**PASTORAL ACT AMENDMENT BILL 1901**

**House of Assembly, 20 August 1901, pages 167-72**

Second reading.

**The COMMISSIONER of CROWN LANDS,** in moving the second reading of the Pastoral Amendment Bill, said the object of the Government in bringing in the Bill was to cover up the point left out of the 1898 Act, and to make provision for some requirements that had been shown to be necessary since then. As this pastoral question was one of great interest to South Australia he proposed to give hon. members all the information he could that affected it. It would be remembered that after a great deal of agitation, in 1898 a commission was appointed to enquire into the subject. The commission collected all the evidence it could, and the Government framed a Bill entirely on the lines of the recommendations of the commission, and that Bill was brought down to Parliament. That Act had done a great deal of good. The conditions under and the administration of that Act had been most liberal. All the pastoralists would agree with him in saying that as a result confidence was restored to a great extent. There was one thing wrong in the Act of 1898, and that was that it did not give absolute fixity of tenure. There was a provision in the 1893 Act which allowed resumption of country after ten years on a two years’ notice. The resumption was covered by the fact that the lessee was to be paid in full for improvements, and also full compensation for taking away his lease. The pastoralists argued that that was not security enough, that the right to take away a man’s lease on two years’ notice was not good enough, and he agreed with them. Supposing after five years of drought an arbitrator were asked what compensation the lessee should get, be would say almost nil. In the present Bill they proposed to give a greater amount of security. He wanted to give the House the present position of the pastoral industry. There had been a great decline in the industry, especially during the last ten years. (Mr. Copley— “Since the Kingston regime.”) He did not think it was right to blame any Government in particular. None of them knew what was wanted. Mr. Copley knew a good deal about the question at present, but ten years ago he knew very little. The pastoralists themselves didn’t know ten years ago what they wanted. The best evidence that they overvalued the country was the price they gave for it in 1888. They gave prices that it was impossible for them to pay, and not by the wildest stretch of the imagination could they be induced to give those prices to-day. The pastoralists, however, were not any more to blame than the Parliament. The people did not know the value of the country. When they gave those high prices they did not know that there would be a great influx of rabbits and dogs. The rabbits, besides causing the dogs to increase, absolutely spoilt a lot of the country. Previous to the rabbits there were a lot of small edible bushes all over the country that were not destroyed by a year, or even two years, of drought. The consequence of their depredations was that this country, some of which was worth £1 to £2 per mile, was now worth 19s. He had a few figures as to the position of the industry in the years 1891 and 1901. The present number of leases was 595, comprising 117,623 square miles, let at an aggregate rental of £10,667 11s. 7d. per year. Ten years ago there were 1,111 leases, comprising 154,383 square miles, let at an aggregate rental of £76,697 18s. 4d., including about 50,000 miles which were let at the minimum rental of about 2s. 6d. per square mile. The number of miles now unoccupied that were once leased and occupied were as follows:—Lands open to allotment, 35,168 square miles; rental, £4,840 4s.; lands not open to allotment, leases having either expired or land not yet dealt with by the Pastoral Board, 5,293 square miles; total lands once leased, but now unoccupied, 40,461 square miles. Many members said that in regard to the country which had been abandoned and could not he again leased the improvements should have been wiped off altogether. About 4,500 miles of the Gawler Range country was unlet for many years until the other day. The Government paid for the improvements on that country, about £90,000, or at least £76,000 in cash, and the rest, about £14,000, was put on by the lessees. The Tardea Run had cost the Government £16,000 for improvements; they offered them now for £4,898 15s., and for the run they were asking a rental of 4s. per square mile. He believed that they were now in a fair way to get rid of a good deal of this pastoral country that had been unoccupied for the last three or four years. The Pastoral Board had done as much as they could to induce people to take it up. The Government had advertised the properties all over Australia, and also in England, and had used every means in their power to bring it under the notice of investors outside and inside the state, and if they had not any customers they could not sell it. He was pleased to say, however, that the prospect was looking better. They had got rid of about 1,500 miles of the land in the last fortnight, and he believed they would be able to dispose of more. The industry was of great importance to the State of South Australia. It meant a considerable number of men would be given employment directly, and the labour market would be better all round were the industry in a prosperous position. He was indebted to Mr. A. G. Downer, who was generally regarded as an authority on pastoral pursuits and pastoral laws, for the statement that “in a letter published by Mr. Peter Waite in both our leading papers on March 21 last Mr. Waite shows an expenditure for the year' ending January 31, 1893, on the Beltana Pastoral Company's