**PRIMARY PRODUCERS EMERGENCY ASSISTANCE BILL 1967**

**Legislative Council, 3 October 1967, pages 2299 - 2300**

Second reading

Received from the House of Assembly and read a first time.

The Hon. S. C. BEVAN (Minister of Local Government): I move:

That this Bill be now read a second time.

Its main purpose is to provide the Appropriation and machinery to enable the Government to make financial assistance available to primary producers who are in necessitous circumstances because of the present drought conditions that have prevailed in parts of the State. The Bill also provides for continuing appropriation and machinery to deal with such similar assistance as may be necessary as a result of other natural causes such as flood, fire, animal or plant disease, insect pests and the like as may occur from time to time. Even before the present drought conditions occurred it has been part of the Government’s plans that it should be in a position to give immediate and effective aid to primary producers whose financial situation has been affected through no fault of their own but who, notwithstanding that they meet certain criteria as to their ability to carry on and eventually rehabilitate their position, are unable to obtain the necessary finance from what may be regarded as normal sources.

This Bill therefore is directed towards providing such assistance and will be invoked immediately to the extent required to meet the present drought situation. Honourable members have been informed that an approach has been made to the Commonwealth in the present instance requesting financial assistance along the same lines as that given to the States of New South Wales and Queensland. Some members have asked whether assistance to primary producers in their present problems is contingent upon the Commonwealth’s agreeing to assist in this fashion or whether the State is proposing to act independently in the matter. Acceptance by Parliament of this Bill will enable the Government to proceed to deal with applications for assistance as they are submitted without waiting for a final determination by the Commonwealth, and then, if the Commonwealth agrees to assist, to continue with assistance in accordance with the terms and conditions of such assistance.

The Government proposes to draw on two funds at the Treasury to provide the finance necessary to make assistance available to primary producers who are in necessitous circumstances as a result of the factors mentioned in this Bill. In the first instance, an amount of over $200,000 is standing to the credit of the Farmers Assistance Fund at the Treasury. This balance is made up of unexpected Loan moneys and of repayments of advances, including interest, made under various Farmers Assistance and Drought Relief Acts of earlier years. Under present legislation the purposes for which such funds may be use are mainly debt adjustment and drought relief (with some restrictions on the persons qualified to be assisted).

In the second place, an amount of nearly $300,000 is held in the Marginal Lands Improvements Account at the Treasury. This balance derives in the first instance from grants made by the Commonwealth in the early 1940’s for the purpose of assisting economic settlement in marginal wheat growing areas. The grants were used for pur­chasing holdings that did not constitute living areas. These holdings were then aggregated into larger holdings and re-allotted under marginal lands perpetual leases. The State has accounted fully to the Commonwealth for the amount of the grants then made. In fixing rentals under those marginal lands perpetual leases rentals were determined separately in respect of unimproved values and improvements. Rentals in respect of unimproved value were paid to general revenue, and those in respect of the value of improvements were paid to the Marginal Lands Improvements Fund. I point out that there was no requirement in the arrangements with the Commonwealth that rentals in respect of improvements should be credited to a special fund. These rentals could equally have been credited to revenue along with the rental applicable to unimproved value.

These moneys have, in the past, been used from time to time for assistance to producers in marginal areas, such assistance being in the nature of payments towards pasture development to arrest sand drift, materials for fencing and water supply, etc., and have been given to settlers needing such assistance to give them a reasonable chance of reaching a stage where they could carry on. No payments have been made from this account since 1961. It is therefore proposed in this Bill to appropriate $150,000 of these moneys to the Farmers Assistance Fund for expenditure on the purposes set out in this Bill. Action will be taken at a later time to seek appropriation of the balance of these moneys for such purposes as combating soil erosion on Crown lands, control and eradication of vermin by the introduction of rabbit control schemes and possibly by the introduction of some limited subsidies to district councils, par­ticularly those in the former marginal areas whose rate revenue is limited, for vermin control work.

This Bill, therefore, in clause 3, provides for payment into the Farmers Assistance Fund of any moneys received from the Commonwealth for the purposes of giving assistance to primary producers in thre circumstances contemplated in this Bill, amounts up to $150,000 from the Marginal Lands Improvements Fun moneys provided by Parliament for these purposes, and all amounts, including interest received as repayments of advances made. Clause 4 authorizes payment from the Farmers Assistance Fund of the additional assistance, to be authorized by this Bill and the expenses of administration of schemes of assistance.

Clause 5 enables assistance to be given to primary producers in the various named cicumstances that give rise to the necessity for assistance. It authorizes the Minister of Lands, to whom administration of the Primary Producers Assistance Act is committed, to make advances to primary producers who are in necessitous circumstances as a result of the contingencies set out to enable them to continue in the business of primary production This section also authorizes the Minister to make certain payments towards the cost of fodder or water for starving stock or for any other purpose deemed necessary by the Minister.

Any advances or payments will be made after consideration of reports by departmental officers or, where it is considered desirable, by a committee appointed to deal with applications made by primary producers. In this present instance the Government, having had the advice of a committee which was set up to consider the necessity for and nature of governmental action, proposes to constitute substantially the same committee to report on applications for assistance.

Clause 5 (2) sets out the conditions under which advances may be made. I propose not to recite these conditions but merely to make the observation that it is not intended in the present situation, or in any comparable one which may arise in the future, that advances from the Government should be in substitution for normal avenues of farm finance. These normal avenues should be utilized to the full extent available, thus restricting advances under this Act to the additional amount necessary to finance the rehabilitation needed to enable the applicant to get back into successful primary production.

I think I should emphasize that the applicattion of the scheme envisaged by this Bill is limited to those persons whose financial need is mainly brought about by causes listed in the Bill. It is not for general application to persons whose failure is due to other causes. Further, such persons must have a reasonable chance of recovery, and regard will be had to such chances in the determination of possible remissions of interest or principal for which provision is made in paragraph (d) of clause 5 (2 ).

At this stage I think it proper to say that I believe that in present circumstances, and in any future circumstances contemplated in the Bill, the banks and stock firms will do their part in supporting the primary producers who meet their criteria for advances. Indeed, I know that they are at present viewing applications that meet these criteria with the utmost fairness. Clause 5 (3) deals with payments made in accordance with any arrangements made with the Commonwealth under which moneys are made available by the Commonwealth for the purpose of assisting primary producers in the circumstances contemplated in the Bill. Subclause (4) provides for recovery by the Minister upon demand of any payments in whole or in part made by the Minister under paragraph (b) of subclause (1).

Clause 6 protects recipients of any payments from claims that may be made by prior creditors so that advances may be used by the recipients for the purposes for which they are made. Clause 7 exempts from stamp duty or registration fee any documents executed for applicants in accordance with the requirements of the Minister of Lands. Clause 8 provides that it shall be an offence to make a false statement in connection with any application for assistance and that any moneys advanced to an applicant as a result of a false statement shall be immediately recoverable. Clause 9 makes the necessary financial provision.

I commend this Bill to honourable members and ask for its speedy passage in order that -assistance may be made available to those persons who are now in need of it as a result of the drought conditions which have obtained in certain areas of the State. Clause 10 provides for the making of any necessary regulations.

The Hon. H. K. KEMP secured the adjournment of the debate.