**RENMARK IRRIGATION TRUSTS LOAN AMENDMENT BILL 1900**

**House of Assembly, 24 July 1900, pages 189-93**

Second reading

**The TREASURER**, in moving the second reading, said he need not detain the House long, because the matter had been fully debated last session, when the report of the Commission appointed to deal with the question was adopted by a large majority. He would show how far the Bill coincided with the recommendations of the Commis­sion, and why in the places where it did not, it failed to do so. In the first place the report recommended:—

(a) That the Government should satisfy, on behalf of the trust, all the various claims of the debenture holders and liquidators for not more than £1,500, or, in the alternative, enforce all the conditions of the Chaffey Act in respect of the erection of college, canning works, &c., without prejudice to any rights the settlers may have against the Messrs. Chaffey or their assigns in respect of alleged non-fulfilment of their statutory obligations with regard to improvements, and that the various mortgages, including the Victorian Board of Land and Works, should be asked to agree to terms with the mortgagors not less favorable than the following:—No payment of any part of the principal of any lien to be enforced for five years from the adoption of this report by Parliament, so long as interest is duly paid thereon half-yearly by the mortgagors, such interest to be in no case more than 5 per cent, per annum. All principal and interest up to the date of the said adoption to be capitalised and made payable in ten equal half-yearly sums, the first of which shall fall due five years from the said adoption,

(b)That the concessions contained in the Act of 1887, and therein offered to the Messrs. Chaffey, but hitherto not availed of, be declared forfeited,

(c) That, subject to the satisfactory accomplishment of what is mentioned in the foregoing recommendations, and not otherwise, Parliament should make a further advance to the trust, to be expended in the works set out in the schedule F hereto of a sum of £16,000. This sum, the present loan, and the amount paid to the debenture holders to be lent to the trust on security of its properties and rates to be repaid in forty-two half-yearly equal sums, including interest from date of each advance, the first pay­ment to be made three years from the passing of the Act authorising the advance,

(d) That the time within which the trust may sell land for arrears of rates be reduced to twelve months, i.e., six months arrears and six months notice thereof,

(e) That the trust be empoyered to exercise all the powers and authorities of a district council within the area of all the land granted to Messrs. Chaffey Brothers,

(f) That a site be leased by the Government to the trust for a long term at a nominal rental for the use of the Packing Union, representing the settlers.

The result was that so far as the debenture holders were concerned it was settled that £1,500 was to Ibe paid to them, or the conditions of the Chaffey Act enforced. The following was a statement as to what had been done: — “The debenture holders decline to take £1,500 or even double that sum in satisfaction of their claims. They contend that their tangible Renmark assets are more extensive than the evidence shows, and include movables (traction engines and other machinery), and some settlers’ mortgages, and) debts; and this probably is the case. Although their tangible assets are certainly not worth £3,000, even that sum they say would not (after payment of expenses) yield any appreciable dividend on their loan of about £200,000. In addition to the above assets they claim—1. A charge upon the “concession's, ie., the Chaffeys’ rights to the ungranted portion of the 250,000 acres, but apparently without the Chaffeys’ obligations, and (2) any difference in value between the capitalised mortgage moneys (see par. 2 of ‘Recommendations’), and the actual mortgage debts. The later asset (2) they waive—it being of little or no practical value—and as regards the former (1) the debenture holders appear to have regarded these ‘concessions’ as of value, although they are in reality— and this the trustees do not deny —quite worthless. It therefore remains for the Government to resort to the alternative recommendations.” The Commission recommended that one of two things should be done so far as the claims of the liquidators and debenture- holders were concerned. They recommended that the liquidators and debenture-holders should be bought out for £1,500, or, if they could not be bought out for that sum, that their claims should be declared void and set aside. The debenture-holders’ agents in Melbourne said:—“Supposing we were disposed to take your £1,500, or even double that amount, it would form such an utterly insignificant dividend upon a capital of £200,000 that it would not be worth while calling our principals together to ask them whether they would accept it or not.” It was therefore open to Parliament to accept the other recommendation, of the Commission, and simply to void these claims. In the original agreement there was no authority given to transfer or pledge any of the concessions granted to Chaffey Bros. Later on power was given to them to transfer these concessions, with the consent of the Commissioner of Crown Lands, the Minister concerned. However, at no time had any application been made to the Commissioner for such transfer, so that there was really no wrong done in declaring the claims of the liquidators and debenture-holders void. Those persons had in reality no claim in law, and they certainly had none in equity. Certain rights were given to the Chaffey Bros., contingent upon them doing certain things. Those things had not been done, consequently the rights vanished. Therefore neither from the point of view of law nor of equity was there any reason why the House should not cancel all the rights for which the Chaffey Bros, had not given an equivalent. In the Bill the Government terminated all the rights that had been granted. The next condition set out by the Commission was as follows:—“(2) To make the following or better terms with mortgagees (including Board of Land and Works):— No principal to fee paid for five years if 5 per cent, interest be meantime paid. Present liability (principal and interest) to be capitalised and payable in ten, equal half-yearly sums, commencing five years from now.” Mr. Culross, than whom no one better understood the matter, had visited Melbourne, under instructions from the Kingston Government, and had interviewed practically all the mortgage-holders and their representatives. Not one of these had refused to come under the conditions set out. Four were not seen, being inaccessible, but all the rest of the banks and mortgage companies concerned agreed to the conditions. They not only did what the Commission recommended, but they did more. The Commission required that the matter should be allowed to stand over for five years. The mortgages agreed to let the obligation stand over for seven years. Next he came to the direct mortgagees. The Board of Land and Works held their mortgage as part of a security given in connection with the purchase by Chaffey Bros, of some pastoral country around Mildura. From the legal point of view, therefore, they had no mortgage. (Mr. Handyside—“What is the amount of their mortgage?”) Their mortgage was for £30,000. The Government took up the position that those who held that mortgage had no claim on any portion of or any interest in the Renmark settlement. The land over which that mortgage was held was unimproved and was not commanded by the water channels. It was moreover very inferior land. Mr. Culross said in regard to this mortgage:—“(1) The consent of the Commissioner of Crown Lands, as provided for by section 203 of “The Renmark Irrigation Trusts Act, 1893, has not been obtained to anyone of such direct mortgages, although they were all granted after the passing of the Act; and (2) they would only remain bound until there was default in payment of interest, say six months.” He thought these were very sufficient reasons why they should not in any way in that Bill recognise the claim of the Victorian Board of Land and Works, or any of the other mortgagees. Those mortgages, the Government held, were null and void, the necessary consent by the Commissioner of Crown Lands never having been obtained. The Bill provided for a loan of £16,000 to the settlement, and except so far as he had already pointed out it gave effect to the recommendations of the Commission. He might inform the House that Mr. Charles Chaffey, one of the pioneers of Renmark who had paid a visit to California about the end of last year, had returned to the colony impressed with the conviction that it was far better to be a fruitgrower under the conditions which prevailed at Renmark than under the conditions which obtained in South California. If this Bill passed that gentleman would very considerably extend his planting. Mr. Chaffey said that though the value of unimproved land suitable for fruitgrowing in South California ranged from £80 to £100 an acre, and though the average land at Renmark was not equal to the average land in South California, yet much of Renmark was considerably better, especially for certain crops. Mr. Chaffey added that the current water rate in California was 40/ an acre, whilst at Renmark the maximum rates levied was only 20/ an acre. More eloquent than Mr. Chaffey’s words, however, were his actions. That gentleman had not remained in California as he had contemplated, but had returned to Renmark. (Mr. Glynn—“What area has he got?”) About 80 or 90 acres. It was on the flat, and was almost the worst of the Renmark fruitgrowing land. A copy of the Bill had been forwarded to the Renmark irrigation Trust, and they had said it was an acceptable measure, and urged that it should be passed as speedily as possible. Without the Government stepped in and made good the default of Chaffey Brothers Renmark could not stand. The work of constructing the channels must be done, and the settlers had never covenanted to do it, and could not do it. With an expenditure of £16,000 upon the channels, however, they had no fear that they would not be able to hold their own. That the enterprise was an important one was proved by the fact that the value of the produce exported from Renmark last year was £20,000. That was something to have achieved upon country which formerly kept only rabbits and a few sheep. He had laid the facts before hon. members, and he appealed to them to pass the Bill speedily. It would be better to throw out the Bill than to allow it to drag on indefinitely. The settlers at Renmark were anxious to know their fate, and it would be a kindness to them to let them know it at once. The industry at Renmark was one of great promise. There were very few industries, too, that had been established at such a little cost. He earnestly hoped that the Bill would meet with a favorable reception, and that it would speedily pass not only that branch of tne Legislature, but the other.

Mr. GLYNN said he had looked at the Bill the previous night, and before promising to vote for it he would like to get a little more information from the Treasurer on the question of the adequacy of the security. They had already advanced £3,000. They did that in 1896 upon a security which had not been found to be realisable. The stipulation then was that the money was to be repaid, over a certain number of years, and the State Bank was to collect it. The State Bank, however, had not stepped in to secure repayment of the advance made by the Government in accordance with the Act of 1896. What was the security? He did not pay very much attention to the promises of Chaffey Brothers. No doubt they were particularly sanguine, just as they were in 1887, when their expectations were not realised. Mr. Chaffey held some 70 or 80 acres at the settlement, and such a fact was a natural stimulus to sanguine statements on his part. In the same way, he did not pay very much attention to the anticipations of the trust or the settlers, because they were also to some extent interested parties. The proper course was to see what security the State is getting for the proposed additional allowance. It was proposed to advance £16,000, not on the security of the property; but on the security of the rates. According to Appendix A of the Commission’s report, the rates for seven years averaged a little under £3,200 a year, and that was by imposing the maximum rate of 10/ per acre half-yearly. Besides that there was a special rate imposed in 1897 with a maximum of 2/6 per acre for special emergencies, or to secure funds to repay advances. In Appendix A it was stated that the special rate of 2/6 declared in July, 1897, to meet the interest on loan and repayment, was only partly paid, the rate being too heavy for a large proportion of the working settlers. Hon. members would see the significance of this. In the first place, there was, under the Bill of 1893, a maximum rating capacity of £3,200 a year from the rate of 10/ per acre, and of £400 a year from the 2/6 rate, or a total rating capacity of £3,600 a year. When this special rate, which was intended to cover repayments, was imposed, the capacity of the settlers to pay it was found to be wanting. Before there was any effective power to realise the security the expenses of the settlement must be paid out of the rates. Supposing the instalments of purchase-money and interest are not paid up, what would the Treasurer have to do? Was he going to seize the rates? If he did, he stopped the whole concern and killed the security. At present there did not seem to be any surplus in the rating capacity over what is required for the working expenses of the settlement, and under the Bill the Treasurer could not go beyond the ordinary rate of 10/. There was no likelihood of any security for the repayment of the Government advances. If the works were seized upon the Government would not probably get one-fifth of their value at a sale, and there was no security given over the properties themselves. If the individual settler did not pay his rates, his property could be let or sold to pay them, but that was no remedy for the Government as against the trust to recover advances. That was only a remedy in the default of the realisation of the imperfect security of the rates. In order to proceed against the settlers procedure must be taken under the District Councils Act, shortened by one-half, and the order of the Supreme Court would be only to enable the plaintiff to recover some portion of the rates. There was no direct power given for the sale of the property to get back the principal. (The Treasurer—“It is the same security as the City of Adelaide borrows money on.”) Quite so, (but would tile Treasurer advance £50,000 or £60,000 to the Corporation of Adelaide on the possibility of their declaring a surplus rate to pay the interest? If the Treasurer wanted the advance to be on the security of the rates, he should put in the Bill power to levy rates adequate to meet the indebtedness of the trust. Unless he did that, the Government would only come in after the men who bold the real security—the mortgagees, because their property could not be taxed except through, the rates. The mortgagees came in first under the machinery of this Bill, which he (hoped the House would not pass in its present form. (The Treasurer—“You know the rate comes before every other security.”) Yes; but the Treasurer had not given the power to rate beyond the necessities of the working of the concern, and therefore there would be no available surplus. (Mr. Homburg—’“You have evidently overlooked the fact that it is not intended to ask these people to hand anything back.) In any case, we should not act like financial fools. That the Treasurer had relied a good deal on the complaisance of the mortgagees and debenture holders was clear from the evidence of Mr. Culross. He had the greatest admiration for Mr. Culross .as an honest lawyer and an honest man, but when two parties were interested the proper thing was for each to be represented by a different lawyer, and these representations had come either from the lawyers of the trust or of Chaffey Brothers—they seemed to be mixed up to some extent. He believed Mr. Culross was solicitor to the trust, and however honest he might be—and he had the highest respect for him—they should very carefully examine a Bill drafted by a lawyer representing the trust to see that the interests of all parties are properly safeguarded by it. As regarded the postponement of the securities, he thought it amounted to very little. Clause 12 provided that the mortgagees, although they had not advanced a cent towards the repayment of the £16,000. must only wait for a period of eight years, or, at a lower rate of interest, for 12 years, before they asked for any portion of the principal to be repaid, and it was stated that it there is any failure on the part of the settlers to pay at the lower rate of interest this postponement by the mortgagees goes to the wall, so that it lay at the will of the mortgagees and the settlers to say whether the value of the postponement will be of any avail to the Government. If the settlers did not pay up, and the mortgagee sued, the mortgages became repayable at once. The Treasurer had also said that the debenture-holders were to be practically wiped out, but the Bill did not kill them. The debenture-holders were some of the mortgagees, whose repayments were postponed, and not wiped out under clause 12. Clause 7 gave power which already existed as regarded the revocation of the rights of the Chaffey Brothers in the 250,000 unalienated acres. The Bill also gave the trust power to seize the property of any ratepayer in arrears, and let it for seven years; but this was not worth much as an additional means of securing payment of arrears. It allowed the lessee to step in within 30 years and redeem the property on payment of the outlay and 6 per cent, interest. Under this arrangement it seemed to him that a lessee might, if the concern proves successful, go to England and enjoy himself, while the trust worked the machinery of the settlement, and after deducting the outlay and 6 per cent, the surplus accruing would be paid to him without doing a single stroke of work. It seemed ridiculous to say that after so many years a man had been evicted from a property, he might step in and redeem. All sorts of things might happen on that long period, and the power of redemption given to evicted tenants in the old country was generally exercised at the end of one year. He held that there was practically no security at all. Therefore, it was incumbent upon the Government to put a power in the Bill to levy rates for the purpose of creating a surplus from which moneys advanced under the terms of the measure might be paid back. According to the Treasurer, the debenture holders had no legal claim, and they ought to compel the Victorian Board of Land and Works to postpone the mortgage. The House should consider this matter twice before they passed the Bill.