properties of a sum of £63,839 3s. 8d. Of this amount about £15,000 was paid to contractors for well-sinking, dam-sinking, artesian-boring, building, &c., which may be called an ex­penditure on capital account. Nearly all the rest of the £63,000 is what may be considered as fair annual expenditure on the run. About £18,000 of this went to the Government for rent and carriage. The run carries about 350,000 sheep and about 26,000 head of cattle, equal say to half a million of sheep. It is not too much to say, therefore, that on this basis every million of sheep will mean an average annual - expenditure of something like £100,000 a year. In this expenditure there will probably be a contribution to the revenue of something like £20,000 to £30,000 a year for rents and carriage, to say nothing of the indirect benefits which will flow to the revenue from customs duties." He mentioned that to show the great importance the industry had upon the development of South Australia. According to the census returns of 1891 the pastoral country then occupied carried 2,119,642 sheep. Ten years afterwards the number was only 1,333,800, a reduction of over

sheep. It was a great pity that the Parliament had not recognised earlier the difficulties of the industry. Parliament had been blamed for its decline in no unmeasured terms; and he was willing to admit that want of proper legislation in time had a good deal to do with the great depression in the industry. At the same time it was little use blaming Parliament altogether. Pastoralists themselves had been deceived as to the value of that country, as was instanced by the prices they gave at the auction in 1888. They did not know, then, that rabbits and wild dogs would overrun the country. Droughts were at that time of less frequent occurrence, and the land would stand a dry season better before the inroads of the rabbits, which had killed the drought-resisting bushes that often carried stock over a bad season. In the past there had been much ignorance; but now, having the knowledge, it would be to their advantage to act up to it, and give the pastoralists as good terms as possible. He did not want the House to imagine that for several years past the Government had been doing nothing. They had reduced the rent to about one-half what it used to be and had marked down the improvements to a very large extent. He had an important statement to make to the House. Members would remember that the then Commissioner of Crown Lands had made the statement in 1891, on the authority of the Surveyor-General, that the country would be saddled for improvements to the amount of about between two and three millions sterling. He knew that at the time it astonished every member of the House, which was awakened to the fact of the great importance of the pastoral industry to the state. Hon. members would be glad to learn that these doleful anticipations were not realized. The total amount paid for improvements from loan, including expenses of valuation and surveys, was £984,361 18s. 3d.; total amount paid for improvements by lessees to June 30 last, £28,951 3s. 3d.: value of improvements payable by lessees on lands leased, £233,233; value of improvements by pastoral board on lands open to application or not yet offered, £64,312; amount paid for improvements on land now let on other than pastoral leases, and the rentals, including interest on improvements, £136,541 5s. 5d. According to the present Surveyor-General, improvements to the value of about £20,000 were now on the land reserved for watering purposes. As the value of improvements of Crown lands would have to be further reduced, the deficiency would probably be £500,000. The total loss on improvements would thus be somewhere about half a million pounds. This was bad enough, but not so bad as they had been given to imagine it would be. He wanted to give the House a little idea of what the Government had been doing under the Act of 1898 towards re­ducing rents, and he would take the case of one lessee, which was about the average. The original rent of one of the perpetual leases in the County of Herbert was £96, and the present rent was £68. The concession amounted to £215 Is. 10d. and the rent was payable in 1902. Another lease that had been let at £274 per annum was now let at £171. The amount of concession, containing 198 square miles, let at one time at £303, was now let at £154; rent payable in 1901. The concessions made in connection with the north-east country amounted to three thou­sand three hundred odd pounds. With regard to the Gawler Range country, about which people said they should wipe the im­provements off altogether rather than have caretakers, the Government had been asked what had been done in the matter. Between two and three years ago the Emu Bluff Bun fell in, and the owners, Hamil­ton, Mills & Co., had received as payments for their improvements, £7,043. They had thought that they had not been treated fairly, and that they should have got a lot more. Since then the same country had been put up for £3,400, with 42 years to pay. He did not think the House would expect the department to wipe off the improvements altogether. It would be an injustice to taxpayers, and particularly to neighbouring pastoralists who had country on a 42 years’ lease, paying full value for improvements. Many pastoralists, when their leases had fallen in of late years, had received payment for their improvements in cash. They had taken up the country again, and had 42 years to pay for the improvements, and were giving not nearly as much as they had received in cash. There were others who had not done that, but had taken the money for their improvements, and then left, the country, waiting for the improvements to come down and then eventually