

CHAPTER FIVE

'ANY MUG CAN BE A FARMER'

"Provision of opportunities for 'small' men to go on the land became an end in itself pursued too frequently with scant regard for economic efficiency, biological appropriateness or, ironically, human dignity".

L.J. Peel, in G. Alexander & D.B. Williams, ed., *The Pastoral Industries of Australia*, Sydney, 1973, p.73.

In the mid 1920s it became abundantly clear that the schemes in every state of Australia had experienced endemic problems, as the losses sustained "were of a magnitude never anticipated" in the original discussions.¹ The dream was severely damaged, though not completely shattered, such was the blinkered obsession of a young nation with the development of agriculture as the source of its potential progress. A heavy promotion of land settlement was maintained despite the fact that manufacturing was poised to develop following war-time stimulation. The settlement of new marginal land was supported for Australians and for British migrants, even when the early 1920s saw a swift deterioration in the prices of the products produced by closer settlement.²

The situation may have been acceptable if it had resulted in a contented and successful yeomanry. But in so many cases the settlers were pioneering under the most difficult conditions and were accumulating large debts in the process.

¹ Rural Reconstruction Commission Second Report, *Settlement and Employment of Returned Men on the Land*, 18 January 1944. p.5.

² The dairy farmers were hit first in 1921-22. Lake states that in 1925 butterfat was nearly 1 shilling per pound below the cost of production. In 1924 potatoes were selling at half the cost of production and in 1923 fruit prices collapsed. M. Lake, *Limits of Hope*, Melbourne, 1987, pp.130-1.

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"Repatriated"

This cartoon indicates that the reality does not compare with the dream

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REPATRIATED

Many simply gave up the struggle to remain on their farms. For example, over 700 returned soldiers were settled in the Stanthorpe district of Queensland between 1918 and 1929, but by the end of the period only 122 remained. A large number of those were newcomers: only 72 had been on the settlement for more than seven years.³ Any attempt at patching the scheme by amending legislation had achieved limited success, and the consistent injection of ever-increased funding did not result in the retention of more settlers on their farms. By 1929, one-quarter of soldier settlers had left their farms in New South Wales, Victoria, Western Australia and South Australia; almost 40 percent had left their farms in Queensland and a massive 61 percent had left in Tasmania.⁴ The social cost was high and the budget blow-out was massive as the following table indicates.

TABLE 5.1

COMMONWEALTH AND STATE FINANCIAL RESPONSIBILITIES WITH REGARD TO SOLDIER SETTLEMENT IN POUNDS

State	Gross Losses	Commonwealth Half Share	Amount Contributed	Further Amount Commonwealth
NSW	7,003,950	3,501,957	2,612,215	889,760
VIC	7,721,891	3,860,945	3,331,193	529,752
Q'LD	1,853,315	926,657	817,272	109,385
SA	3,565,829	1,782,914	977,927	804,988
WA	2,059,368	1,029,684	1,477,688	Nil
TAS	1,321,169	660,585	546,688	113,897
Total:				----- 2,447,782

Source: Mr Justice Pike, *Report on Losses Due to Soldier Settlement*, 1929, p.9.

³ D. Parker, *An Assessment of Stanthorpe Soldier Settlement 1915-1930*, BA Hons thesis, UNE, 1982, p.iii.

⁴ *Australians: A Historical Atlas*, Gilbert & Inglis, ed., Sydney, 1987, p.84.

The *Report of the Royal Commission on Soldier Settlement* (1925) endeavoured to explain the complexity of the situation in Victoria and its possible remedy:

The position may be likened to a tangled fishing line which is to be straightened out, not by violent and impatient tugs, but by the appropriate handling of each knot, with infinite care to avoid making new ones, while the sharp knife of the irresponsible onlooker is kept at a safe distance.⁵

By 1927, eleven years since the first soldiers returned to Australia, the Commonwealth felt oppressed by its land settlement funding responsibilities. Co-operation between the Commonwealth and the states had all but broken down as the latter began to refer to losses incurred in settlement as a Commonwealth debt. The 1916 Conference communique which stated that losses should be shared had suffered state mutation. Nevertheless, Commonwealth action was forthcoming when the July 1927 Conference resolved that the matter should be finalised by a financial settlement agreement.⁶ A press statement confirmed the Commonwealth's intention that Mr Justice Pike of the New South Wales Land and Valuation Court would conduct an Enquiry into Soldier Land Settlement. He was to determine the total losses sustained by the respective states, the principles for final adjustment, whether any state required special assistance and on what basis, and to report on the steps taken by each state to recover advances from settlers who had abandoned their holdings.⁷ Pike approached Prime Minister Bruce requesting Royal Commission status for the Enquiry in order that evidence could be taken on oath and to enable him to "insist on any information" which he considered essential to the outcome of his report.⁸ This request was denied because elevation to Royal Commission status might be resented.⁹

⁵ *Report of the Royal Commission on Soldier Settlement*, Melbourne, 1925, p.18.

⁶ Report of the Conference of the Commonwealth and the States held in Sydney, July, 1927, AA, A.458 S394/2.

⁷ Department of Treasury to Prime Minister's Department, 2 April 1928, AA, A.458 S394/2/189.

