can invoke the aid of the bankruptcy law; and the Bill has been framed, as far as possible, to enable a debtor to get the benefit of it without committing the available act of bankruptcy. It might be argued that this Bill, because it would prevent an act of bankruptcy coming into existence, is ultra vires the Federal Bankruptcy Act.

Mr. Corboy: Is your argument that the Bill is a legal evasion of the law?

The ATTORNEY GENERAL: I will not say that an avoidance of conflict is necessarily an evasion. The word "evasion" carries rather a bad connotation. It is proper for a State to frame its laws—

Mr. McCallum: Can there be legal evasion of the law?

Mr. Corboy: The Attorney General suggests that there can.

The ATTORNEY GENERAL: The phrase "legal evasion of the law" brings to mind the old problem, "What is the meaning of 'meaning'?" I am afraid I am not prepared to debate it.

Mr. McCallum: A little earlier in the evening you said that a merchant was a merchant.

The ATTORNEY GENERAL: Yes; and he is. The member for Mt. Magnet (Hon. M. F. Troy) extended the definition by saying that a merchant is a person who sells merchandise.

Mr. McCallum: That is like the definition of "psychologist" which we had in an earlier session.

The ATTORNEY GENERAL: Yes; "expert in psychology." I am sure the House must be heartily sick of the debate on this measure, and I do not propose to keep hon. members much longer. Most of the criticism can reasonably be dealt with at the Committee stage. No member has suggested any alternative to the Bill except actions that involve the expenditure of money. It is common ground, I should think, that there can be no provision of money by the State in the immediate future.

Mr. Corboy: That is so far as the State is concerned.

The ATTORNEY GENERAL: Yes, and it appears to be equally so regarding the Federal Government.

Mr. Willcock: That is arguable.

The ATTORNEY GENERAL: The member for Geraldton is the first to suggest that that is arguable. I thought every hon. member agreed it was beyond all doubt that the State could not find the money with which to finance the farmers at present or for some time to come.

Mr. Kenneally: Perhaps the member for Geraldton was recollecting promises made on the hustings.

The ATTORNEY GENERAL: No, he was not. He was referring to the Governor's Speech in which the intention of the Government was indicated to create the Agricultural Bank as an independent borrowing authority instead of requiring that institution to carry on with funds provided by the Government.

Mr. Willcock: We shall see from the allocation of funds on the Loan Estimates whether it cannot be more profitably utilised.

The ATTORNEY GENERAL: That is quite another point and has not been raised before. I now understand what the hon. member means. The suggestion is that of the scanty amount of money available, we should divert some of the loan allocations towards the financing of the farmers. When we are discussing the Loan Estimates, perhaps the hon. member will point out directions in which we could divert loan funds.

Mr. Panton: There is the money that is to be spent at Nornalup.

The ATTORNEY GENERAL: I do not think the amount of money involved in that item would be worth considering.

Mr. Corboy: The production from that source will not be worth considering either.

Mr. McCallum: Are you not employing 100 men there?

The ATTORNEY GENERAL: Would the hon. member seriously suggest that the wages of 100 men would represent much in the way of financing the farmers at present?

Mr. McCallum: But to keep 100 men on their own farms would be more profitable than to keep 100 men working at Nornalup.

The ATTORNEY GENERAL: That may be so, but I do not think it would be seriously suggested that the money involved would provide for the farmers in the present circumstances. I know it is not necessary to do so where members of Parliament are concerned, but I wish to emphasise the point to farmers and to business men and others who have raised objections to the Bill. In the first place the operations of the measure will depend entirely on the free will of the majority of the creditors and the debtor. No farmer will be brought under the operations of the Bill unless he desires to be placed accordingly. Provision is made whereby a creditor may apply to have a farmer brought within the provisions of the Bill, but I do not know that I am particularly anxious to have that clause retained. In practice no debtor will come within the scope of the measure unless he desires it, and the creditors will not utilise the provisions of the Bill unless a majority desire that course to be adopted. It is purely an alternative. At present if a farmer gets into trouble he may first of all call a meet-

ing of his creditors, and make amicable arrangements with them. If he does not like to do that, he may say to his creditors, "I cannot carry on, and I will assign my estate to you." If the creditors carry a resolution to that effect, he can do so. If the creditors do not agree, he can become bankrupt. The Bill provides an alternative method. It will give the debtor relief from the pressure of creditors, and while the effect will be much the same as if he assigned his estate, he will at the same time remain the absolute owner of his own property, subject to some supervision while under the control of the board.

