**CROWN LANDS ACT FURTHER AMENDMENT BILL 1912**

**House of Assembly, 27 November 1912, pages 1099-1104**

Second reading

**The COMMISSIONER of CROWN LANDS**, in moving the second reading, said a Crown Lands Bill was one which was always of intense interest to members and the public generally, and he thought the present occasion would not be an exception. With the passage of various railway measures, they were on the eve of opening up and settling vast areas of country which would offer many difficulties to the pioneer settlers. Their chief aim, therefore, must be to secure the earliest development of that country, both in the interests of the settlers and theof the State. The early success of those railways depended upon the effective development of the lands and the production of freights. Those lands, of course, were practically non-productive in **t**heir virgin State, and represented only potential, but no actual present wealth to the State. The creation of valuable settled districts contributing revenue to the railways was of immense importance to a State desirous of expanding, as was South Australia. Recognising the foregoing facts, the Government was seeking to grant the settlers terms which would enable them to devote their time and money wholly to the development of their land during the initial years of their occupation of it. The Government proposed to make no charge for rent or interest during the first four years, to charge 2 per cent during the next two years, and to postpone the payment of purchase money in the case of agreements for the term of six years. That should enable lessees to satisfactorily establish themselves on their land, and to be in a position to pay rent or interest at the rate of 4 per cent. At the present time, in order to lighten the burden of early years of settlement, the Government fixed a low rate of interest, but such rate had to prevail for all time, which could hardly be deemed satisfactory from the general taxpayers’ point of view. There should come a time when a settler should be prepared, to pay such a reasonable rate as 4 per cent, on the original value of his land—reserving for him all the in­creased value which from time to time attached to his holding. Some grounds for permanent low rentals would exist in the case of lands let without public facilities in the shape of railways, water improvements, and roadways; but the Government’s policy was not to settle people under those conditions; and the facilities to be provided in connection with the Crown lands now available were such as in the opinion of the Government justified it in asking lessees to pay the reasonable rate of interest suggested, after the helpful concessions to be given during the first six years. Members must bear in mind that considerable expenditure would in future take place in those new lands in providing public utilities, such as schools, police, protection, roads, and for many other public purposes, and they must accordingly look for some reasonable revenue from those areas to enable the public revenue to stand such expenditure. He thought Parliament was satisfied that only reasonable prices should at the outset be placed on those previously valueless lands, realizing the value to the country of the pioneer settlers who set out to subdue nature, and in particular the mallee with its persistent vitality. The Government would take the responsibility of seeing that the lessees were not handicapped by too high a capital charge placed on the land. The present practice of fixing very low rents for all time was apt to induce the Land Board to fix too high a purchase price which would operate very harshly on those on who sought a covenant to purchase agreement, they having ultimately to pay such high price while the perpetual lessee was protected for all time by the low rent. An important aspect of the matter had reference to the fact that a permanent low rental created a goodwill from the outset of the lease. Inasmuch as money or money’s value was worth at least 4 per cent, and more to-day, land truly valued and let at 2½ per cent, was let for at least 1½

per cent, below its market rental value, and this 1½ per cent, capitalized represented the goodwill value of such lease apart from any increased value which might attach to the lease owing to any other cause. That goodwill value, intended as a concession and present to the bona-fide settler became a temptation which induced him to sell at a profit, and his success in that direction was apt to encourage him to become a land trafficker. The concession now offered would afford great help and assistance to the settler at the time when he most needed it, but created no value for him to traffic with. A further provision in the Bill enabled the Commissioner of Crown Lands on a transfer during the concession period to direct that the transferee should pay 4 per cent, from date of transfer, the concession being intended for the first settler only, and not for the subsequent purchaser, that, in his opinion, would operate in the direction of limiting the trafficking which not any of them wished to see, especially when it consisted of trading in concessions. It was not proposed to alter the time for completion of purchase, but to require the purchaser to carry out the conditions of his agreement, including the covenant to clear and cultivate, and in addition to spend at least 5/ an acre on substantial improvements. The foregoing proposals represented a considerable change, but the Government hoped the House would view the measure as a practicable attempt to help the settler, with a due regard to the rights of the rest of the community. Another important proposal related to the sale of town lots. There was little need to dwell on the defects of the present system, which allowed an unrestricted auction under which one man might acquire an unlimited number of lots to the detriment of those who sought to purchase one or more lots for bona-fide occupation, and not for speculative purposes. The late Government endeavoured to meet the position by granting perpetual leases with periodical revaluations of rentals, but members on the side of the present Go­vernment viewed with favour the retention of the system of granting a freehold title, and the Government had sought to