Report of the

ROYAL COMMISSION

Appointed to inquire into and report upon the

War Service Land Settlement Scheme in Western Australia

and to recommend such changes in procedure and methods as may seem desirable to ensure the early success of the scheme

Presented to both Houses of Parliament

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Report of the Honorary Royal Commission appointed to inquire into and report upon the War Service Land Settlement Scheme in Western Australia

To His Excellency Lieutenant General Sir Charles Henry Gairdner, K.C.M.G., K.C.V.O., C.B., C.S.E., Governor in and over the State of Western Australia and its Dependencies in the Commonwealth of Australia.

May It Please Your Excellency—

We, the members of the Honorary Royal Commission, appointed to inquire into and report upon the War Service Land Settlement Scheme in Western Australia, have the honour to present to Your Excellency our report as follows:—

On Tuesday, the 25th of September, 1956, a Committee of three members of the Legislative Council was appointed to inquire into and report upon the War Service Land Settlement Scheme in Western Australia and to recommend such changes in procedure and methods as may seem desirable to ensure the early success of the scheme.


The Committee visited and received evidence from 171 settlers under the scheme and also from private individuals throughout the agricultural portion of the State where the War Service Land Settlement Scheme is operating. Details of actual localities visited are listed in the minutes of the Committee which appear as Appendix "A" to this report. Evidence was also submitted by departmental officers, private individuals and ex-settlers under the scheme, at Parliament House on a number of occasions.

As a Select Committee, with limited time available in which to investigate the position and report to Parliament, it was appreciated by members that time was the essence of the contract, and, in view of this, two extensive inspection trips over two weekends, embodying visits to the major war service land settlement areas, were undertaken. From the amount of evidence submitted, a large amount of which was of a controversial nature and which necessitated considerable research for checking purposes, added to the pressure of parliamentary business at the close of the session, it became apparent that if a factual and considered report was to be made, an extension of time would be necessary.

The Committee, therefore, applied, on the 6th of December, 1956, for Honorary Royal Commission status and, on the 20th December, 1956, the members of the Committee were duly appointed by Your Excellency as an Honorary Royal Commission.

The terms of the appointment, as published in The Government Gazette No. 194 of the 28th December, 1956, were as follows:—

ROYAL COMMISSION.

WESTERN AUSTRALIA,

To His Excellency Lieutenant-General Sir Charles Henry Gairdner, K.C.M.G., K.C.V.O., C.B., C.S.E., Governor in and over the State of Western Australia:

In pursuance of Section 84 of the War Service Land Settlement Act, 1922, the members of the Legislative Council, for the time being, appoint the persons named below to be a Royal Commission under the War Service Land Settlement Act, 1922, and the War Service Land Settlement (Amendment) Act, 1940, to enquire into and advise on the War Service Land Settlement Scheme in Western Australia and its Dependencies in the Commonwealth of Australia:

To Leslie Arthur Logan, George Edward Jeffery and Francis Drake Willmott, members of the Legislative Council:

I, THK said Governor acting with the advice and consent of the Executive Council, do hereby appoint you, Leslie Arthur Logan, George Edward Jeffery and Francis Drake Willmott, members of the Legislative Council, to be an Honorary Royal Commission without payment of remuneration to do the following things, namely:—

(a) to continue and complete the inquiries commenced by you as a Select Committee of the Legislative Council, into the War Service Land Settlement Scheme in Western Australia;
(b) having completed those inquiries, to make your report to me in writing upon that scheme, and to recommend such changes in procedure and methods as to you may seem desirable to ensure the early success of that scheme.

And I hereby appoint you the said Leslie Arthur Logan to be Chairman of the said Royal Commission.

And I hereby declare that by virtue of this Commission you may, in the execution of this Commission, do all such acts, matters and things and exercise all such powers as a Royal Commission or members of a Royal Commission may lawfully do and exercise whether under or pursuant to the Royal Commissioners’ Powers Act, 1902 (as amended) or otherwise.

Given under my hand and the Public Seal of the said State, at Perth, this 20th day of December, 1956.

By His Excellency's Command,

A. R. G. HAWKE
Premier.

GOD SAVE THE QUEEN ! ! !
The Commission, in an endeavour to become acquainted with all aspects of the War Service Land Settlement both past and present, induced witnesses to speak as freely as possible about their own particular individual problems in addition to statements regarding general policy matters.

A difference on the part of some settlers to tender evidence because of the fear of victimisation was quite apparent, and it was not until a written assurance was obtained from the Minister for Lands that such would not be the case, together with a statement by the Commission members that any particulars of attempts at victimisation brought to their notice would be ventilated in Parliament, that this difference was, in the main, overcome. Even so, some settlers still refrained from tendering evidence.

The Commission was perturbed at this state of affairs as it indicated a lack of cooperation between the settler and the War Service Land Settlement Department. It is imperative in a scheme such as this for the utmost co-operation between settler and staff to exist to maintain this desired relationship, as where such is not apparent, deterioration, in many respects, will eventuate. It has therefore been the endeavour of the Commission to rectify where possible this position and it is their recommendation that tolerance and understanding of each other’s point of view be an aim of the settler, the supervisor, the field superintendent and the staff and administrative officers of the department.

The nature of the evidence submitted was varied and it is intended to deal with it under separate headings, although each can be closely allied.

A.—VALUATIONS.

This can be divided into two categories—

(i) Option value for freeholding.

(ii) Final valuation for leasehold purposes.

Evidence submitted indicates that confusion exists as to the methods used—in many cases settlers have multiplied the rental figure by 40 (based on the 5½% principle) to estimate the capitalisation value of the holding. This, of course, is not the criteria today.

(i) Option value for freeholding is cost of acquisition plus development or market valuation—whichever is the lesser—less the agreed equity of the settler in the improvements to the holding. The lesser has the right of appeal, within 30 days of the expiration of the 10-year period following lease allotment, against the option price. (See statement of conditions—Appendix “B” to this report—Clause 8 (9).)

(ii) Final valuation is cost of acquisition plus development plus estimated cost of uncompleted planned works plus interest. Opening and interim rentals are based upon these costs and then checked against the formula which provides for an excess of revenue over expenditure for the different types of farming such as dairying, grazing, wheat and sheep. The Commission is of the opinion that, providing the interpretation of Clause 8 (9)—(See Appendix “B”)—is such that an average settler on an average holding is able to meet his commitments, the method of valuation is sound. It is our recommendation that the Commonwealth and State authorities immediately announce their interpretation of this clause in order that the uncertainty which exists in the minds of settlers today may be eliminated.

Final valuation must conform with Clause 8 (9) and the rental is based upon 24% of the figure thus obtained. The final valuation does not take place until the settler is able to meet full commitments and the cost of all plans, works—completed and to be completed—is ascertained.

In determining final valuation three circumstances apply—

(a) The early purchase single-unit farm and the larger fully developed estates which are frequently subdivided into two or more farms, come into a category of rental based on the cost or, as the case may be, because of the low cost of acquisition and development. The majority of these properties have, finally valued and, except in a few instances, the figure has been accepted by the lessee.

(b) The purchased estates which consisted, after subdivision, of a homestead block reasonably developed and the balance undeveloped. The lessee of the homestead block where the lease is under the 1947-1947 agreement has the right for either a single unit valuation or an average valuation of the whole of the estate. On the undeveloped portion of the estate, the cost for rental would be averaged over the whole estate calculated in accordance with Clause 8 (9).

(c) The project areas, where costs of each individual project are averaged. The developmental costs in all of the project areas have been, of necessity, high, and it is doubtful whether any of the farms can be finally valued on cost—it will therefore be necessary for the rental to be calculated in accordance with Clause 8 (9).

Once the final valuation has been determined it cannot be increased under circumstances without the consent of the lessee when further planned work is taken.

B.—COMPARATIVE VALUES.

The attitude of the settler today in making comparison between his conditions on farms to those in other areas and early settlers and which, unfortunately, one of the contentious matters still being referred to by the Central Council of War Service Settlers’ Association, is regrettable, reposing dissatisfaction and a sense of injustice which is not in the interests of the settler or the War Service Land Settlement Scheme.

In a changing economy such as our scheme could be expected to operate at a somewhat lower level of valuation than present values. The percentage of the return for soldier building a war service today is paying £3,500 compared to a returned soldier who built his war service home in 1947-1948 for £2,000. The returned soldier rents a Commonwealth-State home today is paying up to £4 per week as compared to a returned soldier paying £2 rent for a similar home in 1947-1948. It is therefore impossible to compare farms to returned soldiers which are £30,000 to £50,000 to develop today same rental as returned soldiers charged in 1947-1948 when farms were sold for £11,000 to £15,000, at long rent charged allows the general price to be maintained, viz., that the settler be able to meet all his obligations and maintain a reasonable standard of living.

C.—AVERAGING.

It was submitted as evidence that an averaging is fair. The Commission would draw attention to the fact that the Government of Western Australia passed an act which was assented to on the 5th November 1954, accepting conditions as laid down by the Commonwealth Government in 1953, allowing averaging of costs of projects. It is therefore apparent that the averaging system is legal.

The 1947 lease agreement did not specifically make provision for averaging and fore, all settlers with the 1947 lease conditions have the right to apply for single valuation if they so desire. It is the considered opinion of the Commission that number of settlers are unaware of this and that the allotment of costs on an average by project areas and the revaluation of where subdivision and development is necessary, except where 1947 lease conditions apply, is, in our opinion, an equitable revaluation—each project to be averaged on its costs, not on the total cost of all projects. From the evidence submitted it is evident that most settlers have not been able to keep abreast of developments and are now facing an uncertain future.
Once the final valuation has been determined it cannot be increased under any circumstances without the consent of the lessee when further planned work is undertaken.

B.—COMPARATIVE VALUES.

The attitude of the settler today in making comparison between his conditions and farms to those in other areas and of the early settlers and which, unfortunately, is one of the contentious matters submitted by the Central Council of War Service Land Settlers’ Association, is regrettable as it is causing dissatisfaction and a sense of unfair treatment which is not in the interests of the settler or the War Service Land Settlement Scheme.

In a changing economy such as ours no sense can be expected to operate on the same values 10 years after its inception. The returned soldier building a war service home today is paying £3,500 compared to the returned soldier who built his war service home in 1947-48 for £2,000. The returned soldier who rents a Commonwealth-State rental home today is paying up to £4 per week rent as compared to a returned soldier who is paying £2 rent for a similar home built in 1947-48. It is therefore impossible to rent farms to returned soldiers which are costing £20,000 to £30,000 to develop today at the same rental as returned soldiers were charged in 1947-48 when farms were purchased for £10,000 to £15,000, as long as the rent charged allows the general principle to be maintained, viz., that the settler must be able to meet all his obligations and maintain a reasonable standard of living.

C.—AVERAGING.

It was submitted as evidence that averaging is illegal. The Commission wishes to draw attention to the fact that the Parliament of Western Australia passed an Act, which was assented to on the 5th November, 1954, accepting conditions as laid down by the Commonwealth Government in 1952, such conditions allowing averaging costs of Projects. It is therefore apparent that the averaging system is legal.

The 1947 lease agreement did not specifically make provision for averaging and therefore, all settlers with the 1947 lease conditions have the right to apply for single unit valuation if they so desire. It is the considered opinion of the Commission that a number of settlers are unaware of this. The averaging of costs on an average basis in project areas and on repurchased estates where subdivision and development is necessary, except where 1947 lease conditions apply, is, in our opinion, an equitable method—each project to be averaged on its own costs, not on the total cost of all projects. From the evidence submitted it is evident that lessees entitled to 1947 lease conditions have been issued with interim and final valuations based upon averaging of costs even though the single unit valuation to which they were entitled is, in some instances, lower, this necessitating an appeal by the lessee.

