

by land speculations" appeared on the face of almost every schedule that was filed.

The mania for buying and selling land caused an amount of excitement far beyond that created by the discovery of so many rich goldfields. How much such a piece of land was worth per foot or per acre was in every mouth from morn to noon, from noon to dewy eve, and far into the night. No man could bring himself to laying up treasure by steadily sticking to business or following up his trade or special pursuits, but fortunes must be made in the course of a morning by attending an auction room when a land sale was to take place.

Before I proceed to relate how men became seized with a land mania, such as for a time was never paralleled at any era in any country of the world, I may briefly state what was the cause which led to the sudden building up of large fortunes, to be followed in a few years by such a crushing collapse as is beyond all precedent.

The total revenue for Port Phillip (Victoria) in 1851 was £380,000, but when the year 1852 closed the revenue had reached £1,577,000. In 1853 the amount was more than doubled. This caused an extravagant almost a wilful expenditure on the part of the Government, while to follow suit private individuals indulged in all the business which were procurable for money, or upon credit, one or the other—it was no matter which. Railway projects were started into being in 1852; a line from Melbourne to Sandridge was commenced in 1853; the Melbourne and Williamstown line shortly after; the Geelong and Melbourne about the same time. Surveys for two grand trunk lines were made; one to Castlemaine and Sandhurst from Melbourne; another to Ballarat from Geelong. The cost of these two lines was estimated at two millions of money. Prospectuses of railways, with Government guarantees or without Government guarantees, filled the columns of all the Victorian journals.

Now was the time when speculators cut up their large areas of land into infinitesimal allotments and fools bought them. Wherever a railway line was to commence there was a furious demand for sections; wherever one was to terminate the same mad desire was manifested. Wherever a station was to be placed land in its immediate vicinity was eagerly sought for. Then afterwards land sections in the towns and centres where the railways were to reach came in demand and were sold at per foot at such prices as only people afflicted with an unconquerable greed for gain would have given. This wild demand for land at the railway termini and stations, and along the proposed line suggested to the land sharks the idea of creating imaginary railways, and they were created on highly-coloured, elegantly ornamented, cunningly devised maps and plans, for which surveyors, draughtsmen, and water-colour artists were handsomely paid for preparing. If a man possessed three or four hundred acres of swamp or scrub, he would divide it into half and quarter acre sections; peg out a reserve for a church at one corner, a market-house at another, a Mechanics' Institute at another, a reservoir at another, with a railway reserve of perhaps three-quarters of an acre in the middle, then in and surrounding the property to be sold (on the plan) were beautiful green meadows upon which cattle would be seen grazing, while intervening between the pencilled outline of the distant vista would be artistically depicted some charming landscape scenery. Then, again, winding through green meadows and crossing rivers with picturesque banks would be drawn in beautiful curves a line of railway, with a locomotive and carriages standing before a corrugated station of large size and elegant proportions planted in the centre of the estate, which the auctioneer in his advertisements would announce in small and large Roman capitals and Italics, "one of the most valuable, one of the most unique, one of the grandest properties of which he had ever had the honour of being entrusted with for unreserved, unconditional, and peremptory sale, as the owner of these magnificent sections was about proceeding to Europe. The land had been so artistically laid out, that it was equally suitable whether for the noble mansion of the merchant prince, the neat cottage of the humble and hard-working mechanic, or the more pretentious residence of the well-to-do tradesman as a suburban retreat after the daily cares and harassments of the long business hours of the day." "But," continued the advertisement, "in-

dependent of the eligibility of the site, its many varied beauties, its charming proximity to a romantic winding river upon the banks of which the indigenous

wild flora of Australia Felix grew profuse to give perfume to the summer zephyrs. Independent of these and other advantages too numerous to be contained within the limits of such a notice, the great recommendation, as would be seen by the plan of the property, was that the main terminus of the Great Western branch line of the Ballarat railway, which had been brought before the Parliament of the colony, and had met with the approval of the honourable members, would be placed in the heart of the property, a reserve for which the noble and generous owner of the estate had given a free grant in fee simple to the company. "This railway," intending purchasers learned, "would, the moment the first sod was turned, quadruple the value of the sections, when probably in a few years not a foot of the ground would be parted with at a less price than at sovereigns placed edgewise on along the frontage."

