FARMERS ASSISTANCE (EXTENSION) BILL 1938

Legislative Assembly, 1 December 1038, pages 2811-25

Second reading

Having obtained leave, the Treasurer intro­duced a Bill for an Act to extend the opera­tion of the Farmers Assistance Act, 1933-36. Read a first time.

The Hon. T. PLAYFORD (Gumeracha— Premier and Treasurer) — This Bill extends the operation of the Farmers Assistance Act, 1933- 1936, so as to enable assistance and protection to be given to farmers until the completion of the 1939-1940 season. The Farmers Assistance Act was passed in order to provide assistance to farmers who had suffered from drought conditions or the effects of the depression and, unfortunately, owing to drought conditions in some parts of the State, it has again become necessary to render assistance to farmers in this State. Clause 2 extends the operation, of Part III of the Farmers Assistance Act to include a farmer who crops his land for the 1939-1940 season. Clause 3 extends the operation of part III of the Act so that certificates may be issued under that part up to June 30, 1940.

Part III. of the Act makes provision for the finance of farmers. Under this part a farmer may secure an advance from the Farmers Assistance Board for the purpose of working his land and the maintenance of his family. The farmer is required to assign his crop to the board and the board is required to dispose of the proceeds of the crop in such manner as the board, having regard to the interests of the farmer and his creditors, deems equitable. From the time the farmer makes application under Part III. until August 31 next after the harvesting of the crop assigned to the board, the farmer obtains the suspension of certain of his liabilities to his creditors. In certain circumstances, a creditor may obtain leave from a special magistrate to proceed against the farmer. Under Part IV. of the Act, a farmer may be granted a protection certificate by the board. A protection certificate gives to the farmer protection from his creditors similar to the protection given under Part III. but in this case the protection does not include secured debts incurred since December 31, 1929.

Under this Part, also, advances may be made to the farmer. In addition, the provisions of Part IV. enable the board to submit to the farmers’ creditors proposals for the reduction of the farmers’ debts and schemes for this purpose may, with certain consents of the farmers’ creditors, be given effect. The purpose of the Bill is therefore to permit a farmer to come within either or both of Parts III. or IV of the Farmers Assistance Act for the purpose of enabling him to be given the necessary financial assistance and protection to carry on during the next season. There is no departure from any previous legislation. No amendment is proposed, but merely an extension of the Act to cover the present drought position and I hope that the measure will have a speedy passage. I move the second reading.

The Hon. R. S. RICHARDS (Wallaroo— Leader of the Opposition)—It is not the inten­tion of the Opposition—perhaps I should say the official Opposition—to delay the passage of this Bill. All it does is to extend the operation of the Farmers Assistance Act and it provides no scope for members to amend the provisions of the principal Act. If the farmers do not desire to avail themselves of the provisions of this Statute they need not. If, on the other hand, there are some who feel it would be of some advantage to do so this Bill will give them the opportunity. The measure is one of those pieces of legislation which was enacted at the time when everybody was crying out for legislation to protect the man on the land in order that unscrupulous business interests should not foreclose and push him off. Admittedly, the depression lasted longer than most of us thought it would and there is division of opinion now as to whether the legislation should be extended. In some cases it has been abused sometimes by the farmer, sometimes by the administrators, and in other respects by business interests, but in the final analysis it will be found that the Act has been of immense value to a great number of wheatgrowers. In view of the prevailing circum­stances, it is as well that we should extend the provisions.

Mr. CHRISTIAN (Eyre)—I wish to draw attention to a point raised by the Premier in reply to a question by the Hon. G-. F. Jenkins on Tuesday last regarding advances for seed wheat. The Premier said:-—

The Government has considered this matter. In reply to a question last Thursday I pointed out that Government was unable to make a gift in respect of seed wheat; any advance must necessarily be upon some security. The Government has decided now to re-open the Farmers Assistance Act to allow applications to be made under both Parts III. and IV. I have taken up the question with the Farmers Assistance Board to see whether it can make nominal advances for wheat without subjecting the applicants to the control that applies in respect of much larger advances. I have not yet received a reply from the board, but I believe that that will be a way of safely making advances to farmers in the condition the member has outlined.

That statement suggests that the Premier himself, was not very enamoured of the kind of control that the administration has been exercising.

The Hon. T. Playford—Oh no!

Mr. CHRISTIAN—I suggest that in respect of the lesser -advances which may be desirable in the specific cases alluded to, some less rigid or harsh type ;of control might be exercised.

The-Premier-has not yet given) the House any reply as the result of his inquiries and I am, wondering what the report of the board wag. As I have already stated in consideration of another Bill there is considerable scope for some improvement in the administration of the Act and I suggest very strongly, once again, that the Government should interest itself in the way the administration has worked out. I agree with the Leader of the Opposition that, by and large, some considerable benefits have been derived by farmers by reason of this legislation in that it afforded them protection against foreclosure and the wholesale seizure of goods and chattels and in a measure has kept them in production.

Mr. Macgillivray—Would not others have suffered as much as the farmers in the event of wholesale foreclosures?

Mr. CHRISTIAN—It was to prevent that general collapse among other interests that this kind of measure was enacted because everybody realized that if, at the outset of the depression, we had allowed the .ordinary bankruptcy procedure to go on it would have been not merely the several thousand farmers that suffered, but various other business interests would have crashed. Many members appear to assume that the purpose of this legislation is merely to assist farmers, but it went much beyond that, in that it sought to prevent what might have been a wholesale collapse of the economic structure of the State, although I have frequently wondered whether it would not have been in the farmers’ interests if that insolvency procedure had been allowed to go on at the-time. From my experience of the 'kind of ‘lives that thousands of men, women, arid children have had to endure—-not by reason of the administration purely and simply—but by reason of the severe and distressful economic conditions under-which-they had to exist, this might have proved the best course for them to follow. I have often suggested that 'the best type of' administration we have had has contributed in some degree to those conditions and that a different type of administration would have ameliorated them to a considerable extent. If the wholesale insolvencies had occurred at that period possibly farmers themselves would have been in a far better position now, in that their rehabili­tation would have commenced at that time and to-day might have been achieved wholly, or at least to a greater extent than it has actually occurred.

The Hon. S. W. Jeffries—They made their own choice.

