**PASTORAL ACT FURTHER AMENDMENT BILL 1922**

**Legislative Council, 17 October 1922, pages 924-8**

Second reading

**The MINISTER of AGRICULTURE (Hon. T. Pascoe**)—Members will recognise that a great alteration has taken place in the pastoral industry since the original Act was passed. As I look on the personnel of the Chamber to-day I reflect that when the old Act was passed, with the exception of the President, there are only four of us present to-day who were here then. Mr. Duncan has taken the place of his father, who left the imprint of his wisdom on that Act. Another leading light then was the present Chief Secretary. In those days he was generally on the opposite side to Mr. Lewis and myself, but it was recognised that he gave great help to the pastoral industry at that time. After the 1888 leases fell in a feeling of unrest existed among the pastoralists of South Australia, and great need was felt for some security of tenure to enable-them to place permanent improvements on their blocks. For that purpose the Act of 1904 was passed. A leading opponent of that legislation in this House was our late, honorable friend, the Hon. J. H. Howe, who felt, that in passing that Act we had practically, given the fee simple of our pastoral country to the pastoralists. He held that opinion right up to the last. Taken as a whole, the -industry in South Australia has, under the 1904 Act, made tremendous progress, and members will agree that a great deal more money has been made in the pastoral industry since the passing of that measure than was the case previously.

The Hon. J. Lewis—If it had not been for that Act there would have been no pastoralists in South Australia to-day.

The MINISTER of AGRICULTURE—Further, the amount of money expended on pastoral properties since then in making permanent improvements, such as provision for water, &c., speaks wonderfully well for the Act of 1904. What prior to the passing of that measure promised to be an absolute failure has been, so far as local conditions would allow, tremendous development. Though periodical droughts have occurred since as well as before 1904, under the Act passed in that year the pastoralists have been able to make greater provision to cope with them. The amendments proposed in this Bill may be termed largely administrative. Nevertheless, there are some that are changes of policy, and which may be regarded as somewhat important. It is to these latter that I wish to call members’ attention. The first amendment proposed refers to the rate of interest payable. The old Act provides for 4 per cent, in every case. In other Acts of Parliament we have had to alter the rate of interest because of the changed condition of the money market. The amendments dealing with that are set out in clauses 3, 6, anil 12 of the present Bill. The change is proposed because the rate of 4 per cent, is no longer sufficient. Members will remember that there was such a feeling at the time the 1904 measure was passed towards Government officials that the Parliament of the day thought there should be one man on the Pastoral Board who was not employed by the Government.

The Hon. J. Lewis—Quite right, too.

The MINISTER of AGRICULTURE—Probably it was then, because at that time the pastoral areas had to be revalued and the improvements valued, and it was thought necessary that there should be some practical man on the board in order to leven the feeling of officialdom, as, after all, a Government servant must feel tied up to some extent and works with an unconscious bias. It was the opinion of Parliament at that time that it would be to advantage to have an outside man on the board. In recent years it has been found that there is no longer a necessity to have an outside man on the Pastoral Board.

The Hon. J. Lewis—You advocated an outside man.

The MINISTER of AGRICULTURE—I did at that time, but in the few years prior to the death of Mr. Robert Kelly. the bulk of his time was taken up with other duties than those associated with the. Pastoral Board. We are not proposing to appoint another outside man.

## Bill.

The Hon. J. Lewis—If an outside man were appointed he could fill in his time with other business.

The MINISTER of AGRICULTURE—Personally I do not think the need for an outside man which existed in 1904 exists to-day.

The Hon. J. Lewis—The first policy was to have all outside men and no Government officials on the board.