⁸ G.H. Pike to S.M. Bruce, Prime Minister, 18 November 1927, p.1, AA, A.458 S394/2.

⁹ The states might resent this status.

According to Bruce, it was extremely important to try and retain the spirit of co-operation which was pledged at the 1916 Conference.¹⁰

The Pike Report listed the following main causes of failure:

1. Want of Capital;
2. Want of home maintenance area;
3. Unsuitability of settlers; due to a large extent to war services and want of training;
4. Drop in the value of primary products, chiefly on irrigation areas.¹¹

Pike was forced to ignore the terms and conditions of the scheme despite the fact that they were determined by state legislation and contributed to hardship.

Clearly, the decision to offer a farm block to many unqualified and 'penniless' soldiers on their return from the front contributed to a high failure rate. This overwhelming wave of generosity converted the scheme into the expression that every 'mug' had the right to be a farmer. To disqualify a soldier because he lacked capital was held to be inconsistent with the egalitarian spirit of Australian society. Yet in 1916, when soldier land settlement commenced, the Final Report of the *Royal Commission into Closer Settlement in Victoria (Irrigable Districts)*, stated in its recommendations: "that the attempt to provide for men who are not adequately financial be abandoned".¹² This warning was ignored. Instead, any chance of a successful outcome was swept away by the euphoria of a youthful nation wishing to make a public display of its gratitude to its ex-servicemen for their war service.

¹⁰ Prime Minister to Mr Justice Pike, undated, file reference S.374/2/-, *ibid*.

¹¹ Justice Pike, *Report on Losses Due to Soldier Settlement*, Government Printer, 24 August 1929, p.23, *ibid*. Home maintenance was the amount of land required to provide a living.

¹² Final Report of the *Royal Commission into Closer Settlement in Victoria (Irrigable Districts)*, 1916, Recommendation 22a No.12, p.76.

Marilyn Lake shows that the possession of capital was a definite advantage to a successful outcome. In the Korun burra district of Victoria in 1925, those who had maintained their repayments on establishment loans had all possessed private capital as well as the settlement advance when taking up their block.¹³ In a Victorian sample dated 1937-8, 84.9 percent of those still on the land had some initial capital.

TABLE 5.2

PERCENTAGE OF SETTLERS WITH CAPITAL BY DISTRICT IN VICTORIA:
N=33

District	Nil:	1-100	101-55	500-1,000	1,001 +
		<u>Pounds</u>			
Melbourne	25.9%	49.3%	22.4%	2.4%	Nil
Mallee	32.2%	33.4%	32.3%	1.1%	1%
Hamilton	8.5%	27.7%	55.3%	8.5%	Nil
Geelong	20.8%	52.1%	22.9%	4.2%	Nil
All settlers	24.0%	40.7%	31.5%	3.4%	0.4%
Those still in occupation in 1937-38	15.1%	34.8%	43.8%	5.4%	0.9%

Source: M. Lake, *Limits of Hope*, Melbourne, 1987, p.113.

Capital allowed Robert Wight to take up a failed farmer's block at Woodside, Victoria. He purchased good stock with his savings and practised "scientific farming". In addition he obtained the latest farm technology with loan money in order to establish himself on an equal footing with other farmers in the district. This contrasted with settlers who lacked capital, who were censured if they indulged in the purchase of a mechanical tractor when a horse could adequately fulfil the task.

¹³ Lake, *Limits of Hope*, *op. cit.*, p.109. These amounted to 14 settlers out of 343 at Bena, Victoria.

Despite a debt of over 450 pounds, Wight was commended by the Board because of his ability to adapt to modern ways. He also received an additional 100 acres of land, bringing his total area to 332 acres. Lake points out contending ideologies in the Board's attitude to settlers. She also quotes the inspection report concerning Wight which leaves no doubt that the Board considered that ex-servicemen with capital were advantaged: "a combination of private capital and state intervention ensured his ultimate triumph".¹⁴ A sympathetic attitude on the part of the district inspector was important to land retention. If a settler was designated a "trier" or a "hard worker" he was more likely to have a temporary suspension of interest rate payments or the revaluation of his land. Undoubtedly, the fact that Wight was considered a "trier" helped to gain favourable consideration for his request for additional land.

Many settlers were criticised for spending too much of their advance on accommodation. Others battled for some years with their families in tents or humpies in order that the full advance could be invested in the farm. The possession of capital advantaged the settler greatly, as the advance provided for the necessities of farm life at a primitive level. There was no margin for the rise in the price of farm equipment, stock or a house; little allowance for fluctuating market prices or poor weather conditions.

In the long term, capital did not ensure success if the block was too small to provide a living area. A home maintenance area was the amount of land to provide for a family in modest comfort using the basic wage as a standard.¹⁵

¹⁴ File of R. Wight, SDL1759, Inspector's Report, 12 April 1933, VPRS 10381, item 508, cited in Lake, *Limits of Hope, op. cit.*, pp.130-1.

¹⁵ The Harvester Judgement 1907 was the decision to calculate a basic wage on the amount of remuneration required to keep an adult male and his dependants "appropriate to the normal needs of the average employee", *Australians: A Historical Dictionary*, Aplin, Foster & McKernan, p.187.