Scores upon scores of such announcements would appear week after week and from month to month through the long years, and the sellers always found dupes for buyers. I will, as a type of a 1 such sales, show the nature of the "estate" here brought under notice. It was a section of three hundred and forty acres of land, bought some years previously by a rich squatter at a Government land sale, at the upset price of 20s an acre, and, consequently, the property cost the owner just £320 pounds. It was situated on the banks of the — river, near to Lake —. But the purchaser, when he came to enquire about the real value and nature of his land, learned that in winter time or during a freshet in the river his property was under water, and that the fishermen threw their nets in and caught fish for the market. So the owner, to whom the purchase money was as nothing, thought no more of his section until 1853, when the land mania was raging in a manner wonderful and fearful to think upon. Then it was, that during fine dry weather he placed the land in the hands of an auctioneer, a surveyor, and a draughtsman. Then, too, it was that being a member of the Assembly, he got a brother member to ask the hon. the member at the head of the Government whether Ministers were favourably disposed to encourage the construction of a branch line of railway connecting the Ballarat main trunk railway with the western district, terminating in the first instance at or near to or upon a Government alienated section known as the — estates. Then it was that the hon. member at the head of the Government said Ministers were only too happy (in suave accents) to become the medium of encouraging all railway enterprise, and that so soon as the plans were laid before the House the Government would give their proposals their fullest and most attentive consideration. It was then that two or three weeks afterwards another hon. member rose from his seat in the House and asked the hon. gentleman who managed the Department of Railways what had been done in connecting the main Ballarat trunk line with the western district, terminating at the junction of the — estate, the rich agricultural lands adjoining which only awaited the opening up of communication for the plough and spade to be employed by thousands of hardy and industrious agriculturists. It was then that the hon. gentleman at the head of the Railway Department rose, and said the Government to which he had the honour to belong were only too anxious that the undertaking should be commenced, but the plans had only been in part submitted to Ministers. These, so far as they went, met with their entire approval. Then it was that the papers took up the question, and somehow or other announced that the first sod would be turned on the 21st January next, and by reference to the advertisement I find that the whole of the Joyville estate was announced for the 31st December, or about three weeks before the turning of the first sod of the western branch of the great Ballarat trunk line. The sections on the great day of the sale averaged throughout about £4 10s per foot frontage, the terms of sale being one-third cash, one-third by an acceptance at three months, and the balance at six, with eight per centum per annum interest added. Deducting auctioneer's commission, adver-

tising charges, and the charges by draughtsman, artist, and surveyor; deducting for the champagne lunch given on the occasion, and three bands of brass music, one of which was stationed on the top of the auction mart two hours before the sale took place, while two paraded the town; and deducting various incidental expenses such as moneys paid to reporters for praising up the property, and comparing it with Paradise before Eve was tempted and Adam fell; I say, deducting all these charges and allowing that the acceptances of purchasers would never be returned, which of my own knowledge I may say never were, the owner netted a profit of twenty-three thousand pounds, omitting shillings and pence. I know well that the auctioneer, who promised to point out the ground to purchasers after the sale, when at last and after many importunities he was prevailed upon to fix a day, and did fix a day, I know the — estate was under water, and that the purchasers were rowed over the sections which they had bought by fishermen, who charged each purchaser four shillings a-head for the risk and trouble they encountered. What I am here stating I state upon authority, because I knew the auctioneer who conducted the sale—knew him in fact as well as I know myself;—but I think it is only fair on his behalf to state that he was entirely guided by the misrepresentations of the owner of the property, and had been captivated by the beautiful plan submitted to him.

There was no mistake about those days. Hundred upon hundreds of — estates were disposed of, buyers seldom or never taking the trouble to view the lands offered for sale. They bought as a speculation to sell again, and those who bought of them did it for the same purpose. The banks were to blame for much of all the wild, mad speculation prevailing at the time. And this is how it came about:—A land speculator would buy at a Government land sale as might be, I will say, six or eight half-acre town sections, probably at a very stiff figure. He would obtain the amount of purchase money from the bank he dealt with by giving the Government receipt and afterwards the Government conveyance by way of security. Then, allowing that he had £2000 for his land he would cut it up into eighteen or twenty feet frontages, and dispose of the whole by auction, perhaps for ten or fifteen thousand pounds. He would get this enormous price by the terms on which the land was offered for sale. These were generally that one fourth of the purchase money should be paid in cash, and the remainder by bills extending over twelve months, a good title guaranteed by the seller to the buyer when the last acceptance was entered. This was the bait and a safe bait, for it always took. Then the original owner of the land would place these acceptances in the hands of his bank manager, who would discount a large proportion of them, and the money from which he would use in more land buying to mince up into pieces, to sell upon the same terms as he did the last. Then, again, those who had bought from the owner did not try to build or to cultivate. They bought to sell again, and they invariably did sell again at a profit—but then the profit and a great portion of the original cost was in acceptance. This was of no consequence, for the banks would meet a large amount of the paper. Not a man who dabbled in land but made money—on paper. I will give an instance which will serve to illustrate a thousand cases. At the time I speak of I bought two half-acre sections in the suburbs of Chilwell in the town of Geelong. I paid two hundred pounds for them—one third in cash, the balance by my acceptance at nine months. In a fortnight I sold the two sections for three hundred and fifty pounds, one third cash, and the balance at six months. The buyer within a month (the value of Chilwell sections having suddenly "jumped") sold for eight hundred pounds—one fourth cash, the balance by three, six, nine, and eighteen months bills. The buyer gave a thousand pounds upon bills extending over two years. I am not going to trace these two sections any further, beyond saying they subsequently sold for twelve hundred pounds when the market was at its height. Five years after, with two three-roomed brick cottages erected on them, they were disposed of at sixty-five pounds a-piece. Here was an acre of suburban ground, its intrinsic value being perhaps a hundred pounds, having gone through so many hands that there were over a

