**SOUTH-EASTERN DRAINAGE BILL 1926**

**House of Assembly, 28 October 1926, pages1146-9**

Second reading

**The COMMISSIONER of PUBLIC WORKS (Hon. J. Mclnnes**)—This Bill has its origin in the Report of the Royal Commission on South- Eastern Drainage. That Commission was appointed in May, 1923, to inquire into the construction and effectiveness of the scheme drains constructed under the South-Eastern Drainage Scheme Acts of 1908 and 1910, and the best means to be adopted for the future development of the South-East. In order that the Bill may be properly understood, it is necessary that I should briefly recount the history of the scheme drains. About the years 1906-7, probably as the result of the heavy floods which had inundated the South-East, the landholders in that district strongly pressed the Government to give the South-East a more effective system of drainage than was afforded by the then existing system of drains and works. The landholders held a number of meetings and conferences, and in 1908 representatives of the Government attended two big meetings of delegates from the whole of the South-East at Naracoorte and Millicent. As a result of these conferences the Government evolved schemes for the more effective drainage of the South-East, and a Bill was passed in 1908 authorising a poll of the landholders to be taken on the-question whether the proposed drains were to be constructed, and if the poll was favorable the Government were empowered to construct the drains at a cost not exceeding £300,000. Half the cost was to be paid by landholders in the area declared to be benefited by the drains, payment to be made in 42 yearly instalments with interest at 4 per centum per annum. After the 1908 Act was passed it was found that the drains therein provided for were not in the most suitable position for providing the additional drainage which it was proposed to give the South-East; and a-different and more elaborate scheme was prepared which was to cost £339,000 instead of the original £300,000. No poll of the landholders was taken on the question whether the larger scheme should be carried out, and the South-Eastern Drainage Scheme Act of 1910, which authorised the new scheme, wag duly passed by Parliament. The construction of the drains was duly proceeded with, but in 1917 it became apparent that the original cost would have to be greatly exceeded, and in. that year an Act of Parliament was passed authorising the Government to spend up to £450,000 on the drains, of which the landholders would be required to pay half. In due course the drains were completed and, according to the Act, the next step was to declare what areas of land were benefited by the drains and recover half the cost from the landholders in those areas. Accordingly, the areas benefited by drains A, B, C, D, E, and e (i.e., the eastern system of drains) were declared, and the amounts payable in respect of those drains apportioned. The first payments became due in 1922, and, although for a time the money came in with a certain amount of regularity, the landowners were discontented with the results of the drains, and in many cases the Government was met with refusals to pay. In addition it was known that the cost of the big western drains K, L, and M would be much greater than that of the eastern drains, and this increased the trouble. In these circumstances a Royal Commission was appointed to investigate the whole matter. The Commission, after two years of inquiry, duly presented its report. As to the cost of the scheme drains it recommended that the part debitable against the landholders should be limited to £150,000 (the sum payable by landholders under the original scheme) together with £30,000 of accrued interest. The money was to be paid by all persons within the area in which the poll was taken, and not be limited to the benefited area as declared by the Engineer-in-Chief. In addition to this recommendation as to the cost of the scheme drains, the Royal Commission made a number of recommendations for the future development of the South-East. These recommendations were to the following effect: — (a) That the South-East (including the Millicent area) should for drainage and development purposes be under the control of a board similar to the Irrigation Commission; (b) that maintenance charges and new drains should be paid for by landholders of the