give effect to that view, and at the same time to safeguard against the defects mentioned. It was proposed to have the power to limit the number of lots to be purchased by one man at auction, and to issue grants containing a condition against transferring without the Minister's consent, thus providing, so far as was practically possible, against dummyism. The Bill also provided that holders of leases and agreements granted since a certain date, and comprising lands in certain hundreds, should be given retrospectively the concessions of last year’s Act, which were limited to the future perpetual leases. He failed to see, in the first place, why any distinction should have been made between purchasers and lessees. The law gave an equal choice to applicants to select a perpetual lease, or covenant to purchase agreement. There had been two hundreds (Vincent and Wilson) settled under last year’s Act, and it was interesting to note that notwithstanding the concession to perpetual lessees, 53 persons took up agree­ments, and 44 perpetual leases. The Government did not think it proper to fight against the evident desire of people to obtain a freehold, believing that they com­prised the State’s best settlers. That was a question which had been debated at length on many occasions, and he did not propose at that juncture to further discuss it. The chief effect of the provision, however. was its retrospective nature. If members would refer to the schedule of hundreds affected, they would notice that they comprised scrub country, and the experence of the Lands Office was that settlers in those hundreds had had a difficult time in connection with their holdings, and in many cases had sought reductions of rent. Instead of doing that, believing that in the generality of eases the land was worth the rental—the Government sought to make last year’s Act retrospective, which would have the effect of giving those who were not in arrears a credit of about two years’ rent, and would, to the same extent, reduce any arrears, and be of great assistance to many deserving settlers in the recently settled mallee areas. The provision only related to land let during the last five years, and only to cases in which the Commissioner so directed, which would leave it open for the Commissioner to refuse his direction in the case of those who had done nothing in the way of bona fide settlement. There were some men who had never been on their blocks. The Surveyor-General would go into the hundreds, and make recommendations, obtaining facts which would guide the Minister in giving the necessary directions under the clause. There were a few instances of lands settled within the last five years, to which the provision did not extend. He believed they were the hundreds earliest settled, where the rentals were 1/8d., 1/2d., and under 1 1/2d. Owing to the low rentals there seemed no call for Parliament to meet their position, nor had he been asked for relief in respect to those lands. Another important provision in the Bill related to those closer settlement estates in the southeast country, concerning which the House had previously legislated in the direction of granting concessions. The history of settlers in those estates was not a happy one. The estates were Binnum, Kybybolite, Hynam, and Yallum. He purposed to bring the Kongorong Estate under the provisions of the Bill by resolution in a day or two. The settlers in those estates had been at great trouble to make ends meet, and Parliament had been pressed, for two years to give them concessions. Realizing the position, it had been generous and willing to meet the case, though not perhaps over wise. In 1910 a provision had been passed, enabling the Government to grant temporary relief to settlers who could make out a good case. The Minister was allowed to reduce the rentals up to 10 years down to 2 and 3 per cent., which was done in a few cases. In 1911 Parliament repealed that provision, and substituted others, enabling the Government to make a permanent reduction to purchasers; or, as an alternative, at the option of the lessee, to grant perpetual leases at reduced rental. In both instances that meant a capital loss to the State of money spent in repurchasing those estates. Those lands had been valued by the Land Board before purchase, and it was throwing a difficult task upon them to declare that the valuation was wrong, because various causes contributed to failure. Sometimes it was the land and sometimes the man. There had been difficulty. in dealing with requests from those people who sought the advantage of the concession. There had been dissatisfaction about some getting relief who had no great claim to it, while other and deserving cases had been refused; for it was difficult to gauge the merits of individual cases. He had thought it wise before taking action to have the estates thoroughly inspected and reported upon, so that he could take, if possible, a uniform view of the conditions of the settlers. He had sent down Mr. Taylor, formerly of the Taxation Department, a skilled accountant, capable of ascertaining the financial position of the people. His instructions to that officer were that he was to discuss the matter sympathetically with the settlers, to find their financial position, and how far they required and deserved relief. The settlers had met him properly on the different estates, and afforded him all the information he sought. Mr. Taylor’s reports had confirmed his opinion that that the dissatisfaction was not so much because the people were not doing well, as that others were getting concessions who ought not to have had them, while deserving cases had been refused aid. Some who had not paid up their rent were holding it back for that reason. The reports were not satisfactory from the standpoint of the State or the general taxpayer, inasmuch as some of the settlers were not doing all they ought to be doing with the land purchased for them with the taxpayers’ money. He was including Kongorong, because he believed there were settlers there equally as deserving as on the other estates. On the whole, the conditions on Kongorong were not satisfactory. Some settlers there were doing a fair thing by the estate, but others were not doing enough to prove the land, being content that they had