get them knocked off altogether. It was not fair, and for that reason the Government was holding out for as much as they could fairly get for the improvements. They had at present 17 caretakers on different runs. If they were taken away what would happen? Everybody who came along would do jusit as he liked there at the station, and the place would go to rack and ruin. They had to keep caretakers to protect the property. Two properties had been taken up, Yardea by Mr. Moseley, and Burlga by Mr. Tennant, and this was evidence that the Government was pursuing a proper policy in looking after the improvements. Mr. Archibald had asked how much of the ’88 country was unoccupied. It contained about 27,000 square miles, of which the Surveyor-General was reserving square miles for future closer settlement. Most of it was taken up.years ago they thought more of that fringe of country along the railway line than they did to-day, and it was a very debatable point whether any of it should have been reserved. Judging by the experiences of the past four or five years the country that was being reserved was very little, if any, better than some of the other country. He was sorry to have to say it, but he could not help admitting a fact which had been brought so clearly before them year after year. (Mr. Bounsevell-—"Are there any vermin there?") He did not think so, because the lessees had taken advantage of the Fencing Act, and had got rid of the pest to a great extent. The fringe country did not come under the Bill as it was at present, but would be dealt with under the Crown Lands Act. The lessees of the fringe country who had appealed for further consideration held a total area of 724,260 acres. The rent prior to reduction had been £3,240, or an average of a fraction over Id. per acre, which included interest on £44,856 paid for improvements by the Government. A number of the leases were miscellaneous, on which all improvements made by the lessees reverted to the Crown on expiry. These had all been surrendered for perpetual leases at reduced rentals, and the total rental of the above country had been reduced to £2,280, as against £3,240, the rents varying from a farthing to one penny per acre, except one case ;in which it was reduced from 2d. On this land there was the Ketehowla head station and other improvements, for which the Government paid £5,461, and lease 341, perpetual lease liable to revaluation every 14 years; rental, £274 8s. 9d.; surrendered for a perpetual lease without revaluation under Act of 1898. The present rental was not 3 per cent, on the amount paid for improvements, so they could not do much more for the settlers in the fringe country. (Mr. McKenzie —“It is overrun with vermin.”) No; the lessees had put from 60 to 100 sheep on country which could only carry 30 or 40 to the mile, and so had almost ruined it. (Mr. McKenzie—“They were forced to do it.”) No; they were not; they wanted to make a good thing out of it. They had to let that country to the tenants at such a rental as they could live on, no matter what was the cause of the depreciation. The members had the Act before them, and could see what it set forth. He would like to call the attention of Mr. Burgoyne to clause 5. That member had said that there was no clause in the Act to provide against a fixity of tenure. Clause *5* read—“No lands comprised in a pastoral lease shall be resumed for the purpose only of being relet for pastoral purposes, whether in smaller blocks or otherwise.” That clause was framed to meet the difficulty, but he understood that the pastoralists were not satisfied with the provision. It was a mistake to give absolute fixity of tenure because of the possibility of securing artesian country, where intense culture was possible. It was a mistake to have a big belt of country absolutely tied up for 42 years. In New South Wales they were experimenting, but he did not know with what success, in regard to artesian waters and irrigation. If they gave absolute fixity of tenure they could not resume land for that purpose. The clause provided, too, against small blocks, which they had had enough of. The last Pastoral Bill provided that the Government should have power to resume in 10 years. They had made the position clearer in regard to compensation, and he believed it would give satisfaction. But they were prepared to go further, and fix the tenure absolutely, except with regard to intense culture outside the rainfall line. In reference to the discovery of artesian wells, clause 7 said:—“No lessee shall be deemed to discover an artesian well within the meaning of section 20 of The Pastoral Amendment Act, 1896 unless such well shall be situated at least 10 miles distant from any other artesian well or any permanent natural spring existing at the time when the first mentioned well was commenced to be sunk, and yielding a supply of not less than 5,000 gallons of water fit for stock per day.” That clause was not in the interests of the pastoralists, but in the interests of the state. Under the Bill of 1895 and 1896, and confirmed again in 1898, a large concession was given to people who found artesian wells. The intention of Parliament, at that time was to give it where discoveries were made, but since the Act had been in operation they had applications for the concession from pastoralists who had put down pipes on natural springs, and had secured the necessary quantity of water required by the Act. One run in the north alone obtained £3,000 by the concession, and he was sure that that was never intended by the Act. In the previous Bill it was provided that the well should be situated at least 25 miles from any other well, but the present Act provided that the distance should be 10 miles, which they thought