Mr. CHRISTIAN— The; disaster to others, however, would have, beep . considerable if this wholesale insolvency had been permitted. I do not wish to delay the Bill as I realize that there is necessity to provide some financial assistance. Whether farmers .will avail themselves of it I do not know. The Attorney-General suggests that they need not, but perhaps he does not realize the position. Possibly hundreds of farmers are in the position that if they cannot get some financial assistance from somewhere they must go off their farms and their families will suffer much distress. It might not be forgotten that these people have pioneered our outback country and have .put years and years of work into that job. They went out with capital and plant and great hopes and what has resulted? They have lost all, the equity they ever had. Their property is tied :up, in most instances to the Farmers .Assistance Board, and that they have not a stick they can call their own. Therefore they have not much alternative but to accept the help offered under this measure and again place themselves under that type of administration which has been so hurtful to the pride of many .self-respecting people. They have self respect .and pride, but had to submit to the irksome administration of the board. I do not blame the board entirely, but it did .not act in accordance with, the desires expressed by Parliament in the original Act. It should have decentralized the control and made the administration, less irksome than it has been.

Mr. McKENZIE (Murray)—I am opposed to-the Bill because I believe it is not necessary. Since 1930 many farmers have been growing wheat at less than the cost of production. Some of those who have been working under the Act had a year or so of fairly payable prices, but just when they were getting out of their difficulties wheat prices began to fall again. The result is that they will have to continue working under the Act.

The Hon. S. W. Jeffries—They do not have to come under the Act.

Mr. McKENZIE—If they want any assistance it is necessary for them to do so. A farmer who has had no crop this season will be unable to obtain any relief unless he works under the Act, and, if he does come under it, it will be necessary for him to pay principal and interest.

The Hon. G. F. Jenkins—Don’t you think he should pay ?

Mr. MeKENZIE—Why should he pay it when the farmer who has reaped, say, 30 bushels and gets 2s. 3d, a bushel, for his wheat plus 6d. bounty, has to pay nothing? Each farmer should be permitted to work out his own destiny. The position is that a man will not be able to participate in the assistance rendered by the Commonwealth Government unless he places his affairs in the hands of the Farmers Assistance Board.

The SPEAKER—I remind the member for Murray that this is an amending Bill. It seeks to continue the operations of the Farmers Assistance Act. Consequently, he cannot debate whether or not the Commonwealth assistance should be on a bushel or acreage basis.

Mr. McKENZIE—The members of the board know little concerning the conditions which exist in the mallee country and on Eyre Peninsula. The farmers do not want to become the shackled slaves of the board. If the Premier is anxious to render assistance to the farmers he should withdraw the Bill and listen to the advice which could be tendered by members of this place who have spent most of their lives farming. Assistance could be rendered to the farmers by making use of the branches of the banks in various localities. f this were done the large staff employed by the board could be dispensed with, but it seems that the Government does not want to dispense with that staff because it is useful at election time. The farmers should not be compelled to come under the Act to partake of a national gift, which was given to avoid a national calamity.

The Hon. S. W. Jeffries—No one is putting them under the Act.

Mr. McKENZIE—If a farmer has had no crop and requires assistance he must come under the Act. In the past some farmers have not been willing to work under it, but eventually they have had to swallow their pride and do so. We heard recently of the court cases at Kimba. All the farmers want is a square deal.

The Hon. G. F. Jenkins—You said just now that they should not be expected to pay interest and principal.

Mr. McKENZIE—If a man has reaped, say 9 bushels, and he does not have to repay anything, why should the unfortunate man who has reaped no crop have to make repayments? The Commonwealth Government proposes assisting farmers to the extent of £3,000,000. An amount of £100,000 for drought relief is to be distributed amongst unfortunate farmers in this State. Those who participate in this grant of £100,000 have to repay the amount of money advanced to them, but those who do not find it necessary to take advantage of that grant will have nothing to repay. The assistance should be rendered through the private banks instead of the socialistic bank which is situated in Pirie Street. If the Bill is passed there will be next door to a revolution in the country. The farmers will be forced to go back under the Act when they have been striving for years to free themselves from its provisions. I am speaking to an almost empty House because only a few Government supporters are present. If members on this side occupied the Treasury benches proper legislation for the assistance of the farmers would be passed. Members of the Ministry receive £20 a week and dictate to others.

The Hon. G. F. Jenkins—Would not the honourable member take it?

Mr, McKENZIE—If I had my way I would pool all the salaries.

The SPEAKER—Order!

The Hon. R. S. Richards—They are only drawing those salaries because of the assis­tance rendered to them by Independents who were elected to defeat the Government.

Mr. . McKENZIE—The Leader of the Opposition has given them support at times, and he is paid £250 a year, not to “pick me,” but to oppose the Government. I. am a Labor man and I intend to work for the workers.

The SPEAKER—I ask the member for Murray to discuss the Bill.

Mr. McKENZIE—The farmers in the country are being controlled by Pirie Street farmers with the assistance of the three and a half lawyers on the Government benches, and the farmers have to put up with the position. The Government would be well advised to listen to the advice of the farmer members of this place. Farmers should not be forced to work under the Act. The board should be dispensed with, because the farmers could be assisted through the branches of the banks in the various localities.

Mr. STOTT (Ridley)—The Bill needs careful consideration. Recently in, this place the position of farmers who have been working under the principal Act were disclosed. The Bill extends the operations. of the Farmers Assistance Act to provide some measure of relief for those unfortunate settlers who suffered this year through drought conditions. There is no necessity for the provisions of the principal Act to be extended for the purpose of affording that relief. I give the Government every credit for its desire to assist unfortunate farmers in being able to sow wheat for a crop next season. Many farmers have been working under the Act since 1934. A number have never worked under it, but because they have been unfortunate in experiencing drought conditions in their area this year they have to come under the Act in order to obtain relief. Such a thing is repugnant to those farmers, and I think the policy of the Government is wrong. Because of these wholesale convictions, harsh control, and administration under which they have been forced to work many farmers will be loath to make application for assistance to sow their crops.

