FARMERS ASSISTANCE ACT AMENDMENT BILL 1938

Legislative Assembly, 16 November 1938, pages 2501-5

Second reading

Mr. CHRISTIAN (Eyre)—This Bill has only one object in view, namely, making the administration of the Farmers Assistance Board subject to the control of a responsible Minister, in this case the Treasurer. This is accomplished by the addition of the words “subject to the control of the Treasurer of the State” to section 6 which reads,"This Act shall be administered by the board.” On the general question of Ministerial authority versus independent boards vested with supreme powers, much can be said on either side, but to say that only one or the other should ever be sanctioned by Parliament is surely speaking superficially. A pure business undertaking, such as the Metropolitan and Export Abattoirs or the South Australian Housing Trust, can perhaps be given its complete authority in its own Act, while any activity or function which is concerned with the lives and happiness of thousands of people should certainly not be handed over to an autocracy which is above and beyond Parliament itself. Parliament has on occasions divested itself of its supreme authority in this way when there was some particularly unpleasant cleaning up to do or when it was afraid that political pressure might undermine sound administration. Although admittedly there is some risk of the latter, nevertheless when the actions of a board become despotic, unpopular, or result in corruption of good government, of the people’s liberties or good citizenship, then the blame and stigma of such action is heaped upon the heads of the Government and Parliament, notwithstanding that they had sought to wash their hands of responsibility by handing over complete control. The people should never be deprived of their right of appeal to their own supreme tribunal—Parliament. Therefore we should restore Ministerial authority over such departments as are intimately concerned with the people’s lives.

Rightly or wrongly, the Farmers’ Assistance Board has come to be regarded by thousands of people in this State as a dictatorship against whose dictum even the Government is powerless. It has under its direct control several thousand people, while many others are also affected by its policy and administration. The purpose of the Act was to rehabilitate those farmers who had become insolvent as a result of an unprecedented period of drought and low prices. While the board’s integrity, conscien­tiousness, and ability are not questioned, it has, in my view, pursued a wrong policy, resulting in the undermining of people’s sense of responsibility which, in itself, has militated against their recovery and contributed to widespread breaches of the law. I am sure Parliament never envisaged the rigid centralized control in minutest detail of thousands of people’s lives— control which went far beyond their work and financial supervision. Because the board persisted in running thousands of farms from Pirie Street, taking all financial responsibility out of the farmers ’ hands, it meant they could not buy food or clothes, incur medical, maternity, or matrimonial expense, engage or exchange labour, keep or not keep cows, pigs, or sheep; in short, manage their personal lives in many ways without the scrutiny and approval of the board. If anyone has not sufficient imagination to visualize the effect of such regimentation of a

self-respecting people who pioneered much of our back country, he probably would not understand the resentment and sometimes unreasoning contempt of authority that has grown up in many quarters.

Although I know the board to be sympathetic in settlers’ misfortunes, and regretful of many of the steps it felt itself called upon to take, its fundamental mistake lay in not decentralizing control and finance as empowered by section 8 of the Act which provides:—

The board may delegate any of its powers, duties or functions except the making of orders for the reduction of farmers ’ liabilities, to any person, firm, or company on any terms and conditions and subject to any restrictions which the board thinks proper, and may at its discretion terminate such delegation.

That power has never been used by the board to my knowledge. It would have preserved to a greater extent the resource and sense of responsibility of settlers and saved much of the prosecution and persecution entailed by a breakdown of morale.

In November, 1934, the Parliamentary Wheat Committee of the Liberal and Country League presented a memorandum to the then Premier strongly pressing for a change of policy. Amongst other things we said:—

We offer some suggestions attached hereto, in the belief that if incorporated they will assist in restoring confidence among wheatgrowers and in securing the fuller co-operation mentioned in paragraph 2. This latter objective we submit can be secured not by merely asking for it, but by such administration as will encourage farmers to realize that the end in view is not socialized control but the restoration of their independence. To this end one of the most vital things is to restore to them a proper sense of responsibility in regard to their finances and farming methods. Unfortunately it has to be admitted that under existing conditions where the farmer has practically the whole of his expenditure (both personal and other) managed and paid out for him by someone else, his incentive to keep everything within reasonable limits is not as great as it should be. By the very nature of this " secondhand” financing farmers appear to lose sight of the fact that it is still their business, and they are thus inclined to expect and request advances which they would restrict to a greater extent if they themselves had to arrange for their seasonal finance on a bargaining basis with someone prepared to accept the business or; if in the case of advances made by the Farmers Assistance Board, the applicants had the responsibility of planning and paying out from a definitely fixed overdraft Personal responsibility, which most of them had shouldered before, should be restored and applicants "promoted” from one group to another.