South-East as a whole; (c) that the Government should be empowered to acquire land, compulsorily if necessary, for drainage and closer settlement, beginning in the areas contiguous to the Millicent district known as A and B. The Bill gives effect to the Commission’s recommendation in part only. How far it does so will best be seen from the provisions of the Bill itself, which I will now explain. In clause 5 the most important matter is the definition of South-East. The definition sets out the area within which the new authority will exercise its functions, and with one exception it follows the recommendations of the Commission. The Commission recommended that the South-East, for the purposes of future administration, should consist of the old Drainage District as defined by the Act of 1908, with the inclusion of the Millicent Drainage District but excluding the hundreds of Caroline, MacDonnell, Kongorong, Gambier, Blanche, and that part of Banara not included in the Millicent Drainage District. The Bill, however, does not include the Millicent area in the South-East. The reason for this lies in the fact that the Bill does not give the new drainage authority any power to enter upon new schemes of drainage and land acquisition. The Royal Commission suggested that Millicent should be brought within the South- East, because new schemes of opening up land contiguous to the Millicent area were contemplated, and it was considered expedient that those areas should be worked and drained in conjunction with the Millicent area. As there is no immediate intention of carrying out any new drainage schemes, there is for the present no need to include Millicent in the drainage area. If in the future it should be found necessary to extend the South-East, so as to include the Millicent area, that could be done by proclamation under clause 5 (2). Part II. deals with the new administration. All drains and drainage works in the South-East, (as defined by the Bill) are placed under the, control of the Irrigation Commission, which will, if the Bill is passed, henceforth be known as the Irrigation and Drainage Commission. The Irrigation Commission is given all such administrative powers in connection with the drains as were previously enjoyed by the South-Eastern Drainage Assessment Board; and the rights and liabilities of the Government and that board in connection with the drains are vested in the Commission. By clauses 11, 12, 13, and 14 the Commission is granted certain powers which are necessary in order to enable it to investigate new proposals for drainage and closer settlement. Guided by the experience of the past, the Government are anxious that no new schemes, upon which public money has to be expended, shall be put in hand without adequate preliminary investigation. The Bill gives the Commission no power to undertake new works; but new drains sooner or later will have to be constructed and new lands opened for closer settlement; and in order that the Commission may be able to formulate such proposals as are necessary, it must have a power of inquiry. Upon the Commission will rest a very heavy responsibility in connection with new works and so relatively it must be given every opportunity of making the most searching preliminary investigations. The powers contained in the clauses mentioned are similar to those granted to the Land Board under the Discharged Soldiers Settlement Amendment Act of 1918. Apart from these matters Part II. gives the Commission only the usual ancillary administrative powers necessary for Carrying out its functions under the Bill. Part III. deals with the construction and maintenance of drains.- Division I of that Part- is almost purely a consolidation of the existing law relating to the construction of drains on the petition and at the expense of private landholders. The only innovation is that the Commission, is to carry out the works instead of the Commissioner of Public Works. Division II. of Part II. proposes to institute a new system of rating for the maintenance of drains. The rates are to be levied on what is known as the zoning system. For the purpose of these rates all the land in the- South-East will be divided by the Commission into a number of classes (there will be three at least) according to the amount of benefit received by each particular piece of land from the drainage system as a. whole.