The Premier said the Bill would extend the Act until 1940. Replying to a question the other day he said the Government would consider extending the operations of the Act and also the removal of this drastic form of control. Nothing, however, has been placed before us to indicate that. Although the Treasurer has moved that the Bill should pass without delay I am hopeful that when it is in Committee I will be given an opportunity to move an amendment to provide that farmers will not have this drastic control forced upon them. It can be avoided. The Government has an institution known as the State Bank of South Australia, and prior to the operations of the Farmers Assistance and the Primary Producers ’ Debt Adjustment Acts it was the function of that bank to administer matters pertaining to drought relief. The Commonwealth Government has set aside £500,000 for the purpose of assisting farmers to sow their crops and has allocated £100,000 to this State, which will be more or less a direct grant to them. That amount is totally inadequate to enable these men to sow a full crop. Many farmers have 300 or 400 acres under fallow, and the assistance they would receive would be inadequate to sow that area. The Government has said it will place on the Loan Estimates a sum of money to enable the Farmers Assistance Board to assist necessitous farmers, but they must make application for assistance under the Bill. The Government should have handed the money it proposes to give to the board over to the State Bank and allowed farmers to go to the managers of the bank in different districts.

The Hon. T. Playford—You are saying exactly the opposite to what you said when the Bill was introduced. At that time you said it would be an improvement if we took the work away from the State Bank and put it under the Farmers Assistance Board.

Mr. STOTT—I said that, definitely. I am pleased that the Premier interjected, but he will be sorry indeed for having done so. In 1933 we said it would be an improvement. It proved to be so, and, as Mr. Christian said, the work could be decentralized along the lines we now suggest. The board, however, did not decentralize its activities, but carried out its functions in Pirie Street, Adelaide. We should not leave the farmers who have been under the Act since 1934 in the air, but should allow the State Bank to assist farmers who now require help to sow their crops. The State Bank branch managers at Kimba, Loxton, Hawker, and other places could deal effectively with any applications because they would know the position of the farmers. They would know how much farmers would require for super, sustenance, and wages to keep going. It is the function of the Government to see that farmers sow a crop. I commend the Government for saying that it will see it is done, but I think it is going about it in the wrong way. I am sure that thousands of farmers who have never been under these Acts will, because of the low prices ruling for wheat and drought and plague, be unable to sow any crop next year. The Premier should agree to an adjournment of this matter so that we can go further into it. I am making an appeal mostly on behalf of the farmers not under the Act. Those who have been under it since 1934 are all right, because all they will have to do is to renew their applications and carry on, but what about those who have never been under it? The control in the past has not been acceptable. One point I would like information on is that regarding the recent convictions of a number of farmers. Why have they been dragged into the court? All the farmers are not dishonest, and I know of many farmers in the Kimba and Loxton districts who have never been in the courts.

The Hon. S. W. Jeffries—I think you are exaggerating the position.

Mr. STOTT—I am not. The House should give serious consideration to an extension of the Act.

The Hon. S. W. Jeffries—The temptation which has been placed before some of these farmers by storekeepers is one reason why they have appeared in the court.

The Hon. J. Mclnnes—Where is the Aet so much more drastically administered under the Farmers Assistance Board than under the State Bank?

"Mr STOTT-—My point is that formerly the farmer made a straight-out application and all he had to do was to give an assignment over his crop, but subsequently Parliament required an assignment, not only over his crop, but over the whole of his assets. It has had a bad moral effect upon farmers who have come under the Act. We know that some farmers are more efficient than others, and that some have had a little more capital. Lack of capital, however, has hamstrung farmers in their operations. The State Bank has never exercised that strict control over farmers that the Farmers Assistance Board has. The board would say Jack Smith has been under our control since 1934 . His crop returns are exceedingly low this year because of the dry season, but we will carry him on until next year. Look at the other side, however, and take the farmer who has never been under the Act. Will he make application to come under it in future The opinion that he will think twice before doing so. The Government should provide money to be made available by overdraft through the State Bank to assist these men. If that is done it will not mean any extra board or Staff and .farmers in the drought-stricken area will simply go to the nearest State Bank and put their case before, the manager.?. The total amount they might require to enable them. tocarry on. probably would be £100 or. £150. If ,the farmers ’ crops .are successful they will be able to repay their overdrafts. If it. is impossible to arrange an overdraft because the existence, of some other instrument precludes it, I .believe that that difficulty can be overcome by co-operation with banks concerned. This Bill haying been introduced only this afternoon it would, be in conflict with Standing Orders for me to attempt to move an amendment to abolish this control, as this is merely a measure for the extension of the Act. By introducing the Bill this afternoon I believe that the Treasurer has taken a bad step—

The Hon. T. Playford—If the honourable member wished to amend the Farmers Assistance Act he has had ample opportunity because there has been a Bill for that purpose on the file for weeks.

Mr. STOTT—The Premier is ridiculous. How could I know the intentions of the Government?

I have been raising questions on this issue for the past fortnight. I did not want to perplex the Government by preceding it with some amendment. What I want to do is to co-operate with it to assist the farmers to get their crops sown, but the only intimation we have had of the Government’s policy is the introduction this afternoon of a Bill to extend the operations of the Act. I cannot even move an amendment which I think is desirable in the, interests of the district I represent. Before I agree to the passing of this Bill l want a definite assurance from the Government that what I have suggested will be put into effect and I strongly urge the Premier to adjourn the debate in order to see whether arrangements can be made over the week end for next year’s seeding along the lines I have suggested. I am putting forward constructive criticism in the interests of South Australia as a whole, the Government, and the unfortunate settlers who will be forced to obtai assistance this year. I am speaking for the hundreds of : farmers who have not been under the Act hitherto and who do not wish to come under it. Meetings are to be held in Country districts early next week to enable farmers to consider what will happen in respect of drought relief. They will have noticed press reports of the Government’s intention to extend the operation of the Act and I am sure there will be protests and appeals to the Government to adopt some other method. I have suggested other: methods which the Government could follow.

The Hon. G. F, JENKINS (Newcastle)- -It is pleasing to note some glimmerings of . reason in the minds of those members who hitherto have been so .anxious for the-Government to take over the financing of all these farmers. It was obvious that the Government could not act as general financiers without some control over the farmers to whom they lent money, hence the creation of the Farmers Assistance Board about which there is so much contention at present. The Premier has introduced this Bill to-day to extend the operation of the Farmers Assistance Act to allow those who desire to come under it an opportunity to do so. No one is obliged to avail himself of that privilege, but as has been stated by some of the most ardent advocates of this legislation a few years ago, a great many of those who did come under the Act are now rather sorry that they did not avail themselves of the Bankruptcy Act and thus get out of their troubles. I do not take the view of the member for Ridley that this is the only way that the Government means to take to assist farmers whose only requirement is a bit of seed wheat for next season. I have reason to believe that the Government will be able to arrange, through the Farmers Assistance Board, to make so necessary an advance without bringing farmers under the ordinary clauses of the Act. That was indicated by the Premier’s reply to my question a day or so ago.

