**MARGINAL LANDS BILL 1940**

**Legislative Council, 14 November 1940, page 1391**

Second reading.

The Hon. A. P. BLESING (Northern—Minister of Agriculture)—The origin of this Bill is to be found in the scheme for the stabilisation of the wheat industry which was formulated by State and Commonwealth Ministers in the conferences of 1938. The conference agreed that for four years the Minister for Commerce would allocate £500,000 a year between the States from the proceeds of the flour tax. This arrangement was effected by Commonwealth legislation. An amount of £190,000 has already been allocated to this State and is being spent in adjustment of holdings, under proposals sanctioned by the Commonwealth. The original proposals for the full adjustments envisaged a four-year programme, but at a recent conference held in Melbourne, the Commonwealth Government stated that it considered any stabilization of the wheat industry could not be effected until the problem of marginal lands had been satisfactorily dealt with. The Commonwealth representatives submitted to the States proposals in which they asked the States to speed up the settlement of this problem in consideration of which they said they would be prepared to make the finance available in the near future. They submitted also eight points of which they asked acceptance by the States. These points are as follows:—

(1) Clear delineation of all marginal areas. (2) Prohibition of wheatgrowing for grain outside those areas. (3) Re-allotment of land in marginal districts to provide a living area, for farmers based on stock and wheat husbandry. (4) Maintenance of improvements by the farmer. (5) Limitation of the area that can be sown or fallowed in any one year. (6) Prohibition of cultivation of certain types of soil or compelling replanting with approved cover. (7) Conservation of fodder, seed, and water. (8) Prevention of future subdivision of marginal areas.

The work already done in this State has shown that while it is possible for adjustments to be made by the State purely as an agent of the Commonwealth, if a more rapid adjustment is desired, then it is necessary for the Commissioner to have more direct powers to undertake this work. It should be clearly understood that the proposals that are to be undertaken under the provisions of this Bill will be financed by the Commonwealth and that there will be no obligation on the State for their repayment and consequently the policy to be effected must be approved by the Commonwealth. In other words, the Bill that is placed before the House is a Bill to enable the Commissioner of Crown Lands to carry out Commonwealth policy. It is not within the province of the House to formulate that policy, although experience has shown that the Commonwealth has been very ready to listen to any proposals that the State has cared to submit to it. There is no need to emphasize the value and importance to the State of any scheme which will solve the problem that has caused severe heartache to many hundreds of settlers and has resulted in great hardship to them in endeavouring to carry on under adverse weather conditions trying to grow wheat in lands that should never have been thrown open for agricultural purposes as a purely wheatgrowing proposition.

The financial results also have been very detrimental to the State and even after these lands have been opened up for many years and after successive settlers have failed upon them they still constitute one of largest problems in connection with agriculture in this State. Already a very large reduction has taken place in the area which is sown to wheat each year. The area sown to wheat this year is 2,600,000 acres. Contrast this with the year 1929, when 3,645,764 acres were sown. Some figures with regard to the position can be given, for instance, over the last five years no less than 439,022 acres per annum returned an average of less than six bushels and of this area 376,021 acres averaged less than three bushels. Taking the period of the last 10 years the position is that 595,134 acres per annum averaged less than six bushels and of this total 468,603 returned less than three bushels. I do not think it is an exaggeration to say that unless better farming methods are employed very much of this country will become so subject to drift and to soil erosion as to permanently affect its value. The Bill before the House is to enable the Commissioner to give effect to the eight requirements that have been laid down by the Commonwealth and also to expedite the adjustments of the holdings. It does not pretend to set out the policy for as has been previously stated this is a matter upon which the Commonwealth must have the final determination, but the Bill has been framed in a manner that will allow the necessary machinery to operate from the point of view of administration and give powers which at present do not exist.

The first matter in the Bill to which I draw attention is the definition of “marginal lands.” This definition is in accordance with the ideas of the Marginal Lands Committee working under Mr. Field. Marginal lands are those lands which, having been used for wheatgrowing, are regarded as unsuitable for wheatgrowing as the principal operation either because of inadequate rainfall alone, or because of inadequate rainfall combined with other factors. The definition will not bring within the scope of the Bill all lands anywhere in the State which are used for wheat and as which wheatgrowing is unprofitable, but only land which is in a geographic sense on the margin of the wheat belt.