The Hon. T. PLAYFORD said he had no reason to alter the opinion he had expressed on this question last session. As a member of the Commission he had gone thoroughly into the whole matter, and he was certain that with the system pursued at Renmark of keeping four pumping plants at work, necessitating four different sets of motive power, there was no chance of the settlement becoming a success. The only chance of establishing the settlement on a sound basis would be to concentrate the working machinery, so as to have the whole irrigation of the settlement done by one plant, and by operating upon a considerable area of new land of the best quality. That would be far more economical than the present method, and would give Renmark some chance of being successful. If the settlement were to go ahead it must extend. Instead of cultivation slackening there, and people abandoning their blocks after expending considerable sums of money on them, a more vigorous and progressive policy would have to be adopted, so that additional means, in the shape of increased rates and returns, might result. In the past the settlers had been advanced £3,000 to work the land, and though they had promised to pay interest on that sum not one penny had been returned to the State. It never would be paid back, because the settlers could not afford it. The chances were all against the settlement at present. The question now to be considered was whether a further advance of £16,000 would enable the settlement to be extended and its operations become successful. In his opinion, it would not, while four sets of machinery were kept going, and no more economical method of conducting the fruit colony was adopted. The £16,000 which it was proposed to advance would be devoted to the making good of a number of cement channels, and to the repairing of portions the machinery, and the pipes, which carried the water from one ridge to another, and which were now leaking. The expenditure of the money would not result in one penny more being received by the trust in the way of rates to pay off the advance. The settlers asked the Commission to let them have the money as a gift. (Mr. Dumas—“Only some did.”) Practically all made that request but as this would not suit the Commission they altered their tactics accordingly They, however, admitted having little or no expectation of repaying the amount borrowed. He agreed with Mr. Glynn on the question of security. In reality there was no security, and Mr. Glynn’s proposed amendment to enable a special rate to be levied would not result in any more security than at present. Directly an additional rate was levied the settlement would be closed because it could not pay it. They might put whatever stipulations they liked in the Bill concerning a special rate, but it would not advance the settlement any further. The report of the Commission stated:— “That the Government should satisfy, on behalf of the trust, all the various claims of the debenture holders and liquidators for not more than £1,500, or, in the alternative, enforce all the conditions of the Chaffey Act inrespect of the erection of college, canning works, &c., without prejudice to any rights the setters may have against the Messrs. Chaffey or their assignees. The Government said that they would give notice, and would comply with that recommendation. The report went on to state: —“Various mortgagees, including the Victorian Board of Land and Works, should be asked to agree to terms with the mortgagors not less favorable than the following:—No payment of any part of the principal of any lien to be enforced for five years from the adoption of this report by Parliament, so long as interest is duly paid thereon half-yearly by the mortgagors, such interest to be in on case more than 5 per cent, per annum. All principal and interest up to the date of the said adoption to be capitalised and made payable in 10 equal half-yearly sums.” He understood that the Victorian Government had advanced the Mildura trust £40,000 to improve the channels, pumping gear, &c., but they did not give one penny until conditions similar to those enforced in this report were agreed to. The Victorian Government would advance nothing until they had first of all released the settlers from the clutches of the debenture holders. The South Australian Government were not insisting upon that condition at all. The Victorian Government refused our Government precisely what they insisted upon being done in connection with Mildura, and they had assumed a most unfair position in the whole matter. They refused to release us from the mortgages with the Board of Land and Works. The position was an involved one. The Commission had concluded that these bodies had no securities, but if the Commission had arrived at the same determination as the Treasurer stated he would have come to, they would not have been so foolish as to offer £1,500 to induce them to give up their rights. While the Commission believed they had some rights, which they thought were not worth much, they made it imperative that they would have to forego what rights they had before they advanced any money. Their reason for that was that lending £16,000 to a trust would only improve the security the mortgagees had. If the Bill were passed he was afraid South Australia would be involved in a variety of lawsuits, which would be very expensive to the country. There was the South Australian Government on the one hand, and Victorian on the other—both good clients, who would be worked to the very utmost, by the legal profession, while there were also the debenture holders. Before introducing the Bill it would have been better for the Government to ask the two parties what action they proposed taking and to ascertain, whether they were to fight out the question or not. The Renmark people had a great claim for consideration upon the Government of South Australia. One settler put the position like this:—“We have spent hundreds of thousands of pounds of our own money in an intended object lesson for South Australia, to prove whether irrigation and fruitgrowing could be made a success on the Murray. We had no sooner started our business and planted our hundreds of thousands of acres of fruit-trees than your Government immediately, at the expense of the State, established a number of settlements to compete with us in the markets of the colonies and the world. Already the Treasurer has written £10,000 off the bad debt incurred in connection with the settlements, and we are positive he will have to write off another £50,000, or even a larger sum than that. Now that we are in a difficulty through the failure of Chaffey Bros., in whom we trusted implicitly to carry out their contract, and to establish works of a permanent character, we think the Government ought to help us. That was a fair position. Giving the settlers a loan was a farce, for they had no hope of getting any of the money back. People who could not pay interest on £3,000, extending over a number of years, would not be likely to return any interest on £19,000 or £20,000. Unless a new planting of fruit trees to gradually take the place of the present ones was done, very shortly the present crop must assuredly begin to deteriorate in value, as a result of natural causes and circumstances. The settlers might struggle on for years, but they could never repay either principal or interest, and it was a perfect farce agreeing to the Bill. As the Government were likely to be landed in a lawsuit with two bodies, and as they had established competing settlements on the Murray, the least they could do was to make them a gift of the money.

On the motion of Mr. McDONALD the debate was adjourned till next day.

**RENMARK IRRIGATION TRUSTS LOAN AMENDMENT BILL 1900**

**House of Assembly, 7 August 1900, pages 281-5**

(Adjourned debate on second reading)

Mr. McDONALD agreed with the Treasurer that the House should let the Renmark people know their fate as early as possible. It must be very discouraging for them to wait in suspense for the last two years. Suspense was worse than refusal, for in the latter case the settlers would know what to do. Some few years ago Parliament advanced them £3,000 for the purpose of paying the interest due to the State Bank. Now they were in almost the same predicament, and they asked the House to advance them £16,000, which would enable them to put their machinery in repair and cement their water channels. (Mr. Homburg—“Until they come again.”) That was what the House wanted to know, whether this amount would enable the settlers to make their repayments and get a living. The Hon. Thomas Playford was one of the Commissioners on the Renmark enquiry, and no one in South Australia knew more about this particular trade than he did; and Mr. Playford said there was no chance of the settlement paying, and his reasons were that the settlers had four pumping plants, which were very costly, and, in addition, the settlements were scattered, which made the price of water very heavy alt the present rates. Last year Mr. Playford said the only hope of making Renmark pay was to advance something like £36,000 to the settlers, so that they could adopt the Spring Cart Gully scheme. That would require only one pumping station, and the people would be in a smaller area. He had supported that scheme. Were the people of Renmark justified in conning to the House and asking for £16,000? That was the question the House had to discuss. After the statement of Mr. Playford they could hardly say the people had a fair and just claim. They would all admit that the people of Renmark had spent a large amount of their own money, that they were hard-working and industrious, and that they were now beginning to understand how to grow fruit, pack it, and forward it to market. In almost every case the fruit was spoken of most highly, and it was finding a good market. The prospects of the settlement were consequently much brighter than they were some little time ago. At present the Government were advancing sums of money to mining companies, most of which would not be paid back. Something like £80,000 or £90,000 had been advanced to the village settlements without the slightest hope of ever getting half of it back. Money had been shovelled out to the people on the settlements in a wholesale manner without any Act of Parliament. Not only had the Government lavished large sums of money on the settlements, but the settlements had been established in opposition to the Renmark people, and (having done that could they refuse these people a loan of £16,000. (Mr. Grainger— “You said it would not help them.”) He said that the larger scheme was far the better one to place the settlers on a sound footing, but in this case there was very great doubt. Could the House, when the settlers were (hopelessly insolvent, abandon them, and shut up the settlement for the sake of £16,000? (Mr. Tucker—“You forget that the Government did not start this. It was Chaffey Brothers.”) They were brought here under false pretences, and had spent thousands and thousands of pounds of their own money. He was not an advocate of advancing money without security, but they were lending thousands of pounds to others. They had shovelled out £70,000 to the village settlers, and could they say to the Renmark people, "We 'will not ‘help you at all?” Were they going to allow the settlement to break up for the sake of £16,000? (Mr. Grainger—"The mortgagees will break them up.”) He had no sympathy with the Treasurer in saying he would put some of the creditors out of court. (The Treasurer—“Oh, no.”) Some of them would be put out of court. (The Treasurer— “That is not our fault.”) The Treasurer’s proposal was to put the Melbourne people out of court. (The Treasurer—“The Bill does not deal with their case.”) Victoria was not likely to be snuffed out by any Bill the South Australian Government passed. He was not in favor of anything like repudiation. Some urged that Parliament should make a gift of this £16,000, but he was not in favor of that, although he knew that they lent it with very poor hopes of getting it back. They should lend it as they did to mining companies and other associations, with the hope of getting it back when things turned round. He would rather that the Treasurer had asked for the £36,000, and then there would have been more chance of the people getting a living for themselves, and paying back the loan. The trees were now getting into full bearing, and unless the settlers were able to sell more land it would be impossible for them to carry on. The Renmark people had never had a fair start. They began with second-class machinery, much inferior to that at Mildura, and the water channels were never cemented. He regretted that the Government had not brought down the larger scheme, but at the same time he was not going to see the Renmark settlement broken up for the sake of a loan of £16,000.

