

1949.
—
VICTORIA.

REPORT
OF THE
SOLDIER SETTLEMENT COMMISSION
FOR THE
PERIOD ENDED 30th JUNE, 1949.

PRESENTED TO BOTH HOUSES OF PARLIAMENT PURSUANT TO THE PROVISIONS OF SECTION 16 OF
THE SOLDIER SETTLEMENT ACT 1945.

[*Approximate Cost of Report*:—Preparation—Not given. Printing (400 copies), £55.]

By Authority

J. J. GOURLEY, GOVERNMENT PRINTER, MELBOURNE.

No. 21. [1s. 3d.]—11972/49.

REPORT.

Soldier Settlement Commission,
Melbourne, C.2,

20th October, 1949.

The Honorable the Minister of Lands.

SIR,

The Soldier Settlement Commission has the honour to transmit to you herewith, in conformity with Section 16 of the *Soldier Settlement Act* 1945, its Annual Report and Balance-sheet for the year ended 30th June, 1949.

Mr. E. E. Bond tendered his resignation as a member of the Commission as from the 30th September, 1948, and Mr. Sydney John King was appointed to fill his vacancy. The Commission would like to take this opportunity of expressing its appreciation to Mr. Bond for his assistance and co-operation during his term of office.

Before reporting on the Commission's activities, it is desired to point out that in May, 1949, an Amending Soldier Settlement Act was passed. This Act principally provides for the raising of additional loan monies, and authorizes the Commission to make advances to settlers who hold temporary leases and to make payment to Municipalities of amounts equivalent to the municipal rates which would have been payable on land acquired for soldier settlement purposes had such land remained rateable. It also empowers the Commission to grant Interim and Purchase Leases to settlers in cases which the Commonwealth Authority will not accept as coming within the general settlement scheme. There are only two such cases up to the present.

As the Commission's activities are mainly confined to general settlement under the War Service Land Settlement Agreement, to Single Unit Farm Advances made pursuant to Part III. of the *Soldier Settlement Act* 1946 and to Agricultural Loans and Allowances under the *Commonwealth Re-Establishment and Employment Act* 1945 it is proposed to furnish you with a report on each activity in the order abovementioned.

GENERAL SETTLEMENT IN ACCORDANCE WITH THE WAR SERVICE LAND SETTLEMENT AGREEMENT.

(a) *Classification of Applicants as to Eligibility and Suitability.*

Ex-servicemen are still lodging applications for classification as to their eligibility and suitability for settlement and during the twelve months under review a further 1,630 new applications were received. This brings the total number of applications to 12,317 and, of that number, only 1,300 have not yet appeared before a Classification Board. 11,017 applicants have been classified with the following result :--

Suitable for farm ownership	..	..	..	..	..	7,645
Suitable for further training	..	..	..	..	..	1,967
Unsuitable, withdrawn and deferred	..	..	..	..	..	1,405
						<hr/>
						11,017
						<hr/>

Of the 7,645 applicants who have been classified as suitable for farm ownership, 1,420 have received loans in connection with Single Unit farms and of the balance of 6,225 only 3,376 have applied for the 1,070 holdings which have been made available for settlement, leaving 2,306 actual applicants unsatisfied. This also appears to indicate that many have taken advantage of the attractive opportunities which at present prevail to rehabilitate themselves in other walks of life.

(b) Acquisition of Land.

In the previous report it was pointed out that the acquisition of land was becoming increasingly difficult in view of the anticipation by landowners that land sale control may be relinquished. However, notwithstanding these difficulties over 100,000 acres have been acquired by voluntary negotiation during the last financial year, but it is evident that, from the attitude of some landowners, the Commission will be left with no option other than to purchase by means of compulsory acquisition.

The position since the Commission commenced to function is set out hereunder:—

Land acquired prior to 1st July, 1947	..	233,208 acres for £2,134,554
Land acquired during the period 1st July, 1947, to 30th June, 1948	.. .. .	312,384 acres for £2,812,176
Land acquired during the period 1st July, 1948, to 30th June, 1949	.. .. .	106,566 acres for £1,022,397
Total	.. .. .	<u>652,158 acres for £5,969,127</u>

In addition to the land purchased, 21,310 acres of Crown Land have been set apart for settlement purposes.