The MINISTER of AGRICULTURE—That was prior to 1904, but it was the Act of 1904 which really settled the pastoral industry and placed it on a workable footing. The board since 1904 has been composed of two Government officials and an outside man, and I wish to make it quite clear to the honorable member that the proposal under this Bill is that there shall be no outside man on the board. The late Mr. Robert Kelly in his later years spent probably five sixths of his time doing work other than that of the Pastoral Board because the board had so little to do and met so seldom. Clause 8 makes an amendment of a minor character to section 92 of the Act. That section provides that if an outgoing lessee remains in occupation after his lease has expired (as he is entitled to do) he must allow to the incoming lessee 5 per cent, interest on the amount paid by the incoming lessee for improvements. In some cases arrangements are made by which the incoming lessee pays for the improvements by instalments. In such a case, owing to the wording of the section, the incoming lessee would only get interest on the instalments he had actually paid, whereas he is justly entitled to be paid interest on the whole purchase money. This clause will make the matter clear by inserting, instead of the words “the amount paid,” the words “the total amount of the purchase money payable”. Clause 9 inserts a new section in the Act after section 93. Sections 90 and 91 of the Act permit an outgoing lessee to remain in occupation of the leased land during any interval between the expiry of the old lease and the commencement of the new, and for 12 months after the commencement of the new lease. This is an unusual privilege, and one that is not enjoyed by any other lessee of Crown lands, or indeed of land owned by a private individual. There are sometimes cases where the land is required at the expiration of the lease for some purpose other than pastoral purposes, such as irrigation, or some public purpose, but there is no provision in the Act for getting rid of the lessee in such a case. Apparently he may continue in occupation indefinitely. The new clause will provide for such a case. If the Commissioner decides that, after a lease has expired, he will not reoffer the land for pastoral lease, or that the land should be offered for soldier settlement, he may give the lessee six months notice to quit at the expiry of his term. The notice may be given as to the whole of the land, or as to a part only, and at the expiration of his lease the lessee must give up possession. He will be entitled to payment for improvements upon his so giving up possession. The new clause will work no hardship upon the lessee. He will still enjoy a privilege which is not accorded to any other lessee. The ordinary man who takes a lease of land goes out when his lease expires; the pastoral lessee, oven under the new clause, may insist upon having: six months’ notice that he is to quit at the end of his term. Honorable members know that there is a good deal of pastoral land which is not suitable for cutting up, but there is some that is.

The Hon. J. Lewis—I thought it was not the policy of the Government to settle soldiers on pastoral leases.

The MINISTER of AGRICULTURE—The honorable member has been under a wrong impression. Some of the leases in the North-East have fallen in and we have made arrangements to settle five or six soldiers on them. Clause 10 inserts a new clause, in Part XIII. of the Act, after section 118. Part XIII. constitutes the Tenants’ Relief Board, and defines its functions and the procedure for invoking its aid. Briefly, the provisions amount to this: if the lessee commits a breach of any covenant of his lease, other than the covenant for payment of rent, the Commissioner cannot avail himself of the right which, in general, is possessed by every other lessor, and forfeit the lease. He must. first give the lessee three months’ notice of his intention to forfeit. The lessee may then apply to the Tenants’ Relief Board “for relief” as it is phrased by section 111. The board then inquires into the matter, and decides upon one of the several courses specified in the Act. In certain cases recently reported upon by the Pastoral Board—

The Hon. J. Lewis—But. you have no Pastoral Board now.

The MINISTER of AGRICULTURE—Well, there is part of a Pastoral Board. The chairman is still there. I think there are still two of the three members. I do not think a member has been appointed since the death of Mr. Kelly, but still if the honorable member desires I will leave out “Pastoral Board” and say that in certain cases recently reported upon by the Inspector of Pastoral Leases forfeiture has been recommended, but no action has been. taken because of the difficulty of obtaining the necessary evidence of breaches of covenant. The covenants most usually broken are either those relating to stocking, expenditure on improvements, or the destruction of vermin. In all of these cases it is practically impossible for the Crown to obtain sufficient evidence to raise a prima facie case. On the other hand, if a lessee has complied with his covenant it would be a matter of no difficulty at all for him to prove that he has done so.

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The Hon. J. Lewis—What about the Government’s country? Over 100,000 square miles without a man on it.

The MINISTER of AGRICULTURE—Two wrongs do not make a right . At any rate, most of the country Mr. Lewis refers to is now enclosed with vermin fences.

The Hon. J. Lewis—Only about half of it.

The MINISTER of AGRICULTURE—The very far north would not be, but the country this side of Lake Torrens is mostly enclosed with vermin fences. It is pretty well known that some of the lessees are a menace to their neighbours within these vermin districts.

The Hon. J. Lewis—The Government are the greatest menace.