Mr. DUMAS said that when this matter was before the House last year the Commission which had investigated it recommended “that the Government should satisfy on behalf of the trust all the various claims of the debenture holders and liquidators for not more than £1,500, or in the alternative enforce all the conditions of the Chaffey Act in respect of the erection of college, canning works, &c., and that the various mortgagees, including the Victorian Board of Land and Works, should be asked to agree to certain terms with the mortgagors.” In addition the Commission advised “that the concessions contained in the Act of 1887, and therein offered to the Messrs. Chaffey, but hitherto not availed of, be declared forfeited, and that subject to the satisfactory accomplishment of what is mentioned in the foregoing recommendations and not otherwise, Parliament should make a further advance to the trust of a sum of £16,000.” He very much regretted that the recommendations of the Commission were not accepted by the debenture holders, and the representative of the Chaffey Brothers’ estate. Those recommendations were very reasonable, as was attested by the fact that they were approved by the House by 23 votes to 9. The debenture holders and representative of the Chaffey Bros, did not accept the terms offered them, but the other mortgagees were very liberal indeed, and had actually given the mortgagors a longer term in which to repay the amounts due upon their properties. Thus while the scheme now before members was not so liberal as the one presented for their consideration last session, it was sufficient to warrant them passing the Bill. (Mr. Shannon— “Do you think the settlers will ever be able to repay this loan?”) He would not like to say they would. Clause 3 provided that property on which rates remain unpaid for three months after they become due might be let by the trust for any term not exceeding seven years. Owners might release their properties on payment of all arrears of rates and costs incurred, but if any property was not released in 30 years it vested absolutely in the trust. Clause 7 was a very important one. It provided that the Governor might by proclamation in the “Government Gazette” “revoke and determine all or any of the rights, powers, estate, and interest, which may under and by virtue of the Chaffey Act or the Chaffey agreement, or any license issued pursuant thereto have become vested in George Chaffey and William Benjamin Chaffey, or any person or company claiming through or under them in respect of any portion of the 250,000 acres set apart by the Chaffey Act, which should not have been granted in fee- simple.” Subsection- B of that clause secured to the trust the right of entry for all time on the 250,000 acres referred to, and as that right of entry was already amply provided for by existing legislation he would in committee move for the excision of that provision. He also desired to see the £16,000 which it was proposed to loan to the settlement taken out of the general revenue. Clause 12 was helpful to the settlers, and would not work any harm to the mortgagees. Everyone recognised that the Renmark settlers had had a hard time. They were led to believe by the “Red Book” that the Government of South Australia were really backing up the Chaffey Bros. When the agreement was sanctioned by the House many remarks made by members were calculated to induce intending settlers to believe that Renmark was going to be a perfect paradise. Unfortunately (the Chaffey Brothers had come to the end of their banking account, and had left the channels at the settlement incomplete. There was therefore a moral obligation on the part of the House to help the settlers mow. Those people had spent about a quarter of a million sterling, had establish ed a new industry, which yielded over £20,000 worth of produce in 1899, and £3,000 more than that last year. If the settlement was assisted there was every prospect of it succeeding. This was evidenced by the case of Mildura. Three or four years ago that settlement was in a very poor condition, but the Victorian Government had assisted it to the extent of £40,000 or £50,000, with 'the result that today many abandoned blocks had been taken up, the population was increasing, and there was even talk of the construction of a railway to enable the settlers to get their produce to market more expeditiously. What had 'been accomplished at Mildura could be done at Renmark. The quality of the Renmark fruit was unsurpassed. Mr. Wood, who was accustomed to deal in that fruit, in giving evidence before the Commission, said—“Our raisin's are in very good demand in all the other colonies, and we are able to compete with the Mediterranean fruit.” In an interview, Mr. Samuel McIntosh, the Government village settlements expert and inspector, had said “that as a result of (the help and encouragement recently extended to the settlers at Mildura by the Victorian Government that irrigation colony is now in a most healthy, hopeful, and flourishing position. The raisins and figs which he had with him are from the holding of Mr. Wilkinson, a New Zealander, who has done so well out of his land at Mildura that he is about to increase the area of his riverside possessions. From varied causes about a third of the land once cultivated at Mildura had dropped out of bearing, but the annual production of the settlement still keeps on the up grade. From a statutory declaration made to the Mildura Dried Fruits Trust, and presented to the Victorian Railways Stand­ing Committee, is taken this record of the output of dried and citrous fruits from Mildura during the last three seasons:—Dried fruits—1898, 849 3/4 tons; 1899, 1,073 1/3 tons; 1900, 1,281 3/4 tons. Oranges and lemons – 1898, 34,586 cases; 1899, 49,748 cases; 1900, 80,000 cases.” Mr. McIntosh incidentally remarked that at Renmark last season Lord Deramore’s holding, which had 62 acres of vines, yielded 80 tons of raisins, worth about £35 a ton, or £2,800, while Colonel Morant obtained 20 tons off 15 acres, representing a value of £700. Some criticism had been levelled at the box flat country by Mr. Playford, but it was there where Colonel Morant, Lord Deramore and others had obtained such remarkable results. Federation would throw open the Australian trade in dried fruits to our producers, and the consumption of these articles in New South Wales, Victoria, Queensland, South Australia and Tasmania in 1898 was no less than 17 million pounds, and to this the consumption of West Australia must now be added. The value of the duty on this quantity of dried fruits at 2d. per lb. would be £141,500. The £16,000 which the House was asked to grant would be expended in making channels, and in doing work which the Chaffey Bros, should have done. The money would be spent in wages on the spot, and would do good in that way. The stopping of seepage would prevent further destruction of the land, and many 0f the vacant blocks which had been abandoned would probably be reoccupied. The general improvements would be an incentive to others to spend money, and Mr. Chaffey estimated that he would increase his plantations at a cost of some £2,000. If the settlement became prosperous it would do a vast amount of good to South Australia, while a failure would be one of the worst advertisements we ever had. We had induced an able and intelligent class of people, with money at their back, to come in, and if they failed, we were never likely to have another irrigation colony. Reckoning the £3,000 already advanced, we should be lending £20,000 in round figures, and what was that in comparison to the amount these people had themselves expended? He had every hope that at least a portion, if not the whole, of the money would be returned, for we were unquestionably dealing with honest people. The Spring-Cart Gully scheme, advocated by Mr. Playford, would entail a cost of at least £50,000— £37,000 in addition to £13,000 out of the £16,000 which it was now proposed to expend on concreting the channels. It also meant that the Government must take the responsibility of carrying on the pumping station at Spring-Cart Gully. The proposed expenditure would put the channels in a thorough state of repair, and if the bigger scheme became necessary £13,000 of the expenditure of £16,000 would go towards it. On many previous occasions the House had come to the aid of languishing industries. The dairying industry had been put on its feet by a vote of just £16,000; and another precedent was the aid given to sheep farmers and winegrowers by the Produce Export Department. He hoped the House would agree to the adoption of the smaller scheme.

Mr. WOOD said there was no doubt that the Renmark colony had aided the consumer by reducing the local price of apricots, lemons, and dried fruits. Mr. McDonald had stated that the village settlements were started in opposition to Renmark, but that was hardly correct. The village settlements were started in order to place the unemployed on the land, and their assets were considered equal to every penny advanced. He understood that even the abandoned settlements had been let at a rental equal to 5 per cent, on the total expended on them. On the other hand the Renmark colony was mortgaged up to the hilt, and there was not a member in the House who could say that this proposed advance would ever be repaid. When the previous loan of £3,000 was asked for he said it would be far better to give the money outright, for we would never get it back, and he said the same to-day. At the same time he believed intercolonial free-trade would prove beneficial to Renmark. He had used the raisins from the village settlements, and had found them to be of a first-class quality. They could be obtained at 3 1/2d. per lb., and imported raisins cost 5 1/2d. There was no fear that outside fruit would or could compete with the South Australian article, and if we could produce enough raisins and currants to supply consumers here not one pound of either would be imported into the colony. Our fruits were superior and cleaner, and they had a much better flavor than the imported ones. If they would assist the manufacturers of dried fruits in South Australia a splendid trade in this line would be built up. He would sooner give the Renmark settlers a present of £16,000 than lend it to them, because he fully believed they would not be able to pay back any of it. The Victorian Government had the first claim on the land, because they had the biggest mortgage on it, and they would take care they would get their rights. No other mortgagees could step over the heads of the Victorian people. (The Treasurer—“Rates can be levied, and they come before mortgages.”) When they advanced the settlers £3,000 it was understood no more would be demanded. Now many of them were abandoning their holdings, while others were selling out where they could. Indirectly it would pay the Government to present them with £16,000, because more people would be settled on the land, and they would be induced to put the soil to the very best possible use. The river and railway carriage would benefit, and there would be a corresponding increase in the revenue of the State. Growers in the hills were unfortunately unable to get the same concessions as the Renmark people. He agreed with Mr. Dumas that if the Government advanced the £16,000 it should come out of revenue, and not out of loan. Mr. Playford had informed them that many of the trees in the Renmark settlement were dying, and he also declared that in a few years the whole settlement would be abandoned. Therefore the Government should consider whether it would not be wiser to adopt 'he Spring-Cart Gully scheme, which would involve an advance of from £35,000 to £40,000. Mr. Playford believed in that scheme, because he was convinced ultimate success would be more assured under it, while he (Mr. Wood) thought its adaption would give the Government a greater hold upon the settlers.

Mr. CALDWELL was pleased to know that the growth of the trees at Renmark had proved more permanent than he expected, and that the salt did not have such a detrimental effect on them as in other localities. Financially the experiment had not given satisfaction. When the agreement with Chaffey Brothers was before Parliament he foresaw the complications that had subsequently arisen. The outside public were misled on the matter, and they were deceived into believing that the Government were in some way connected with this scheme and that if it came to the worst the Government would stand by them. Whenever an emergency arose the Government was always appealed to, and the one or two occasions on which the agreement with Chaffey Brothers was modified the speculators got the first benefit and the settlers the second. The sum of £3,000 had already been absorbed, and £16,000 more was proposed to be spent on irrigation. He was informed by an authority on the subject that even with the additional volte of £16,000 not an extra acre would be put under vines or fruit trees. (The Treasurer —“You have been misinformed.”) A practical man credibly informed him of that. The supply of water in the Murray seemed to be shrinking, and even if the Inter-States Commission prevented the eastern colonies from using the waiter for irrigation it would continue to shrink, unless, of course, there were plentiful rains. He pointed out to Mr. Dumas that there was no possible analogy between the proposed loam to the settlers and the butter bonus. The latter was established to encourage the exportation of butter, and it was open to be availed of by all producers and exporters of butter resident in South Australia. The present proposal only applied to a few horticulturists at Renmark, and would not (benefit fruitgrowers in any other part of the colony. Mr. McDonald said that money had been flung away on the village settlements right and left, and they should therefore be generous to the people at Renmark. Only the other day, however, some blockholders living on the eastern side of the Mount Lofty Ranges had appealed to the Government for a small amount of money to enable them to repair a road, which would give them access to market for their produce. At present they had to carry it on their backs to the main road, but they had no one pleading their case as there was for those at Renmark, who had already been generously assisted with Government money. Only the other day a gardener who lived in the valley of the Torrens complained of the proposal 'to help the Renmark settlers to compete on more favorable terms with growers near the city. Many of the latter had had to struggle against quite as great and as many difficulties as the Renmark people. Much of their land cost them £25 an acre to clear and break up before they put a tree in, and yet they worked on without asking anything from the Government but sufficient money to give them highways to enable them to market what they produced. It had been said that the Chaffeys had come to the end of their banking account. Well, they were not singular in that in South Australia. Many farmers and gardeners had done 'the same thing, but they had no Government to go to for assistance, and they had either to borrow money for themselves or to wind up. Many of them struggled on against difficulties quite as great as those at Renmark. He was of course gratified to learn that the fruit produced there was of first-class quality, and that the growers feared no

competition but'that of the Mediterranean. No doubt that was severe, because of the cheapness of labor in Southern Europe. He had been told by a merchant that he bad lately purchased a large quantity of currants from Greece of first-class quality, and at a price which no one in the colony could hope to compete. He would like to remove even possible difficulty in the way of people who wished to settle on the land, but he believed in letting them establish themselves in an independent manner. He had many dear friends at Renmark, and he was sorry they had been misled by the conditions of the agreement entered into between speculators and the Government— conditions which led them to believe that, in case of trouble, the Government would see them through. He really could not, however, agree to a further expenditure of public money there. Mr. Playford knew as much about the conditions under which horticulture could be successfully carried out as anyone in the House, and he had told them that the Government would never get a penny of interest on the advance. Yet he was going to vote for the. Bill. He (Mr. Caldwell) would do the same if the country could afford it, but it could not, and so he would oppose the second reading.