(c) Subdivision and Allocation of Land.

The Commission has subdivided 466,328 acres into 1,070 holdings and made same available for application. On the 30th June, 1949, 1,005 holdings totalling 438,636 acres had been allotted and the vast majority were actually occupied by the successful applicants. The shortage of surveyors has not made it possible to have boundary lines marked on the ground as rapidly as is desired, but this lag is being gradually overtaken.

(d) Development and Improvement of Settlers' Holdings.

The inability to obtain adequate supplies of materials such as fencing wire, galvanized iron, baths, stoves, &c., coupled with the shortage of labour, particularly building artisans, has not permitted this phase of settlement to proceed as rapidly as is desired. The present strike if protracted will further accentuate the material shortage as the Commission has not accumulated stocks to meet such an emergency. Tenders for the erection of 692 new houses have been accepted and, in addition, 164 existing houses on land acquired are being used to accommodate settlers. The demand for building contractors in town areas is still making it difficult for the Commission to obtain suitable contractors who are prepared to erect farm houses.

Owing to the period which elapses between the time a settler's holding is ready for occupation and the date his house is completed, it is essential that he be provided with some temporary accommodation. In an endeavour to overcome this difficulty the Commission has established a centre at Mortlake where huts which can be used as temporary living quarters are prefabricated, and in other parts of the State these huts are being erected by contract or day labour. Temporary living quarters are so designed that they may be later used as farm outbuildings when settlers' houses are completed.

It is desired to point out that the period which it takes to complete settlers' houses is not entirely in the hands of this Commission, and consequently, it is essential that these temporary living quarters be of a reasonably good standard as settlers and their families are, in some cases, required to occupy them for up to three winters.

About 18,000 acres have been sown to pasture and further considerable sowings will be made during the spring. In addition, some 47,000 acres have been topdressed. About 800 acres of rooted vines have been planted in the Robinvale Settlement Area, and further land is being prepared to make additional plantings during August and September.

Reasonable progress has been made in some Shires in the construction of roads required to serve soldier settlement estates and the Commission is appreciative of the work carried out in this regard by the Country Roads Board and the Shires in question. In some other Shires however, road construction works have been delayed owing to plant and staff shortages and this has made it difficult for the Commission to obtain tenders from building contractors owing to access problems.

Illustrations of various types of improvement and developmental work being carried out have been included for your information.

(e) *Advances for Stock, Plant, and Equipment.*

As mentioned earlier, recent Amending Legislation has empowered the Commission to make advances to settlers in certain cases prior to the granting of their Settlement Interim Leases. Prior to that legislation being passed, the only means the Commission had of financing settlers was under the *Re-Establishment and Employment Act 1945*. When these latter advances were made, an arrangement was entered into with the Commonwealth that they would be repaid out of State funds when the necessary power had been obtained and this arrangement is now being honoured.

(f) *War Service Land Settlement Agreement.*

In previous reports, attention has been drawn to the unsatisfactory and unbusinesslike methods which must be associated with dual control. Although the Commission was appointed over three and a half years ago, it has not yet been able to arrive at a basis with the Commonwealth for valuing settlers' holdings and, as a consequence, it has not been possible to advise one settler of his liability under Interim Lease. This undesirable and uncertain position is neither fair to the settler nor does it permit the Commission to move forward to its objective with that degree of finality which is so essential.

As Victoria is the only State in the Commonwealth where a settler may ultimately obtain a freehold title to his land, the liability placed on his farm is of vital importance. It is the Commission's desire to see that each settler is given a liability which he will have a reasonable prospect of meeting, and it is of the firm opinion that the only sound way of determining that liability is by making a detailed valuation of each farm by the method adopted by experienced and practical valuers and for that liability to be then checked, having regard to conservative prices and yields for products, as provided in Sub-clause 5 of Clause 6 of the Agreement.

It will be seen that, in this way, a settler will not be charged more for his holding than the value of such holding irrespective of his anticipated ability to carry a greater liability under a budget check where interest rates at 2 per cent. per annum and the present buoyant conditions will affect the calculations.

The Commonwealth Land Settlement Authority does not agree with the Commission on this basis of valuation.