A great many, once their debt position has been adjusted, will welcome the prospect of fending for themselves and being free men once more. They had the grit and the initiative to go and pioneer our mallee areas in the first place, and we cannot afford to do anything or continue something which is subversive of this spirit; moreover, it will relieve the State from having to finance them.

Applicants should be grouped into categories as follows:—

1. All those who can arrange finance themselves for their operations shall not have their affairs under the control of the tribunal, excepting that they shall supply yearly a statement as to their expenses and distribution of proceeds.
2. Those, while requiring financial assistance from either the tribunal or other public finance authority, are nevertheless fit and proper persons to be entrusted with the personal expenditure of such money which would be arranged and treated similarly to an ordinary overdraft. Proceeds of crop, etc., to be distributed by the Authority, but the commission of the Board should not in those cases be as high as in group 3.
3. Those who require oversight and direction as regards their financing and their farming methods. These to be controlled as at present, and proceeds similarly distributed.

These suggestions were not adopted, and we have been paying the price in more insolvencies than need have occurred, greater cost of administration (which has to be borne by the applicants), and a general feeling amongst many farmers that they are simply working for the Board, and that there is no hope of getting out of its control even if they can get finance elsewhere. The fact that many have now been for five years on a mere sustenance basis of £1 a week for a man and his wife, and 2s. 6d. each for children over two years, clothing grants strictly rationed out, with next to no cash to spend, has resulted in much of the trouble we see to-day. Comparing this with the Irrigation Department’s allowance to Murray settlers of a minimum of £150 a year, can one wonder that some have broken under the strain and others defied the law which says that the product of their labour shall first go in satisfaction of creditors before a better living allowance is granted?

I am not saying that under the type of administration suggested by me settlers would all have had a higher standard of living. What I do say is that with some say in the management of their own affairs and a local adviser to go to, greater feeling of personal responsibility would have been preserved, with self respect and industry less impaired than under conditions where people feel themselves mere serfs. I know instances of people who have been under private schemes supervised by local people and in which the results have been remarkable. In one case a man was not placed under an officious, bouncing official but had the kindly and neighbourly supervision of people in his own district. Before that time he was not looked upon as a capable and scientific farmer but after a few years of this type of supervision he has become one of the most progressive and successful farmers in the district. By means of improved methods he has been able to win a number of crop competitions in his county. That is a tribute to the type of administration for which I have always been fighting but which we have never received under the Farmers Assistance Board.

The Board has, in other instances, adopted a wrong policy, which might have been averted had there been ministerial control. When in the 1934-35 season the Board was given the task by the Government of determining how the special Federal grant to wheatgrowers who had suffered loss from grasshoppers and other causes was to be distributed, they determined on a method that was grossly unfair, under which many farmers who had lost nearly the whole of their crops from the plague got nothing at all. All other States, into whose schemes I specially inquired, and which I furnished to the Government, containing the principle of compensating every grower according to his loss. But our board’s dictum was like the law of the Medes and Persians which altereth not. In the 37 seasons, the board found it necessary to make considerable capital advances to applicants for stock and plant, fencing and clearing, etc., and it took into consideration all the remaining free assets of some settlers as security. Then early this year over 200 applicants were suddenly cast adrift with not a feather to fly with, partly, I understand, because the board’s finances were too restricted to complete the job of rehabilitation. Either the board had carried some of these people too long or else the Government suddenly cut across its programme with inadequate funds, and many settlers had to be sacrificed. With many of them it might have been a mercy had they been let go before. With Ministerial responsibility this lack of co-ordination or disruption must have been avoided. In this matter I think the fault lay with the Government.