Mr. HAGUE said the Bill had been prepared by a gentleman who was solicitor for the settlers, and it had been very cleverly prepared. Mr. Glynn had expressed some doubt as to whether Parliament would not be landed in legal difficulties over it, and he would like to hear some other of the legal members give their opinions on the measure. The Bill appeared to give absolute power to the trust, which could take over the land if three months rates were in arrear by simply giving three months notice. But to whom was the notice to be given ? First of all, no doubt, to the mortgagor, but was six months to expire before notice was given to the mortgagee, or was the notice to be simultaneous? In the Bill of 1893 there was a very different provision. Clause 120 said:—“In any case in which rates heretofore due, or hereafter to become due in respect of any rateable land, shall be in arrear for the period of one year, the trust may, at any time, after the expiration of such period of one year, cause to be published three times in the “Government Gazette,” a notice in the form in the ninth schedule hereto, or in a form to the like effect.” Twelve months was only a reasonable notice to give before taking a property over either from the man who was working it or from the mortgagee, and both should be protected by a provision for ample notice. (The Treasurer— “The Bill gives special power for redemption.”) Yes, the property might be redeemed at any time for 30 years, but the obligation to pay the water rates was going on, so that if land was once taken over, there was very little chance of the owner ever getting it back. The land, when taken over, might be leased for seven years, and the Bill provided that the lessee should be free from any liability on account of mortgages, but there should also be a provision giving him the right to claim payment for his improvements if at the end of the seven years his land was taken away from him. There was no such provision in the Bill at present. If a block was to be made to pay, the lessee must be constantly replanting to supply the places of the trees killed by the salts rising, and must be continually manuring to neutralise their action. (Mr. Copley— "Only a small part is affected in that way.”) No doubt, but then the apricot, which was one of the principal trees grown at Renmark, was a short-lived tree, and was easily destroyed by the application of too much water, so that replanting would have to be pretty constant if the blocks were to be made to pay. Mr. Wood had said that the assets of the village settlements fully covered the money that had been advanced on them. It had been said that they were started in opposition to Renmark. They were not started intentionally in opposition, but they had entered into opposition, and the two classes of settlers were placed in different positions. The village settlers were placed on land, for which they had received little or nothing, and they had received assistance from the Government. In the other case the men had spent large sums of money of their own, not only in purchasing land but in. cultivating it. There was only one reason for supporting the Bill before the House, and that was this. The Government were to a considerable extent responsible for the position in which the settlements were placed. They had certain obligations in connection with the settlement of the Chaffeys, and they had not acted up to them. They did not see that the Chaffeys carried out the conditions of their agreement, and to that extent our Government were responsible, and that was the only reason that would induce him to support the vote now proposed. He would not, however, commit himself to support the vote until he had heard something more about the Bill, and What its effects would be.

On the motion, of Mr. COPLEY the debate was adjourned' till Thursday.

The TREASURER asked members to come prepared to finish the debate on Thursday.

**RENMARK IRRIGATION TRUSTS LOAN AMENDMENT BILL 1900**

**House of Assembly, 9 August 1900, pages 302-14**

(Adjourned debate on second reading).

The Hon. W. B. ROUNSEVELL said the House had already been made thoroughly acquainted with the position of the Renmark settlement by the able speeches of the Treasurer, Mr. Dumas, and Mr. Playford, and both sides of the question had been fairly put. Briefly, the report of the Commission recommended that when certain alleged claims were amicably settled an advance of £16,000 should, under certain conditions, be made to the settlers, whose original anticipations had unfortunately not been realised. The debenture-holders were so widely scattered that it was almost impossible to get a meeting of them in London, or of their representatives in Australia. It appeared that they were under a misapprehension as to their position and their rights and obligations. With regard to the amount of money which the debenture-holders were supposed to have granted, he was credibly informed that only about £5,000 found its wav to Renmark. The Chaffeys had failed to carry out their agreement with the settlers, who had, in consequence, been great sufferers, and most people would agree that it had been voided. As Chaffey Brothers had failed to carry out their obligations their rights and privileges had gone by the board. If the Chaffeys had rights and privileges, they had on the other hand obligations, and that applied, not only to the bondholders, but to the mortgagees. If they had these rights and privileges they were entitled to retain them, and as far as he was concerned, although he represented the Burra electoral district, which included tire .settlement of Renmark itself, neither by his voice nor vote would he countenance anything like repudiation. That House ought not on an ex parte statement by the people of Renmark to annul any existing rights or privileges, or to prejudice them, as members would be doing by passing clause 7 of the Bill. That section ought to be expunged, and could be expunged without in any way affecting the purport of the Bill, which was to advance £16,000 to the settlers to enable them to tide over their present difficulties. This Bill was intended to benefit the settlers and not anyone else. Chaffey Bros. had their rights and privileges no doubt, but they had also certain, obligations, and they should carry them out. If they did not do so, let the Renmark people, after giving due notice, put into operation the provisions of the original contract. If this was done the Chaffeys would have no right to complain, but he knew the people of Renmark had no wish to repudiate their lawful obligations. If this matter was not finally settled it would mean that about 200,000 acres would be hung up for a century or more, and the thing ought to be settled once for all. Of course if the Chaffeys had their rights legally secured it was not for Parliament to deprive them of them. The Victorian Board of Land and Works was in a very different position to the bondholders, and he had no sympathy for that body. They had not advanced a single shilling for the improvement of Renmark and of Chaffey Bros. position in Renmark. The documents were taken as collateral security for money advanced for the improvement of the Victorian settlement of Mildura, and this money had no doubt been productive of great good there. They took the securities for what they were worth, and they had neglected to secure their legal status. He did not say they had no rights or claims, but if they could not demonstrate them legally they might very well be disregarded. The Bill would not affect in any way private mortgages given by the selectors to banks and private individuals. About 75 per cent, of these obligations had already been met, and the Bill did not affect the security for the remainder, except to improve it, because probably they would not be worth very much under present conditions. The Bill would enable the trust to hand over to other settlers the land of those who did not pay up, and the new lessees would be in a better position to meet the claims of the mortgagees than the old ones. It was no use being mealy-mouthed, and so he would say plainly that the people who purchased land at Renmark had been deceived by the Chaffeys. They bought the land on condition that the vendors would erect certain waterworks, and construct reticulation accommodation for the distribution of the water. These works had never been carried

out, although many of the settlers had paid the whole of the price agreed on, and most of the others had paid portions of it. The settlers themselves had spent between £200,000 and £300,000 in improvements, including clearing, planting, and building houses. Anyone who had visited Renmark would admit that the money had been well spent. Many of the settlers had comfortable homes, and altogether they had caused an oasis to arise in a desert. They had created magnificent garden land on a spot inhabited previously by a few kangaroos and rabbits. Renmark had never been a drag on the colony; rather, it had been a source of profit to the revenue through the Customs and the railways, and to the general community through the shipping industry, and in other directions. Now the settlers were in dire straits. Some of their pumping machinery was defective, as also were many of the reticulation channels, which, owing to the leakages, took twice the quantity of water to fill that ought to be required. The settlers asked for £16,000 to put these things into good order, and assured Parliament that if they got this loan they would be able in time to succeed and repay both principal and interest. It was asked by some members why the £3,000 lent to them in 1896 had not been repaid. The reason was that for the last three or four years the river had been at the lowest possible level, and besides this there was a deficit in the accounts of £727 at the end of 1896. That amount had now been paid off. and the trust had a surplus of £125. Roughly speaking, at present the income of the trust was £3,000, and the ex­penditure £2,800. If the channels were put in good order the latter amount would be much reduced, owing to the decreased cost of .pumping. At present the water only cost about three farthings a thousand gallons. Which was very low compared to the amount charged for water for irrigation on 'the Adelaide Plains, and it was estimated that if the channels were repaired that price could be reduced by another farthing per thousand gallons. The pumping machinery also required improvement, as although the big No. 1 pump was one of the finest in Australia, the pumps at the higher levels were not working as cheaply as they ought to do in order to give the best returns. If then these improvements were effected it was calculated that the expenses could be reduced by £600 or £700 a year. There were 550 acres of land, which the trust, if the Bill became law, would be able to dispose of, and which would be most readily taken up. This would increase the income of the trust by about £500 a year, so that the prospective improvement in the finances would amount to £1,000 per annum altogether. During the last few days it had been reported that Mr. McIntosh had sold out because the Spring Cart Gully scheme was not approved by the Renmark people, but he was authorised to state that that was not correct. There were other reasons which induced Mr. McIntosh to leave Renmark. The people of Renmark did not desire to have this large Spring Cart Gully scheme thrust upon them. They were afraid of it, and feared that the cost would be too much for them, because it would mean an additional expenditure of from £30,000 to £50,000. The settlers stated that there were a thousand acres of really good red sandy loam land belonging to the Government within the area which, could be irrigated from the 40 ft. and 60 ft. channels, and that the land would be taken up before long. The Spring Cart Gully scheme, however, would increase the area of reticulation out of all proportion to 'the cost of management, -whereas the concentration which the smaller scheme would effect would mean a considerable reduction in the cost of working. The settlers were confident of the success of their dindustry if they were assisted by the Government. For this success they depended principally on the export trade, and although Federation might open certain markets to them they would not enter to any targe extent into the local trade or compete, as was feared by some of the opponents of the Bill, with gardeners near the metropolis. Notwithstanding the difficulties the settlers had had in the past, 'the continual worry as to whether the settlement was going on at, all, and the constant loss in seepage water, the export trade had increased until it had doubled itself within the last few years. It was an object lesson to the whole of Australia, and if it succeeded, thousands of acres would be profitably occupied. In South Australia we had to import thousands of pounds worth of raisins and currants, and would Mr. Playford, who was a protectionist, say he would not help production of this sort, which would keep money in the colony? (Mr. Playford— “You say they can get a market in London They can do nothing of the sort.”) The evidence was to the effect that they would not send to London when they could get a market here. It was impossible for the Renmark supply to glut the Adelaide, Melbourne, and Sydney markets with dried fruits. Even if they did, the people of Renmark were confident that they could sell their dried fruits at a profit in the markets of the world. The position was that we had 700 people at Renmark; up to the present they had accomplished nothing; we had their trade and commerce on our railways and the river, and they asked for a loan of £16,000. (Mr. Wood —“They asked for a gift.”) The trust never asked for it as a gift. They said— “We are in trouble, because you did not make the Chaffeys do what they ought to have done" and we replied, “You should have looked after Chaffey yourself.” This money was not wanted as a gift, but it was necessary to make the advance to place the trust in a stronger position with regard to the collection of rates, and in reference to the disposal of land. He appealed to the sympathies of the House in this matter, because there was no class of producers in South Australia which had not at some time or another had direct pecuniary assistance from the State. (Mr. Playford—“The gardeners in the hills have not had any.”) They had an immediate market at their door. (Mr. Peake—“Have the pastoral tenants had concessions?”) They had had concessions of hundreds of thousands of pounds. Although the House might have been too generous tin some cases it had done good, and had it not been for the generosity of Parliament we would not have the smiling faces and happy homes that we had in the colony today. These people at Renmark were our own kith and kin, and they had spent all the money they had. He did not say that if the House did not give them this money Renmark would once again become a rabbit warren, but it would retard the development of the country. It would only be a generous thing to give the settlers this money to tide them over their difficulties, and he hoped the House would pass the second reading of the Bill.

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Mr. MILLER said the House had previously shown its desire to help the people at Renmark, and he regretted that the promise made them to pay interest had not been kept. (Mr. Rounsevell—“It is the same with the seed wheat.") He believed the advances for seed wheat would be repaid. He was going to vote for the second reading of the Bill if it would help to firmly establish the settlers, but if the mortgagees and the Board of Works in Victoria, or the Chaffey Brothers, who had failed to fulfil their agreement with the Government, were to derive the benefit the House would not be justified in making the vote. If the settlers were bona fide settlers, as he believed they were, it was the duty of the House to help them tide over the difficulties in which they were involved. He would support the second reading, and retain the right to vote against the third reading if the mortgagees were to get the benefit and not the settlers.