It was believed at this time that a small block was essential for a settler on a restricted budget; the larger the block, the more capital and labour was required. Some settlers were lucky enough to be allocated good land and what turned out to be a sensible acreage. John Davis's farm in the Western District of Victoria consisted of 114 acres which could support 30 milking cows at a time when experts were making the erroneous claim that 20 cows constituted a living area for a dairy farm.¹⁶

In contrast the Kentucky Group Settlement in northern New South Wales was one of the first to be acquired, and disputes about block size began when subdivisions for fruit growing commenced in 1917. Inspector Albert Smith of the Returned Soldiers' Settlement Branch recommended the average farm on Crofts' Estate should be between 32.3 and 38.7 acres; whereas a handwritten minute estimated the Lugwardine Estate should be an average size of 21.5 to 27.6 acres.¹⁷ One farm was a mere 12 acres. Continual protest and disputes concerning farm size accompanied the first settlements, and in 1920 a deputation of representatives from Kentucky told the Chairman of the Soldier Settlements' Board of Enquiry that in their "short experience ... nothing under 100 acres [was] a living area".¹⁸ Local men backed their claim, that a living area was more than 100 acres at Kentucky.

¹⁶ Lake, *Limits of Hope*, *ibid.*, p.118

¹⁷ M.J.U. O'Sullivan, *A New South Wales Land Settlement Study: Kentucky Soldiers' Settlement 1917-1975*, B. Litt. thesis UNE, 1976, pp.60-4.

¹⁸ Copy of Report entitled 'Kentucky Winter Relief', p.2., cited in O'Sullivan, *ibid.*, p.64.

The number of amalgamations which occurred in the very early years of the Kentucky settlement gave credence to their evidence.¹⁹ O'Sullivan states that the wide range of opinion concerning the optimum size for Kentucky Estate blocks reflects confusion on the part of the experts.²⁰

Unlike John Davis's Western District block, many of the areas developed for settlement were unsuitable. Modella in the Koo-wee-rup Swamp of Gippsland in Victoria was created by the division of existing farms to accommodate twice the number of settlers.²¹ Modella had many problems. It was carved out of land within the borders of the Koo-wee-rup Swamp in the south-eastern section of an area which consistently suffered from flooding from the Lang River and the King Parrot Creek. Initial promises of drainage were not fulfilled despite the fact that farmers suffered repeated flooding, and the Board acknowledged that the success of the settlers was dependent on permanent drainage.²² At Hagelthorns, a nearby estate, the blocks were actually under water when survey work was undertaken for drainage in 1921.²³

Eventually completed, the scheme still could not fully alleviate the problem of flooding. Indeed, the 1936 *Royal Commission to Investigate the Administration of the State Rivers and Water Supply Commission (Victoria)* heard evidence from local land holders which stated that "conditions of drainage on the swamp had never been worse".²⁴ Victorian funds were spread too thinly, and the problems were compounded when the blocks were too small to support a family.

¹⁹ Amalgamations began as early as 1920. F. Boddington's report on the Kentucky Estate lists seventeen settlers who had recently had land added to their allotments and notes that three more were currently short of requirements. O'Sullivan, *ibid.*, p.66.

²⁰ *Ibid.*, p.61.

²¹ L.M. Key, 'Closer Settlement', N. Gunson, ed., *The Good Country: Cranbourne Shire*, Melbourne, 1968, pp.192-3.

²² *Ibid.*, p.193.

²³ *Ibid.*, p.194.

²⁴ *Ibid.*, p.206.

Poor land resulting in crop failure, or the unsuitability of land for its recommended use, was a continuing feature of the Mallee, the south-west of South Australia and the south-west of Western Australia. Even farmers with considerable capital could not overcome the problems of inadequate land. For instance, Jacob Bellman was allocated 754 acres of Green Mallee near Pirlta in Victoria. He went on to his farm with 500 pounds, seven horses and harness. But in 1933, when he was aged 65 and had struggled for years, his prospects were reported by the Board to be poor because of the land:

The soil generally consists of grey limestone rubble which will only produce payable crops in very wet seasons. This class of country is unsuitable for wheat growing at the present ruling price of wheat and with the light rainfall received in the Mallee it is a very doubtful proposition even under normal conditions.²⁵

He surrendered his block the next year and was described by Lake as a man "broken by the aridity of the soil".²⁶

At Stanthorpe in south-west Queensland the prevailing attitude was that if the soil was dark, then it must be fertile. West of the railway line the soil was found to be shallow, yet authorities recommended vegetable growing to provide a cash flow until the young fruit trees could bear. Much of the land was denuded of nutrients. Consequently, it took numerous applications of fertiliser in order to produce an acceptable vegetable crop. Overall, market gardening and fruit growing in Stanthorpe in the very early years of soldier land settlement were difficult because of local conditions, and there were a number of failures along the way.²⁷

²⁵ Lake, *Limits of Hope*, *op. cit.*, pp. 23-4.

²⁶ *Ibid.*

²⁷ Parker, *op. cit.*, p.103.

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The Shovel Brigade

No modern equipment for these pioneers

Picture by courtesy of the Australian Broadcasting Corporation

Ron Iddon & John Mabey, *A Big Country: Stories about the People of Australia*,
Adelaide, 1983, p.132.