The Commission recommends that all 1947 lease lessees, whose single unit valuation is lower than average valuation, be issued with the farmer. This would then conform to the 1947 lease conditions as provided for by the War Service Land Settlement agreement and as promised by the Minister for Agriculture in a letter to “The West Australian” dated the 12th of September, 1954, by the Minister for the North-West on p. 2069 of “Herald” No. 2 of 1954, and confirmed by Messrs. Barrow, Ray and Barrett on pp. 577 and 603 respectively of the transcript. The War Service Land Settlement Scheme would then be honouring its obligations and not breaking their lease agreement as is obviously the case under the present method.

The issue of the single-unit valuation where such is warranted would obviate any necessity for the lessees to appeal and would ensure that all those lessees in this category receive the same treatment and conditions.

D.—UNDER-STANDARD PROPERTIES.

Considerable evidence was tendered in regard to this aspect and the following is considered to be a fair summary of the reasons:

(i) Poor standard of building and clearing.
(ii) Inadequate pasture establishments—standards involved as agreed to by authorities, not developed.
(iii) Bad supervision and administration.
(iv) Lack of water and bad dams.
(v) Bad fencing.

Following inspection, the Commission is satisfied that evidence submitted in regard to under-developed holdings was substantially correct and, bearing in mind the time that has elapsed since the work was carried out, it was necessary to determine whether the same mistakes were being perpetuated today and to what extent did they effect present-day conditions.

Firstly it must be appreciated that most of the work was undertaken in the period of the greatest development that this State has ever known, when limited supply of the work was in limited supply, the knowledge of the operators and of the supervisory staff was also of a limited nature and the labour employed consisted of displaced persons who had no knowledge of the work whatsoever.

The Commission is convinced, after inspection of the new project areas of Jermungup, Denbark, Bairdjohn and Emmabilla,
that the work and the supervision in these areas has greatly improved and whilst it may be stated that the costs are high compared to some public works contractors or individual farmers developmental costs, it is our opinion the magnitude of the war service land settlement operation as a whole is such that comparison is not warranted.

The results of (1) to (v) above have been:
(a) Some properties were handed over to settlers when not developed to required standard.
(b) Delay in the development of farms to the required standard, in some instances by two to three years.
(c) Excessive depreciation or settlers' misconduct by the rough nature of clearing.
(d) Insufficient pasture establishment thus not enabling the carrying capacity of the holdings to be at the required standard.

All this has, of course, had an adverse effect on the income from the properties and consequently the settler becomes disgruntled and, in some cases, uninterested.

Evidence was submitted by the Deputy Chairman of the Land Settlement Board—Mr. A. R. Barrett—that, where settlers were placed primarily on the war service land settlement were endeavouring to bring these under-standard properties to the required standard and that where the properties could not meet full commitments the settler would be placed on assessment where commitments are assessed on the productivity of the property. (See Section F.) Mr. Barrett also stated that the amount owing was being given consideration in the final valuation. Mr. Nicholls, Commonwealth Deputy Director W.S.I.S., stated in reply to a question (p. 863 of transcript) in regard to this matter that "such cases would be considered on its merits to determine what adjustment of the settler's account is necessary in order to give sound prospects of success." Be further stated—"I have not the slightest doubt that any proposals for writing back of capitalisation or adjustment will be very favourably considered if submitted to the Commonwealth."

The Commission recommends that where settlers were placed on lease conditions prior to the property being brought to the required standard that:
(a) the rent of the farm be reassessed retrospectively on a productivity basis and the difference between the figure thus obtained and the rental figure that has been raised against the settler be written off;
(b) any unpaid interest which accrued through no fault of the settler be written off;
(c) where fencing has been found to be not up to standard, instructions be given to the Department of Agriculture officers when finally valuing that some allowance in the way of reduced values be made.

It is the considered opinion of the Commission that political, public and R.S.I. pressure, together with the wish of the settlers to be placed on lease conditions as early as possible was responsible for the premature issue of leases, thus causing the anomalies which are apparent today. The position of some settlers whose accounts were transferred prematurely to the R. & I. Bank—before their farm was an economic unit—appear to be critical.

These men were placed upon full commitments irrespective of the carrying capacity of the farm and apparently were not assessed on the economic standard as laid down in Clause 8 (d). They were forced to work on a budget as laid down by the Bank and, being unable to meet their commitments, have incurred debts which under existing circumstances they will not be able to liquidate. Upon transfer to the Bank the settler becomes a farmer in his own right—handling his own affairs—and he can no longer receive assistance from the War Service Land Settlement Department except for further planned work.

It was stated by Mr. Barreet in evidence that the position of some of these unfortunate settlers had been examined to determine whether further work should be effected to ensure the ultimate rehabilitation of the ex-service men concerned.

The Commission recommends that all W.S.I.S. accounts controlled by the R. & I. Bank be carefully examined and where it is proved that the settler is in an unsatisfactory financial position brought about by his premature transfer to the Bank that such accounts revert to W.S.I.S. and be retained until (a) the property is brought to the required standard of productivity to be an economic unit, and (b) the settler has been able to pay full commitments for at least 12 months and accumulate a credit of an amount sufficient to meet his working expenses for the ensuing year.

Any accrued interest debt which is outstanding at the time of reversion to W.S.I.S. is considered to be beyond the capacity of the settler to pay and while it remains as such, payable on demand, constitutes a continual worry to the settler and thus assists in fostering dissatisfaction. It is therefore recommended that such accruals be written off.

After evidence had been submitted regarding these under-standard properties and inspection of the areas carried out, the Commission arranged for the examination of the office records of some of the farms. To our amazement the lack of development, defective water supplies, badly situated dams and other things which were so apparent at the time of our inspection had been previously reported in some cases five to six years previously and recommendations had been made to rectify the position.

It is our opinion that the persons responsible for allowing these farms to remain in this unsatisfactory position are deserving of severe censure.

It would appear that in some instances the field supervisors, field superintendents and other members of the W.S.I.S. Department have taken the personal equation of the settler as paramount instead of the development of the property to avert standards.

Where a settler is placed on a property average standard and he fails, then personal equation of the man should be examined, however, until such time as has been given the opportunity to prove worth on an equal basis with other successful settlers then no officer of the Department has the right to retard the progress of the property or the settler for personal reasons.

One other feature resulting in the slow development of farms in some areas may be that the W.S.I.S. are concerned that 40 cent. of losses is being borne by the State Government and are endeavouring to keep such losses to a minimum.

The Commission agrees that this thought is a reasonable one provided that the original agreement is not broken or retarded—that a settler must be rehabilitated to certain standards as soon as possible. The current expenditure has retarded development in many areas—in many cases the War Service Land Settlement Department of every State has delayed the rehabilitation of the settler and instead of advancing the State expenditure it has resulted in losses both to the State and the settler.

E.—DEVELOPMENTAL STANDARDS.

It was claimed by J. Leggove (page 239 transcript) that due to the progress withing down of the conditions and standards of farms many today are so inadequately developed that it is extremely doubtful whether the settler would survive.

The witness is apparently comparing the estate and project farms which have been developed from virgin country with old established farms and it is considered that such a comparison is unjust. The number of old-established properties which could be purchased for this scheme was limited and it was essential to develop new areas where a considerable period must elapse before the farms could be brought to the required standard.
where fencing has been found to be not up to standard, instructions be given to the Taxation Department officers when finally valuing that some allowance in the way of reduced values be made.

The considered opinion of the Commissar's political, public and R.S.I. pressure, with the wish of the settlers to be on lease conditions as early as possible is responsible for the premature issues, thus causing the anomalies which exist today. The position of some whose accounts were transferred merely to the R. & I. Bank—before their economic unit—appear to have

men were placed upon full commitment irrespective of the carrying capacity and apparently were not assessed economic standard as laid down in S. 9(b). They were forced to work on as laid down by the Bank and, unable to meet their commitments, have had debts which under existing circumstances they will not be able to liquidate. Transfer to the Bank the settler becomes a liability in his own right—handling of affairs—and he can no longer resistance from the War Service Land Department except for further work.

as stated by Mr. Barrett in evidence (e) some of these undertakings had been examined to determine if further work should be effected to the ultimate rehabilitation of the concerns.

Commission recommends that all accounts controlled by the R. & I. be carefully examined and where it is found that the settler is in an unsatisfactory financial position brought about by nature transfer to the Bank that such a resort to W.S.I.S. be retained (a) the property is brought to the re-standard of productivity to be an economic unit, and (b) the settler has been pay full commitments for at least 12 months and accumulate a credit of an amount sufficient to meet his working expenses for the ensuing year.

accrued interest debt which is outstanding at the time of reversion to W.S.I.S. needed to be beyond the capacity of the settler to pay and while it remains as payable on demand, constitutes a worry to the settler and thus results in dissatisfaction. It is therefore

evidenced that such accruals be written off.

Evidence had been submitted regarding under-standard properties and in part of the areas carried out, the Commission arranged for the examination of the records of some of the farms. To our amazement the lack of development, defective water supplies, badly situated dairy yards and other things which were so apparent at the time of our inspection had been reported in some cases five to six years previously and recommendations had been made to rectify the position.

It is our opinion that the persons responsible for allowing these farms to remain in this unsatisfactory position are deserving of severe censure.

It would appear that in some instances, the field supervisors, field superintendents and other members of the W.S.I.S. Department have not taken the personal equation of the settler as paramount instead of the development of the property to average standards.

Where a settler is placed on a property of average standards and he fails, then the personal equation of the man should be examined, however, until such time as he has been given the opportunity to prove his worth on an equal basis with other successful settlers then no officer of the Department has the right to retard the progress of the property or the settler for personal reasons.

One other feature resulting in the slow development of farms in some areas may be that the W.S.I.S. are concerned that 40 per cent of loans is being borne by the State Government and are endeavouring to keep such loss to a minimum.

The Commission agrees that this thought is a reasonable one provided that the original agreement is not broken or retarded—that a settler must be rehabilitated to certain standards as soon as possible. The curtailment of expenditure has retarded development in many areas—in many cases for years—consequently it has delayed the rehabilitation of the settler and instead of saving the State expenditure it has resulted in further losses both to the State and the settler.

E—DEVELOPMENTAL STANDARDS.

It was claimed by J. Legg (page 239 of transcript) that due to the progressive whittling down of the conditions and standards of farms many today are so inadequately developed that it is extremely doubtful whether the settler would survive.

The witness is apparently comparing the estate and project farms which have had to be developed from virgin country with the old established farms and it is considered that such a comparison is unjust. The number of old-established properties which could be purchased for this scheme was limited and it was essential to develop new areas where a considerable period must elapse before the farms could be brought to the required standard.

The Commission is of the opinion that there has not been any whittling down of standards and, on the contrary, consider the standards set before a settler goes on lease is much higher today than earlier. Where farms have been leased prematurely—i.e., before they were sufficiently developed, they are being reclaimed to bring them to the required standard.

F.—THE ASSESSMENT SCHEME.

Evidence submitted that this scheme was not in the best interests of the settlers was apparently based upon a lack of knowledge of the procedure adopted. The assessment scheme was introduced to overcome problems referred to in Section D of this report, to ensure that the periods during which the settler is an "allottee-designate" was not extended beyond a reasonable time and also to overcome anomalies which were created by the concessional rental scheme.

The following is a formula which has been devised for the various phases of agriculture:

(a) Dairying: Where the carrying capacity is assessed at 25 cows and under—no commitments are raised against the settler. Commitments commence on 25-cows carrying capacity and increase proportionately to the productivity of the farm to the position where full commitments are charged on a carrying capacity of 40 cows.

(b) Grazing: Where the carrying capacity is assessed at 500 sheep or under—no commitments are raised against the settler. Commitments commence at 500 sheep carrying capacity and increase proportionately as the development of the farm continues to increase productivity to the position where full commitments are charged on a carrying capacity of 900 sheep.

Provided the commitment is met by the settler, no debt accrues. Where the commitment is not met due to the fault of the settler himself, the debt accrues against him. Where the commitment is not met due to circumstances outside the control of the settler, consideration is given by W.S.I.S. authorities to some form of relief.