Mr. SHANNON said that whatever claim the Renmark people had for this money they had two able debaters to urge it. The Treasurer, who was one of the most able debaters in Australasia, had put the case in a most favorable light, and he was backed up by Mr. Rounsevell. He was a member of the Commission, and he personally inspected the whole of the settlement. Renmark at present was supplied with four pumps, requiring four engineers and pumping staffs. For the last four years ail the pumps had had to be kept going. Three of them had to be kept going in any case, and the other could only remain idle when the river rose high enough to fill the lagoon. The £16,000 asked for was to be practically all expended in maintenance. It would require £13,000 to cement the channels, which were already constructed, and that would not help to irrigate another acre. If fresh country was to be irrigated more money would be required. Yet the interest on this £16,000 at 4 per cent, would be £640. which would give the settlers no more land than they had at present. Last year Mr. Playford dealt fully with the Spring-Cart Gully scheme, which would involve an expenditure of £30,000, the interest on which would be £1,200. That scheme would give the settlers 2,000 more acres of the best irrigable land at Renmark. if the present rate of £1 per acre were charged that would bring in £2,000, with which to pay £1,200 interest, so that instead of a loss every year of £640 under the smaller scheme, there would be a surplus of £800. That was his view of the matter, but he did not want to force his opinions down the throats of other members. A member of a Royal Commission was placed in the position of a judge, who had to decide on the evidence, and he said most emphatically that the bulk of the evidence was in favor of the view taken by the expert, who was examined, and by the Engineer-in-Chief. The Renmark Irrigation Trust had their land in what was known as the island settlement, and they were the first to be supplied with water from the present pumps, and they would be the last to be supplied under the Spring-Cart Gully scheme. Since the sitting of the Commission he had thought the settlers might have both schemes, with one pump for each. Even if that should cost £50,000, and showed a profit of £1,000, instead of a loss of £610, it should be started. The majority of members had said that the bulk of the evidence before the Commission was in favour of the £16,000 scheme. He did not agree with Mr. Rounsevell’s remarks regarding clause 7. If the debenture-holders had certain rights and privileges, they also had certain obligations, and the House ought not to uphold their rights and privileges without compelling them to fulfil their obligations. He was of opinion that it would be wise to insert a clause in the Bill providing that if after reasonable notice had been given them the debenture-holders did not carry out their obligations they should be deprived of their rights and privileges. The Renmark settlers up to date had not even been able to pay interest on the advance of £3,000 made to them some four years ago, and it was clear from the evidence taken before the Commission that no block had suffered from want of water. They were not going to increase the area of irrigable country, and it was for the proposed grant ever to be repaid. If, however, the House decided to make 'the advance, he would endeavor in committee to make the Bill as perfect as possible.

Mr. McLACHLAN said that if the Renmark settlement was only a few days or a few years old there might be some justification for making the advance proposed in the Bill. Members had been repeatedly told that the people who settled at Renmark brought a lot of money with them. If that was true, and if after 14 years’ trial— out of which period the settlement had been in full bearing for fruit six or seven years— the settlers could not pay their way, he was at a loss to understand how they were going to repay the proposed loan of £16,000. If this money was to follow the capital which the settlers had brought with them, Parliament would be acting wisely in withholding the grant. Not long ago the Treasurer strongly advocated advancing to the settlement a sum of £3,000, which was to be repaid with interest. The settlers had not even been able to pay the interest on that amount, and the House never heard anything about it now, and were not likely to. Mr. Rounsevell had said they were going to repay the advance mentioned, and he (the speaker) could not understand why they did not pay at least a portion of it, seeing that the produce yielded by the settlement represented a value of £20,000 a year. The fact that the settlers had not repaid any of the first grant was another reason why he opposed making another advance. In the past South Australia had been a borrowing community. Money had been borrowed and spent on all classes, from the squatter to the village settler. Every class had had a share of that expenditure, but the Renmark people wanted to obtain a double share.

Mr. COPLEY said this was undoubtedly a very complicated matter, and one to which he had given considerable thought without being quite able to decide what course of action he should approve of. He did not think he should be able to say that afternoon whether 'he would vote for the second reading of the Bill or not, because Mr. Homburg, who on Tuesday had had an opportunity of perusing the papers containing the correspondence between the debenture-holders and the Government, had written to the Melbourne representatives of those debenture-holders for some information, which he was anxious to see before finally coming to a conclusion upon this matter. He could not fail to recognise, however, that up till three year's ago the Renmark settlers had spent a lot of their own money without having received any assistance from the State. When Mr. McLachlan pointed out that South Australia had been a borrowing community, and the time had arrived when the colony ought to be more careful in regard to the expenditure of loan money, he could not help remembering that the village settlements, of which the hon. member had always been a strong supporter, had received between £80,000 and £90,000, which represented the amount of the unpaid advances up to the present time. There was no possible chance of that money ever being repaid, and the recollection of that fact made him more inclined to help those who helped themselves. His difficulty, however, in deciding upon what course of action he should approve was increased by the provisions of the Bill in which it was proposed to wipe out the rights of the debenture holders. He had had an opportunity recently of seeing the accounts of the trust, which conclusively proved that, although they had not been able to repay any portion of the £3,000 granted to them, that loan had increased their ability to successfully carry on their operations. As Mr. Rounsevell had pointed out, a debit of £700 had been converted into a credit of £135 as the result of a more economical distribution of the water. This result, too, had been achieved in one year. The average cost of lifting the water to all levels now only amounted to one farthing per thousand gallons, and at such a low charge irrigation ought certainly to pay. He also knew that there was a largely increased area now under cultivation, and though the proposed loan would not give an increased area of irrigable land it would increase the facilities for planting operations. Not nearly all the good land was yet planted. There was scope for the planting of quite 1,000 acres more. The quality of the fruit prepared at Renmark had proved itself in the open market, and commanded the highest price amongst the dried fruits placed on the local market. Though the Renmark settlers might not be able to compete in the world's markets with raisins and currants, they could do so with their other dried fruits. He could not support the Bill with clause 7 in it, and he was glad that 'the Government recognised that it was not vital to the measure. (The Treasurer—“No, it is not.”) Another point to which he desired to refer was the length of notice to be given to mortgagees. One hon. member had complained that the notice was too short. He understood that as the property was irrigated it would, if neglected, become practically valueless, and therefore the trust must have power to enter upon it at short notice. He observed that before possession could be taken simultaneous notice must be sent to the mortgagee and to the person liable for the rates, if known, and if not known, the notice must be posted on the property, and as the mortgagee’s name would be in the books of the Registrar-General there would be no unfairness to the mortgagees such as occurred under the Seed Wheat Act. There was in that case no notice given to the mortgagee, and in some cases advances were made against his express wish. Taking into consideration the great efforts which the Renmark people had made to help themselves by the expenditure of their own money and labor, and the increasing value of the products raised, lie felt almost bound to support the second reading, but in doing so he would add that if he was not satisfied in the meantime by the information to be obtained by the hon. member for Gumeracha, that the rights of the State would be properly secured, he would reserve his right to vote as he thought best on the third reading. He thought the Government should have given some notice to the holders of securities that if their responsibilities are not attended to within a given time their rights would be forfeited. With the exception of clause 7, which might perhaps deal unfairly with the debenture holders, he did not think any wrong would be done by the measure. It thus became a question of whether the State should run the risk of making the advances, and he did not think, considering the whole question, that the House would be doing any wrong by such an action. He could see that the previous advance had put the settlers in a much better position, and he did not see why they should not be able to pay £640 additional interest. If they were satisfied by the hon, member for Gumeracha that there would be no future liabilities against the State towards the holders of rights in the settlement, he thought they might take a favorable view of the Bill.

Mr. PEAKE was surprised that so logical a member as the last speaker should support the Bill on the ground that similar advances had been made to other industries to keep them afloat, for he must see that the measure would merely form another precedent for future bonuses and bounties. (Mr. Homburg—“He was thinking of the south-eastern drainage.”) ln that case the Government was only asked to advance money, which would be repaid. The whole gist of Mr. Rounsevell’s eloquent speech had been “Let us do a generous thing,” but he thought we should do a just thing before a generous one, and here the generosity was to come out of the pockets of the taxpayer, who has generally enough to do to meet the just claims of Government without investing money in ventures of this kind. If the hon. member could prove that by advancing the money they would put the Remark settlement on a firm footing, withut a prospect of failure, he would support him gladly. A few years ago the State advanced £3,000 to Renmark, and just the same arguments were used as now; yet the loan had not been assured, and the interest had not been paid. That being so, it was rather staggering now to be asked for £16,000. It was said the settlement had peculiar claims, because it had not had any money expended in roads and bridges, but those who used this argument forgot that the Renmark colony was a speculative proprietary concern. The circumstances were not as in other parts of the province, where the people had paid for every acre of the land. At Renmark 30,000 acres were granted to the Chaffey Bros. (Mr. Copley—“At £1 per acre.”) No, only on condition that they carried out certain undertakings, and he believed these conditions had not been carried out. Had the Government received £1 per acre? (The Treasurer—“No. As regards the 30,000 acres, they were to expend so much on irrigation works; if they desired to take up the 200,000 acres additional, they could do so at £1 per acre.") Quite so. A good deal had been said as to the sympathy we should feel for these people. Now, because the settlers happened to be the dupes of Chaffey Bros.—he spoke of them. as a limited liability company, and not as individuals— it was not an argument why the State should come forward, and help them. People went into bad speculations every day, and it was not the duty of the State to help them. Some hon. members who advocated the grant had confessed that there was no possibility of getting the money back. If the security was good he would be glad to make the advance, but when it was to make a free grant under the name of a loan he doubted, whether, as guardians of the public purse, they were justified in doing so. Under the circumstances he would not vote for the second reading.

Mr. McKENZlE intended to support the Bill. He had listened with great pleasure to the lucid speech of Mr. Glynn, and from that speech he was persuaded there was not the slightest chance of the money being paid. Not one penny had been paid on the first advance of £3,000, and very probably the same would be the case with the £16,000. (Mr. Denny—“Is that why you support it.”) No, he was giving his reasons for voting for the second reading, but unless he saw that the Government would be thoroughly secured he would oppose the third reading. He understood Mr. Glynn had an amendment he intended moving in committee, giving the Government full security on the land, and if that was so his full sympathy would be with the people of Renmark.

Mr. VON DOUSSA said although he voted for the adoption of the report of the Commission last year he did not pledge himself to agree to the second reading of this Bill. It had caused him much anxiety and thought to determine his duty in regard to -the measure. He had the greatest sympathy for the unfortunate people at Renmark, but if he thought the proposed advance were to be considered merely as an instalment, and that further loans would be wanted by the settlers; if he thought Parliament proposed to launch out upon a general scheme of voting public money to help unfortunate people, he would stay his hand before in any way countenancing such procedure. The settlers had been induced to risk their capital at Renmark through representations made in London and elsewhere. They had demonstrated in a practical way the producing capabilities of the soil, and made Renmark a valuable portion of this colony. He would be sorry to see the amount asked for withheld if it meant the closing of the settlement, and Mr. Holder had stated that unless a grant were made Renmark would have to be abandoned entirely. He would deeply deplore that. Despite the disabilities under which the settlers labored, and the defective appliances they had to use they produced £20,000 worth of fruit, fodder, &c., in 1898, and if they obtained additional land it would probably enable them to largely increase their powers of production in the future. They were told that the settlement, which had such great possibilities before it, was in sore straits now, and the Government was under, if not a legal, a moral obligation to the settlers for the representations of the Chaffey Brothers, which were certainly over-colored, had been made under the aegis of the South Australian Government, and it was on these representations that the settlers had come to the colony full of energy and with an unflinching desire to do their best for themselves and the land of their adoption. There were 3,000 acres under vines, and 1,000 acres bearing fodder-plants of all kinds, and it would be a great pity if the labor of years and the expenditure of so much capital were to be absolutely wasted. The land was eminently adapted for the cultivation of vines and citrus fruits. In one year 60 acres, belonging to one holder, yielded £2,800 worth of fruit, or an average of £45 per acre, while in the same period the 15 acres owned by Colonel Morant produced £700 worth of fruit, or an average of £47 per acre. Therefore, when such good results were obtained it would be a pity to withhold the needed help. If the advance were made it would show that people who came here under such circumstances would not be left in the lurch. They had assisted other classes in periods of trouble. Parliament, for instance, spent large sums in establishing village settlements to relieve the unemployed, while they had also helped the farmers, who, contrary to the advice of the late Mr. Goyder, went beyond the line of rainfall to grow wheat, by gifts of seed wheat. They also gave a bonus .to encourage the exportation of butter, and aided the farmers in developing the lamb export trade. Therefore, they had created precedents, which, in connection with the Renmark settlers, might well be followed, and they should assist those who introduced new industry and enterprise in the colony. Mr. Peake had said that speculators should not be helped, but the Renmark settlers could scarcely be brought under the same category as those who speculated in mining. While he would support the second reading, he claimed the right in committee ‘to eliminate the unnecessary provisions of the Bill, and those by which the State was not sufficiently safeguarded. Clause 7 was not needed, because it was totally foreign to the subject matter of the Bill—the immediate relief of the settlers. They should not constitute themselves judges of the respective lights of Chaffey Brothers, the bondholders, and the Government; and the clause proposed to wipe out the debenture-holders and mortgagees without hearing first what they had to say on the matter. According to the Act of 1893 no mortgage should be granted over any of the Renmark lands without the consent of the Commissioner of Crown Lands, and the Treasurer had stated that no consent was sought or given to any mortgages. Therefore possibly the rights of these mortgagees might be curtailed. He would not say that as the consent of the Commissioner was not obtained the mortgages were absolutely void, but the mortgagees had a right to be heard. So important a provision as that, which to some extent meant repudiating the liability of the Government in regard to the Chaffey Brothers agreement, should be introduced in a special Act after full notice had been given to those concerned of the intention to introduce it. Mr. Glynn argued that the rating power under the Bill was not enough to give them assurance that the interest or principal would be paid. He would assist Mt. Glynn if he could show him a reasonable means by which they could improve the position. As the Bill stood the Government had a prior claim on the rates to mortgagees and others with claims. Mr. Playford told them that it would be impossible for the settlers to pay higher rates. Why should Mr. Playford assume to be a prophet in that connection? They know from what had been accomplished at Mildura that the settlement at Renmark had great possibilities. Mr. Copley stated that the settlers had an earnest desire to repay the money, and under the circumstances he thought they should have it. He hoped the advance would be made out of the general revenue, and not out of loan. It would not be right to borrow money and pay it away with a chance of it not being refunded. If it was not repaid the general revenue should bear the loss. He hoped the House would go to the rescue of people who had come here in all good faith, and by helping them they would be also aiding the whole colony. If the advance was made, late as it was, they might be able to assist these people to establish themselves firmly, and to show that land which was at one time not considered fit for cultivation, could he turned into a very garden in the wilderness by the application of water. He hoped the Bill would pass.