(g) *Stock Purchased by Commission.*

Heifer calves.—The heifer calves which were purchased by the Commission soon after it was appointed have formed the nucleus of a number of fine dairy herds, and many reports have been received of the high quality of these animals.

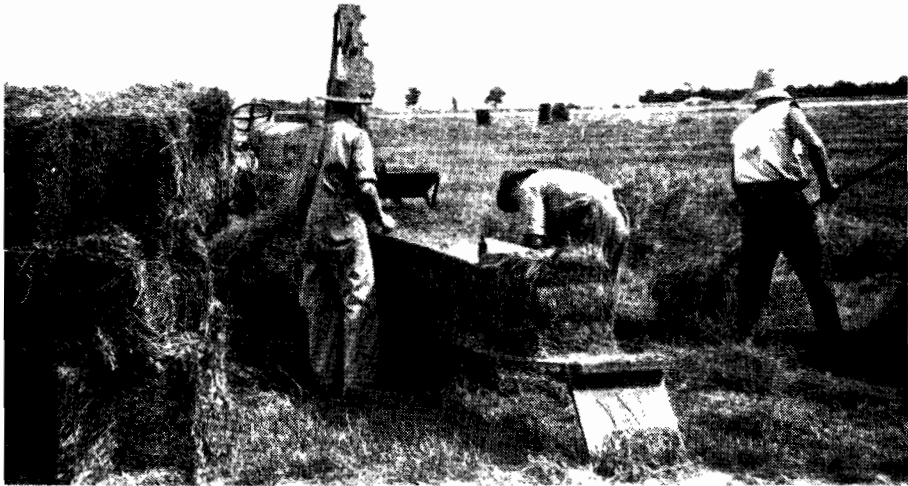
Other stock. — It was necessary when acquiring some Estates to complete negotiations on a walk-in walk-out basis. By this method the Commission purchased 163,623 sheep, 4,168 cattle, and 217 horses. The employees on these Estates were taken over by the Commission so that the properties could be worked and maintained until they are subdivided and made available for settlement. The stock not required for distribution to settlers is sold on the open market and the balance have or will be offered to settlers for the stocking of their holdings at prices comparable to conservative market prices.

In the distributions made to date 48,780 sheep have been made available to 157 settlers and on the 30th June, 1949, the Commission had on hand 82,656 sheep, 2,169 cattle, and 155 horses.

After providing for working expenses, including seasonal items and crediting each Estate with a reasonable agistment amount covering the number of stock carried from time to time, it will be noticed in the accounts attached that the profits have been sufficient to meet the accumulated deficiency in the Revenue Account to the 30th June, 1949, and, after meeting such deficiency, a substantial credit balance still remains.



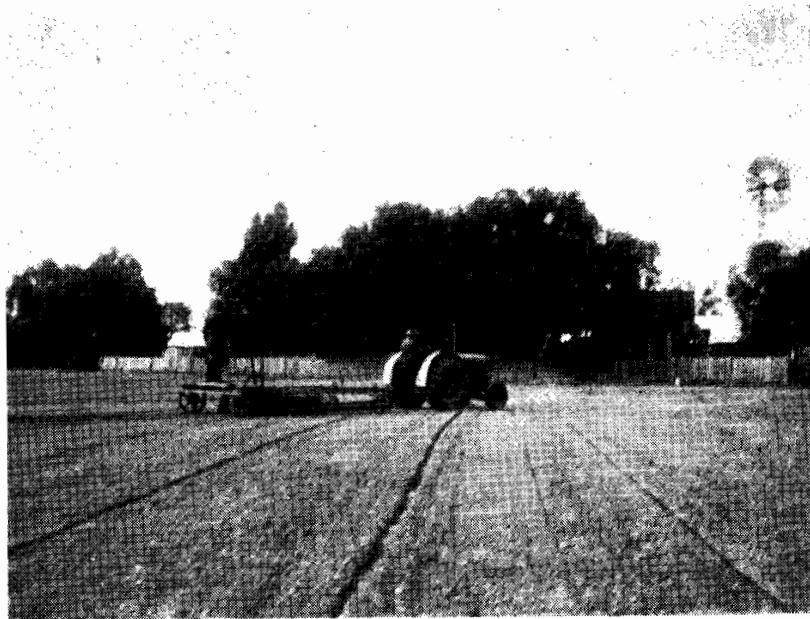
Developed and undeveloped pasture on a settler's holding.