The assessment scheme operates until the property reaches the required standard of development where full commitments can be met. The settlers' accounts are retained by the W.S.I.S. Department on full commitment for 12 months to ensure continuity of payment and when the settler has accumulated a credit sufficient to cover his working expenses for 12 months his transfer to the R. & I. Bank will be considered.
The Commission considers that the principles of the assessment scheme are excellent and definitely in the interests of the settlers. It is further considered that, had such a scheme been in operation earlier, many settlers would not be in the financial difficulties which they are experiencing today. The Commission realises, however, that the success or otherwise of the assessment scheme is dependent upon the correct assessment of the productivity of the property concerned. Some settlers claim that their stock-carrying capacity was assessed too high; others too low. This is surprising as agreement is reached between the settler and the supervisor on this point and mistakes should be few.

Generally the Commission found this to be the case. The exceptions were in the dairying areas—such cases were not so much the fault of the assessment but the difficulty experienced due to instances of vibrio festucae, mastitis, etc., of maintaining the assessed milking-cow carrying capacity. It is therefore recommended that where the assessed carrying capacity falls by the extent of 5 per cent. or more, some adjustment should take place. The Commission also recommends that assessments on fat lambs and granting properties be carefully watched and that where dystokia and enterotoxaemia reduce carrying capacity and the productivity of the property, some adjustment in the assessment should be made.

With reference to the actual commitments payable under the assessment scheme, it was claimed by many witnesses that such were too high. The Commission spent a considerable amount of time on this aspect having in mind the W.S.L.S. Department basis was related to an average settler on an average property, a basis which is considered by the Commission to be quite fair and reasonable in view of the fact that the majority of the farmers on the assessment scheme are in dairy and dairy areas. The Commission arrived at the conclusion that the real test of whether the amounts payable were too high would be an examination of the financial position of the farmers concerned and a check was made of a number of accounts. It was found that a large majority were not only meeting their assessed commitments but were also accumulating a fairly healthy credit, portion of which is represented in the farmer's equity in livestock.

It is our considered opinion that the computation of commitments payable under the assessment scheme is quite fair and equitable. It is stressed, however, that such commitments payable should continue to be calculated on a conservative basis.

C.—SETTLERS' EQUITY.

The Commission was perturbed at the evidence submitted that settlers were not working their properties as they should be worked because of the fear that any work effected by them would ultimately be charged to them. The settler, upon consideration of the position, must surely realise that he has a perpetual lease which means that the property can remain his, his heirs and assigns, for all time, and that the sooner the property is fully developed, the sooner will his income increase and the easier it will be to meet his commitments and raise the standard of his living. An assurance on this point was given by the Minister who administers the W.S.L.S. in reply to a question in Parliament. (See Hansard, 1956, page 867.)

It is also allowed for in Clause 4 (5d) of the statement of conditions (see Appendix B). In evidence (pp. 826 to 850) Mr. Steffanoni, Chief Valuer of the Taxation Department, informed the Commission that a form is used solely for this purpose by his officers and must be signed by the settler when he is in agreement with what is contained therein as being the true position of the work effected by himself on the property, and an examination of the final valuation forms on settlers' farms in W.S.L.S. Department's office also indicates that such procedure is being adhered to today even if it were not in the early stages of the scheme.

Perhaps a simple illustration will serve to clarify the position—

Taking Mt. Many Peaks area as an example, where the rentals at present vary between £242 and £375 per annum, and because of the averaging of costs for final valuation, such variation will not alter Farm A, who, because of his own hard work and initiative has improved his property to such an extent that he is able to carry two and a half sheep per acre, will not pay any more rent than the settler who on Farm B has only maintained his farm to carry one and a half sheep per acre. Thus Farmer A is receiving the income from 1,560 sheep while Farmer B is receiving income from 900 sheep. Therefore, the income from 600 sheep is the amount which Farmer A receives for his own work. This surely proves that he is building up an equity for himself and not for the W.S.L.S. in the property.

H.—EXPENDITURE.

A Press statement in "The West Australian" dated the 16th October, 1938, by Mr. McMahon—Minister for Primary Industry—that the Commonwealth had spent £4,241,185 in Western Australia to the 30th June, 1966, in placing settlers on 602 farms was the cause of considerable concern both among W.S.L.S. settlers and the community generally. The Commission deplored the fact that this ministerial statement—which does not give a factual picture and which has never been publicly corrected or even queried by the State authorities—should ever have been made.

In view of the concern expressed by settlers and other witnesses, the Commission despaired to secure a balance-sheet of the scheme in this State but were unable to do so.

The Commission is of the opinion that the amount referred to by Mr. McMahon could have been expended but the past "placing of settlers on 602 farms" is incorrect, as, in addition to this number, approximately a further 450 farms in the principal areas of Denbarket, Jeremiahup, Royal, Gull, Many Peals, Gairdner River, Waroona, and other areas were in fact in process of development at the date of announcement and to allow the public to relate the lower number of farms to the amount of expenditure has created an extremely false impression which should be rectified. In addition against the expenditure referred to must be credited the amount received by the scheme from repayments structural improvements, stock, plant working expenses, loans, sale of unsuitable properties as well as rent and interest paid by lessees.

The Commission therefore recommend that a balance-sheet be prepared and published thus giving all interested parties an opportunity of ascertaining—

(i) the nett cost of W.S.L.S. in this State and
(ii) the total number of farms both lotted and in the course of preparation upon which such expenditure has been incurred.

L.—LIVING ALLOWANCE.

The complaints received in reference to this matter may be dealt with in two categories—

(a) the grant by the Commonwealth Government to settlers during first year on lease;
(b) the £550 annual advance as a living allowance in the lessee's working pence account.

In regard to (a)—to enable settlers to create a reserve in their first year of leases conditions (the assistance period) the Commonwealth's grant was as follows:—

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<td>Single man</td>
<td>£8 per week</td>
</tr>
<tr>
<td>Married man with no dependants</td>
<td>£11.5 per week</td>
</tr>
<tr>
<td>Married man with dependants</td>
<td>£8 per week</td>
</tr>
</tbody>
</table>

An increase taking effect from the 1st October, 1938, allowed the above figures: £9.25s., £13s., and £16s., respectively. The allowance has at some instances been supplemented by the State (utilising Commonwealth funds) by £1 per week. Also where possible the settler is given contract work on his own holding to augment his income.
In view of the concern expressed by settlers and other witnesses the Commission endeavoured to secure a balance-sheet of the scheme in this State but were unable to do so.

The Commission is of the opinion that the amount referred to by Mr. McMahon could have been expended but the passage "placing of settlers on 692 farms" is incorrect, as, in addition to this number, approximately further 450 farms in the project areas of Desbarler, Jerumungup, Boodi Gully, Many Peaks, Gjøndrør River, Kneebobba and other areas were in fact in the process of development at the date of the announcement and to allow the public to belie the lower number (pp. 41-42) the amount of expenditure has created an extremely false impression which should be rectified. In addition the expenditure referred to must be credited the amount received by the scheme from repayments of structural improvements, stock, plant and working expenses, loans, sale of unsuitable properties as well as rent and interest paid by lessees.

The Commission therefore recommends that a balance-sheet be prepared and published thus giving all interested parties the opportunity of ascertaining:

(i) the nett cost of W.S.L.S. in this State, and

(ii) the total number of farms both allotted and in the course of preparation upon which such expenditure has been incurred.

I.—LIVING ALLOWANCE.

The complaints received in reference to this matter may be dealt with in two categories:

(a) the grant by the Commonwealth Government to settlers during the first year on lease;

(b) the £550 annual advance as a living allowance in the lessee's working expense account.

In regard to (a)—to enable settlers to accure a reserve in their first year of lease conditions (the assistance period) the Commonwealth grant was as follows:

- Single man: £5 per week.
- Married man with no dependants: £7 11s. per week.
- Married man with dependants: £8 per week.

An increase taking effect from the 11th October, 1948, altered the above figures to £5 12s., £6 8s., and £8 16s., respectively. The allowance has in some instances been supplemented (utilising Commonwealth funds) by £1 per week. Also where possible the settler is given contract work on his own holding to augment his income during the initial year and the proceeds from approved side-lines that he is prepared to enter into may be retained by him. This grant also applies to trainees under the C.R.T.B. and C.L.E. schemes. Under these circumstances and in view of the fact that it is a gift from the Commonwealth, the Commission although realising that the allowance may appear to be small, can only recommend that—

(i) the State and the Commonwealth periodically check the amounts in comparison with the basic wage rates in order that proportionate variations can be made when necessary to ensure a reasonable living to the expenditure;

(ii) where hardship occurs the loan of £1 at present being advanced to implement the Commonwealth grant be increased to a maximum of £3.

With regard to (b)—this is the amount assessed under the working expenses loan on which a settler and his family are expected to live for 12 months—in addition to this, of course, revenue received from side-lines and the value of farm products he uses for the household must be taken into account. It is apparent to the Commission that, in a majority of cases, depending upon the individual, the amount will be in excess of the £550 referred to by witnesses in evidence.

Naturally the lower the settler can keep his commitments in the early stages of development of his farm, the sooner he will reach the stage where he is in the position to make his own assessment for living allowance and improve his standard of living but the Commission realises that he is entitled to maintain a reasonable standard of living for himself during this period.

The position differs somewhat between settlers on W.S.L.S. and those whose accounts are with the R. & L. Bank. In some bank cases it was found that the living allowance was below £500. Any settler under these conditions must be on a comparatively low living standard which was never envisaged by the scheme. Circumstances also differ as between families.

In view of the increases to the basic wage since the allowance was fixed, the Commission recommends that the amount of loan of living allowance be also increased proportionately.

J.—LEASE DOCUMENT.

Concern was expressed by many settlers that they had not yet received their lease document although they had signed a lease acceptance some years previously. (See pp. 15 and 16 of transcript—J. H. McCutcheon.)

The Commission readily appreciates the concern expressed by settlers in this matter but is satisfied that the settler has no need
for worry in view of the fact that the lease acceptance is as binding as is the actual lease document. This is a considered legal opinion and the W.S.L.B. (see transcript p. 567, G. K. Baron Hay; p. 603, A. R. Barrett.)

All settlers (687 in all) who signed a lease acceptance in accordance with the 1847 regulations will receive the 1847 lease document. This information was made public by a letter in “The West Australian” dated the 18th September, 1954, by the Minister for Agriculture; by the Minister for the North-West on p. 2566 of Hansard No. 2 of 1844 and again confirmed by Messrs. Baron Hay and Barrett on pp. 377 and 603 of the transcript.

The reasons for the delay in the actual lease document are varied but are mainly due to road access; incomplete surveys; Midland Railway Company concession in the project is incomplete and therefore the full cost on the project is not available for averaging.

A query was raised as to lease conditions of a settler transferred from an under-standard property to a productive one. It was assumed that it would be necessary for the settler to sign the 1854 lease, but for the purpose of freedom-of-the-10-year occupancy period would commence from the date of his signing the original lease.

Considerable thought was given to a comparison of the 1847 and 1854 perpetual lease documents. The main difference in our opinion is in making provision for averaging in the 1854 document. The majority of other clauses have the same meaning although worded somewhat differently. The reason for Subparagraph “b” of the preamble which makes provision for portion of planned works to be charged even though completed before lease of the lease document at planned works may be completed on some farms which are ready for lease, such works on other farms in the project is incomplete and therefore the full cost on the project is not available for averaging.

The same provision in Clause 3 (i) has the same effect but in our opinion this should not be so. As a system is already in operation whereby standard 1846 values are charged for structural improvements and the balance capitalised on which the settler pays 3½ per cent, therefore the right of the Minister to complete and apportion these costs at his absolute discretion is entirely wrong. All costs on structural improvements completed before the signing of the lease document should be included in the document at the time of its execution.

One other important change was the omission in the new lease of Clause 2 (i) of the old lease which made provision for the leasee to appeal to an authority for investigation and determination of any disputes and questions whatever.