Clause3 confers on the Commissioner of Crown Lands a general power to buy and sell property and to enter into other contracts and transactions for the purpose of promoting the more profitable and successful working and development or Marginal land. The power of the Commissioner is subject to the restriction that all payments which he has to make in connection with the exercise of his power must be made out of funds provided by the Commonwealth.

Clause 4 contains some machinery provisions for dealing with any land which the Commissioner purchases under the Bill. If the Commissioner thinks fit, he may require the title of land which he purchases to be cancelled and the land vested in the Crown. Thereupon the land may be allotted to settlers (who will in practice be settlers already holding some land) on lease, perpetual or otherwise. Such leases will contain terms approved by the Commissioner on the recommendation of the Land Board; but the terms need not be the same as those prescribed in the Crown Lands Act. Obviously, the special circumstances arising out of the re-organisation of marginal lands and the need for ensuring larger holdings will necessitate special terms in the leases. In some respects, however, the leases will be governed by the Crown Lands Acts. Subclause (4) of clause 4 sets out a number of sections of the Crown Lands Act which will apply to leases granted under the Bill. These sections contain what might be called the legal and administrative provisions relating to leases as distinct from the provisions determining the form and content of leases. For example, they provide for such things as the mode of recovering rents and of executing transfers and surrenders, and for the rights of various persons on the death of the lessee, and so forth. Clause 4 also gives the Commissioner of Crown Lands certain powers to modify the obligations of settlers under marginal land leases granted under the Bill. It will be recognised that the schemes proposed are experimental, and it may happen that the most suitable conditions for settlers are not discovered until after the scheme has been in operation for some time. Clause 5 provides that the mention of specific powers in the Bill is not to be regarded as restricting the powers conferred in general terms.

Clause 6 provides for making regulations carry out the Act and facilitate and improve the settlement and development of marginal lands. At present the Government does not know of any regulations likely to be required; but after the Government’s proposals have been considered by the Commonwealth, the Commonwealth may ask for some further arrangements to be made, in which event the power to make regulations may be useful. Clause 7 provides that the Commissioner of Crown Lands must report annually to Parliament on his proceedings under the Act. As the Bill is in general terms it was considered desirable to ensure that Parliament will be furnished with full details of the mode in which the powers granted by the Bill are used. I move the second reading.

The Hon. F. J. CONDON (Central No. 1—Leader of the Opposition) —This Bill is an attempt to stabilise the wheat industry by devoting part of the iniquitous flour tax to the adjustment of certain marginal areas. When the flour tax was first mooted, I pointed out that it was a class tax because it would penalise the poorer people, especially those with large families. The sum of £500,000, of which £190,000 has been received by this State, has been set aside for the purpose mentioned. Parliaments and Governments will recognise the blunders they have made over a period of years in compelling people to go outback where they had no chance of success.

The Hon. E. D. A. Bagot—We did not compel them.

The Hon. F. J. CONDON—They had to go somewhere, and they were compelled because there was no suitable land nearer the city.

The Hon. J. Cowan—They went there in good seasons when land was very cheap.

The Hon. F J. CONDON—It has been dear lately. These settlers had no chance because others were permitted to hold large areas out of production. A report of the Public Works Standing Committee issued about twelve months ago showed that only about 12 per cent of the land in the South-East was under cultivation. There was ample room for families to be settled in the South-East instead of being sent to the West Coast and elsewhere.

The Hon. A. P. Blesing—Not for wheatgrowing.

The Hon. F. J. CONDON—Yes; much of the land that could be growing wheat is used for grazing.

The Hon. Sir Walter Duncan—It is a pity more is not used for grazing.

The Hon. F. J. CONDON—That is the point of view of the honourable member. Within a hundred miles of Adelaide there is land used for other purposes which would be better used for wheatgrowing than land 200 or 300 miles away with a rainfall of 8in. or 9in. a year. Now we are trying to rectify our mistakes by the use of this unfair flour tax. In the South-East one man owns 57,000 acres and has only 1,000 in production. That was evidence given before the Public Works Committee.

The Hon. Sir Wallace Sandford—He was grazing the rest.

The Hon. F. J. CONDON—No. The law allows men to hold too much land out of use. In passing this legislation we are bowing to the will of the Federal Government. I support the Bill because there is no alternative, but people should not be placed on land if they have no opportunity to make a reasonable living.

The Hon. Sir Wallace Sandford—They were not compelled to go on the land.