Mr. Corboy: How can you say it will leave him the owner of his property when he must accept a manager and do what he is told without any say as to who the manager shall be?

The ATTORNEY GENERAL: If the hon. member had a stroke or something else that caused him to lose his undoubted mental capacity, he might be divested of his right to manage his property by the process of the law, but if he had any property when anything of the sort happened, he would still remain the absolute owner of it although the control of it might be taken from him.

Mr. Corboy: But the Bill provides that he must accept any individual the board desires, as manager or employee, and he has no say in the matter at all.

The ATTORNEY GENERAL: Yes, but he owns his property. As a matter of fact, there can be no doubt that in practice, if the farmer is a decent man who will do a fair thing, he will have not only control, but the ownership as well. All he will be asked to do by the board will be to report what he is doing, to keep proper books of accounts, and to do other things so that the board shall know how he stands. I ask the House to agree to the second reading of the Bill, and I will pay the greatest respect to any amendments that may be suggested for the improvement of the Bill. I ask that if possible hon. members shall place their amendments on the Notice Paper for Thursday night, so that we may dispose of the measure this week. We should deal with the Bill as promptly as possible.

Question put and passed.

Bill read a second time.

Committee Stage.

The ATTORNEY GENERAL: I move—

That the Committee stage of the Bill be made an order of the day for the next sitting of the House.

Mr. Corboy: Do I understand that amendments to the Bill will not be considered until Thursday night in Committee?

The ATTORNEY GENERAL: That is my intention. I desire to give myself, as well as hon. members, an opportunity to peruse amendments that hon. members may desire to make.

Mr. CORBOY: I must raise an objection if the Bill is going through as the result of some mutual arrangement. I object to any further delay because the credit of the farmer is being destroyed at present owing to the delay in the consideration of the Bill by the House. In my own electorate the farmers are stripping their crops. I received a telegram this evening from them stating that instead of getting their bags, they had had their cheques returned to them. The banks will not honour the cheques while the Bill is before the House, so even a 24-hour delay is serious while those men are stripping. If the House is determined to put the Bill through, I must object to any delay in its passage.

Question put and passed.

BILLS (4)—RETURNED FROM THE COUNCIL.

1, Traffic Act Amendment.

2, Anatomy.

With amendments.

3, Stamp Act Amendment (No. 1).

4, Stamp Act Amendment (No. 3).

Without amendment.

BILL—INSPECTION OF SCAFFOLDING ACT AMENDMENT.

Council's Message.

Message received from the Council notifying that it had agreed to the Assembly's further amendment on amendment No. 2 made by the Council.

MOTION—STATE FORESTS.*To revoke dedication.*

Debate resumed from the 5th November on the following motion by the Minister for Forests:—

1. That the proposal for the partial revocation of State Forests Nos. 4, 14, 15, 20, 21, 22, 26, 27, 29, 36, 38, 39, and 42 laid on the Table of the Legislative Assembly by command of His Excellency the Governor on Tuesday, 4th November, be carried out. 2. That the resolution be transmitted to the Legislative Council and its concurrence desired therein.