Baling hay on a settler's farm.



New settler's home with old home on the right.



Grading land for irrigation.



Dried vine fruit cuttings being planted in the Commission's nursery at Robinvale.

SINGLE UNIT FARMS.

The conditions under which these loans were made have been set out in the report covering the period to the 30th June, 1947. This form of rehabilitation does not come within the War Service Land Settlement Agreement and is purely a State responsibility.

To the 30th June, 1949, applications for financial assistance had been received from 2,400 ex-servicemen. Loans totalling £4,866,028 were approved in 1,420 cases; 924 applications have not been granted or have been withdrawn and the remainder have not been finally dealt with.

The high prices ruling for primary products has continued to push land prices higher and higher, notwithstanding the corrective influence of land sale control. We are pleased to report however, that this inflationary influence has been counteracted by the majority of these settlers consolidating their positions, whilst the opportunity affords but the less prudent men are placing too much trust in future price trends. In some of the latter cases, it must be anticipated that losses will occur, particularly when it is taken into account that the legislation provides for advances being made up to 90 per cent. of the valuation of the farm.

However, after weighing all the aspects of settlement carefully and, with the experience gained, the Commission is confident that this form of settlement which is not burdened with dual control will be less costly to the State and more advantageous to the settlers themselves than settlement under the general scheme. It has also enabled prompt rehabilitation to over 1,400 more ex-servicemen than would have otherwise been possible.

It has been stated in some quarters that the single unit farm scheme merely replaces an existing farmer with an ex-serviceman farmer. In reality, this is not so, as a large number of single unit farm advances have purchased their farms from trustees of deceased estates or from people who, on account of their years or for other causes such as ill-health, have found it necessary to relinquish farming.

COMMONWEALTH AGRICULTURAL LOANS AND ALLOWANCES.

The Commission is, on behalf of the Commonwealth Government, still administering that portion of the *Re-Establishment and Employment Act* 1945, which relates to the making of agricultural loans and the granting of agricultural allowances to ex-servicemen.

To the end of the financial year, loans aggregating £1,504,304 had been made to 2,361 ex-servicemen and allowances approximating £241,000 had been granted to 2,036 applicants.

This Act limits loans to £1,000 in any one case, and the Commonwealth Government provides the necessary capital and meets the administration expenses involved.

STAFF.

The Commission is appreciative of the assistance made available by the Secretary for Lands from his field officers and his Head Office staff. The detailed work of keeping the Commission's Accounts is continually increasing as the Commission's activities expand. It has not been possible for the Lands Department field officers to carry out the supervision work necessary on the various holdings allocated to settlers and, as a consequence, it has been necessary for the Commission to employ a number of practical and experienced men to undertake these duties.

The Commission also wishes to express its appreciation to the members of its own staff for the manner in which they have carried out the tasks allotted to them. The problems associated with settlement are difficult and varied and have demanded the fullest co-operation which is so essential to success.

It is also desired to take this opportunity of expressing thanks to the Heads of other Departments for their co-operation and also to the officers of those Departments for the willingness with which they have given their assistance and advice. This refers particularly to the State Rivers and Water Supply Commission, which has carried out considerable work on the various irrigation settlement areas which are now being developed.

H. L. SIMPSON, Chairman.

H. HOLMBERG, Member.

SYDNEY J. KING, Member.

E. SINGLETON, Secretary.

SOLDIER SETTLEMENT COMMISSION.

SOLDIER SETTLEMENT ACTS.

BALANCE-SHEET AT 30th JUNE, 1949.