The beginning — 'the shovel brigade'

Nevertheless, Parker points out that the main problems experienced by Stanthorpe settlers were different from those listed by Justice Pike in his *Report on Losses, 1929*.²⁸ Unlike many settlements around Australia, the ex-servicemen at Stanthorpe experienced excellent supervision and training. In addition, there was plenty of land available for amalgamations. But despite this help, many of the ex-servicemen sent to Stanthorpe were unsuited for farm management. Nor were some settlers prepared to cope with the problems associated with extremely poor soils and the lack of water.²⁹

The training and supervision at Stanthorpe was exceptional. Many men in other states were hampered by their lack of experience in agriculture. The training farms advocated by the 1916 Conference, where "inexperienced men might serve a probationary period for the purpose of determining whether or not they had an aptitude for the work" were a token gesture only.³⁰ In the main, state governments simply could not cater for the thousands of men who gained qualification certificates because they stated that they had undertaken the odd day's work on a farm prior to war service. Frequently men were honest when they claimed that they had farming experience. Yet this proved totally inadequate when they were given a farm in a district subject to different conditions from their former employment. Many were young and did not possess self motivation and personal self discipline.

²⁸ *Ibid.*, p.105.

²⁹ *Ibid.*, p.102-4.

³⁰ *Report: Conference of Commonwealth and State Governments*, Melbourne, 1916, p.6.

The greatest disservice to ex-servicemen was the granting of qualification certificates to men who had suffered physical, mental and spiritual damage as a result of their war service. Attitudes such as those expressed by the Federal Member for Wilmot in 1916 fostered the notion that the scheme should be universal, and include many men who were prone to constant and continuing illness. "Nothing is too good for those who have come forward to fight", he claimed.³¹ State administrators placed men on the land who were suffering severe illness such as tuberculosis or shell shock in the belief that country air and outdoor work would be beneficial. 40 percent of Lake's sample of 300 were in receipt of an invalid pension at some time during their occupation of the land.³² The pension provided a much needed boost to their farm income, but often, no doubt, it did not make up for the physical disability.

Many suffered severe and continuing health problems which were not apparent when they first returned to Australia. Officials often failed to make practical judgements concerning soldiers with extreme disabilities. In addition, they did not recognise that a nervous disability was a war malady which would not be eliminated by hard physical work. Evidence given by Henry Wiltshire to the *Royal Commission into Soldier Settlement (Victoria) 1925*, stated: "the greater number of soldier settlers were affected by war disabilities in a greater or lesser degree".³³

When Percival Hollyoak was called before an Enquiry to investigate his financial position he stated that he was affected with a nervous disability and wounds to his thighs. But the Enquiry noted only a problem with drainage on his farm.

³¹ CPD, 20 May 1916, L. Atkinson, p.8135.

³² Lake, *Limits of Hope*, *op. cit.*, p.134.

³³ *Ibid.*

Two years later when he was flooded, Hollyoak was left suffering from chronic muscular rheumatism. He believed the flooding substantially contributed both to his ill health and his ability to work the farm, but the Board encouraged his efforts to remain on the land. Fifteen years later when he finally surrendered the block, his claim for re-location on health grounds was rejected by the Board. Finally, after fifteen years of deprivation and struggle, the land was designated as a non-living area. The only compensation for Hollyoak, his wife and six children was 100 pounds, little reward for the pain and hardship he had suffered.³⁴

The settlers who quit lost a great deal. Many men who left their blocks because of an overwhelming debt felt a sense of extreme failure. Instead of the breadwinner which every self-respecting husband and father aspired to be, his wife and children beheld an exhausted, often unhealthy and visibly broken man.

Such men had taken up land rejected by those before them. They cleared virgin bush of forest trees, mallee roots and, in the case of Gippsland, Victoria, endless ferns. When some settlers quit, they were often elated by the fact that they had taken independent action after having been subjected to relentless scrutiny and advice by an inspector and Board of Enquiry. Albert Facey was happy for a time on his wheat and sheep block at Narragin, Western Australia. But over a period, sporadic drought, a fire, the failure of the guaranteed wheat price in 1930-31, a dramatic drop in the price of wool, the rabbit problem and finally his own health caused him to quit. In his autobiography there is no big moment when he decided to abandon his dream: that of being independent and being "my own boss".³⁵ Instead he stated calmly: "I returned to the farm and we got busy with the job of shifting. My wife ... said that if we had stayed on the farm we would have faced starvation".³⁶

³⁴ *Ibid.*, pp. 124-7.

³⁵ A.B. Facey, *A Fortunate Life*, Melbourne, 1981, p.293.

³⁶ *Ibid.*, p.305.

Facey was typical of many returned soldiers. His belief in the independent way of life provided by soldier settlement was not the reality. Some likened their situation to that of slavery.³⁷ They were told by the inspectors and supervisors what they could produce, what animals they could buy and graze and how their advance should be spent. They often had a lien on their income which left little for living expenses. Every daylight hour was to be spent working on the farm. Time spent with mates, or having a drink in the town while catching up with farming news, was considered wasteful. For many, their lack of independence, together with a mounting debt, was too great to endure.