This has been covered in a very minor degree by the appointment under Regulation 38 of an appeal board with jurisdiction to investigate and determine—

(a) an allegation of the breach of a covenant or contract to the extent of a lessee of a lease or of the State, and

(b) such matters arising between the settler and the State or the Commonwealth and the State as may be referred to it for investigation and determination.

This has definitely reduced the liberty of the settler in the matters to which he can appeal.

K.—ACCOUNTING SYSTEM.

The evidence submitted on the ability of the settler to understand his accounts as submitted by the W.S.L.B. were contradictory inasmuch as some settlers claimed they understood them; others stated neither they, nor their accountants, could not. It was found that over the years the accounting system was such that to an ordinary settler some difficulty could be experienced in understanding the statements submitted to him, but we are of the opinion that the statements used today (copies of which have been supplied to us) are such that the majority of settlers should have little difficulty in understanding them. One of the difficulties which has been experienced is the identification of transfer of items from one account to another, respectiv-ely in view of the abbreviated phraseology used in some instances in the statement submitted by the Department to the lessee.

It is recommended that all settlers should maintain a set of books of account themselves showing all transactions in order that a comparison to the statements issued by the W.S.L.B. can be made at the end of the financial year.

It is also recommended that the abbreviations used on the statements be such as are easily recognizable by the settler.

The majority of the farming community in the State keep records of their own and as there are many simplified systems available for farmers, the use of them would, we are sure, greatly assist the settler both at present and in future years.

The Commission have been unable to determine the necessity for the W.S.L.B. “Group Accounting” system, especially for single-unit farms. No authority can be found either under the old or the new statement of conditions for such a practice. As the majority of single-unit farms are subject to 1857 lease conditions, and therefore entitled to single-unit valuations, all individual items of expenditure on these farms should be known.
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tionary for such a practice. As the majority

single-unit farms are subject to 1947 lease-

ations, and therefore entitled to single-

valuations, all individual items of ex-

pense on these farms should be known.

However, it will be extremely difficult to
ascertain under the group costing system.

It has been mentioned that the work in-

volved would be enormous but the Commis-
sion considers that if individual costing had
been carried out from the start, the work
would not have been as great as has been
stated. The large stock farms in Perth keep
individual accounts for a much greater num-
ber of clients than are in the W.S.L.S. scheme
today and it is the considered opinion of the
Commission that individual costing should
have been instituted by the W.S.L.S. scheme.

Separate accounts on leasehold properties are maintained by W.S.L.S. for Plant, Fuel, Working Expenses, Structural Improvements and Rent Accounts and if it is possible for this to be done, the separate accounts during the developmental stage—Clearing, Fencing, Building, Water Supply, etc., for each individual farm should have been main-
tained.

This method of grouping-costing lays itself
open to mal-practice and results in dishon-
esty on the part of the persons to whom the temptation is directed. Several cases have
been cited to the Commission of this type of happening where supervisors, fore-
men and others have been dealt with—in some instances a considerable time after the
offence had actually been committed. It is the considered opinion of the Commission that if an individual system of costing had been introduced initially, the cost of each farm would have been identifiable and where a caretaker or allottee was not satisfied that certain work had been delivered to a par-
ticular farm or certain work had been com-
pleted, the record would have been there for
vouching purposes. Evidence submitted re-
vealed complaints of sub-standard work on
properties—where the allottee had com-
plained about the work but the contractor
had been paid. Had an individual costing
system been in operation such a payment
would not have been made as it would have
been open to investigation at a later date
and the officer of the district would have had
to substantiate his reasons for making the
payment.

It has been mentioned that the individual
method would have been cumbersome—it is
the opinion of the Commission that the group
system is very cumbersome and to ar-
rive at the actual developmental cost of any
particular single-unit holding would be well-
nigh impossible. District stores are booked
out to “groups”—whether or not it is pos-
sible to accurately ascertain the farms to
which the materials have been forwarded is
a matter of conjecture.

The Commission has found it difficult to
interpret the increased option price on some of
the single-unit farms and deplore the
absence of a detailed statement of expendi-
ture to warrant such increase. Although the
settler may not have the right to question
costs in relation to leasehold rent he must
surely be entitled to a detailed statement of
expenditure—Acquisition and Development—
when the option price for freeholding is sub-
mitted to him.

Evidence was submitted by T. H. Hallett
(p. 213 of transcript) regarding the valu-
ation of his farm, and the Commission spent
considerable time in an attempt to arrive at
an explanation for the increased costs, but was unable to get a satisfactory answer.
It is our opinion that an objection to this
valuation will be lodged by Mr. Hallett at the end of his 10-year lease of occupancy and it is
difficult to see how the increased cost will be
substantiated by the W.S.L.S. Had an individual costing system been in operation the
forthcoming difficulty would not have been experienced. This case was investigated by the
Commission as a test and in their opinion there are many others of a similar nature.

Although a considerable amount of space
has been utilised in criticizing this account-
ing system, the Commission desire to point
out that the criticism is directed at the past
and is related only to single-unit farms. It is considered that costing in project areas and
subdivided estates must of necessity be
on the “group” system, as a large amount
of the development is done on the overall
project and is not specifically related to in-
dividual properties.

L.—APPEAL BOARD.

Clause 2 (1) of the 1945 perpetual lease
made provision for all disputes and questions
however to be investigated and deter-
mined by an authority constituted in accord-
ance with clause 18 of the agreement. Un-
fortunately this authority was never estab-
lished.

The Commonwealth are adamant that no
lessee should have the right to appeal against
his valuation but it is the Commission’s con-
tention that any alteration in the regulations
cannot take away from those settlers with
the 1947 lease agreement their right to ap-
peal on any matters whatever which must
includs valuations and that any appeals of
this nature by 1947 lease agreement lessees
should be heard by the Appeal Board as at
present constituted. In regard to leasees
with the new lease, the Commonwealth con-
tend that as the department did not deal
with costs or total capitalisation with the
leases but solely with the rentals, the ad-
ministration should refuse to give costs for
development of individual farms.

The Commission is of the opinion that the
cost of acquisition and development of each
individual farm should be available as—

(a) Leases with 1947 leases have their
rent based upon cost of acquisition
and development.
(b) Lessees with 1994 leases have the right to freehold at cost of acquisition and development of market value, whichever is the lesser. Without these figures no appeal board, arbitrator or judge would be in a position to give a fair judgment on an appeal.

The Commission maintains that the group accounting system instituted by the W.S.L.S. has been responsible for this position and has also been responsible for the failure of the W.S.L.S. to satisfy settlers when quotas have been raised in connection with costs.

Regulations gazetted on the 4th February, 1955, made provision for the setting up of an appeal board to investigate and determine:

(a) An allegation of a breach of a covenant in the lease at the request of a lessee, or of the State, and

(b) Such matters arising between the settler and the State as the Commonwealth and the State agree may be referred to it for investigation and determination.

The Board comprising Mr. K. J. Dougall, Magistrate, as Chairman; Mr. T. L. Latsma, representing the W.S.L.S.; and Mr. W. F. Overeen, representing the Returned Servicemen's League, was set up on the 12th September, 1956. From evidence submitted it appears that only one case has been heard by this Appeal Board and the Commissioner is of the opinion that the restriction placed upon settlers by Regulation 24 is mainly responsible for this.

It is also our opinion that had the Appeal Board been used to hear more of the grievances of the settlers many matters of minor importance than valuations could have been cleared up to the advantage of both W.S.L.S. and the settlers.

M.—LEGAL AID.

Evidence was submitted by settlers that their grievances would not be discussed by W.S.L.S. if they were employing legal assistance. To quote part of the evidence submitted by Mr. A. W. Horrobin (page 434 of transcript): "They asked had I terminated my arrangements with the lawyers, and I said that I had and the man who was speaking to me told me that the board and stipulated that they were not to negotiate with someone through lawyers and he said that if I was clear of the lawyers I could get a single unit block."

In replying to these allegations Mr. Barrett stated (page 892): "He says we would not deal with him while he was in the hands of a lawyer, but that is normal procedure. If the case was in the hands of a lawyer we would have to deal with the lawyer." And in answer to a question by the Chairman of the Commission: "Your point is that you deal either with the individual or the lawyer?" said "Yes, and we prefer to deal with the individual."

The Commission accepts the principle that if a lawyer is handling a case negotiations must be by the lawyer himself or in company with the lessee. W.S.L.S. would undoubtedly prefer to deal with the individual but any attempt by W.S.L.S. to refuse to discuss a settler's case because he is in the hands of a lawyer must be strenuously opposed. It is our opinion that this would be interfering with the liberty of the individual and the inherent right of every settler to obtain legal aid should be so desired.

N.—VITICULTURE.

It would appear that there was a serious lack of planning prior to the commencement of the Bindoon project. The standards laid down by the Commonwealth resulted in additional expenditure being incurred in re-planning blocks to allow for a larger acreage than allowed for in the initial planning of the project by the State authority. Some buildings erected in accordance with the initial subdivision are now of no use to the lessees on the replanned properties thus creating unnecessary expenditure for the lease until such time as he is in a position to employ labour.

Apparently there has been a lack of expertise on the part of the supervisory staff. Naturally this program of work took time and the settlers—quite understandably—are impatient for results. The failure to plan and ploughing has in some cases retarded the pasture development by a year or so, more than set the delay.

Evidence from Mr. A. R. Barrett that seven farmers had failed to meet their commitments would indicate that some reassessment of the productivity of the project and the reconstruction work undertaken was not completed and that the project will be developed to the required Commonwealth standard.

It is our opinion that whilst the reconstruction scheme is an excellent concept which due credit should be given to the responsible for its inception and what it will do to raise the dairy industry to a higher level, both from an academic and a standing living point of view, there is one aspect which the W.S.L.S. is deserving of severe criticism and that is in regard to water sup...
commission: "Your point is that you deal with the individual or the lawyer?" I say, and we prefer to deal with the individual.

The commission accepts the principle that the lawyer is handling a case negotiations by the lawyer himself or in company of the clients. W.S.L.S. would unhesitatingly deal with the individual but any attempt by W.S.L.S. to refuse to discuss a case because he is in the hands of a lawyer must be strenuously opposed. It is obvious that this would be interfering with the liberty of the individual and the right of every settler to obtain legal aid he so desires.

N.—VITICULTURE.

It would appear that there was a serious planning prior to the commencement of the project. The standards laid down by the Commonwealth resulted in a high expenditure being incurred in re-blocking to allow for a larger acreage than currently agreed for in the initial planning. Some of the vineyards are now of no use to the settler on the replanted properties thus necessitating unnecessary expenditure for the settler until such time as he is in a position to employ labor.

Unfortunately there has been a lack of expert advice and local supervision in the original planting of the vineyards and also in subsequent care resulting in the vineyards coming into production slowly than was the intention of the feminists. This lack of knowledge on the part of the supervisory staff could also be blamed for the drying out of the vineyards in sub-areas where best results may not be possible, thus resulting in inferior dried fruit products to the detriment of the industry.

Viticulture is a highly skilled industry requiring a great deal of expert knowledge and the extensive knowledge of local conditions and soils is it our opinion that advice should have been sought from local growers prior to the commencement of the project. Such local advice would have been used to advantage by the supervisory staff in the early years of the project.

W.S.L.S. supervisors in this area have been, in the main, persons who are without sufficient knowledge of viticulture and it is our opinion that successful growers should be formed into an advisory committee. This would ensure that the selection of soils and the planting of the various types of vines is made correctly. A further beneficial aspect of the supervision of the vine-growers is the supervision of the settling of the soil. It is recommended that considerable care be given to this.

O.—DAIRYING.

After evidence had been submitted and the first inspection was carried out by the Commission in the dairying areas it was obvious that the main problems were:

(a) Lack of sufficient pasture.
(b) Lack of pastures for hay.
(c) Lack of subdivision.
(d) Lack of water points.

The standard as laid down by the Commonwealth for a dairy farm carrying 40 cows is:

(i) 160-200 acres cleared and pasture, 60 acres totally cleared, balance with not more than four to five trees per acre.
(ii) 40 acres of moveable land.
(iii) Six main paddocks.
(iv) Water laid on to each paddock if reasonably possible.