		<i>Liabilities.</i>			<i>Assets.</i>				
	£	s.	d.	£	s.	d.	£	s.	d.
1. Treasurer of Victoria for Loans—									
Securities Issued	12,305,250	13	0						
Expenses on Issue of Securities	28,154	4	8						
Less Repayments of Principal paid to State Loans Repayment Fund	12,333,404	17	8						
				873,201	4	6			
				11,460,263	13	2			
2. Treasurer of Victoria for Advance to Country Roads Board									
Treasurer of Victoria for Liability to Consolidated Revenue for Crown Lands set apart. Section 25, Act 5107									
Treasurer of Victoria for Amounts Paid from Consolidated Revenue—									
(a) Purchase of Motor Vehicles				2,595	7	7			
(b) Costs of Administration				174,223	0	4			
(c) Interest on Loans				165,200	1	9			
				342,027	9	8			
5. Sundry Creditors									
6. Sundry Persons for Amounts held in Trust									
7. Profit on Working of Station Properties—									
Less Revenue Account Deficiency—									
Accumulated Deficiency to 30th June, 1948	130,073	8	3						
Deficiency for year ended 30th June, 1949	130,347	17	10						
	260,421	6	1						
				129,985	19	1			
1. Land and Improvements on Hand—									
Purchase of Land	5,392,315	10	4						
Less Disposals of Land, Section 8, Act 5179	203,122	7	9						
Development and Improvement of Estates Interest on Expenditure for Land and Improvements Capitalized	5,189,193	2	7						
	1,542,399	1	2						
	104,202	13	6						
	6,835,794	17	3						
2. Sundry Persons for Disposal of Land, Section 8, Act 5179—									
Sundry Persons, Capital Liability, Land and Improvements	109,364	10	1						
Less Payments in reduction of Land and Improvements	109,364	10	1						
Sales by Contract, Capital Liability, Land and Improvements	93,557	17	8						
Less Principal due and payable	11,449	10	5						
	82,108	7	3						
Payments in reduction of Land and Improvements	60,415	8	5						
	21,692	18	10						
Sales by Contract, Capital Liability, Crown Lands included.. .. .									
	200	0	0						
	21,892	18	10						
3. Advances for Purchase of Land, &c., Section 45, Act 5179—									
Single Unit Farm—Advances									
Less Principal due and payable	32,021	15	10						
Payments in reduction of Advances	53,437	11	11						
Payments held in Mortgagees' Credit Account	30,402	12	0						
	115,861	19	9						
	4,201,963	10	6						
4. Advances for Improvements, Stock, Implements, &c., Section 58, Act 5179—									
Mortgagors' Advances									
Less Principal due and payable	2,218	3	6						
Payments in reduction of Advances	850	0	0						
	3,068	3	6						
5. Suspense Accounts for Stock, Plant and Material on Hand not yet allocated									
6. Live Stock on Station Properties at valuation									
	7,608	4	5						
	220,791	5	9						
	98,219	0	0						

	£	s.	d.	£	s.	d.	£	s.	d.
7. Sundry Persons for Arrears—									
(a) Principal—									
Single Unit Farm—Advances	414	16	11						
Mortgagors' Advances	28	3	6						
				443	0	5			
(b) Interest—									
Single Unit Farm—Advances	721	1	3						
Mortgagors' Advances	13	1	6						
				734	2	9			
(c) Interest on Overdue Instalments—									
Single Unit Farms—Advances				7	4	4			
8. Sundry Debtors							1,184	7	6
9. Sundry Persons for Interest and Rents Accrued due to 30th June, 1949, but not yet payable							51,163	9	11
10. Advance to Country Roads Board							20,331	4	11
11. Balance of Loan Proceeds							5,000	0	0
12. Balance in Soldier Settlement Trust Account in Treasury							419,091	6	9
13. Buildings, Plant, and Machinery—							14,377	12	2
Portable Huts	11,733	11	5						
Less Depreciation	3,423	15	0						
				8,309	16	5			
Storeyards	18,109	2	6						
Less Depreciation	6,489	4	10						
				11,619	17	8			
Residences of Officers	8,388	14	3						
Less Depreciation	479	11	2						
				7,909	3	1			
Supervisors' Offices	1,394	17	4						
Less Depreciation	69	14	10						
				1,325	2	6			
Plant and Machinery	73,791	9	6						
Less Depreciation	34,772	18	9						
				39,018	10	9			
14. Shares held in Kyabram Co-operative—Fruit Preserving Co. Ltd.							68,182	10	5
15. Sharefarming Agreements							2,144	0	0
16. Heytesbury Experimental Area							214	7	3
							779	15	6
							11,969,338	11	2

* Subject to Live Stock on hand being realized at valuation. When the final profit is determined the amount will be available for payment to Consolidated Revenue.