Mr. Lyons—That cannot be done under the Act.

The Hon. G. P. JENKINS—I am not too sure about that. The purpose of the Act was not only to make advances to farmers, but also to protect farmers who were in danger of being forced off their holdings by mortgages arid others, through inability to meet commitments. Hence the Farmers Assistance Board came into being to the great regret of not only farmers, but, in many instances, of other people. We have to realize that this cast-iron control which seems to be essential in all matters which are Government controlled has acted to the detriment not only of farmers, but in many cases of creditors of farmers who have not been able to get their dues. In respect of those farmers who have never come under the operations of the Act and who have no desire to do so, but who cannot get sufficient advances from other banks to sow next year’s crop, the Government could make advances without bringing them under the rigid control of the Farmers Assistance Board. The member for Ridley made sug­gestions, too, regarding advances by the State Bank, but the State Bank has not branches in all districts in South Australia, and in such places farmers go to trading bank for the assistance they require. In many cases farmers who were desperately hard up at the time of the depression carried on because the local bankers had sufficient confidence in them to recommend advances. Those farmers were under some form of control by the bank which made the advances, but the control was such that a great many more have got out of their difficulties than those! who came under the con­trol of the board. That being so it seems to me a great many are realizing that the State would have been better off without this sort of legislation. There is another phase that I wish to bring under the notice of the Government and that is the people who have come under the control of the board and obtained debt adjustment. Some of those farmers cannot get free from the Farmers Assistance Board although desirous of doing so. They have asked to be freed because they feel able to carry on and they are prepared to take the risk of their creditors pushing them off. That seems to be essentially wrong.- I am very dubious about supporting this legislation for continued control because, having built up a huge Government department, it is going to be extremely difficult to get rid of it. This octopus which has grown up in Pirie Street for the control of farmers, instead of diminishing in size and cost, appears likely to become a permanent institution and that is not in the best interests of either the taxpayers or the people who have unfortunately come under its control. Many of the disasters which we feared would occur unless this control were instituted now appear to have been more or less imaginary. I think it .would have been .found that the banking institutions and others who had lent money on the security of farm property would have been the first to realize that the wholesale forcing of farmers into insolvency would have depreciated the value of farm land to such an extent that the whole of their security would have been lost. These men know their business and would not have taken such drastic steps. Although I support the second reading it is with great reluctance for the reasons I have stated.

Mr. ABBOTT (Burnside)—I listened with great interest to the speeches delivered by the member for Newcastle and those who preceded him. One gathers from Mr. Jenkins ’ speech that he views this measure with grave distrust. Some members have spoken of the dislike which exists amongst farmers to the so-called benefits of this type of legislation. I am glad to hear such statements from men who are competent to express the opinion of the farming community. For years I have been lifting my voice in opposition to this form of legislation because I am convinced that it is not of benefit to; the farmers, and it places a large burden on the community in general. No case has been made out to warrant the extension of the legislation for another two years. To extend it for even one year would be a drastic action. It was not intended when the legislation was first enacted to be other than a protection to the farmers during the depression. The framers of it did not contemplate that it would be continued under various guises and kept in force for a long period by a Liberal Government. The value of it over the last few years has been largely dissipated. It has become obvious that, if it is continued, it will be as difficult to repeal in years to come as it is to-day

The Hon. E. J: Eudall—The legislation is being kept alive for the benefit of those who want drought relief.

Mr. • ABBOTT—The Bill goes farther than that. It seeks to amend section 12 of the principal Act,- which reads

:(1) Any farmer who intends to put, or has put, land under crop for the season 1934-1935, or any; subsequent season not later than the season 1937-1938, to which the Governor by proclamation directs that this Act shall apply may apply to the board for advances under this part.

The Hon. E. J. Eudall—The Bill is only to aid those who want drought relief assistance.

Mr. ABBOTT—The Act was to continue until the 1937-1938 season, but if this Bill is to deal only with drought relief why extend the legislation for another two years?

Mr. Thompson—There will have to be a sowing in 1938-1939.

Mr. ABBOTT—That may be so, but it is not a two-year crop.

The Hon. E. S. Richards—A sowing will have to be made next year.

Mr. ABBOTT—That may be so.

The Hon. E. J. Eudall—Why not go to the country and obtain some acquaintance with agricultural conditions?

Mr. ABBOTT—I had an acquaintance with agricultural conditions many years before the Minister took an interest in them. As far back as 1908 and 1910 I had a close interest with a farming community on Eyre Peninsula, and I know something about the matter.

The Hon. E. J. Eudall—Do the farmers sow a crop in December?

Mr. ABBOTT—I am not entirely ignorant of the position. I do not profess to know all the requirements of farmers because it is now some years since I was in touch with the farming community. Apart altogether from that aspect of the matter, there is no real need to extend the provisions of the legislation. I am fortified in that opinion by the opinion of two competent farmers in this place who have already spoken. If they are in agreement with me, and I am in agreement with them, it is beside the point whether or not I am personally ignorant of the more intimate conditions associated with farming. The legislation ought to be brought to an end, and the business and farming communities are for once in entire agreement.

Mr. Thompson—Don’t the farmers want it?

Mr. ABBOTT—No.

The Hen. E. S. Richards—If they do not want it, they will not apply to come under it.

Mr. ABBOTT—It. is common knowledge that many farmers applied to come under the Act because they did not realize what they were doing.

The Hon. E. S. Richards—They will not do it again.