MR. McCALLUM (South Fremantle) [10.25]: This is the usual resolution that comes down for the partial revocation of forest land. Most of the country dealt with is in very small lots and scattered pretty widely throughout the State. Some of them are adjacent to town sites and are required for road board purposes, while others are wedged in between private holdings and are in small strips certified to be no longer required for forest country. None of the areas is very big, the largest being about 600 acres, while in the aggregate they are approximately 4,000 acres. This, out of 3,000,000 acres, will not make very much difference to our forests. It is the usual resolution that comes down when it is necessary to release these small blocks required for settlement, and I do not propose to offer any objection to it.

Question put and passed.

BILL—HOSPITAL FUND.*In Committee.*

Mr. Angelo in the Chair; the Minister for Health in charge of the Bill.

Clause 1—agreed to.

Clause 2—Interpretation:

MR. SLEEMAN: We learn that "dependent" means and includes "any relative of the contributor by blood, marriage or adoption, not in receipt of income equal to £1 per week and dependent on the contributor for maintenance." In order to meet requirements at a later stage of the Bill it will be necessary to delete the words after "adoption." I move an amendment—

That after "adoption" in line 2 of the definition of "dependant" all words be struck out.

THE MINISTER FOR HEALTH: I cannot agree to the amendment. I do not know what is in the mind of the hon. member in moving it. It is essential to retain the words.

Amendment put and negatived.

MR. MUNSIE: In the definition of "income" the words occur—

The term shall include salary or wages in any case where objection is taken to contributions under this Act being paid in respect of salary or wages under the provisions of Section 9 of this Act.

Why has Clause 9 been included? I object most strongly to that clause, and to the inclusion of these words in the definition. If Clause 9 be retained, the Government will receive very little revenue.

THE MINISTER FOR HEALTH: There are certain officers who are outside the control of the State, and it is understood that the terms of their agreement of employment prevent deductions being made. If that is so, we propose to provide an alternative method of getting at them. If a person draws a salary from a source other than that controlled by the State, we shall get his contribution through the income tax channel. Clause 9 is made subject to Clause 10, the latter providing that in certain cases salary or wages may be treated as income for the purpose of the contributions to be paid by the contributor. For the purpose of the Bill, "income" does not include salary or wages. It refers to income under the Land and Income Tax Assessment Act.

MR. MUNSIE: That might be the Minister's intention, but if I notified the Commissioner of Taxation that I objected to the money being stopped from my salary, it could not be stopped. It would then have to come under the income tax provision. If the clause means what I think it does, the Government instead of collecting £156,000 a year, will be lucky to get £100,000.

MR. SLEEMAN: If the member for Hannans is correct, a man earning at the rate of £230 a year might be taxed on the weekly amount, although he might be working for only six months of the year.

THE MINISTER FOR HEALTH: The reason for the inclusion of the provision is to protect the State regarding certain officials who are employed under an agreement with their employers outside the control of the

State and who may raise a point that they will not permit the deduction. If that is so, we shall have a second string to our bow in that we shall be able to get them under the income tax provision. The Crown Solicitor says that in order to make sure it is advisable to include Clause 10. If constitutional difficulties were raised, Clause 10 would operate and the collections would be made through the income tax channel.

Mr. McCALLUM: I do not think the Minister has caught the point raised by the member for Hannans. Anyone could object to a deduction as being illegal under the Truck Act.

The Minister for Health: I am referring not to the Truck Act but to a Commonwealth officer.

Mr. McCALLUM: But the provision would not be limited to a Commonwealth officer. Clause 10 states that if the contributor or the employer of any contributor objects on legal grounds to pay or deduct contributions, etc. It would be possible to challenge the legality of a deduction under the Truck Act. How would the Minister get at the thousands of people who earn wages?

The Minister for Health: Under the wages tax.

Mr. McCALLUM: What if they object?

The Minister for Health: Their objection would not stand.

Mr. McCALLUM: Who would put aside the claim? Organised attempts will be made by hundreds and thousands of people to evade this tax. The Minister should have the clause further examined. If my point is sound, the people who are taxed will not go to the Commissioner. There is no necessity for them to send in returns. If the Government lose on the merry-go-round, they will not pick up on the swings. What will the Government do if a person refuses a reduction of his wages and declines to give up the money?