It was evident that very few of the farms had reached this standard irrespective of the fact that this was a feature of the 1932 Select Committee Report. This Commission is of the opinion that the department's attitude for not ploughing initially for regrowth control and pasture establishment would be one of the main factors for the delay in these properties being brought to an economic standard.

The reconstruction programme of the W.S.L.S. as agreed to by the Commonwealth and the State authorities is at least realistic to the needs of the dairying areas. Naturally this programme of work takes time and the settlers—quite understandably—may be impatient for results. The building and ploughing has in some cases temporarily retarded the pasture development but it is our opinion that such work was essential and the benefit which will be gained by increased pastures will, in a year or so, more than offset the delay.

Evidence from Mr. A. R. Barrett that other settlers had failed to meet their agricultural commitments would indicate that the assessments agreed to by the supervisory staff are realistic and that the settlement is being made to the required Commonwealth standard.

It is our opinion that whilst the reconstruction scheme is an excellent one for which due credit should be given to those responsible for its instigation and which will raise the dairying industry to a higher level both from an academic and a standard of living point of view, there is one aspect for which the W.S.L.S. is deserving of severe censure and that is in regard to water supplies.

Evidence was submitted by most dairy settlers that the lack of water was one of their problems. In one area alone six settlers had lost their pastures due to the lack of water and in some cases carriage of water had been resorted to. As it was found that this water deficiency had existed for some considerable time and some instances up to six years—and as an adequate water supply is the basis of sound dairying, the Commission can only come to the conclusion that somebody in W.S.L.S. has failed in his job.

This again relates to the Commission's opinion that a lack of supervision on the part of the settlers and supervisory staff has been one of the main causes for the majority of farms being up to standard and thus causing discontent among the settlers.

Delays and shortcoming of the scheme such as inadequate water supplies and insufficient pasture establishment can only tend to cause dissatisfaction and a sense of frustration to the settlers.

P.—DEPRECIATION OF PLANT.

At least 24 settlers submitted evidence regarding depreciation of their plant claiming that, because of the amount of cleaning up to do on bulldozed clearing which was left in a very rough condition and over which their plant had to operate, the plant was depreciating to such an extent that at the end of the loan period of 19 years they would have neither plant nor the necessary finance in their loan account to enable the replacement of the machinery.

The Commission after inspection readily appreciated the position and upon discussing the situation with W.S.L.S. authorities were advised that agreement had been reached with the Commonwealth some six months previously to the effect that depreciation would be allowed but that a formula had not yet been devised although it was expected to be finalised in the near future. The Commission appreciates the difficulty in arriving at a satisfactory formula which will be equitable to all concerned as it was found that the degree of depreciation varied quite considerably according to the conditions under which the plant was working.

In an effort to arrive at a formula, settlers were asked to supply their own ideas and a circular to this effect was distributed by the Commission. Many suggestions were received by the Commission, some feasible, none practical. On our observations we have come to the following conclusion:—It is agreed that where settler's plant is to be used to complete planned work as laid down by the department, and where the ground has been left in a particularly rough condition, any excessive wear and tear, depreciation be assessed on a sliding scale proportionate to a maximum amount of 3½ per cent. of the capital cost involved.
and is to be credited to the settler's plant account. We consider that in some instances this matter cannot be finalised immediately and where it is found at a later date that the settler's plant has depreciated due to excessive wear and tear brought about by the rough nature of the cleared land, settlers should be permitted to make application for consideration of their claims at the appropriate time. Each case is to be treated on its merits and settlers should be circulated that applications be lodged within three months of date of circular—requesting that depreciation on their plant be considered.

It will be necessary for the settlers to provide all particulars regarding their claims such as:

1. Approximate estimate of what portion of the work of the machinery involved was, in his opinion, attributable to the planned works of the property.
2. Detailed statement of machinery actually used in the above capacity.
3. Approximate estimation of planned works completed using their own machinery.
4. Estimated wear and tear to machinery—
   a. due to the rough nature of clearing over which the plant had to operate,
   b. due to unsatisfactory completion of initial planned works, e.g., situation of or lack of water points necessitating carriage of water.
5. Any further relevant information.

Q.—ALLOTMENT BOARD.

Evidence was submitted that many settlers had been waiting a considerable time for allotment of farms. Whilst this must necessarily be so in a scheme where farms are being developed from virgin country, it would appear to the Commission that some settlers who in our opinion should have been allotted farms have for some reason been bypassed by the Allotment Board.

It is stated in the conditions that a settler must be satisfied with the farm to which he has been selected to occupy, if not, he is to notify the Allotment Board stating his reasons for not accepting the farm. Some settlers because they were not satisfied with a farm after inspection, informed the board stating their reasons and because of this were kept in "cold storage" for at least 12 months. This in itself savours of victimisation.

Other applicants have applied for many farms (some to the extent of 200 or more) without success and yet other applicants, whose applications for farms were limited to a few, and whose qualifications were not as high, were successful.

A circular (see Appendix "D" of this report) was issued by the Classification and Allotment Board to applicants indicating their group in relation to qualification for allotment in order to give applicants some idea as to how they stood for allotment and so that they would be able to determine in order of merit as prospective settlers.

In the opinion of the Commission this circular was misleading and was responsible for many applicants refraining from applying for farms, when brochures were received, as they were of the opinion that according to their relative order of merit as shown by the circular they could not possibly be considered. The fact that they had not applied has been denied their rightful place in allotment.

The Commission are not satisfied that the Allotment Board has been entirely fair in the selections for allotment.

A circular of somewhat terse nature was forwarded, early in October, 1966, to all qualified applicants who had not been applying regularly for farms as advertised from time to time. This circular was issued in an endeavour by the W.S.L.S. to determine the number of farms still required to settle all those applicants still desirous of acquiring a farm under the scheme and also to satisfy the aim of the Commonwealth authorities to finalise the scheme as early as possible. From the replies received it would appear that approximately 350 are still interested in settlement and it is anticipated by the W.S.L.S. that between now and September, 1969, there will be sufficient farms available for allotment in the project areas of Denbarker, Gairdner, Corackerup, Jerramungup, Emmabula, North Monchy Peaks, South Stirlings, Rocky Gully and Perlup. After an inspection of these areas the Commission is of the opinion that applicants being settled there will receive farms on conditions not less favourable than earlier settlers.

R.—INFORMATION.

Many settlers were of the opinion that not sufficient information was made available to them regarding the working of the scheme and to what they were entitled. The Commission unfortunately found this to be true and it is considered that much of the evidence presented to us would not have been tendered had the settlers been kept more informed of their position.

In a scheme such as W.S.L.S. the lack of information can be damaging to the settler as well as the scheme so it is therefore recommended that every effort be made to ensure that settlers are informed of everything applicable or appertaining to their part in the scheme.

The statement of conditions determined by the Minister for the Interior in 1962, together with a copy of the regulations gazetted on the 4th February, 1965, would, we are sure, assist to some extent.

S.—SETTLERS' REQUESTS.

Several individual requests were in evidence and a brief summary action taken in regard to some of them but it seems reasonable, the W.S.L.S. are quite co-operative.

1. Bulldozed blinder—requests from Perlup settlers and by others, that a settler be put into a "pool" for advance. Where it is proved this will be used advantageously, the W.S.L.S. has agreed to this.

2. Shearing plant—requests from settlers at Frankland—W.S.L.S. agreed to permit purchase, but only where settler agreed to shear other settlers' addition to his own.

3. Harvester in lieu of mowing in Frankland area.—Where harvester can be purchased at a very cheap price and the settler in the settler's possession if the W.S.L.S. has agreed to this.

4. Men's quarters at Jeramagup. Where settler has sufficient finance the settler is agreed to finance the men's quarters and the necessary finance and the necessary housing, the W.S.L.S. will supply.

Settlers should at all times have requests, which they believe to be in better working or better management, which will improve the productive capacity of the farms. It is imperative, however, to have in mind that W.S.L.S. is not working at all times to ensure that they do not by injudicious purchases burden themselves beyond their capacity to pay and it is for this reason all requests are considered on the respective merits.

T.—SOIL SURVEYS AND EXPLORATION SERVICES.

While appreciating the difficulty of obtaining suitably trained personnel to perform the above duties, the Commission recommends that every effort be made to provide the service in accordance with item (iv) of the statement of conditions in Appendix "G" to the Act.

This would materially assist in the location of the difficulties which are faced in a number of areas today. These are examples of the difficulties referred to in the:

1. Apparent soil deficiencies in the Northcliffe area.

2. Unexplained decline in lambing rates during the flush season in the Karri area.
settlers' requests.

Several individual requests were received in evidence and a brief summary of the action taken in regard to some will indicate that where the request is considered to be reasonable, the W.S.L.S. are quite willing to co-operate.

(1) Bulldozer blade—request received from Perilup settlers and supported by others, that a settler be permitted to purchase a blade from his plant advance. Where it is proved that the blade will be used advantageously W.S.L.S. has agreed that it can be purchased.

(2) Shearing plant—request from settlers at Frankland—W.S.L.S. has agreed to permit purchase of same but only where settler agrees to use it to shear other settlers' sheep in addition to own.

(3) Harvester in lieu of mowing machine in Frankland area.—Where a harvester can be purchased at a reasonably cheap price and there is sufficient in the settler's plant loan, W.S.L.S. has agreed to this request.

(4) Men's quarters at Jerreamungup.—Where settler has sufficient capital he is expected to finance the erection. Where he has not the necessary finance and the settler is not overcapitalised and the need is established, W.S.L.S. will supply.

Settlers should at all times make their requests, which they believe to be for the better working or better management and will improve the productive capacity of their farms. It is imperative, however for them to bear in mind that W.S.L.S. is endeavouring at all times to ensure that the settlers do not by injudicious purchases of plant burden themselves beyond their economic capacity to pay and it is for this reason that all requests are considered on their respective merits.

R.—INFORMATION.

settlers were of the opinion that no set information was made available to gauging the working of the scheme. They were aware that the War was not going to be brought to a conclusion as being settled there will return on conditions not less favourable to settlers.

T.—SOIL SURVEYS AND EXTENSION SERVICE.

While appreciating the difficulties which exist in obtaining suitably trained officers to perform the above duties, the Commission recommends that every effort be made to provide the service in accordance with Clause 2 (v) of the statement of conditions (see Appendix "B").

This would materially assist in the elimination of the difficulties which are in existence in a number of areas today. The following are examples of the difficulties referred to—

(1) Apparent soil deficiencies on properties in the Northcliffe area.

(2) Unexplained decline in production during the flush season in dairy herds in the Karri areas.

(3) The incidence of different types of disease in both dairying and grazing areas.

CONCLUSION.

The Commission, after very serious consideration of the evidence submitted and after inspections were carried out, deemed it advisable—although it may be unorthodox—to invite the Deputy Chairman of the Land Settlement Board, Mr. A. R. Barrett, to accompany them on a tour of inspection and investigation to properties where, from the evidence submitted some value could be gained. The Commission is of the opinion and has no cause to doubt that the settlers will agree that many outstanding complaints have been or are in the course of being remedied as a result of this visit, and in view of this reference has not been made to each individual case submitted in evidence to the Commission, in this report.

It is recommended that Mr. Barrett, in conjunction with Mr. Nicholls, or Mr. Lats in conjunction with Mr. Hancox, re-read the whole of the evidence submitted by the settlers so that they will be in a position to check complaints made by individual settlers and where possible rectify any anomalies.

The Commission is appreciative of the fact that certain recommendations which have been made in this report are at the present time in the process of being implemented by the W.S.L.S. Department and we have every reason to believe that the balance will also receive the utmost consideration.

It is the intention of all three members of this Commission to inspect, within the next 18 months, all the areas visited by them whilst they were acting as a Commission, to ascertain what improvements have been effected.

APPRECIATION.