Mr. Reidy—That will be equitable if you confine it to the benefit received.

The COMMISSIONER of PUBLIC WORKS —Under the Bill the Government have power to restrict the area or extend- the area as is found desirable.

Mr. Butler—The board have not full power in that direction.

The COMMISSIONER of PUBLIC WORKS —They will have power to recommend. Land receiving no benefit, direct or indirect, will not be rated.

Mr. Reidy—On those terms you will, have very little to be rated.

The COMMISSIONER of PUBLIC WORKS - It will become a question as to whether the land is benefited or not. That question will be put into the hands of competent men. If those who will be appointed, if this Bill is passed, are not. competent to express an opinion on that question then I do not know that anyone can. The normal system of classification will, it is expected, be to have three classes of ratable land; the rate in the second class will be one half that in the first, and the rate in the third will be one-half that in the second. There is, however, power for the Commission to vary the ratio of the rates in each class. Any landholder who is dissatisfied with the classification of his land may appeal to a specially constituted local court whose decision will be final. The classification having been completed, and the rates in each division fixed, the amount payable by each landholder will be based upon the unimproved value of his land as assessed for the time being for the purposes of land tax. The rate will be an annual one, but it is not contemplated that the classification list will be prepared annually. It will only be revised or altered as changes occur in the amount of benefits received by any land from the drains. Division III; of Part III. contains only the usual machinery provisions relating to the recovery of rates and other matters connected with rates. Division IV. gives the Commission all the powers necessary for maintaining and working the drainage system. These, powers are in general similar to those at present vested in the Commissioner of Public Works and the old South-Eastern Assessment Board; but they have been revised and brought up to date, and inconsistencies have been removed.. It will be observed that the Commission is not given any power to carry out new works except so far as is necessary for maintenance of existing drains. Part IV. is all new matter. It provides for giving effect to the recommendations of the Royal Commission relating to the question of paying the cost of the scheme drains. The general effect of these provisions is as follows: Firstly, the cost must be paid by all land-holders within the area in which the poll was ;taken to determine- whether or not the scheme drains were to be constructed. This area is usually called the “voting area.” At present the cost is required to be apportioned between the landholders in an area declared by the Engineer-in-Chief to be the area benefited by the scheme drains. The proposal in the Bill will undoubtedly widen the area liable to pay for the drains; but it will still be open to any person within the voting area to avoid liability if he can show that he receives no benefit, direct or indirect, from the scheme drains. The boundaries of the voting area may be ascertained from the map contained in the Third Schedule to the Drainage Scheme Act of 1908. Secondly, the half cost of the scheme drains is fixed at the sum of £180,000, being £150,000 capital and £30,000 accrued interest. This interest is due in respect of the period from the time when the original £300,000 appropriated for the scheme drains was exhausted (some time about the middle of 1917 and June 30, 1922, which is fixed as the date of completion of the scheme drains). Thirdly, no repayments of capital will be required to be made prior to the expiration of five years after the date of completion of the drains, i.e., prior to June 30, 1927, but simple interest on the sum of £180,000 will be charged as from July 1, 1922. Fourthly, the amount will be recovered by means of a rate. For the purpose of the rate the land will be classified in accordance with the benefit received by each portion thereof, and a differential rate declared, on the whole of the. area sufficient to produce £180,000 in all.

Mr. Reidy—Irrespective of whether the benefits are there or not ? You say that you will rate on the benefits received, and now you say that you must rate sufficient to produce £180,000.

The COMMISSIONER of PUBLIC WORKS —We anticipate that the benefits are there. I pointed out before that the question of benefit is very much a matter of opinion.

Mr. Reidy—It is not a matter of opinion in the South-East. Everybody there is satisfied on the point.

The COMMISSIONER of PUBLIC WORKS —-We are appointing competent persons, and that question will be left to them. The Government are making a bona fide effort to clear up the tangle which has existed with respect to the drainage question in the South-East for many years, and we are endeavoring to bring about a more satisfactory position than has existed. We. believe the passing of this Bill will have that, effect. The rates due on each landholder’s land must be, paid in 42 equal yearly instalments with interest at 4 per centum per annum as from July 1, 1922, Fifthly, there will be no appeal in respect of the classification of any land, under Part IV. of. the Bill; but the Commission is required to exclude from the rated area any lands which, receive no benefit, direct or indirect, from the scheme drains. Sixthly, the rate on all lands will be declared on the basis of the unimproved value as assessed for land tax. Seventhly, moneys already paid by landholders on account of the cost of the scheme drains will be credited to the-payments of the-amounts due.by them under the Bill, and where money has already been paid by a landholder who is under no liability under the Bill a, refund will be. made. Part V. contains miscellaneous provisions, which require no special mention. In general, it may be said that while the Bill contains no authority for new. works or developmental schemes to be carried out in the South-East, it sets up an administration which will be able to advise the Government and Parliament; how the South-East can best be drained and developed, and which, if Parliament gives the necessary authority, will be competent to carry out whatever. drainage or other works the exigencies of the future may require. I move the second reading.

Mr. REIDY secured, the adjournment of the debate until November 2.