The MINISTER of AGRICULTURE— Well, if we can only make the Government do their duty we shall accomplish something; but even if the Government do neglect their duty it is no reason why lessees should suffer at the hands of fellow lessees adjoining them. The lessee who does not comply with the law with regard to the destruction of vermin is also a menace to the adjoining lessees, and his default places them at a great disadvan­tage, and may render their own work of destruction practically valueless. All the new clause provides is that if, in any proceedings before the Tenants’ Relief Board, the Commissioner alleges that the lessee has made default in the performance of any of his covenants, it will be for the lessee to prove that he has performed those covenants. The next important alteration in the law is contained in clause 15, which is a new provision in which the Government are making a considerable advance on anything that has been the law in regard to pastoral matters in South Australia. It is intended to encourage searching for artesian water in the areas abutting on the East-West railway line and in other areas which are at present waterless. The discoverer is offered a pastoral lease containing special terms. A person who wishes to searchfor water with a view of obtaining a discoverer’s lease must first obtain a permit from the Commissioner. The permit will give the holder the exclusive right to search for water in a certain defined area and a preferential right to a discoverer’s lease. If the holder of a permit satisfies the Commissioner that he has discovered by boring or well sinking a permanent supply of good stock water yielding not less than 4,000 gallons a day, he becomes entitled to a lease of 100 square miles of country surrounding the location of the water supply. The special conditions offered are these:—For the first 10 years, no rent is payable; for the next 10 years, the rent is 6d. per square mile; and for the rest of the term, 2s. per mile. The covenant relating to stock required by the Act in other cases is modified so as to provide that the lessee shall not be bound to increase his stock beyond 10 head of sheep or two head of cattle per mile at any time during the lease. For the first 10 years the lessee is exempt from payment of wild dog rates. In all other respects the lease is to be upon the same terms as a lease under the Act. Clause 16 gives an added inducement for the search for artesian waters by providing that the holder of a permit issued under clause 15 who discovers upon the land specified in the permit by boring or well sinking a permanent supply of good stock water suitable for great cattle, yielding not less than 4000 gallons a day, shall be paid by the Commissioner a reward of not less than £200, provided such supply is not less than three miles distant from every other existing bore or well.

The Hon. J. Lewis—Very liberal!

The MINISTER of AGRICULTURE—Well it is an advance upon anything which has been done before in regard to the settlement of our pastoral lands.

The Hon. R. T. Melrose—Better than nothing.

The Hon. *J.* Lewis—The present Act gives 10 miles of country rent free for 10 years around any bore you can get.

The MINISTER of AGRICULTURE—In this Bill we are giving 100 miles of country free of rent for the first 10 years, and for the same period no wild dog taxes will be levied, and at no time will the lessee be bound to increase his stock beyond 10 head of sheep or two head of cattle per mile. If country is worth anything at all, such terms ought to encourage people to make some effort to obtain water. The next item is an addition to the present law to enable the Government to repurchase, voluntarily and not compulsorily, some leases in fair districts to cut up and divide among soldiers.

The Hon. J. Lewis—A very good clause indeed.

The MINISTER of AGRICULTURE — Clauses 20 to 22 are new provisions introduced in the House of' Assembly, and deal with the voluntary repurchase of pastoral leases in order to promote closer settlement. In effect they really apply Part X. of the Crown Lands Act to pastoral lands, but without the compulsory acquisition clauses of those provisions. That enactment enabled the Government to purchase agricultural land for closer settlement, but at present there is no power to purchase pastoral leases for this purpose, except under the provisions of the Discharged Soldiers Settlement Act. Under these proposed clauses the Government will be in a position, on the recommendation of the Pastoral Board, to treat with owners of leases which are desired for closer settlement. It is generally recognised that any extension of the pastoral industry will be done by younger men and probably on smaller holdings than has been done in the past. Previously pastoral holdings have been too big, and the work has been done by companies or men with companies behind them.

The Hon. J. Lewis—But for those companies there would be no pastoral occupation at all.

The MINISTER -of AGRICULTURE—That is quite true.

The Hon. J. Lewis—No small men could have worked that country.

The MINISTER of AGRICULTURE—Under the conditions which existed in 1904 I suppose it would have been impossible for at least 90 per cent, of the pastoralists, without the help of companies, to have done anything on this country at all.

The Hon. J. Lewis—Quite right.