The Hon. F. J. CONDON—What about our irrigation settlements on which Governments have spent millions of pounds? Even now it is proposed to spend a further sum of £100,000 on the Berri area in order to deal with the seepage problem. We have so much money invested in these areas that we are forced to keep the settlers on their blocks. Our present position is due in many respects to the war of 1914-18, after which there was a clamour for returned soldiers to be settled on the land.

Reverting to the flour tax, the total consumption of flour in South Australia is 60,000 tons a year and for the last 12 months the tax has been as follows:—

Rate per ton.

£ s. d.

October 1, 1939 5 2 9

November 1, 1939 4 12 9

December 1, 1939 4 2 3

January 1, 1940 1 12 3

February 1, 1940 1 12 3

March 1, 1940 2 5 5

April 1, 1940 2 5 5

May 1, 1940 1 15 5

July 1, 1940 1 15 5

August 1, 1940 1 15 5

September 1, 1940 1 18 5

October 1, 1940 2 2 10

These figures will show members the heavy burden that is placed on consumers of bread.

The estimated wheat crop for the coming season is 19,584,000 bushels. The area under production is 2,248,000 acres and the estimated average 8 bushels. Last season the yield was 41,071,696 bushels, the area cropped 2,734,595 acres and the average a little over 15 bushels. In 1938-39 the harvest was 31,674,418 bushels, the area reaped 3,080,401 acres and the average 10¼ bushels. Farmers are beginning to realize that it is useless to sow crops if there is no chance of a reasonable return. The lower wheat yield this year will cause difficulties for all concerned. Since 1914-15 our smallest crop was 3,527,428 bushels, an average of 1.41 bushels. In 1931-32 we obtained our biggest crop. We reaped 48,093,102 bushels, the average being 11.81 bushels. Our biggest average yield was in 1916-17—16½ bushels. In that year 45,745,066 acres were cropped. During the past 27 years we have reaped over 30,000,000 bushels on 13 occasions. It will be seen that we seem to be slipping back in wheat production. Every year men who are on land from which it is difficult to obtain a living ask for assistance. They are kept on that land although they have no chance of making good.

I cannot understand why, when the Commonwealth Government requires land for munition purposes, it should acquire large areas of our best wheatgrowing land and pay exorbitant prices. An instance of that was the acquisition of a large area near Salisbury. If the Government had gone a few miles west or east it could have purchased land at a low price. I understand that the site has now been transferred to Smithfield. I support the second reading because I cannot see any alternative.

The Hon. Sir WALTER DUNCAN (Midland)—I support the Bill. The biggest mistake this State made was when it subdivided large holdings into blocks that were so small that men could not make a living on them. Their only alternative was to gamble with the seasons and see if they could grow wheat. I regret that it has taken people so long to realise that land can be put to much better use by intense culture instead of growing wheat. During the last 10 years at least the one man who has been right up against it has been the wheat farmer. Those who have gone in for mixed farming have managed, perhaps with difficulty, to get through. The Bill will give the Minister power to aggregate holdings in order to give those farmers who remain on the land an opportunity to make good. Mr. Condon referred to the advisability of establishing munition works east of Salisbury. I presume he refers to the Murray Flats. I cannot imagine anyone in his senses establishing a big factory in such a locality. For some years the Government has been endeavouring to persuade people to go in for mixed farming. Those who followed that advice will be deprived of any benefits under the Bill. The only lands that can be declared marginal lands are those that have been used principally for wheatgrowing. For instance, take two settlers with adjoining farms in a marginal area, one engaged exclusively in growing wheat and the other engaged in mixed farming, going out shearing and doing odd jobs. Under the Bill the latter would be prevented from having his area increased because it had not been used principally for wheatgrowing, whereas the other man could be granted an additional area to enable him to keep stock. I know that that is not the Government's intention. The object of the Bill is to give effect to the agreement made between the State and the Commonwealth, which is providing the money. In Committee I shall move to strike out ''principally'' in the definition of marginal lands. If during the last five or ten years a man has given up wheatgrowing and undertaken grazing he should not be deprived of the benefits of the Bill. The measure gives the Commissioner of Crown Lands a fairly free hand to deal with marginal areas and I agree that he should have a free hand. I do not suggest that lands that have always been pastoral lands should come into the question. I support the second reading.

The Hon. E. D. A. BAGOT secured the adjournment of the debate.