Sir JOHN DOWNER said this matter had been argued very fairly, and he did not think there was any member but had some doubt as to how he should vote, and was not divided between “what I would and what I ought.” On the one hand it was said that the advance would be a benefit to some few favored persons, which would not be extended to gardeners generally, and the same objectors urged that it would not even benefit the Renmark settlers themselves, as it would merely give better security to those persons to whom the settlement was mortgaged up to the hilt. On the other hand, apart from such small considerations, it must be agreed it was an attempt to make available by a new line of enterprise country that would otherwise have been valueless, and that the State was not likely to have spent money on in the way it had been spent at Renmark. When the Chaffeys came here they came with a great reputation owing to their successes in the same line elsewhere, and in return for making this country available they asked for certain concessions. They wanted so many acres of land in return for spending a stated sum of money, and also the right to take up certain other acres at £1 per acre in return for spending a further sum. The whole thing was quite outside of our ordinary legislation, and was a new departure entirely. That being so, they should continue to treat the subject quite apart from ordinary methods of viewing such matters. It should be considered on its merits without reference to what had been done in other directions. One member had said that advances had been made to squatters. This was not correct, of course. What had been done was to forgive the squatters rent which they could not and ought never to have been asked to pay. It was one of the proudest boasts of our people that they owed nothing to the Government, but depended for such success as they obtained on their own enterprise and exertions. The Renmark scheme was, as he had shown, quite a different matter, inasmuch as it made possible an experiment which but for the concessions would never have been entered into. The concessions asked for had been made, and had not turned out so successfully as the sanguine — honestly sanguine, he believed — promoters had hoped. In 1896 an appeal was made for assistance to the extent of £3,000, and now a further appeal for £16,000 was before Parliament. There were over 700 people living at Renmark and obtaining .their livelihood there, and the House did not want to prevent men from doing so if it could be helped. Whether assistance would be too dear at £16,000 was quite another question, as also was the question whether the advance would really benefit the people or only the mortgagees. These were matters which might fairly be debated, but it would at any rate be agreed that assistance was needed, and that urn less it was granted these 700 people would have to leave, and the industry which had been established would become a disastrous failure. No one wanted that to happen, because the colony had suffered disasters enough already. A bona fide attempt had 'been made by these people—not with State funds—to carry out an experiment entirely new to the colony, and they should do what they could in reason to sustain it. Please God, Federation and other thing's might in the future assist in removing the difficulties under which Renmark was laboring, and it seemed a pity if this settlement, for the sake of an advance of £16,000, was allowed to be deserted. He was not prepared to say that he would vote for -the precise sum asked for in this Bill, but he was prepared to assist the settlers to some extent. The Bill, as a matter of course, under the standing orders, would, if it -passed its second reading, have to be referred to a Select Committee, and he hoped the result of the enquiry would be to show to what extent it was advisable for Parliament to assist this enterprise. For this reason he intended to vote for the second reading.

Mr GILBERT said he had had to do with this matter from its inception, and had been in touch with the settlement all along. He had visited it frequently, and was glad to go there, because it was an object lesson of what might be done by irrigation in a barren land. He did not agree with Mr. Peake that the question should be considered on the same footing as an ordinary private speculation. It was a big public scheme, and was established not merely in the interests of certain individuals, but of the whole community. The country wanted that land utalised to the best advantage. We did not utilise it ourselves, and did not know its capabilities, and if the experiment succeeded it was an advantage to the community at large. One of the principal things we needed was population, and if they could get people settled on the banks of the Murray it would be a benefit to the colony. The people who went to Renmark went with a bona-fide intention to settle there, and to spend their own money there, and they thought that the South Australian Government would never have agreed to the concession made to Chaffey Brothers if they had not thought it would be a success. He did not say that ‘the Government had taken any responsibility as to the outcome of the experiment, but the settlers had been largely induced to go there by the fact that the Government was in some way connected with it. Not from any fault of the people at Renmark, but from circumstances over which they had no control, difficulties had arisen, which would destroy the settlement altogether unless the Government came to their aid. If he thought the proposed grant would be of no substantial benefit to them be would vote against it, ‘but he did not. He had the particulars of the way in which the £3,000 advanced in 1896 had been expended, and he found that it had been of the greatest advantage to the settlers. If with such a small sum as £3,000 they had been able to make such improvements as they had done, it was a stimulant to the House to give them more, because it was always in the first stages of an investment that the greatest difficulties arose, and it had been proved that the 1896 loan had enabled them to make substantial improvements to their watercourses. In many other directions the Government had wasted large sums of money on schemes which were not half as promising as this one, and looking at the matter from a national standpoint he thought they were justified in voting the money that the Bill provided for.

Mr. HOMBURG said when the motion was moved last year by the Premier for the

 advance to the Irrigation Trust he opposed it, and in spite of the recommendation of the Commission he still held to the position he took up then, and would vote against the second reading. He was not aware until a little while ago—though he ought to have known it if he had looked at the Bill as closely as he should have done— that it would be necessary to refer it to a Select Committee, and he was surprised that the Premier in moving the second reading had not mentioned this fact. (The Treasurer—“I did not think it was necessary.”) Well, a great many members did not know that that course was essential. He had heard it said that the Treasurer had expressed his desire to send the Bill back to the same gentlemen who had composed the Commission. If that was so he would protest against such a proceeding, and intended to follow up his protest later on. To refer a Bill of this description to a Commission, which had already prejudged the whole matter, was a course of procedure unprecedented in the House. The Commission dealt with the abstract question of making an advance, but it had never dealt with this Bill. If the Treasurer were going to use his influence in the House to prevent members making the selection they thought best for a Select Committee, then he would use every possible means to induce members not to pass the second reading of the Bill until those who were opposed to it had an opportunity of enquiring into it. Members who knew that this money was to be a gift, and not a loan, should see that proper arrangements were made for securing the repayment of the money. Mr. Rounsevell said money had been lent to other classes of producers, and he referred to the seed-wheat advances to farmers. He denied that the Government had, at any time, made advances to the farmers for seed-wheat. The advances were made to the district councils, and the advance was a first charge on the rates and on the ratable property of the whole body of farmers. He objected at the time, though he voted for the Bill, that that provision would greatly injure the securities of mortgagees. He understood with respect to the Renmark Bill, that through the agency of Mr. Culross, an agreement had been entered into between the Government and the mortgagees that the latter should extend the time of payment, and also reduce the rate of interest, but he had never heard that it was ever contemplated to make the advance of £16,000 a first charge on the whole of the Renmark settlement, and that the mortgagees should come second. Was the man who lent the second lot of money to be 'the first mortgagee? Had the present mortgagees assented to that proposal? (The Treasurer— ‘"They ;have not had that point put to them. Mr. Glynn—“The Seed-Wheat Act operated fairly.”) He knew that it had not, and he would give the House an instance . A man in the Hundred of Schomburgk, with a highly improved selection of land, borrowed £500 at 5 per cent, from an old lady, 78 years of age. The improvements must have been worth £500 or £600. This loan was nearly all the money the old lady had, but she got no interest. Then the Act came into force that said the seed- wheat was to Ibe a first charge on the land. The man got the wheat at 5/ or 6/ a bushel for two or three years, and paid no in­terest on the mortgage. Last year he wrote to the mortgagee, saying, “I can go on no longer; will you kindly sell my selection?” The property was put up to auction, and it was sold for £65. The district council claimed the lot, and the mortgagee got nothing. That was not the only case. The present proposal to make the advance of £16,000 a first charge would work a grave injustice to the mortgagee. They all knew how the Government got committees appointed by taking round a little ticket. The Treasurer had no right to say that because members had been on the commission they must necessarily be on the Select Committee. A lot had been said about the enterprise in starting the settlement and the need of fostering a new industry. We did not ask the Chaffeys to come to the colony, and if they had made a big profit they would not have shared it with the taxpayers. (Mr. Solomon—“it is the necessity of the settlers we consider.”) If the settlers asked for £16,000, as a matter of grace, the House would know where they were, but the settlers took up a mistaken position when they claimed it as a matter of right. From the inception of the thing in 1887 the House had constantly repudiated its responsibility to help the settlers of Renmark. The people had not been misled by Parliament, and if they had been defrauded by others they should not come to the House and ask to have their loss made up. As one of the members who in 1887 opposed the Chaffey Bros. Bill, l declined to take any further responsibility in the matter. If this were the last of it he might say, “Give them the £16,000,” but they did not know that it was. He opposed the grant of £3,000, except on condition that they did not have a further claim. The House gave them that, and now they were going to give them £16,000. It was just like a man paying mining calls. He continued to pay them in order to save the shares. The Treasurer made a big mistake in saying that the Government were not in a position to forfeit the contract with Chaffey Bros. He did mot know upon whose authority the Treasurer made that statement, but if that gentleman would read through the Chaffey contract again he would find that there was ample scope on the part of the Government to forfeit the contract for no end of breaches—breaches which had not only been made in the past, but which were continually being made. It was true that the Chaffey Bros, had spent a very considerable sum of money at Renmark, and that the colony had indirectly benefited from the enterprise there. He appreciated the good work which the settlers had done, and had been agreeably surprised when visiting Renmark on several occasions to see the progress that had been made. All credit to the settlers for the large amount of useful work they had performed. But our farmers in the hills had had to face difficulties quite equal to those experienced by the Renmark settlers. Indeed, when those farmers started operations they had to combat greater difficulties than the settlers at Renmark, and yet he had heard very few members say a word in favor of the former. If the farmers in the hills came to the House to ask for a concession at the rate of £16,000 for every 700 inhabitants members would look aghast at such a proposal and reject it. If the Government wished to do something useful with this £16,000 let them purchase and settle the Renmark people upon homestead blocks in the immediate vicinity of Adelaide, where they would be accessible to market. When the loan of £3,000 was made to the Renmark settlement provision was made in the Bill for the payment of interest at regular intervals, and the Treasurer agreed to placing the collection of the interest and principal of the loan in the hands of the State Bank. There was to be no political jobbery about the matter, an independent board was to have control of the loan, and the interest was to be paid at regular periods. What happened? The Treasurer coolly kept back the whole of that £3,000, made advances just as they were requisite, and when the interest was due he paid it out of capital. (The Treasurer—“That was more in favor of the Government than the House asked.”) Was such a proceeding ever contemplated by the House? Was it not a regular trick? Would the Treasurer say that the House ever contemplated that the Renmark people should pay interest out of principal? (The Treasurer— “That was hardly in the interests of the debtor, was it?’ ) What was proposed now? Who was to take charge of this second loan? Nobody. Who was going to see that the interest was paid? Nobody. It was not now proposed to ask the intervention of somebody who would see that the Renmark people kept their contract, and when the previous loan—the repayment of which, with interest added, was expressly provided for by Act of Parliament had not been repaid, did members imagine for one moment that the advance now proposed would ever be repaid? If the House wanted to be honest over this transaction, the only way they could be so was by saying, “We will make a grant of £16,000 to the Renmark Irrigation Trust, and be done with it.” The misfortune was that they could not legislatively provide against that body ever asking for a still further grant. As already stated he had recently perused the correspondence between Mr. Culross and the Treasurer as to the negotiations between the debenture holders and the treasurer. Mr. Culross was not acting for the debenture holders, but for the Treasurer. Virtually that gentleman was solicitor to the Renmark Commission, for he held an authority from the Treasurer to use his best efforts to carry on negotiations to give effect to the recommendations of the Commission, and to induce the mortgagees and debenture holders to assent to the terms imposed as a condition to this loan. Mr. Culross visited .Melbourne two or three times, and he wished members would read what the effect of that gentlemans nego­tiations were. To his mind those negotiations did not warrant the inclusion in the Bill of clauses 7 and 12. In the first place the debenture holders had no knowledge of this Bill. Members knew that the Commission recommended a forfeiture of the rights of the Chaffey Brothers if the debenture holders declined to receive £1,500 in settlement of their claims. He asked, “Did the Commission receive any evidence from the debenture 'holders? Did they call any debenture holders as witnesses to hear what :they had to say before resolving on the high-handed course of forfeiting their rights unless they accepted the sum fixed by the Commission?” As a matter of fact the debenture holders did not have an opportunity of being heard. They were never intended to be heard, be­cause primarily the object of the Commission, which was under the Treasurer, was to get Parliament to assent to a loan of £16,000 to the Renmark settlement. He protested against giving the Government power in this Bill to forfeit rights lawfully acquired, unless the debentureholders accepted the terms imposed by the Commission. He did not think the Commission ever thought the Government would put within the four comers of this Bill a provision declaring that the rights in question should be forfeited unless the people who enjoyed them accepted the terms recommended. (The Treasurer— “The Commission expressly said so.”) Nothing of the sort. The Commission inertly said that if those rights were to be forfeited they should be forfeited in a legal way. The Commission did not say that its members should become accusers and judges. All that the Commission said was—“You have the Chaffey Act of 1887, and if the Chaffeys, and those who are claiming under them, have made any breaches of contract then forfeit their rights,” which was a very proper position to take up. He asked the House to take up that position now, but not to constitute itself judge and accuser, and witness, in its own cause. He wished to refer to another point, and members would understand that his remarks were in no sense intended as a reflection on the Chairman of Committees. It was known to members that the Governor’s instructions were that his Excellency was not to assent to any Bill dealing with two subject matters. They had to keep separate and distinct in each Act of Parliament; every subject of legislation. In the Federal constitution, the same distinction had been maintained, and his Excellency’s instructions had been intensified by a special clause. Thait brought him to section 203, to which the Treasurer had referred. The Renmark Act of 1893 was intended to give the trust an opportunity of .taking over the Chaffey Bros. irrigation works, and to levy the rates in their place. Right at the end of that Bill, and without consulting anyone there was inserted a clause that the Chaffey Bros, might apply to the Government for permission to mortgage their interest in the lands granted, or which might hereafter be granted to them. Such a clause was altogether foreign to the general objects of the trust. The debenture-holders in England had made an advance of nominally £200,000, but he understood it was issued at an enormous discount, and that the amount received by Chaffey Bros, as an advance on both settlements was £120,000. Was it an honorable thing to people in London, who could not possibly have expected such a clause to be inserted in such a Bill, that their rights should be thus either curtailed

