**LOANS TO PRODUCERS ACT AMENDMENT BILL 1927**

**Legislative Council, 14 December 1927, pages 2147-8**

Second reading

The Minister of Agriculture, having obtained leave, introduced a Bill for an Act to amend the Loans to Producers Act, 1927. Bill read a first time.

**The MINISTER of AGRICULTURE**—Under subsection (4) of section 5 of the Loans to Producers Act, 1927, the State Bank of South Australia has power to make loans for the purposes of enabling Crown lessees to fallow their land. This provision, however, presents certain difficulties in administration, particularly with respect to the matter of security. In most cases the applicants for assistance have pledged their titles for other loans, and the only security available to the bank which can be considered practicable is a bill of sale over the crop growing on the land at the time the loan is made, out of the proceeds of which the loan is to be repaid. The bank is receiving a number of applications for loans from settlers in the mallee areas, but it is more than probable that the crop for the current year will not permit the settler repaying any advances out of the proceeds of the crop. Under the existing law a bill of sale can be granted only over growing crops. It thus follows that a bill of sale over crops given to secure an advance for fallowing can only be for a short term, and the bank has, therefore, requested the Government to amend the law so that an applicant may give a bill of sale over future crops and thus secure the benefits of having the repayment of his loan spread over a longer period than it is at present possible to allow him. This Bill, therefore, provides firstly, that a loan for fallowing may be made to any landholder, and secondly, that any such loan may be secured by a bill of sale over future crops as well as growing crops. The only way out of the present financial difficulty is increased production. Owing to the difficult times we have passed through settlers are not able to continue fallowing their land to the extent they ought to if they want to properly utilise it unless the Government provide them with funds for the purpose. The Government hope that through this measure any settler who has the inclination or opportunity to increase his area of fallow will be able to do so, and that greater production will result. I move the second reading.

The Hon. W. HANNAFORD—This is a very important Bill, and so far as I can see no risk will be taken under its provisions. I recognise that fallowing ensures a crop during a season like the one we have been going through, and that we should encourage the settlers to fallow. The Bill extends the period for which a loan can be granted. That is of very great importance to the settler, because he has to incur a good deal of expense in the way of purchasing machinery in starting on new areas. I support the second reading.

The Hon. T. PASCOE—One thing which has struck me about this Bill and a number of others of the same kind we have had this session is why the Minister did not introduce a measure to amend the State Bank Act so as to include all these things. We have had three Bills to amend practically the same Act, each for a different purpose, and it would have saved the Government time and expense if they had brought down a Bill to amend the State Bank Act so as to enable the bank to do these various things. However, I believe the measure will do good, and I support the second reading.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—“Loans for fallowing.”

The MINISTER of AGRICULTURE-—Mr. Pascoe was curious to know why various Bills were not included in one measure. The others to which he referred came in quite a different category to that in which this one comes. The Government has been attempting to get funds for the purposes for which those Bills were designed from the Federal Government, but that does not apply to this measure. That was one reason why the Bills were not brought in together. Provision has already been made to make advances for fallowing, but owing to this season being such an unfortunate one the growing crops could not be taken as security, because, in many instances they have failed. Therefore this Bill is due to the drought we have experienced, and it provides that if in future any settler is unfortunate enough after fallowing his land to get no return, arrangements can be made to provide him with funds so that he may put in as large an area as possible.

Clause passed.

Title passed; Bill read a third time and passed,