thousand pounds' worth of acceptances covering it before I had paid the whole of my own purchase money, and no one considering or allowing it to weigh in their minds whether if they met their bills they would be able to obtain a clear title. Well, then, at last, as might have been expected, when the crash did come, it came hot and heavy, and without giving much warning. The banks generally got out of the scrape, as banks generally do; but the land sharks and speculators were clewed up. They held tens of thousands of pounds' worth of dishonoured acceptances, the givers of which were in or had passed through the Insolvent Court; but few of them could boast of anything more. In 1860 a once very wealthy landed proprietor—neither a shark nor a swindler—took me up to the top of the clock tower of the town I dwell in, when, making a half-circle with his arm, he said:—

"Do you see all those many houses, and the land they are built on?"
I said, "yes"; and asked him what was his object in putting the question.
"My object is to tell you, for I know it, that there is not one of these properties, and the land they are built on but is mortgaged to the extent of its value, and at full current interest."
"And who," I asked, "are the people who have found the money to advance upon mortgages?"
"They are men," was the answer, "who for the most part never bought a foot of ground when the land fever raged. They are men who trusted to the profits of their business to make a pile. They added sovereign to sovereign, and stuck fast to what they made, and now these men have good sound incomes, and most of them wear very plain clothes indeed, and don't keep buggies."
I have not quite done with the land mania yet.

(To be continued.)
BY SNYDER.
No. XII.

BLACK THURSDAY.—FIRE AND FLOOD.
The sixth day of February, of the year 1851, is marked in the "memorabilia" of every Victorian almanac, published from that time up to the present, with these two words,—"**BLACK THURSDAY.**" Those living then, who live now and were dwellers in Victoria, will carry in their memories the awful surroundings of that day—a day upon which hundreds of happy homesteads were destroyed almost as it were in the twinkling of an eye; when, as far as sight could reach, travelling onwards and onwards, over blackened land, which "crackled" under the tread of men's feet, was seen and felt the destructive results of the great conflagration of that day and the night which succeeded. It was then that tens of thousands of sheep lay blackened carcasses on the wide extent of plains over which the relentless element had expended all its fury. Half a million acres of grass and herbage had been consumed in less than twenty-four hours. Homesteads occupied by the now wealthy and prospering squatter were by the fell swoop of the fire ignited rear and front, and the attempt to quench the flames could only have resulted in a miserable death to those who made it. More misery, and suffering, and terror were concentrated in those few hours than my pen can describe. It was on that day when he who now ranks among the very wealthiest of the land and stockholders of New Zealand, and whose name is honoured in our Councils, saw his farm buildings destroyed so quickly that he had scarce time to save the children who had been born to him from the time when he went upon his land, living with his wife in a bark hut, until he had, little by little, and bit by bit, through sheer industry and long waiting raised it as something worthy of striking the artist's eye. Not only was his dwelling consumed, with all that it contained, but his stacks resolved themselves into ashes, his barns fell in a whirl of flame, his fences were long lines of living fire, and only the land, which the flames could not destroy, was left. And what happened to him happened to many; but within six months of all the fearful destruction the Ballarat goldfields were discovered, and a general prosperity followed with rapid footsteps upon ruin.
Black Thursday can never be effaced from my memory. Early in the morning—it would be about 7 o'clock—the wind, which had throughout the night been blowing from the eastward, suddenly changed and came direct from the north-