The Minister for Health: Take action against him.

Mr. McCALLUM: There will be many actions to take.

The Minister for Health: Not too many after the first few.

Mr. McCALLUM: At present there are legal grounds for saying there is a special Act to prevent the Government from making these deductions. If that contention is

sound, it will make a big difference to the revenue that is received.

The CHIEF SECRETARY: The hon. member is under a misapprehension as to the application of the clause. The Truck Act would not apply. Under the Bill, after the wages are paid in full, the employer deducts the requisite amount from the wages. It may be alleged that the salary or wages are paid by the Commonwealth, and that no State legislation can affect that income. As a precaution against such legal ground being taken, this provision has been put in. The Truck Act could not be raised as a plea.

Clause put and passed.

Clause 3—agreed to.

Clause 4—Contributions to fund:

Mr. SLEEMAN: I move an amendment—

That paragraph (2) of the proviso be struck out.

I cannot see why this £1 a week allowance for board and lodging was inserted. There are not many places where board and lodging can be had for less than £1 a week. It might apply in the case of a boy or girl who is working for a small amount, but would not apply as a general rule.

The MINISTER FOR HEALTH: This paragraph is taken from the Bill that was passed last session. If persons are earning £1 a week outside, and have to pay for board and lodging, that amount would be deducted. If they are receiving that much as part payment of their wages, it should be taken into consideration. I cannot accept the amendment.

Amendment put and negatived.

Mr. MUNSIE: It is peculiar that I should have to point out to the Minister where he loses revenue. There are in this State people who have retired on superannuations of £400, £500, or £600; and they will not contribute to hospitals. The only written complaint I had from any section of the community with regard to the previous Bill came from recipients of annuities. While in the service they had for years paid into the superannuation fund, and they contended it was unfair that they should be taxed on the amount they had themselves paid in. I agree with that; but I consider that in so far as they are general taxpayers,

they should pay this tax. The Bill I introduced provided for that. If superannuation is at the rate of, say, 60 per cent., that 60 per cent. should be free of tax, but the remaining 40 per cent. should be taxed. I move an amendment—

That the following be added to the paragraph:—"in respect of a proportionate part of each payment in ratio to the contributions to such superannuation fund."

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

Clauses 5 to 8—agreed to.

Clause 9—Contributions in respect of salaries and wages:

Mr. SLEEMAN: I cannot agree with this clause, which means that anyone drawing a weekly, fortnightly, or monthly wage working out at more than £200 per year will be taxed. On the other hand, the Bill purports to exempt anyone not earning £230 a year.

The Minister for Lands: No. Anyone receiving over £1 per week would have to pay.

Hon. M. F. TROY: I take exception to the clause on the ground that no person ought to be responsible for deducting this tax from salaries or wages that he pays. Surely it is quite competent for a person to manage his own business. In these days people receiving salary or wages are perfectly capable of looking after their own affairs. The clause proposes to throw on the employer the responsibility for payment of the tax by the employee. There is so much taxation and there are so many returns already, that one is overwhelmed with them. Personally I do not want to deduct taxes from the pay of the men I employ. Many employers will not be bothered with this deduction.

The Chief Secretary: Then they will have to pay it themselves.

Hon. M. F. TROY: But they will not keep any records. This provision will mean an army of professional men travelling around the country from settler to settler. We are arriving at the stage when certain people are asked to carry the whole of the load and others are passing on their responsibility. Let those who draw wages accept their share of responsibility and be required to send in returns. Many of them will not bother to do so; they are not even

prepared to bother themselves sufficiently to have their names placed on the electoral rolls. I object to people being made responsible for the business of others.

Mr. SAMPSON: It does seem unfair to place the responsibility upon the employers, but a moment's consideration will show that if the responsibility is not placed on their shoulders, the hospitals will suffer severely because much of the tax will not be collected.