Before concluding this report the Commission desires to express appreciation for the co-operation received from all who were associated with the administration and proceedings of the Commission. Also, the cooperation tendered to the Commission by the members of the W.S.L.S. Department, the assistance rendered by various organisations—R.S.I., Local Government authorities and community bodies throughout the proceedings of the Commission is very much appreciated.

The Commission also wishes to record its appreciation of the valuable assistance rendered by Mr. J. G. C. Ashley, the Secretary of the Commission.

The Commission desires to thank the Chief Eadaard Reporter (Mr. S. Roper) and his staff for the very helpful manner in which the large volume of evidence was reported.
The prompt presentation of the daily transcript and the co-operation rendered by the Hansard staff left nothing to be desired.

In conclusion it is desired to thank all witnesses who appeared and tendered evidence to the Commission.

L. A. LOGAN, Chairman.
F. D. WILLMOTT, Member.
G. E. JEFFERY, Member.
11th April, 1957.

CHAIRMAN'S ADDENDUM.
I desire to record my personal appreciation for the manner in which my fellow Commissioners for the time being their support and assistance during the proceedings of the Commission. I am very conscious of the fact that considerable patience and sacrifice were made by them in being in attendance at the sittings of the Commission both in Perth and throughout the country districts.

L. A. LOGAN,
Chairman.
11th April, 1957.

APPENDIX "A."
Wednesday, 28th September, 1956.
The Committee met at 3 p.m.

Appointment of Chairman.—On the motion of Hon. F. D. Willmott, seconded by Hon. G. E. Jeffery, it was resolved that Hon. L. A. Logan be the Chairman.

Business.—On the motion of Hon. G. E. Jeffery, seconded by Hon. F. D. Willmott, the Secretary was instructed to—

(i) arrange for the insertion of an advertisement in "The West Australian" calling for persons desirous of applying for farm assistants; and

(ii) acquire the following information—

(a) a list containing details of all farms allotted under the Scheme, if possible in locality groups, in order that an itinerary may be prepared.

(b) A list of farms which have been finally valued.

(c) A list of farms where objections have been lodged and (1) determined; (2) not determined.

(d) Particulars of location of—

(i) District Supervisors;

(ii) District offices where records may be examined, if necessary;

(iii) Field Superintendents;

(iv) Machinery Depots;

(v) Secretaries of each of the W.S.L.S. scheme organisations in the various districts.

(iii) make a telephone call to Mr. Carl Hansen, Secretary of the Bindi Bindi W.S.L.S. group and ascertain how many of the 26 farms there have been finally valued.

(iv) write to all of the district secretaries to ascertain farmers who would be willing to tender evidence before the Committee. Enclose a questionnaire to assist the farmers to gather certain information which the Committee considers would be of interest (see Questionnaire on file). In addition, secretaries are to be asked to inform farmers that any matters which they consider should be placed before the Committee can be tendered at the time of interview.

(v) Write to the four stock firms in Perth with a view to obtaining, if possible, particulars relating to the sales of any farming properties, which were in close proximity to W.S.L.S. farms, during the past three years. (Sale price of land, excluding plant, stock, etc.)

Next Meeting.—It was agreed that the next meeting will be arranged as soon as convenient, following the reports obtained by the Secretary to his instructions.

The meeting concluded at 4.19 p.m.

Tuesday, 2nd October, 1956.
The Committee met at 2.15 p.m.
Present.—Hon. L. A. Logan, Chairman; Hon. G. E. Jeffery and F. D. Willmott.

Business.—The Chairman advised members of the action taken by the Secretary as a result of the previous meeting.

On the motion of Hon. F. D. Willmott, seconded by Hon. G. E. Jeffery, it was agreed that, in the limited time available, as many War Service Land Settlers and other farmers as possible would be interviewed and properties of both satisfied and dissatisfied settlers would be inspected with a view to obtaining evidence which would serve as a background when interviewing departmental officers. It was also agreed that the areas to be visited initially would be—

Rocky Gully, South Strinings, Wagin, Arthur River, Perilup, Mt. Many Peaks, Narrikup, Frankland River, Cranbrook, Albany, Denmark, Jerramungup and Kojonup.

The Secretary was instructed to make the necessary arrangements for visiting these areas during the period 11th to 15th October, commencing at 9.30 a.m. on Thursday, 11th.

The Committee adjourned at 3 p.m.

Thursday, 11th October, 1956.
The Committee met at Wagin, at 11 a.m.
Present.—Hon. L. A. Logan, Chairman; Hon. F. D. Willmott, Member.

Witnesses.—The following were examined:


W. H. P. Scally and C. R. Meers of Narrikup.

The Committee adjourned at 11 a.m.

Friday, 12th October, 1956.
The Committee met at Wagin, at 11 a.m.
Present.—Hon. L. A. Logan, Chairman; Hon. F. D. Willmott, Member.

Inspections.—Inspections were made of the following farms:


Witnesses.—The following were examined at Mt. Baker at 7.30 p.m.—


The Committee adjourned at 11 a.m.

Saturday, 13th October, 1956.
The Committee met at Mt. Barker, at 11 a.m.
Present.—Hon. L. A. Logan, Chairman; Hon. F. D. Willmott, Member.

Witnesses.—The following were examined:


Inspections.—Inspections were made of the following farm—

At Narrikup: Meers. R. J. D. Jeffery and a vacant property.


The Committee adjourned at 8.30 a.m.
(iv) Machinery Depots;
(v) Secretaries of each of the W.S.L.S. scheme organisations in the various districts.

A telephone call to Mr. Carlisen, Secretary of the Bindi Bindi S.L.S. group, ascertain how many of the 26 farms there have in fact been vacated.

The secretaries of the district offices were informed that the committee would be happy for their assistance to obtain information from any of the farmers to assist them in their work.

To all intents and purposes, the committee consist of interested parties who have been collated on the questionnaire for their consideration. In addition, the committee are to be met, and that all farmers so informed should have the information available by the next meeting.

The committee adjourned at 10.40 a.m.

Tuesday, 12th October, 1955.

The Committee met at Wagin at 8:30 a.m.

Present.—Hon. L. A. Logan, Chairman; Hon. P. D. Willmott, Member.

Witnesses.—The following were examined:


The Committee adjourned at 10.40 a.m.

Friday, 12th October, 1955.

The Committee met at Wagin at 8.30 a.m.

Present.—Hon. L. A. Logan, Chairman; Hon. P. D. Willmott, Member.

Inspections.—Inspections were made of the following farms:


At Durranil: Messrs. Pritchard, Hogan, Fidock and N. F. Mathews.

Witnesses.—The following were examined at Arthur River at 8:00 a.m.:


Messrs. A. L. Kidman and W. R. Hooper, farmers of Perilip.

The Committee adjourned at 11 a.m.


The Committee met at Wagin at 8.30 a.m.

Present.—Hon. L. A. Logan, Chairman; Hon. P. D. Willmott, Member.

Witnesses.—The following were examined:

Messrs. F. J. Brown and D. M. Marriott, farmers of Frankland River.


Inspections.—Inspections were made of the following farms:

At Narrup: Messrs. R. J. Lee, Woodward and a vacant property.

At Perilip: Messrs. Bodie, Marwick, Kidman and Williams.


The Committee adjourned at 8:15 a.m.
Wednesday, 24th October, 1956.
The Committee met at 7.45 a.m.

Present.—Hon. L. A. Logan, Chairman; Hon. F. D. Willmott and G. E. Jeffery, Members.

Witnesess.—The following were examined at Bundoora at 9.30 a.m.—


Messrs. J. Price, J. S. Carmell and H. M. Norris, farmers, representing the local land committee of the R.S.I.

Inspections.—Inspections were made of the following farms.—


The Committee adjourned at 1 p.m. and returned to Perth.

Tuesday, 30th October, 1956.
The Committee met at 10.30 a.m.

Present.—Hon. L. A. Logan, Chairman; Hon. F. D. Willmott and G. E. Jeffery, Members.


The Committee adjourned at 1 p.m.

Wednesday, 31st October, 1956.
The Committee met at 10.30 a.m.

Present.—Hon. L. A. Logan, Chairman; Hon. F. D. Willmott and G. E. Jeffery, Members.

Witnesess.—Mr. E. O. Davies, Chairman of the Land Committee, Returned Servicemen’s League.

The Committee adjourned at 11.25 a.m.

Friday, 2nd November, 1956.
The Committee met at Bridgetown at 9 a.m.

Present.—Hon. L. A. Logan, Chairman; Hon. F. D. Willmott and G. E. Jeffery, Members.

Inspections at Bridgetown.—S. W. Broomfield, T. H. Halliday, J. C. Curven and V. H. Wright—W.S.L.S. Farmers.

Witnesess.—The following were examined at Bridgetown at 11 a.m.—


Inspections at Manjimup.—Messrs. Anderson, Jones, Powell and Berosford, farmers.

Witnesess.—The following were examined at Manjimup at 7.30 p.m.—

Messrs. F. E. Wisseman (Chairman of Road Board); J. G. Waugh, J. H. Sher- man, C. H. Peterson, E. J. Beresford and D. C. Johnston.

The Committee adjourned at 10.45 p.m.

Saturday, 3rd November, 1956.
The Committee met at Northcliffe at 9 a.m.

Present.—Hon. L. A. Logan, Chairman; Hon. F. D. Willmott and G. E. Jeffery, Members.

Inspections at Northcliffe.—Messrs. Hart, Neumeller and several vacated tobacco farms.


Inspections at Pemberton.—G. H. Crute, J. Mitchell and M. Britza.


The Committee adjourned at 7.45 p.m.

Sunday, 4th November, 1956.
The Committee met at Kudardup at 1.45 p.m.

Present.—Hon. L. A. Logan, Chairman; Hon. F. D. Willmott and G. E. Jeffery, Members.


Witnesess at Margaret River.—The following were examined at 7.30 p.m.—T. A. Forrest, J. E. Attwood, E. W. Rose, G. R. Scott, D. H. Patton, E. E. Board and A. H. Williams.

The Committee adjourned at 10.45 p.m.

Monday, 5th November, 1956.
The Committee met at Margaret River at 9 a.m.

Present.—Hon. L. A. Logan, Chairman; Hon. F. D. Willmott and G. E. Jeffery, Members.


The Committee adjourned at 2.15 p.m. and returned to Perth.

Wednesday, 9th November, 1956.
The Committee met at Wagin at 9 a.m.

Present.—Hon. L. A. Logan, Chairman; Hon. F. D. Willmott, Member.

Witnesess.—An apology was received from G. E. Jeffery, Member.

The Committee adjourned at 12.10 p.m.

Friday, 11th November, 1956.
The Committee met at Cranbrook and proceeded to New Norcia.

Present.—Hon. L. A. Logan, Chairman; Hon. F. D. Willmott and G. E. Jeffery, Members.


The Committee adjourned at 9.30 p.m.

Sunday, 13th November, 1956.
The Committee met at 9 a.m.

Present.—Hon. L. A. Logan, Chairman; Hon. F. D. Willmott and G. E. Jeffery, Members.


The Committee adjourned at 10.30 p.m.

Monday, 14th November, 1956.
The Committee met at Geraldton at 9 a.m.

Present.—Hon. L. A. Logan, Chairman; Hon. F. D. Willmott and G. E. Jeffery, Members.
Wednesday, 7th November, 1956.
The Committee met at 11 a.m. at Perth.

Present—Hon. L. A. Logan, Chairman; Hon. F. D. Willmot, Member.

Apology—An apology was received from Hon. G. E. Jeffery, Member.

Witnesses—N. Keating and T. H. Prior.
The Committee adjourned at 12.10 p.m.

Friday, 9th November, 1956.
The Committee met at Wagin at 9.30 a.m.

Present—Hon. L. A. Logan, Chairman; Hon. F. D. Willmot and G. E. Jeffery, Members.


The Committee adjourned at 8.15 p.m.

Saturday, 10th November, 1956.
The Committee met at Cranbrook at 9 a.m. and proceeded to New Norcia.

Present—Hon. L. A. Logan, Chairman; Hon. F. D. Willmot and G. E. Jeffery, Members.