I now refer to a very serious question which arises out of the board’s policy in regard to persons charged or convicted of offences against the Farmers Assistance Act. The rule is to dismiss all farmers from further assistance and from debt adjustment, although in the latter case dismissal is sometimes, in my view, a clear infringement of section 13 of the Primary Producers Debts Act, and in the case of business people and agents to deprive them of all further business or work, the effect of which may be to drive them from their means of livelihood. This matter gained particular prominence as a result of the board’s prosecution some time ago of farmers and traders in the Kimba district. Convictions followed pleas of guilty, and those concerned fully expiated their offences by heavy fines or terms of imprisonment—punishment which the court thought adequate. The board, however, followed this up by advising those concerned that they were to get no further work or business in the future. The terms of the letters were similar to this one sent to a business firm:—

This will serve to inform you that on and after October 1, 1938, the board will no longer be prepared to issue any orders in your favour for the supply of any commodities to or for any work performed by you for applicants under the Farmers Assistance Act.

Likewise the principals of wheat agents were similarly advised. The following is a para­graph from a letter sent by Louis Dreyfus and Company to one of their agents:—

The Farmers Assistance Board has demanded that we cancel your wheat-buying contract and states that, if we do not comply with this demand all of the board’s clients will be prohibited from delivering wheat to you.

Mr. Robinson—That is very drastic.

Mr. CHRISTIAN—It is going a long way. The ban, however, was not confined to the offenders themselves, it extended to the wife of one—she kept a store while her husband was an agent—-and also to his son. In fact, a prominent agent against whom no charge was ever laid came under this interdict, his principals having been advised that they would get no wheat while they continued to employ him. I am glad to say that in this instance the board has withdrawn from an untenable position.

Mr. Duncan—How were the wife and son punished?

Mr. CHRISTIAN—By receiving the same type of letter that I have read. The Minister of Agriculture (Mr. Blesing) and I were informed of the board’s action on October 6 at Kimba at a meeting with the chairman of the district council and others vitally, concerned. The following week I at once took the matter up with the Premier, who agreed that the board was going too far in heaping further penalties on these people. He took it to Cabinet and later informed me that the Government had made a strong request to the board to reconsider its attitude . After about four weeks of waiting the board has now declined to accede to the Government’s own desire in this matter, and the Government has no power to enforce its will!

The Board may be legally entitled to place such a ban on people. In their minds it may be a strictly logical step, a safety first action to ensure that no further trouble occurs; justifiable, no doubt, in the case of confirmed criminals, but hardly where no criminal motive actuated the offenders. One is reminded of the character in Victor Hugo’s immortal work "Les Miserables,” Jean Yaljean, who stole bread in his youth for his family and was persecuted and hunted for the rest of his life by the inexorable Javert, minion of the law. Did this do any good? No, but one single act of great magnaminity and humanity on the part of a saintly bishop set Valjean’s feet firmly on the path of reform and subsequent greatness. Surely Parliament does not desire that there shall be no humanity about the administration of the law. When a Court has imposed a penalty considered adequate, and it has been paid, should some other authority impose further punishment, the effect of which may be to hound these people out of their means of liveli­hood? We pride ourselves on our modern tendency to reformative treatment of those who have made mistakes and we have the Offenders "Probation" Act, Kyeema Camp, and segregation, and after release organizations to receive back into society the “cured” delinquents. The spirit and intention of all this is set at nought when a Board can defy the expressed wish of the Government. A Government, having the welfare of the whole to look to is in a position to realize that the immediate reaction to sueh treatment is deep -resentment and an unreasoning contempt of the authorities, which has its repercussions on national character.

This feeling in the Kimba cases is shared by the bulk of the people. Why? Are the .Kimba folk depraved, or less law-abiding than other people? They are as good, as intelligent and fine a community as you will find anywhere. But they are satisfied - the majority of those convicted were not actuated by criminal motives, that there were extenuating circumstances, and that some of the offences were merely technical. All of which factors warranted leniency in the first place, and certainly an opportunity for rehabilitation.

The Hon. S. W. Jeffries—Some of the cases were very bad.