The MINISTER of' AGRICULTURE—After what has been done, including the improvements that have been put on, it is now quite possible, under the voluntary system, for these leases to be repurchased and subdivided, and young men settled on them. I give the pastoralists credit for the present condition of affairs, which has made this subdivision possible.

The Hon. J. Lewis-—That is very sweet of you.

The MINISTER of AGRICULTURE—I am glad Mr. Lewis appreciates my sweetness for once. It is quite a pleasure to hear words of praise from him. Clause 20 sets out the Commissioner’s power to acquire, by agreement with the pastoral lessee, his interest in the whole or any part of his lease. This may be done only by agreement. If the lessee does not wish to sell, the Government cannot compel him to do so. This power to acquire pastoral lands for purposes of closer settlement will be worked in conjunction with closer settlement under the Crown Lands Acts, and the limit fixed by those Acts to the amount that may be expended in closer settlement, namely, £600,000 for any two financial years, will have to cover pastoral lands as well as agricultural lands. That is to say, the operation of this scheme will not entail any greater expenditure to the Government than at present, because the one fund will serve for both kinds of acquisition, and this merely means that if more of the fund is expended under the Crown Lands Acts less will be available under the Bill, and vice versa. Clause 21 provides for a report to Parliament when any pastoral land is repurchased for closer settlement. Clause 22 is the important clause of the scheme. It sets out how the land, once acquired, is to be dealt with. It follows on the lines of the corresponding provisions of the Crown Lands Acts, with the following exceptions:—Firstly, since the scheme is a closer settlement scheme, a limit is fixed to the holding capacity of the blocks into which the land may be subdivided. No block is to have a greater carrying capacity than 10,000 sheep. That does not apply to original pastoral leases.

The Hon. J. Lewis—You are making them big squatters. Why not fix it at 500 sheep?

The MINISTER of AGRICULTURE—The honorable member is pulling my leg now. He knows perfectly well that 500 sheep will not, keep a family. It would appear from the reports of the debates in another place that some members thought the number should be 5,000 sheep, but when you take into consideration the nature of the country and its uncertainty you realise that what will keep 10,000 sheep in some years will probably, on an average of years, keep only 5,000.

The Hon. J. Lewis—None at all in some years.

The MINISTER of AGRICULTURE—That is so. And when you start dividing up you must leave a margin of safety, because conditions vary so much. Ten thousand sheep is considered by the Government to be rather on the high side, but in order to provide for exceptional cases where, for instance, the water improvements will not allow of the land being subdivided into small blocks, the Land Board is given a discretion up to that limit. The average holding into which repurchased land will be subdivided will be much lower than that. In conjunction with this subdivision (ii.) subdivision VI. must be considered another subdivision directed to effecting the purpose of the clauses, i.e., perpetuating the subdivision of the land as a closer settlement scheme by preventing the aggregation of pastoral lands in the hands of any one individual. Subdivision VI. provides that no person who is already the holder of a pastoral lease may acquire a holding subdivided of land acquired for closer settlement, nor may any person acquire more than one such holding. This does not apply to general pastoral lands, but to those repurchased for closer settlement, so that they shall not go back again and ones more have to be repurchased at some future time for closer settlement. Unlike other pastoral leases, the amount payable to the outgoing lessee in respect of improvements will be paid by the Government, and the repayment to the Government by the incoming lessee will be spread over the term of the lease. Since it will be necessary for the incoming lessee, upon going into possession of any of the subdivided blocks, to incur a fair amount of expense in carrying out improvements during the first years of his lease, it is provided that for the first five years of the lease interest only is to be payable by the lessee in respect of improvements and the goodwill of the lease. After that he will pay the price fixed by the Land Board for the improvements and goodwill by equal annual instalments spread over the remainder of the term of his lease. He may pay off the balance owing at any time. Those are the main amendments, but there are other smaller ones that can be considered when the Bill gets into Committee. There may be some difference of opinion on the question as to whether there should be an outsider on the Pastoral Board at present. There was a distinct need for that in 1904, but the work that the board had to carry out at that time is not likely to be again necessary, and I do not think there shouldbe an outsider on the board. One other amendment I may mention. Under the present law when an outgoing lessee makes an application for the lease again he has to put down 10 per cent, of the value of the improvements, but under this Bill he will not be called upon to dothat. I move the secondreading.

The Hon. J. LEWIS secured the adjourn­ment of the debate until October 18.