or extended? The debenture-holders had the Act of 1887, containing the only contract with Chaffey Bros., and on the strength of it they advanced £200,000, and now they were told that the Parliament of South Australia had been asked by an Act to wipe out their rights? What confidence would people have in a Parliament guilty of such monstrous conduct? (“The security is worth nothing.’) The debenture-holders valued the security as a considerable asset. (The Treasurer—“They didn’t know the country, or they would not offer to give £1 an acre for it.”) That was the first time the Treasurer had admitted that the country was valueless. (The Treasurer—“I did not say it was valueless; I said not worth £1 per acre.") The debenture-holders had also a lien on all 'the machinery. (The Treasurer—“Do you know what the machinery consists of? It is a cracked engine and some multiple ploughs.’’) They referred to some portion of the machinery, and said it was theirs. (The Treasurer—“It is not worth more than old iron, and this Bill does not take it away.”) Then what did the Treasurer propose to take away? Had Parliament come so low as to intervene between the Government and Chaffey Brothers, because the security which the debenture holders claim is in the opinion of the Treasurer of no value? The object of the Bill was a loam of £16,000 to the trust, and whether the Government had a right or not to forfeiture was not a matter of any importance to the Bill. He would ask the Select Committee, to whom the Bill was to be referred, to take these questions into consideration, and he thought section 7 should at least be taken out of the Bill. He understood that section 12 did not quite give effect to the agreement made between Mr. Culross on behalf of the Government and the mortgages, and would require some alteration. He would like to refer to one of the letters written by the Premier of Victoria to the Treasurer on the subject of the mortgages. He understood that Mr. Culross was requested to make an agreement by which the whole of the mortgagees were to defer the payment of principal for a certain number of years, and to reduce the rate of interest to 5 *per* cent. it appeared that the Board of Land and Works, which was under the control of the Minister of Works in Victoria, made an advance to the Chaffey Brothers, and received from them as security a mortgage over their lands at Mildura and Renmark. The Government of Victoria were asked under the Bill to fall into line with the other mortgagees, and Mr. McLean, the Premier of that colony, declined to do so, and asked why we wanted him to enter into an agreement for the express benefit of Chaffey Brothers, but which was not to the advantage of his colony. The Treasurer proposed by Act of Parliament to compel the Government of Victoria to enter into an agreement against their own will, and some hon. members even asked the House to make the Government of Victoria a second, instead of a first mortgagee; in fact, to declare their mortgages null and void. Mr. McLean had practically said—"You have told me my mortgage is no good. I have referred it to my law officers, and they advise me that it is perfectly good. I want to know on what grounds you talk of forfeiture?” (The Treasurer-—“We don't propose that.”)

If the Treasurer had answered that letter of Mr. McLean- (The Treasurer—“I

have not.”) Then it was time that in common courtesy he did. (Mr. Glynn—“Are you not mixing up the action of the Government with that of Parliament!"’) No, he was not. The validity of the mortgages would depend on section 203. With that letter before them Parliament could not take the responsibility of declaring a mortgage void or compel the Victorian Government to come into line with the other mortgagees. The Victorian law officers of the Crown were not in accord with the Treasurer as to the effect of the mortgage, and this Govemme.it had no right to arrogate to themselves the power to alter existing contracts between the Government of that colony and owners of land at Renmark. He would be glad to hear Mr. Holder’s opinion on the appointment of a Select Committee. Those who felt that the debenture-holders and mortgagees had rights, which in some way should be protected, were in favor of giving them an opportunity to be heard. If the Bill were pressed to a division he would vote against it.

Mr. CONEYBEER said he was a member of the Commission that had reported on Renmark, and judging by the dreadful picture which Mr Homburg in his excitement had conjured up anyone would think that the Government were guilty of one of the vilest and most corrupt actions towards the Melbourne Board of Land and Works it was possible to imagine. Personally he would not give any more concessions to the Melbourne board than he would to Tom Jones or William Smith who had mortgages over the land. All the board was asked to do was to suspend the payment of the principal by the settlers for a certain number of years, and to charge a reasonable rate of interest—5 per cent.—which was the amount levied by the banks and others who were precisely in. the same position. The very people who tried to block any assistance being given to the settlers, and whose action would bring about absolute stagnation in the settlement, were forsooth to have more consideration than other people, according to Mr. Homburg. Why should they play into the hands of this particular fat man? Was it not fair that something should be done to put the Renmark settlement on a better footing, and thus prevent it from collapsing? Mr. Homburg championed the Melbourne board, who said—"‘If you advance any money at all, let it be for our benefit. We will collar it.” If those people had the interest of the settlers at heart they would have been satisfied to have accepted the same terms as other mortgagees. If the Commission had asked the House to make a gift of £16,000 to the settlers, as had been suggested, he could quite imagine Mr. Homburg’s indignation. The Commission recommended that £16,000 should be loaned to the settlers, and now they were asked why they did not request Parliament to hand the money over as a gift. Though the settlers had bean misled in connection with the occupation of land at Renmark the Government were not to blame for that. Before they acquired the land they were given to understand that the Government would back them up. He asked Colonel Morant what were the reasons which induced them to settle at Renmark, and he replied that the causes were various. The colonel also mentioned advice received from Messrs. Baiker & Barlow. Then Mr. Tomkinson asked him:— You refer to Mr. Justice Boucaut and Mr. Gordon as having said something upon which you rely for refusing to take a loan. Will you be good enough to state where we will find those observations?” and the reply was—“The report was taken from the report of a taxation case which appeared in the ‘Register’ of October, 1892. It was a taxation case in which the Commissioner of Taxes sued Messrs. Chaffey Bros., and Mr. Gordon in his summing up, said— ‘It was merely so that the appellants might from time to time, as agents of the Crown, give a fee-simple title to those persons who under the irrigation colony scheme the Crown had determined should become the fee-simple owners of the land, viz., the purchasers from the

appellants. It seems to me that even now, except for the purpose of transferring the land to purchasers from them, the paramount title of the appellants to the land is still their agreement or license on the 30th May, 1888, and that their position, so far as taxation is conerned, is the same as it was at the time of the decision in the special case referred to. Mr. Justice Boucaut, in giving judgment in that case, said:—‘It is clear the Legislature never intended that the Chaffeys should be owners, but the contrary;’ and this is my view. I hold the appellants are simply the agents or trustees of the Crown in carrying out an experimental scheme of colonisation on irrigation principles at Renmark—a scheme promoted by the Chaffeys and adopted by the Government, and for the promotion and management of which the Chaffeys were to be paid by the profit realised on the sale of the land (if any) after reimbursement to themselves of their expenditure.” Mr. Tomkinson next asked—“Do you think that compromises the South Australian Government in any shape or way?” and Colonel Morant said—“Well, sir, I am not a lawyer; I would not like to say. It is the opinion of their own justices, and I might have stated that the Commissioner of Taxes was given leave to appeal to the Supreme Court, to which he did not refer.” The Chairman asked—“Was Mr. Gordon the counsel for one of the parties?” and this was the answer—“No; it is his opinion as a judge. He is a judge.” Mr. Tomkinson’s last query was—“Do you consider that the observations made by the judge in that way -were made under the impression that the Government were at the back of this?” and the witness replied—“Undoubtedly so; that is exactly my own opinion.” In the face of the decision of the judge was it any wonder the settlers imagined the Government were at their back? While they knew nothing at all about Chaffey Bros, they were led to believe that the Government would stand by them. Witness after witness believed the Government were responsible, and they had good grounds for entertaining that opinion; but the Commission repudiated any idea of the sort. Members said our own fruitgrowers and farmers were not helped in the way proposed, but Parliament had often expressed its practical sympathy with the producers in times of depression. He had the honor of representing one of the best gardening districts in South Australia. But there was a Colony in distress at Renmark, and he was prepared to help it, and he would, he was confident, be backed up by his constituents in doing so. It was said over and over again that this money would never be repaid, but that remark was a little premature, because they could not know that it would not. It had also been said 'that ‘the last loan of £3,000 was granted on the understanding that it