Mr. SLEEMAN: I hope the clause will not be agreed to. Anyone in receipt of £50 a year will not be taxed. There are many people who have not had two weeks work for months past, and if within the next few months they get a couple of weeks work, they will be asked to send in a return and pay the hospital tax. That is not fair. I move an amendment—

That in Subclause 1, paragraph (a) be struck out.

Mr. H. W. Mann: What will you put in its place?

Mr. SLEEMAN: We can consider that when we have got rid of the paragraph.

Amendment put, and a division taken with the following result:—

Ayes	..	..	..	..	13
Noes	..	..	..	..	18

Majority against .. 5

AYES.

Mr. Corboy	Mr. Panton
Mr. Coverley	Mr. Sleeman
Mr. Cunningham	Mr. Troy
Mr. Lamond	Mr. Willcock
Mr. Lutey	Mr. Withers
Mr. McCallum	Mr. Wilson
Mr. Munis	

(Teller.)

NOES.

Mr. Barnard	Mr. McLarty
Mr. Brown	Mr. Parker
Mr. Davy	Mr. Plesse
Mr. Doney	Mr. Sampson
Mr. Ferguson	Mr. J. H. Smith
Mr. Griffiths	Mr. Thorn
Mr. Keenan	Mr. Wells
Mr. Latham	Mr. North
Mr. Lindsay	
Mr. H. W. Mann	

(Teller.)

PAIRS.

AYES.	NOES.
Mr. Collier	Sir James Mitchell
Mr. Raphael	Mr. Scaddan
Mr. Hegney	Mr. Richardson
Mr. Kenneally	Mr. Patrick
Mr. J. I. Mann	Mr. Wansbrough
Mr. J. M. Smith	Mr. Walker

Amendment thus negatived.

Mr. SLEEMAN: I move an amendment—

That at the end of paragraph (a) the words "provided that such employee shall have received over £52 in that year" be added.

Surely we will not require a man who has earned, say, £30 in a year to pay the tax.

The MINISTER FOR HEALTH: The hon. member knows that his amendment is quite impossible. I would like to see something done so that the tax shall not be taken from a man who gets a job casually. At the same time I think the benefit such an individual will receive will more than compensate for the deduction of the tax. I hope that the difficulty such people find themselves in now will not continue for long and while I sympathise with the object the hon. member has in view, I am afraid his amendment is impracticable.

Mr. SLEEMAN: If it is impracticable, why set out in another part of the Bill that those who receive less than £52 will be exempt. I hope the Committee will agree to the amendment and thus assist the poor wretches who are in casual employment only.

Mr. PANTON: I hope the Minister will agree to this. He must realise that to-day a number of men are called upon to work out their sustenance. Many of them for two or three weeks have only 2½ or three days per week. Those men working out their sustenance have to pay hospital tax.

Progress reported.

House adjourned at 11.12 p.m.

Legislative Council,

Wednesday, 12th November, 1930.

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

BILL—ROAD DISTRICTS ACT AMENDMENT.

Introduced by the Minister for Country Water Supplies and read a first time.

BILL—INSPECTION OF SCAFFOLDING ACT AMENDMENT.

As to Message.

HON. A. LOVEKIN (Metropolitan) [4.34]: I desire to raise a point on which I should like to have your ruling, Mr. President. I understand that a message from another place relating to the Inspection of Scaffolding Act Amendment Bill was passed through this House under some misapprehension. Really there were two amendments covered by one, and the amendment was passed without its being observed to involve a second amendment. A message has been sent to another place intimating that the amendment has been approved by this House. According to the procedure I have been able to consult, if a Bill contains an error, a message may be sent to the other House asking for the return of the message. This not being an amendment to a Bill, I should like to know whether the practice in regard to a Bill sent on in error would prevail and whether we could request another place to return the message. There is a precedent in Blackmore's "Practice of Legislative Council," page 144. It states—

If a Bill be carried to the other House in mistake, or if any error be discovered, a message is sent requesting the return of the Bill.