sufficient. Their object was to prevent the concession being granted to those who had merely put down pipes on natural springs. Their desire was to give the concession where an honest endeavour had been successfully made to discover water. Anything apart from that was never intended, and the members would agree that it was not de­sirable. Clause 8 again was in the interests of the state as against the pastoralists. Some pastoralists had told him that the present Bill was a Bill for the Government, and not for the pastoralists, presumably because those two clauses were in it. He thought the members would agree that those clauses were necessary. Clause 8 read:—“No lessee shall be entitled to any payment, except for improvements, on account of land resumed for mining purposes.” The position was that under the existing Act if they took any country over for mining purposes they had to give full compensation for the improvements and compensation for the loss of lease. At Tarcoola the Government resumed 50 miles of country for mining, and for which they were receiving a yearly rental of half-a-crown a square mile. They found under existing Acts, however, that they could not resume the country without giving the occupier compensation for improvements and compensation for loss of lease. The compensation was valued at what the country was worth; not at the time that it was taken over, but at the prevailing value. But the lease there expired, and country was then taken. They were bound to give compensation for improvements where the land was resumed for mineral purposes, but they did not think compensation was a fair thing. He would draw their attention to clause 9, which read:—“The rate of interest chargeable on the purchase money to be paid for improvements under ‘The Pastoral Act, 1893,’ and all other Acts amending the same by the incoming and outgoing lessee is reduced from *£5* per centum per annum to £4 per centum per an­num.” That was a very big concession. (Mr. Tucker—“The concession is no good unless you give a fixity of tenure.”) The Government had given fixity of tenure as far as they could. They did not think they were justified in going further than they had. If Mr. Tucker would read the speech made by Mr. Stirling on the Bill last year he would see that the Government were doing what he considered was a fair thing. (Mr. Tucker—“The Bill was not then in existence.”) Some of the present clauses were. Clause 10 provided for the reconsideration of valuations made by the Surveyor-General since the passing of the 1898 Act. The Surveyor-General made many reductions on that basis, and in fact gave country to the pastoralists at their own terms. The clause gave that officer the power to reconsider those cases, and reduce the rents where it was necessary on account of bad seasons since previous adjustments. Clause 11, the last in the Bill, provided that when rent was fixed by the board the lessees must accept the decision at once. Sometimes this matter was allowed to drag on for 12 months, and even two years, but now the lessee would be asked to make up his mind within a certain time, and if he did not the department was to be allowed to collect the rent on the original terms. He had gone through the Bill clause by clause, and had shown the House as well as he could the position of the pastoral industry at the present tame. Since he had been Commissioner of Crown Lands he had had many opportunities of studying the pastoral industry. He had gone over abandoned runs and runs that were held whenever he had had the opportunity, and had endeavored to find out why they had been abandoned. The Government realized the inferiority of the country, and must make laws to suit it. They sincerely sympathized with the men who had battled hard to develop the outside country. He did not want to be egotistical, but he thought that from the knowledge he had gained, both in his official capacity and as a practical farmer, he was in a position to gauge the value of that class of country. Five years ago, before he had seen the country, he had had a very exaggerated idea of its value, and every hon. member who had gone into the question would admit that it was not all that they had at one time expected. But it was not all bad. He knew one instance where four partners had started on abandoned runs in the north-west of Port Augusta about six years ago with only about £2,000 of capital between them. Since then two of them had got tired of living on the station and the other two had bought them out at £3,000 apiece, and that station was going to shear this year some 40 000 sheep. Others also had done fairly well. That went to show that that country was valuable, and if worked economically could be turned to good account . Pastoralists in every part had their ups and downs, and those in the good parts had at times been almost wiped out and afterwards recovered. The country must be let at what it was worth and no more, and they must give it on fixed terms. If they could get 5,000,000 sheep on the purely pastoral country it would be a very great advantage to the state. The inside country was probably carrying about 5,000,000 sheep or more, and if they could get another 5,000,000 on the pastoral country it would be greatly beneficial. A lot of the country in the northwest of Tarcoola had never been developed, and yet there was there country probably batter than any they had yet taken up. If the railway were constructed to Kalgoorlie it would be the means of opening up a lot of territory equal to any in South Australia. A railway would develop it wonderfully, and that was one of the reasons why he hoped that some day South Australia would carry 8,000,000 sheep on purely pastoral country. He moved the second reading of the Mil.