The Committee adjourned at 9.30 p.m.

Sunday, 11th November, 1956.
The Committee met at 9 a.m.

Present—Hon. L. A. Logan, Chairman; Hon. F. D. Willmot and G. E. Jeffery, Members.

The Committee adjourned at 10.30 p.m.

Monday, 12th November, 1956.
The Committee met at Geraldton at 9 a.m.

Present—Hon. L. A. Logan, Chairman; Hon. F. D. Willmot and G. E. Jeffery, Members.


Inspection (at Waeding)—R. Sorensen.
The Committee adjourned at 6.35 p.m. and returned to Perth.

Wednesday, 28th November, 1956.
The Committee met at Parliament House at 10.30 a.m.

Present—Hon. L. A. Logan, Chairman; Hon. F. D. Willmot and G. E. Jeffery, Members.

Witness—W. S. Kirkwood, farmer, of Narrogin.
The Committee adjourned at 1 p.m.

Wednesday, 5th December, 1956.
The Committee met at Parliament House at 10.30 a.m.

Present—Hon. L. A. Logan, Chairman; Hon. F. D. Willmot and G. E. Jeffery, Members.

Witness—G. K. Baron Hay, Chairman, Land Settlement Board.
The Committee adjourned at 4.15 p.m.

Tuesday, 22nd January, 1957.
The Commission sat at Parliament House at 10 a.m.

Present—Hon. L. A. Logan, Chairman; Hon. F. D. Willmot and G. E. Jeffery, Members.

Witness—A. R. Barrett, Deputy Chairman, Land Settlement Board.
The Commission adjourned at 4.35 p.m.

Wednesday, 23rd January, 1957.
The Commission sat at Parliament House at 10 a.m.

Present—Hon. L. A. Logan, Chairman; Hon. F. D. Willmot and G. E. Jeffery, Members.

Witnesses—J. J. Ravencroft, Rural Costs Officer, Land Settlement Board, and E. Robertson, Secretary, Classification and Alienation Board, Land Settlement Board.
The Commission adjourned at 4 p.m.

Thursday, 24th January, 1957.
The Commission sat at Parliament House at 11 a.m.

Present—Hon. L. A. Logan, Chairman; Hon. F. D. Willmot and G. E. Jeffery, Members.

Witness—A. R. Barrett—further examined.
The Commission adjourned at 4.30 p.m.
Tuesday, 29th January, 1957.

The Commission sat at Parliament House at 10.30 a.m.

Present—Hon. L. A. Logan, Chairman; Hon. F. D. Willmott and G. E. Jeffery, Members.

Witness—A. R. Barrett—further examined.

The Commission adjourned at 4.30 p.m.

Thursday, 31st January, 1957.

The Commission sat at Parliament House at 10.30 a.m.

Present—Hon. L. A. Logan, Chairman; Hon. F. D. Willmott and G. E. Jeffery, Members.

Witness—V. L. Stefanoud, Chief Valuer, Taxation Department.

The Commission adjourned at 1 p.m.

APPENDIX "B" Statement of the conditions determined by the Minister for the Interior of the Commonwealth of Australia in accordance with the States Grants (War Service Land Settlement) Act, 1943, for the grant of financial assistance to the State of Western Australia in connection with War Service Land Settlement, and of the amount of that financial assistance.

A.—Conditions to be Complied with by State.

In order to qualify for the grant of financial assistance as set out in this Statement, the State will operate an scheme of war service land settlement in accordance with the following provisions—

1.—Interpretation.

In this Statement, unless the contrary intention appears—

"applicant" means a person applying to participate under the scheme;

"Crown land" means Crown land as defined in the land laws of the State;

"holding" means a land allotment, or to be allotted to a settler under the scheme; in private land;

"private land" means all land other than Crown land;

"project" means an approved plan of settlement of an approved plan of settlement as form a unit for development and subdivision;

"settler" means an eligible person who has been allotted a holding under the scheme or an eligible person to whom that holding has been transferred;

"the classifying Authority" means the Authority approved by the State to classify applicants in accordance with sub-clause (4) of clause 6 of this Statement;

"the credit Authority" means the Authority selected by the Commonwealth in consultation with the State under sub-clause (2) of clause 8 of this Statement to arrange advances to settlers; and

"the scheme" means the scheme of land settlement contained in this Statement.

2.—General Principles of the Scheme.

Land settlement under the scheme shall be carried out in accordance with the following principles—

(1) Eligible persons only shall be entitled to participate in the scheme.

(2) Settlement shall be undertaken only where economic prospects for the production concerned are reasonably sound, and the number of eligible persons to be settled shall be determined primarily by opportunities for settlement and not by the number of applicants.

(3) Applicants shall not be selected as settlers unless the classifying authority is satisfied as to their eligibility, suitability and qualification for settlement under the scheme and their experience of farm work.

(4) Holdings shall be sufficient in size to enable settlers to operate efficiently and with a reasonable labour income.

(5) An eligible person deemed suitable for settlement shall not be precluded from settlement by reason of his sex, but a settler will be required to invest in the holding sufficient capital of his own financial or other resources as is considered reasonable in the circumstances by the State.

(6) Adequate guidance and technical advice shall be made available to settlers by the State through agricultural extension services.

(7) In the State there may be established an authority to investigate and determine matters such as selection of settlers and the terms on which the State is to become a customary and the State agrees to be in determined. The form and the constitution of this authority shall be agreed upon by the Commonwealth and the State.

3.—Eligible Persons.

Persons with war service as defined in section 4 and section 139 (1) of the Re-establishment and Employment Act 1944-1951, may apply to participate in the scheme and, in determining whether the applicant is an eligible person, the State shall apply the following principles—

(1) In the case of an applicant with war service as defined in section 4 and section 139 (1) of the Re-establishment and Employment Act, an "eligible person" means a discharged member of the Forces who enlisted prior to 1st July, 1947, and who has been honourably discharged after not less than six months' war service or who having, in the opinion of the classifying Authority, been materially prejudiced by reason of his war service, has been honourably discharged after less than six months' war service.

(2) For the purposes of the preceding sub-clause—

(a) a member of the Forces who has ceased to be engaged on war service is deemed to have been discharged;

(b) a person—

(i) who was appointed or enlisted on or before 30th June, 1947, for service in a part of the Defence Forces which was raised in time of war for war service, or enlisted, on or before that date, solely for service in time of war or for service during that time and a definite period thereafter; or

(ii) who enlisted in the Permanent Forces after 30th June, 1947, and before 1st October, 1949, for a definite period not exceeding 12 years.

and whose service was terminated before 30th June, 1949, deemed to have ceased on the occasion mentioned above;

(c) "member of the Forces" means a person enrolled or in the list of any of the Forces in the Army, the Air Force or the Royal Australian Navy or any other force in which R.A.N.A. personnel have served after the date before the second day of one thousand nine hundred and forty-five;

(d) "the war" means the war commenced on the 3rd of September, one thousand nineteen and thirty-nine and in other War in which R.A.N.A. personnel have served after the date before the second day of one thousand nine hundred and forty-five;

(e) "war service" means the serving in or as in paragraphs (a), (b), and (c) of the definition of "the war" in section 4 of the Re-establishment and Employment Act 1944-1951, of the Common

amended from time to time;

(f) In the case of an applicant with war service as defined in section 139 (1) of the Re-establishment and Employment Act, "eligible person" means a discharged member of the Forces who has been honourably discharged after not less than six months' war service or who, in the opinion of the classifying Authority, been materially prejudiced by reason of his war service, shall have been honourably discharged after less than six months' war service;

(g) For the purposes of the preceding sub-clause—

(a) a member of the Forces who has ceased to be engaged on war service is deemed to have been discharged;

(b) a person—

(i) who was appointed or enlisted on or before 30th June, 1947, for service in a part of the Defence Forces which was raised in time of war for war service, or enlisted, on or before that date, solely for service in time of war or for service during that time and a definite period thereafter; or

(ii) who enlisted in the Permanent Forces after 30th June, 1947, and before 1st October, 1949, for a definite period not exceeding 12 years.

4.—Selection of Land Suitable for the Scheme.

The Procedure to be followed by the State in the submission of settlement proposals shall be as follows—

(1) After the State has selected the proposals which appears suitable for settlement, it shall submit the proposals, in accordance with all measures to prevent the land from being dealt with otherwise for purposes of the scheme.

(2) The State shall be required to the Commonwealth to give certain information to the Commonwealth concerning the proposals for settlement, in accordance with the Commonwealth terms whether a detailed plan of settlement area is required. If the Commonwealth...
General Principles of the Scheme.

Eligible persons only shall be entitled to participate in the scheme.

Eligible persons only shall be entitled to participate in the scheme.

Settlement shall be undertaken only where economic prospects for the production concerned are reasonably sound, and the number of eligible persons to be settled shall be determined primarily by opportunities for settlement and not by the number of applicants.

Applicants shall not be selected as settlers unless they are in a position, at least as to their eligibility, suitability and qualifications for settlement under the scheme and their experience of farm work.

Holders shall be sufficient in size to enable settlers to operate efficiently and to earn a reasonable labour income.

An eligible person deemed suitable for settlement shall not be precluded from settlement on the condition that he will not be required to invest in the holding such proportions of his own financial or other resources as is considered reasonable in the circumstances by the State.

In the State there may be established an authority to investigate and determine such matters arising between a settler and the State as the Commonwealth and the State agree may be referred to the determination. The form and the constitution of this authority shall be upon the Commonwealth and the State.

3. Eligible Persons.

(a) in the case of an applicant with a war service as defined in section 4 of the Re-establishment and Employment Act, 1945-1951, an "eligible person" means a discharged member of the Forces who has been honourably discharged after not less than six months' service or who has been, in the opinion of the classifying authority, materially prejudiced by reason of his war service, has been honourably discharged after less than six months' service.

(b) in the case of an applicant with a war service as defined in section 4 of the Re-establishment and Employment Act, 1945-1951, an "eligible person" means a discharged member of the Forces who has been honourably discharged after not less than six months' service or who has been, in the opinion of the classifying authority, materially prejudiced by reason of his war service, has been honourably discharged after less than six months' service

(c) in the case of an applicant with a war service as defined in section 4 of the Re-establishment and Employment Act, 1945-1951, an "eligible person" means a discharged member of the Forces who has been honourably discharged after not less than six months' service or who has been, in the opinion of the classifying authority, materially prejudiced by reason of his war service, has been honourably discharged after less than six months' service.

(e) in the case of an applicant with a war service as defined in section 4 of the Re-establishment and Employment Act, 1945-1951, an "eligible person" means a discharged member of the Forces who has been honourably discharged after not less than six months' service or who has been, in the opinion of the classifying authority, materially prejudiced by reason of his war service, has been honourably discharged after less than six months' service.

4. Selection of Land Suitable for the Scheme.

The procedure to be followed by the State in the submission of settlement proposals for inclusion in the scheme shall be as follows:

(a) After the State has selected any land which appears suitable for settlement, it shall immediately take all practicable measures to prevent the land or any part thereof being dealt with otherwise than for purposes of the scheme.

(b) After the State has selected any land which appears suitable for settlement, it shall immediately take all practicable measures to prevent the land or any part thereof being dealt with otherwise than for purposes of the scheme.

(c) After the State has selected any land which appears suitable for settlement, it shall immediately take all practicable measures to prevent the land or any part thereof being dealt with otherwise than for purposes of the scheme.


The following provisions shall apply to the development and valuation of holdings.

(a) The State shall provide and subdivide the land comprised in an approved project and undertake the planned works to a stage where holdings can be brought into production by settlers within a reasonable time having regard to the type of production proposed. The State shall provide the utmost assistance and the planned works shall be undertaken to ensure that the holdings are suitable for the purpose.

(b) The planned works referred to in the Commonwealth certain information to be determined by the Commonwealth and shall confer with the Commonwealth to determine whether a detailed survey of the land is required. If the Commonwealth agrees that a detailed survey is required, this will be undertaken by the State with the assistance, if requested by the State, of relevant Commonwealth Authorities.