Personal debt was accumulated because of the high interest rates post-war. In addition, a surge of inflation brought about by the sudden influx of thousands of ex-servicemen on to farms created an immediate rise in the price of land, all farm items and stock. Elizabeth McKeown became eligible for a block through her son's death, but had no capital. By 1924 she owed 741 pounds 16 shillings and 10 pence. By 1926 she owed 1080 pounds 17 shillings and 8 pence, despite making "good progress" as far as the inspector was concerned.³⁸ The farm return could not cover the cost of establishment because of poor prices and high interest payments.

³⁷ Lake, *Limits of Hope*, *op. cit.*, p.75.

³⁸ *Ibid.*, p.109.

The wives of settlers were a determinant in the success of the farm as yeomanry was dependent on the wife's availability for farm work. Many women moved on to the block during their child-bearing years. The combination of responsibility inflicted an intolerable burden on some women, particularly on dairy farms where they were expected to do the milking and much heavy work. For instance, C.N. Norris took up a splendid block in the Western District of Victoria in 1921 on which he had cows and pigs. Five years later when Mrs Norris' health broke down through child-bearing and strenuous physical work he was forced to leave the land to look after the family.³⁹

Many women were elated, as Mrs Facey was, when their husbands admitted defeat, and were quite happy to return to life in the city. Harriet Carter, who was interviewed in the documentary film *A Big Country* in the 1970s, remembered the incessant dust and an overwhelming sense of loneliness on her Mallee block.⁴⁰ Promoters of the yeoman ideal simply assumed that the wife would share the husband's desires for land ownership and country living. The men and women interviewed for *A Big Country* were survivors of soldier land settlement in the Mallee and the fruit irrigation blocks of northern Victoria. The fact that they had remained on their farms would deem them successful. There was enormous personal pride that they had endured hardship. Their success was hard won, and the women were denied many of the "comforts" thought common place at that time.⁴¹ Jacqueline Templeton is critical of Lake's over-concentration on the victims of land settlement.

³⁹ *Ibid.*, p.188.

⁴⁰ ABC documentary film, 'Land Fit for Heroes', *A Big Country*, A.1012 1862, NLA.

⁴¹ R. Iddon & J. Mabey, *A Big Country: Stories about the People of Australia*, Adelaide, 1983, p.137.

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World War I survivors

from the television documentary *A Big Country*, 'Land Fit for Heroes', c.1970

Pictures by courtesy of the Australian Broadcasting Corporation,
Ron Iddon & John Mabey, *A Big Country: Stories about the People of Australia*,
Adelaide, 1983, p.132.



Cliff Thorne (above) and the Colemans, original World War One settlers



However, settler reminiscence reinforces the conclusion that although 71 percent of settlers in all states were still on their blocks in 1929, it was often due to great personal sacrifice on the part of families in a desperate and determined effort to remain on the land.⁴²

Undoubtedly, the eventual financial position of the settler was influenced by the farming activity undertaken, the financial commitment required for establishment and the demand for that commodity, particularly during the first five years of settlement. The dairy industry was hard hit by the price collapse of butterfat in 1921-22 when most were still struggling to establish their farms.⁴³ Butterfat was priced at 2 shillings and 8 pence per pound in 1919 but it fell to 7 pence half-penny in 1921. Throughout the 1920s, butterfat was priced well below the cost of production.⁴⁴

Dairying had been heavily promoted by the authorities as an industry which did not require large amounts of capital for establishment and one which returned a regular income. Yet experience and a good block did not help dairy farmers maintain viability with these prices. *The Royal Commission into Soldier Settlement* (Victoria) 1925, stated, "those in the dairying districts, were in such a position that, though they worked seven days a week, they could not earn one half the basic wage".⁴⁵

⁴² J. Templeton, 'Set Up to Fail?', *Victorian Historical Journal*, Vol. 59, No.1, March 1988, p.42.

⁴³ Lake, *Limits of Hope*, *op. cit.*, p.130. See also S. Wadham, *Australian Farming 1788-1965*, Melbourne 1967, p.47.

⁴⁴ Lake, *Limits of Hope*, *op. cit.*, p.130.

⁴⁵ *Ibid.*

As prices for city milk and butterfat fell, many farmers in the Koo-wee-rup Swamp settlements took up potato growing but were inundated by another flood in 1923. Fortune was not shining on these battlers, who by this time were producing 20 percent of Victoria's crop. In 1924 potatoes were selling for half the cost of production, and four years later, when many abandoned blocks had been taken up by Italian potato diggers, the entire crop was struck by disease.⁴⁶ Although vegetable prices remained reasonably stable for the Stanthorpe growers, the Victorian prices for fruit and vegetables plummeted due to a large over-supply.⁴⁷ Little account was taken of the effect on local markets of a sudden expansion in production, nor was there an organised marketing strategy for export. Apples were successfully shipped to Britain until 1925 but after that date competition became intense from the United States of America. It held an advantage due to its proximity to the market and its cold stores.⁴⁸

Undoubtedly, fundamental changes had occurred. First, there was the growing acceptance by soldier settlement committees of enquiry that many ex-servicemen, particularly those on group settlements, had not been allocated enough land to support a family. Secondly, it became obvious that in the 1920s settlers on sheep and wheat farms fared better than those on irrigation blocks growing fruit, or those undertaking small dry land farm pursuits such as market gardening.