would be the last advance that would be required. But the witnesses had distinctly told the Commission that it would not meet the emergency, but there was no chance of getting any more from the House. Some members said they would not support the Bill, but would have been in favor of the Spring-Cart Gully scheme. He only wished it could be carried, but seeing what a tornado had been raised over the request for £16,000, what would have been said by Mr. Homburg if they had asked for £40,000? He admired Mr. Shannon's speech, but he could not agree with him when he said that while that scheme would bring a large amount of territory into cultivation the present one would not bring any, because if the Bill was passed within a month or two 500 acres within the present area would be disposed of by the trust, and there were

acres more which could be opened up. (Mr. Shannon—“With the £16,000?”) Perhaps not; but would Mr. Shannon say that the £40,000 would open up every acre in connection with the Spring-Cart Gully scheme? (Mr. Shannon'—“Yes.”) Mr. Shannon was safe in saying that, because he knew that scheme would not be adopted. There were, he believed, 7,000 or 8,000 acres more which the passing of the present Bill would allow to be brought into profitable cultivation. When he visited Mildura last season it was like a Sleepy Hollow, and Renmark looked much better than the Victorian settlement. Since then, however, the Victorian Government had granted a loan to Mildura to tide them over their troubles, with the result that a marvelous improvement had taken place. Mr. McIntosh told him that the settlement was now a perfect picture, and that prosperity had revived there as he had never hoped to see it. It meant a great deal .to South Australia to have Renmark doing well, and it must not be forgotten also that the people who had settled there had not only worked hard, but had spent nearly half a million in making the settlement what it is. For the sake of a small sum of money were they going to let the place go to the wall, when a little assistance would enable the people to tide over 'the bad 'times? It must not be forgotten that there was no district council or corporation at Renmark to be subsidised with public money, and that alone had meant a big saving to the colony. With regard to the non-payment of the £3,000, he would quote the evidence given by Colonel Morant, who was then chairman of the trust, before the Commission. In reply to a question by the chairman, Colonel Morant said:—“First, as regards the non-fulfilment of our obligations to repay the original loan of £3,000. Our calculations were based upon the previous assessment from Messrs. Chaffey Bros. office. Subsequent to this we had three or four successive years of drought. It greatly increased the cost of supplying water, and consequently our greatest expenditure has been naturally thereby increased, and in addition to that some of the land failed to bring in the returns they were then doing." That answer showed the reasons why the loan had not yet been repaid. Then, again, in the year 1896, before the improvements for which the loan of £3,000 was granted were completed, there was a deficit in the accounts of the trust of £727. In the year, July, 1899, to July, 1900, the cost of watering was £1,886; engine maintenance and improvement, £145; channel maintenance, £357; and general expenses, £472, or a total for working expenses of £2,860. The amount of rates received was £2,985, leaving a surplus of £125. That spoke volumes for the way the £3,000 loan had been expended. They had cleared off the whole of their indebtedness, and it was only reasonable to assume that with the advent of good seasons the result of an expenditure of £16,000 would be really surprising. He had a statement of the value of the produce of Renmark for the last three years. In 1898 it was £11,968; in 1899, £18,167; and in 1900, £22,086. That showed how well the place was getting on, even with its present difficulties. He believed they were going to have some good seasons now, and they would be a Godsend to Renmark. Mr. McIntosh, who recently returned from that place, had told him that the prospects were bright in the extreme. Mr. McIntosh was examined by the Commission on his return, and his opinions were embodied in his answers to the following questions put to him by the Commission:— ‘'By Mr.Coneybeer-Do you not think the advances by the Government have done something to infuse greater energy among the people, and given them greater confidence? —It is the increase in the value of land that has put the confidence in the people, and the actual returns from the various properties have also been the means of assisting the settlement very materially indeed. Some of the returns are simply astounding. By Mr. Dumas—Is the population increasing?—Yes. The people are going back who left there in the past. By Mr. Coneybeer—Have not we the same facilities in Renmark for making those strides if things were on a better foundation?—I reckon that in the cases of Lord Deramore’s estate and Colonel Morant’s property, although not so bright as Mildura, the returns are very satisfactory. Deramore’s estate returned 75 to 80 tons of fruit from 62 acres., and Colonel Morant, off 15 acres, has taken about 20 tons of first-class fruit. Those returns are very encouraging. By Mr. Dumas—What is the feeling among the settlers at Mildura and Renmark as to the future?—The Mildura people are very sanguine, and this year they are going in extensively for planting. At Renmark they are simply waiting for further developments. To what are you referring?—The Bill before Parliament. What effect is that likely to have upon them?—It will instill confidence into them. A number of people who are now rather anxious to leave the settlement will, if the money is advanced, start in to improve their holdings, and there is no doubt that a number of them will take up further areas, and go in for planting. It will also mean bringing capital into the place. Is the quality of the fruit from Renmark and the set elements equal to that off Mildura ?— The Mildura dried fruit inspector, Mr. Edmonson, who comes down annually to judge the dried fruits at Renmark, states that our fruit at Renmark and the settlements is quite as good as Mildura. The only thing is we have not got up to the perfection in packing table raisins that they have reached in Mildura.” That from one of the cleverest men who ever had anything to do with River Murray irrigation was very encouraging, and he hoped the House would he prepared to help these people, who had made a barren wilderness into a perfect paradise by energy and the expenditure of capital.

The TREASURER, in replying, thanked the House for the reception given to the measure, and the general support promised to it. He did not propose in the short time at his disposal to refer to all the points which had been raised, and would simply touch on some of the most prominent of the objections to the Bill. It had been asked what Victoria was doing for Mildura, and in reply to that he would quote an extract from the “Age” of July 3:—“Some interesting figures relative to the expenditure of loan moneys on improvement works at Mildura are contained in a report which has just been presented by the district engineer to Mr. Stuart Murray, Chief .Engineer of Water Supply. According to this report the loan expenditure to date is £46,700, comprising £14,300 advanced to the Mildura Irrigation Trust to meet revenue deficiencies, and £32,400 expended on improvement works. The latter include £7,300 expended on improvements at the pumping station, £600 for embankments on the Billabong storage, £17,500 for channel lining, £1,940 for relaying pipe mains, and £5,060 for minor works and general expenses. Twenty-five miles of channels of various sizes, from 17 feet to 1 ft. bed Width, have been lined with lime concrete, at a cost of 2/ per square yard for 3-in., and 1/4 for 2-in. lining. A further length of seven miles of lining is in progress, and the balance of loan money available for these works is £7,600. In 1897, when the improvements were entered upon, the working expenses of the trust were £15,516, in 1898 they were £14,857 and in 1899, £10,262. “Further reductions”, adds the district engineer, will follow the completion of the works in hand, and it may be expected that, with the regular and efficient waterings now possible, the trust will be in a position to meet its obligations in from 12 to 18 months time. Mr. Murray has endorsed the report with a brief comment. ‘This seems satisfactory.’ The Victorian Government had much the same problem to deal with at Mildura as South Australia had at Renmark. Owing to the loan of £3,000 granted to Renmark expenditure had been decreased, and Mildura had likewise decreased its expenditure by leaps and bounds owing to the money which had been made available there for improving their channels and machinery. What had been done at Mildura might be confidently anticipated to follow at Renmark if the £16,000 loan now asked for was granted. They had been asked why they did not make a gift of this amount. There were substantial reasons why they should not. In the first place Parliament would not have given it, in the next place there was no more reason for doing it in the case of the Renmark people than in the case of other persons or local bodies, and in the third place the settlers did not want to be pauperised. They wanted to feel one of these days that they had paid everything, and if Renmark succeeded, as they all hoped it would succeed, the settlers would repay this amount, which they desired to borrow and not to receive as a gift. On the question of outstanding concessions dealt with in clause 7, Mr. Homburg ought to be obliged for the opportunity that had been afforded him of being indignant. He often posed as the indignant member of the House. Everybody knew he did not mean it, and nobody was more annoyed than the non. member if any notice was taken of his heroics. These outstanding concessions consisted of taking up 200,000 acres of surrounding land, and the conditions were that £1 per acre should be spent in improving the land, and £1 per acre paid for rent. He asked what was a right worth, such as that—to take up £200,000 acres and pay £1 an acre for it, and £1 per acre in improving it? Why the land was not worth a fifth of £2, and all the concession was worth was nothing at all. The means of cancelling that concession was in the Bill, and the Commission recommended it should be cancelled on account of non-compliance with the conditions to erect canning works, a college, and other things. These conditions, which the Chaffeys had not complied with, were conditions concerning which ’the default 'had been apparent for some years past, and the Chaffey agreement embodied in the Act of 1887 set out that notice of default must be given within three months of the Government becoming aware of the default. As the Government had known of the default for much more than three months, they were precluded by lapse of time from giving mnotice of forfeiture. And so concerning all these matters, it was necessary to take the bull by the horns, and formally cancel the concession. It was nothing whether the liquidators profited anything by the non-cancellation. The people in England thought £2 an acre a low price for land, and probably they would not be disposed to give up their right, but the people in this country realised that the security was valueless. The Melbourne Board of Works were entirely on a different footing, and no word of cancellation of any right of theirs had been suggested. He did not believe that the mortgage held by the Melbourne Board of Works was worth the paper it was written on, but it was not a matter for the Government to contest, because it was not a mortgage over Government land. It was over land granted to the Chaffeys, and neither the Government, nor the trust, nor the settlers, had any interest in contesting the mortgage. While the Government had no interest in contesting its validity, they would be doing wrong indeed if they made that valid which was invalid, and so they had been most careful to do nothing that would validate these mortgages. The next matter to which he would refer had reference to the Select Committee. Under the standing orders, as this Bill affected private rights, it was required that it must be referred to the consideration of a Select Committee. If the Bill had not come from a Royal Commission the House would have been quite satisfied to have referred it to a committee, consisting of Messrs. Playford, Shannon, Dumas, Coneybeer, Castine, and himself. They would have had full confidence in that committee as being non-partisan. Did the mere fact that these gentlemen enquired into the matter, that they asked something like 1,100 questions and took some 50 pages of evidence, render them less fit to carry out the work? It was unprecedented that Parliament should appoint one committee to sit on another. They would be appointing seven gentlemen to see that seven other gentlemen did their duty properly. He was taking the point that these gentlemen would be trusted by the House as a Select Committee to consider this Bill if they had not considered it before, and he did not think the fact that they had considered it, that they had twice visited Renmark, that they had examined a number of witnesses, and that they had taken 49 pages of evidence, rendered them less fit to decide the matter. Supposing a fresh committee were appointed, the members would wish to visit Renmark. (Mr. Solomon—“Not necessarily. The new committee would be more to enquire into the provisioning of the Bill.") He thought that a new committee ought to visit Renmark, and no committee ought to give an opinion concerning this matter unless its members were familiar with the conditions locally, and such a committee would desire to examine witnesses and put questions in a way that they ought to be put. If then a new committee were appointed time would be lost in their visiting Renmark, further time would be occupied— he would not say lost—in taking evidence, and still further time in considering matters with which these gentlemen would not be familiar. The old committee would not need to go to Renmark or examine witnesses, except on special points, and their appointment would save duplication of work and would save time. In Renmark at present the matter was urgent. In a few weeks it would be necessary to fill the channels and begin the summer irrigation, and no repairs could be effected while the channels were full. If the House gave this relief, as he believed it would, it should be given at once. That would be possible if the same gentlemen were appointed a Select Committee. He was willing to go on the committee himself as representative of the Government, and it would be agreed that Mr. Playford should be on it, and so should Mr. Shannon, who, though he did not agree with the Bill, had taken a lively interest in 'the work of the Commission. So had Messrs. Dumas and Coneybeer. Mr. Castine had visited Renmark twice, and had taken as lively an interest and as large a share in the work as anyone, but with that care for the interests of Renmark that he had always shown he had expressed his willingness to stand off. Personally, as the member of the Government having charge of the Bill, he thanked Mr. Castine on behalf of Renmark for the sacrifice he was making in standing aside. It had been suggested that legal talent should be brought to bear on the work of the committee, and so fill the vacancy caused by the retirement of Mr. Castine, and to bring the number of the committee up to seven it was proposed with the approval of members to have Sir John Downer and Mr. Von Doussa on the committee. He moved the second reading.

The second reading was declared carried.

Mr. CALDWELL called for a division, but subsequently withdrew the call.

The following committee was elected by ballot:—Sir John Downer, the Hon. F. W. Bolder, the Hon. T. Playford, and Messrs. Coneybeer, Dumas, Shannon, and Von Doussa. To report