E. SINGLETON, Secretary.
 REX R. NEAL, Accountant.

H. L. SIMPSON, Chairman.
 H. HOLMBERG, Member.
 SYDNEY J. KING, Member.

The accounts of the Soldier Settlement Commission have been audited and, in my opinion, the balances shown in the Balance Sheet properly disclose the position of the Commission's accounts as at 30th June, 1949, and the Revenue Account and the statement of Receipts and Disbursements correctly summarize the transactions of the Commission during the year ended 30th June, 1949.

F. A. PEVERILL, Auditor-General.
 9th November, 1949.

SOLDIER SETTLEMENT COMMISSION.

SOLDIER SETTLEMENT ACTS.

STATEMENT OF RECEIPTS AND DISBURSEMENTS FOR FINANCIAL YEAR ENDED 30TH JUNE, 1949.

		<i>Receipts.</i>					
		£	s.	d.	£	s.	d.
Payments to Consolidated Revenue—							
Interest on Land and Improvements	.. .. .	..	..	..	1,558	15	4
Interest on Advances	.. .. .	..	..	..	64,657	9	0
Rents and Agistment	.. .. .	..	..	..	116,352	1	5
Proceeds, Sale of Motor Cars	.. .. .	..	..	..	181	16	2
Ascertained Profit on Trading in Live Stock	.. .. .	..	..	..	29,872	4	0
Sundries	.. .. .	..	..	..	7,578	4	9
							220,200 10 8
Payments to State Loans Repayment Fund—							
Proceeds, Sale of Land and Improvements	.. .. .	..	..	..	111,302	15	0
Payments in reduction of Advances	.. .. .	..	..	..	107,788	15	9
Proceeds, Sale of Stock, Wool, Plant, and Material	.. .. .	400,262	2	8			
Less Amounts transferred to Consolidated Revenue	.. .. .	74,516	0	7			
					325,746	2	1
							544,837 12 10
							765,038 3 6
		<i>Disbursements.</i>					
Expenditure from Consolidated Revenue—							
Proportion of Commissioners' Salaries	.. .. .	..	..	..	4,213	2	5
Salaries and Wages	.. .. .	..	..	..	42,929	18	9
Travelling Expenses	.. .. .	..	..	..	4,095	0	7
Stores, Equipment, and Incidentals	.. .. .	..	..	..	1,336	11	1
Postage and Stationery	.. .. .	..	..	..	1,633	16	10
Printing and Stationery	.. .. .	..	..	..	2,117	3	2
Maintenance of Motor Vehicles	.. .. .	..	..	..	505	11	4
Expenses of Local Committees	.. .. .	..	..	..	35	13	2
Valuation Fees	.. .. .	..	..	..	288	3	0
Upkeep of Commission's Property	.. .. .	..	..	..	141	16	7
							57,296 16 11
Pay Roll Tax	.. .. .	..	..	..	1,180	13	5
							58,477 10 4
Expenditure from Loan Act 5107—							
Purchase of Land	.. .. .	..	..	..	1,395,750	6	10
Advances—							
For Purchase of Land, &c.	.. .. .	..	..	..	1,460,838	10	3
For Improvements, Stock, Implements, &c.	.. .. .	..	..	..	4,226	7	11
							1,465,064 18 2
Irrigation Development	.. .. .	..	..	..	80,058	14	3
Other Expenditure—							
Development and Improvement of Estates	.. .. .	..	..	..	971,507	5	5
Buildings, Plant, and Machinery for Development	.. .. .	..	..	..	40,822	14	5
Purchase of Stock, Plant, and Material	.. .. .	..	..	..	223,945	8	8
Shares in Kyabram Co-operative Fruit Preserving Co. Ltd.	.. .. .	..	..	..	2,144	0	0
Share-farming Agreements	.. .. .	..	..	..	2,112	12	7
Heytesbury Experimental Area	.. .. .	..	..	..	276	0	6
							1,240,808 1 7
							4,181,682 0 10
							4,240,159 11 2

E. SINGLETON, Secretary.
 REX R. NEAL, Accountant.
 9th November, 1949.

H. L. SIMPSON, Chairman.
 H. HOLMBERG, Member.
 SYDNEY J. KING, Member.
 9th November, 1949.

E. A. PEVERILL,
 Auditor General,
 9th November, 1949.