⁴⁶ *Ibid.*, p.131 and Key, *op. cit.*, pp.198-9.

⁴⁷ Parker, *op. cit.*, p.74.

⁴⁸ *Ibid.*, p.80.

Many settlers used amalgamation to increase or diversify their production. But it was a huge gamble, and they were totally dependent on good seasons and satisfactory prices for the commodity in the years immediately following establishment. James Turner was extremely optimistic, but unlucky. In 1930, when he planted his first wheat crop of 400 acres on a group settlement block near Bunjil, Western Australia, not only were growing conditions extremely favourable but bank managers and wheat exporters conservatively estimated a return of 5 shillings per bushel.⁴⁹ They were enthused by the official campaign to 'Grow More Wheat', with a Commonwealth guaranteed price of 4 shillings per bushel.⁵⁰ So confident was the community that Turner and many others had already spent their advance of 1 shilling and 6 pence per bushel on a new tractor and other implements. Perhaps they should have been wary. Prices had been slowly falling from 1928, but any concerns they might have had were removed by the Commonwealth's financial endorsement. The poor price of 3 shillings and 9 pence per bushel in 1929, following the Wall Street crash, could be forgotten.

When the Senate failed to authorise the 1931 Bill to guarantee the wheat price already promised, and spent by many growers in advance, there was panic. Turner was horrified when the price fell to 1 shilling and 6 pence in early 1931.

⁴⁹ J.H. Turner, 'Two Decades of Primary Production 1919-39', *Early Days*, Journal of the Western Australian Historical Society, Vol.5, Part 3, 1957, p.34.

⁵⁰ Wadham, *op. cit.*, p.51.

He received the meagre return of 500 pounds which cleared his promissory notes, but gave him almost nothing to live on. The newly developing wheat growing areas of Western Australia, South Australia, the Mallee, the Darling Downs and as far west as Lake Cargelligo in New South Wales, were extremely hard hit. Sheep and wheat farmers, like Albert Facey, were delivered a double blow when wool prices failed to make double figures in pence per pound in 1931-33, falling by 40-60 percent.⁵¹

Low commodity prices and the lack of export markets for products such as fruit and butterfat in the 1920s, together with the onset of the Great Depression in the late 1920s and early 1930s, had a dramatic effect on the viability and morale of the settlers. Another irritant for soldier settlers was the rabbit pest which had spread throughout large areas of Australia. In the drought years following World War I the rabbit had "taken over" the Mallee region of Victoria, yet ex-servicemen were expected to make a living from wheat production.⁵² W.A. Bishop related the devastating impact made by plague rabbits on his father's property Wootton, near Scone in New South Wales, which was purchased in 1913.

They came in a wave from the west and there were no netting fences or obstacles to stop them. There were rabbits of all colours and mutations - black, piebald, skewbald, grey, blue and even white. They ruined the country and killed out all the grasses. When it rained they devoured the new growth before the stock got a chance at it. They burrowed in huge warrens running several hundred yards until it seemed like one continuous warren along the creek banks.⁵³

⁵¹ *Australians: Historical Statistics*, Vamplew, ed., p.223.

⁵² *Australians, A Historical Dictionary*, Aplin, Foster & McKernan, ed., p.342. The spread of rabbits throughout most of Australia had taken place by World War I. Bounties had been introduced in 1887 in New South Wales, but breeding outstripped the rabbit drives, burrow destruction and the rabbit-proof fences introduced to reduce the problem. See also D. Torrey, ed., *The Way it Was: A History of the Mallee 1910-1949*, Red Cliffs, 1986, p.109.

⁵³ W.A. Bishop, *A Hundred Years of Country Life*, Scone, 1978, p.24.

In order to gain some control of this desperate situation twenty five miles of fencing was netted six inches into the ground. Contract labourers burnt old timber and fumigated the rabbits in the burrows. Rabbit drives were held, sometimes snaring up to 2,000 carcasses, and by 1922, after the expenditure of a large amount of money and constant physical effort, the rabbits on Wootton were checked. But it was an expense too great for ex-servicemen to embrace on their blocks. Mostly, they struggled to control the pest single-handed. Albert Facey described the rabbit plague which came on to his block in 1931, the same year he suffered the catastrophic downturn in prices for his wheat and wool.

They came in thousands. They not only destroyed our crops, they also took acid grass and stock food out of our paddocks to such an extent that the sheep and cattle, or any beasts that chewed a cud, were unable to get sufficient acid food to make the stomach work to digest the food. So these animals lay down and died in horrible agony ... we lost all our cows ... and 800 sheep.⁵⁴

In Queensland and northern New South Wales, settlers often had the added problem of prickly pear infestation. This member of the cactus family had "assumed pest proportions" by 1902.⁵⁵ It was estimated that 26 million hectares were covered with pear from Mackay down to the Hunter Valley in New South Wales by 1925, and it was spreading at approximately 10 million acres per year.⁵⁶ So numerous were the plants that many farms had to be abandoned after World War I when the usual methods of containment were slashing or poisoning. *Cactoblastis cactorum* was introduced in 1926 and the infestation was controlled in the eastern states by 1934.⁵⁷ Prickly pear was a problem which the settlers could have done without.