Mr. CALDWELL had listened with great pleasure to the speech of the Commissioner of Crown Lands. He realized that the Commissioner had made an honest statement to the House—a statement which was the result of knowledge gained by his official experiences and as a practical farmer. The decision which the Minister had reached was that the country was ruined, that it did not matter who had been the cause of the ruin, and that it was the duty of the House to endeavour to raise the state to a sound basis. He was pleased that the Commissioner was able to say that the conditions had improved during his administration, and that his administration had been more liberal, because he had contended all along that an imperfect Act generously administered would do more than superior legislation badly enforced. He could not help remarking that the statement of the Commissioner of Crown Lands was merely a repetition of statements which had been made again and again during the last twelve or fifteen years. Mr. Giles had given expression to the same opinions, and been laughed at. When a few years ago he voiced those sentiments he was twitted with being secretary of the Pastoralists’ Union or the Willowie Pastoral Company. In 1891 the House appointed a commission to deal with the available pastoral country in the state. He moved the motion at the suggestion of a number of members of that House, and the result was the appointment of a fairly representative commission, of which he (the speaker) was chairman. They did their best, as the Commissioner said he had done, to become seized of all facts regarding the matter. They traversed the country on the eastern side of the Murray and the west coast. Then they went up to Stuart’s Creek, and made a detour to the edge of the great desert. They then went on to the MacDonnell Ranges, and pursued their investigation in the very heart of the continent. It was a very easy matter for him as chairman to come back then and diagnose the conditions of the country, and it had changed very little since then. The only alteration was that Ministers and members had been compelled by force of circumstances to recognise that the conditions required to be amended so as to provide for an easy tenure of the country if it were to be profitably held. The present Bill was merely remedying defects in previous legislation, the amendment of which they had said was absolutely necessary in 1891, viz., fixity of tenure, encour­aging the people to improve their country by giving them an interest in their im­provements, and to occupy land, whether improved or otherwise, by letting it at a peppercorn rental, or none at all. They held that in order to secure the occupation and utilization of the country then lying idle something must be done more than was provided for in the statute books at the time. They reported in 1891 that the auction test should be abolished, a thing which was contended for by Mr. Giles even before the commission was appointed. Afterwards they provided that all improvements made by the lessee should be his own property, and that no expense should be incurred so far as the state was concerned other than placing the lessee in the best possible position, and enabling him to do the best he could for himself and for the state. All conditions preventing lessee putting land to best use were to be abolished. In suitable localities areas were to be set aside and offered under special terms for the encouragement of agricultural experiments. Discoverers of new country, or persons taking up rabbit-infested country which had been abandoned, or country destitute of natural water, and agreeing to occupy, clear off vermin, improve, or stock the same to the satisfaction of the board within three years, were to be allowed re­mission of rent during the first five years on the term of the lease. And holders of leases under other Acts Entitled to payment for improvements by the Government on the expiration of term of agreement were to be allowed to surrender and obtain a new lease under the foregoing provisions. The subsequent clauses of the report provided for everything that the Minister had found to be absolutely necessary. He took no credit for the conclusions he had reached. He had always been blest with fair eyesight and reasonable judgment, and having seen the country when travelling with people who understood it, and having examined men who had tried to develop it, it was easy to form an opinion. The Minister had now reached that experience which warranted him impressing upon the House the desirability of providing by legislation for the occupation of the country on terms others had suggested years ago. They wanted the country occupied. The rental was a secondary matter . It was more profitable to have the maximum number of sheep on the land, turning it to account than to have a high rental with the result that the country was abandoned. In 1888 he said that they had done the worst day’s work that had ever been done for the pastoral industry, and unfortunately he had proved to be a prophet He was pleased that the Minister had recommended the abolition of conditions which were inimical to occupation. He wanted fixity of tenure, and those advantages granted which the pastoralists said they could not do without. He was sanguine that the House would at last appreciate the necessity which lay before the members to do the right thing even at this late hour It was a thousand pities that it had not been done 10 or 12 years ago*.*  He intended to support the Ministry to place on the statute book legislation which would remove the stigma of disgrace which rested upon it, and which would result in the occupation of country which now was in the hands of caretakers. It would be better to write off all the value of the improvements than have the land in the hands of caretakers. The outside country was capable of carrying more than five million steep. New Zealand, with a backbone of sterile country, could carry 20 millions, and it was a bad advertisement for South Australia to say that it could only carry five millions. The country between the MacDonnell Ranges and the northern seaboard could carry more than five million sheep, besides a large number of cattle. With fixity of tenure, and the placing of experienced people on the country who would stock it judiciously, it would be able to feed more than live million sheep within a measurable period of time.

On the motion of Mr. GILES the debate was adjourned until Thursday, August 22.