got it at a discount, and were seeking relief. Although Kongorong had a considerable area, only 800 acres were under cultivation. The estate had not been bought for sheep farms, but largely for cultivation purposes. (Mr. Vaughan— “Heaven only knows what it was bought for.”) A considerable area had not been allotted. This was neglected, and rabbits were breeding to the detriment of the occupied land. Some settlers had wirenetted their blocks, and were doing well; others had not. If some of the others had done more they would have fought against the rabbits, and achieved a degree of success. The Government was placing a man in charge with poison carts, and would make a determined effort to destroy the rabbits in the unoccupied country, so that the settlers should have more opportunity to go ahead. The other estates had been reported upon. At Hynam the settlers ought to pull through with a little assistance under the Bill. There he believed agriculture could be carried on with success. The Hynam settlers had gone through two bad years (1909-10), which had put them behind, and they had found it difficult to make up leeway. This year, owing to former failures, they had not been able to get so much under crop as they would like. Generally, those people had made good improvements on their blocks in houses and fencing. Kybybolite was not quite so good generally, though portion of it was. In the case of the settlers there those deserving would have to be dealt with, under the Bill, Binnum was the least fortunate of the estates about Naracoorte, and part of the trouble lay in the fact that the blocks allotted were too small. Much of the land was suitable only for grazing. The blocks were not large enough to enable a man to get a living simply by grazing. It was hoped that some assistance would be given under the present Bill, and last year’s Act so that people would be able to en­large their holdings. That would get over the main difficulty. The provisions and privileges of last year’s Act enabling a man to apply for reduced purchase money or reduced rental would not be taken away. Most of the settlers were in arrears in their rent or instalments, and under the present law the department could not consider any application until they were paid. The Government proposed to enable the Land Board to consider those applications notwithstanding that a man was in arrears. The Land Board would have power to postpone payment for an expedient period. That would lift the burden off the settlers’ shoulders, and gave him a reasonable time. The board would have that power irrespective whether it had granted the application or not. Although it would not be able to grant any substantial reduction in the purchase money or in the rent it would be able to help the man in regard to the rent. That would be of great assistance to those who were prepared to work out their destiny under the lease. There might be a difficulty in the Land Board or Surveyor- General recommending some kind of permanent reduction. That might be a serious thing. The land might be of greater value than people thought, and the drainage might cause a great increase in the value. There might be eases on the borderline where assistance should be given, and consequently the board was given power alternatively to grant temporary relief. The 1910 and 1911 Acts were being combined. Where the board was not able to grant permanent relief it could make a recommendation to the Commissioner, and he could, if he was satisfied, allow a temporary reduction in the payments and also stipulate a period during which that reduction was to prevail. The payment of the purchase money might be postponed for a similar period. That would enable the tenants for a few years to work their land without having to pay any of their principal. Under the Bill they proposed to tell the people there might have been a mistake in some of the estates, or a mistake in the valuation of the blocks. It was desired to conserve the capital value, but not to hamper the settlers. He had been impressed with the view of making a permanent reduction. They had to help the people temporarily during the course of a few years, and then they might find out that the land was better than expected. If they granted relief hurriedly they were going to invite applications from one end of the country to the other. He desired to conserve the State’s interest so far as possible, and at the same time help the people until they were satisfied that something more had to be done. He wanted to look on the other side of the picture, and hoped that the people would be eventually successful. At Kybybolite there was a farm which Mr. Colebatch was improving. It was an opportunity for him to show the settlers what could be done by draining, and this year they had evidence of the success of the farm. Mr. Colebatch had proved that drainage could be done simply and cheaply. A substantial drain could be made for 6d. per chain. In Mr. Moseley’s district there was a contrivance for making them at less cost. As drains could be made so cheaply, it was up to the settlers to do something to suit their climate, even as the men in the north had to go in for expensive works on account of the shortage of water. He believed that the farmers would become more enlightened through the experiments of Mr. Colebatch. They should try in legislation to meet all cases—those who wanted temporary as well as those who wanted permanent relief. The taxpayer could not be expected to contribute hundreds of thousands of pounds for the purchase of large estates for nothing. The State did not look to make a loss. They should avoid them so far as possible. Other provisions aimed more or less to correct mistakes in existing legislation, and other amendments would remove doubts which had arisen in the course of administration. Section 3 would strike out part I. of section 8 of the principal Act, so that it would apply to all the lands in the schedule. Section 4 simply made section 50 of the principal Act agree with section 68. Section 5 struck out the proviso to section 58 in the principal Act so that provision could be made for resuming land for the purpose of town sites. They should be able to resume land for town sites. That was a very important public concern, and power would be