⁵⁴ Facey, *op. cit.*, pp.302-3. Rabbits did provide a food source and some income for trappers during the Great Depression.

⁵⁵ *Australians: A Historical Dictionary*, Aplin, Foster & McKernan, ed., p.333.

⁵⁶ *Ibid.*

⁵⁷ *Ibid.*, a moth from South America

Sadly, many of the ideals declared in 1916 were never accomplished. Commonwealth and state pledges of co-operation in the administration of land settlement resulted in a budget blow-out so great that the Federal Government had to conclude a special agreement to cover debts. The bid to reduce unemployment in city centres only transferred the chaos to country settlements. Attempts to set up a contented yeomanry were discredited, and the concept of agriculture as a noble activity had to be amended when the commodities produced were depressed in the 1920s. Settlers were forced to take up extra land in an attempt to remain viable, thus emulating the larger landholder they were supposed to replace.

The social cost was great. In an attempt to foster equality, the Commonwealth embarked on a land settlement scheme for all ex-servicemen to share. But the men found that they were subjected to a type of bonded slavery when they went on to farms. Those without capital were disadvantaged, and their dreams of independence were not the reality. The size and type of land allocated varied greatly, likewise the settlers' outcome on the block. The men who returned to Australia with war injuries should not have been allocated land. It was a cruel experiment, certainly no reward, to place men with continuing health problems under rigorous working conditions. It was unfair to place the blame for their failure on the ex-servicemen. Many of Lake's interviewees recalled the physical exertions of their early years on the land as extreme, clearing virgin crown land, digging out stumps, fencing mountains and making do with very little. The yeomanry ideal in reality delivered many families a deprived lifestyle, much hard work and a burgeoning debt.

It appears that Justice Pike made no attempt to rate the reasons for settler failure in his report on settler losses.⁵⁸ Nevertheless, it is important to recognise that the main reason for the failed scheme was the drop in value of primary products. For instance, in the hypothetical situation that all World War I ex-servicemen had been allocated home maintenance areas, that every settler came to the farm with some capital and that every applicant was suitable for farm work, one could assume that still there would have been many failures due to the collapse of world commodity prices and a lack of demand from export markets. Therefore Pike's list should be re-structured to read in order of priority (1) Drop in value of primary products, chiefly on irrigation areas; (2) Want of home maintenance area; (3) Unsuitability of settlers, due to war services and want of training; (4) Want of capital.

⁵⁸ See my page 65 for Pike's list.

CHAPTER SIX

AN ASSESSMENT OF POST - WORLD WAR I SOLDIER LAND SETTLEMENT

A repatriation policy which would lead the world was the promise of Senator Millen to ex-servicemen following World War I. There was never any doubt as to whether a scheme would be introduced in Australia. Historical precedent, the attitudes of British officials to Empire migration and the accepted folklore of Australian society made settlement an inevitable consequence of this major war. However, Millen failed to foresee the problems and the frustrations which soldier land settlement would present. Without doubt the Commonwealth and the states embarked on allocating land for soldiers with good intent. The society was anxious to make public their gratitude and generosity. Yet there were fundamental weaknesses within the scheme which eliminated any chance of reaching a successful outcome.

Perhaps the greatest problem facing the Federal Parliamentary War Committee and government representatives at the 1916 Conference was the constitutional requirement that land administration was a state matter. Australia had been a Federation for only fifteen years when decisions were being made about the administration of soldier land settlement. At this time it was unthinkable that the Commonwealth should take over these duties, despite the fact that settlement was a facet of repatriation. The states possessed an experienced bureaucracy in closer settlement matters, therefore it made good sense to allow soldier settlement to remain with the states. Nevertheless, because the Commonwealth transferred responsibility in haste and with few regulations it was not surprising that tensions mounted.

Initially somewhat anxious about the task, the states had gone into open competition, their budget estimates had risen by millions of pounds in one year, and the Commonwealth recognised the difficulties they had created by placing administrative control with the states under few financial and policy safeguards. As early as 1919 the Commonwealth acknowledged that its role was confined to the management of loss.

Mr Justice Pike in his 1929 *Report on Losses Due to Soldier Settlement* investigated some of the causes of failure in order to determine which government should be responsible for the additional losses incurred. He emphasised that the states took command of the scheme, and that the Commonwealth "had no voice in this matter beyond a limited control".¹ Consequently, the states believed that they had "an uncontrollable right to expend the money in whatever way they thought fit".² Undoubtedly, Australia was hampered by the sovereign rights of states in comparison with New Zealand which was governed by a central administration. Still, any dual system of co-operative government required a strategy with built-in protection for the funding provider. With great confidence Australia launched into soldier settlement with little reference to the schemes of other nations introduced after the Anglo-Boer War, and the valuable lessons they could have provided.

Australians believed that theirs was a rich society and that any soldier settlement scheme must include all ex-servicemen, whether or not they had private means. The 1916 Conference emphasised that no restrictions should be placed on men without capital, a decision more generous than those introduced in other English-speaking countries. Furthermore, a scheme which required no deposit encouraged many unqualified applicants who saw it as an easy way to gain a guaranteed job.