Mr. CHRISTIAN—I admit that. At this juncture I want to read from a letter from a person of very high standing and fine character in Kimba. I am not at liberty to divulge the name, but the following is an extract from the letter:—

One man has sold "his" wheat because he wanted to get married. To me listening there it sounded most proper and respectable. I began to entertain a sneaking sympathy for him, which I could not have maintained had he sold "his" wheat to become a habitue of the betting shops so thoughtfully provided by our just Government. Another had sold “his” wheat to get clothes for his children and still another to help a sick wife.

As further reflecting the opinion of the inhabitants of the district this is also illuminating:—

The local police station, where next my curiosity took me, I found overflowing with criminals. One criminal had kindly helped out the authorities by loaning beds and mat­tresses, another had lent his buckboard to carry the beds to police headquarters. I found some of Kimba’s best people carrying bedclothes for the use of the new residents.

I have also received a letter from the Kimba District Council in which occur the following statements:—

At a meeting of my council held on the 17th inst. the matter of what appears to be serious victimization by the Farmers Assistance Board was brought before the notice of the members. As the council considered that this matter vitally concerns the ratepayers and future welfare of this district they have instructed me to write you lodging a protest against the matter and acquainting you with the full facts thereof. As you are no doubt aware quite a number of eases were tried recently for offences of misappropriation and receiving wheat, the property of the Farmers Assistance Board. The cases were tried before a properly constituted court of summary jurisdiction before Mr. Ray,S.M., and sentences imposed according to the nature of the offence. The council is not making any comment or in any way disagreeing with the judgment meted out by the Stipendiary Magistrate; but are protesting against the subsequent treatment of convicted persons by the Farmers Assistance Board. Each receiver of wheat has received a communication from the board advising that no future orders for supplies to applicants would be issued in their favour. In cases where the receiver happened to be a wheat buyer the board has communicated with the firms concerned recommending that the man’s agency be cancelled. A copy of a letter from Messrs. Louis Dreyfus & Co. (enclosed) substantiates this statement. Another aspect of the matter is that in cases where the convicted person happened to be a farmer we understand he is now precluded from taking advantage of the provisions of the Debt Adjustment Act. My council is of the opinion that the sentences imposed by the Stipendiary Magistrate were adequate to cover the offence and object on behalf of the ratepayers, whom we serve, to further penalties being imposed on them in the matter outlined above.

One is compelled to ask is all this trouble under the Farmers Assistance Act due to any wave of criminality? In my view the reason is found in the conditions of hardship under which a large number of people have had to toil for many years and in the loss of personal control over their lives contributed to by the centralized regime of the Farmers Assistance Board. It would be right to mention here that a factor which has contributed to considerable lack of confidence in the adminstration of the board was the fact that one of the board’s own supervisors used his official position to further his own interests. It is alleged on all sides in that district that this man traded in sheep on a wholesale scale. It is said that thousands of sheep have been bought by him, usually at bargain prices, which the settlers badly needed at as low a price as they could get them for.

The Hon. S. W. Jeffries—That is only a rumour.

Mr. CHRISTIAN—It is more than a rumour because I took the matter up with Judge Paine and protested very strongly about this man’s conduct. Judge , Paine replied that as this supervisor was also a farmer he had the right to continue his own private enterprise as well as to act as supervisor.

Mr. McKenzie—Of course.

Mr. CHRISTIAN—I submit that the carrying on of his own activities should not have enabled him to deal in sheep on the scale which he did. That alone warrants a complete inquiry into the administration of the Board. The corrective of the conditions complained of lies in the restoration of Parliament’s authority, whose duty it is to watch o^er the lives of the people. This the Bill attempts to do. The Premier, in discussing the desirability of Ministerial control over all departments last year, when introducing his Betting Bill, said, referring to the Betting Control Board, “It is an autocratic board, responsible to no one.” Again, alluding to Ministerial authority:—

That is in accordance with the general practice of every department in the State and does not create a prececjent. It is the best method of obtaining responsible control.

I move the second reading and trust the Bill will receive a speedy passage.

The Hon. S. W. JEFFRIES secured the adjournment of the debate.