Mr. ABBOTT—Undoubtedly, a large number of those who have experienced the provisions of the legislation and have managed to get out of the control of the board will not be seen within a mile of it if they can avoid it. They realize that there is little benefit for them if they are under the Act. Those who have kept away from the board realize that they are fortunate, and they are the first to admit it. My experience is that those who did come under the Act are almost unanimous that the temporary benefits received are far out­weighed by the disabilities incurred. Why has the introduction of the Bill been left until so late in the session? If there were a demand for it the Government should have known the position weeks ago. A longer time should have been made available for considering its provisions. I intend to oppose the second reading, and trust there will be a sufficient number opposing it so that the measure will not be passed. Mr. Stott has pointed out that drought relief was available years before the Farmers Assistance Act was enacted; consequently, the Bill cannot deal only with drought relief. Other methods of providing drought relief are available. I can recollect the moderate staff engaged when the Farmers’ Assistance Board was established, and it is astonishing to see the number of clerks, typists, inspectors, etc., that have had to be appointed in order to carry out the provisions of the Act. Every day there are complaints that farmers are getting away with assets which rightly belong to the board, and there are complaints by farmers that the administration by the board is impossible. People who previously led a blameless life have been criminally prosecuted since the establishment of the board. The legislation is undesirable. The Government has been late in introducing this legislation; it is trying to hurry it through at a late hour now, but has not made out an adequate case in support of it. Activities under this legislation must be terminated sooner-or later and, in my opinion, the sooner the better. I strongly advise members to oppose the second reading.

Mr. ROBINSON (Gouger)—The Bill is not acceptable to me and it seems as if we are using a steam hammer to crack a nut. When I came into the House in 1914 South Australia, was experiencing a drought, the like of which we had never previously known. On that occasion the Government appointed Mr. Robert Kelly, then chairman of the Land Board and a practical farmer, to undertake the responsibility of implementing the Drought Relief Act with the assistance of a couple of clerks and a typist. The work was carried out most sympathetically and effectively and everything was done to help farmers to put in a crop in the succeeding year. To-day, we have a huge organization functioning in Pirie Street and it appears that the Government wants it to carry on these activities. I agree with Mr. Stott and other members who have defended the unfortunate farmers who are compelled to apply to the board for assistance to put in a crop.

The Hon. T. Playford—The fact that we are extending this legislation does not compel any farmer to come under it.

Mr. ROBINSON—It is a case of “He must needs go whom the devil drives,” and when that happens a farmer is forced to come under the Act to enable him to carry on.

The Hon. T. Playford—What alternative do you suggest?

Mr. ROBINSON—The Government should do what the Government of 1914 did—appoint an officer of the Lands Department to administer the work. No stigma is attachable to a man who finds he wants 20 or 40 bags of seed wheat to sow a crop.

The Hon. T. Playford—Do you know what advances were made at that time and how much of the money has been repaid?

Mr. ROBINSON—A lot of it has been repaid.

The Hon. T. Playford—I differ; a lot has not been repaid.

Mr. ROBINSON—I was under the impression that a great percentage of the money advanced in 1914 was repaid. The late Mr. Kelly interviewed farmers on their properties and gave them practical advice how to overcome their difficulties. It is appalling that a practical farmer should have to take orders from a whipper-snapper in Pirie Street who does not know anything connected with successful farming operations. One man in my district had a beautiful paddock of feed and rather than let it go to waste he made application to the Farmers Assistance Board for a few ewes in lamb. He was told by somebody in the Farmers Assistance Board that he could not have ewes, but must have weathers. The whole thing is too awful to talk about and the sooner we finish with it the better. I do not want those unfortunate farmers who have got out of the control of the board to have to go back for assistance to put in a crop. I am reluctant to support the proposal which has come to us in the late hours of Parliament.

The Hon. R. S. Richards—Are you going to support it?

Mr. ROBINSON—Not if I can see there is any other practical way of assisting these people out of their difficulties. Farmers who have been under the Act would rather bear any disabilities than come under it again.

Mr. Abbott—If the Bill is defeated the Government will find a solution all right.

1&r. ROBINSON—I think the honourable member is right and that if the Bill is rejected something much more effective will take its place.

The Hon. M. McIntosh—Mr. Abbott is objecting because the measure is too generous; you are objecting because it does not go far enough.

Mr. ROBINSON—Fortunately few farmers in my district of Gouger will require to take cover under the legislation. Except for the north-western portion, where crops are light, farmers are all right, but it is disgraceful to find they are offered only Is. ld. a bushel for their wheat and to know that as soon as it is taken over by the merchant they lose their property rights in respect of it. Mr. Christian is endeavouring to alter that by another Bill, but because of big vested interests I do not know how far he will get. I ask the Premier to confer with officers of the Agricultural and Lands Departments over the week-end and see if it is not possible to give relief to farmers on the drought relief principle. They should not be asked to hand over all their activities to a board. I have tried to meet Judge Paine, who is in charge of the board’s activities, on scores of occasions, but have not been able to do so because of some understrapper in the office. I have nothing against Judge Paine, who is a capable man, but I feel that if we had a practical farmer in charge he would be able to carry out the work much better. I hope some other means will be introduced by the Government to assist these farmers.

Mr. LYONS (Roeky River)—It amazes me to think that people should complain about the control of farmers from Pirie Street when the whole State apparently is controlled from King William Street. On the Treasury benches we have several men who possess no knowledge of farmers ’ needs. It is astounding that it should be so in a State which is almost wholly dependent .upon its wheatgrowers. I do not intend to criticize the Ministers, however, but desire to arrive at a basis whereby these farmers can, be placed on a proper and profitable footing. The Farmers Assistance .Board has not functioned in the way we anticipated. One great difficulty is that the man in charge of the board’s activities has no real knowledge of farmers ’ requirements. He is very sympathetic, and a good man, but unfortunately most of his officers are men who have failed in the farming business. People who have made a failure in one line of business are not in the best position to advise others how to make a success of it. No person with a manufacturing or commercial business would select as his chief executive officers persons who have made a failure in a similar business elsewhere.

Mr. Stephens—I have heard that said of a former Premier of this House.

Mr. LYONS—He was a lamentable failure in some respects, but apparently made a great success in other things he undertook and probably will be able to carry on successfully in a still more exalted sphere. We have heard a lot about men who cannot continue to carry on wheatgrowingj at a figure which returns only half the cost of production. I do not know of any manufacturing business carried on anywhere where the manufacturer can keep on employing labour and selling his goods at half the cost of production. Such a business would close down. Shall we say to the farmer, "Close down and do not do anything." This country of Australia, and South Australia particularly, has been developed largely by means of borrowed money. I am sure that if any farmer said at the end of the financial year he could not meet his commitments with his banker he would quickly have to seek the protection of the Farmers Assistance Act. Banks lend money at the lowest possible rate—or say they do—and expect the interest to be paid, and it is absolutely essential that everybody who supplies goods to the farmer should be repaid. There seems to be some drastic heed for a complete overhaul of the business of wheatgrowing. It has been said that there is a lot of politics in wheat. As far as I am concerned there is no politics in it. I think I can hold my electorate without saying one word about the troubles of wheatgrowers, but I venture to say there is a great deal of politics in the speeches of some of the people who so strenuously oppose requests for consideration of the wheatgrowers’ difficulties. These political views, however, will not help the farmers much. I heard it said this afternoon and I agree, that there should be some means of administering the farmers’ affairs other than through the Farmers Assistance Board. The representatives of private banks cannot control farmers unless farmers are prevented from buying things they cannot pay for. The best laid plans of bankers to finance some farmers are upset because some agent sells a farmer, in a weak moment, something that he could well do without, such as a tractor or some other machine that is not immediately necessary. It is therefore essential that there should be some control, but some of the best farmers in this country were forced under the control of the Farmers Assistance Board simply by the pressure of the mortgagees.