¹ Justice G.H. Pike, *Report on Losses Due to Soldier Settlement*, 24 August 1929, p.8, AA, A.458 S394/2.

² *Ibid.*

They were encouraged also by the belief that Australia's future progress was totally dependent on a large and expanding agricultural sector.³ Those who managed to remain on their farms faced two decades of depressed commodity prices.

In the mistaken belief that hard physical work would cure such maladies as war trauma, tuberculosis, loss of vision and arthritis, the states approved almost every applicant for land settlement and by 1939, the number of ex-servicemen on farms had grown to a massive 39,000.⁴ Thus a scheme which was introduced for ex-servicemen who would be suitable for farm ownership was converted into an opportunity for all those who wished to apply. Pike's report stated that ex-servicemen who had disabilities when they took up the land should not have qualified, and that state governments should thenceforth take responsibility for their future.⁵ If the injury had occurred subsequent to placement on the land, the report recommended that those affected be given greater relief than ordinary settlers.⁶ He stressed that it was a travesty of repatriation justice to expect sick men to undertake difficult, physical farm work.⁷

The economic position of the nation was soon put to the test when land settlement required large subsidies for interest payments on loans and special allocations of money to rescue the states from financial problems. As soon as budgets were tight, the size of group settlement blocks became even smaller.

³ C.B. Schedvin, *Australia and the Great Depression*, Sydney, 1970, p.62. Schedvin argues that 'development' had a special meaning because it referred exclusively to land settlement and the public works projects associated with settlement.

⁴ *Australians: A Historical Atlas*, Gilbert, Inglis & Foster, ed., p.84.

⁵ Pike, Report, *op. cit.*, p.21.

⁶ *Ibid.*

⁷ *Ibid.*

The theory that a yeoman's block should be small so that labour requirements would be eliminated, created problems in a land where droughts, floods and fluctuations of commodity prices made a tiny block an uneconomic unit. Current ideas concerning the benefits of a small acreage which reduced capital expenditure proved false as the ex-servicemen struggled with post-war inflation and drought. Nevertheless, the states wanted impressive figures in their annual reports and continued to place far too many ex-servicemen on estates subdivided into group settlements for the production of poultry, fruit, vegetables, grapes and honey. These tiny farms reduced the waiting list rapidly. But there was little concern about the markets these products would serve. Instead, there was a universal belief that an increased production would surely bring added prosperity. What they failed to realise was that other food producing countries were doing likewise.

Many settlers stood no hope of success after World War I. They were too early to benefit from the scientific developments of mid-century. Not only did they have to struggle with soils which lacked trace elements but often they looked at paddocks which were teeming with rabbits or covered in prickly pear. The scheme took pride in the fact that every ex-servicemen had a chance to go on the land. Yet those without extra capital suffered. Governments tried to blame the settlers for the high abandonment rate and it was a long time before soldiers would speak out and say that they stood little chance with a scheme which was flawed from inception.

Undoubtedly, the scheme provided inadequate terms and conditions, and these varied from state to state as did the failure rate. While the overall percentage was 29 percent it ranged from 61 percent in Tasmania, 40 percent in Queensland down to 17 percent in Victoria.⁸

Despite the fact that the scheme was ill-conceived, many settlers struggled on with the help of a readjustment to their farm valuation and home maintenance area, an extension of the period for loan repayment, and product subsidies. Unable to cope with the stress of mounting debt, others literally walked away from their problems. The 1920s commodity price squeeze and the 1929 debt crisis compounded the difficulties faced by settlers. Prior to the financial crisis of 1929 the Commonwealth recognised that it could no longer sustain large investments into soldier settlement as the Commonwealth-State budget deficits were growing. In 1927 the Commonwealth approached Pike to head an enquiry into the losses sustained by Australian governments to determine who was responsible for the settlement debt. His report claimed that the Commonwealth had contributed 9,762,983 pounds to the states as their initial payment for land settlement.⁹ A further amount of 2,447,782 pounds was required by the states from the Commonwealth as a written-off amount to finalise the debt which the states had incurred to 1929.¹⁰

The social goals associated with yeomanry did not succeed. It was not possible to impart middle class status to 'penniless' farmers when they faced two decades of depressed agricultural prices after their establishment on the land.

⁸ New South Wales sustained 29 percent, South Australia 33 percent and Western Australia 30 percent. P. Dennis, J. Grey, E. Morris, R. Prior, ed., *The Oxford Companion to Australian Military History*, Melbourne, 1995, p.557.

⁹ In 1927-28 the budget deficit stood at 3.9 million pounds, 1929-30, 9.8 million pounds, rising to 26.2 million pounds in 1930-31, Schedvin, *op. cit.*, p.296.

¹⁰ Pike Report, *op. cit.*, p.9.

Politically, the scheme was an embarrassment as problems in every state had subjected the scheme to select committee enquiries, royal commissions and the Pike Report on *Losses Due to Soldier Settlement*. In relation to other areas of repatriation, the 29 percent failure rate for land settlement was unacceptable as well as a disappointment. To this extent Senator Edward Millen's high ideals were misplaced.