(c) The State shall submit to the Commonwealth such detailed proposals for settlement, including blocks and particulars relating to the proposed subdivision of land as the Commonwealth requires.

(d) The State shall also submit to the Commonwealth a detailed statement of the cost of each proposal mentioned in the last preceding subsection. Where the land in question is Crown land, the statement shall show the value which it is expected to be credited for the land. When the land in question is private land, the State shall show the amount for which it considers the land will be acquired.

(e) Upon receipt of the information mentioned in the preceding subsections and in the case of an approved plan of settlement, the State shall submit to the Commonwealth a statement of the amount for which it considers the land will be acquired.

(f) Upon receipt of the information mentioned in the preceding subsections and in the case of an approved plan of settlement, the State shall submit to the Commonwealth a statement of the amount for which it considers the land will be acquired.

(g) Upon receipt of the information mentioned in the preceding subsections and in the case of an approved plan of settlement, the State shall submit to the Commonwealth a statement of the amount for which it considers the land will be acquired.

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(x) Upon receipt of the information mentioned in the preceding subsections and in the case of an approved plan of settlement, the State shall submit to the Commonwealth a statement of the amount for which it considers the land will be acquired.

(y) Upon receipt of the information mentioned in the preceding subsections and in the case of an approved plan of settlement, the State shall submit to the Commonwealth a statement of the amount for which it considers the land will be acquired.
(4) The total cost referred to in subclause (3) of this clause shall compute the sum of—
(a) the total cost of the land provided for the project as included in the approved capital costs less the proceeds of any land disposed of in accordance with subclause (1) of clause 6 of this Statement;
(b) the cost of any portion of the planned works completed by the State;
(c) the cost of any portion of the planned works completed by a settler;
(d) the estimated cost of any portion of the planned works not then completed; and
(e) interest at the prevailing long-term bond rate on the approved capital costs provided from loan raisings.

(5) The valuation of a holding when developed shall be that part of the total cost apportioned to it under subclause (3) of this clause on which a settler possessing no capital could meet the commitments of one year or less. The excess of the total cost of the land and of the planned works of the project as set out in this clause over the sum of the valuations determined in accordance with the last preceding subclause of the holdings derived from the project.

4.—Applications, Selection, Training and Assistance

The following principles shall be adhered to in training, selecting and settling applicants under the scheme:

(1) An eligible person under subclause (1) of clause 3 of this Statement may apply to participate under the scheme not less than one year after the last of the following dates:
   (a) the date of the last adjournment of the National Congress for the year in which the Scheme was approved;
   (b) the date on which the Act was passed by the Federal Legislative Assembly;
   (c) the date of the last adjournment of the National Congress for the year in which the Scheme was approved.

(2) An eligible person under subclause (3) of clause 3 of this Statement may apply to participate under the scheme not more than three years after the last of the following dates:
   (a) the date on which the applicant ceased to be employed on war service; or
   (b) the date on which the applicant died.

(3) An application for settlement shall be made to the appropriate State Authority under a scheme of war service land settlement administered by any State, or, if made to the Commonwealth, shall be treated by the State as applications for settlement under the scheme.

(4) The classifying Authority will—
(a) determine whether an applicant is an eligible person;
(b) classify eligible persons as—
   (i) suitable either immediately or after training or further experience; or
   (ii) unsuitable for settlement.

(5) Where training or further experience is considered desirable by the classifying Authority, such training or experience shall be provided mainly by employment with farmers approved by the classifying Authority.

(6) There may be granted to a settler during the period of one year immediately following the first allotment of a holding under the scheme (in this Statement referred to as the assistance period) a living allowance at such rate and subject to such conditions as may be fixed by the Commonwealth.

(7) During the assistance period, the settler shall not be required to pay any rent or interest in respect of the holding, or to make any payments on account of principal or interest in respect of advances other than advances for working capital made under subclause (6) of clause 6 of this Statement.

(8) In special circumstances and upon conditions approved by the Commonwealth, assistance may be given in respect of any particular holding, be extended beyond the period of one year.

(9) The net proceeds of the holding during the assistance period shall be paid to the agent on behalf of the Commonwealth with the consent of the settler in respect of advances for working capital in accordance with subclause (6) of clause 6 of this Statement.

(10) The credit of any assistance given in respect of a particular holding shall be determined by the Commonwealth.

(11) If, in the opinion of the Commonwealth, any of the conditions of this clause are such that it is desirable to do so.

7.—Allotment and Leasing of Holdings

In the allotment and leasing of holdings, the State shall comply with the following principles:

(1) Each holding shall be allotted by the State to an eligible and suitable applicant. Applications shall be allotted holding in order of their priority of suitability as determined under subclause (2) of clause 6 of this Statement.

(2) The settler shall be required to purchase the structural improvements and to enter into a lease in perpetuity on all land improvements. Subject to this clause, the general terms and conditions of the lease shall be such as are approved by the Commonwealth. If the Commonwealth and the State so agree, the lease shall provide for the option for the purchase of the absolute freehold at any time after the expiration of a period of 10 years from the commencement of the term of the perpetual lease, and if the Commonwealth and the State so agree the lease will contain provisions to give effect to subclauses (1), (2) and (3) of this clause.

(3) The annual rent payable under the lease shall be £15 per annum of the valuation made under subclause (5) of clause 8 of this Statement after deducting from the amount the price payable by the settler for the existing structural improvements, the cost estimated as required by subclause (4) of clause 8 of this Statement, of planned works completed by the State and of any planned works yet to be completed on that holding, but it shall condition of that lease that, on cost of any further planned works, other than those completed by the settler at its expense, the rental shall be increased by 2½ per cent. of the cost of those planned works after deducting from the cost the price payable by the settler for any structural improvements already those further planned works.

(4) There may be added to the rent under the lease an amount to be agreed between the Commonwealth and the State in respect of any State set or connection with the scheme.

(5) The lease may provide for compulsory purchase in accordance with the State in respect of any such conditions.

(6) The lease will be not transferable by consent of the Commonwealth and the State agreed.

(7) The option price for the lease to the Commonwealth is to be the time of the leasehold until a reasonable market value is reached by the State, whichever is the lesser.

(8) The State may have the right to demand the rental of the holding or to enter into a lease in perpetuity on any land improvements before the expiration of the period of 10 years referred to in subclause (1) of this clause, for a review of the property and to provide the settlement that the price determined under subclause (1) of this clause is the market value of the holding.

(9) The lease shall be entered into, if the settler accepts the conditions of the lease, and, in accordance with its terms, is to be paid compensation for the improvements owned or effected in respect of which are essential for the working property, after allowing for any settlement in the State or the credit assumed and administration payable in respect of structural improvements which have not been completed in accordance with the subclause (3) of this clause, shall not exceed the amount actuated by the Commonwealth for the purchase of such improvements and payments of interest.

B.—Amount of Financial Assistance to Be Granted by the Commonwealth

Subject to compliance by the State with the conditions of this clause, the Commonwealth may agree to provide assistance in respect of the operation of the scheme as follows:

(1) The Commonwealth will bear its share of administering the scheme.
4) The classifying Authority will—
(a) determine whether an applicant  is an eligible person;
(b) classify eligible persons as—
(i) suitable to be admitted immediately or after training or further experience in an order of priority determined by the Authority; or
(ii) unsuitable for settlement.
5) Where training or further experience is desirable by the classifying authority, that training or experience shall be provided mainly by employment with farmers approved by the classifying authority.

(b) There may be granted to a settler during the period of one year immediately following the first allotment of a holding under the scheme (in this Statement referred to as "the assistance period") a living allowance at such rate and subject to such conditions as may be fixed by the Commonwealth.

5) During the assistance period, the settler shall not be required to pay any rent or interest in respect of the holding, or to make any payments on account of principal or interest in respect of advances (other than advances for working capital) made under subclause (6) of clause 5 of this Statement.

6) In special circumstances and upon conditions approved by the Commonwealth, assistance may, in respect of such particular holdings, be extended beyond the period of one year.

7) The net proceeds of the holding during the assistance period shall be paid to the credit of the settlers by the Commonwealth, subject to such conditions as the Commonwealth may determine.

8) Where the sovereign interest acquires a particular case, waives the requirements of the Commonwealth, and in its opinion the circumstances of the case are such that it is desirable to do so.

Allotment and Leasing of Holdings.

be allotment and leasing of holdings, the shall comply with the following principles—

(a) Each holding shall be allotted by the State to an eligible person, and all applications shall be held in order of priority determined by the Commonwealth.

(b) Each application shall be accompanied by a proposal for the settlement of the holding.

(c) Settlement shall be made in accordance with such terms and conditions as may be determined in the Commonwealth and the State.

(d) Settlement shall be made in accordance with the circumstances of the case and the requirements of the Commonwealth and the State.

(e) Settlement shall be made in accordance with the circumstances of the case and the requirements of the Commonwealth and the State.

(f) Settlement shall be made in accordance with the circumstances of the case and the requirements of the Commonwealth and the State.

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(z) Settlement shall be made in accordance with the circumstances of the case and the requirements of the Commonwealth and the State.

AA.

—Amount of Financial Assistance which will be Granted by the Commonwealth.

Subject to the conditions of the Commonwealth and the State, the Commonwealth will grant financial assistance to farmers for purchase of land and improvements, including those excluded from the scope of the Commonwealth's assistance under the Act, in accordance with the conditions of this clause. The Commonwealth will provide financial assistance to farmers for purchase of land and improvements, including those excluded from the scope of the Commonwealth's assistance under the Act, in accordance with the conditions of this clause. The Commonwealth will provide financial assistance to farmers for purchase of land and improvements, including those excluded from the scope of the Commonwealth's assistance under the Act, in accordance with the conditions of this clause. The Commonwealth will provide financial assistance to farmers for purchase of land and improvements, including those excluded from the scope of the Commonwealth's assistance under the Act, in accordance with the conditions of this clause. The Commonwealth will provide financial assistance to farmers for purchase of land and improvements, including those excluded from the scope of the Commonwealth's assistance under the Act, in accordance with the conditions of this clause.
APPENDIX "D."

Dear Sir,

You have recently been informed by the Classification Committee that you are considered qualified to apply for farms of the type you require when these farms are thrown open for selection from time to time.

In view of the fact that the number of qualified applicants exceeds the number of farms so far purchased under the scheme, and in order to give applicants some idea as to how they stand for allotment to enable them to make their plans for the future, it has been decided that the Allotment Board should grade qualified applicants in what is considered to be their relative order of merit as prospective settlers.

The number of qualified applicants in the six groups awaiting farm allotment is as follows:

<table>
<thead>
<tr>
<th>Group</th>
<th>Wheat and/or Sheep</th>
<th>Dairying</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Group</td>
<td>103</td>
<td>30</td>
</tr>
<tr>
<td>2nd Group</td>
<td>156</td>
<td>32</td>
</tr>
<tr>
<td>3rd Group</td>
<td>266</td>
<td>30</td>
</tr>
<tr>
<td>4th Group</td>
<td>139</td>
<td>14</td>
</tr>
<tr>
<td>5th Group</td>
<td>54</td>
<td>2</td>
</tr>
<tr>
<td>6th Group</td>
<td>17</td>
<td>2</td>
</tr>
</tbody>
</table>

You have been graded in Group...

It is emphasised that this grading is only the result of an effort to assist applicants in deciding whether they should wait for a farm under the scheme or seek re-establishment in other directions. It should not be interpreted as an assurance or guarantee that farms will ultimately be available for any group during any particular period, nor that it will definitely fix the order or priority in which farms will be allotted; as already stated to you, you will be eligible to apply for any farms of the type for which you have been classified.

The Allotment Board will give full consideration to all applications received for any farm and will review each application in the light of all up-to-date information submitted.

Yours faithfully,

E. ROBERTSON,
Secretary,
Classification & Allotment Board.
Telephone B 2471.

By Authority: WILLIAM H. WYATT, Government Printer, Perth.