Mr. Robinson—Are we not discussing drought relief now?

Mr. LYONS—No, we are discussing the Farmers Assistance Act. This very important subject is being treated with altogether too much levity. If country people who have to earn their living by the sweat of their brow heard the manner in which this important question affects their financial safety is debated, they would be disgusted. It is a question that demands the earnest consideration of every member and is not a matter to be brought forward in the dying hours of the session. Unfortunately, in recent years, the practice has developed of rushing things through with five minutes consideration and afterwards complaining that the legislation is unsatisfactory. The proper way is to give full consideration to all matters. As a first step, the suggestion of the member for Ridley for time for further consideration should be adopted. Then the farmer members should get together and endeavour to formulate some suggestion to present to the Government. Where seed wheat and small advances only are required arrangements might be made with the local banks. There are not sufficient branches of the State Bank throughout the country to provide adequate supervision over the people to whom advances are made. In the Loxton district, as an example, some of the farmers are 30 or 40 miles away from Loxton and it would be obviously impossible for the local bank manager to exercise adequate control.

Mr. Thompson—What other banks are nearer?

Mr. LYONS—Private banks are nearer and the managers of those banks could be given the control of the settlers concerned. Some settlers, through having to come under the control of the board, have had their operations seriously hampered—-people who had no reason to come under the Act except that they wanted a moratorium. It seems a pity that they could not have secured that protection without placing themselves under supervision that has proved so detrimental to their welfare. Like the member for Eyre, I have advocated not once, but several times, control by some local person. In some cases that has acted admirably. If it works satisfactorily in respect of a public company how much better should it act in respect of the operations of farmers under the Farmers Assistance Board. The position could be eased very much by the appointment of leading farmers in the various districts to supervise farmers in need of assistance. I suggest to the Government that it adopt the suggestion of the member for Ridley and give time for further consideration of this matter. Unless that is done we will simply extend the operation of the Act and it is necessary to do more than that, although the time is too limited now to delve deeply enough into the business to discover the fundamental causes of primary producers ’ recurring difficulties.

A member—Are you supporting the Bill?

Mr. LYONS—I think I will have to, unless, of course, we defeat it with the object of having something better.

Mr. Stephens—You all sing the same song with a different tune.

Mr. LYONS—That is one more of the remarks of which I have complained previously this afternoon. I wish my honourable friend would take a little more notice of what is said by members who know something of farmers’ difficulties. I do not speak as one who wants anything for himself, because I do not. I want farmers who are in difficulties to be given some chance to get out of them. I absolutely dissociate myself from the feeling that people who contravene the Farmers Assistance Act should not pay the penalty. If the Government makes advances of goods and cash to a farmer on the undertaking that his proceeds shall be placed at the disposal of the board, that agreement should be adhered to strictly and anyone who breaks it is doing something that is not right and which should not be tolerated. Unfortunately, the control exercised by the board has been too rigid in some respects.

If a farmer wants a new part of a machine the length of time to get it through the board is so great that often the crop is half blown away before the repairs can be effected. For that reason control by local branches of banks is preferable to the present system. Also, control by leading local farmers should be given a trial. I know one man, whose place I was on last year, who was regarded at one time as being a most satisfactory farmer. He applied to the manager of a big company to finance his operations. The manager told him that the company would not finance him unless he reduced his customary cropping of 1,500 acres to 2,000 acres to not more than 500 acres, which he did. I have been on that farm since and the man has won several prizes as a wheatgrower, under the direction of, this firm’s representative, and has worked himself almost out of his difficulties. He is now looked upon as one of the leading farmers in the district. That illustrates what can be done under sympathetic control, but unfortunately, this cannot be said of many who have been under the jurisdiction of the board. In nearly every ease they have been handicapped in their operations. If there is a possibility of this Bill being substituted by another that will be more satisfactory I will vote against it, otherwise I must reluctantly support it.

Mr. THOMPSON (Semaphore)—The speeches we have heard this afternoon are rather remarkable. Some members want help for farmers because they say, that otherwise thousands will be ruined. When an attempt is made to do something to assist the primary producers the same people, reject it, as was done yesterday when an attempt was made to get some loan money to advance to farmers Now we are told that this Bill is.no good, that the board is not doing its job satisfactorily and that we should not continue with this legislation.

Mr. Abbott—Nobody said that.

Mr. THOMPSON—The honourable member did not say it.

Mr. Abbott—Nobody else said it.

Mr. THOMPSON—In view of all the statements about the actions of the Farmers Assis­tance Board, the failure of farmers because of unsympathetic treatment and the advantages of private supervision, I should like to know what other interpretation could place upon them. I think I am interpreting the remarks correctly, but I do not agree with all the statements that have been made. If we want to assist the farmers we ought to get on with the job.

Mr. Abbott—What job?

Mr. THOMPSON—The member for Burnside contends that this type of legislation is wrong and that it should end immediately.

The Hon. T. Playford—He desires that in the interests of the machinery firms.

Mr. THOMPSON—He said that he desires it in the interests of the farmers. Assistance by means of the legislation was rendered to the farmers because private enterprise would not render it.

Mr. Abbott—The legislation has served its purpose.

Mr. THOMPSON—The legislation was brought in during the depression years, and if the assistance had not been forthcoming many farmers would have had to go to the Insolvency Court.

Mr. Abbott—If they had they would now be in full swing with assets.

Mr. THOMPSON—If the farmers went through the Insolvency Court those with whom they had been doing business would also have had to go through.