secured in future leases. Under the 1903 Act it was specially provided that land should not be resumed for town purposes. Section 6 dealt with homestead blocks in connection with their conversion. There were cases where people sought to offer land worth more than £100, and there was sometimes trouble in splitting up the blocks, but the condition would still apply to allotted land. Section 7 dealt with the value of blacks for closer settlement. It was practically a repetition of the existing law, except where blocks were heavily loaded with improvements, as in the case of homesteads. Now the cost above a certain amount was spread over the other blocks, which was unfair. At Bundleer, for instance, the homestead was worth between £7,000 and £8,000. If that had been charged to the holder of the homestead block he would have been crippled, unless he had had a bigger area than was allowed under the Act. Consequently the Land Board had to write the improvements down and spread them over the other blocks. The homestead was then valued at £10 an acre, and the other land at £11 an acre. That was unfair. The previous Government had proposed to have an agricultural college there. The reasons were either that it wanted the college or that it was forced to find some use for the block. The policy could not be made a case of necessity, but should depend upon its merits. In the Moorak Estate the same trouble occurred. The cost of im­provements was entirely out of proportion to the size of the block that could be al­lotted with the homestead. He thought, however, that the arrangements made with the Federal Government to take the homestead would be satisfactory to the State. Clause 8 corrected an anomaly in the Act. It provided that a man owning Crown lands should be allowed to hold up to £5,000 of those and repurchased lands. Section 9 placed the transfer and subletting of repurchased lands on the same footing as ordinary crown lands. Section 10 dealt with applications to convert lands from perpetual lease to a covenant to purchase. In the present legislation, where such an application was made and was not acted upon, the applicant was debarred from applying again. It was there provided that subsequent applications could be made, and the matter was left with the Minister, to be dealt with as he considered proper. Continuous applications would not be encouraged, however. Section 11 gave power for the amalgamation of several leases into one. Now where there was a number of leases expiring about the same time there was confusion, but the amalgamation of them as here provided would overcome the difficulty. The transfer and subletting of lands were referred to in section 12, but there were no alterations beyond a few to make the provisions clearer than at present. Clause 13 dealt with covenants relating to the clearing and cultivation of Land, and made the covenants apply to both perpetual leases and covenant, to purchase, instead of to the former only, as previously. In section 14, dealing with surrenders, only new lands were concerned. Clause 15 gave right to reserve land at any time for the purpose of roads, railways, tramways, town sites, park lands, mining purposes, and other public purposes. Clause 16 simply added to the schedule, and clause 17 corrected a technical mistake in the original Act. Clause 18 made it clear that the concessions of last year’s Act were not to apply where a man was getting a new lease by conversion. Clause 19 amended last year’s Act, which stated that a man could not complete his purchase unless he had complied with the conditions of his lease. One great condition in most leases was that of fencing, and the fencing covenant was not always scientifically sensible. In mallee country a man should not necessarily have to fence the whole of his property at once. There was always the risk of fires in the earlier stage of development of land, and indeed the work required to be done was not so much fencing as the growing of crops. Fencing could be proceeded with as crops were grown. Clauses 20 and 21 dealt with concessions to settlers on closer settlement estates in the south-east. Clause 22 gave provision for the fixing of a minimum rental of 5/ under any perpetual lease or covenant to purchase agreement. At present some small areas were leased at 1/, and the trouble of collecting the rent was often more than the money was worth. The least amount that should be charged as rent was 5/. Clause 23 dealt with the terms under which new lands would be offered, and clause 24 dealt with concessions which would be made retrospective with regard to certain scrub lands allotted during the first five years. (Mr. Chesson —“Do you propose to fix something like a decent price on the land to recoup expenditure on railways?”) He had spoken on that question in his earlier remarks. (Mr. McDonald—“What about water and railways?”) Something would be added to the price of land near to railways. Clause 25 amended a mistake in last year’s Act. Under section 10 last year, it had been sought to provide, in the case of certain closer settlement estates where they had been unable to allot land, that the board should have power, after 12 months, to revalue it. By a provision inserted in the Bill by another place that has been made subject to section 7 of the Act. Section 7 dealt only with four particular estates to which concessions had been given. There had been no unallotted land on those estates; so that it was mow proposed to strike out the part in question and provide that m the case of any repurchased estates the board might revalue after 12 months. Clause 28 gave power to deal with stray goats which were a nuisance in some places. It was proposed that if stray goats were not claimed after a certain time they might be destroyed as a pest. Having explained the provisions of the Bill, he hoped members would give careful consideration to them and help the Government to get the Bill passed as quickly as would be consistent with its importance. The measure represented a practical attempt to deal with problems relating to land settlement, and in offering its provisions the Government was concerned only with the intention to do what was right to all sections of the community.

On the motion of Mr. VAUGHAN the debate was adjourned until November 28.