Mr. McKenzie—It would have been better to do that.

Mr. THOMPSON—If the member for Murray had his time over again he would do what he did instead of going through the Insolvency Court.

Mr. Abbott—You do not know anything about it.

Mr. THOMPSON—Perhaps I know a little more about it than does the member for Burnside. If all the protection is taken away from the farmers they will be in a bad way. I shall support the second reading because if the action proposed is not taken nothing will be done. The member for Rocky River said he would support a better Bill, but from where does he think one will come?

Mr. Lyons—The Government could introduce one.

Mr. THOMPSON—Do you want to provide drought relief?

Mr. Lyons—I suggested local control.

Mr. THOMPSON—That will not provide the necessary money to render assistance to the farmers. We have to deal with the financial position as we find it. Yesterday, Parliament decided that the Treasurer should not approach the Loan Council for funds to assist necessitous farmers.

Mr. Lyons—The Government may be forced to do that.

Mr. THOMPSON—Parliament has told the Government that it does not want it to take such action.. Those who opposed the amendments proposed by the Leader of the Opposition yesterday to the motion moved by the member for Murray should oppose this Bill, and if they do oppose it they will be letting the farmer “stew in his own juice.’' I was sincere yesterday in trying to do something for the farmers, and I am sincere today in trying to assist them. If the private institutions are prepared to assist farmers to obtain seed wheat and superphosphate there will be no need for those farmers to come under the Act.

Mr. Stott—How much will the private banks advance with wheat at 2s. a bushel?

Mr. THOMPSON—I agree that they will not advance very much.

Mr. Abbott—You would give them Buckley’s chance by making them come under the Act?

Mr THOMPSON—No.

Mr. Stott—Yes, you would.

Mr. THOMPSON—The member for Ridley would not even give them Buckley’s chance.

Mr. Robinson—Do you think that a farmer requiring seed wheat should have to hand over the control of his affairs to someone else?

Mr. THOMPSON—No, but if the Bill is not passed many farmers will have little chance of getting seed wheat. Yesterday, some members opposed a move for the Government to approach the Commonwealth Government for money to assist wheatgrowers.

Mr. Stott—I put forward a proposal.

Mr. THOMPSON—It was not worth the paper upon which it was typed. I am not trying to hoodwink the farmers in order to retain my seat in this place. I did not come here to boost myself as being the friend of the farmers and to make them believe that I am the chief protector of their interests. I am disinterested in this matter.

Mr. Stott—You are concerned with only the Port Adelaide farmers?

Mr. THOMPSON—No. The member for Ridley seems to have certain ideas which cannot be carried out, but in an attempt to further those ideas he is prepared to sacrifice the farmers who really need assistance.

Mr. Stott—With all due respect, you do not understand the position.

Mr. THOMPSON—I challenge the member for Ridley to deny that the down and out farmers cannot get assistance from private institutions, yet he tells me that I know nothing about the position

Mr. Stott—Why not support my alternative?

Mr. THOMPSON—The member puts forward alternatives which really mean nothing. We should take advantage of the best available towards assisting the farmers.

Mr. McKenzie—Give them a better price for their wheat.

Mr. THOMPSON—I will not be able to understand the member for Murray if he introduces a Bill for this purpose.

Mr. McKenzie—We had one last night.

Mr. THOMPSON—I do not think so. I heard one member say that we ought to get a better price for wheat, but no way of achieving this was indicated.

Mr. Lyons—If there were an opportunity to get a fixed price for the farmers you would oppose it.

Mr. THOMPSON—I would if it meant unfairly affecting those on the bottom rungs of the ladder. I am desirous of seeing the farmer get a fair price for his wheat, but I am not agreeable to those on the lower rungs of the ladder, who eat the most bread, being forced to provide the necessary money to make up the loss on wheat exported from this country. challenge any member to point to an action on my part in opposition to the farmer getting a fair price for his wheat. I will oppose any move to bolster up the price of wheat at the expense of the poorer, section of the community, which eats the most bread, whilst the wealthier section of the community, which many people say makes its money out of the farmers, goes scot free. I hope members will not turn the Bill down because it does not contain all they desire. While it may be laudable to have a different control, if the Bill is rejected without a prospect of anything better taking its place, will that help the farmers.

Mr. Abbott—Do you think you are helping the unemployed by keeping the Farmers Assistance Board going indefinitely?

Mr. THOMPSON—Unfortunately, many farmers are dependent on the board, the same as those who are receiving rations are dependent on the Unemployed Relief Council. If farmers think the Act .will be of advantage, let them have it. I will vote for the Bill, but if another is introduced to provide a practical alternative I will be prepared to consider it and support it if possible.

The Hon. J. McINNES. (Hindmarsh)—The Government should be commended for giving the opportunity to members who claim to represent farmers the opportunity to do something in the interests of that section. A number of proposals have been submitted as alternatives to the Bill. One came from the member for Rocky River. He submitted that the Government should provide a sum of money and appoint a farmer in each district to administer its distribution among farmers in need of relief. That is a very good idea . The only thing I can see wrong with it is that Mr. Lyons did not say whether there should be a limit to the amount made available. It is an admirable proposal, because I can imagine what a good time the unemployed would have if the same principle was applied to them. It would be a good scheme to appoint a member of the unemployed in each district to decide how much .relief each unemployed person should receive and when they should get it. I would also make provision for there being no limit to the amount distributed. I am not quite sure, but I imagine that the ranks of the unemployed would soon begin to swell.

The Hon. T. Playford—The Loan Council would be working overtime.

The Hon. J. McINNES—I dare say it would and so would the banks. That is practically the scheme suggested.

Mr. Lyons—There is no analogy between the two suggestions.

The Hon. J. McINNES—The member for Rocky River wants the funds distributed as I have explained.

Mr. Lyons—I want a farmer in each district to act as a supervisor for the board.

The Hon. J. Mc lNNES—We can imagine what would happen to the public debt if such a scheme were put into operation. The suggestion is anything but practicable. If we were unwise enough to allow the relief to be distributed among those in need of it under such a scheme the sooner the electors rejected ul and elected others more practical the better for the State. The only complaint I have heard against the Farmers Assistance Board—if it can be called a complaint—is that it has, in its operations, applied practical, commonsense, business methods and investigated the merits of each ease No scheme could be put into operation successfully which provided for anything else. We have been informed in the press recently that many farmers have not been carrying out their obligations to the board. Legal action has been taken against them, as is taken by the Unemployment Relief Council against those who receive ration fraudulently. There is nothing wrong with that, Yet Mr. Lyons asks us to adopt a system which will invite people to practise fraud.

Mr. Lyons—That is the very reverse of my intention and you know it.

The Hon. J. McINNES—The easier it is made for people to adopt dishonest practices the more prevalent will be dishonesty.

Mr. Lyons—I think my system would give greater control.

The Hon. J. McINNES—It would do anything but that. The member has only succeeded in convincing himself to that effect and he cannot convert anyone else. Imagine appointing a well-known farmer in each district and giving him the opportunity to distribute sustenance.

Mr. LYONS—On a point of order, Mr. Speaker, I am being absolutely misrepresented. I have made no such suggestion.

The SPEAKER—The member for Hindmarsh is drawing his conclusion as to the result of the appointment of a person to distribute funds in each district. I do not think his statement is a reflection on the member for Rocky River.

Mr. LYONS—On a point of order, Mr. Speaker, my remarks are being absolutely twisted and misrepresented.

The SPEAKER-—The member for Rocky River may feel that his remarks are being misrepresented, but I cannot take his objection as a point of order.

The Hon. J. McINNES—The interpretation of the remarks of Mr. Lyons was quite honest, fair, proper, and correct. If his suggestion was put into effect the position would be as I have explained. I emphasize the ridiculous situation which would arise if a similar scheme applied to the unemployed who receive rations. The State would be ruined in no time. I do not wish to touch on the sentiment of Mr. Lyons for the unemployed because his attitude is so well known. The Bill provides for the Farmers Assistance Act to be extended to enable the board to grant assistance to farmers after a proper investigation has proved that they are in need of assistance. What objection can there be to that? That is the position of every unemployed person in the metropolitan area. Although those nearer to us may have a little more effect upon us, our duty is to the whole of the taxpayers. If the member for Rocky River thinks it over he will realize that his responsibility is not to a few farmers who want more than they are entitled to, but to the taxpayers of the State generally. The suggestion that power should be placed in the hands of one individual to distribute relief as he thinks fit is too ridiculous for words.

The Hon. T. PLAYFORD (Gumeracha-— Premier and Treasurer)-—The Bill merely proposes to extend the operation of the Act for a period of one year. The Government has seriously considered the position of farmers affected by drought this year. It has explored every avenue possible in order to make arrangements to enable these farmers to carry on production in their own interests and the interests of the State. Prior to the introduction of this legislation the Government took up the question with the Farmers Assistance Board to see whether, in the event of a farmer coming under the control of the board in a comparatively minor way, all the provisions of the Farmers Assistance Act were necessary. I forwarded a minute to the Farmers Assistance Board, and the chairman interviewed me and asked me what the Government had in mind so that he could place the matter before the board next Monday. I explained to Judge Paine exactly what the position was. I told him that this year many farmers who had not previously been under the legislation would have to' come under it’ for the purpose of obtaining credit for a small amount of seed wheat, which did not require restricted control. I have no doubt that the board will agree that where an advance is nominal and the farmer is playing the game it will not be necessary to take control of his affairs in a restricted way. On the other band, Judge Paine pointed out that it was extremely necessary for the board to retain every power it had at present under the Farmers Assistance Act. We hear a lot about farmers who are not playing the game. We heard the statement by Mr. McKenzie. I can assure him that the farmers in his district will resent it. Although the legislation has been in force for five years convictions have averaged only 12 a year. What justification is there for the slur Mr. McKenzie placed on the farming community?

Mr. Mclnnes analyzed very carefully the suggestion to delegate power to local persons or bodies. When the Farmers’ Assistance Board was created every wheatgrower in this House at the time said how much better the position would be than under the State Bank. Now they turn around and ask for the farmers to he placed under some other control. Mr. Robinson suggested going back to the provisions of the old Drought Relief Act. No legislation enacted in this Chamber did the farmer more harm and was :more abused. Even to-day I have the duty of writing off drought relief advances. In his report the Auditor-General points out that £2,044,917 was advanced, repayments represent £935,000, the sum of £484,000 has been written off, and at present £626,057 is owing. The State is called upon to pay at least 4 per cent, on what is owing and written off. In order to clear up the matter the Government has been attempting to make compositions with the farmers.

Mr. Abbott—Have there been any losses to the taxpayers under the Farmers Assistance Act?

The Hon. T. PLAYFORD—Yes. If we pass this Bill there will be losses, but they will be infinitesimal compared with losses which would be made under any other form of advance I can think of. If this legislation is passed the Government will attempt to see that the farmer receives every consideration possible. As this money is loan money we would not be justified in departing from the principles laid down which have been successful for so many years. Mr. McKenzie said that if a farmer came under the Bill for the purpose of protection why should he be penalized? If he is afforded protection from his creditors, and we say that those creditors must not proceed against him, we must say also that we will at least see that his assets are reasonably well protected. It would be grossly unfair to any creditor to take away all his rights without giving him certain protection. The board, too, would be grossly neglecting its duty if it did riot see that a man’s creditors were reasonably protected from fraud.

Mr. Abbott—It does not see to that in every case.

The Hon. T. PLAYFORD—Mr. Abbott’s objections to the passage of the legislation come from an entirely different angle, as he considers it will give the farmer protection to which he is not entitled. The only reason Mr. McKenzie does not like it is that it is not free and open. He wants us to hand out money with both hands and not ask for repayment. I hope my explanation will enable the Bill to be proceeded with without further delay.

The House divided. OB the second reading—

Ayes (30).—Messrs. Christian, Connor,. Craigie, Davies, Duncan, Dunks,, Dunn, Fisk, Fletcher,' and Illingworth, Hons. S. W, Jeffries and G. F. Jenkins, Messrs. Lacey, Langdon, Lyons, and McDonald, Hons. J. Melnnes and M. McIntosh, Messrs. Mo- Leay, Melrose, Nieass, and O’Halloran, Hons. T. Playford (teller) and R. S'. Rich­ards, Messrs. Riches and Robinson, Hon. R. J. Rudall, Messrs. Shannon, Stephens, and Whittle.

Noes (6).—Messrs. Abbott, Bardolph, Macgillivray, McKenzie, Smith, and Stott (teller).

Majority of 24 for the Ayes.

Bill read a second time. •